consumer action law centre

ON THE WIRE

December 2011, edition 30.

BUMPER Christmas edition.

The Night before Christmas

'Twas the night before Christmas. submissions were due
Energy advocates writing what everyone knew …
for struggling small residential consumers
prices moving faster than galloping reindeer.

Office parties were done just leaving flat beer
and mince pie crumbs the remnants of Christmas cheer,
wishing Kris Kringle's gift was a submission reprieve
but alas that's wishful thinking, and naïve!

Come "exempt networks" and "performance reporting"
Then "enforcement", "compliance" and "hardship" need sorting
But before you think it has all gone too far
Don't forget submissions are due about "RoLR"

Writing for SCO, the AER and MCE*
Wanting NECF led consumer sovereignty
stooped over computers, writing to the last
remembering the ghosts of RPWG past.

And what of the New Year, what cheer will it bring?
It's the year of the Dragon we're ushering in.
There's the white paper and clean energy future
With AEMC rule changes the next big adventure.

For now it's Christmas when you've hit 'send'
that's how we know we have reached year's end
so for now it's all over to the MCE
the MCE? That's Merry Christmas Everybody!

(* the new acronym of SCER just doesn't fit, so it remains the MCE here – call it poetic license!)

Courtesy of Mark Henley, Uniting Care Wesley Adelaide

We welcome feedback on the information provided in *On the Wire*. Further, we encourage you to forward the newsletter throughout your networks. Production of *On the Wire* is funded by the Consumer Advocacy Panel. To subscribe to *On the Wire*, please email info@consumeraction.org.au with the words "Subscribe to On the Wire" in the subject line. The next edition of *On the Wire* is scheduled for release at the end of March 2012.

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1. Regulatory developments

1.1 Standing Council on Energy and Resources

The Standing Council on Energy and Resources (**SCER**) met in Melbourne on 9 December with a full agenda. In addition to energy issues it had a significant focus on "upstream" resource concerns. Issues discussed included:

- **Coal seam gas**—Ministers agreed to develop a national, harmonised regulatory framework;

- **Energy White Paper—**Ministers noted the draft paper's release, which aims to provide a strategic policy framework to guide the development of Australia's energy policy to 2030 and beyond.

- **National Energy Security Assessment—**Ministers confirmed that the *2011 National Energy Security Assessment* will be released before the end of 2011.

- **Network Regulation—**Ministers agreed to bring forward to 2012 the review required under national energy laws on the Limited Merits Review appeal arrangements.

SCER also discussed the following ongoing activities:

- **Demand Side Participation (DSP)** and the ability for consumers to make informed decisions about the quantity and timing of their electricity use which is being reviewed by the AEMC through their "power of choice" work**.**

- **Energy Efficiency Opportunities program** including the Commonwealth's investigation of the costs and benefits of a potential national energy savings initiative, noting that any decision to progress to a national energy savings initiative would require COAG agreement, positive cost benefit analysis and the abolition of existing and planned jurisdictional schemes.

- **National Energy Customer Framework** with Ministers reconfirming their target implementation date of 1 July 2012.

- **Possible Future Retail Electricity Prices—**The Ministers also noted the release of a report prepared by the AEMC on the Possible Future Retail Electricity Prices. The report estimates a rise in residential electricity prices of around 37 per cent nationally over the period from 2010/11 to 2013/14, including the impact of a carbon price, and a rise of around 29 per cent over this period without a carbon price.

Other items included:

- Ministers requesting officials to develop a detailed SCER DSP work plan for consideration at their June 2012 meeting.

- Ministers endorsing a national minimum functional specification for smart meters with a request to officials to advise on implementation and transitional arrangements.

More information from SCER's meeting can be found here**.**

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1.2 Energy White Paper update

Extensive work on drafting the Energy White Paper has finally reached a milestone following the release of a Draft White Paper on Tuesday 13 December.

The energy white paper details a national energy policy framework, proposing a core objective:

To build a secure, resilient and efficient energy system that:
- *provides accessible, reliable and competitively priced energy for all Australians*
- *enhances Australia's domestic and export growth potential*
- *delivers clean and sustainable energy.*

In an enevironment where energy production will more than double, (with primary energy consumption rising by 30 percent and generation increasing by 42 percent), the paper contextualises energy policy in an environment of

- rising energy prices,
- a need to find cost-effective ways to reduce Australia's greenhouse gas emmissions,
- increased demands on the energy system by society (the report notes that 83 percent of Australian's total energy use results from industry and commercial operations, while Australian hosueholds only account for 17 percent of overall usage).

