

## Meeting record

**Date:** 5 July 2022

**Time:** 2.30 to 2.45 pm

**Purpose:** Thirteenth meeting of the **Investor Reference Group** for the 2022 rate of return instrument

**Present:** ATCO Australia – Hugh Smith  
Brookfield – Ray Neill  
OMERS - Katherine Xu  
QTC – David Johnston  
Spark Infrastructure – Gerard Dover, Neil Donaldson  
State Grid International – Sandeep Kumar  
AER – Warwick Anderson, Conor McSween

**Apologies:** ATCO Australia – John Ivulich  
Ausbil - Paul Johnston  
Australian Super – Daniel Walters, Paul Dawson  
Global Infrastructure Partners – Veeral Kanji  
IFM – Josh Crane  
Magellan – David Costello  
Morgan Stanley – Rob Koh  
OMERS – John Maiolo  
SP Group – John Chng

## Meeting notes

- AER staff went through the list of actions from the last IRG meeting, all are complete.
- AER staff provided an update of the release of draft rate of return Instrument:
  - The 2022 draft Instrument is largely consistent with the 2018 Instrument. Only one substantive change was made, modifying the term of the risk free rate from 10 years to 5 years. A change was also made to the debt averaging period nomination window to allow more time for pricing updates.
  - The Independent panel are now reviewing the draft Instrument and will release their findings in a report at the end of July. The list of panel members and their qualifications can be found on the AER website.
  - Submissions are due on the draft Instrument on 2 September.
  - IRG members suggested that the sensitivity analysis in the Explanatory Statement should include how the 2022 draft Instrument would perform if it was applied in 2018 (as opposed to the 2018 Instrument).

- AER staff informed IRG members of two upcoming stakeholder forums for the draft Instrument.
  - The first forum will be held on Wednesday 27 July from 2:00 – 4:30pm. The purpose of this forum is to discuss the AER’s approach to arrive at the draft Instrument and provide an opportunity for industry and consumer stakeholders to present their views. There will also be an opportunity for participants to engage in Q&A following each presentation.
  - The second forum will be held on Wednesday 7 September 2:00 – 4:30pm after submissions have closed on the draft Instrument. The purpose of this forum is to allow interested stakeholders to talk through their submissions and for the AER and other stakeholders to ask questions.
  - Members of the IRG are invited to present at both forums.
  - Registrations for both forums will be through Eventbrite. A link to register for the first forum can be found on the AER website.
- AER staff provided an update on RAB multiples:
  - ENA, Frontier Economics and AusNet have each provided submissions on CEPA’s RAB Multiples report. These can be found on the AER website.

### **Meeting action items**

- AER staff to:
  - Publish meeting record on AER website.
  - Organise next meeting and distribute invites (tentatively scheduled for mid-August).
- IRG members to:
  - Read the draft 2022 rate of return Instrument (optional).
  - Consider presenting at the stakeholder forums (optional).
  - Attend the first stakeholder forum on 27 July (optional).