

10 May 2013



Reena Kwong
Australian Energy Market Operator
GPO Box 2008
MELBOURNE VIC 3001

By email: reena.kwong@aemo.com.au

Dear Ms Kwong,

Determining a value of customer reliability

PIAC thanks the Australian Energy Market Operator (AEMO) for the opportunity to provide input on AEMO's *Value of Customer Reliability Issues Paper*. PIAC considers the issue of the value of customer reliability (VCR) to be extremely important for residential consumers, given the impact of meeting reliability standards on final bills.

Please find attached the submission PIAC made to the Australian Energy Market Commission's (AEMC) 2012 review of reliability standards in NSW. A number of the points made in this submission are relevant to AEMO's current review. In particular, PIAC directs AEMO to the section regarding the way the VCR for residential consumers is weighted compared to that for commercial and large industrial users in determining an overall figure. It is PIAC's position that given consumers are the vast majority of account holders, their preferences should be weighted accordingly.

Once again, thank you for the opportunity to participate in this process. If you require any further information, please contact myself or Oliver Derum, Policy Officer in PIAC's Energy and Water Consumer's Advocacy Program, on 02 8898 6518 or oderum@piac.asn.au.

Yours sincerely

A handwritten signature in blue ink that reads "Edward Santow". The signature is fluid and cursive, with the first letters of the first and last names being capitalized.

Edward Santow
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