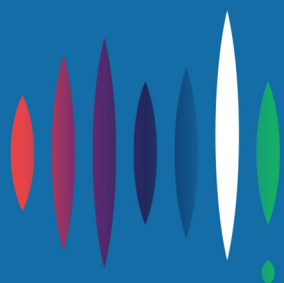


# Business Plan

Promoting the long-term interests of consumers  
of energy

2019-2020



**ENERGY  
CONSUMERS  
AUSTRALIA**

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## Version history

VERSION	DATE	COMMENTS
1	September 2018	Original
1.1	July 2019	Impact

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## Chair Statement

It is not an overstatement to say that the next few years are critical for our energy future and the role power plays in the health and success of the community and the economy. High electricity and gas prices, and an uncertain and at times disorderly process of transition in the energy market, has stretched household budgets and undermined the competitiveness of our small businesses. At the same time, the community's trust and confidence in the market has been shaken and a perception of risk has slowed the investment in new supply needed to bring prices down.

The effort to turn this around must start with listening to the voice of consumers, who are telling us that they want comfortable homes, competitive businesses and bills that don't make them so anxious they put off opening them.

This is the critical context for Energy Consumers Australia's Business Plan for 2019-20 – a research, advocacy and collaborative agenda to speak-up for consumers about the urgent affordability challenges and, longer-term, the bigger re-set and plan needed for a sector in transition.

In a complicated and contested environment, this Business Plan places a premium on clarity and straightforward objectives to ensure Energy Consumers Australia can make an impact. It therefore seeks to leverage our expertise to effect significant change in the long-term interests of consumers for an energy market delivering services which are *affordable, individualised and optimised*. It monitors one critical aspect of progress on these objectives through our biannual Energy Consumer Sentiment Survey, which tracks value for money, confidence and trust in the sector.

No one organisation or part of the sector can deliver the change we need for households and small businesses. That is why Energy Consumers Australia continues to support strong and diverse energy consumer advocacy and research through the Grants Program in this Business Plan.

At Energy Consumers Australia we are convinced that a competitive and innovative energy market is within reach, providing we work together, get the market design right, provide the right support where it's needed and above all else, listen to the voices of consumers.

**Louise Sylvan AM**  
**Chair**  
**Energy Consumers Australia**



## About ECA

Energy Consumers Australia is an independent company established by the Council of Australian Governments Energy Council (COAG Energy Council) to provide residential and small business consumers with an influential voice in national energy matters. It is incorporated as a company limited by guarantee and funded by consumers from levies collected by the Australian Energy Market Operator (AEMO).

Our Constitution<sup>1</sup>, defines our Objective as well as the Activities to achieve it.

### Objective

“To promote the *long-term interests of Consumers of Energy* with respect to price, quality, safety, reliability and security of supply of Energy services by providing and enabling strong, coordinated, collegiate evidence-based consumer advocacy on National Energy Market matters of strategic importance or material consequence for Energy Consumers, in particular Residential Customers and Small Business Customers.”

### Activities

- Effectively and objectively participate in National Energy Market issues and influence regulatory activities and energy market reform to benefit consumers
- Engage and communicate with consumers and consumer advocates about NEM policies, reforms and issues
- Build national and jurisdictional expertise and capacity through research, knowledge development and consultation
- Undertake robust research to build knowledge, engage and influence policy development and educate consumers in the energy markets
- Fund and manage grants to build knowledge and sectoral capacity supporting policy development and consumer education in the National Energy Market
- Create and maintain effective working relationships with key stakeholders
- Develop and apply an understanding of the distinct market differences between jurisdictions within the National Energy Market
- Frequently and collaboratively engage and communicate with representatives from the Energy Industry on issues in the interests of Consumers.

In performing these Activities, Energy Consumers Australia must have regard to any relevant objectives<sup>2</sup> set out in the National Energy Laws.

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<sup>1</sup> Energy Consumers Australia Constitution. While the company has only one member (the South Australian Minister) the constitution itself is agreed by the COAG Energy Council.

<sup>2</sup> National Electricity Objective (Section 7 of the National Electricity Law)



## Priorities for Energy Markets

Energy Consumers Australia's Board has used information from consultations with its Reference Committee, Stakeholder Forums, Community Listening Tour events and Foresighting Forum discussions, to identify three key Priorities for Energy Markets that will promote the long-term interests of residential and small business consumers and support the move to a consumer driven National Energy Market.

Consumers are telling us that energy affordability is their number one concern. They want comfortable homes, competitive businesses and bills that don't shock them. Australian households and small businesses are telling us they are not getting good value for their energy services and after a decade where bills have almost doubled, they lack confidence that the market is working in their interests or will do so in the future.

To turn things around, government, rule makers, energy companies and the whole energy sector, needs to empower consumers to drive decision making about the future energy system.

