

12 July 2013

Ms Kerri Heron
Project Officer, Energy
Essential Services Commission Victoria
Level 37, 2 Lonsdale Street
Melbourne VIC 3000

Dear Kerri

PROPOSED CHANGES TO REGULATORY INSTRUMENTS RELATING TO FLEXIBLE PRICING OF ELECTRICITY

Simply Energy appreciates the opportunity to respond to the ESCV's proposed changes to regulatory instruments relating to flexible pricing of electricity.

Simply Energy has reviewed what the ESCV has proposed and we have the following feedback.

Proposed amendment to section 24.1(b) of the ERC

Simply Energy does not believe there is an inconsistency between the Order and the ERC. Section 24.1(b) of the ERC was established for a customer who wished to terminate their current contract and switch retailers.

There is no inconsistency between section 24.1(b) and the Order because the customer must stay with their current retailer to be able to revert back to their previous retail tariff. Simply Energy believes that no change to this clause is required.

Proposed amendment to section 31 of the ERC

Simply Energy is unclear why the proposed change is necessary as this requirement is already in the Order. As Victorian legislation applying to a licenced retailer, we are obligated to follow the requirements of the Order and replicating these requirements in the ERC appears unnecessary.

Proposed amendment to section 3.3 of G19

We agree with this change.

Proposed amendment to section 3.4 of G19

We agree with this change.

Proposed amendment to SCHEDULE 4A – RELEVANT PUBLISHED OFFERS (ENERGY PRICE FACT SHEETS)

We agree with this change as this is a common sense approach to allow retailers the flexibility to utilise either energy price facts sheets as per the 'AER Retail pricing Information Guideline Version 3.0' or the current price and product information statements as required in Victoria.

Proposed amendment to Schedule A

Simply Energy agrees to this change. The new template correctly reflects the specific flexible AMI retail tariff types within the established template.

Proposed amendment to clause 7.2 of the Electricity Retail Licence

Simply Energy refers to the proposed Victorian Electricity Licence change to clause 7.2 where the Commission seeks to add "A difference of terms and conditions, only to the extent necessary to reflect different types of meters, is not a material difference for the purpose of this clause".

Simply Energy does not understand the purpose of this change as it is not the retailer that changes the terms and conditions of supply because of a change in meter type. This decision is taken by the distributor who, in the absence of a moratorium on mandatory reassignment, will change the customer's network tariff and the terms and conditions of supply on the basis of a change in meter type. Simply Energy merely inherits the decision taken by the distributor.

If you have any questions please do not hesitate to contact Alan Love on (03) 8807 5113.

Yours sincerely

Dianne Shields
Senior Regulatory Manager