



Australian Energy Market Commission

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Our ref: RPR0001

11 July 2013

Mr John Feil
Executive Director
National Competition Council
Level 21, 200 Queen Street
Melbourne, VIC 3000

Submitted in hardcopy by post and by email: gas@ncc.gov.au

Dear John,

Revocation of Coverage of the Wagga Wagga Natural Gas Distribution Network (Draft Recommendation)

The Australian Energy Market Commission (the AEMC) welcomes the opportunity to comment on the National Competition Council's (NCC) 17 June 2013 draft recommendation on revocation of coverage of the Wagga Wagga natural gas distribution network (the Draft Recommendation).

We note the Council raised concerns, at paragraph 4.46 of the Draft Recommendation, that if coverage of the Wagga Wagga natural gas distribution network were revoked, this decision may discourage the removal of retail price regulation in NSW. As a consequence of such a decision, the NCC considers the scope for additional competition in the area served by the Wagga Wagga natural gas distribution network and more widely would be significantly reduced.

The AEMC is due to report by 30 September 2013 our findings and recommendations on the effectiveness of competition in the NSW electricity and gas retail markets and whether retail price regulation should be removed.

The AEMC notes that any decision concerning the coverage status of the Wagga Wagga natural gas distribution network is unlikely materially to affect our findings or recommendations.

Thank you for the opportunity to provide a submission to this consultation. Should you have any questions or wish to discuss this submission further, please contact Richard Owens (Acting Senior Director) on (02) 8296 7800 or richard.owens@aemc.gov.au.

Yours sincerely

Steven Graham
Chief Executive