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13 August 2021

David Havyatt  
**Principal, Havyatt Associates**

Sent by email to: [REDACTED]

Dear Mr Havyatt

Thank you for your letter regarding the Australian Energy Regulator's *Rate of Return: Assessing the Long Term Interests of Consumers – Position Paper*. Ms Savage, AER Chair has asked me to respond on her behalf.

As highlighted by our position paper, we consider that assessing the long-term interests of consumers is an important aspect of our decision-making for the rate of return instrument. We also consider that it has been valuable to outline our thinking on this issue in the early stages of our process.

The AER was approached by both the AER's Consumer Reference Group and the Energy Networks Association about outlining our thinking on the issue of defining the long-term interests for consumers. For transparency, we published this correspondence on our website, which was considered in our position paper.

As we progress through the process of making the instrument we will continue to focus on the National Electricity Objective and National Gas Objectives, and I thank you for views on how these objectives should be applied. We will also publish your correspondence on our website to inform this discussion.

Should you have further queries, please contact General Manager Network Finance and Reporting, Warwick Anderson, at [REDACTED]

Yours sincerely

[REDACTED]

Eric Groom  
**AER Board member**