



Australian Government



Australian
**Small Business and
Family Enterprise**
Ombudsman

18 October 2019

Mr Mark Feather
General Manager, Policy and Performance
Australian Energy Regulator
GPO Box 520
Melbourne VIC 3001

via email: DMO@aer.gov.au

Dear Mr Feather

Default Market Offer Price 2020-21

Small business energy costs have continued to increase and these are now the highest business cost following rent and wages. As a result, in its review the Australian Energy Regulator (AER) apply pricing methodologies that properly account for small business and family enterprise.

These methodologies must include consideration of:

1. Cross economy impacts of any cost increases;
2. Affordability for consumers and small business and family enterprises; and
3. Only efficient costs for generation and supply should be used in the determination of the new Default Market Offer.

Further the AER should require electricity retailers to provide their customers clear details of online electricity cost comparators. This should be included in customer electricity accounts to ensure small business and family enterprise operators can benefit from competition in electricity pricing.

Thank you for the opportunity to comment. If you would like to discuss this matter further, please contact Bryan Smith on 02 6121 6414 or at bryan.smith@asbfeo.gov.au.

Yours sincerely

Kate Carnell AO
Australian Small Business and Family Enterprise Ombudsman