



Your ref:
Our ref: ENET0001

28 March 2017

Paula Conboy
Chair
Australian Energy Regulator
GPO Box 520
Melbourne VIC 3001

Via email: paula.conboy@aer.gov.au

Dear Paula

Re: ElectraNet Transmission Network Revenue Proposal

Please find enclosed ElectraNet's Revenue Proposal, proposed Pricing Methodology and proposed Negotiating Framework for the five year regulatory period commencing 1 July 2018.

The lodgement of this Revenue Proposal represents the culmination of an extensive early engagement process with customer representatives and stakeholders, including the publication of our Preliminary Revenue Proposal in September 2016.

We are grateful for the commitment of the AER to our early engagement approach and for its active participation in this process. This has provided valuable opportunities for developing shared understanding, responding to feedback on our plans and priorities, and working together towards a better informed and tested Revenue Proposal.

I enclose for your reference a *Customer Engagement Outcomes Report*, which provides an overview of our early engagement process and the outcomes of this process.

ElectraNet is also grateful for the extension to our lodgement date granted by the AER, allowing us to submit our Revenue Proposal by 28 March 2017. Given the extenuating circumstances faced by the business, this extension has provided valuable time to work through the implications of the extreme weather event of 28 September 2016. The additional time also enabled ongoing engagement with customer representatives and stakeholders on the changes we proposed to respond to these implications.

We look forward to working with the AER through the formal assessment of our Revenue Proposal to deliver an outcome in the long term interests of South Australian electricity customers.

ElectraNet Pty Ltd

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Our Revenue Proposal comprises an overview document supported by 15 Attachments, which address the matters to be covered in the corresponding decision documents by the AER. The remaining material supporting our Revenue Proposal has been released to key AER staff via a secure download facility.

In the interests of transparency, we also confirm that we consent to the full disclosure of the information we have not identified as confidential under the Rules. We have limited our confidentiality claims to material that is of a strictly commercially sensitive or legally privileged nature that could, for example, prejudice future competitive tendering processes if disclosed.

We look forward to briefing the AER Board on our Revenue Proposal at our scheduled meeting on 21 April 2017. In the meantime, should you require any further information in connection with our Revenue Proposal, please contact Rainer Korte on (08) 8404 7983 or Simon Appleby on (08) 8404 7324.

Yours sincerely



Steve Masters
Chief Executive

cc. Michelle Groves, Chief Executive Officer
Sebastian Roberts, General Manager Networks
Adam Petersen, Director

Encl. Revenue Proposal Overview
Attachments 1-15
Customer Engagement Outcomes Report
Pricing Methodology
Negotiating Framework