



22 June 2011

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Dear Mr Hansen

## Decision on UTS Claims for 26 March 2011

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I refer to the Electricity Authority's consultation paper regarding the proposed actions that the Authority intends to take to correct the UTS. The Authority has asked two questions, namely:

1. Do you agree with the proposed actions that the Authority intends to take to correct the UTS? Please give reasons for your answer; and
2. Are there any other actions that the Authority should take to correct the UTS? If so, please detail the other actions.

Genesis Energy does not agree with the Authority's proposed actions. The Company holds this position because it does not believe that a UTS exists. Genesis Energy considers that the rationale for finding a UTS in its final decision is flawed for the reasons extensively canvassed in its submissions to the Authority on the question.

What is particularly disappointing is that the Authority, despite requesting submissions and putting market participants to considerable time, cost and effort in preparing submissions, failed to address the cogent points raised not only in Genesis Energy's submission but those of many other demand and supply side market participants.

Genesis Energy is continuing to assess its options in regard to the approach of the Authority to this matter.

If you would like to discuss any of these matters further, please contact Malcolm Alexander, General Manager Corporate Affairs.

Yours sincerely

A handwritten signature in blue ink, consisting of a large, stylized 'A' followed by a long horizontal stroke that tapers to the right.

Albert Brantley  
Chief Executive