



7 March 2014

Mr Rory Campbell  
Senior Director  
Australian Energy Market Commission  
PO Box A2449  
Sydney South NSW 1235

By electronic lodgement

Dear Mr Campbell

**EMO0028- Supplementary Paper: Regulatory framework for open access and common communication standards**

Origin Energy welcomes this opportunity to respond to the Australian Energy Market Commission's (the Commission's) supplementary paper relating to its review of the regulatory framework for open access and common communication standards with respect to smart metering.

Having participated in the various workshops and forums arranged by the Commission, Origin supports the recommendations made in the supplementary paper. We address each of these below.

Access to smart meter functionality

Origin agrees with the Commission's position that regulation of access to smart meter functionality and the costs of such access should not be regulated. We believe the market for competitive smart meters and related services needs to develop and in our view, charges and regulation associated with access should only take place where a material and demonstrable market failure is identified. Regulating at this time will create significant uncertainty for investors in commercial smart meter deployments and will likely delay or postpone plans to deploy in many cases for some period of time.

As the Commission notes on page 3 of the supplementary paper, payment for services provided by smart meters should be negotiated by all users and market participants seeking such access. Origin agrees that this approach will result in the efficient pricing of access and utilisation of services provided by smart metering infrastructure in a market-led roll out.

In this case, distributors will, like other users of smart meter services and infrastructure, face access terms and pricing that are based on commercial outcomes. Given that such infrastructure is contestable, this is appropriate in the context of a market-led roll out of smart meters.

Accreditation

Origin agrees that entities engaged in managing access to smart meter infrastructure should acquire accreditation under the National Electricity Rules, administered by the Australian Energy Market Operator.

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Should the Commission wish to discuss any of the comments made in this response, please contact Dean Van Gerrevink on (03) 8665 7628 or myself in the first instance.

Yours sincerely

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