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29 July 2019

Ms Tamsyn Hinksman
Senior Policy Officer
Essential Services Commission of South Australia
GPO Box 2605
Adelaide SA 5001

Submitted electronically: escosa@escosa.sa.gov.au

Dear Ms Hinksman,

Re: Australian Gas Networks Regulatory Framework Review 2021-2026

Red Energy and Lumo Energy (Red and Lumo) welcome the opportunity to respond to the Essential Services Commission of South Australia (ESCOSA) Consultation Paper on the Australian Gas Networks Regulatory Framework Review 2021-2026.

Red and Lumo generally support the proposed changes which have been recommended in the consultation paper by ESCOSA. This includes maintaining the current reliability standards and settings.¹ We also support ESCOSA's decision for AGN to continue to monitor and report on the three existing performance indicators for the 2021- 2026 regulatory period.² In terms of the removal of clauses 2.1.1 relating to unaccounted for gas, we question in which instrument the unaccounted for gas targets will be set for the 2021-2026 regulatory period.

Finally, we support all gas metering obligations remaining in the Gas Metering Code. We do not support moving parts of the obligations to other instruments to be regulated by the Technical Regulator, as this will cause confusion regarding the coverage of metering obligations in SA. We consider that the most pertinent of these obligations is for Australian Gas Networks to exchange non-compliant metering in clause 3.6.1(b) must remain to ensure consumers are not subject to bill shock as a result of meters incorrectly recording gas consumption. If the regulatory oversight is shared between ESCOSA and the Technical Regulator of the requirements in the Gas Metering Code, we are supportive of this change.

About Red and Lumo

Red and Lumo are 100% Australian owned subsidiaries of Snowy Hydro Limited. Collectively, we retail gas and electricity in Victoria, South Australia, New South Wales and Queensland, and electricity in the ACT to over 1 million customers.

Should ESCOSA have any enquiries regarding this submission, please Con Noutso, Regulatory Manager on 0481 013 988.

Yours sincerely

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

¹ This includes

AGN's responsiveness to leaks and emergencies telephone number
AGN's responsiveness to public reporting of gas leaks

AGN's long term trend in unplanned outages.

² IBID