



5th July 2017

Committee Secretary
Public Works and Utilities Committee
Parliament House
George Street
Brisbane QLD 4000

By email: PWUC@parliament.qld.gov.au

Dear Committee Secretary

RE: Electricity and Other Legislation (Batteries and Premium Feed-in Tariff) Amendment Bill 2017

ERM Power Limited (ERM Power) welcomes the opportunity to respond to the Public Works and Utilities Committee (PWUC) on its proposed amendments to the Electricity and Other Legislation (Batteries and Premium Feed-in Tariff) Amendment Bill 2017. Our comments on this Bill are limited to the proposed changes to implement the national framework for competition in embedded electricity networks.

About ERM Power

ERM Power is an Australian energy company operating electricity sales, generation and energy solutions businesses. The Company has grown to become the second largest electricity provider to commercial businesses and industrials in Australia by load¹, with operations in every state and the Australian Capital Territory. A growing range of energy solutions products and services are being delivered, including lighting and energy efficiency software and data analytics, to the Company's existing and new customer base. ERM Power also sells electricity in several markets in the United States. The Company operates 497 megawatts of low emission, gas-fired peaking power stations in Western Australia and Queensland.

www.ermpower.com.au

Retail competition for embedded network customers

ERM Power strongly supports the proposed changes to the Electricity Act 1994. The current arrangements disadvantage small customers within embedded networks by limiting their access to retail competition. Without choice of supplier, these customers may be enduring higher electricity rates, lower service quality, and poor access to other energy-related services, compared to those connected directly to the distribution network.

¹ Based on ERM Power analysis of latest published financial information.

The proposed changes are an important step towards lifting this restriction to enable choice for these customers.

We commend the PWUC for considering the implementation of the Embedded Network Rules under the National Electricity Rules on 1 December 2017. As arrangements in QLD align with those in other jurisdictions, industry businesses are able to access greater economies of scale and operational efficiencies, helping us minimise costs.

Given small distribution-connected customers have access to the Queensland Energy and Water Ombudsman's dispute resolution services, we consider it appropriate that embedded network customers are also provided that right.

Please contact me if you would like to discuss this submission further.

Yours sincerely,

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Libby Hawker
Senior Manager – Regulatory Affairs

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