

23 May 2008



Dr John Tamblyn  
Australian Energy Market Commission  
PO Box A2449  
Sydney South NSW 1235

Email: [submissions@aemc.gov.au](mailto:submissions@aemc.gov.au)

Dear Dr Tamblyn

**National Electricity Amendment (Economic Regulation of Transmission Services Undertaken by Distributors) Rule 2008 – Draft Rule Determination**

ENERGEX Limited (ENERGEX) welcomes the opportunity to comment on the National Electricity Amendment (*Economic Regulation of Transmission Services Undertaken by Distributors*) Rule 2008 – Draft Rule Determination. This submission is prepared by ENERGEX in its capacity as an electricity distribution network service provider (DNSP) in Queensland.

The overall economic aim of regulation is to achieve efficient market outcomes similar to outcomes in a competitive market. Effective economic regulation needs an efficient and simplified streamlined regulatory process. Classifying assets differently within a single entity and geographic area appears to negate this intention as there are no obvious benefits in doing so. A simplified process that offers a defined regulatory framework for an entire network is desirable as it will reduce the compliance costs for the regulated business and other participants involved in the regulatory environment.

Therefore, ENERGEX supports the Draft Rule Determination and agrees with the approach that transmission assets owned by a DNSP should be automatically subjected to regulation under the DNSP's distribution determination rather than requiring the DNSP to apply to the AER for approval. ENERGEX believes this approach will reduce regulatory costs and therefore promote the National Electricity Objective.

Please do not hesitate to contact Sarah Connolly on (07) 3407 4367, should you wish to discuss this submission further.

Yours sincerely

A handwritten signature in black ink, appearing to read "L. Dwyer", written over a white background.

Louise Dwyer  
Group Manager Regulatory Affairs

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