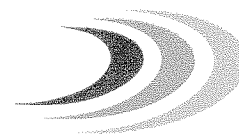


Mr Paul Baxter
Senior Commissioner
Independent Competition and Regulatory Commission
GPO Box 296
Canberra City ACT 2601



dhcs | ACT

department
of disability,
housing &
community
services.

community partners

Dear Mr Baxter

Thank you for the opportunity to consider the *Draft Decision – Retail Prices for Non-Contestable Electricity Customers* (Report 2 of 2008) by the Independent Competition and Regulatory Commission (the Commission).

The Department of Disability, Housing and Community Services (the Department) acknowledges that consumers in the ACT have enjoyed prices for electricity which have been relatively low and have risen at rates commensurate with the general inflation rate when averaged over longer time periods. The Commission has recognised the need for larger price increases to take effect from 1 July 2008 to provide a degree of stability and certainty for consumers.

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The Department notes that the report discusses additional costs impacting on the less well off in the community (at page 29), with reference to appropriate funding of support programs by government to address this issue. On 1 April 2008, Minister Gallagher tabled the report of, and the Government's response to, the Review of ACT Government Concessions in the ACT Legislative Assembly. An ACT Government Concessions interdepartmental committee has been established to concession matters over a twelve-month period, including programs to assist low-income households and individuals.

It should be noted that the extension of the current concession rebate arrangements to health care card holders discussed at page 28 of the draft decision specifically related to the concessional rebate on the water supply charge to these card holders and not electricity. It would be appreciated if this distinction could be made in the report.

The Department supports the draft decision. Should you have any questions on this issue, the contact officer is Ms Michelle Callen, Manager, Strategic Policy and Community Engagement, on 6207 5938.

Yours sincerely

Bronwen Overton-Clarke (for Chief Executive)
Executive Director
Policy and Organisational Services

22 May 2008

