

Public engagement summary: Updating the Compliance and Performance Reporting Guideline 2021

Project background

Our Compliance and Performance Reporting Guideline outlines the reporting obligations for licensed energy retailers and distributors in the Victorian energy market. In 2021, the commission consulted with relevant stakeholders from the energy industry to review and update this guideline. This public engagement summary outlines what we asked, what we heard and what we have done in response to public feedback.

The purpose of this project was to update the Compliance and Performance Reporting Guideline (**reporting guideline**) by asking stakeholders for feedback, used to inform our updates.

As part of the project, we released a draft decision paper, held a stakeholder forum on 5 October 2021, and called for submissions in response to our draft decision paper via Engage Victoria.

We produced our final decisions by taking into consideration stakeholder feedback and presenting this to our commissioners for consideration.

This update to our reporting guideline will coincide with a separate but related consultation and update to the Energy Retail Code, transforming this Code into the Energy Retail Code of Practice in 2022.

How we engaged



Key dates

- 13 September 2021: Draft decision paper released, and stakeholders offered chance to consult on draft decision paper.

- 5 October 2021: Stakeholder forum held, providing stakeholders opportunity to ask commission staff questions regarding the reporting guideline's draft decision paper and proposed updates.
- 25 October 2021: Deadline for submissions to be submitted by stakeholders via Engage Victoria.
- February 2022: Final decision paper released.



Methodology

- We sought feedback and submissions via Engage Victoria for our draft proposed updates to the reporting guideline.
- We held a virtual public forum for stakeholders on 5 October 2021. The forum provided an opportunity for stakeholders to discuss key features of our draft decisions and ask questions to commission staff.
- We called for submissions from stakeholders via the online public platform, Engage Victoria. This platform allowed interested parties to submit commentary and feedback for us in response to our draft decision paper. The deadline for submissions was 25 October 2021.



Number of participants

- 496 views of our Engage Victoria consultation page by 261 visitors between 13 September 2021 and 6 December 2021.
- 106 attendees at our virtual stakeholder forum held on 5 October 2021 including:
 - State government departments
 - consumer and advocacy groups
 - energy retailers
 - energy distributors.



Number of submissions received (written, verbal)

- 14 submissions received on our draft decision paper. Submissions received from:
 - AGL
 - AusNet Services
 - CitiPower/Powercor/United Energy
 - Consumer Action Law Centre
 - EnergyAustralia
 - Jemena
 - Meridian Energy/Powershop

- Momentum Energy
- Origin Energy
- Red Energy/Lumo Energy
- Shell Energy
- Simply Energy
- Tango Energy
- Victorian Council of Social Service.

Summary of feedback

We asked	You said	We did
<p>We asked for feedback on the draft decision proposed updates to the reporting guideline via Engage Victoria.</p> <p>We asked for feedback on specific draft decisions, which stakeholders responded to directly in their submissions.</p>	<p>We received 14 submissions. Nine of these were from retail companies, three of these were from distributors, and two were from consumer representative organisations.</p> <p>The majority of stakeholders supported:</p> <ul style="list-style-type: none"> • Limiting our type 1 breaches to only the most time-sensitive and threats-to-life breaches. • Removing the type 3 category entirely. • Requiring reporting entities to report annually, rather than quarterly. • Updating the performance reporting template. • Including arrears measures that were reported during the COVID-19 pandemic into regular performance reporting. • Including best offer potential savings performance reporting measure obligations. <p>Stakeholders raised concerns including:</p> <ul style="list-style-type: none"> • Reclassifying the majority of obligations as type 2, including many that were previously classified type 1. • Reporting period for type 2 breaches should be longer. • Streamlining the process for reporting wrongful disconnections. • Clarity on 'material adverse breaches'. • Our transitional period and proposed date the reporting guideline comes into effect. 	<p>Feedback provided in submissions informed our draft decision.</p> <p>We referenced and addressed the concerns or issues raised in these submissions throughout our draft decision.</p> <p>Specifically, in response to stakeholder concerns raised in submissions:</p> <ul style="list-style-type: none"> • we included clause 150(4) of the Energy Retail Code of Practice as a type 1 breach; • removed clause 5.5.2D of the Electricity Distribution Code from type 2 breaches; • provided further examples of a material adverse breach; and • amended our draft decision so that there is a single report for wrongful disconnection payments. <p>We have also consulted with distributors to include voltage compliance reporting obligations in the updated CPRG.</p> <p>We also included a new paragraph regarding unplanned outage reporting. This was in response to a submission received and accepted regarding reporting these outages when the outage started.</p>

Our engagement events

Online public forums

Our virtual stakeholder forum was held on 5 October 2021. Recordings of our virtual public forum are available for you to view online at the commission's [YouTube channel](#).



CPRG – draft decisions

- **Proposed changes to classifications and frequency**
 - Type 1 – immediate threat to life, 2 days
 - Type 2 – majority of breaches, within 30 days of detection
 - Obligation to report breaches that may have a material adverse impact on consumers, as soon as practicable
 - Annual report signed by CEO or managing director
- **Transitional period for breach reporting = 3 months**
- **New arrears and best offer performance indicators**

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Engage Victoria

We used Engage Victoria throughout the course of this project. Below is a snapshot of our Engage Victoria consultation page after the consultation period on our draft decision paper closed.

Essential Services Commission

Updating the compliance and performance reporting framework 2021

The Essential Services Commission is updating the compliance and performance reporting framework for energy businesses and wants your feedback.

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Overview

The Essential Services Commission updated the Compliance and Performance Reporting Guideline for energy businesses to strengthen protection for consumers and sought your feedback on these updates.

The Compliance and Performance Reporting Guideline describes the information energy retailers and distributors need to report to us on how they are performing and whether they are complying with their obligations. When an energy business does not comply with an obligation in the guideline, they must report this breach to us and start corrective actions.

We published a draft decision paper and an updated Compliance and Performance Reporting

Timeline

- 
Draft decision and updated Compliance and Performance Reporting Guideline released
 13 September 2021
- 
Engagement on draft decision and updated Compliance and Performance Reporting Guideline opens
 13 September 2021