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Mr John Pierce
Chairman
Australian Energy Market Commission
PO Box A2449
SYDNEY SOUTH NSW 1235

22 August 2017

Dear John

**Re: Submission to the review into the scope of economic regulation
applied to covered pipelines**

The AER welcomes the opportunity to make a submission on Parts 8-12 of the NGR to address concerns that covered pipelines are exercising market power.

Please find our submission attached. Our submission outlines seven key recommendations, which can be implemented in order to respond to the transformation occurring in the gas market and to address some of the concerns raised by the ACCC East Coast Gas Inquiry. The AER looks forward to assisting the AEMC in further developing the reform package in any way it considers helpful.

Should you wish to discuss any aspect of this submission, please do not hesitate to contact Kanwaljit Kaur on (02) 9230 9163 or at Kanwaljit.Kaur@er.gov.au.

Yours sincerely



Jim Cox PSM
AER Board Member
Australian Energy Regulator

