

Office of the Chief Executive Officer

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Dr John Tamblyn Chairman Australian Energy Markets Commission Level 16, 1 Margaret Street Sydney NSW 2000

Submission: submissions@aemc.gov.au

16 October 2006

Dear John

Submission on Rule Changes Proposed by Australian Energy Solutions Pty Ltd

VENCorp welcomes the opportunity to respond to the application and subsequent submissions made by Australian Energy Solutions Pty Ltd on its proposed Rule Change. The application proposes a number of changes to the National Electricity Rules (the Rules) which, in summary, are that Network Service Providers (NSPs) would be obliged to:

- 1. Maintain a register of parties who can provide contestable services;
- 2. Provide details of service providers to connection applicants; and
- 3. Provide details of consenting connection applicants to service providers.

As the independent TNSP for Victoria, VENCorp supports the provision of contestable services, and demonstrates this through its process of competitive tendering for contestable network services.

However, VENCorp does not support the proposed Rule change in its current form because it would place NSPs at risk of legal liability and damages. This could occur if, for example, a third party sustained damage as a result of relying on a list provided by the NSP. VENCorp believes that a statutory "no-liability" provision to protect NSPs would need to be incorporated in the principal legislation and the Rules if this proposal were to be adopted.

If such a register of service providers were required, VENCorp considers that it would be better placed with the relevant regulator or government agency in each jurisdiction. For example, the government agency that has responsibility for authorisation and/or licensing of parties who undertake such services may be appropriate.

Should you have any questions please do not hesitate to contact Mark Riley on 🕿 (03) 8664 6602.

Yours sincerely

Matt Zema

Chief Executive Officer