

Ref: 20181221JC:NL

21 December 2018

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

Dear Paula

Essential Energy's 2019-24 Revised Regulatory Proposal

I am pleased to submit Essential Energy's Revised Regulatory Proposal for the period 1 July 2019 to 30 June 2024.

Our Revised Proposal confirms Essential Energy's acceptance of the majority of the AER's Draft Determination and addresses those aspects where changes are suggested. Our Revised Proposal also responds to submissions made by stakeholders to our Proposal.

The Revised Proposal has been shaped by our ongoing program of customer and stakeholder consultation. This included focus groups, interviews and consultative forums. Our consultation process placed specific emphasis on those aspects of our Tariff Structure Statement which the Draft Determination did not fully accept.

Our revised proposal applies the final Rate of Return guideline, resulting in a reduction in revenue of 0.90% per annum before CPI over the 2019-24 period.

As required, our Revised Proposal and supporting documents are attached, including the following:

- Customer and Stakeholder fact sheets;
- Customer overview of our Revised Regulatory Proposal;
- Revised Regulatory Proposal including attachments and supporting information;
- Revised Tariff Structure Statement;
- Tariff Structure Explanatory Statement with attachments and supporting information; and
- A compliance checklist demonstrating how we have complied with the National Electricity Rules requirements is contained in Attachment 1.1.

If you would like to discuss our Revised Proposal in more detail, please do not hesitate to contact either myself, on 02 6589 8333, or our Head of Regulatory Affairs, Natalie Lindsay, on 02 6589 8419.

I look forward to continuing open and constructive discussions with the AER, our stakeholders and customers on this and other processes.

Yours sincerely

A handwritten signature in black ink, appearing to be "John Cleland".

John Cleland
Chief Executive Officer