

AEMC review: issues paper Power of consumer choice

Issues paper starts public consultation

The AEMC has called for public comment on the first issues paper for its review called Power of choice – giving consumers options in the way they use electricity. Submissions to the issues paper are due by 26 August 2011.

What is in the Issues Paper?

The issues paper explores the drivers for electricity demand across Australia, future challenges for the energy market and how cost effective demand side participation (DSP) has the potential to improve the efficiency of the National Electricity Market (NEM).

The paper canvasses some of the issues for the review, particularly about the way consumers can manage their electricity consumption. The paper also discusses some of the features that may be needed for consumers and other parties to take up DSP opportunities that in the NEM.

We outline the objective and scope and our assessment approach for undertaking the review.

Read the Issues paper here. Stakeholder submissions are due on Friday, 26 August 2011.

Stakeholder Submissions

We encourage community, industry and government stakeholders to respond to this issues paper so that issues can be identified and considered. Submissions will also inform any potential options for reform.

We are seeking stakeholder comment on:

- factors that promote consumers interest and willingness to manage their electricity consumption;
- views and evidence on current and likely DSP opportunities available to consumers to manage their electricity consumption;
- the types of features ('market conditions') that may be needed to facilitate consumers to take up cost effective DSP opportunities;
- requirements for other parties to invest efficiently so that there is increased confidence that demand and supply options are given equal weight in the community's demand for energy services; and
- our approach and methodology for the Review.

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Next steps

This review is

consumers to

way they use electricity.

make informed

about identifying

opportunities for

choices about the

The next stage of this review will be to consider the issues raised in stakeholder submissions to inform our Directions paper which will be published in November 2011. The Directions paper will determine the suite of market conditions required across the supply chain and canvass the possible market and regulatory arrangements needed to promote more efficient electricity use.

We will also canvass issues raised with the review's Stakeholder Reference Group. More information about of SRG can be found at <u>www.aemc.gov.au</u>.

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