

10 February 2009

Manager
MCE Secretariat
Department of Industry, Tourism and Resources
GPO Box 9839
Canberra ACT 2601

MCEMarketReform@ret.gov.au



Dear Sir / Madam

Smart Meter National Electricity Law Amendments

ENERGEX Limited (ENERGEX) is pleased to provide the following comments on the proposed legislative amendments to the National Electricity Law (NEL) and accompanying Explanatory Note in relation to smart meter pilots and trials.

ENERGEX welcomes the collaborative approach being taken by the Ministerial Council on Energy (MCE) Standing Committee of Officials (SCO) in seeking stakeholder comment, and agrees that the underlying regulatory arrangements for the roll-out of smart meters in National Electricity Market jurisdictions should remain within a consistent national framework.

ENERGEX generally supports the proposed legislative amendments to the NEL which provide heads of power for jurisdictional Energy Ministers to mandate the roll-out of smart meters and related pilots and trials. This is consistent with the jurisdictional approach of the MCE decision of 13 June 2008 and subsequent consultative approach such as the establishment of the National Stakeholder Steering Committee. ENERGEX believes it is important that the NEL amendments provide regulatory certainty in terms of obligations and cost recovery. Of particular importance is the issue of adequately undertaking pilots and trials by 2012 given the timing of ENERGEX's forthcoming 2010-2015 Regulatory Determination.

Distribution businesses are ideally suited to propose the scope of a pilot program that best suits the network's and customer's circumstances and is technically and commercially feasible. Accordingly, ENERGEX supports NEL amendments that incorporate the ability of the distribution business to contribute to the development of a determination.

With regards to section 118B(4)(c), ENERGEX seeks further clarification with respect to the comment that a Ministerial pilot metering determination may require the relevant operator/s to provide information derived from a smart meter trial or a smart meter assessment, to a person specified in the determination or make such information publicly available. While ENERGEX

Enquiries
Louise Dwyer
Telephone
(07) 3407 4161
Facsimile
(07) 3407 4499
Email
louisedwyer
@energex.com.au

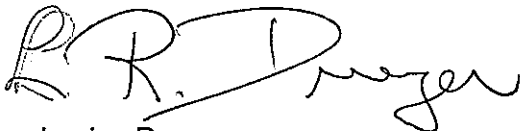
Corporate Office
150 Charlotte Street
Brisbane Qld 4000
GPO Box 1461
Brisbane Qld 4001
Telephone (07) 3407 4000
Facsimile (07) 3407 4609
www.energex.com.au

meter trial or a smart meter assessment, to a person specified in the determination or make such information publicly available. While ENERGEX understands the benefits of sharing key findings of the pilots, it is important that the NEL amendments disclosure requirements are consistent with current legislative obligations regarding confidentiality.

ENERGEX recognises that the proposed NEL amendments allowing for the obligation on distribution businesses to roll out smart meters is the first step in the implementation of a national smart metering framework, should the jurisdictional pilots and trials prove the business case for a rollout to be positive. ENERGEX supports the intended framework and proposed NEL changes and the split of details to be provided in the NEL versus the National Electricity Rules (Rules). However, it is important that the timing of the Rule change process considers a timeline for adequate consultation and is mindful of the implications on the pilot programs and any subsequent roll out of smart meters.

ENERGEX looks forward to participating in future discussions and providing further comment, particularly on the technical and operational aspects for smart meters to be included in the Rules.

Yours sincerely

A handwritten signature in black ink, appearing to read 'L. R. Dwyer', written in a cursive style.

Louise Dwyer
Group Manager Regulatory Affairs