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Rebecca Knights,
Director Energy Markets

By email to: Rebecca.Knights@sa.gov.au

22 December 2011

Dear Ms Knights,

Re: Submission on National Energy Customer Framework (NECF): South Australia's Implementation Package

Please accept this brief letter as the SACOSS submission on the NECF Implementation Package.

As the peak body for the community service sector in South Australia, SACOSS has a long-standing interest in energy issues as they impact on vulnerable and disadvantaged people.

We understand that to implement the NECF, South Australia is preparing draft legislation that will apply the NECF in South Australia and make consequential amendments to current South Australian energy legislation. This submission focuses on the Explanatory Material provided in relation to the Draft Bills presented.

In general, SACOSS supports the NECF package and is of the view that South Australia's vulnerable electricity consumers are likely to be better off (or at least no worse off) under the combined NECF and South Australian implementation package.

During the NECF work developed by the Australian Energy Regulator, SACOSS advanced a strong position in relation to advancing 'best practice' in relation to late payment fees and wrongful disconnections. The implementation package was an opportunity for South Australia to take up these opportunities for advancing the consumer interest. It is disappointing that this opportunity was not taken up.

Overall, SACOSS is of the view that, for the implementation period at least, strong oversight of the transition is required. While we are relatively comfortable with the

contents of the Implementation package and the diligence of Energy Division in ensuring that South Australian consumers remain well protected, we have some residual concern related to what might have been left out and any unforeseen consequences. For this reason, SACOSS urges the South Australian Government to consider formalising a more comprehensive role for ESCoSA in reviewing the implementation of the NECF over, say, the first two years.

As a minimum, we would like to see a thorough review conducted by ESCoSA of any changes in service standard performance, complaints (and their handling) and an assessment of the impact on small consumers in general and the more vulnerable consumers in particular.

SACOSS believes that a commitment to a thorough review of the local impacts on consumers is the final piece of assurance required for us to hold a view that the NECF genuinely advances the consumer interest. It is our view that this review is best performed by ESCoSA due to its unrivalled corporate experience on the subject matter and their independence from the policy imperatives behind the reform.

Thank you for your attention to this submission.

Yours,

Ross Womersley
Executive Director

References

SA Government NECF webpage:

<http://www.sa.gov.au/subject/Water,+energy+and+environment/Energy/National+Energy+Customer+Framework+%28NECF%29>

Explanatory Material available from

http://www.sa.gov.au/upload/franchise/Water,%20energy%20and%20environment/energy/Energy%20consultations/NECF_Explanatory_Material_PDF.pdf