



22 February 2008
C/08/2173

**CALL FOR SUBMISSIONS -
REVIEW OF ENERGY REGULATORY INSTRUMENTS**

The Essential Services Commission (the Commission) is reviewing its energy retail and non-economic distribution regulatory instruments, including codes and guidelines. The review will examine the administrative and regulatory obligations on energy businesses to identify opportunities to improve and streamline the framework for consumers and the industry.

The Commission is undertaking the review to:

- Remove regulatory provisions that may have become redundant over time, for example, some obligations applying to small business customers in light of the removal of the Victorian Government's price oversight from 1 January 2008.
- Modify regulation obligations to facilitate the orderly implementation of the Government's advanced interval metering program from 2009-12.
- Assess the obligations relating to the provision of information to customers to improve their access to the competitive market, in view of the increasing effectiveness of energy retail competition in Victoria (as noted in the Australian Energy Market Commission's Second Draft Report on the Effectiveness of Competition in Electricity and Gas Retail Markets in Victoria published in December 2007).
- Examine whether the obligations in regulatory guidelines would be better placed in existing codes and whether existing obligations are appropriately drafted or unnecessarily duplicate other regulation. This approach is consistent with the findings of the Productivity Commission's recent Draft Report: Review of Australia's Consumer Policy Framework, published in November 2007.
- Consider the compliance and reporting requirements arising from the existing framework and whether improvements can be made to reduce or remove unnecessary administrative burden, consistent with the Victorian Government's policy initiative.

Under the auspices of the Ministerial Council of Energy and its Standing Committee of Officials, the Retail Policy Working Group is currently determining a national energy retail and non-economic distribution regulatory framework for transfer to national regulators. The Commission's review, therefore, will not impact the fundamental protections for customers,

including obligations to ensure disconnection from supply is avoided, assisting customers in financial hardship and cooling-off provisions in the competitive market.

The Commission will continue to consult with the Department for Primary Industries (DPI) on this review to ensure it complements other related reviews.

Submissions

The Commission invites submissions to the review by close of business on **Wednesday, 26 March 2008**. Submissions, addressing the objectives outlined above, should be sent:

By email to – EnergyRegulatoryReview@esc.vic.gov.au

By mail to - Energy Regulatory Review
Essential Services Commission
2nd Floor, 35 Spring St
MELBOURNE VIC 3000

By fax to - (03) 9651 3688

Submissions presented in electronic form are preferred. Submissions will be made available on the Commission's website in accordance with its website policy. Any material that is confidential should be clearly marked as such. Publication is subject to the privacy policy available on the website (www.esc.vic.gov.au).

Enquiries can be directed to Wendy Heath (03) 9651 0214 or David Chan (03) 9651 3205.



Greg Wilson
Chairperson