

28 May 2013



Mr Andrew Gee MP
Chair
State and Regional Development Committee
Parliament House
Macquarie Street
SYDNEY NSW 2000

Dear Mr Gee

Inquiry into downstream gas supply and availability in NSW

Thank you for your invitation to make a submission to the NSW Legislative Assembly State and Regional Development Committee's (the Committee) inquiry into downstream gas supply and availability in NSW (the Inquiry). The Public Interest Advocacy Centre (PIAC) welcomes the commencement of the Inquiry, which will examine a number of important issues related to the provision of what is an essential service for many NSW households.

One of the Terms of Reference (ToR) for the Inquiry relates to an examination of the effectiveness of competition in the downstream gas market. PIAC recently produced a detailed submission for the Australian Energy Market Commission's (AEMC) *Review of competition in retail electricity and Natural Gas markets in NSW*. Given this is consistent with the Inquiry's ToR, I am writing to provide the Committee with a copy of PIAC's submission for its consideration in relation to this issue.

I also note that the AEMC recently released the draft report for that review. The AEMC found that competition is effective in residential dual fuel (electricity and gas) markets, but did not examine residential gas markets in isolation. In light of the decision by the AEMC, PIAC reaffirms the comments contained in its submission in relation to residential gas markets.

If you require any further information, please do not hesitate to contact myself or Oliver Derum, Policy Officer in PIAC's Energy and Water Consumers' Advocacy Program, on 8898 6518 or oderum@paic.asn.au.

Thank you once again for the opportunity to provide a submission to the Inquiry. I look forward to seeing the outcomes of the Inquiry.

Yours sincerely

A handwritten signature in blue ink that reads "Edward Santow".

Edward Santow
Chief Executive Officer
Public Interest Advocacy Centre

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Enc: PIAC submission to the AEMC's *Review of competition in retail electricity and Natural Gas markets in NSW*

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