Consumers say they are not currently empowered with the right information, tools and the support they need to drive competition and manage their energy use. They do not have real options that allow them to exercise choice about the best deal for them in the market.

Consumers are eager to take charge and are reaching out for greater control over their energy use and costs but they are telling us they have done everything they can within the constraints of the energy market.

The priorities: affordable, individualised, optimised energy services:

### 1. Affordable

Affordability must be a constraint on all our investments and decisions about energy – an explicit criterion in our decision-making up and down the supply chain.

### 2. Individualised

Energy services must be built around individuals to reflect their unique circumstance; enabling people to easily manage their own use and costs

### 3. Optimised

Existing and future investment in the power system – networks, generation and retail – must be optimised based on consumers demands that not one more dollar is spent than required, and new investments are not made one day earlier than necessary. Key to optimising our existing energy system is providing genuine choice and control to households and small businesses, rewarding their flexibility and embracing them as partners in change.



## Our Vision and Values

### Research Engage Influence

Our work plan is aligned with the Board's Priorities for the Energy Market. The work plan is designed to support Energy Consumers Australia's capacity to promote the long-term interests of consumers and to provide and support strong, coordinated, collegiate evidence-based consumer advocacy on matters affecting residential and small business consumers in the National Energy Market.

### Our Purpose (why we do what we do)

To enable the voices of consumers to be heard so their interests are reflected in energy market outcomes.

### Our Vision (where we want to end up)

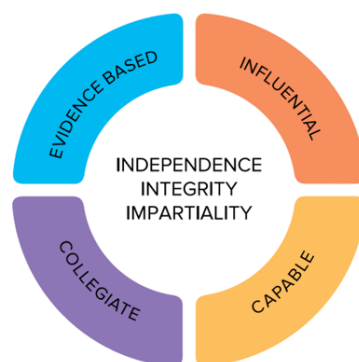
Future focused consumer driven energy markets meeting residential and small business consumer needs

### Our Mission (what we do)

We promote the long-term interests of consumers with respect to the price, quality, safety, reliability and security of supply of energy services.

### Values (how we do it)

We value independence, integrity and impartiality. We are focused on being collegiate, evidence based, capable and influential to build strong advocacy for residential and small business consumers.





## Our Stakeholders

We operate in a complex environment, working with a range of public and private sector interests on difficult, systemic issues on behalf of residential and small business consumers. These consumers are not homogeneous; they have diverse preferences and capabilities that must be reflected in our advocacy.

Our ability to deliver outcomes for consumers therefore hinges on our ability to listen, share research and experience, forge partnerships and collaborate to solve problems.

### Our stakeholders

Our primary stakeholders are residential and small business energy consumers. Importantly, we set out to represent all households and small businesses, ranging from those who are disengaged, or struggle with the affordability of energy, through to consumers who are engaged and taking advantage of new technology and service offerings.

We also see ourselves as part of a strong community of advocates and researchers contributing to a shared evidence base for policy making in the long-term interests of energy consumers. For ECA to perform its role, we must have strong, sustainable relationships with all stakeholders.

Ministers and Government officials are critical stakeholders – particularly those connected to the COAG Energy Council – since it is these elected representatives and officials who control the policy towards energy markets. Similarly, the Energy Security Board, the three market bodies (the Australian Energy Market Commission, the Australian Energy Regulator and the Australian Energy Market Operator) and jurisdictional regulators are central to our advocacy.

The energy market is undergoing a rapid transformation to accommodate a changing fuel mix, a more diverse geographic distribution of generation resources and greater ability to control load, in part through storage. This makes our ability to constructively engage with policy, market and regulatory bodies more critical than ever.

The existing market is served by generators, networks and retailers that collectively represent many billions of dollars in assets. The decisions these businesses make and the way they engage with policy and consumers make them important stakeholders.

Some consumers are taking steps to become actors in the market, often with products and services from small innovator companies. Increasingly these innovations will require flexible policy and regulatory responses.

To ensure the voice of consumers is heard, we also constructively engage with the media who help shape the national debates about energy policy and regulation.





<b>Consumers</b>	Residential and Small Business consumers Consumer and community organisations
<b>Energy Industry</b>	Energy Market Participants Professional and Industry Associations Next generation energy and related service providers
<b>Energy Ombudsmen</b>	Jurisdictional schemes Australia & New Zealand Energy and Water Ombudsman Network (ANZEWN)
<b>Government and Market Bodies</b>	COAG Energy Council Commonwealth policy agencies Jurisdictional Ministers, policy makers and regulators Australian Energy Market Commission (AEMC) Australian Energy Regulator (AER) Australian Energy Market Operator (AEMO) Energy Security Board (ESB)
<b>Research Community</b>	Academics Grant recipients Think tanks Other experts
<b>Media</b>	Energy industry media Mainstream media New media



## Our Environment

### Consumer Context

Across Australia, residential and small business consumers rely on energy as an essential service. Almost all homes are connected to the networked electricity grid, while almost half also rely on the gas supply network to meet their energy needs. In some jurisdictions, particularly Victoria, gas penetration rates amongst households are significantly higher. Small business consumers require affordable, reliable, quality energy services to meet the needs of their customers and operate their businesses successfully.

