

1 November 2019

Dr Paul Paterson
Chairman
Independent Pricing and Regulatory Tribunal
PO Box K35 Haymarket Post Shop,
Sydney NSW 1240

Submitted Electronically at:

www.ipart.nsw.gov.au/home/consumer_information/lodge_a_submission

Submission – Review of the performance and competitiveness of the NSW Retail Electricity Market 2018-19

Thank you for the opportunity to provide a submission in response to the Review of the performance and competitiveness of the NSW Retail Electricity Market 2018-19, Draft Report.

Momentum Energy is a 100% Australian-owned and operated energy retailer. We pride ourselves on competitive pricing, innovation and outstanding customer service. We retail electricity in Victoria, New South Wales, South Australia, Queensland, the ACT, and on the Bass Strait Islands. We offer competitive rates to both residential and business customers along with a range of innovative energy products and services. We also retail natural gas to Victorian customers.

Momentum Energy is owned by Hydro Tasmania, Australia's largest producer of renewable energy.

Momentum welcomes the draft report and considers that its findings largely mirror our own observations of the market, particularly the fact that the competitive retail market has been providing positive outcomes for engaged consumers in NSW and other parts of the NEM for some time.

The observation that customers who have not entered into a market offer are paying significantly more than is necessary also aligns with Momentum's view. The extent to which this is a cause for concern (as these customers may simply not be price sensitive) and the extent to which the Federal Government's Default Market Offer was an appropriate policy intervention will only become apparent over time. In light of this we support the Tribunal's statement that "regulatory measures should be given 12 months to become fully embedded, and their effects fully understood, before further energy market intervention is contemplated"¹ to an extent however we contend that at least 24 months will be required to provide a picture of whether additional intervention may be required.

We further support the recommendation that the NSW Government cease to require IPART to monitor and report on the market. While we value the approach that IPART has taken to these reviews, we believe that this recommendation is in line with ACCC and industry recommendations for reductions in the differences between state based regulatory regimes and demonstrates IPART's commitment to efficiency and the interests of consumers.

¹ IPART, Review of the performance and competitiveness in the NSW retail energy market - From 1 July 2018 to 30 June 2019, Draft Report, October 2019, p 49.

If you require any further information with regard to this submission, please contact me on [REDACTED]
[REDACTED] or email to [REDACTED]

Yours sincerely

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Momentum Energy