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31 May 2024

Genevieve Schultz  
Australian Energy Market Commission  
ERC0346

Submitted via email: [genevieve.schultz@aemc.gov.au](mailto:genevieve.schultz@aemc.gov.au)

Dear Genevieve,

**Essential Energy's submission on AEMC's Consultation note on NMI creation and maintenance at secondary settlement points**

Essential Energy appreciates the Australian Energy Market Commission's (AEMC) initiative to explore alternative approaches for the responsibility of NMI creation and maintenance at secondary settlement points. We acknowledge the effort taken to prepare the consultation note and address stakeholder feedback.

We recognise that the proposed alternative, which involves assigning the NMI creation and maintenance responsibilities to a new accredited NMI service provider role, aims to reduce costs for consumers and simplify implementation for the market. We understand the AEMC's rationale in considering this approach as at face value it could offer a less costly and more efficient solution compared to having Distribution Network Service Providers (DNSPs) undertake this role.

It is apparent from previous consultation sessions and the session held today that there remains a degree of uncertainty as to the potential uptake by small customers, impact on DNSP systems and costs that may be borne by consumers overall. As mentioned in the session today, Essential Energy would require more time and more detailed information to fully understand the implications of this alternative approach. Specifically, we seek further clarity on the accreditation process for the new NMI service provider role, the anticipated impact on existing systems (both AEMO and participants), and any transitional arrangements that may be necessary. Additionally, understanding the cost recovery mechanisms and potential impact on customers is crucial for us to provide informed feedback.

We appreciate the AEMC's constructive approach to considering options, a number of which were discussed in consultation sessions. Essential Energy considers that this may benefit from a trial rather than moving straight to a rule change, so that the interests of consumers and the impacts on the market and DNSPs can be tested.

If you have any questions in relation to this submission, please contact Mr Adam Young, Regulatory Strategy Manager via email at [adam.young@essentialenergy.com.au](mailto:adam.young@essentialenergy.com.au) or Mr Anders Sangkuhl, Regulatory Strategy Manager, via email at [anders.sangkuhl@essentialenergy.com.au](mailto:anders.sangkuhl@essentialenergy.com.au).

Yours sincerely,

A handwritten signature in black ink, appearing to be "Hilary Priest".

Hilary Priest  
**Head of Regulatory Affairs**