

20 June 2008

Mr John Tamblyn
Chairman
Australian Energy Market Commission
Level 5, 201 Elizabeth Street
Sydney NSW 2000

By email: submissions@aemc.gov.au

Dear John,

Review of Demand Side Participation in the National Electricity Market – Stage 2

Grid Australia welcomes the opportunity to comment on the AEMC's Issues Paper (dated 16 May 2008) that commences Stage 2 of the Review of Demand Side Participation (DSP) in the National Electricity Market. The attached submission sets out Grid Australia's response to the following aspects of the Issues Paper:

- the incentive properties of network regulation and its potential impact on DSP;
- network planning issues and the proposition that these processes are biased towards network solutions;
- network access and connection arrangements, including the extent to which these arrangements can and should be improved;
- wholesale markets and financial contracting; and
- reliability issues.

Grid Australia would welcome the opportunity to discuss any aspect of the attached submission with the Panel or staff.

Yours sincerely,



Rainer Korte
Chairman
Regulatory Managers Group