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From: Nicholas Harris [REDACTED]
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To: Retail Electricity Inquiry
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BY EMAIL - Attention: Secretary to Inquiry

When the National Electricity Market (NEM) was established, in can only be case of, either, the promoters/organizers failed to understand capitalist political economy, or they simply lied about the claimed benefits of competition and private sector efficiencies in order to get the assets.

For all practical purposes, the so-called “efficiencies” have been measured in how many workers could be retrenched while still providing power supplies. And no cost efficiency is evident from the NEM operation. Power costs have been steadily rising ever since its introduction, and another unjustifiable rise is scheduled to begin on 1st July 2017 – 15% by my provider [REDACTED]. Despite claims to the contrary by such as industrial polluters and politicians opposed to carbon pricing, the short-lived *Carbon Tax* made no difference. Prices were going up anyway. And the next one will be yet another burden on already struggling low-income people. There have been no real efficiencies exhibited by the NEM, but for financial returns to owners. And the question of “service obligation” can only be moot after the South Australian black-out experience.

It may not be in the Inquiry’s terms of reference to examine NEM ownership arrangements, but for the sake of record, electricity supply should be regarded as a natural monopoly that rightly belongs in public ownership. Before the NEM, power costs were considerably less, many more people were employed, and service obligations were met. The present arrangements are not efficient; they lack true commitment to service obligations; and by dint of ownership arrangements and its demand for increasing returns on investment, prices can only keep going up – that’s how capitalist political economy works.

I am constrained to comment that the NEM seems to be a system designed by greedy and/or stupid people, one that does not truly serve the nation’s citizens, nor the needs of commerce and industry.

Respectfully,

Nicholas Harris
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[address to be supplied on request]