

Board Communique: March 2021

The Energy Consumers Australia Board met via video conference on 18 March 2021.

Reference Committee

The Board held the first meeting of the calendar year with the Reference Committee. The Reference Committee was joined by Cynthia Gebert, Energy and Water Ombudsman Victoria, as an observer.

Committee members provided updates on key issues in each jurisdiction. Members continue to express concern for households and small businesses who are experiencing payment difficulties and accruing energy debt, noting changes in the government support measures will further impact these consumers. Members also noted ongoing concerns about the potential price impacts of transmission investment and of the longer-term transition away from natural gas in some jurisdictions.

Members discussed the transition underway in homes and small businesses as small consumers invest in small-scale energy generation and storage in their own homes and businesses. Members considered the issues relating to controlling generation that is exported to the grid from technologies such as solar panels, batteries and electric vehicles and the circumstances in which a social licence may be required. Members discussed the importance of considering equity issues for consumers who cannot access such technologies. In particular, members considered learnings from outside the energy sector and noted that social licence is dynamic and, in some circumstances, can be quickly revoked.

Priorities and emerging consumer issues

The Board was briefed on the staff strategy and planning session held in late February in preparation for developing our Strategic Plan 2021-24. This process helped to identify key priorities where ECA could have influence and impact and which will contribute to our vision that **consumer values, expectations and needs are realised through a modern, flexible, and resilient energy system.**

The Board noted increasing levels of activity on energy transition policy across jurisdictions as states respond to their own unique situations. In this context, finding opportunities for greater collaboration, connection and shared benefit and the national level, including through the Energy Security Board's (ESB) Post 2025 Market Design package, is critical. Energy Consumers Australia is well positioned both as an essential participant in this process and also through strong engagement with jurisdictions, providing powerful evidence-based advocacy that advances the future interests of consumers.

Staff briefed the Board on the Post 2025 Market Design package progress. The Board noted the importance of this work in addressing the system security issues associated with both small and large-scale renewable generators entering the market and thermal generators exiting. It is critical that the ESB's package include a plan to support the second transition underway in energy homes and businesses which creates the potential for flexible new energy resources to lower bills and future energy system costs. At a minimum, Post 2025 Market Design package must provide a roadmap for innovation in energy services that can deliver better outcomes for all energy consumers.

The Board noted that there had been substantial work across our advocacy agenda since the last Board meeting which focused on the smart integration of distributed energy resources which can deliver individualised energy services and help rebuild trust and confidence in the sector.

This approach is also evident in the significant work program underway in our research directorate. The Board was updated on recent research, including the report *Social Licence for the Control of Distributed Energy Resources*, which provides a tool to help decision-makers create and maintain social licence and so improve consumers' acceptance of distributed energy resources integration policies and programs. The Board was also updated on the significant work being done to improve the impact, transparency, and sustainability of Energy Consumers Australia's Grants Program through our current review, as well as moving to an online grants management system.