

16 January 2013

Andrew Reeves
Chairman
Australian Energy Regulator
Level 35, The Tower
360 Elizabeth Street
MELBOURNE VIC 3000

By email: ElectraNet.2013@aer.gov.au

Dear Andrew

re: ElectraNet Transmission Network – Revised Revenue Proposal

Please find enclosed ElectraNet's revised Revenue Proposal and revised negotiating framework for the five year regulatory control period from 1 July 2013 to 30 June 2018, in accordance with the requirements of Chapter 6A of the National Electricity Rules (Rules).

On 30 November 2012, the AER published a Draft Decision on its transmission determination for ElectraNet.

ElectraNet has carefully reviewed all of the matters raised by the AER in its Draft Decision including, in particular, where the AER has made adjustments to ElectraNet's original proposal. In many instances, ElectraNet has implemented the changes required by the Draft Decision. Where ElectraNet has not fully adopted the AER's Draft Decision, the revised Revenue Proposal provides additional information, including expert reports, to address the matters raised by the AER and to demonstrate that the revised Revenue Proposal satisfies the requirements of the Rules.

The specific information submitted with this letter comprises:

1. ElectraNet's revised Revenue Proposal including Appendices;
2. AER Submission Guideline templates;
3. Post Tax Revenue Model and Asset Base Roll Forward Model;
4. Operating expenditure and capital expenditure forecast models; and
5. Revised negotiating framework (appended to the revised Revenue Proposal).

This material responds in full to the issues raised by the AER in its Draft Decision, and builds on the recent correspondence and engagement between the AER and ElectraNet on the key issues in the Draft Decision. The documentation also contains a range of supporting information to assist the AER in making its Final Decision.

ElectraNet is confident that its revised Revenue Proposal fully addresses the issues raised by the AER in its Draft Decision, and satisfies the requirements of the Rules and the AER's Submission Guidelines.

We look forward to continuing constructive engagement with the AER to achieve a Final Decision that serves the long term interests of transmission customers in South Australia.

As previously advised, ElectraNet's principal contact throughout this final review process is Simon Appleby, who can be contacted on (08) 8404 7324. Executive responsibility for ElectraNet's Revenue Proposal remains with Rainer Korte who can be contacted on (08) 8404 7983.

Yours sincerely

A handwritten signature in blue ink, appearing to be 'Ian Stirling', with a stylized, cursive script.

Ian Stirling
Chief Executive Officer

cc. Michelle Groves, Chief Executive
cc. Warwick Anderson, General Manager Network Regulation
cc. Pradeep Fernando, A/Director, Network Regulation