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## **ACCC shows policy bans a threat to gas consumers**

The Australian Competition and Consumer Commission report on the east coast gas market has highlighted the benefits to consumers of removing arbitrary bans on coal seam gas development in some States.

ENA CEO, John Bradley, said the ACCC report highlighted the effect of policy restrictions in Victoria, NSW and Tasmania and under consideration in the Northern Territory.

"Gas customers in New South Wales, Victoria and Tasmania will benefit from moves to remove arbitrary barriers to the development of new supply," Mr Bradley said.

"The ACCC is right to call for evidence based assessments on a project by project basis to retain community confidence."

Mr Bradley said that State governments should consider the possibility of customers paying higher bills due to constraints on new supplies.

"The ACCC notes that a \$2 per gigajoule increase in the wholesale price could lead to increases to residential customers of 5% in New South Wales and 11% in Victoria.

"Recent ENA analysis showed falling network costs in many jurisdictions could see residential gas bills fall by around 5% on average in the next five years. In fact, we expect the network component of the typical bill to decrease from 35% to 27% by 2019/20.

"However, governments must act quickly to ensure arbitrary policy bans are not causing unnecessary increases in wholesale costs," Mr Bradley said.

Mr Bradley said the ENA will carefully review and consider the implications of the ACCC's recommendations on the regulation of gas pipelines.

"The ENA supports a 'fit for purpose' regulatory regime," Mr Bradley said.

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The Energy Networks Association is the peak national body representing Australia's electricity transmission and distribution networks and gas distribution networks on economic, technical, environmental and safety regulation, and national energy policy issues. ENA members provide energy to virtually every household and business in Australia.