



30 June 2014

The Research Director
State Development, Infrastructure and Industry Committee
Parliament House
George Street
BRISBANE QLD 4000

Submitted via email to: sdiic@parliament.qld.gov.au

Dear Sir/Madam,

Re: National Energy Retail Law (Queensland) Bill 2014 and Electricity Competition and Protection Legislation Amendment Bill 2014

Lumo Energy welcomes the opportunity to make a submission to the State Development, Infrastructure and Industry Committee (Committee) regarding the Committee's inquiry into the *National Energy Retail Law (Queensland) Bill 2014* (National Energy Retail Bill) and the *Electricity Competition and Protection Legislation Amendment Bill 2014* (Market Monitoring Bill).

Lumo Energy currently retails across the National Electricity Market and gas markets in Victoria and New South Wales, and is one of the largest second-tier energy retailers.

Lumo Energy is a member of the Energy Retailers Association Australia and is supportive of their submission.

National Energy Retail Law

The National Energy Retail Law and its subordinate instruments, colloquially known as the National Energy Customer Framework (NECF), was developed in recognition that energy is an essential service for all Australians and seeks to provide strong protections for Australians struggling to pay their energy bills.

The National Energy Retail Bill, when adopted in Queensland, will encourage residential and small business customer participation in a competitive market by providing strong and equitable customer protections and will operate in a complementary way with general consumer protection laws that apply in the energy sectors at both state and Commonwealth level, including privacy laws and the Australian Consumer Law.

Lumo Energy supports the introduction of the National Energy Retail Bill in Queensland as it standardises consumer protections and clearly defines the obligations in the market for retailers, distributors and consumers. Lumo Energy

Submission No. 009 11.1.21

Submission No. 012 1.1.20



supports the consumer protections outlined in the National Energy Retail Bill. Lumo Energy recommends that any jurisdictional derogations are carefully considered ensuring any derogations that add consumer protections should be made through the national framework. It is expected that additional consumer protections that the Queensland government recommends would benefit consumers in all jurisdictions, and the Australian Energy Market Commission can review in light of the National Energy Retail Objective. Harmonisation of these consumer protections in the national framework will also minimise any regulatory burden on the market for Queensland-specific protections.

Electricity Competition and Protection

Lumo Energy strongly supports the introduction of market monitoring and the removal of regulated electricity prices. Lumo Energy considers that price deregulation is in the long term interests of consumers through increased competition and choice in products.

Queensland has had the benefits of price deregulation in gas and extending this to electricity is the logical next step as markets free from price regulation naturally encourage competition. A competitive market ensures price reflectivity and incentivises energy retailers to improve their products and services to meet the needs of their customers. The introduction of the Market Monitoring Bill in this space will increase Lumo Energy's ability to innovate and meet the needs of our customers.

The benefits of the National Energy Retail Bill, along with the Market Monitoring Bill are expected to increase in retail competition by reducing regulatory complexity and lowering barriers for energy retailers to enter into the market across participating states and territories. It is anticipated that the enabling decisions will ensure that product and service innovation will provide more choice for consumers in a more competitive Queensland electricity market.

Lumo Energy thanks the Committee for the consideration of our submission. For any enquiries regarding this submission or to discuss this submission further, please contact Stefanie Macri, Regulatory Manager on 03 9976 5604.

Yours sincerely

A handwritten signature in black ink, appearing to be "Aneta", with a long, sweeping horizontal line extending to the right.

Aneta Graham

General Manager, Regulatory Affairs & Corporate Relations
Lumo Energy (QLD) Pty Ltd