

23 August 2013

Mr Chris Pattas
General Manager
Network Operations and Development
Australian Energy Regulator
GPO Box 520
Melbourne VIC 3001

Via email: [expenditure@aer.gov.au](mailto:expenditure@ aer.gov.au)

Dear Chris

AER Preliminary Regulatory Information Notice Template

Thank you for your e-mails of 31 July and 5 August seeking comment on the AER's preliminary RIN template for economic benchmarking. Grid Australia has considered the preliminary template and associated process, and provides the following comments.

Grid Australia notes that the draft template has been provided in the form of a Regulatory Information Notice (RIN). However, it appears that a Regulatory Information Order (RIO) would be the more appropriate regulatory information instrument in circumstances such as this where the same information is required from multiple TNSPs.

With regard to timeframes, in the e-mail of 31 July the AER proposes to issue the final instrument in November 2013 with a deadline of February 2014 and require a special purpose audit report and directors' signoff. The timeframes proposed would be difficult to meet, in particular if the audit assurance and signoff requirements are imposed.

While Grid Australia members will endeavour to commence work on the information request before the final instrument is issued, it would be useful if the AER could provide an appropriate formal timeframe for completion of the instrument to improve certainty. This could be achieved by issuing the final instrument earlier than November. Grid Australia also questions the value of a special purpose audit and directors' sign-off in the process, and suggests that these requirements could be removed without compromising the veracity of the data provided.

With regard to the use of the information, Grid Australia considers it essential that the data provided under this instrument be used in a manner that reflects sound regulatory and benchmarking practice. As such, Grid Australia requests that TNSPs be provided with the opportunity to inform any interpretation of benchmarking results to assist the AER in ensuring that environmental factors between TNSPs have been appropriately taken into account.

With regard to specific data requested in the templates, the implications of this will differ for each TNSP depending on their existing information systems. Therefore, individual TNSPs will respond regarding specific data requirements under separate cover as desired.

If you would like to discuss or have any further questions relating to these matters please contact Andrew Kingsmill on 0419 617 340 or me on (08) 8404 7983.

Yours sincerely



Rainer Korte
Chairman
Grid Australia Regulatory Managers Group