



**Australian Government**

**Department of the Prime Minister and Cabinet**  
Office of Best Practice Regulation

Reference: 24383  
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Ms Meghan Quinn  
Deputy Secretary  
Structural Reform Group  
Department of the Treasury

Dear Ms Quinn

**Regulation Impact Statement – Second-Pass Final Assessment – Prohibiting Energy Market Misconduct**

Thank you for submitting a Regulation Impact Statement (RIS) to the Office of Best Practice Regulation (OBPR) examining options to ensure electricity consumers receive the benefits of reduced supply chain costs on 3 December 2018.

The OBPR's final assessment is that the Department of the Treasury is compliant with the Government's requirements, but was not consistent with best practice. This is because consultation was not consistent with the principles outlined in the *Australian Government Guide to Regulation*. In particular, the consultation process was not broad-based, and was rushed. The OBPR also considers that to achieve best practice the RIS needs to provide more evidence and analysis on how the preferred option delivers the highest net benefit to the community.

The OBPR agrees that the average annual regulatory cost of the proposal is likely to be under \$2 million and may be self-assessed by the Department of the Treasury.

As outlined in the *Guide to Regulation*, the RIS may now be provided to the decision maker to inform a final decision.

The OBPR's reference number for this matter is 24383. If you have any further queries, please do not hesitate to contact me.

Yours sincerely

A handwritten signature in cursive script, appearing to read 'Jason Lange'.

Jason Lange  
Executive Director  
4 December 2018