



16 October 2009

**Catherine Earles
The Australian Energy Market Commission
PO Box A2249
Sydney South NSW 1235**

AEMC reference: ERC0092

Dear Catherine,

AGL Energy Limited [**AGL**] welcomes the opportunity to comment on the Rule Change submitted by AEMO (formerly NEMMCO) on the Provision of Metering Data Services and Clarification of Existing Metrology Requirements [**Rule Change**].

AGL supports the creation of a new category of service provider within the Rules called a Metering Data Provider [**MDP**]. This portion of the Rule Change will provide clarity and transparency to the Rules in area that does not exist under the current arrangements. We see it leading to effective management of commissioned data suppliers.

As currently drafted AGL advises that there should be minimal impacts to processes, the delivery of data and Meter Data Agent [**MDA**] services should remain unchanged in most part. The arrangements that currently exist have AEMO responsible for remote data collection and meter data collection standards however AEMO is currently reliant upon MDA's to perform this role. AGL supports the transferring of the MDA Services [**Deeds**] to the Rules as this will see the Responsible Person [**RP**] becoming accountable for the remote acquisition and processing of meter data. AGL notes that the RP will be responsible for the effective management of the commissioned Meter Data Providers [**MDP**] ensuring compliance obligations under the rules are met.

AGL acknowledges that the rule change will provide flexibility as it enables the Financially Responsible Market Participant [**FRMP**] with the ability to engage directly with a MDP. We see this as a positive interim step towards the reform required to support Smart Metering. We see this as a continued improvement to the existing arrangements as it clearly defines roles, obligations and enables contestability of services.

The transfer of the risk for responsibility from AEMO to the RP will potentially mean an increase in obligation on the RP. This is seen as a potential cost associated with this Rule Change. The new arrangements will impose increased responsibility on the RP. The RP will be required to develop additional monitoring; auditing processes, increased participation in activities and queries and the development of new contractual agreements with MDP's are some areas where AGL has identified additional costs

AGL advises that the introduction of this Rule Change should not disrupt business as usual activities such as provision of metering data to the market.

Should you have any questions in relation to this submission, please contact Sallie Proctor, Manager Regulatory Compliance and Advice on (03) 8633 7871 or at SProctor@agl.com.au

Yours sincerely,

A handwritten signature in blue ink that reads 'N Wallis'.

Nicole Wallis
Manager Retail Markets Regulation

- > Being selected as a member of the Dow Jones Sustainability Index 2006/07
- > Gaining accreditation under the National GreenPower Accreditation Program for AGL Green Energy®, AGL Green Living® and AGL Green Spirit
- > Being selected as a constituent of the FTSE4Good Index Series