The core energy consumer experience for the majority of people has not changed markedly in the past ten years, as most people continue to purchase an energy-only product from a major retailer, differentiated only by pricing discounts and payment terms.

More than 1.8 million Australian households have installed photovoltaic (PV) solar generation on their rooftops.<sup>3</sup> Some consumers now have advanced meters, but the benefits of this technology for consumer convenience and control are not yet being realised to full potential.

However, the average electricity bill has increased by 35% in real terms in the same period, despite energy efficiency and self-generation.<sup>4</sup> This escalation in energy costs has caused consumers to question whether they are getting value for money from their energy services, and to invest where they can afford to in energy efficiency and on-site generation technologies to manage their consumption and gain control over their costs.

The opportunities for residential and small business consumers to use, manage, generate and store energy vary depending on where they are located, their property tenure and financial circumstances.

Vulnerable consumers can lack the capacity or financial resources to replace inefficient appliances, improve the insulation of their homes or invest in rooftop solar panels to manage increasing energy costs. The proportion of Australians living in rental accommodation is currently increasing and tenants (irrespective of their personal finances) usually are dependent on the landlord for opportunities to manage their consumption with energy efficient lighting or appliances, insulation or rooftop solar panels.

Meanwhile, a growing number of highly engaged residential and small business consumers with the financial capacity to do so are transforming how they live and work through the use of technology and digital connectivity. They are using information tools to combine generation, storage and load control to provide better personal outcomes at lower cost.

<sup>3</sup> <https://www.cleanenergycouncil.org.au/policy-advocacy/reports/clean-energy-australia-report.html>

<sup>4</sup> [https://www.accc.gov.au/system/files/Retail%20Electricity%20Pricing%20Inquiry%E2%80%94Final%20Report%20June%202018\\_0.pdf](https://www.accc.gov.au/system/files/Retail%20Electricity%20Pricing%20Inquiry%E2%80%94Final%20Report%20June%202018_0.pdf)



## Consumer Advocacy Context

In a rapidly changing energy market there is significant demand for consumer advocates to bring their knowledge and experience to the resolution of energy market issues. Policy and regulatory processes are complex and are often hard to harmonise with the speed of technological and market developments.

Most of the advocacy bodies reflect the experience of people who are vulnerable at one end of the spectrum and highly engaged technology adopters at the other. As the national consumer voice for all residential and small business consumers, we are building on this advocacy to represent interests across the whole spectrum. In doing so we are helping to change the focus of the sector to consumers, wherever possible promoting the effective and innovative models of consumer engagement are emerging in response to the increasing amount and complexity of regulatory change.

As well as being the voice for consumers there is an opportunity for us to support the consumer advocacy community by enabling greater collaboration and sharing evidence-based knowledge about energy market developments and their impact on the long-term interests of consumers.

## Energy Market Context

The recent history of the electricity market has been dominated by significant and long-term policy debates. These include future of distribution networks and how to migrate to two-way flows, the role of new investment in transmission network capacity to support reliability and security, the consequence of energy efficiency and changing industrial composition on total consumption and peak demand, the process of moving in an orderly way to less emissions intensive generation and the price and quality of retail offers. As the pace of change is unrelenting, the pressure to respond to new circumstances is only set to increase.

This creates new risks and opportunities for residential and small business consumers that can be realised by consumers having greater opportunities to conveniently manage and control their electricity use and costs.

Energy affordability is a key national priority. Ensuring we transition the electricity fuel mix while maintaining energy supply on network security and reliability at lowest cost to consumers has been taken up by the COAG Energy Council and the market bodies for action. The Energy Security Board was developing the National Energy Guarantee mechanism, and was consulting on an exposure draft of the legislation. The ACCC's Retail Electricity Pricing Inquiry, and its ongoing market monitoring role, is increasing reform focus at every level of the supply chain: a new focus on affordability in network decisions; competition and transparency in wholesale markets; and in relation to retail, pricing transparency, competitiveness and provision to consumers of real-time control over their energy consumption data and enabling them to select better offers.

There are opportunities to better align pricing and incentives for investment, to help consumers benefit from the transformation underway in energy markets. These changes could also support the development of a market for



next generation energy services that combine distributed generation, storage and control services with network delivered services.

Through its National Energy Productivity Plan, the COAG Energy Council is working towards improving energy productivity by a targeted 40 per cent, through a range of initiatives. The benefits of improved energy productivity will be an increase in competitiveness of the Australian economy, including small business; consumers better able to manage their electricity costs; and a reduction in carbon emissions.

