



3 November 2016

Australian Energy Markets Commission  
PO Box A2449  
Sydney South NSW 1235

Online: [www.aemc.gov.au](http://www.aemc.gov.au)

United Energy  
6 Nexus Court  
Mulgrave VIC3170  
PO Box 449  
Mt Waverley VIC 3149  
T 03 8846 9900  
F 03 8846 9999  
[www.ue.com.au](http://www.ue.com.au)

**RE: ERC0191 - Local Generation Network Credit Rule Change**

United Energy (UE) welcomes the Australian Energy Market Commission's (AEMC) draft decision to not proceed with a rule change to amend the existing NER that enables the implementation of a Local Generation Network Credit.

UE agrees with the AEMC's view that introduction of this credit will not contribute to achieving the objectives of the NEO. Furthermore, we believe that it will only serve to increase the costs of providing network services to customers similar to the existing cross-subsidisation of the feed-in tariffs currently experienced by over 90% of our customer base.

With regard to the proposed System Limitation Report (SLR) we would encourage the AEMC to review this requirement within the context of the information currently provided in our Distribution Annual Planning Report (DAPR). We believe that the DAPR provides the requisite information to satisfy the intentions of the SLR as described in Rule.5.13 & Sch.5.8, for example Sch.5.8 cl.(d) within Chapter 5 of the NER.

As a result, if a further report is required, this compliance obligation will pose additional administrative burden on our business. Hence given that the provision of this information is already a requirement of the NER, an additional report will not meet the objectives of the NEO.

UE is looking forward to working with the AEMC and the other stakeholders on this matter going forward.

If you have any questions on our submission please contact me by email [mathew.abraham@ue.com.au](mailto:mathew.abraham@ue.com.au) or on (03) 8846 9758.

Kind Regards,

A handwritten signature in blue ink, appearing to read 'Mathew Abraham', with a large, stylized flourish at the end.

Mathew Abraham  
Regulatory Analyst