

Care Financial Counselling Service

3 March 2006




Independent Competition and
Regulatory Commission
PO Box 975
Civic Square ACT 2608

& by email to icrc@act.gov.au

Attention: Mr Paul Baxter, Senior Commissioner
Mr Ian Primrose, CEO

Postal Address

PO Box 763
Civic Square ACT 2608

 (02) 6257 1788 (02) 6257 1452 admin@carefcs.org

Dear Mr Baxter and Mr Primrose,

Re: Report 2 of 2006**Draft Decision: Retail prices for non-contestable electricity customers**

Thank you for your letter of 3 February enclosing a copy of the Draft Decision.

Care has received a copy of the ESCC's submission, dated 2 March 2006. We agree with and endorse the comments that the ESCC has made, in particular:

- we do not support the ICRC's conclusion that the ACT market is genuinely competitive and
- we acknowledge that the recommendations in relation to dealing with vulnerable consumers are useful and similarly offer our broad support.

The ESCC has added a further recommendation to its submission:

"The ACT Government should give attention to how the ESCC is to be funded by industry when the new national regulatory arrangements take effect".

The ESCC and the mechanisms it oversees are of vital importance to our client group and to vulnerable and disadvantaged consumers in the ACT generally. It is a process that took many years to evolve and, in our view, is the best approach to dealing with hardship issues currently in operation in Australia. In a city/jurisdiction that experiences some of the most extreme variations in climactic conditions in the country, with all the attendant risks that flow from a lack of access to utility services, any reduction in the ESCC's powers and capacity would be unacceptable.

Care and the Consumer Law Centre will be providing a submission to the draft Code for Prepayment Meters next Monday. We mention this in the context of

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responding to the Draft Determination because we do not accept that the apparently likely arrival of pre-payment meters to the ACT market will add to consumer choice safely or fairly.

Yours sincerely,

David Tennant
Director.