



St Vincent de Paul Society
VICTORIA
good works



Ms Chantelle Bramley
Senior Director
Australian Energy Market Commission

Lodged online

10 February 2016

Dear Ms Bramley,

St Vincent de Paul Society, Consumer Utilities Advocacy Centre and the South Australian Council of Social Service thank the Commission for the opportunity to comment on the East Coast Wholesale Gas Market Review. Given the significant price increases in the wholesale gas market and the competition issues in the residential gas markets, we believe the context heightens the priority for redesign and reform of the existing framework. This is essential to support consumer confidence and certainty underpinned by the right market incentives.

In broad terms, we support the Commission's direction in the Stage 2 Draft Report. We believe the Commission is moving to improve transparency and price disclosure, lower barriers to entry, promote competition and enhance efficient market operation. We support the development of the market which will concentrate trading at two points on the east coast and of major import, the reforms to capacity trading will enable other market participants to enter and deliver increased efficiencies. We agree with the Commission that these capacity trading reforms will provide for "more flexible, lower cost and non-discriminatory access to pipeline capacity between hubs" (AEMC Stage 2 Draft Report, p.v).

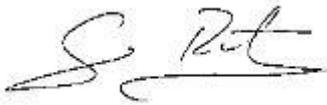
We note that competition in gas residential markets is limited to nonexistence in many jurisdictions (refer to St Vincent de Paul Tariff Tracking Project https://www.vinnies.org.au/page/Our_Impact/Incomes_Support_Cost_of_Living/Energy/). We emphasise the critical role the Stage 2 Draft Report findings have for setting the right framework to promote enhanced residential gas retail competition.

We thank you in advance for your consideration of our comments. If you have any questions relating to the above, please contact SACOSS Senior Policy Officer, Jo De Silva on 8305 4211 jo@sacoss.org.au, Gavin Dufty on 0439 357 129 gavind@svdp-vic.org.au or Petrina Dorrington on 03 9639 7600 petrina@cuac.org.au.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'RWomersley', with a large, sweeping flourish at the end.

Ross Womersley
Executive Director (SACOSS)

A handwritten signature in black ink, appearing to read 'G Dufty', with a horizontal line extending from the end.

Gavin Dufty
Manager Policy and Research (St Vincent de Paul)

A handwritten signature in black ink, appearing to read 'Petrina Dorrington', with a horizontal line extending from the end.

Petrina Dorrington
Active Executive Director (Consumer Utilities Advocacy Centre)