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23 December 2010

Australian Energy Market Commission
PO Box A2449
SYDNEY SOUTH NSW 1235

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Dear Sir / Madam

Draft Rule Determination – National Electricity Amendment (DNSP Recovery of Transmission-related Charges) Rule 2010

Country Energy welcomes the opportunity to provide input into the Australian Energy Market Commission's (AEMC's) draft Rule change determination – National Electricity Amendment (DNSP recovery of transmission-related charges).

Country Energy supports the draft Rule change determination as made by the AEMC. The draft Rule clarifies the specific type of charges that can be recovered through a DNSP's annual pricing proposal process and ensures that distributors are able to pass through all expenses that relate to the transmission of electricity, including inter distributor and avoided transmission costs. It is also consistent with the way NSW distributors currently prepare their annual pricing proposals and that the interpretation of the Rules will be consistent for these charges across the NEM jurisdictions.

Country Energy is scheduled to submit its annual pricing proposal for the 2011-12 year by the end of April 2011 and believes it is imperative that this rule change be enacted before that date to allow all transmission-type costs incurred to be recovered through 2011-12 network tariffs.

Country Energy would be pleased to discuss this matter further. Should you require further information or clarification please feel free to contact Catherine Waddell on 02 6338 3553.

Yours faithfully



Peter Williams
Acting General Manager Regulatory Affairs and Commercial Strategy