

14 May 2013

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

Dear Chris,

Issues Paper: Distribution and Transmission Confidentiality Guidelines

SP AusNet welcomes the opportunity to provide this submission in response to the AER's Issues Paper on the Confidentiality Guideline. The Guideline will underpin the AER's approach to assessing confidentiality claims by NSPs, and will specify the manner in which NSPs may make confidentiality claims.

SP AusNet supports the ENA's submission on this topic. Therefore, this submission is not intended to duplicate the submission provided by the ENA, but aims to add additional insights, in particular due to our experience with submitting confidential material to the AER during our current transmission revenue reset, and specific issues listed businesses face in relation to confidential information.

SP AusNet is broadly supportive of the process proposed by the AER. However, an NSP's adherence to the process should not determine whether the confidentiality claim is compliant. In addition, it is our experience that a collaborative process is most effective in determining confidentiality outcomes.

For example, during submission of the transmission revenue proposal for 2014-17 regulatory period SP AusNet engaged in informal discussions with the AER about the format of confidentiality claims to be made prior to submission of the revenue proposal. This led to a mutual understanding of expectations, and ensured that the time spent on making and assessing confidentiality claims was minimised.

To provide additional certainty, the guidelines should specify the nature of information that the AER is likely to consider to be confidential. The categories outlined in the ENA's submission should be used as a basis for this. In addition, certain information would be particularly detrimental to a publically listed company, were it to be released.

Publically listed companies are subject to obligations specifying information that must be released to the market, for example, those set by the Australian Stock Exchange and the Australian Securities and Investment Commission (ASIC). Some information that NSPs



are required to provide to the AER goes beyond these requirements, for example, the degree of granularity presented in the regulatory accounts. Some of this information may be market sensitive and this would need to be carefully considered by the AER when assessing whether the public benefit of releasing the information would outweigh the potential detriment.

A high degree of granularity could also identify individual customer information, for example, where only one or two customers are on a particular tariff.

If you have further questions regarding the information provided above, please contact Charlotte Coster, Regulatory Economist on 03 9695 6309.

Yours Sincerely,

A handwritten signature in black ink, appearing to read "Tom Hallam".

Tom Hallam
Manager Economic Regulation

