



Minister for Energy and Resources

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Our Ref: SU601104

Mr Chris Pattas
General Manager
Australian Energy Regulator
GPO Box 520
MELBOURNE VIC 3001

Dear Mr Pattas,

AER'S 2012-2015 AMI DRAFT DETERMINATION - SUPPLEMENTARY SUBMISSION

I refer to my submission (ref: **SU600824**) to the Australian Energy Regulator's Draft Determination on the 2012-2015 metering services budgets and charges applications of the Victorian electricity distributors.

The Draft Determination established that the installation of two element meters by Powercor, CitiPower, SP AusNet and United Energy is out of scope as the moratorium on time-of-use tariffs is due to end after 31 December 2011.

Following consultation with stakeholders as part of the ongoing review of the Advanced Metering Infrastructure (AMI) program, and further to my original submission, I advise that I intend to, subject to final Government approval, extend the current moratorium for a further twelve months. I understand this advice is important for the AER in making its Final Determination on the budgets and charges applications.

This action will be taken to ensure that there are no undue impacts on consumers who may be affected by a change of network tariff following the installation of a single element smart meter in place of a two-element meter (or two separate meters). The extension will be implemented in consultation with industry.

This decision should not be interpreted as pre-empting any decision by Government as to the future of the AMI Program, consequent to the current ongoing review.

This decision is intended to protect consumers from unanticipated changes to their tariffs.

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Should you have any queries in relation to this supplementary advice, please do not hesitate to contact Mr Mark Feather, Acting Executive Director, Energy Sector Development, Department of Primary Industries, by telephone (03) 9658 4793 or by email at mark.feather@dpi.vic.gov.au.

Yours faithfully,

A handwritten signature in blue ink that reads "Michael O'Brien" with a stylized flourish at the end.

HON. MICHAEL O'BRIEN MP
Minister for Energy and Resources

28 / 10 / 2011