

11 March 2022

Sebastian Roberts
General Manager, Network Expenditure
Australian Energy Regulator
GPO Box 3131
CANBERRA ACT 2601

Level 14
99 Walker St
North Sydney NSW 2060
PO Box 1220
North Sydney NSW 2060
T +61 2 9867 7000
F +61 2 9867 7010
www.jemena.com.au

Dear Sebastian

AER's review of incentive schemes for networks discussion paper

Jemena welcomes the opportunity to respond to the Australian Energy Regulator's (**AER**) review of incentive schemes for networks discussion paper (**discussion paper**). We support the AER's engagement and consultation on incentive schemes that apply to network service providers (**NSPs**). Reviewing these incentive schemes—in consultation with stakeholders—ensures the AER is well placed to make decisions in the long-term interests of consumers and provide certainty to NSPs on how the AER will assess future regulatory proposals.

Overall, the AER's discussion paper outlines that the current regulatory and incentives framework is improving outcomes for consumers. The existing regulatory framework, assessment approaches and the Better Resets Handbook can provide sufficient transparency for stakeholders regarding incentive scheme outcomes. Further improving forecasting techniques, developing standardised models and improving existing guidance to NSPs will address concerns regarding the perception of 'over-forecasting'.

Please find our submission to the discussion paper attached. If you have any questions regarding this letter, please contact [REDACTED] or [REDACTED].

Kind regards



Ana Dijanosic
General Manager Regulation
Jemena