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FLINDERS COUNCIL	
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MEMBER	
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Mr Raoul Harper
 General Manager
 Flinders Council
 PO Box 40
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Dear Mr Harper

OTTER CUSTOMER CONSULTATIVE COMMITTEE

The Flinders Council is currently a member of the Tasmanian Economic Regulator's customer consultative committee (the OCCC). The current member organisations were appointed for a period of three years from 1 May 2013 to 30 April 2016. I am seeking your advice as to whether the Flinders Council would like to continue to have representation on the OCCC for the next three years.

The OCCC plays an important part in the regulatory frameworks for electricity, natural gas and the water and sewerage sectors, as one of the Regulator's objectives in carrying out his functions is to protect the interests of consumers. The OCCC is invaluable in providing advice to the Regulator on issues that are important to customers from the perspective of the member organisations and for the Regulator to advise OCCC members of regulatory developments in the relevant sectors and seek their input. A copy of the OCCC's scope, for current terms of appointments, is attached. Please consider this document when committing, or otherwise, your organisation to participate in future OCCC meetings.

In addition, if you are aware of other organisations that would benefit from attending OCCC meetings, please let me know.

OCCC member organisations are appointed by the Treasurer and/or the Minister for Energy under the *Electricity Supply Industry Act 1995*, the *Water and Sewerage Industry Act 2008* and/or the *Gas Act 2000*. Once those member organisations' intentions are known, I will seek ministerial appointment, of the relevant organisations to the OCCC.

I would appreciate your advice by 31 January 2016. I look forward to hearing from you.

Yours sincerely

Joe Dimasi
TASMANIAN ECONOMIC REGULATOR

23 December 2015

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OTTER Customer Consultative Committee – Scope May 2013

The Electricity Customer Consultative Committee was first established by the Treasurer under the *Electricity Supply Industry Act 1995* (ESI Act) in 1998 to advise the Regulator on issues affecting electricity customers.

The Regulator, in his capacity as Director of Gas, subsequently established an advisory committee pursuant to section 15 of the *Gas Act 2000* (Gas Act) in February 2002 – the Gas Customer Consultative Committee. That body had the role of providing the Regulator with input on issues affecting gas customers. The Minister for Infrastructure, Energy and Resources appointed organisations to the Committee.

In 2004, The Treasurer and the Minister supported the Regulator's recommendation to the merger of the Electricity and Gas Consultative Committees to form a single committee, the Energy Customer Consultative Committee, to advise the Regulator on issues of importance to electricity customers and gas customers.

In 2009, the Treasurer and the Minister supported the Regulator's further recommendation to expand the role of the ECCC to advise the Regulator on customer issues relating to the water and sewerage sector. The name of the Committee has been changed to the OTTER Customer Consultative Committee (OCCC).

As a rule, organisations rather than individuals have been appointed as members of the Committee. This is to ensure accountability of members to constituent customer groups and to facilitate consultation. Specific persons to represent the organisations at Committee meetings are nominated by the organisation. A proxy may be nominated by an organisation to attend meetings in lieu of the nominated representative, subject to approval by the Chair prior to the meeting.

The Chair of the OCCC will be the Tasmanian Economic Regulator or its nominated representative.

The Treasurer is responsible for appointing organisations to serve as members of the Energy Customer Consultative Committee under section 12 of the ESI Act and section 24 of the *Water and Sewerage Act Industry Act 2008* (Industry Act) and the Minister has the same responsibility under section 15 of the Gas Act. Therefore, statutory requirements have necessitated two ministerial appointments. The following organisations have been appointed to the Committee for a three-year term:

- Tasmanian Farmers and Graziers Association (TFGA)
- Anglicare Tasmania Inc
- Tasmanian Council of Social Service Inc (TASCOSS)
- Tasmanian Chamber of Commerce and Industry (TCCI)
- Local Government Association of Tasmania (LGAT)
- Hobart Community Legal Service

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- Tasmanian Division of the Property Council of Australia
 - Tasmanian Small Business Council
 - Flinders Island Council
 - King Island Council

Section 12 of the ESI Act provides:

- (1) The Minister or the Regulator may establish an advisory committee to advise the Minister or the Regulator (or both) on specified aspects of the administration of this Act.
- (2) The members of an advisory committee are appointed and hold office on terms and conditions determined by the Minister.

Section 15 of the Gas Act provides:

- (1) The Minister, the Director of Gas or the Director of Gas Safety may establish an advisory committee to advise the Minister or the relevant Director on specified aspects of the administration of this Act.
- (2) The members of an advisory committee are appointed and hold office on terms and conditions determined by the Minister.

Section 24 of the Industry Act provides:

- (1) The Regulator may establish advisory committees to advise the Regulator on specified aspects of the administration of this Act.
- (2) The members of advisory committees are appointed and hold office on terms and conditions approved by the Treasurer.

Customer protection is covered by a number of provisions in the ESI Act, Gas Act and the Tariff Customers Regulations made pursuant to the ESI Act. Subsection 6(2)(d) of the ESI Act and subsection 4(f) of the Gas Act provide that one of the Regulator's objectives is to protect the interests of consumers of electricity and gas. An objective of the Industry Act is to protect the long-term interests of customers.

Role of the Committee

The Committee is an important part of the regulatory framework for the electricity and natural gas supply industries and the water and sewerage sector. It ensures that groups representing customer interests are informed as to developments in these industry sectors and that the Regulator is informed of issues from the perspective of those groups.

Committee's Objectives

The key objectives of the Committee are:

- to provide the Regulator with input on issues affecting electricity, gas and water and sewerage customers.
- to provide a forum for dialogue between the Regulator's Office (and other regulatory bodies, such as the Ombudsman, ACCC, health and environmental regulators) and customer groups. Customer groups may:
 - voice concerns;
 - advise of customers' needs and views;
 - raise issues; and
 - provide feedback.

- to facilitate consideration of customer concerns in decision making by the Regulator and regulated industry bodies.
- to be an active body in the discussion of customer issues.
- to advise the Minister/Treasurer and/or the Regulator on specified aspects of the administration of the ESI Act the Gas Act and/or Industry Act.

Committee's Outputs

The following are the desired outputs for the Committee:

- The Committee making a substantial contribution to the development of regulatory instruments and technical and customer service standards.
- The Regulator and relevant regulated industry bodies acting upon comments and suggestions made by the Committee.
- The Regulator and relevant regulated industry bodies receiving the views of organisations appointed to the Committee through their representatives attending meetings.
- The Committee providing a forum in which residential and business customers' interests are effectively represented.
- Members perceiving the Committee as being of value to their organisations.
- Complementing other contact between Committee member bodies, OTTER and industry bodies that occurs outside meetings.

