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Accredited Service Provider Scheme Review
NSW Department of Planning, Industry & Environment
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Accredited Service Provider Scheme Review

The Public Interest Advocacy Centre (PIAC) is a leading social justice law and policy centre. We are an independent, non-profit organisation that works with people and communities who are marginalised and facing disadvantage. We ensure basic rights are enjoyed across the community through litigation, public policy development, communication and training. The Energy + Water Consumers' Advocacy Program represents the interests of low-income and other residential consumers, developing policy and advocating in energy and water markets.

PIAC welcomes the opportunity to respond to the review of the Accredited Service Provider (ASP) Scheme being undertaken by the Department of Planning, Industry & Environment (the Department). Consistent high standards of qualification, skill and technical service are crucial to a safe and efficient energy system.

PIAC strongly supports the retention of a robust and transparent ASP scheme regulated by the NSW Government. This review of the ASP scheme is timely, as the regulatory framework for metering is currently under review. There is also currently a greater focus on the need to ensure new services that impact the function and safety of the energy system are provided transparently to a standard that benefits and protects consumers.

Scheme objectives and principles

The issues paper notes that the scheme does not currently have clearly stated objectives and outlines its 'implied objectives'. PIAC broadly agrees with the criteria listed but recommends this review include the development of explicit objectives appropriate to the intent and purpose of the scheme. This would enable a more effective development, ongoing assessment, and operation of the scheme.

PIAC considers priority objectives to be safety, competence and consumer access, as outlined in the Issues Paper. Key objectives should define outcomes of consumer and system benefit. We note that contestability has been considered an objective. Contestability is a parameter, input or design element, not an outcome, and could be achieved without any benefit to consumers or other system stakeholders. It can, as has been the case in the metering context, lead to negative outcomes for consumers. A more appropriate objective would be 'effective competition'; the end to which contestability is a means.

PIAC considers contestability more appropriately regarded as a principle that should be applied to the assessment and design of the scheme, rather than an objective expressing its purpose. Regarding contestability as a principle allows it to be considered alongside other key aspects such as efficiency, transparency and consistency. This would allow more effective assessments of what services should be considered contestable, and where further contestable services can enable consumer and other benefits.

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Principles for good regulatory design and practice are crucial and PIAC supports the list of principles identified in the Issues paper. PIAC also considers two further principles should be considered. These are:

- Contestability. Activities and services are contestable where efficiency, quality or innovation benefits can be demonstrated.
- Harm and risk. Systems and processes should incorporate protections proportionate to the risk of harm to consumers and the energy system.

Scope of the scheme

The Issues Paper explains the ASP scheme ‘focuses on services that connect end consumers to the network’. The scheme should consider services directly covered by this scope, or services which relate to a similar or equivalent function. An assessment of whether any new service meets the threshold for introduction should then be undertaken. PIAC agrees demonstrating net benefit to consumers (including in the mitigation of harm or consumer detriment) or benefit to broader efficiency, should be a requirement for inclusion of services.

PIAC welcomes further opportunity to discuss these or any other issues in more detail with the Department.

Yours sincerely

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