**AUSTRALIAN ENERGY REGULATOR**

**DRAFT Key Issues and Action Items**

DATE: 21 March 2018

TO: AER’s Consumer Reference Group on Rate of Return

CC: Warwick Anderson

**SUBJECT: CRG 21 March teleconference**

**Introduction**

The AER organised for the CRG to engage in weekly teleconferences to discuss issues for the CRG moving forward. The CRG agenda included:

* Introduction to CRG submission “author” – Sapere, Simon Orme
* Submission preparation – interactions between Simon and the CRG streams, and alignment of inputs to our submission
* Expert sessions – CRG observations (John, David HE, David Ha)
* CRG/ENA interactions
  + For CRG endorsement:
    - Averaging periods, risk free rate, cost of equity
    - TOR – CRG/ENA joint project (link between RAB growth and ROR)
  + Focus for next CRG/ENA meeting
* Other

**Key issues**

**Discussion with CRG author**

The CRG author is a representative from Sapere, Simon Orme. Simon advised that they are redrafting the submission framework and will provide the revised draft to the CRG by 26/3/18. The CRG offered to provide Simon with additional information on certain aspects of their submission. The CRG will review the draft put forward by Simon.

**First expert session recap**

The CRG indicated that they found the first concurrent evidence session to be helpful. The AER indicated that the first session has many foundational issues that will inform the second session. The CRG stated that one of their members might be able to engage an additional expert for the second evidence session. This will be progressed. The CRG requested the facilitator’s note be provided prior to the second session.

**CRG/ENA recap**

The CRG agreed to provide comments on the joint terms of reference project by next week. The CRG indicated that it is unlikely the terms of reference will be completed in time for the CRG draft decision submission. The AER will provide feedback on the terms of reference document

**Action items**

**CRG:**

* *Stream leaders are to provide brief summaries on what their chapters are going to contain to the Chair and these will be circulated with the overall CRG for discussion.*
* *CRG is to provide feedback on the ENA/CRG terms of reference project.*

***AER:***

* *Prepare performance data on networks, to circulate to the CRG.*