



EnergyAustralia

20 April 2018

Senator Chris Ketter
Chair
Senate Economics References Committee
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Parliament House
Canberra ACT 2600

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Dear Senator Ketter

Inquiry into the Commitment to the Senate issued by the Business Council of Australia

EnergyAustralia provides the attached response to the Committee's Questions on Notice received 12 April regarding its Inquiry into the Commitment to the Senate issued by the Business Council of Australia.

At EnergyAustralia, our purpose is to lead and accelerate the clean energy transformation for all. We are one of Australia's largest energy retailers, serving more than 2.6 million accounts and approximately 1.7 million customers across New South Wales, Victoria, South Australia, Queensland and the Australian Capital Territory.

We also own and operate more than 4,500MW of generation capacity in the National Electricity Market. We have a modern and diverse energy portfolio underpinned by coal and gas power plants, complemented by newer energy sources like wind, solar and batteries.

EnergyAustralia is a wholly-owned subsidiary of Hong Kong-listed CLP Group, a long-term investor in this country's energy sector.

We employ around 2500 people across Australia and have a strong presence in regional and rural locations through our generation assets and contact centres. We spend around \$1.7 billion annually to run our business, the majority of which is spent in Australia to drive our local economy.

Businesses make investment decisions on a range of factors – the headline statutory tax rate is one of them. A reduction in any cost or input will tend to encourage investment in our people, products and services for our customers, and the infrastructure needed to develop new supplies of reliable, affordable and cleaner energy. This investment provides long-term benefits for the whole community.

It is vitally important that Australia remains globally competitive and an attractive destination for investment. Internationally competitive settings enhance the potential of additional capital being deployed in Australia to generate income for governments and jobs for Australians.

Yours sincerely



Catherine Tanna
Managing Director

Responses to Questions Notice

Question 1 - Historical corporate tax paid

The table below outlines corporate tax paid by EnergyAustralia Holdings Ltd. for financial years ending 30 June 2013 to June 2017 (inclusive) as requested by the Committee.

Financial Year Ended	Corporate Tax Paid
30 June 2013	Nil
30 June 2014	Nil
30 June 2015	Nil
30 June 2016	Nil
30 June 2017	Nil

The nil returns are the result of accumulated group losses and/or accounting losses incurred during the period, consistent with Australian corporate tax laws.

Based on total gross revenue, the company is classified as a "key taxpayer" by the Australian Tax Office (ATO). As a key taxpayer, EnergyAustralia is in regular and direct contact with the ATO. EnergyAustralia regularly engages with the ATO to confirm its compliance with tax obligations and discuss issues as the year progresses, in line with its commitment to open and transparent dealings.

Question 2 - Business plans given current corporate tax arrangements

Detailed forecasts of financial and other business data, such as those requested by the Committee, are not disclosed publicly. This is both consistent with stock exchange listing requirements and done to preserve the company's commercial position.

Question 3 - Business plans if the Treasury Laws Amendment (Enterprise Tax Plan No. 2) Bill is Passed

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