

8 December 2025

Kris Funston  
Executive General Manager  
Australian Energy Regulator  
GPO Box 3131  
Canberra ACT 2601

*via email*

Dear Dr Funston,

## **Cost pass through application – Unlocking CER benefits through Flexible Trading Arrangements**

Evoenergy submits this application under clause 6.6.1 of the National Electricity Rules (NER) seeking approval to recover costs incurred as a result of the Australian Energy Market Commission's rule change, *Unlocking consumer energy resource (CER) benefits through flexible trading*, made on 15 August 2024.

The rule change requires Evoenergy to implement Flexible Trading Arrangements (FTA) and comply with consequential updates to Retail Market and Business-to-Business Procedures. To meet these obligations, Evoenergy must undertake significant system and process changes to its billing and market systems platform (Velocity). These changes were not anticipated in the AER's 2024–29 determination and will materially increase the cost of providing direct control services.

Evoenergy has identified this as a service standard event under the NER. Our application sets out the eligible pass through amount of \$4.5 million (nominal) and the proposed positive pass through amount of \$1.5 million (nominal, smoothed) to be recovered over the remainder of the current regulatory control period.

The AER previously granted Evoenergy an extension under clause 6.6.1(k) to submit this application by 15 December 2025.

Please find attached our cost pass through application and supporting documentation. If you have any queries in relation to this request, please contact [REDACTED], Principal Regulatory Economist - Regulatory Reviews and Policy at [REDACTED]

Yours sincerely



Megan Willcox  
General Manager – Economic Regulation

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Jemena Networks (ACT) Pty Ltd (ABN 24 008 552 663) and Ioon Distribution Investments Limited (ABN 83 073 052 224) t/as Evoenergy (ABN 76 670 588 688).