In relation to domestic market development, the paper looks toward a market reflecting the current Victorian market, key features of which are vertical integration of retail and generation, and retail price deregualtion. The implications for consumers and the competitivness of retail markets needs to be considered before adoption of Victoria's energy market is taken national.

The paper also calls for deeper community engagement in energy policy issues and outcomes so as to create a more mature and informed dialgoue and build a stronger social consensus. This will be imperative in the ongoing development of an energy policy framework that meets all of Australia's needs.

The consultation period for responding to the Draft paper is almost three months as submissions are due 16 March 2012. More information can be found here.

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1.3 Smart meters / Smart Grids

National Smart Meter Consumer Protections
The Department of Resources, Energy and Tourism (**DRET**) has released its long awaited draft consumer protection paper on smart meters for consultation. The paper primarily looks at whether current consumer protection arrangements (as established in the National Energy Customer Framwork) are appropriate to cover the new products and services enabled by smart meters and whether or how the protections can be enhanced so that consumers are able to realise the benefits.

The paper is divided into three parts;

- **Demand management and customer billing**; assessing implications of potential new pricing arragnements such as flexible/time of use pricing, and their impacts of different groups. The paper also looks at products such as direct load control and supply capacity control, and relevant information requirements that may be necessary.

- **Consumer access and engagement;** assessing what information and engagement with consumers will be necessary to access any benefits of smart meters, including privacy and consent matters, the provision of information via in home displays and dispute resolution.

- **Technical and safety**; assessing the technical, public heatlh and safety issues that are may result from the installation of smart meters, including public health concerns.

The paper will take into account work already undertaken in Victoria relating to the rollout of smart meters in that state.

DRET are to hold a stakeholder forum in early February (details to be announced), with comments on the draft policy paper due 2 March 2012.

Following various stages of consultation it is expected the final paper will initiate a rule change process towards the end of 2012.

More information including the paper can be found here.

Victorian Smart Meter Rollout
The Victorian government has announced the future of the Smart Meter rollout in Victoria, following a lengthy review.

The government has based its decision to proceed with a mandatory rolloutof smart meters despite independent analysis showing that costs of the rollout have blown out significantly, and that overall, the program will have a net-cost to Victoria. However, given that much of the costs had already occurred, there would be a future net benefit resulting from continuing with the rollout compared to ceasing it now.

The government has committed to the delivery of benefits for consumers as the highest priority. Its announcement included:

- a requirement for energy retailers to continue to offer a choice of flat tariffs or time of use tariffs (i.e. time of use tariffs will not be mandatory);

- the inclusion of inhome displays in the energy saver incentive scheme, resulting in a subsidised or no-cost inhome display accessible to all households;

- a tightening of the cost recovery frameworks for the rollout, making businesses more accountable for their smart meter related expenditure, and minimising costs to be passed on to consumers;

- an assurance from independent consultants that smart meter radiation levels fall within safe electromagnetic and radiofrequency emissions standards, and are particularly safe in comparison to other wireless products such as mobile phones and baby monitors; and

- an assurance (via Energy Safe Victoria) that Victorians can have confidence in meters being installed, and the fact that many existing issues of unsafe wiring within hosueholds have been identified and remedied during meter installations.

The Victorian Government is also looking to establish a ministerial advisory committee to guide the rollout, providing a direct line of advice from key industry and consumer stakeholders to government.

One of the unfortunate hallmarks of the smart meter program to date had been a lack of community education and an inability or unwillingness to explain the program to households who have been watching their electricity bills increase without understanding why. It is essential now that the Government explain to Victorians what steps they can take to get the maximum benefit from their new meter and also to be clear about their rights and responsibilities in relation to the meter installation.

The Victorian regulator, the Essential Services Commission, has released its final decision on the use of direct load control and supply capacity control via smart meters, which, disappointingly, allows the use of such devices for "non-credit management purposes". Consumer representatives continue to have concerns about the potential use of these products, as it is not clear what purpose they could be used for other than credit managemetn purposes.

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1.4 National Energy Customer Framework (NECF)

Jursidictional arrangements

Following Ministers' re-commitment to transition to the national energy customer framework in July 2012 at the recent SCER meeting, jurisdictions are developing transitional arrangements.

