

# AUSTRALIAN ENERGY REGULATOR

## Key Issues and Action Items

DATE: 16 July 2018  
TO: AER's Retailer Reference Group on Rate of Return  
CC: Warwick Anderson  
SUBJECT: **RRG 16 July video conference**

### **Introduction**

The AER met with the RRG to discuss the draft decision on the Rate of Return guideline review. The meeting was held on 16 July 2018 in AER offices across Australia via videoconference.

### **Key Issues**

#### **Overview of the Rate of Return Guideline draft decision**

The AER outlined the process employed in developing the draft rate of return guideline. The RRG stated that they have few concerns about the guideline draft decision and noted the COAG EC legislative amendment package. The RRG expressed interest in how the AER has considered asset stranding and accelerated depreciation in previous reset determinations.

#### **Outline of expected engagement**

The AER stated that a considered submission put forward by the RRG would be a beneficial addition to the body of information considered by the AER in the final decision. The AER invited the RRG to present at the guideline draft decision public forum.

#### **Explanation of the independent panel**

The AER gave a brief explanation of the independent panel's appointment. The AER indicated that the independence of the panel is important and that correspondence between AER staff and the panel will be published on the AER website. The AER stated that the draft decision submission window will be influenced by the timing of the independent panel report.

### **Action Items**

#### **AER:**

- *Arrange an additional meeting with the RRG next month*

#### **RRG:**

- *Consider the opportunity to present at the public forum*