



Ref.: TP/JD

15 February 2008

Mr John Tamblyn  
Chairman  
Australian Energy Market Commission  
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Dear Mr Tamblyn

## **Rule Change Proposal – AMI (Victoria Jurisdictional Derogation)**

Ergon Energy Corporation Limited (Ergon Energy) appreciates the opportunity to comment on the proposed jurisdictional derogation to the National Electricity Rules (NER) relating to the rollout of advanced metering infrastructure (AMI), submitted by the Victorian Minister for Energy and Resources. This submission is provided by Ergon Energy in its capacity as an electricity distribution network service provider (DNSP) in Queensland.

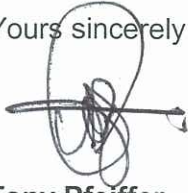
Ergon Energy believes that it is important to ensure that the introduction of jurisdiction-specific arrangements to support the AMI rollout in Victoria, does not:

- Pre-empt or unduly influence the policy or regulatory outcomes of concurrent national reform processes. In particular, the recommendations that will result from the Ministerial Council on Energy's national examination of a mandated roll-out of electricity smart meters and NEMMCO's program of harmonising and enhancing the regulatory arrangements governing first and second tier metering installations across the National Electricity Market; and
- Constrain the functionality of the systems and processes that will be required to support any future national framework for smart metering. In particular, it should be recognised that the changes to NEMMCO's systems and processes that are required to support the AMI project may not be suitable to support implementation of a national framework for smart meters.

While Ergon Energy's preference would be for issues associated with smart metering, including metering contestability, to be considered on a national basis via a change to the NER, Ergon Energy does not oppose the proposed Victorian derogation subject to the satisfactory management of the concerns raised above.

Ergon Energy would be pleased to discuss this submission with the AEMC or to provide further details about specific aspects.

Yours sincerely

A handwritten signature in black ink, appearing to be 'Tony Pfeiffer', written over a horizontal line.

**Tony Pfeiffer**  
**General Manager Regulatory Affairs**

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