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6 May 2004

Mr Sebastian Roberts General Manager Regulatory Affairs – Electricity Australian Competition and Consumer Commission PO Box 1199 Dickson ACT 2602

Dear Mr Roberts

RE: Extension of Victorian Full Retail Competition Derogations

United Energy Distribution (UED) welcomes the opportunity to comment on the proposed extension of the metering derogations in Victoria.

UED supports the amendments proposed to extend the metering derogations from 1 July 2004 to 31 December 2006 to enable efficient streamlined metering arrangements and to enable time for the development and approval of Code changes in relation to Chapter 7 according to the Jurisdictional Regulators review. UED also support the other minor amendments proposed to Clauses 9.8.7 (d) (2), 9.9A.2, and 9.9A.2 (c).

In line with the comments in the Application, UED support the proposal and believe it provides:

- simplicity and clarity of obligations relating to metering services,
- the arrangements may more easily facilitate an interval meter roll out.
- a public benefit in relation to the simplification of meter dataflows and data access as the LNSP already needs to use this data,
- for unmetered loads this also streamlines maintaining load and inventory tables, and
- avoids unnecessary meter churn that is costly, wasteful and may discourage customers from switching retailers.

We remain concerned with the time remaining for the ACCC to authorise this Application so there may be a continuation of the current arrangements from 1 July 2004. If there were no continuation of the current arrangements, existing IT systems and processes are not in place to cope with competition in metering services for small customers.

Should you require any further information please feel free to contact me on (03) 9556 1548.

Yours sincerely

Verity Watson

Manager Regulation – Market Operations