



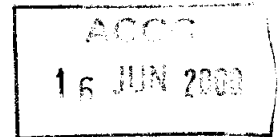
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15 June 2000



Mr M Rawstron
General Manager
Regulatory Affairs - Electricity
ACCC
PO Box 1199
DICKSON ACT 2602



Dear Mike,

NATIONAL ELECTRICITY CODE: THE GST

I enclose draft changes to the Code intended to accommodate the introduction of the GST from 1 July. The changes specify the treatment of GST for the purpose of quoting prices within the wholesale market and for settlement residue auctions, and define the obligations of participants and NEMMCO for the collection of GST.

The Code Change Panel considered the draft changes. A copy of its report is also enclosed. As that report makes clear, no substantive issues were raised in the course of the Panel's consultation. Only two comments were received, from TransGrid and the SA Electricity Reform and Sales Unit. The Code change focus group also discussed the proposed changes. A number of detailed drafting amendments were made to the original draft principally in order to:

- ◆ more clearly define those prices, fees and charges that will be quoted GST-exclusive, and in particular to put beyond doubt that network charges and connection fees will be GST-inclusive; and
- ◆ clarify that the settlement residue rebate to customers will include a GST component.

I should be grateful if the Commission would grant interim authorisation to the draft changes so that they can be gazetted before the GST is introduced on 1 July.

Yours,

**Stephen Kelly
Managing Director**