



23 November 2011

Zaen Khan
Australian Energy Market Commission
PO Box A2449
SOUTH SYDNEY NSW 1235

Dear Mr Khan

Draft Determination Efficiency Benefit Sharing Scheme (EBSS) and Demand Management Expenditure by TNSPs ERC0127

Origin Energy Limited (Origin) welcomes the opportunity to respond to the Ministerial Council on Energy's (MCE) Rule change request to amend the EBSS.

Origin is the owner of Cogent Energy (Cogent), a leading distributed generation company. Our subsequent comments are based on our experience through Cogent in the provision of co- and tri-generation plants.

The Draft Determination

Origin supports the proposed Rule that would make it an explicit requirement for the Australian Energy Regulator (when designing the EBSS) to consider the potential impact on TNSP incentives to undertake non-network alternative expenditure. This should help to address any hesitancy on the part of TNSPs to undertake demand management activities due to concerns of being penalised under the EBSS.

If you wish to discuss any of these issues further please do not hesitate to contact me on (02) 8345 5250 or Steve Reid on (02) 8345 5132.

Yours Sincerely,

A handwritten signature in black ink, appearing to read "Tim O'Grady".

Tim O'Grady
Head of Public Policy