

[REDACTED]

From: Shane Malden [REDACTED]
Sent: Thursday, 3 August 2017 5:31 PM
To: Retail Electricity Inquiry
Subject: TRIM: Electricity supply and prices inquiry public forums

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Hi,

I am writing this email to raise my concerns with the structure and pricing of SA Electricity.

Firstly, SA is connected to the NEM, so therefore all Australian retailers should be able to buy electricity contracts at the same value/price.

Based on this, other than local distribution pricing, pricing across Australia should be the same.

The second concern is ownership of retailers. Electricity retailers are generally owned by a generation company. While they can't buy directly from themselves, they still profit from selling electricity contracts at higher profits.

The other concern is in some cases, these same generators are involved in exploration of gas. Therefore the cost to explore gas, generate electricity and sell to customers is profited 3 times, inflating the cost for end user.

In SA, there is only the single distributor - SA Power Networks. This year, the daily supply charge increased from around 63c up to 83c a day. That's a 30% increase.

In SA, the ESCOSA website states that energy retailers need to demonstrate how they determine the Solar feed-in tariff. I don't believe any retailer provides this information publicly. This currently ranges from 6c through to about 18c with some retailers. Some also enforce rules on obtaining the tariff.

Hope this gives a few pointers to look out for. It would be useful for consumers to have access to an energy portal where all retailers provide their latest offers so consumers can compare all deals at one location.

The ACCC may also want to look at the conduct of [REDACTED]. Currently they advertise pricing as last year indicating that they haven't increased their pricing for this year. Rumors on social media have that they will be raising them around the 28th of August. This to me is entrapment, in that they are offering lower prices, getting customers to sign up but later they will increase their pricing.

Regards,
Shane Malden

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