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Director of Gas
Office of the Tasmanian Energy Regulator
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Gas Codes Review Consultation Paper

Thank you for the opportunity to comment upon the Gas Codes Review Consultation Paper.

TRUenergy generally supports the amendments detailed in the report, with two important exceptions, as detailed below.

TRUenergy does not support the view of the Director of Gas not to require the distributor to publish a schedule of rates for distribution services for customers with consumption >1 Tj per annum. Transparency of network charges is vital in ensuring competitive neutrality is achieved and seen to be achieved, and is a defining feature of other retail contestable jurisdictions. It is unclear why the small number of customers involved, which is the only rationale provided for retaining current arrangements, is relevant. Competition among those existing customers, as well as among future connections, will be impaired in the absence of transparent network charges.

TRUenergy does not support the proposed amendment, detailed in table 4, to allow the Minister to amend the Codes. The role of an independent regulator is again a defining feature of other contestable markets, whereby regulatory amendments are considered in accordance with strict statutory obligations. In contrast, government policy objectives are pursued through legislation, subject to parliamentary checks and balances. Providing a direct role for a Minister would allow regulatory change to be imposed, subject neither to regulatory independence nor legislative scrutiny.

Please contact me on 03 8628 1122 if you require additional information.

Yours sincerely

Graeme Hamilton
Manager Regulatory Development