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Anthea Harris
Chief Executive Officer
Climate Change Authority
GPO Box 1944
Melbourne VIC 3001

By email: www.climatechangeauthority.gov.au/submissions

29 November 2013



Dear Ms Harris,

AGL Energy Response to the Climate Change Authority's Caps & Targets Review Draft Report

AGL Energy (**AGL**) welcomes the opportunity to comment on the Caps & Targets Review Draft Report issued by the Climate Change Authority (**the Authority**). As a leading investor in renewable energy and one of the largest energy retailers in Australia, AGL is well placed to comment on the Draft Report. AGL operates across the supply chain and has investments in coal-fired, gas-fired, renewable and embedded electricity generation. AGL is Australia's largest private owner, operator and developer of renewable generation in Australia. AGL is also a significant retailer of energy with over 3 million electricity and gas customers. The diversity of this portfolio has allowed AGL to develop a detailed understanding of the risks and opportunities presented by climate change-related policy.

Given the parameters of the review as set out in legislation, the report provides appropriate overarching recommendations for a framework to facilitate long-term investment certainty. As noted in previous submissions, AGL does not have specific scientific expertise to provide feedback on whether the carbon budget and emission reduction target amounts are appropriate. Notwithstanding this, AGL recognises the value of a national carbon budget with long and short term emission reduction targets and gateways. Such a framework is important for businesses as it facilitates appropriate long-term investment decision making.

Should you wish to discuss any aspect of this submission, please contact [DELETED]

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Tim Nelson'.

Tim Nelson
Head of Economic Policy & Sustainability