

## **Board Communique: April 2017**

The Energy Consumers Australia (ECA) Board met in Hobart on 20 April 2017. The key focus of the Board's activities was meeting Tasmanian energy market stakeholders to understand their issues and priorities. The Board also met the ECA Reference Committee to discuss critical energy market issues and processes.

The Board meeting was preceded by a Stakeholder Forum on 19 April. The Forum was well attended, with 40 participants from a wide variety of stakeholder groups including residential and business consumer advocates, government, industry and researchers.

The Forum heard presentations on:

- Research into thermal comfort by Dr Philippa Watson of the University of Tasmania.
- Insights into Aurora Energy's YES hardship approach by Grant Russell, Chief Operating Officer, Aurora Energy.
- Insights from TasNetworks' customer engagement approaches by Bess Clark, General Manager, Strategy and Stakeholder Relations.

Attendees at the Stakeholder Forum raised a range of issues about the current challenges in Tasmanian energy markets, including the ongoing appropriateness of current policy settings around the export of electricity and pricing in light of changes in the National Energy Market. In this context, the Forum noted that TasNetworks now sees the electricity distribution system as an enabler in the same way that infrastructure in other sectors has enabled the development of the sharing economy in those areas.

A key concern of all participants was electricity pricing. The Forum noted that efficiencies in the operation of Tasmanian energy businesses had achieved material cost savings. Nevertheless, Forum participants reported substantial increases in the prices being quoted to small and medium businesses for their next electricity contracts. The Forum noted the potential economic impact of higher prices particularly to production and employment.

On 20 April, the Board met with the Energy Consumers Australia Reference Committee. Under the <u>Energy Consumers Australia Constitution</u>, a Reference Committee exists "to act as an advisory group to the Board on Consumer Energy issues". The Reference Committee meets to discuss the energy market issues and processes of greatest significance and provide advice to the ECA Board.

At this meeting the Reference Group discussed the <u>Independent Review into the Future Security of the National Electricity Market</u> (NEM) (the Finkel Review) and the recently announced <u>review of retail energy markets</u> by the Australian Competition and Consumer Commission (ACCC).

The Reference Committee discussed the role that ECA can play in facilitating beneficial consumers' outcomes in these processes. As this was the last meeting of the inaugural Reference Committee, Energy Consumers Australia Board Member and Reference Committee Chair, Ms Clare Petre, thanked members for their significant contributions over the past two years. Membership of the next ECA Reference Committee will be finalised in the coming months.

The Board received its regular update from the CEO on ECA's administration and activities. The Board also discussed a number of governance and administrative issues, including the strategic planning process.

The next ECA Board meeting will be held in Sydney, on 25 May 2017. That meeting will make decisions on grant applications submitted by 13 April 2017.