



Victorian Energy Networks Corporation

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8 June 2006

Dr John Tamblyn
Chairman
Australian Energy Market Commission
Level 16, 1 Margaret Street
SYDNEY NSW 2001

RECEIVED
13 JUN 2006

Dear Dr *John* Tamblyn

RE: PROPOSED AMENDMENTS TO THE INTER-REGIONAL SETTLEMENT AGREEMENT - REGULATED INTERCONNECTORS

VENCorp welcomes the opportunity to comment on the Australian Energy Market Commission's (AEMC) proposed rule change relating to the Inter-Regional Settlement Agreement for Regulated Interconnectors. We note the Department of Infrastructure's (DOI) proposed amendment to clause 3.6.5(a)(5) of the National Electricity Rules and we support the non-controversial rule change.

The proposed rule change extends the existing interim agreement between Victoria and South Australia until 1 July 2009 for the payments of inter-regional settlement transfers. The existing agreement is due to expire on 30 June 2006.

Since the commencement of the National Electricity Market, Victoria and South Australia have entered into successive agreements for the payments of inter-regional settlement transfers and we believe it would be beneficial to both States to continue the existing interim agreement.

VENCorp has reviewed the proposed amendment and supports the process being expedited by the AEMC.

Should you have any questions please do not hesitate to contact John Savage on ☎(03) 8664 6568.

Yours sincerely

A handwritten signature in black ink, appearing to read 'M. Zema'.

Matt Zema
Chief Executive Officer