Ref: B/D/16/4889

11 March 2016

Attention: Mr Kim Wood
Principal Commissioner
Queensland Productivity Commission
PO Box 12112
George Street
BRISBANE QLD 4003

Dear Mr Wood

**CS Energy's response to the Draft Report: Electricity Pricing Inquiry**

CS Energy welcomes the opportunity to respond to the Queensland Productivity Commission's (QPC) Draft Report on the findings of the *Electricity Pricing Inquiry*.

In brief, CS Energy is generally supportive of the Inquiry's findings and believes that the Draft Report is a welcome addition to the debate in Queensland on electricity prices. There are, however, several recommendations in the Draft Report that CS Energy cannot support. The rationale for our opposition to some of the recommendations is simple:

- CS Energy believes that Australia's National Electricity Market is competitive and highly regulated by the National Electricity Law and National Electricity Rules.
- CS Energy operates in strict accordance with, and takes very seriously, its obligations to comply with all rules and regulations governing the electricity industry.
- CS Energy believes that the *Government Owned Corporations Act 1993 (Qld)* provides a more than adequate framework for the Queensland Government to monitor the performance of its electricity assets.

CS Energy's position is explained in more detail in the enclosed document.

I look forward to working with you as the QPC finalises its *Electricity Pricing Inquiry*. Should you or your team have any questions in relation to CS Energy's submission or operations please feel free to contact me at anytime.

Yours sincerely

[Signature]

*Martin Moore*
Chief Executive Officer

*Encl.*