In Victoria, the State Government has decided to implement legislation as the Natioanl Energy Retail Law (NERL) as a law of Victoria (expected to be entitled the National Energy Retail Law (Victoria) Act 2012), repealing redundant provisions of exsisting Victorian energy laws. It will also estalish a Victorian specific regulatory arrangement designed to work 'harmoniously' with the national frameworks.

Key Victorian protections will be included in local, subordinate instruments including a number of statutory obligations, including:

- The Victorian wrongful disconnection payment scheme;
- A prohibition on the application of late payment fees; and
- Requirements to deliver community service concessions.

Smart meter (Advanced Metering Infrastructure) consumer protections will also be contained in the subordinate instruments. The regulator for the Victorian specific arrangements is yet to be determined.

More information can be found here. The joint sbumissions from Victorian organisations representing consumers can be found here and here.

Other jurisdictions are considering their particular arrangements.

NECF Communications Strategy
The Department of Resources, Energy and Tourism (DRET) are due to release a draft communications strategy in the first quarter of 2012. DRET have engaged Porter Novelli to consult broadly with consumers and businesses around the key messages that will need to be developed in communication of the NECF to the wider market. Stay tuned.

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1.5 Australian Energy Regulator (AER)

Market notice and consultation paper: Matters relevant to the framework and approach for ACT and NSW DNSPs 2014–19 distribution determinations
The AER has commenced the Electricity Distribution Price Review (EDPR) for NSW distribution businesses (Ausgrid, Endeavour Energy and Essential Energy) for the 2014 - 2019 period.

The market notice released informs interested parties about the AER's consultation for the framework and approach process to be undertaken prior to receiving the DNSPs' regulatory proposals Submissions are due 17 February 2012.

More information can be found here.

AER releases draft determination on Victorian advanced metering (smart meter) infrastructure roll-out 2012-2015
On Melbourne Cup Eve, the AER released AMI budgets and charges for 2012–15 for Victorian Distribution businesses Jemena, Powercor, Citipower,SP AusNet and United Energy. The decision approves a total forecast expenditure of $1.1 billion, which equates to annual charges for customers (with single element meters) of:

DNSP	2011	2012	2013	2014	2015
SP AusNet	93.83	107.25	122.60	140.14	160.19
UE	92.12	106.57	123.30	142.64	165.02
JEN	136.70	153.95	173.38	195.26	219.90
CitiPower	91.38	99.31	107.92	117.29	127.46
Powercor	95.01	102.96	111.57	120.90	131.01

Reference: AER final decision

SP Ausnet have appealed the AER's decision following a signifant reduction in allowable capital and operational expenditure. For more information please click here.

The AER's final decision can be found here.

AER consultation: draft Statement of Approach to the price comparator website and draft amended AER Retail Pricing Information Guideline

The AER has recently consulted on its proposed approach to the development of its national price comparator website, including, for example, required inputs from the user, the display of available offers to the user, and ensuring the website is accessible to users.

Submissions closed early December. More information can be found here.

Appointments to the AER's Customer Consultative Group

The AER has made appointments to its Customer Consultative Group for the following two years. The following ten organisations have been appointed:

- The Australian Council of Social Services;
- The Australian Industry Group;
- Consumer Action Law Centre;
- Consumer Utilities Advocacy Centre;
- the Council on the Ageing (National);
- Public Interest Advocacy Centre;
- the Queensland Council of Social Services;
- the Saint Vincent de Paul Society;
- the Tasmanian Council of Social Services; and
- UnitingCare Wesley Adelaide.

For more information on what the AER is up to, click here.

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1.6 Australian Energy Market Commission

Reviews

New Prudential Standard and Framework in the NEM
The Australian Energy Market Operator (AEMO) has proposed a rule change to amend the prudential framework in the National Electricity Market (NEM), by introducing a new statistical standard that will be used to calculate collateral requirements for participants. Currently retail participants are obliged to post an amount of collateral (bank guarantees and cash deposits) to offset the risk posed by their potential default on monies owed to AEMO. The objective of the rule change is, in the event of default, that there is sufficient collateral posted by the defaulter to meet the Maximum Credit Limit (MCL), and the Prudential Margin (PM) to ensure the amount owed to AEMO is recoverable 98 times out of every 100, with the further goal of avoiding a default and subsequent Retailer of Last Resort (RoLR) event.

