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13th August 2010

Mr Tom Leuner General Manager Markets Branch Australian Energy Regulator GPO Box 520 Melbourne VIC 3001

Email: AERInquiry@aer.gov.au

Dear Mr Leuner,

Retail Market Performance Reporting - Issues Paper, June 2010

CitiPower Pty and Powercor Australia Ltd (**the Businesses**) welcome the opportunity to comment on the Australian Energy Regulator (**AER**) Issues Paper "*Retail Market Performance Reporting*".

The Businesses have reviewed the Issues Paper and are supportive of the AER's aim to work closely with the Essential Services Commission (ESC) to minimise unnecessary duplication of reporting requirements on distributors. The Businesses, however, make the following submission in respect of questions 56 and 57 of the Issues Paper.

Q56 Are there other generic indicators that can be used to measure distributors' performance in relation to small compensation claims? How might they be interpreted?

The Businesses currently have in place a Voltage Variation Compensation Scheme (VVC) which was set up by the ESC for small customers to make minor claims for voltage variation compensation. The Businesses' claims policy, along with the customer charter, is published on the Businesses' website, and is also offered to customers via the Businesses' contact centre. The Businesses submit that these arrangements ensure that customers are able to easily access the small compensation claims regime.

The Businesses are able to report on the following criteria:

- · Number of claims received;
- Number of claims paid;
- Total amount claimed by customers; and
- Total amount paid to customers.

Any changes or additions to the above reporting categories will require system changes to capture and record the new information, and incur additional costs.

Q57 Is quarterly reporting of the proposed indicators appropriate, or would less frequent reporting (e.g. six monthly, annual) be preferable.

The Businesses submit that annual reporting is sufficient for the purposes of transparency and accountability. More frequent reporting will lead to increased costs in collating, reviewing, checking and issuing the reports. The Businesses also submit that to ensure accuracy of reported information the submission date should be set no less than 2 months after the period of data required.

Should you have any further questions in relation this submission, please do not hesitate to contact Wendy Cotton on (03) 9683 4288 or at wcotton@powercor.com.au.

Yours sincerely

Brent Cleeve

Manager Price Review

CitiPower Pty and Powercor Australia Ltd