

Board Communique: July 2022

The Energy Consumers Australia Board met in person and via video conference on 14 July 2022.

The Board was pleased to be meeting in Melbourne in order to visit with a number of stakeholders.

This is a time when many consumers across Australia have been increasingly worried - and confused - about what is happening in energy markets. As well, many more consumers are experiencing difficulty with their bills given the significant increase in prices. As Energy Consumers Australia's research is showing clearly, consumers are having difficulty trusting a system and its providers whose interest seem to not be coinciding with theirs.

In view of these effects on vulnerable consumers, the Board met with Gerard Brody, Chief Executive Officer of the Consumer Action Law Centre, and Luke Lovell also from the Centre. They provided an update on some of the experiences Consumer Action is seeing among its clients as higher energy prices and a colder winter begin to bite. There is no doubt that the increased costs are impacting families and businesses - and often the impact is on those who are already vulnerable. Energy Consumers Australia's 'no one left behind' inclusion principle in energy is one not yet fully adopted by the energy markets - and going forward, consumer outcomes need to be far more central to how the market system operates.

Daniel Westerman, Chief Executive, Australian Energy Market Operator (AEMO), also joined to talk about actions taken by the market operator in recent weeks as well as the evolution of the Integrated System Plan. The Board was pleased to hear in detail about the issues currently at the forefront of AEMO's priorities and the functioning of the market. There was also good discussion about the evolution of the energy system - particularly on the second transition - the decentralisation of energy and residential and small business inclusion as partners in the system, which is proceeding in parallel with the first transition (the decarbonisation of the system). The AEMO CEO clearly has both systems in mind as the ISP advances into a real plan for Australia's energy priorities and is the foundation for the Energy Ministers agreement to a National Energy Transformation Partnership.

The staff and Board also visited the site of the Yarra Energy Foundation's fascinating Community Battery facility in Fitzroy. (See more details about this cutting edge facility <u>here</u>). These types of neighbourhood storage facilities - located where consumers and businesses are - will progressively become a central feature of the energy transitions. Community batteries extend the benefits of self-storage to those who cannot, or who choose not to, install batteries on their own premises. They are a cost-effective option for communities to build and own as an alternative to solar panels and batteries in the home.

The Board was also pleased to be given a briefing from the team leading the Monash University Digital Energy Futures project. This work, supported by an Australian Research Council Linkage Grant and funding from partners including Energy Consumers Australia, is a multi-year \$2.3m research project examining how consumers imagine their future relationships with energy use and technology, and how these futures are already manifesting through changing consumer preferences, behaviours, and habits.

All of the discussions in Melbourne reinforced for the Board that "people are the system" and that those who regulate, operate and own the elements of the energy system need to do so not only from the viewpoint of what is technically feasible, but also from a viewpoint of what consumers want, are expecting, and are doing. It is truly pleasing to see all these developments on the ground and to share in the thinking of those who are shaping, along with Energy Consumers Australia, the future of the National Electricity Market outcomes.