

22 November 2013

Australian Energy Market Commission
PO Box A2449
Sydney South NSW 1235

ERC0162: Consultation on Retail Market Procedure Governance

Thank you for the opportunity to respond to the proposed changes to the National Electricity Rules (NER) relating to retail market procedure governance.

We have not had the opportunity to examine the proposed Rule change closely. However, we would like to note our concern over our continued inability to access forums such as the IEC/RMEC. The decisions taken at these forums can have significant impacts upon our business but we have little, if any opportunity to present our views on any proposed changes.

Simply Energy believes that the limited opportunities for Registered Participants to be party to consultations through the IEC, RMEC and other electricity consultative forums (such as the BMRG) can have adverse impacts for both those excluded participants, and the consultative process more generally.

There are now 31 retailers¹ operating in the National Energy Market (NEM). Business models, resourcing and operational requirements vary greatly across these retailers, and particularly across second-tier retailers. As a result, the impact of new retail market procedures or amendment to existing procedures can vary significantly across this participant type.

The current limit on attendees at AEMO's electricity forums is not sufficient to ensure the B2B work program addresses a range of concerns relevant to the current market. Issues specific to certain sub-categories of retailers (such as new entrants, for example) may not be raised or adequately represented.

Simply Energy believes the attendance at all electricity forums should be open to a representative of any registered participant who may wish to attend. This would allow all retailers the opportunity to become better informed on the issues and implications for their business, and to also actively contribute to the discussions. Attendee diversity would also introduce new ideas and perspectives to forums, many of which are currently attended by long-standing members who may not be familiar with the operations of various second-tier retailers. This is likely to benefit the forum as a whole in developing well-considered and sustainable procedures.

If the Rule change results in significant change to the way in which market procedures have been consulted on and agreed to and more transparency is brought to the process, then Simply Energy is a supporter of the changes proposed.

Please don't hesitate to contact me on (03) 8807 1132 if you would like to discuss the issue with me further.

Yours sincerely

Dianne Shields
Senior Regulatory Manager

¹ NEM ROCL 29 April 2013.