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Energy Savings Scheme

Independent Pricing and Regulatory Tribunal

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Sent via email: ESS@ipart.nsw.gov.au

Combined audit process for Scheme Participants

AGL Energy (AGL) thanks the Independent Pricing and Regulatory Tribunal (IPART) for the opportunity to provide feedback on the 'Combined audit process for Scheme Participants' Consultation Paper, dated 7 September 2022.

AGL is one of Australia's largest energy-led multi-service retailers, providing over 4.2 million electricity, gas and telco services to residential, small, and large businesses, and wholesale customers. AGL is committed to meeting the needs of its energy customers both now and through the transition to a net zero emissions future. AGL offers products and services that assist our customers in decarbonising and to reduce their energy consumption through carbon offsets, demand response programs, and participation in AGL's Virtual Power Plant.

AGL welcomes IPART's proposal to combine the Energy Savings Scheme (ESS) audit process with the Peak Demand Reduction Scheme (PDRS) audit, commencing in 2023. We agree that efficiencies may be gained from consolidating the audit processes for the two Schemes. Scheme Participants are likely to rely on the same or similar systems and processes to fulfil their obligations under the ESS and the PDRS, and as such, would only be required undertake a single auditor tender/engagement process and one consolidated walkthrough with auditors. We believe this could relieve internal resourcing requirements and reduce the amount of time that Participants dedicate to the audit by streamlining the process. AGL also supports the proposed completion date of 30 September for the audit of the Individual Liable Demand and Annual Energy Savings Statement.

While AGL expresses its support for a combined ESS and PDRS audit at this stage, it is difficult to anticipate the challenges and complexities that may arise without yet having undertaken the consolidated process. It is important that IPART remains flexible and open to Participants' feedback on the practical realities of the combined audits when they commence next year. As we understand, there will be an opportunity to assess the effectiveness of the combined process when both the ESS and the PDRS are up for statutory review.

With respect to the 20-week revised statement from the Australian Energy Market Operator (AEMO) for ESS reporting, AGL supports delaying the statement as we believe it will contribute to a more accurate outcome as AEMO will have an opportunity to keep revising the available data.



If you would like to discuss any aspect of AGL's submission, please contact Valeriya Kalpakidis at vkalpakidis@agl.com.au.

Yours sincerely,

A handwritten signature in blue ink, appearing to read 'Con Hristodoulidis'.

Con Hristodoulidis

Senior Manager Regulatory Strategy

AGL Energy