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Our Ref:

57379

Contact Officer: Anthony Bell

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Mr Robert McMillan General Manager Regulation Jemena

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18 September 201

Dear Mr McMillan

Re: Jemena late submission to AER on Consumer Challenge Panel advice

The Australian Energy Regulator received a submission from Jemena on 11 September 2015 on Consumer Challenge Panel (CCP) advice received by us as part of the Victorian electricity distribution pricing review. We published the CCP advice on our website on 19 August 2015.

We will not consider Jemena's submission for the purposes of our Preliminary determination. The submission was made outside of our initial consultation process. We invited submissions on the Victorian distribution businesses' regulatory proposals and our June 2015 Issues Paper, which were due by 13 July 2015.

We are in the late stages of the process for the Victorian electricity distribution Preliminary determinations. Jemena's submission on the CCP advice was unsolicited and late in the process. In fact, we explicitly instructed Jemena that we are not seeking views on the CCP advice, as acknowledged by Jemena in the cover email to the submission.

We seek to run an open and transparent consultation process. Our decision making is improved through timely consideration of the views presented to us by all stakeholders. We are not consulting with any other stakeholder on the CCP advice at this stage, including the four other Victorian distribution businesses.

Jemena will have an opportunity to respond to the CCP advice—and importantly how we have taken it into account in our Preliminary determination—in Jemena's revised proposal, which is due on 6 January 2016. We will invite written submissions on our

Preliminary determinations, which affected Victorian distribution businesses can make in the form of a revised proposal. This revised proposal and submissions stage of our process is a structured and transparent way for us to seek views on our decision for Jemena as well as on the CCP advice. It gives all stakeholders the same opportunity to respond to all matters.

Please contact Anthony Bell on (03) 9290 6914 if you have any questions in relation to this matter.

Yours sincerely,

Chris Pattas

General Manager

Networks