

Mr Oliver Tridgell
Australian Energy Market Commission
ERC0279

The Energy Users' Association of Australia (EUAA) is the peak body representing Australian commercial and industrial energy users. Our membership covers a broad cross section of the Australian economy including significant retail, manufacturing, building materials and food processing industries. Combined our members employ over 1 million Australians, pay billions in energy bills every year and in many cases are exposed to the fluctuations and challenges of international trade.

Our members are highly exposed to movements in both gas and electricity prices and have been under increasing financial stress due to escalating energy costs. These increased costs are either absorbed by the business, making it more difficult to maintain existing levels of employment or passed through to consumers in the form of increases in the prices paid for many everyday items.

The EUAA write to support the overall direction of this rule change to bring increased transparency to the measurement and reporting of USE.

However, we share ERM's concerns around the intent of the proposed addition of a 'principle' to the rules which could result in all instances of involuntary load shedding being classified as USE. This is because in theory all instances of involuntary load shedding could be eliminated by increased transmission and/or increased generation investment. We are concerned that in all cases such investment may not be efficient and the rules should make clear that it is only efficient investment that meets the NEO.

For this reason, we agree with the ERM proposed additional words to Clause 3.9.3C so as to align more closely to the NEO clause and assessment criteria of the 'efficient investment in, and operation of, energy resources.

We support the other matters raised for the Commission's consideration in the ERM submission, in particular:

- Aligning the methodology for calculating forecast USE with the methodology for calculating actual (historical) USE,
- A new subclause 3.9.3D(b)(7), and
- While we have passed the date for submissions on whether the rule change should be expedited, consideration be given to a non-expedited process.

The demands on consumer advocates are currently huge and we simply did not have the time to fully examine this proposal prior to 8th October when submissions on the expedited rule change process closed.

As we have eventually been able to examine the issues in more detail and with the benefit of reviewing the changes that ERM are proposing (and that the EUAA is supporting) mean that we do not believe this rule change as straightforward as suggested by the Commission and the Reliability Panel.

Do not hesitate to be in contact should you wish to discuss this further.

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

Andrew Richards
Chief Executive Officer