



21 February 2019

John Pierce
Chairman
Australian Energy Market Commission
GPO Box A2449
Sydney South NSW 1235

Dear Mr Pierce,

Rule Change Request: Early Implementation of ISP Priority Projects

Origin Energy Limited (Origin) welcomes the opportunity to comment on the rule change request to accelerate the process followed by the Australian Energy Regulator (AER) when considering the Regulatory Investment Tests (RIT-T) for the VNI and QNI interconnections.

While the timely assessment and construction of transmission projects is important, this must include the need to mitigate some of the inherent risks associated with transmission investment, which if not appropriately managed can result in higher costs to energy consumers. In contemplating the merits of the rule change proposal, Origin suggests that the AEMC consider:

- Whether there are any underlying reasons (including practical/logistical issues) for the current sequential approach to the AER's post RIT-T process; and
- If there is any potential for unintended or adverse consequences if there is a move to the proposed consolidated process.

We note the rule change request identifies the administrative cost borne by the AER as a pertinent factor, but in our view the above issues should also form part of the AEMC's assessment process.

Should you have any questions or wish to discuss this submission further, please contact Alex Fattal in the first instance via email alex.fattal@originenergy.com.au or phone, on (02) 9375 5640.

Yours sincerely

A handwritten signature in blue ink, appearing to read "Steve Reid".

Steve Reid
Group Manager, Regulatory Policy