

30 January 2009

Mr Chris Pattas
General Manager
Networks Regulation South Branch
Australian Energy Regulator
GPO Box 520
Melbourne VIC 3001

AERInquiry@aer.gov.au

Dear Chris

DISCUSSION PAPER - PRIORITIES AND OBJECTIVES OF ELECTRICITY TRANSMISSION NETWORK SERVICE PROVIDER PERFORMANCE REPORTS

The Energy Networks Association (ENA) appreciates the opportunity to respond to this Discussion Paper by the Australian Energy Regulator (AER).

ENA is the peak national body for Australia's energy networks. ENA represents gas distribution and electricity network businesses on economic, technical and safety regulation and national energy policy issues.

Energy network businesses deliver electricity and gas to over 13 million customer connections across Australia through approximately 800,000 kilometres of electricity distribution lines. There are also 76,000 kilometres of gas distribution pipelines. These distribution networks are valued at more than \$40 billion and each year energy network businesses undertake investment of more than \$5 billion in distribution network operation, reinforcement, expansions and greenfields extensions. Electricity transmission network owners operate over 42,000 km of high voltage transmission lines, with a value of \$10 billion and undertake \$1.2 billion in investment each year.

ENA realises that this Paper is directed at Transmission Network Service Providers (TNSP), however, the outcome of this review will have implications for Distribution Network Service Providers (DNSP) in future reviews.

For the most part, ENA supports the priorities and objectives outlined by the AER in this Paper. However, there are a few issues that ENA believes require some clarification or further assurances from the AER.

ENA appreciates the continued capacity for TNSPs to comment prior to the publication of the AER's reports. However, electricity network businesses would like confirmation that this extends beyond the scope of comments on factual errors only, otherwise there may be potential for the AER to misconceive the available data.

During consultation with the public and the AER, electricity network businesses believe it is essential to be given the full scope to participate. As part of this participation, electricity network businesses need the opportunity to provide a full response to any proposals put forth by the public under the new provisions in the National Electricity Law (NEL) and National Electricity Rules (NER). Electricity network businesses would ask that the AER offers a clear mechanism for allowing this process to take place.

Network service providers currently have safeguards and entitlements under the NER in relation to the provision of information. ENA asks that the AER continues to recognise these safeguards and entitlements.

If you have any enquiries please contact ENA on (02) 6272 1555 or info@ena.asn.au.

Yours sincerely

A handwritten signature in blue ink, appearing to read 'ABlyth'.

Andrew Blyth
Chief Executive