



PO Box 4136
East Richmond VIC 3121
T 131 806
F 1300 661 086
W redenergy.com.au

PO Box 4136
East Richmond VIC 3121
T 1300 115 866
F 1300 136 891
W lumoenery.com.au



8 October 2021

Ms Rebecca Knights
Director, Energy Policy & Projects
Department of Energy and Mining
GPO Box 320
Adelaide SA 5001

Submitted via email to: demenergymarketreform@sa.gov.au

Dear Ms Knights,

Re: South Australian Derogation on Price Reporting from the Gas Pipeline Regulation National package

Red Energy and Lumo Energy (Red and Lumo) welcome the opportunity to comment on the Department of Energy and Mining (the Department) proposal to derogate away the reforms to the information disclosure requirements in the regulatory framework included in the Regulation Impact Statement for Decision - Options to Improve Gas Pipeline Regulation (DRIS).

The information disclosure requirements in the DRIS would require service providers providing third party access to publish a suite of information including historical financial and demand information to third party access seekers. In addition, they would also be required to publish information on the individual prices paid by shippers, which includes their key terms and conditions.

Over the course of the national consultation, South Australian stakeholders argued against the reforms to the information disclosure requirements in the DRIS arguing they would reduce flexibility and the ability of service providers to offer bespoke services. As a result, the Department has released a consultation paper seeking stakeholder feedback on the viability of some potential alternatives including:

- Option 1: Anonymous minimum and maximum prices, along the weighted average prices
- Option 2: Option 1 with the addition of the South Australian Minister Varying future reporting requirements via proclamation.

Following our review of both options, we have decided to support Option 1. Under Option 1, only minimum and maximum prices, along with weighted average prices would be required to be reported by the service provider. The service providers would however not be required to report

on individual prices, including the key terms and conditions. With information asymmetries reducing as a result of these changes, third party access seekers will be in a better position to negotiate more efficient access charges.

About Red and Lumo

We are 100% Australian owned subsidiaries of Snowy Hydro Limited. Collectively, we retail gas and electricity in Victoria, New South Wales, Queensland and South Australia and electricity in the ACT to over 1.1 million customers.

Should you wish to discuss aspects or have any further enquiries regarding this submission, please call Con Noutso, Regulatory Manager on [REDACTED]

Yours sincerely

A handwritten signature in black ink, appearing to read "Ramy Soussou". The signature is stylized with loops and a long horizontal stroke at the end.

Ramy Soussou
General Manager Regulatory Affairs & Stakeholder Relations
Red Energy Pty Ltd
Lumo Energy (Australia) Pty Ltd