



John Tamblyn
Chairman
Australian Energy Market Commission
PO Box H166
Australia Square NSW 1215

9 February 2006

Dear Mr Tamblyn

We write in response to the notice of the proposed Rule change under Section 95 of the National Electricity Law in relation to the governance, accountability and funding arrangements for the National Consumers Electricity Advocacy Panel and to the Commission's invitation to provide submissions to the Rule change process.

The Tasmanian Council of Social Service (TasCOSS) is the peak body for the community services sector in Tasmania. Its membership includes individuals and organisations actively involved in providing services and advocacy to low income, disadvantaged and vulnerable Tasmanians. TasCOSS has received funding from the Advocacy Panel for several projects including a training program in national electricity market issues for consumers, employment of a part-time electricity consumer advocate and the commissioning of research on the use of pre-payment meters in Tasmania.

We support the Ministerial Council on Energy in its longer term intentions to reorganise consumer advocacy arrangements with a focus on small and medium consumers, and we look forward to the establishment of a well-resourced national consumer advocacy body that is both proactive and responsive to consumer needs.

The interim measure of amending the Rules to improve governance, accountability and funding of the existing Advocacy Panel is also a welcome initiative; however we are disappointed to see that the proposals do not include a requirement for the Panel to prioritise the advocacy needs of small to medium consumers as intended by the MCE. We hope that this emphasis will be unequivocal in the new long term arrangements.

In general, we see the proposed changes as contributing to improved governance and accountability of the Panel, and we support in particular the proposal that the Panel no longer comprise members who represent specific interest groups within the national electricity market. Since the Panel's emphasis is on facilitating *consumer* capacity building and advocacy, it seems logical that the Panel should comprise individuals who have a solid understanding of consumer perspectives and consumer advocacy needs. In addition, we would like to see the smaller jurisdictions represented on the Panel and hope that the MCE and AEMC will appoint to the Panel at least one member from outside of NSW, Victoria and Queensland.

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We hope that the increased involvement of the AEMC and MCE with the Panel will enhance its accountability but will not be so cumbersome as to impede the Panel's ability to respond in a timely manner to consumer needs.

Although it is not a proposed change, the other issue we would like to comment on in relation to the Rules governing the Panel and its functions, is the 'principle' in 8.10.3(d)(4) that applicants 'must fund a share of the project costs from a source other than funding provided by the Advocacy Panel'. Although a waiver of this requirement is allowed, this is at the Panel's discretion and no criteria for granting waivers are provided. As a small organisation with a limited budget, we find it impossible to make either an in-kind or cash contribution to project funding from the Panel and suspect that this would be the case with most organisations representing small, and possibly medium, consumers. Given that the MCE intends that the Panel support advocacy efforts on behalf of these groups, we question the wisdom and need for such a principle.

While we support the proposals for increased involvement of the AEMC and the MCE in the Panel's governance, we trust that this will also help to ensure that the emphasis of the Advocacy Panel will be on the advocacy needs of small and medium consumers, including the needs of those most vulnerable consumers, that is, those living on low incomes and otherwise disadvantaged.

Yours sincerely



Mat Rowell
Chief Executive Officer