

Ministerial Council on Energy

Energy Market Reform - Bulletin No. 133

Release of the Retailer of Last Resort Draft Consultancy Report

The Ministerial Council on Energy (MCE) Standing Committee of Officials (SCO) is today releasing a draft consultancy report on the [Retailer of Last Resort \(RoLR\)](#) for consultation. The report has been developed by NERA Economic Consulting (NERA) and Allens Arthur Robinson (AAR). It has not been endorsed by SCO or the MCE.

NERA and AAR were asked to review existing RoLR frameworks and to advise on the development of an appropriate national policy framework for a RoLR scheme. The report has identified the incentives that differing arrangements have on both the failing retailer and the RoLR, and how the incentives are affected by differing circumstances of retailer exit. The report sets out a proposed framework for developing a national RoLR scheme, the parameters of a national RoLR scheme and the principles in deciding the appropriate alternatives in relation to those parameters.

NERA and AAR will be conducting a workshop with interested stakeholders at the Wesley Conference Centre, 220 Pitt Street, Sydney on 16 October 2008 from 9:30 am to 12:30 pm to explain the key aspects of the report and discuss the proposed framework for a national RoLR scheme.

In addition, MCE SCO invites interested stakeholders to provide written submissions on the report to the MCE Secretariat by close of business 14 November 2008.

Those who wish to make written submissions may do so by submitting their documents electronically to:

Manager MCE Secretariat,
Department of Resources, Energy and Tourism,
GPO Box 1564
Canberra ACT 2601
MCETMarketReform@ret.gov.au

Following the consultation period, NERA and AAR will submit a final report to MCE SCO. SCO will then develop a Policy Response that will be released for further consultation. It is intended that once the RoLR policy is finalised it will be implemented as part of the National Energy Customer Framework.

MCE Standing Committee of Officials
3 October 2008