Changes underway in gas markets have altered the relative cost advantages of using gas compared with electricity. This has occurred as Australia has become one of the world's major exporters of gas, resulting in increases in retail gas prices for Australian residential and small business consumers, as a result of global demand.

The growth of the gas export industry has also radically changed the pattern of gas flows through pipelines – gas that once flowed from the north to the south to serve major population centres has reversed direction to serve the seaborne trade. The regulatory structure has had to change to accommodate such a rapid change in use.

The COAG Energy Council, drawing on reviews by the Australian Competition and Consumer Commission (ACCC), and the Australian Energy Market Commission (AEMC), is progressing a reform agenda under its Gas Market Reform Plan. The Finkel Review also focused on gas market efficiency, including security over long term gas supply and improved transparency over gas industry performance.

As this longer-term reform agenda has progressed, governments have also engaged directly with gas producers to secure commitments about access and pricing.

### Policy and Regulatory Context

The National Energy Market is governed by the Australian Energy Market Agreement, which charges the COAG Energy Council with oversight of the sector and authorised the creation of the three other market bodies:

- Australian Energy Market Commission (AEMC) – the rule maker and market development adviser
- Australian Energy Regulator (AER) – the economic regulator and compliance/enforcement agency.
- Australian Energy Market Operator (AEMO) – the system operator

The COAG Energy Council has also created the Energy Security Board in 2017. This consists of an appointed Chair and Deputy Chair together with the Chairs of the AEMC and the AER and the CEO of AEMO. It has responsibility for oversight of energy security and reliability for the whole system and to improving long term planning, including coordination of the implementation of the recommendations of the Finkel review.

ECA was established in 2015 to promote residential and small business consumer interests and works closely with the COAG Energy Council, the ESB, the AEMC, AEMO and the AER on energy matters of national significance for consumers. All these organisations share ECA's



objective of the 'long term interests of consumers' and ECA is actively engaged to progress this objective.

The members of the COAG Energy Council are committed to the policy intent and objective of the Australian Energy Market Agreement, reaffirmed in the Council's response to the 2015 Review of Governance Arrangements for Australian Energy Markets<sup>5</sup> (Governance Review).

The ACCC is also actively engaged in the affordability and competitiveness landscape. Its initial Retail Electricity Retail Inquiry Report has been followed by a new reference to report on prices, margins and profits in the sector.<sup>6</sup>

Jurisdictions are also actively pursuing reform: the Victorian Retail Electricity and Gas Inquiry focused on sending clearer signals, empowering consumers and providing greater transparency; the Powering Queensland Plan is increasing supply and reducing the cost of solar schemes for consumers; NSW is investing in energy efficiency and supporting community-scale renewable energy projects to reduce bills; Tasmania has capped electricity prices and increased concessions; South Australia is supporting flexibility at a local level via support for household solar and batteries; and the ACT's Energy Efficiency Improvement Scheme is helping households and small businesses manage their use

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<sup>5</sup> <https://scer.govspace.gov.au/workstreams/energy-market-reform/review-of-governance-arrangements>

<sup>6</sup> <https://www.accc.gov.au/media-release/accc-to-monitor-and-report-on-electricity-prices>



## Our Plan for 2019-2020

Our work plan is aligned with the Board's Priorities for the Energy Market and our Vision and builds on the work undertaken in prior years.

To support our effective performance and multi-dimensional approach to positively making a difference in the long-term interests of consumers, we implement efficient and robust governance processes within ECA's own operating environment.

### Structure of our 2019-2020 Plan

This plan is intended as information for key external stakeholders on our priorities and also as a document for ECA internally on key focus areas and high-level deliverables for each focus area.

#### The plan consists of 3 main elements:

##### 1. Strategic Priority Areas for 2019-2020

These are areas where there is a strategic opportunity to improve consumer outcomes. **To do this, we will leverage our expertise across ECA and in partnership with others to effect significant change in the long-term interests of consumers** for an energy market delivering services which are:

- Affordable – to improve Value for money
- Individualised – to build Confidence
- Optimised - Improve Trust in sector decision making

