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Dr Ron Ben-David
Chairman
Essential Services Commission of Victoria
Level 37, 2 Lonsdale Street
Melbourne, Victoria 3000

Submitted Electronically to energy.submissions@esc.vic.gov.au

Dear Dr Ben-David

Consultation on the Draft Energy Compliance and Enforcement Policy

EnergyAustralia welcomes the opportunity to comment on the Commission's Draft Energy Compliance and Enforcement Policy (*the draft policy*). We are one of Australia's largest energy companies, with over 2.5 million household and business customer accounts in NSW, Victoria, Queensland, South Australia and the Australian Capital Territory. We also own and operate a multi-billion dollar portfolio of energy generation facilities across Australia, including coal, gas and wind assets with control of over 4,500MW of generation in the National Electricity Market.

EnergyAustralia appreciates the ESC's commitment to a robust and pragmatic approach to compliance. The principles that the Commission has used to guide the development of the draft policy are appropriate. In particular, the principles of responsiveness, proportionality and consistency are essential to provide regulated entities and customers with confidence that the enforcement is applied fairly for the long term benefit of all customers.

To maximise the benefits for all customers we welcome the focus in the draft policy on engaging with industry participants to ensure the market has clear understanding of customer protections, that customers affected by non-compliances are not unduly disadvantaged, and that participants make all reasonable efforts to address the causes and to prevent further breaches.

The draft policy's clear articulation of the principles will assist in ensuring that compliance and enforcement action is applied consistently. This will provide industry participants with an understanding of the ESC's required outcomes in respect of any compliance issues and ensure that all business are held to the same standard. We note however that each incident and regulated business will have unique circumstances. It is appropriate, and consistent with the principles in the draft policy that these be taken into account by the ESC when determining

the appropriate compliance or enforcement action. The focus should always be on achieving positive customer outcomes, rather than on taking punitive action.

The energy industry is currently going through a period of intense regulatory reform and technological disruption. In particular new regimes for regulation of metering nationally, and disconnections within Victoria, will require proactive and collaborative engagement between participants and regulators to deliver the best outcomes for customers.

We understand that the ESC will continue to consult with industry participants on matters of interpretation, particularly with regard to disconnections. We note that when substantially new frameworks or obligations are implemented it is particularly important that compliance activities focus on clarification, interpretation and engagement to develop the framework for the benefit of all Consumers.

If you require any further information with regard to this submission, please contact me on [redacted] or via email at [redacted].

Yours sincerely,

Joe Kremzer

Industry Regulation Lead