



**St Vincent de Paul Society**  
VICTORIA  
*good works*

Date 15/6/2023

To Whom it may concern,

**RE: Rule change request amending the national electricity market reliability settings, market price, cap cumulative price threshold and administered price cap**

The Vincent de Paul Society, Victoria has reviewed the proposed rule change request by the Reliability panel seeking to adjust the market price cap, the cumulative price threshold and administrative price cap.

These increases appear to be significant when compared to the current method of indexing that is aligned with changes in the CPI.

We do understand that CPI indexing may have failed to match costs associated with the investments needed for generation to meet the reliability standard. As a result, there may be a concern that there will be insufficient capacity within the national energy market to meet the reliability standard.

However, the proposal is suggesting a market framework that includes predetermined price changes that come into effect in the future. With this in mind, we are concerned that these future prices for the market setting, may or may not be “right” in terms of either the long-term interests of consumers or those needed for investment in meeting the reliability standard.

This uncertainty will include, but is not limited to, future gas prices, technology changes, future government or other interventions in the energy market potentially having a material impact on what the setting should be.

As such we propose that the Reliability panel assess and review the proposed settings annually and adjust, if necessary, the settings based on the findings of these reviews.

If you have any questions or queries, please don't hesitate to contact me

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