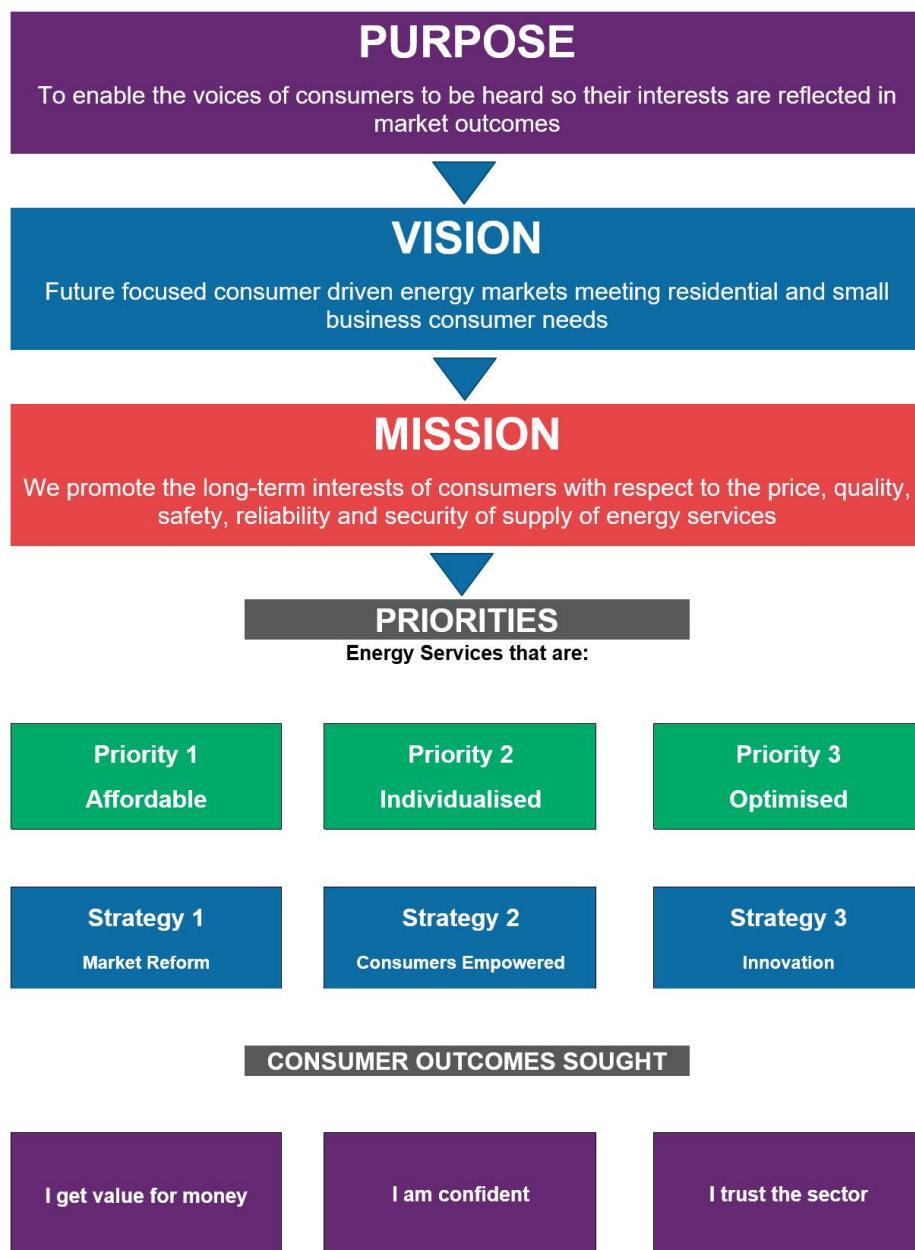
##### 2. Specific Activities

These initiatives and the consumer outcomes sought are summarised in the following pages.

##### 3. Ad-hoc and responsive

Our ability to respond to policy debates and to raise awareness on key areas impacting long term consumer interests is critical to being an effective agent of change on behalf of our constituents. Doing this depends on our ability to leverage these opportunities in a timely and effective manner. Our credibility, relationships and policy and economic analysis strengths are fundamental to enabling this. *Item 3 is not expanded in further detail.*

## ECA Business Plan 2019 – 2020



Priority 1 Affordable				
Strategy 1 Market Reform				
FOCUS	ACTION MEASURES			ECSS MEASURE
	2019 - 2020	2020 - 2021	2021 - 2022	
1.1 Wholesale and retail market reform	Secure a broad-based commitment to 'reset' wholesale and retail markets, particularly by working with stakeholders to refine the ACCC final report recommendations and to develop an implementation framework to support more effective competition and deliver certainty.	Work with stakeholders to complete the implementation wholesale and retail market reforms, assessing and communicating progress using the Energy Consumer Sentiment Survey and Industry Charter principles.	Monitor and assess the performance of wholesale and retail markets, identifying outstanding and emerging issues.	Value for money
1.2 Energy use	Use the research findings from the Power Shift Program to develop an approach to assisting households to better manage energy use.	Work with stakeholders to scope an Energy Services Package for Households.	Higher expectations about who can access and benefit from more sophisticated energy services	Consumer confidence



Priority 2 Individualised				
Strategy 2 Consumers Knowledgeable and Empowered				
FOCUS	ACTION MEASURES			ECSS MEASURE
	2019 - 2020	2020 - 2021	2021 - 2022	
2.1 Data Strategy	Work to accelerate the development of a Consumer Data Right (CDR) in energy and a plan to implement it.	Work with industry and regulators to embed the CDR in frameworks and operating practices, assessing the early outcomes for consumers and recommending improvements.	Identify opportunities for new applications and services that build on the CDR to benefit consumers.	Consumer confidence
2.2 Pricing Reform	Work with AER and industry stakeholders to develop framework and approach which adopts a focus of meeting consumer needs by rewarding consumers for flexibility.	Implement framework through network revenue proposals and retail price offers.	Assess bill and energy use (control) outcomes for consumers.	Value for money

