

Ausgrid 2014-19 Remittal Proposal

Ausgrid is committed to putting downward pressure on prices. This objective has guided our approach to our remittal proposal. Our proposal will deliver a price reduction of 3.2% in our share of customer bills (in real terms, i.e. excluding the impact of CPI). This would be on top of the 5.7% price reduction (in real terms) already included in our 2019-24 regulatory proposal. It will result in Ausgrid forgoing what in its view is up to \$677 million in potential revenue and retaining \$519 million - the revenue retained has been invested in transforming our business. This investment will deliver long term savings for our customers by embedding a \$100 million p.a. reduction in our annual operating cost base.

 **288m** Reduction in our revenues

To be returned to customers under our proposal over the 2019-24 period. This equals an average of **\$51** per customer.

 **3.2%** Average reduction in real terms

(\$20) reduction in average residential network charges from 1 July 2019, on top of the 5.7% (\$31) reduction already included in our 2019-24 regulatory proposal. A total of 8.9% reduction or **\$51** from 1 July 2019.

 **100m** p.a. reduction

in our operating cost base from FY13 to FY18, which has resulted from investing our proposed remittal outcome in transforming our business

Revenue retained and Ausgrid's view of potential revenue forgone

