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Draft Decision – Review of Excluded Distribution Services

Thank you for the opportunity to comment upon the Authority's *Review of Excluded Distribution Services, Draft Decision*.

TRUenergy generally supports the Authority's proposed approach to reclassify those non-DUOS services currently classified as prescribed distribution services, and included in the revenue caps, as excluded distribution services. However, the Authority will need to be vigilant in the monitoring of these prices to ensure that the distributors do not take advantage of their monopoly power. In this respect we note that the proposed "light-handed" approach to monopoly distribution charges is in contrast to the current regulation of retail charges in the competitive retail market.

The relationship between the QCA approved prices and the maximum prices for meter reading, disconnection and reconnection, as specified in Schedule 4 of the Electricity Industry Code, also requires clarification. In particular, it is our expectation that the charges listed in Schedule 4 will be the maximum charges applying to all listed services related to that description. Otherwise the QCA's approval could provide an opportunity for distributors to circumvent the limit by simply introducing a new sub-category. To ensure this does not occur, a single charge should apply across the range of sub-categories. This would also be consistent with the practice of distributors in other states and minimise the administrative costs imposed on retailers applying these charges.

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

Yours Sincerely,

Graeme Hamilton
Regulatory Manager

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