

28 January 2011

Mr Warwick Anderson
General Manager – Network Regulation North Branch
Australian Energy Regulator
GPO Box 3131
Canberra ACT 2601



Dear Mr Anderson

Response to AER Discussion Paper – Reporting the performance of distribution and transmission network service providers

ENERGEX welcomes the opportunity to provide comments on the Australian Energy Regulator's (AER) discussion paper relating to the objective and priorities of electricity network service provider performance reports. ENERGEX appreciates the importance of the AER obtaining information that is necessary to perform its functions under the National Electricity Law (NEL) and National Electricity Rules.

It is noted that ENERGEX already provides a significant volume of network performance and expenditure data to both the jurisdictional regulators and more recently the AER. The cost to comply with these requirements is ultimately borne by our customers. As such, ENERGEX believes that 'efficiency' is an important objective for any incremental performance reporting. The avoidance of duplicative or unwarranted reporting assists in the efficient operation of networks and minimises costs for customers consistent with section 7 of NEL.

Further, the objective of 'improving the regulatory framework' as described in the paper lacks definition and may be unnecessary given the terms of the relevant legislative provisions and the scope of the other reporting objectives. ENERGEX considers that the 'regulatory framework', as described by the AER to be those legislative provisions set out in section 2.2 of the paper, does not require 'improvement' but rather conformity and fulfilment. It is not clear to ENERGEX how this proposed objective relates to the regulatory framework as described by the AER.

If you wish to discuss this matter further please contact Louise Dwyer, Group Manager Regulatory Affairs, on 07 3664 4047 or louisedwyer@energex.com.au.

Yours sincerely

A handwritten signature in black ink, appearing to read "Kevin Kehl".

Kevin Kehl
Executive General Manager Strategy & Regulation

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