

27 November 2017

Mr Hugo Harmstorf
Chief Executive Officer
Independent Pricing and Regulatory Tribunal
PO Box K35
Haymarket Post Shop NSW 1240

Submitted electronically via online submission

Dear Mr Harmstorf

RE: DRAFT COMPLIANCE AND ENFORCEMENT POLICY

Thank you for the opportunity for Endeavour Energy to provide written comment to IPART's newly proposed Compliance and Enforcement Policy (Draft Policy released 30 October).

As requested by IPART, Endeavour Energy has conducted a review of the draft policy. Overall, Endeavour Energy is supportive of the draft policy, however we would like to provide the following comment:

Endeavour Energy would like to note that the application of the risk-based approach to IPART's compliance and enforcement approach may require some additional consideration. In particular in situations where IPART finds a high level of compliance and yet still assesses the risk of harm as high, the draft policy states that changes to the legal or policy framework may be considered. It is suggested that this course of action should only be undertaken following a thorough process of consultation with all stakeholders. There are some risks that will always be assessed as high using the risk assessment policy in the framework because of the potential consequence, but where additional regulation may not achieve a risk reduction that justifies the additional costs of compliance.

Endeavour Energy would also like to note that it is our understanding that the IPART Compliance and Enforcement Policy will commence when the final version is published on IPART's website, expected December 2017. Therefore, any enforcement functions will not be effective prior to this date.

Endeavour Energy is committed to meeting our regulatory obligations and welcome any further involvement required to finalise the Compliance and Enforcement Policy.

If you wish to discuss this matter further please contact Fiona Place, Regulatory Compliance Analyst on [REDACTED] or alternatively via email at [REDACTED]

Yours sincerely [REDACTED]

Andrew Schille
General Manager Regulation and Corporate Affairs