

5 May 2015

Queensland Competition Authority
GPO Box 2257
Brisbane QLD 4001

Submitted via email: electricity@qca.org.au

Dear Sir/Madam,

Re: Queensland Competition Authority (QCA) review of retail electricity prices for 2015-16: Further Consultation Paper

Red Energy is 100% owned by Snowy Hydro Limited. Red Energy is one of the largest second tier energy retailers and retails gas in Victoria and New South Wales and electricity across the NEM.

Red Energy welcomes the opportunity to respond to the Queensland Competition Authority (QCA) Further Consultation Paper as part of its review into retail electricity prices for 2015-16. This follows a recent decision by the Government to delay the deregulation of electricity prices for residential and small business customers in South East Queensland for 12 months. The decision will effectively prevent price deregulation from moving ahead in South East Queensland from 1 July 2015.

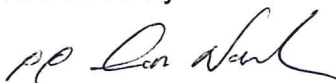
Red Energy has previously supported the proposal by the Queensland Government to deregulate retail prices in South East Queensland from 1 July 2015. A competitive market ensures price reflectivity and incentivises energy retailers to improve their products and services to meet the needs of their customers. Therefore, we do not support the recent decision by the Queensland Government to delay deregulation of retail prices for residential and small customers in South East Queensland by 12 months.

The Queensland Productivity Commission, once established, intends to undertake a cost benefit analysis of the deregulation of retail electricity prices for South East Queensland. As part of its review process, it will determine whether the current market monitoring and consumer protection arrangements are satisfactory. It will commit to this task prior to making any final decision on whether to deregulate retail electricity prices in South East Queensland.

We understand that the Terms of Reference require a Final Report by November 2015; however, we insist that the review is conducted in an efficient and speedy manner. We are optimistic that the Queensland Productivity Commission will make recommendations to ensure the deregulation of retail prices in South East Queensland occurs.

Should you require any further information, please contact Con Noutso Regulatory Manager on 03 9976 5604 to discuss this submission further.

Yours sincerely

A handwritten signature in black ink, appearing to read "Ramy Soussou".

Ramy Soussou
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