



**Australian
Competition &
Consumer
Commission**

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Our Ref: C2009/893
Contact Officer: Jackson Mallory —
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15 July 2009

Dear Sir/Madam

**Retail Energy Market Company Ltd Applications for authorisation A91136-A91138
- draft determination**

The Australian Competition and Consumer Commission (the ACCC) has issued a draft determination in respect of the application for authorisation lodged by the Retail Energy Market Company Ltd (REMCo) on 1 May 2009. Attached is a summary of the authorisation process including how to make a submission to the ACCC.

The Retail Energy Market Company (REMCo) is seeking authorisation for Chapters 5 and 6 of its Retail Market Rules (RMR). Chapter 5 outlines the operation of the swing service provisions of the RMR which are designed to correct imbalances in the Western Australian and South Australian gas sub-networks. Chapter 6 provides for the RMR compliance procedures which will establish cost-effective dispute resolution procedures and a means of enforcing the RMR.

Draft determination

A copy of the ACCC's draft determination is attached, including a summary of its reasons. For the reasons set out in its draft determination, the ACCC proposes to grant authorisation for ten years.

Next steps

Once the ACCC issues a draft determination, the Applicants or any interested party may request that the ACCC convene a 'pre-decision conference'. A pre-decision conference provides the opportunity for interested parties to make oral submissions in relation to the draft determination. Conferences are conducted informally and while legal or professional advisers are able to attend they are not entitled to participate in the discussion.

If you wish the ACCC to hold a pre-decision conference in relation to the draft determination, you must notify the ACCC in writing by **29 July 2009**.

Alternatively, you are invited to make a written submission in response to the ACCC's draft determination. Submissions should be lodged by **29 July 2009**.

The ACCC will consider any submissions it receives, including any oral submissions made should a pre-decision conference be called, and will then release a final determination in relation to these applications.

Submissions will be placed on the ACCC's public register subject to any request for exclusion (guidelines are attached).

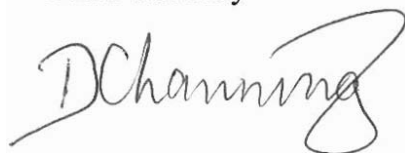
Timetable

The ACCC will continue to progress its assessment of the application in a timely manner. An updated indicative timetable is set out below for your information.

1 May 2009	Lodgement of application and supporting submission.
8 May 2009	Public consultation process begins.
27 May 2009	ACCC decision regarding interim authorisation.
15 July 2009	Draft determination.
July	Public consultation on draft determination including any conference if called.
August 2009	Final determination.

This letter has been placed on the ACCC's public register. If you wish to discuss any aspect of this matter please do not hesitate to contact Jackson Mallory on (02) 6243 1061.

Yours sincerely



Darrell Channing
Director
Adjudication Branch