



The Honourable Matt Kean MP
Minister for Energy and Environment

IRF20/1776

Ms Liz Livingstone
Chief Executive Officer
Independent Pricing and Regulatory Tribunal
PO Box K35
HAYMARKET POST SHOP NSW 1240

Dear Ms Livingstone *Liz*

The NSW Government recognises the valuable contribution made by the Independent Pricing and Regulatory Tribunal's (IPART) annual reviews of retail energy market performance and competition. These reviews provide an important benchmark to monitor competition and pricing in the NSW retail energy sector.

I note IPART's recommendation in its 2018-19 report that IPART no longer undertake an annual review and report on the performance and competitiveness of the retail energy market. The NSW Government considers that there is value in retaining the annual energy retail market monitor review to identify NSW-specific outcomes and trends following price deregulation, including changes in average customer bills over time.

The market monitor role is particularly valuable at present given the impact of the COVID-19 pandemic on the NSW energy retail market, as well as the impact of the first year of the Commonwealth Government's Default Market Offer. I request that IPART include specific analysis of how these two issues have affected the performance and competitiveness of the NSW retail energy market in the 2019-20 review.

At this stage, I do not request a special review by IPART as part of its market monitoring process for 2019-20.

If you have any questions about this matter, please do not hesitate to contact Ms Sophia Vincent, Acting Director, Energy Consumers and Competition Policy, Department of Planning, Industry and Environment on 8229 2927 or at sophia.vincent@planning.nsw.gov.au.

Yours sincerely

Matt Kean MP
Minister for Energy and Environment
2.6.20