

Mr Warwick Anderson
General Manager, Networks Finance and Reporting
Australian Energy Regulator
GPO Box 3131
Canberra ACT 2601

15 March 2019

By email: Warwick.Anderson@aer.gov.au

Dear Mr Anderson

Evoenergy – Tariff Variation Notice for 2019–20 Reference Tariffs

In accordance with clause 7.18 of ActewAGL Distribution's access arrangement for Evoenergy's gas distribution network in the ACT, Queanbeyan and Palerang, Evoenergy advises that it proposes to vary Reference Tariffs from 1 July 2019.

Please find attached Evoenergy's:

- tariff variation notice for 2019/20 reference tariffs (public version and confidential version);
- revised reference tariff schedule;
- tariff basket model (2019/20);
- statement of audit to support the gas quantity inputs in the tariff variation formula;
- regulatory supporting statement; and
- confidentiality claim.

The attached variation notice:

- sets out Evoenergy's proposed reference tariffs for the 2019/20 financial year;
- demonstrates how these proposed 2019/20 reference tariffs comply with the annual tariff variation mechanism set out in ActewAGL Distribution's access arrangement for the ACT, Queanbeyan and Palerang gas distribution network 1 July 2016-30 June 2021; and
- calculates Evoenergy's automatic adjustment factor and applies it to its reference tariffs.

Evoenergy's submission escalates Evoenergy's reference tariffs by:

- the Consumer Price Index (CPI) that will apply for 2019/20;
- the automatic adjustment factor that will apply for 2019/20;

- the cost pass through factor that will apply for 2019/20; and
- the annual allowed X-factor updated by the AER in its letter to Evoenergy on 25 January 2019 to account for the portfolio return on debt that will apply for 2019/20.

The X-factor updated by the AER on 25 January 2019 supersedes the X-factor approved by the AER in its Final Decision: ActewAGL Distribution access arrangement for the ACT, Queanbeyan and Palerang gas distribution network 2016–21, published on 26 May 2016.

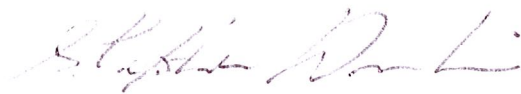
Confidential Information

Evoenergy has highlighted confidential information in the tariff variation notice. The confidentiality claim details the relevant sections of the tariff variation notice and attachments that Evoenergy considers to be commercial-in-confidence and the basis of these claims. The claims are made and justified in accordance with the AER's confidentiality guideline.

Evoenergy has provided two versions of the tariff variation notice; a confidential version with the confidential information highlighted and public version with redacted confidential information. Please note Evoenergy claims confidentiality over the entire tariff basket model and the regulatory supporting statement and a single confidential version of each of these attachments is provided.

Should you wish to clarify any aspect of the proposed variations please contact Philip Deamer, Manager Gas Access Regulation at philip.deamer@actewagl.com.au or by telephone (02) 6248 3438.

Yours sincerely



Stephen Devlin

General Manager
Evoenergy