Further information on this rule change proposal can be found here.

Power of Choice - Stage 3 DSP Review

The Power of Choice directions paper is the next step in the AEMC's review of demand side participation and is due for release by the end of January 2012, to be followed by a six week consultation period.

Prior to its release of the Directions Paper, the AEMC will be releasing consultantcy reports which will hopefully contextualise and provide evidence for the content of the Directions Paper.

Next steps will include a draft report (with consultation) and a final report, hopefully by the end of 2012.

Review of distribution reliability outcomes and standards

In August, the MCE directed the AEMC to undertake a Review of Distribution Reliability Outcomes and Standards, with a focus on *the extent to which the level of investment in distribution networks reflects customers' willingness to pay for reliability.*

The review is set to have two separate workstreams:

- **The NSW workstream** is to look at the costs and benefits of alternatives for future distribution reliability outcomes in NSW, with outcomes are likely to impact the level of distribution investment and prices in NSW over the long term, (an issues paper was released 3 November, and submissions closed on 1 December); and.

- **The National workstream** is to look at distribution reliability outcomes in the National Electricity Market (NEM) which are currently set separately by each jurisdiction with the objective being to analyse the different approaches to setting distribution reliability outcomes across the NEM and then consider if there is merit in developing a nationally consistent framework for expressing, delivering, and reporting on distribution reliability outcomes (an issues paper is set to be released by July 2012)..

Following this review, if requested by the MCE/SCER, the AEMC will develop a *best practice framework* that could be adopted by the NEM jurisdictions.

Strategic Priorities for Energy Market Development 2011

The AEMC released its Strategic Priorities in October, announcing that it is focused on the economic efficiency of energy markets and stating that productivity improvements would be expected to be a feature of industries characterised by sound regulatory arrangements and a competitive market structure.

The final three strategic priorities are as follows:

Strategic Priority One – A predictable regulatory and market environment for rewarding economically efficient investment: This priority recognises that delivering the expected large amount of investment in generation capacity in the future requires a policy and market environment that provides sufficient certainty to *underpin investment in long term assets* and a competitive market structure.
Strategic Priority Two – Building the capability and capturing the value of flexible demand: This priority recognises that one of the potential responses to forecast increases in peak demand and effects of increased intermittent generation is facilitating the expansion of *customer choices* so that consumers can use energy when its value to them is greater than the efficient cost of supply.
Strategic Priority Three – Ensuring the regulation of *transmission and distribution networks* promotes timely investment and efficient outcomes: This priority complements the focus on generation and the competitive sectors of the industry. The arrangements for investment decisions as well as funding and pricing for the use of networks contributes to the objective of minimising overall system costs to consumers. This can only be achieved if

the relationship between regulated and competitive sectors are understood and taken into account.

Consumer representatives question whether the regulatory arrangments are in fact sound, and are subsequently supporting the AER's proposed rule changes with the AEMC to address problems with the rules. Further, consumer representaives have continuing concerns about the AEMC's understanding of the demand side—to be effective, this work needs to take the lessons from behavioural economics which examines actual consumer behaviour and identifies systematic biases and departures from the perfectly rational consumer that is assumed by our current regulatory framework.

The AEMC's workplan over the coming 12 months includes reviewing retail price regulation in New South Wales, which involves consideration of the effectiveness of retail competition. The AEMC will also take on responsibility of administering the National Energy Retail Rules as the National Energy Consumer Framework (NECF) commences in July 2012.

While the AEMC notes that these and the strategic priorities are critical to "achieving value for money for consumers over the long term, and on-going reliable supply contributing to, and in some cases underpinning, future economic prosperity", there is still little recognition of the barriers consumers face in fair participation in the market, and neither the strategic priorities nor necessarily the workplan will address this.

A copy of Strategic Priorities for Energy Market Development report can be found here.

Links to consumer submissions (residential/small consumers) to the draft strategic priorities in May/June are below.

