23 August 2024



Mitchell Potts Australian Energy Market Commission GPO Box 2603 Sydney NSW 2000

Email: www.aemc.gov.au

Project reference code EPR0097

Dear Mr Potts

## RE: ELECTRICITY PRICING FOR A CONSUMER-DRIVEN FUTURE – TERMS OF REFERENCE

Origin Energy (Origin) appreciates the opportunity to provide a submission to the Australian Energy Market Commission's (AEMC) Electricity pricing for a consumer-driven future – draft terms of reference.

While we understand the need to have an initial broad scope, the terms of reference would benefit from being more specific to provide assurance that the critical issues will be covered.

While noting the focus on principles relating to consumer preferences, a crucial outworking of the review is that it should result in a regulatory framework that facilitates customer choice. In so doing, enhancing customer understanding around key aspects of consumer energy resource (CER) integration should be a priority, and we suggest that this is made clear in the terms of reference.

In this regard, the role of the distribution networks will be critically important. The National Electricity Rules (NER) set out the obligations on distribution network businesses regarding the control of assets, the pricing of distribution services, and the assignment or re-assignment of customers to network tariff classes.

How these task are managed to enable both the incentives for customers to install the right products and services and provide customers with meaningful choices around network price structures, especially for those consumers without CER is critical. This is a significant task and that it will need to be resolved (and included in the review), which should include revisiting the underlying rationale underpinning tariff reform.

We are also conscious of other work streams being undertaken on CER related issues. It would be helpful if there is a clear delineation between the AEMC's review and its interactions with other projects.

Origin looks forward to actively participating in this important review and would welcome the opportunity to be part of the Stakeholder Reference Group.

If you have any questions regarding this submission, please contact Gary Davies in the first instance at <a href="mailto:gary.davies@originenergy.com.au">gary.davies@originenergy.com.au</a>.

Yours sincerely

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