

Stakeholder Engagement Framework Review Australian Energy Regulator GPO Box 520 Melbourne VIC 3001

By email: SEFreview@aer.gov.au

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To whom it may concern

## **Draft Revised Stakeholder Engagement Framework**

Jemena appreciates the opportunity to comment on the Australian Energy Regulator's (AER) Draft Revised Stakeholder Engagement Framework (Framework) consultation paper. As the owner of regulated gas and electricity distribution network businesses, Jemena has a strong interest in the AER's stakeholder engagement as it relates to network price review decisions and the development of guidelines and information gathering tools.

We recognise the importance of effective stakeholder engagement as an input to decisions which ultimately impact energy consumers. Jemena is committed to ensuring that meaningful and genuine consultation with our own customers and stakeholders underpins our business decisions—and in particular, our price review proposals.

Overall, Jemena welcomes the revised Framework. We consider it sets a strong foundation for effective engagement by the AER and for stakeholders to provide meaningful input to the AER's decision making processes.

We support the retention of the four high-level principles to underpin the AER's engagement approach, consistent with those contained in the AER's Consumer Engagement Guideline for Network Service Providers (**NSPs**). We also welcome the Framework outlining clear and specific actions which illustrate how the AER intends to implement these principles in its engagement.

In recognition of the increasing complexity and pace of regulatory and policy change in our energy market, Jemena encourages the AER to continue informal engagement at the staff level with stakeholders. Such engagement may be either in place of or as a supplement to formal engagement (such as written submissions)—for example holding meetings between AER and NSP staff and other stakeholders as appropriate to explore a specific issue in a deeper, more deliberative manner.

We welcome the AER's commitment to improved clarity on which areas of its network price reset decisions are able to be influenced through consultation. This will allow parties to more effectively direct resources to provide useful input and help build trust in the AER's consultation and decision making processes. We again encourage the AER to follow-up on these calls for stakeholder input by clearly indicating in its

decisions what, if anything, it has changed in response to stakeholder feedback in an accessible format—for example as set out by chapter six of the draft revised Framework consultation document or a single-page table summary.

We also encourage the AER to further explore the initiative of incorporating early feedback from stakeholders on the design of the AER's engagement approach or plan for an individual network price determination process, potentially during the framework and approach stage of an electricity network price review. This approach is similar to that of Jemena and other NSPs in developing price review engagement plans early in our own processes and in consultation with customers and stakeholders. Although the National Gas Rules do not provide for the equivalent of a framework and approach stage during an access arrangement review, we consider this initiative would be equally valuable for gas pipeline price reviews.

Finally, we welcome the AER's acknowledgement that engagement on the development of Regulatory Information Notices (**RIN**) can continue to be improved, and that the AER will now routinely issue pre-draft RINs. To maximise the usefulness of information gathered through RINs for use in the AER's decision making and to minimise the costs to consumers of collecting this information, we encourage the AER to continue to progress its early engagement in this area, particularly with NSPs through informal engagement at a staff level prior to the development of a pre-draft RIN.

Should you have any questions, please contact Matthew Serpell, Manager Asset Regulation & Strategy, on (03) 9173 8231 or at matthew.serpell@jemena.com.au.

Yours sincerely

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