

23 November 2011

Chris Stewart Australian Energy Market Commission PO Box A2449 SOUTH SYDNEY NSW 1235

Dear Mr Stewart

Rule change request - Efficient payments to Embedded Generators (ERC0129)

Origin Energy Limited (Origin) welcomes the opportunity to contribute to the Australian Energy Market Commission's (AEMC) consultation into efficient payments for embedded generators.

Origin is the owner of Cogent Energy (Cogent), a leading distributed generation company. Our subsequent comments are based on our experience through Cogent in the provision of co- and tri-generation plants.

The Draft Determination

Origin welcomes the AEMC's recognition that in some instances an embedded generator may be eligible for both network support and avoided TUoS payments. We therefore support the Draft Rule's intent to enable embedded generators to recoup both these payments when appropriate.

Notwithstanding the above - for the reasons outlined in our previous submission, we still consider that the ability for embedded generators to secure either of these payments will prove difficult. The Draft Rule is unlikely to make a material difference in addressing this issue.

If you wish to discuss any of these issues further please do not hesitate to contact me on (02) 8345 5250 or Steve Reid on (02) 8345 5132.

Yours Sincerely,

Tim O'Grady Head of Public Policy