



Ms Patricia Scott, Presiding Commissioner
Productivity Commission , National Access Regime
LB2 Collins Street East
Melbourne Vic 8003
By email to accessregime@pc.gov.au

Friday, 8 February 2013

Dear Ms. Scott,

Submission to national access regime review

GDF SUEZ Australian Energy (GDFSAE) appreciates the opportunity to comment on the Productivity Commission's national access regime review. GDFSAE is wholly owned by GDF SUEZ S.A. and a business line of GDF SUEZ Energy International. In Australia, the company owns and operates 3,500MW (gross) of renewable, gas-fired and brown coal-fired plants in Victoria, South Australia and Western Australia. Our retail business, Simply Energy, has more than 300,000 electricity and gas accounts in Victoria, South Australia and New South Wales.

GDFSAE supports maintaining economic efficiency as the primary objective of Part IIIA of the *Competition and Consumer Act (2010)*, (CCA). The issues paper observes that this objects clause and those in access regimes for electricity, gas and telecommunications differ. As a business operating in wholesale and retail gas and electricity markets, GDFSAE has been active in the debate around access arrangements for both electricity and gas transmission. As an example, GDFSAE has developed proposals for improved and more efficient transmission access arrangements and been active in the in the "Transmission Frameworks Review" currently being progressed by the Australian Electricity Market Commission (AEMC).

GDFSAE cautions against changing the objects clause for electricity and gas simply on the basis of consistency with the national access regime. It is appropriate for the object clause in Part IIIA of the CCA to focus on economic efficiency as an abiding principle. Inclusion of further objectives would distort the emphasis on a competitive national economy and risk being seen to represent vested interests and be subject to political intervention. The issues paper fails to make any case for change and this is not supported.

The Commission would need to carefully consider whether the uncertainty and disruption to investment caused by amending the objectives of the energy laws is worth the superficial benefit of having objectives that look the same.

As noted in the issues paper, the original Hilmer Committee argued the national access regime required flexibility to be adaptable to differences between industries and within an industry over time. In relation to electricity and gas access arrangements, the complex and technical nature of these industries support the ongoing need for industry specific object clauses.

GDF SUEZ Australian Energy

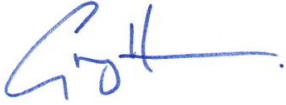
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If you would like to discuss this submission further please do not hesitate to contact me on +61 3 9617 8405.

Yours sincerely,

A handwritten signature in blue ink, appearing to read 'G. Hannan', with a long horizontal stroke extending to the right.

Greg Hannan
Electricity Market Specialist