

4 November 2021



Warwick Anderson
General Manager
Australian Energy Regulator

Submitted to tariffguideline@aer.gov.au

Dear Mr Anderson,

Export pricing guideline

The Public Interest Advocacy Centre (PIAC) is leading social justice law and policy centre. Established in 1982, we are an independent, non-profit organisation that works with people and communities who are marginalised and facing disadvantage. PIAC builds a fairer, stronger society by helping to change laws, policies and practices that cause injustice and inequality. The Energy and Water Consumers' Advocacy Program (EWCAP) represents the interests of low-income and other residential consumers of electricity, gas and water in NSW. The program develops policy and advocates in the interests of low-income and other residential consumers in the NSW energy and water markets.

PIAC welcomes the opportunity to respond to the Australian Energy Regulator's export tariff guidance for Distribution Network Service Providers (DNSP). PIAC supports the guidance proposed by the AER and provides some additional recommendations in response to consultation questions below.

- 1. Are there additional steps distributors can take or consider when engaging with their customers on export tariffs? Please explain them.*

PIAC supports the AER's proposed approach to engagement on export tariffs. In addition to what the AER proposes, we recommend including a principle that engagement should be meaningful in that it reflects the informed preferences of customers. Many, if not most energy consumers are not aware of the role or regulation of a distribution network or the implications of various tariff policies. As part of meaningful consultation, networks should ensure the customers they consult with have sufficient information and resources to make informed contributions and statements of preference.

- 2. What can distributors do in practice to demonstrate they have considered customer impact analysis when setting tariffs? For instance, how should distributors explain or quantify a negative customer impact analysis? Please give examples.*

As part of explaining and quantifying customer impact analysis, distributors should highlight how different cohorts of customers are impacted. In particular, the impact on customers experiencing vulnerability and those with largely inflexible demand

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should be made clear. This will support better planning for complementary measures for customers worse off under changes.

PIAC would welcome the opportunity to discuss these matters further with the AER.

Yours sincerely

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Public Interest Advocacy Centre

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