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By email: aerringfencing@ aer.gov.au

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Dear Adam,

Jemena submission to the AER on the proposed changes to Ring-fencing Distribution Guideline

Jemena welcomes the opportunity to make this submission in response to the Australian Energy Regulator's (AER) consultation paper on the proposed changes to the Ring-fencing Distribution Guideline (Guideline).

We are broadly supportive of the AER's proposed changes to the Guideline to improve the operation of ring-fencing framework. In particular, Jemena would like to comment on the following elements:

1. Remove the limit on the maximum term of waivers from the guideline

We welcome the proposed change to remove the limit on the maximum term of waivers, as it offers greater flexibility to tailor waiver terms to specific circumstances. To further support this flexibility, we recommend that the AER consider providing additional guidance for Distribution Network Service Providers (DNSPs) regarding the assessment of waiver periods, which could include considerations such as aligning the waiver period with the specific asset lifespan or a reasonable timeframe for operating costs. Such guidance would help DNSPs navigate their investment process with greater certainty as well as enhance the efficiency of the waiver assessment process.

2. Update to annual reporting on compliance monitoring


We support the clarification that annual compliance reports must be accompanied by a cover letter signed by the most senior executive of the DNSP. This requirement reinforces accountability and underscores the importance of compliance with the Guideline.

3. Removal of Spent Transitional Provisions

We welcome the proposed repeal of spent transitional provisions related to the transition from version 2 to version 3 of the Guideline. This change simplifies the Guideline and ensures its provisions remain relevant and up to date.

Jemena remains committed to engaging constructively with the AER to support the effective implementation of the ring-fencing framework. Should you require further information or wish to discuss our submission in more detail, please do not hesitate to contact Catherine Chen at

Yours sincerely


Ana Dijanosic
General Manager, Regulation