

11 December 2014

Mr John Pierce
Chairman
Australian Energy Market Commission
Level 6, 201 Elizabeth St
Sydney NSW 2000

via AEMC's website, www.aemc.gov.au

Dear Mr Pierce

**AEMC market review – Optional Firm Access, Design and Testing
Supplementary Report: Pricing**

The ENA welcomes the opportunity to provide a submission to the AEMC in response to the publication of the Optional Firm Access, Design and Testing (OFA), Supplementary Report: Pricing, released on 31 October.

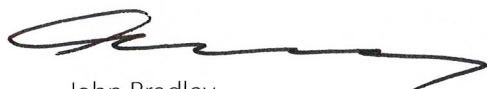
The ENA supports the submission from Grid Australia and the use of the stylised Long Run Incremental Cost pricing model subject to the qualifications included in the Grid Australia submission.

In relation to the OFA market review the networks sector is working closely with the AEMC in their efforts to design and test a practically workable OFA Model. At this stage of the ongoing consultation, particularly in the absence of a cost-benefit analysis, members are not in a position to offer a fully-considered view as to whether implementation of such a model would meet the NEO.

We are aware of the latest note from the AEMC titled "Acknowledgement and request for comment" and we will be responding to this in due course.

The ENA welcomes the opportunity to participate in the further development of this market review, if you have any questions please contact me on 02 6272 1555 or Jim Bain on 02 6272 1516.

Yours sincerely



John Bradley
Chief Executive Officer