

30 January 2009

Mr Chris Pattas  
General Manager  
Network Regulation South Branch  
Australian Energy Regulator  
GPO Box 520  
Melbourne VIC 3001

By email: [AERInquiry@aer.gov.au](mailto:AERInquiry@aer.gov.au)

Dear Chris,

**Discussion Paper: Priorities and Objectives of Electricity Transmission Network Service Provider Performance Reports (December 2008)**

Grid Australia would like to thank the Australian Energy Regulator (AER) for the opportunity to comment on this particular Discussion Paper.

Grid Australia is generally supportive of the AER's priorities and objectives outlined in the Discussion Paper, as well as its transitional approach to the 2007/08 reporting year that in practice, maintains, the 'status quo' for this financial year.

However, Section 2.3.2 of the Discussion Paper sets out the proposed priorities of reporting in order to achieve the objectives of transparency and maintaining accountability for performance. One of these priorities is listed as 'report the profitability of TNSPs'. Grid Australia questions how this priority serves to achieve the stated objectives. As a minimum, reporting of any measures of profitability should be limited to those related to the provision of prescribed transmission services.

Grid Australia also has the following residual 'in-principle' concerns that require some clarification or further assurances from the AER:

- The continued opportunity for TNSPs to comment prior to publication of the AER's reports (as has been the case), with a broader scope than only factual errors, given the possibility that misleading conclusions may be drawn from the available data;
- That TNSPs be given full scope to participate in any of the consultation processes involving the 'public', and the AER, and full scope to respond to any proposals from the 'public' as part of the newly instituted National Electricity Law and National Electricity Rules (NER) provisions (page 4 of Discussion Paper); and

- That the AER continues to recognise the safeguards and entitlements TNSPs currently have under the NER in relation to the provision of information.

Should you wish to discuss this matter further, please feel free to contact me on (08) 8404 7983 or via e-mail at [korte.rainer@electranet.com.au](mailto:korte.rainer@electranet.com.au).

Yours sincerely,



Rainer Korte  
**Chairman**  
**Regulatory Managers Group**