- Consumer Action Law Centre
- Tasmanian Council of Social Service
- Total Environment Centre

Rule change proposals

A range of rule change proposals have been initiated or are ongoing:

Economic Regulation of Network Service Providers

Details of a consolidated rule change request by the Australian Energy Regulator and Energy Users Rule Change Committee (EURCC) have been released by the AEMC, which seeks to change the way revenues are set for electricity and gas network businesses. The AER's rule change requests seek to address deficiencies that the AER has identified in the framework for the economic regulation of electricity network businesses and also to improve the rate of return provisions in the framework for the price and revenue regulation of gas pipeline businesses. In particular the rule change requests seek to address:

- the capital and operating expenditure framework in electricity
- the expenditure incentive arrangements in electricity
- the cost of capital provisions in electricity and gas, and
- the efficiency of the regulatory process.

The EURCC rule change looks at the methodology for the calculation of the regulated return on debt, as the "return on debt forms the largest part of the return on assets, which in turn is the largest part of the regulated income that monopoly NSPs recover from their customers".. The EURCC propsose to amend the rules so that the allowed return on debt reflects the actual cost of debt.

A public forum was held in Brisbane 23 November and submissions to this initial phase have now closed.

More inforamtion can be found here. A joint consumer media release outlining our support for the rule change can be found here.

More rule change proposals can be found here.

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2. Consumer advocacy

Every issue, *On the Wire* includes articles by other consumer and community organisations. We welcome contributions. If you would like to submit an article for the next edition of *On the Wire*, please contact us at info@consumeraction.org.au with "On the Wire" in the subject line.

The following articles are produced by organisations other than Consumer Action Law Centre and do not necessarily represent the views of Consumer Action.

2.1 *Victorian standing offer changes 1 January 2012 – Electricity pricing and implications for energy efficiency programs, Gavin Dufty, Manager, Policy and Research, St Vincent de Paul Society*

The Victorian gas and electricity standing or default offer pricing arrangements operate slightly differently to those in others states. Firstly, there is no government oversight in price setting and secondly prices can be changed at 6 monthly intervals, and generally if prices are to change this occurs around 1 January and 1 July. This means as consumer advocates we have to be constantly watching government gazettes to monitor changes in company's energy pricing, and pricing strategies. The reason for the focus on the standing offer prices is they seem to provide the basis for the basic design of the market offers that the various companies offer.

As network charges are changing as of 1 January 2012 so too are energy retail standing offers. Standing offers that have been gazetted reflect average electricity price increases ranging from approximately 5.5% ($65) - 10% ($100) for dual fuel customers in the metropolitan networks, and a 4 % ($45) - 12.5% ($150) increase for the controlled load customers in the non metropolitan networks, depending upon which company a consumer is with.

There are a number of issues with quite significant variations in electricity price increases by the various companies within and across the various distribution zones. Some suggest that this indicates that some companies are taking the opportunity to profit maximise (read price gouge). Others suggest that the price increases are due to a combination of factors including network price increases, smart meter charges and environmental and renewable energy schemes and differential in price changes highlights the ability of the various companies to manage these and other costs.

Secondly, but of equal importance, is what the headline figures don't reveal is the various pricing strategies that underlie these price increases. Of the three major players Origin, AGL and TRU the variation in increases in fixed and variable charges is striking. For example, variations in the fixed charges component of a bill in the Jemena network range from 79 cents per day to as high as 110 cents per day – or an annual difference of $113 per annum before you consume a kilowatt.

The various pricing strategies (fixed vs variable) also have implications for the success, or otherwise, for the various energy efficiency programs that different governments are proposing. For example if two households, A and B with similar bills were offered the same energy efficiency package, and one of those households, household A, was on a tariff with a high fixed charge and lower consumption charges then you would require proportionally more kilowatts to be saved for household A than household B to achieve the same reduction in bill. As such, the payback to the households for energy efficiency is directly linked to the type and design of the tariff that particular households are on.

This may present challenges for the design and delivery of energy efficiency programs to ensure that all households see meaningful reductions in energy bills, regardless of the pricing strategy of the energy company. It also has implications for the sustainability of the reduction in energy bills over time. This occurs as market energy offers change from time to time. A good example here is the pricing strategy of TRU energy which will change significantly as of the 1 January 2012 as they have significantly rebalanced their tariff shape to have a much higher fixed component than in the previous year and much smaller increases in the consumption charge. As such, for a household or government investing in energy efficiency they would potentially see a reduction in the value of the return as a discount on a bill in this particular circumstance.

This issue was identified when policy makers were considering initiatives to promote the uptake of PV systems, and hence the introduction of a feed in tariff. However this in itself presented a number of equity issues and unintended outcomes that policy makers are currently responding to.