Priority 3 Optimised				
Strategy 3 Innovation				
FOCUS	ACTION MEASURES			ECSS MEASURE
	2019 - 2020	2020 - 2021	2021 - 2022	
3.1 The Energy Charter	Work with consumers and industry to support the development of the Energy Charter underpinned by a robust, credible accountability and governance regime. Encourage early adoption of the Charter across the supply chain and secure support from consumer and small business advocates.	Encourage transparent disclosures by industry against the Energy Charter which demonstrate continuous improvement in achieving better consumer outcomes.	Identify opportunities for more flexible, principles-based regulation based on an assessment of the effectiveness of the Industry Charter in lifting standards and delivering better outcomes for consumers.	Trust in the sector
3.2 Regulatory Innovation	Work with consumer, industry and market body stakeholders to identify opportunities to update the regulatory framework to better meet the needs of consumers in the changing energy market.	Examples such as New Reg are established and have industry and stakeholder support.	Rigorous testing of consumer behaviour is embedded by businesses in their own practices.	Trust in the sector



## SPECIFIC ACTIVITIES

The leadership of the following activities and initiatives have been allocated to specific internal Directorates within ECA and details are presented under the Directorates for internal management purposes.

### Research Directorate

#### Research

ECA will continue to develop a robust, relevant and comprehensive evidence base to inform policy and regulatory decisions. Our ongoing research program consists of the Energy Consumer Sentiment Survey and the Small and Medium Business Retail Tariff Tracker, both of which are national surveys that are undertaken twice each year. The survey data and the retail prices are publicly available.

- **Energy Consumer Sentiment Survey** is an ongoing barometer of the health of the energy services market from the perspective of consumers. It is designed to provide information on household and small business consumer sentiment with a focus on the three key areas of satisfaction, confidence and activity, including investment in distributed energy and energy management. As the survey is undertaken every six months it tracks changes in sentiment over time and detect trends which can inform energy market and policy development in the long-term interests of consumers.
- **SME retail tariff tracker** is the only national database on small business retail electricity and gas prices. Based on these prices, Energy Consumers Australia publishes our analysis of the annual electricity and gas bills of small businesses and identifies jurisdictional differences. It is a valuable source of information for advocates, analysts and decision-makers.

#### Grants

- Through the Grants Program Energy Consumers Australia supports consumer advocacy by directly supporting advocates and by contributing to an evidence base that promotes consumer interests. The focus is on advocacy by residential and small business consumers at national and jurisdictional levels. Energy Consumers Australia funds projects that are high quality, collaborative, innovative and deliver outcomes that promote consumer interests in decisions about energy networks and market outcomes, the need for affordable energy and effective markets and the role of best practice regulation.

#### Power Shift

- Energy Consumers Australia intends to continue the work it has been progressing through Power Shift, working with industry and government to deliver programs and products that will help households use energy efficiently. We will continue to expand the evidence base on consumer behavioural insights that was established through a \$1.8m Commonwealth grant (that funding ceased in June 2019). Over 2019/20 a major continuing focus will be to promote the uptake of the tools and information that were developed to better assist consumers manage their



energy bills, and build greater confidence in the energy market, as well as monitor progress on the voluntary guideline

ACTIVITIES	PERFORMANCE MEASURE	DUE
<b>Energy Consumer Sentiment Survey</b>	<ul style="list-style-type: none"> <li>• Publish the Energy Consumer Sentiment Survey to build the consumer voice</li> <li>• Well attended Annual Roadshows for industry to use the results and strategies to improve outcomes.</li> <li>• Briefings for governments, departments of energy and market bodies.</li> <li>• Results presented at major conferences and events.</li> <li>• External citations promoting the findings</li> </ul>	Dec 2019 June 2020
<b>SME tariff tracker</b>	<ul style="list-style-type: none"> <li>• Publish SME tariff tracker</li> <li>• Use Insights Reports to highlight impact on SMEs</li> <li>• External citations promoting the tracker</li> </ul>	Oct 2019 April 2020
<b>Grants Program is effective</b>	<ul style="list-style-type: none"> <li>• Grants Program funds support high quality projects</li> <li>• Grant outcomes are published</li> <li>• Grant insights and impacts are promoted with stakeholders</li> </ul>	June 2020
<b>Power Shift Program</b>	<ul style="list-style-type: none"> <li>• Deliver Power Shift program objectives to benefit low income households</li> <li>• Progress ECA contribution to COAG EC National Energy Productivity Plan 2015-2030, items 3 and 4.</li> </ul>	June 2020



## Advocacy & Communications Directorate

Energy Consumers Australia uses evidence and analysis to influence policy, regulation and business practice to improve outcomes for households and small businesses. It manages the way ECA communicates with decision-makers in government, market bodies and industry, as well as with residential and small business consumers and the community through traditional and digital media channels.

