

7 March 2014

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



Dear Mr Pierce

**Supplementary Paper: Framework for Open Access and Common Communication Standards (EMO0028)**

Energex Limited (Energex) appreciates the opportunity to provide a submission on the Australian Energy Market Commission's (AEMC's) supplementary paper relating to the Framework for Open Access and Common Communication Standards Review (supplementary paper). The supplementary paper sets out the AEMC's draft findings in relation to regulating access to smart meter functionality and access charges as well as accreditation requirements for persons with responsibilities associated with the introduction of smart meters.

Energex has contributed to the Energy Networks Association's (ENA's) submission on the supplementary paper and is supportive of the views contained therein. In response to the recommendations provided in the AEMC's supplementary paper, Energex would particularly like to highlight its concerns with regard to certain aspects of the AEMC's proposed approach to issues relating to access. Specifically, Energex considers that the analysis of options covered by the supplementary paper:

- appears to overlook the extensive demand side participation and load control services currently provided by networks, including those provided via Energex metering services;
- risks under-valuing the benefit to both networks and customers of load management services which currently operate to reduce network augmentation, such as the extensive off-peak hot water services and air-conditioning cycling services in Queensland; and
- overlooks the significant long-term investments in load control equipment already made by networks which should be preserved.

Consequently, as the AEMC has provided transitional arrangements in consideration of the Victorian smart meter rollout, Energex considers that arrangements for Queensland's load control infrastructure should also be provided.

In addition, Energex notes that the AEMC's approach does not include an option to provide delivery of network control and management services from a network's own meters and devices.

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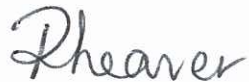
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Finally, Energex would also like to reiterate the view that the open access and common communication standards review should be progressed in conjunction with the rule change process relating to metering contestability.

Should you have any queries regarding this submission, please contact Charmain Martin, Senior Regulatory Analyst, on (07) 3664 4105.

Yours sincerely

A handwritten signature in cursive script that reads "Rheaver".

Rachel Leaver  
Network Regulation Manager