

Ref: C2125034

27 November 2017

Compliance and Enforcement Policy
Independent Pricing and Regulatory Tribunal
PO Box K35
Haymarket Post Shop NSW 1240

Dear Sir/Madam

Review of Compliance and Enforcement Policy

Essential Energy welcomes the opportunity to provide comments on the Independent Pricing and Regulatory Tribunal's (IPART) draft Compliance and Enforcement Policy (Draft Policy). Essential Energy's comments are provided below:

- > There is inconsistency in the language used in the Draft Policy in relation to the consequence of an event or hazard occurring, and assessing materiality when a non-compliance does occur. On page 6 of the Draft Policy, the consequence descriptors in Table 3.2 are described as "measuring the effect that the event or hazard will have, that is the impact, or how bad the outcomes would be if it occurs". Whereas the assessment of the materiality of a non-compliance on page 14 of the Draft Policy considers "the consequence that has occurred or has the potential to occur", this suggests that materiality will be assessed on how bad the outcome could be, rather than what would be the expected outcome of the non-compliance. Essential Energy suggests on page 14 replacing the words "has the potential to occur" with "would be expected to occur".
- > Under Conduct/culpability of the offender on page 16 of the Draft Policy, Essential Energy suggests replacing the term "knowingly contravened" with "intentionally contravened" to avoid any potential confusion over the interpretation of 'knowingly'.

If you have any question in relation to this submission please contact David Mattson, Compliance Reporting Manager on [REDACTED] or via email at [REDACTED]

Yours sincerely

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Natalie Lindsay
Manager Network Regulation