

Ministerial Council on Energy

Standing Committee of Officials Bulletin No. 121

Release of MCE SCO National Energy Customer Framework

The Ministerial Council on Energy (MCE) Standing Committee of Officials (SCO) is today releasing its policy paper for the National Energy Customer Framework, which is proposed to form a single national framework for regulating the supply of electricity and gas to retail customers.

The policy framework has been developed by SCO as the basis for the drafting of Laws and Rules required for a new national energy customer framework, as provided for in the Australian Energy Market Agreement. The framework has not yet been considered by Ministers.

The purpose of releasing the SCO policy framework, which comprises [a SCO Policy Paper](#) and a [Table of Recommendations](#), is to inform stakeholders of the key policy decisions to be incorporated in the drafting of the new common regulatory arrangements. The main policy areas addressed in the SCO Policy Paper include:

- The governance model, including a contractual model that forms the basis of the national customer framework;
- Supply of energy to retail customers including a regulatory obligation to offer supply to small customers and a hardship policy regime;
- Provision of customer distribution services to customers;
- Managing the arrangements between distributors and retailers in the supply of energy to customers;
- Authorising retailers to sell energy in the national customer framework; and
- Enhancements to the enforcement and compliance regime.

In 2007, Allens Arthur Robinson prepared a composite paper for public consultation on options for major components of distribution and retail regulation. This paper, and submissions to it, was then reviewed by the Retail Policy Working Group (RPWG) on behalf of MCE SCO. The RPWG then assisted the MCE SCO in preparing the policy framework

MCE SCO will conduct an information session at Bell City Centre, Preston in Melbourne on 30 June 2008 from 2 pm to 5 pm to explain the key aspects of the framework to interested stakeholders.

The RPWG will also hold two workshop sessions targeted at particular subject matters at Bell City Centre, Preston in Melbourne on 7 July 2008. These workshop sessions will cover:

- Obligation to offer supply and related matters, and business authorisation between 10 am and 1 pm; and
- Contractual model and other matters, including enforcement between 2 pm and 5 pm.

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These workshop sessions are intended to provide a face-to-face interactive opportunity for interested parties to present views on key issues prior to the finalisation of the policy framework and the preparation of legislation and rules.

Stakeholders wishing to attend these workshop sessions or the information session are asked to register their interest with the MCE Secretariat at mcemarketreform@ret.gov.au noting which session(s) they wish to attend.

While stakeholders are encouraged to use the above sessions to raise any concerns they may have, the MCE SCO will also accept written submissions on the policy framework, which are to be submitted to the MCE Secretariat by close of business 28 July 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 9839
Canberra ACT 2601
MCETMarketReform@ret.gov.au

Following consultation processes on the draft Law and Rules in 2008-2009, it is expected that the legislative package will be introduced into the South Australian Parliament by September 2009 after which States and Territories will transition to the national framework.

It should be noted that there is currently no commitment from Western Australia to apply the national framework nor from the Northern Territory to apply the national framework in respect of electricity.

Ministerial Council on Energy Standing Committee of Officials
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