We work with other advocacy groups and stakeholders to maximise the collective capability and influence of the consumer voice in the energy sector.

ECA's advocacy in 2019/20 aims to effect and secure the benefits of the major market 're-set' following a volatile and challenging period of price rises, concerns about reliability, and anxiety about how the transition was being managed.

Efforts to deal with escalating network costs in some parts of the NEM are beginning to benefit consumers, and after a series of major policy reviews, including by Dr Alan Finkel and the Australian Competition and Consumer Commission, we now have pathways for an orderly transition, lower prices and better services.

Our top priority is to advocate for and support determined and ongoing work by industry, governments and market bodies to sustain and accelerate progress where it is being made and act decisively to implement recommended reforms where there are outstanding issues. This means focusing on:

- Improving competition and increase certainty in the wholesale market, with a view to attracting investment in new supply to reduce prices.
- Recasting retail energy services for households and consumers, to move beyond the complicated, opaque market and empower consumers.
- Building on the early progress networks are making to align their business strategy and revenue proposals with consumer interests.
- Ensuring system-wide planning and decisions about interconnection and transmission infrastructure follow a rigorous optimisation logic and are in the long-term interests of consumers.

ACTIVITIES	PERFORMANCE MEASURE	DUE
<b>Support the timely and coordinated implementation of wholesale and retail market reform agenda and a major 're-set' in the culture and performance of the sector.</b>	<ul style="list-style-type: none"> <li>• Number of consumer stakeholder consultations held</li> <li>• Annual Stocktake report on progress implementing major report recommendations</li> <li>• Number of submissions to major market development and monitoring processes (ACCC, AEMC and AER)</li> </ul>	June 2020
<b>Network business strategy and system planning aligned with</b>	<ul style="list-style-type: none"> <li>• Number of submissions and consultation meetings on key network planning and investment</li> </ul>	June 2020



ACTIVITIES	PERFORMANCE MEASURE	DUE
<b>consumer preferences and needs and is consistent with the transformation agenda</b>	decisions that are reflected in these processes.	
<b>Influence for impact - national agenda in key areas of priority</b>	<ul style="list-style-type: none"> <li>• Measure social media channel effectiveness</li> <li>• Strong submissions on major policy processes (5) and most significant NEM rule changes (10).</li> </ul>	June 2019
<b>Representing ECA in key NEM and public forums</b>	<ul style="list-style-type: none"> <li>• Attendance at NEM forums which have the greatest bearing on affordable, individualised and optimised outcomes for consumers.</li> <li>• Speak at 10 agenda-setting conferences and events.</li> <li>• Increase number of diverse ECA stakeholder Forum attendees</li> </ul>	June 2019
<b>Empowered energy consumer advocacy</b>	<ul style="list-style-type: none"> <li>• Undertake three multi-day Community Listening visits in different parts of the NEM</li> <li>• Publish five video or audio packages promoting ECA grant funded projects</li> <li>• Increase collaboration: <ul style="list-style-type: none"> <li>– Regulatory Calendar</li> <li>– Advocate teleconferences</li> <li>– ECA Information Bulletins.</li> </ul> </li> </ul>	June 2020
<b>Maintain ECA's external online presence</b>	<ul style="list-style-type: none"> <li>• Increase visitor and engagement levels on digital platforms: <ul style="list-style-type: none"> <li>– the ECA website,</li> <li>– Twitter, Facebook and LinkedIn</li> </ul> </li> <li>• Grow ECA's mailing list by 10 per cent.</li> </ul>	June 2019
<b>Innovation</b>	<ul style="list-style-type: none"> <li>• Progress consumer insights driving innovation</li> <li>• Progress flexible regulation eg the Behind the Meter Code of Conduct.</li> <li>• Number of stakeholder meetings with key innovators</li> </ul>	June 2020
<b>Small Business Engagement</b>	<ul style="list-style-type: none"> <li>• Increase small businesses engagement</li> <li>• Increase number of submissions focused on better outcomes for small businesses.</li> </ul>	June 2020



### The Foresighting Forum 2020

Each year Energy Consumers Australia convenes a Foresighting Forum, that brings together the whole energy sector to work collaboratively on key issues affecting the long-term interests of consumers. Stakeholders spend two-days together in one room to focus on “wicked problems” with consumer interests at the center of discussions.

Each Foresighting Forum has a central theme around which participants can identify the evidence, the policies, programs and initiatives that are critical to effecting change in the long-term interests of consumers.

