



**Don Harwin MLC**

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

V16/4095#15  
BN17/3679

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

27 JUN 2017

Dear Dr Boxall

Thank you for the opportunity to make a submission in relation to the Independent Pricing and Regulatory Tribunal's (IPART) 'Information Paper – 2017 NSW retail electricity market monitoring' consultation.

As highlighted in the paper, IPART previously found that electricity market competition is working and is delivering better outcomes for customers than if prices remained regulated. I am keen to ensure this continues and that the innovative range of electricity products and services that is emerging better meets the needs of customers.

IPART's role as market monitor throughout this process has been essential in monitoring competition and supporting consumer confidence in the electricity market.

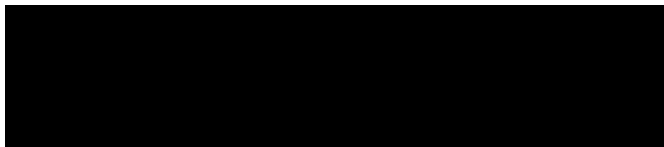
The electricity market transition to clean energy, along with the opening of the east coast gas market to exports, has driven wholesale electricity and gas prices sharply higher over the last 12 months. This is expected to result in higher retail electricity and gas prices especially from July 2017.

The Australian Competition and Consumer Commission (ACCC) is already undertaking two reviews to examine retail electricity prices and the Australian gas market. Therefore, I ask that IPART undertakes a review of electricity and gas price movements into 2017-18, to advise on the drivers of any price changes and whether any such changes reflect efficient costs in a competitive market.

While this is outside the current electricity market monitor role which is reviewing 2016/17, I consider this critical to provide NSW households and businesses with independent advice on what is driving changes in energy prices. As you may be aware, the electricity and most gas network charges will be lower in 2017-18.

Should you have any further questions in relation to this matter, please contact Ms Katharine Hole, Executive Director, Energy Strategy, at the Division of Energy, Water and Portfolio Strategy on 9338 6634.

Yours sincerely



**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