The issue I am raising here is policy makers and the community must be clear on the desired outcomes associated with the significant investment in energy efficiency. If we focus on bill reduction and rates of return, the program will be shaped in a particular way saving kilowatts for households on a particular tariff that meet this criteria. Or is the program focused on just saving kilowatts, regardless of the price of these kilowatts? In this case the program could focus on a potentially very different household type.

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2.2 *Improving energy market competition through consumer participation, David Stanford, Consumer Utilities Advocacy Centre*

On 14 December 2011 CUAC released its new research report *Improving energy market competition through consumer participation*.This report analyses the potential for, and extent of barriers to, effective consumer participation in the Victorian energy market. It makes recommendations as to how the Victorian retail market could be improved and simplified for consumers.

Some of the key findings of the research relate to the level of understanding of Victorian consumers in the energy market. The report, in line with previous reports from the Essential Services Commission and the Australian Energy Market Commission, finds that many Victorian consumers find it difficult to understand offer information. In fact, 42 per cent of consumers surveyed as part of this research indicated that they found it difficult to understand offer information. This compared to the 32 per cent who found it comparatively easy.

The research also provides evidence of ongoing problems of mis-selling by door to door sales representatives and difficulties finding reliable information through other channels such as commercial price comparison services. This compromises the ability of consumers to access quality information upon which to make well-informed consumption decisions.

The findings suggest that the effectiveness of consumer participation in the Victorian market is less than optimal and may not be placing adequate competitive pressure on energy retailers. A number of recommendations are made in the report that include:

- approaches to improve the simplicity and comparability of offers through regulatory reform;
- the introduction of an education and information program for Victorian energy consumers;
- the introduction of a regulatory code in order to improve comparison services; and
- the development an energy retailer rating scheme.

CUAC hopes that this report will be closely considered by all stakeholders so that we can achieve improvements to both the Victorian and national market in the interests of all energy consumers.

CUAC will be hosting an event involving all stakeholders to discuss the findings of the report in further detail early in 2012. Keep an eye out for future announcements of this event so that you can participate in this important policy debate.

The full research paper can be downloaded here along with a useful accompanying fact sheet.

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2.3 Stakeholders Take Action on Powerlink's Proposed Revenue Increases, Glen Wright, Total Environment Centre

Every five years Queensland's regulated electricity transmission business, Powerlink, has to submit a proposal for its allowable expenditure and revenue for the next five year period. The Australian Energy Regulator (AER) reviews this proposal and sets the allowable revenue.

Powerlink recently submitted its revenue proposal for the 2013-2017 period and has drawn a strong response from the Total Environment Centre and from large energy users, who argue that Powerlink has overestimated electricity demand and requested excessive increases in expenditure and revenue.

The Total Environment Centre submitted that Powerlink's proposal represents a 97% increase on its previous revenue cap, stating:

> *Powerlink has used techniques of creative accounting throughout its 2013-2017 revenue proposal to justify profligate increases in expenditure, obscuring the impacts on consumers while exaggerating its efficiency and the need for expenditure.*

A group of big companies, including Visy, BOC, Orica and Incitec Pivot, said that Powerlink's proposal is "highly questionable, with an over claim estimated to be some $220 million a year".

The AER agrees that Powerlink's demand forecasts are too high, driving over-expenditure. Analysis commissioned by the Regulator calculated Powerlink could have deferred at least $700 million of investment in the last regulatory period, almost 25 per cent of its budget, if it had forecast demand more accurately. In its draft determination the Regulator states that it is "concerned about Powerlink's recent history of consistently over-forecasting demand" and decided to cut Powerlink's $5.9 billion revenue plan by 23 per cent.

While the overall cost impact of the increase to consumers will be low, Powerlink's excessive expenditure increase is part of a broader trend that has seen consumer prices rise in the past few years. Electricity transmission and distribution businesses have consistently overspent on new infrastructure, which increases charges that are ultimately passed on to consumers.

This trend has resulted in a proposal from the AER and a group of large energy consumers, which includes Woolworths and Rio Tinto, to amend the National Electricity Rules to give the Regulator greater powers to crack down on excessive revenue proposals.

The AER will make its final determination on Powerlink's revenue cap in the New Year following further submissions. Under the current rules, the decisions of the Regulator are almost always appealed: it is very likely that the decision will be appealed before Powerlink's revenue cap is finally determined.

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