



Ethnic Communities' Council of NSW Inc.

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Submission to Australia Energy Market Commission's Power of Choice – giving consumers options in the way they use electricity Draft Report - EPR0022

The Ethnic Communities Council of NSW (ECC) welcomes the opportunity to comment on AEMC's Power of Choice – Draft Report. The ECC welcomes the recognition that different members of the community require different DSP products and services. This is particularly important for culturally and linguistically diverse (CALD) communities.

Since its formation 36 years ago the ECC has been the peak body for culturally and linguistically diverse (CALD) community members and representative organisations in NSW. The ECC's main activities are advocacy, education and community development. It is a member of the Federation of Ethnic Communities Councils of Australia (FECCA).

The ECC published the results of research that was funded by the consumer advocacy panel and conducted in 2011 called ***Experiences of energy consumption for culturally and linguistically diverse (CALD) communities***. The research demonstrated that CALD community members have no knowledge of smart meters but a minority had installed and knew about solar panels. The majority reported that they had not switched and did not trust the energy industry. They also suggested that they would be better able to understand the offers and contracts of the energy retailers if the information was supplied in their first language¹

In view of this research the ECC is very concerned that the engagement with consumers, recommended in the AEMC's **Power of Choice – giving consumers options in the way they use electricity Draft Report**, is effective, appropriate and in languages needed for communicating with a diverse community. We agree that the onus should be placed on retailers to ensure all consumers are provided with appropriate information about offers on DSP products and services.

¹ *Experiences of energy consumption for culturally and linguistically diverse (CALD) communities.*

This provision of information needs to be in the language of the community addressed and to be effective needs to be provided in a form that overcomes literacy problems in the targeted community's first language. The ECC has found over many years of education on living sustainably that the most effective method of educating the community is to employ members of that community to provide face-to-face information.

The ECC has successfully worked with small and medium sized businesses to reduce water and energy use and has found a successful format for engaging the owners and managers. We found that new technologies should be supported by culturally and linguistically appropriate education and communication strategies for each separate ethnic community. This has involved training bilingual educators to deliver the information face-to-face to their communities. Visit the website to learn about the success of this approach in engaging and providing information to CALD communities and how this success was achieved www.eccnsw.org.au/What-we-do. The ECC received both the Premiers and the Community Green Globe awards for their achievements in these strategies and activities.

Enabling 'consumers to make more informed choices about taking up products and services that better suit their circumstances and needs' (page 34) is a more difficult task than offering access to smart meter data. Energy bills already offer consumers graphical or numerical information about the energy they have used in the billing period and a comparison with the amount used in the previous billing period. Our experience is that CALD consumers have difficulty understanding this information and other details in their bill.

When asked in the research¹ what appliances use the most energy in their homes the householders were able to identify the correct top two, hot water and heating and cooling. This demonstrates that they do not need to find out what uses the most energy from reading a smart meter. Many of the respondents also reported that they took action to reduce their energy use.

The business owners and managers who were surveyed did not know that they could negotiate their contract with the supplier and this is the information that is expected to be supplied by the retailers. Many reported that they were struggling with the increased costs of energy. In contrast the majority knew what appliances used the most energy and many of them had taken action to reduce their energy use although they reported that they are not being supplied with information about how they can reduce their energy use by the energy industry.

The ECC agrees that a regulatory EE scheme could be utilised to address these information barriers by enhancing consumer education about how electricity consumption impacts on their bills. For CALD householder and small to medium business consumers this enhanced consumer education would need to be developed in partnership with those organisations that have experience and successes in reducing energy and other resource use.

Educating the CALD household and small to medium business consumers about reducing peak demand and load control will also require the energy industry to consult with organisations with experience with educating CALD community members about new concepts such as reducing peak demand, smart meters. The concept of load control could create issues for some members of the CALD community particularly the aspect of external control of their home or business.

If you have any questions about this submission, please do not hesitate to contact Helen Scott on 02 9319 0288 or 0425 833 892.

Sincerely yours,

A handwritten signature in black ink, appearing to read 'Mark Franklin', with a small comma at the end.

Mark Franklin
Executive Officer
Ethnic Communities' Council of NSW Inc.