

Our Ref: C2003/203-11
Contact Officer: Helen Fletcher
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28 September 2007

Manager, MCE Secretariat,
Department of Industry, Tourism and Resources,
GPO Box 9839
Canberra ACT 2601
MCEMarketReform@industry.gov.au

Dear Ms Pattinson,

AER submission on the NERA/Allen Consulting Group Report Network Planning and Connection Arrangements - National Frameworks for Distribution Networks

The Australian Energy Regulator (AER) appreciates the opportunity to provide comment to the Ministerial Council on Energy (MCE) on the issues discussed in the NERA/Allen Consulting Group Report, Network Planning and Connection Arrangements - National Frameworks for Distribution Networks, August 2007.

The AER supports the objective of greater transparency in network planning arrangements, and considers the economic assessment and dissemination of information relating to network constraints is important in facilitating the selection of the most efficient options including non-network options. The AER considers that the proposal to impose key obligations in the Rules relating to network planning and a role for the AER, to oversee compliance and reporting arrangements is consistent with the overarching regulatory framework for electricity networks.

The AER considers that flexibility is required with regard to the development of both negotiated and standard connection contracts, and looks forward to working with the MCE and participating further in the development of new network planning and connection arrangements in electricity distribution. Should you wish to discuss these matters further, please contact Helen Fletcher on (02) 6243 1245.

Yours sincerely


Mike Buckley
Acting Chief Executive Officer