



**EnergyAustralia**

570 George St  
Sydney NSW 2000  
Telephone 13 1525  
+61 13 1525  
Facsimile (02) 9269 2830  
[www.energy.com.au](http://www.energy.com.au)

Address all mail to  
GPO Box 4009  
Sydney NSW 2001  
Australia

Dr. John Tamblyn  
Chairman  
Australian Energy Market Commission  
Level 16  
1 Margaret Street  
Sydney NSW 2000

Dear Dr. Tamblyn

**Rule Change Proposal –  
Obligations of Network Service Providers – Connection Applications**

Thank you for the opportunity to provide further comment to your consideration of the Rule change proposed by Energy Solutions Australia Pty Ltd. In addition to EnergyAustralia's comments submitted in response to your initial round of consultation, I wish to address some specific issues raised by Energy Solutions in its two recent submissions.

As a general matter in the first instance however, I must question the approach to resolving what has been characterised as a competition issue by Energy Solutions. If we presuppose that the services being discussed are services where the NSP is actively engaged in undertaking, then it conceivable that where errors of detail arise in the mooted list, or where the non-NSP service provider has not received any referrals from the that list, that the issue of competitive misconduct is likely to arise.

First and foremost it is this potential for competition disputes that highlights that such an obligation imposed on the NSP is totally inappropriate and clearly flawed from an administrative standpoint. If the Commission sees merit in the objectives of the Energy Solutions Rule proposal, we would again direct the Commission to consider the approach to the ASP regime adopted in NSW as a relevant model of good governance for maintaining contestability. I believe that such a model is a more appropriate means of achieving the objectives of the Rule change proposal than that currently proposed.

Key two key aspects to note that are salient to the issue at hand include:

- An independent authority maintains the list of qualified persons separate to the NSPs; and
- The NSPs are required to inform customers when the works they have enquired about contain, in part or in full, contestable services and to inform customers of the list of service providers.

While the comments from Energy Solutions in relation to the ultimate network ownership of works covered by the contestability regime in NSW are generally accurate, they have failed to

appreciate the key competition governance and procedural aspects within the regime that enable it to work effectively in NSW.

I would also like to suggest that the scope of the regime proposed by Energy Solutions should also be considered in more detail. The Rule proposal as it stands would cover all changes to transmission and distribution connections, and therefore capture works ranging from the construction of a transmission line to connect a remote generator through to the installation of a 3 phase air conditioner in a domestic residence, or any other residential works where the meter box is modified and thus changing the connection.

Taken to the lowest level of detail, the Rule change as proposed would result in DNSPs needing to maintain a register of every licensed electrician that provides services in their service area, duplicating the existing public list of such service providers, the yellow pages.

If you have any queries or comments regarding these or any of the detailed issues discussed in our submission please do not hesitate to contact me on (02) 9269 4171.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'H. Colebourn', with a long horizontal flourish extending to the right.

(HARRY COLEBOURN)  
Manger – Network Regulation & Pricing