

# Retail Advisory Group Work Plan

30 August 2012

**Note:** This paper has been prepared for the purpose of the Retail Advisory Group. Content should not be interpreted as representing the views or policy of the Electricity Authority.

## 1 Recommendation

1.1.1 It is recommended that the Retail Advisory Group (RAG):

- a) note progress with the projects on its 2011/12 work programme;
- b) agree to accept the additional projects that the Electricity Authority has proposed that the RAG undertake (refer letter to Peter Allport from Carl Hansen, 21 August 2012); and
- c) note the indicative timeframes for the projects on the 2012/2013 work programme.

## 2 Update on progress – review of retailer default arrangements

2.1.1 Progress with the review of retailer default arrangements is outlined in Table 1.

**Table 1: Review of retailer default arrangements**

Activity	Dates	Progress
RAG accepted work plan	01/07/11	Complete
Project scope and approach	7/09/11	Complete
Consideration of draft discussion paper	14/10/11	Complete
Request approval to release discussion paper	16/12/11	Approved
Release of discussion paper for 6 weeks consultation following feedback from Authority Board.	February 2012	Released 7 February
Submissions received	19/03/12	10 submissions
Consideration of options/next steps	23/04/12	Complete
Consideration of second discussion paper	30/05/2012	Complete
Present interim findings to EA Board	June 2012	Complete
Request approval to release second discussion paper	July 2012	Approved
Present second discussion paper to EA Board	1 August 2012	Complete
Release second discussion paper for 6 weeks consultation following feedback from Authority Board.	August 2012	Released 14 August
Submissions due	25 September 2012	
Considerations of submissions and options/next steps	24 October 2012	
Consider draft recommendation	November 2012	
Present recommendation to EA Board	January 2013	

### 3 2012/13 work programme – additional projects

3.1.1 The Authority has requested the RAG (refer letter to Peter Allport from Carl Hansen, 21 August 2012) to undertake the following additional projects in 2012/2013:

- a) review whether there should be mandatory disclosure of the component parts of residential consumers' electricity bills;
- b) review of domestic contracting arrangements, which includes an assessment of:
  - i) whether to develop minimum terms and conditions for the relationship between consumers and distributors (where the distributor has a direct relationship) and retailers (referred to as conveyance model arrangements);
  - ii) whether to more closely monitor retailers' behaviours by monitoring their compliance with their domestic contracts, for example, by collecting and reporting consumer complaints data; and
  - iii) the potential to improve the operational efficiency of the arrangements to assist medically dependent and vulnerable consumers;
- c) review of options for promoting retail competition by increasing consumers' propensity to compare and switch retailers; and
- d) review of options to improve retail competition in embedded and customer networks.

### 4 Suggested timeframes for 2012/2013

4.1.1 If the RAG accepts the additional projects onto its work programme, the indicative timeframes for 2012/2013 are as follows:

#### **RAG Meeting – 30 August 2012**

- Domestic contracting arrangements – draft scoping paper
- Consumer switching fund – draft scoping paper

#### **RAG Meeting – 24 October 2012**

- Retailer default arrangements – submissions and options/next steps
- Domestic contracting arrangements – approval of discussion paper (problem definitions/issues)

#### **RAG Meeting – 28 November 2012**

- Retailer default arrangements – approval of recommendation to Board
- Consumer switching fund – draft discussion paper (problem definition/issues/options)

#### **February 2013**

- Consumer switching fund – approval to release discussion paper
- Components of bills – draft scoping paper

**March 2013**

- Domestic contracting arrangements – submissions and approval of second discussion paper (options)
- Components of bills – approval of discussion paper

**April 2013**

- Retail competition on embedded networks – draft scoping paper

**May 2013**

- Consumer switching fund – submissions and options/next steps
- Domestic contracting arrangements – submissions and approval of recommendation to Board

**June 2013**

- Consumer switching fund – approval of recommendation to Board
- Retail competition on embedded networks – approval of discussion paper