



3 December, 2018

Mr Jason Lange  
Executive Director  
Office of Best Practice Regulation  
Department of the Prime Minister and Cabinet  
1 National Circuit  
BARTON ACT 2600

Via email: [helpdesk-OBPR@pmc.gov.au](mailto:helpdesk-OBPR@pmc.gov.au)

Dear Mr Lange

**REGULATION IMPACT STATEMENT – FINAL ASSESSMENT SECOND PASS – PROHIBITING ENERGY MARKET MISCONDUCT**

Thank you for your letter on 20 November 2018 on the first-pass final assessment and advice for the Prohibiting Energy Market Misconduct Regulation Impact Statement (RIS).

Treasury has used its best endeavours to address the concerns raised in your letter with the updated RIS providing:

- a more detailed explanation of the policy problem;
- further explanation of how the possible options interact with announced government measures (e.g. the Consumer Data Right and the default market offer) and existing provisions in the *Competition and Consumer Act 2010*;
- further qualitative analysis of the non-regulatory costs and benefits of the options, noting the difficulty of accurately quantifying costs;
- regulatory costings for option 2; and
- additional explanation of why option 3 is judged, on balance, to have the highest net benefit to the Australian community. Option 3 is designed to mitigate implementation costs to the extent possible, and any regulatory costs are expected to relate mostly to transitional issues.

Accordingly, I am satisfied that the RIS satisfies the requirements of the Australian Government Guide to Regulation. I submit the RIS to the Office of Best Practice Regulation for formal assessment.

As the average annual regulatory costs of option 3 are under \$2,000,000, Treasury has self-assessed these costs as detailed in the RIS.

Yours sincerely

Meghan Quinn  
Deputy Secretary  
Structural Reform Group  
Treasury