

AUSTRALIAN ENERGY REGULATOR

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Our Ref: D19/69409

Contact Officer: Chris Pattas Contact Phone: 03 9290 1470

30 May 2019

Nino Ficca Managing Director AusNet Services Level 31, 2 Southbank Boulevard, Southbank Victoria 3006

Via email: nino.ficca@ausnetservices.com.au

Dear Mr Ficca

Re: Victorian Government intention to change the electricity distribution regulatory year from a calendar to financial year

Thank you for your letter of 13 May 2019 on behalf of the Victorian electricity distribution businesses (AusNet Services, Jemena Electricity Networks, CitiPower, Powercor and United Energy) regarding the Victorian Government's intention to make changes to the timing of the Victorian electricity and gas network price resets.

We recognise the concerns you raised with us in meetings and in your correspondence, seeking the AER's agreement to lodge your regulatory proposals for the 2021-26 regulatory period on or before 31 January 2020. In this respect you are concerned the necessary legislative changes will not be made until after the current lodgement date of 31 July 2019.

Given the anticipated changes announced by the Victorian Minister for Energy, to give effect to revised timings for the next Victorian reset we are comfortable with Distribution Businesses delaying the submission of their regulatory proposals for the 2021- 2026 regulatory control period. Subject to the Victorian Government giving effect to the change of commencement date of the regulatory control period being 1 July 2021, a submission date for your regulatory proposals of 31 January 2020 would ensure compliance with clause 6.8.2(b) 1 of the NER.

The AER intends to place a copy of this letter, as well as your letter of 13 May 2019, on its website for the information of stakeholders and consumers.

Please contact Chris Pattas, General Manager of Distribution Networks, on 03 9290 1470 if you would like to discuss this matter further.

Yours sincerely

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Paula W Conboy Chair

Sent by email on: 30.05.2019

(copy sent to each of the Victorian distribution businesses, DELWP, COAG Energy Council SCO, ESB)