ACTIVITIES	PERFORMANCE MEASURE	DUE
<b>Foresighting Forum</b>	<ul style="list-style-type: none"> <li>• Deliver Consumer Vision for Future Energy with high-quality speakers and diverse attendance from across the sector.</li> <li>• 75% participant satisfaction with the 2020 Foresighting Forum.</li> <li>• Reports and multimedia summarising outcomes, opportunities and next steps.</li> </ul>	<p>March 2020 June 2020</p>

### Senior Economist

Provide expert economic advice, submissions, reports and consumer thought leadership to underpin the evidence base of ECA work and to empower consumer advocates.



### Governance & Corporate Directorate

- Maintain effective governance of ECA through ensuring a strong governance framework supported by operational policies and processes.
- Develop ECA's systems and technical resources to support staff to carry out the work of the organisation.
- Develop budgets and support ECA's management team to prudently manage ECA's resources, budgets and people to build a sustainable and capable organisation.

ACTIVITIES	PERFORMANCE MEASURE	DUE
<b>Develop effective governance and operations</b>	<ul style="list-style-type: none"> <li>• Deliver Business Plan and three-year rolling Budget.</li> <li>• Achieve Governance calendar deadlines</li> </ul>	Aug 2019  June 2020
<b>Refine ECA's systems and technical resources</b>	<ul style="list-style-type: none"> <li>• Increase system and process efficiencies and improvements.</li> <li>• Report on enhanced Records Management processes.</li> </ul>	March 2020  March 2020
<b>Develop and prudently manage ECA's resources, budget and people</b>	<ul style="list-style-type: none"> <li>• Annual expenditure within + /- 5% of budget.</li> <li>• Benchmark staff engagement (70%)</li> <li>• Increase staff capability through Professional Development activities</li> </ul>	June 2020  Apr 2020 June 2020





## Our Risk Oversight

### Risk Appetite Statement

ECA will accept a level of risk that encourages us to pursue innovative strategies to promote the long-term interests of energy consumers but not to the extent that it limits our capacity to influence decision makers or causes ECA to lose the confidence of key stakeholders over time.

### Risk Management Framework

Energy Consumers Australia has processes in place to identify, evaluate, assign responsibility and report against key risks. The following eight areas have been identified as current key risks for ECA:

- Key Person Risk
- Clarity of Role
- Stakeholder Engagement
- Changing Stakeholder Expectations
- Staff Capacity and Wellbeing
- Sustainability of the Grants Program
- 'Fit For Purpose' Control Environment
- Knowledge Sharing Opportunity



## Annexure 1: Role and Purpose of ECA Directorates

ECA requires a diverse range of skills in its staff and for strong coordination and a collegiate culture among those skill groups in order to achieve its objectives. Staff are organised into functional Directorates to leverage the highly skilled small team and work collaboratively to achieve ECA's objectives.

### Research Directorate

The Research Directorate is focused on building national jurisdictional expertise and capacity, building knowledge to influence policy development and educate consumers, and funding and managing grants to build knowledge and sectoral capacity.

The areas of ongoing activity are:

- research that builds the evidence base on the lived experience of households and small businesses in energy markets
- the Grants Program
- continuing work on Power Shift.

### Grants Program

Through the Grants Program Energy Consumers Australia supports consumer advocacy by directly supporting advocates and by contributing to an evidence base that promotes consumer interests. The focus is on advocacy by residential and small business consumers at national and jurisdictional levels. Energy Consumers Australia funds projects that are high quality, collaborative, innovative and deliver outcomes that promote consumer interests in decisions about energy networks and market outcomes, the need for affordable energy and effective markets and the role of best practice regulation.

### Advocacy & Communications Directorate

The Advocacy and Communications Directorate uses evidence to influence policy, regulation and business practice to improve outcomes for energy consumers. The Directorate works in an open and collaborative way with individuals and organisations across the national energy market to identify issues, develop solutions and empower consumers.

ECA'S advocacy in 2019-2020 will focus on our Advocacy Principles of Affordability, Individualised Services and Optimised Systems. The Directorate will work to build a case for change across the energy sector through collaboration and dialogue.

The Directorate manages the way ECA communicates with external audiences in a clear and balanced way to further its advocacy agenda and build the collective capability and influence of the energy consumer advocacy community.



### **Strategic Engagement Directorate**

The Director leads engagement on the ECA's strategic priority areas with a focus on achieving innovative outcomes in collaboration with others.

ECA's stakeholders include residential and small business consumers, consumer advocates, governments, jurisdictional and national regulators, the energy industry and energy ombudsmen.

### **Senior Economist**

Initiating work to contribute to new policy approaches, and innovative regulatory processes and practices to promote the long-term interests of energy consumers.

### **Governance & Corporate Directorate**

Governance and Corporate is focused on building the capacity and effectiveness of ECA, on managing risk and supporting the Board in its governance accountabilities.

