



28 November 2014

2015 Retail Competition Review
Australian Energy Market Commission
ATT: Skye D'Almeida

Submitted online: AEMC Reference: RPR0003

Dear Sir/Madam,

RE: Consultation Paper- 2015 Retail Competition Review

Red Energy welcomes the opportunity to provide comment on the AEMC's 2015 Retail Competition Review Consultation Paper (the Consultation Paper).

Red Energy is a 100% Australian owned and operated subsidiary of Snowy Hydro Ltd. Red Energy currently retails electricity in Victoria, NSW, and South Australia and is one of the larger second tier retailers in the NEM.

The proposed framework

Red Energy generally supports the proposed assessment framework outlined in the Consultation Paper. We believe that the framework set out in section 3 will enable the AEMC to adequately assess the state of competition throughout the NEM, and when compared to the outcomes of the 2014 review will highlight the additional benefits of competition seen by consumers in a maturing market.

The emergence of Alternative Energy Sellers

In addition to the factors looked at in the 2014 review, Red Energy feels that the AEMC must look at some of the changing factors impacting competition in an evolving energy market. Alternative Energy Sellers are a key change to the traditional retail energy market and have the potential to significantly impact competition in 2015 and to an even greater extent in

the years following. The widespread emergence of solar companies offering panels to consumers under Power Purchasing Agreements for no upfront cost and the continuing development in viability of energy storage methods have the potential to drive customers away from the grid, which needs to be taken into account by the AEMC in this review.

If you have any further comments or queries in relation to this submission please don't hesitate to contact me directly on 03 9425 0496, or Ben Barnes on 03 9425 0530.

Yours sincerely

A handwritten signature in black ink, appearing to read 'SG', with a horizontal line extending to the right.

Stephen Grant
Manager-Quality and Compliance
Red Energy Pty Ltd