

Ben Davis
Australian Energy Market Commission
PO Box A2449
Sydney South NSW1235

Submitted vial: www.aemc.gov.au

2 July 2015

Dear Ben,

ERC0179 Embedded Networks Consultation Paper

Thank you for the opportunity to comment on this important topic.

EnerNOC is a leading provider of energy intelligence software (EIS) and services to utilities and enterprise customers. EnerNOC's EIS solutions help small and large commercial and industrial enterprise customers optimise how they buy electricity, how much they use, and when they use it.

We support the proposed reforms, and hope that our general comments will be of assistance to the AEMC.

Unbundling network and energy charges

As mentioned in AEMO's rule change request¹ and noted throughout the consultation paper, the bundling of network and energy charges makes it difficult for customers of an Embedded Network Operator (ENO) to compare and assess competitive retail offerings.

Accordingly, AEMO has proposed that the AER require the ENO to unbundle these charges.

EnerNOC supports this recommendation, and would like to see this very same principle extended to all customers.

We believe that network costs should be passed through in a manner that preserves the network pricing signal, rather than being bundled into the energy charge. Preserving the signal allows efficient comparison of retail offerings, and encourages customers to make informed decisions about their consumption patterns and potential investments in emerging technologies.

Unfortunately, unless there is an explicit requirement to unbundle these charges, it is unlikely to occur.

¹ <http://www.aemc.gov.au/getattachment/66945de4-6a2d-44be-8327-192963ad2e7a/Rule-change-request.aspx>, page 12, section 6.2 Network Charges.

I would be happy to discuss these issues in more detail if that would be helpful.

Yours Sincerely,

A handwritten signature in blue ink, appearing to read "Mottel Gestetner". The signature is fluid and cursive, with the first name "Mottel" being more prominent than the last name "Gestetner".

Mottel Gestetner
Senior Manager, Regulatory Affairs & Market Development