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5 April 2019

Meredith Mayes
Director
Australian Energy Market Commission
PO Box A2449
Sydney South NSW 1235

Submitted electronically

Dear Ms Mayes,

Re: GRC0053 Consultation Paper National Gas Amendment (Recognition of Exempt Sellers) Rule 2019

Red Energy and Lumo Energy (Red and Lumo) welcome the opportunity to provide feedback to the Australian Energy Market Commission (the Commission) on the Consultation Paper on the National Gas Amendment (Recognition of Exempt Sellers) Rule 2019 (the Consultation Paper).

Red and Lumo agree with the stated goals of the Consultation Paper and to introduce competitive neutrality between participants, through the introduction of third parties into the retailer category.

We consider the proposed changes provide benefits to consumers through being able to access the consumer protections available under the National Energy Retail Rules. However, we believe that the scope for streamlining terminology and systems can be expanded further.

Red and Lumo fully support the move by the Commission to align the registerable categories that exist in relation to exempt sellers. In particular, we support changing the 'user' registrable capacity to 'retailer' to align with the AEMO Retail Market Procedures. However, we believe that a logical next step in this process would be to amend the existing term 'network operator' to 'distributor'. Currently, these inconsistencies create not only confusion for business but also for consumers. We believe that a consistent approach across the market to the registerable categories provides extensive benefits at an exceptionally low cost. We further believe that the current Consultation Paper provides the perfect opportunity for this further change to be implemented due to the changes occurring related to the 'retailer' and 'user' registerable categories.

We recommend the Commission consider placing timeframes on AEMO in its final decision to complete all the requisite consequential amendments to their Procedures, registration guidelines and include the new registrable capacity in the AEMO fees and charges. Especially considering that none of these sites currently exist in AEMOs systems.



The Commission may also consider reaching out to the relevant jurisdictional ombudsman schemes to ensure that they have the powers to cover any gas embedded network complaints from consumers who will fall under the new exempt sellers in the market. Finally, we welcome the Commission to extend its embedded network review to gas, in light of this change.

About Red and Lumo

Red and Lumo are 100% Australian owned subsidiaries of Snowy Hydro Limited. Collectively, we retail gas and electricity in Victoria, South Australia, New South Wales and Queensland, and electricity in the ACT to over 1 million customers.

Should the Commission wish to discuss or have any enquiries regarding this submission, please contact Stephen White, Regulatory Manager on 0404 819 143.

Yours sincerely

A handwritten signature in black ink, appearing to be "Ramy Soussou", written over a circular scribble.

Ramy Soussou
General Manager Regulatory Affairs & Stakeholder Relations
Red Energy Pty Ltd
Lumo Energy Australia Pty Ltd