

17 November 2008

Australian Energy Market Commission
PO Box A2449
Sydney South NSW 1235

Via email: submissions@aemc.gov.au

Dear Sir/Madam

RE: AEMC Review of the Effectiveness of Competition in Electricity and Gas Retail Markets in South Australia:
Second Draft Report

Simply Energy welcomes the opportunity to comment on the Australian Energy Market Commission's Review of the Effectiveness of Competition in Electricity and Gas Retail Markets in South Australia.

The report invites stakeholder feedback on its draft advice on ways to phase out retail price regulation such that competition has the flexibility to deliver prices that reflect the efficient costs of energy supply while continuing to protect the interests of consumers. Simply Energy's response is set out below.

Findings from the Commission's First Final Report

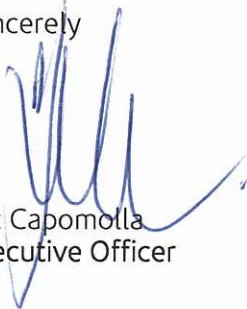
Simply Energy welcomes the findings in the First Final Report that competition is effective and endorses the Commission's view that in these circumstances price regulation should be phased out.

Regulating retail prices in SA

Simply Energy supports the proposal to remove price regulation contained in this second draft report. Simply Energy believes removing price regulation (where competition has been found to be effective) encourages efficient pricing in energy, and therefore ensures low prices for consumers and the necessary investment in new electricity and gas infrastructure.

Please contact Alex Fleming, Legal & Regulatory Manager on (03) 8807 1132 if you would like to discuss this further.

Yours sincerely



Domenic Capomolla
Chief Executive Officer