

3 June 2011

Australian Energy Regulator
Markets Branch
GPO Box 520
Melbourne VIC 3001

By email to: AERInquiry@aer.gov.au

Dear Ms Lynley Jorgensen

Subject: Draft AER Performance Reporting Procedures and Guidelines



Envestra has reviewed the final stage draft papers released by the Australian Energy Regulator concerning Performance Reporting Procedures and Guidelines in relation to distributor performance reporting under the National Energy Customer Framework (NECF), and supports the AER's proposed approach for reporting on distributor service standards and the small compensation claims regime.

Distribution Service Standards and GSL Schemes

In its Notice of Draft Instrument the AER proposed that in relation to distribution service standards and GSL schemes, wherever possible, it will "rely on information provided to the jurisdictional regulator or agency responsible for administration and enforcement of those standards and schemes".

This position is fully supported by Envestra because duplicate regulatory obligations, including performance reporting, has been an ongoing concern throughout consultations on the NECF, especially given that Envestra operates in multiple jurisdictions.

Envestra believes that relying on information which is already available is a sensible and efficient approach and one which also achieves some of the NECF's key objectives of reducing the regulatory burden on regulated entities and creating national consistency.

Small Claims Compensation Scheme

The Notice of Draft Instrument proposes that performance indicators for the small compensation claims regime 'will not be developed until such time as the regime is established and operational.'

Again Envestra supports this position, and notes that the claims regime itself offers little benefit to gas distributors which have extremely low levels of claims. There is also uncertainty at this time as to which jurisdictions will adopt the optional claims scheme. If and when the AER intends to develop performance indicators for the small claims compensation scheme, we presume that the AER will undertake appropriate consultation with industry stakeholders at that time.

Yours sincerely

A handwritten signature in blue ink, appearing to read "R. Mignone".

Ralph Mignone
Manager, Engineering & Technical Regulation