

30 April 2015

Mr John Pierce
Chairman
Australian Energy Market Commission
Level 6, 201 Elizabeth St
Sydney NSW 2000

via website: www.aemc.gov.au

Dear Mr Pierce

**AEMC market review – Optional Firm Access, Design and Testing (EPR0039)
Submission to Draft report published on 12 March 2015**

The ENA welcomes the opportunity to provide a submission to the AEMC in response to the publication of the Optional Firm Access, Design and Testing (OFA), Draft Report.

The ENA supports the submission from Grid Australia including its qualifications. In the current investment environment, OFA is unlikely to contribute to the achievement of the National Electricity Objective.

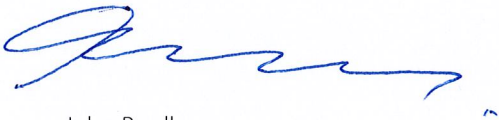
The ENA agrees with the view expressed by the AEMC in its executive summary¹:

"The Commission considers that optional firm access is an appropriate solution to address these issues in the right circumstances, but that current market conditions do not justify its implementation. By monitoring the investment environment to determine if conditions are right for optional firm access, the optional firm access model developed as part of this review can be applied when it is of benefit, and further reviews can be avoided."

We are aware of the associated Final report from AEMO on this subject published on 26 March 2015 and, based on AEMO's findings that the benefits of implementing stage one of the OFA will not exceed its costs, concur with AEMO's conclusion that it will not proceed to a stage one rule change.

The ENA welcomes the opportunity to participate in the further development of this market review, if you have any questions please contact me on 02 6272 1555 or Jim Bain on 02 6272 1516.

Yours sincerely



John Bradley
Chief Executive Officer

¹ AEMC Optional Firm Access, Design and Testing, Draft Report - Volume 1, page vi