



Don Harwin MLC

Minister for Resources, Minister for Energy and Utilities,
Minister for the Arts, Vice-President of the Executive Council

Our ref: V18/1181

Dr Peter Boxall AO
Chair
Independent Pricing and Regulatory Tribunal
PO Box K35
HAYMARKET POST SHOP NSW 1240

Dear Dr Boxall

I am writing regarding the Independent Pricing and Regulatory Tribunal's (IPART) 2018 Retail Energy Market Monitor review.

I was pleased to see in your December 2017 *Review of the performance and competitiveness of the retail electricity market in NSW* that competition for residential and small business electricity customers continues to improve. Ensuring energy affordability and customer choice is a key commitment of the NSW Government.

I would also like to thank IPART for its recommendation in the December 2017 report for retailers to give advanced notice to customers of price changes. As you may be aware, I have recently submitted a joint rule change, with the Hon Josh Frydenberg, Minister for the Environment and Energy, requesting the Australian Energy Market Commission change the national rules to this effect. The Commission has recently started this rule change process.

It is essential that competition in NSW energy markets continues to develop. In previous years, I have requested IPART to review price changes that occur in July each year to ensure that these changes are efficient. IPART's advice on these matters is key to ensuring that customers continue to have confidence in the markets. I am therefore requesting that IPART reviews electricity and gas price movements in July 2018 and advises on whether any price changes reflect efficient costs in a competitive market. IPART should also consider any relevant issues that are raised in the Australian Competition and Consumer Commission's Retail Electricity Pricing Inquiry: Final Report.

In addition, you would be aware that changes to the national rules on metering commenced on 1 December 2017. Digital meters can bring significant benefits to customers by helping them to control their electricity costs and to increase market efficiency by improving network usage.

It is essential that the transition to the new arrangements is as smooth as possible to ensure ongoing consumer confidence in the market. I expect retailers to deliver high levels of customer service; however, I have heard reports of delays in meter installation and poor customer communication.

In this context, I request that IPART review retailers' practices in relation to metering and report on whether these practices are delivering acceptable levels of customer service. This may require IPART to formally request information from retailers about its metering performance, including timeframes for the installation of meters since the new arrangements commenced. In its 2018 report, I also ask that IPART identify any opportunities or recommendations for improving retailer customer service.

Both requests are made under section 234B of the National Energy Retail Law (NSW) and I request that you consider these as part of the annual report. Should you have further questions on this matter, please contact Ms Katharine Hole, Executive Director Energy Strategy on 02 8229 2848.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Don Harwin', with a horizontal line underneath the name.

Don Harwin MLC

Leader of the Government in the Legislative Council

Minister for Resources

Minister for Energy and Utilities

Minister for the Arts

Vice-President of the Executive Council

Date: 7 May 2018