

20 March 2018



Mr John Pierce
Chairman
Australian Energy Market Commission
PO Box A2449
SYDNEY SOUTH NSW 1235

Dear Mr Pierce

Consultation Paper: Implementation of Demand Management Incentive Scheme

Energex Limited (Energex) and Ergon Energy Corporation Limited (Ergon Energy) appreciate the opportunity to provide a submission to the Australian Energy Market Commission (AEMC) on its *Consultation Paper: National Electricity Amendment (Implementation of Demand Management Incentive Scheme) Rule 2018* (consultation paper). The consultation paper relates to a rule change request from the Australian Energy Regulator (AER) seeking to allow the early application of the Demand Management Incentive Scheme (the Scheme) for distribution network service providers (DNSPs).

Energex and Ergon Energy are supportive of the proposed amendments to the National Electricity Rules to permit a DNSP to apply to the AER for approval to apply the Scheme midway through its current regulatory control period. We agree with the AER's view that promoting efficient investment in demand management solutions has the potential to deliver significant benefits to electricity consumers and lead to lower costs for customers in the longer term. Removing the need to wait until the start of the next regulatory control period before applying the new Scheme will therefore avoid unnecessarily delaying the realisation of those benefits.

Should you require additional information or wish to discuss any aspect of the attached submission, please do not hesitate to contact either myself on (07) 3851 6416 or Trudy Fraser on (07) 3851 6787.

Yours Sincerely

A handwritten signature in black ink, appearing to be 'Jenny Doyle', with a long horizontal line extending to the right.

Jenny Doyle
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