Ref.: TP/KC

29 October 2009

Mr Chris Pattas General Manager Network Regulation South Australian Energy Regulator GPO Box 520 Melbourne VIC 3000



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Dear Mr Pattas

Proposed Amendment: Service Target Performance Incentive Scheme

Ergon Energy Corporation Limited (Ergon Energy) is pleased to make this submission to the Australian Energy Regulator (AER) in response to the AER's amended Electricity Distribution Network Service Providers - Service Target Performance Incentive Scheme Version 01.2 (draft) (the STPIS).

Ergon Energy generally supports the amendments to the proposed amended STPIS given they do not appear to fundamentally alter the operation of the STPIS, rather the changes move to improve the transparency and effectiveness of the scheme and provide greater flexibility where appropriate.

However, Ergon Energy believes that certain aspects of the amended STPIS warrant further clarification or amendment, as discussed within the relevant sections of this submission.

We look forward to continuing to work with the AER in this regard. Please do not hesitate to contact myself or Kim Casey, Manager Regulatory Affairs Performance and Reporting on 0428 197 012 should you wish to discuss this submission in any way.

Yours sincerely

Tony Pfeiffer

General Manager Regulatory Affairs

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