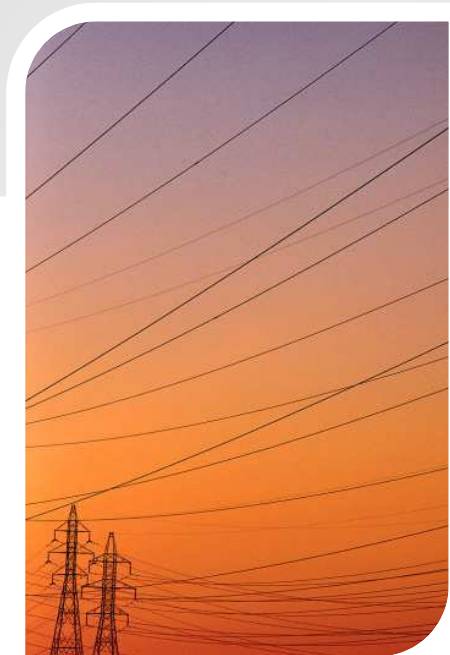


Australian Energy Regulator



**Public Forum
ActewAGL regulatory
proposal 2014-19
30 July 2014**

Agenda

- 9.15 -9.30 Arrival, registration, tea and coffee
- 9.30 – 9.45 Welcome - AER Board member Jim Cox
- 9.45 – 10.25 Presentation by ActewAGL on their proposal
- 10.25 – 10.55 Consumer Challenge Panel
- 10.55 – 11.25 General Q & A
- 11.25 – 11.30 Wrap up by the AER

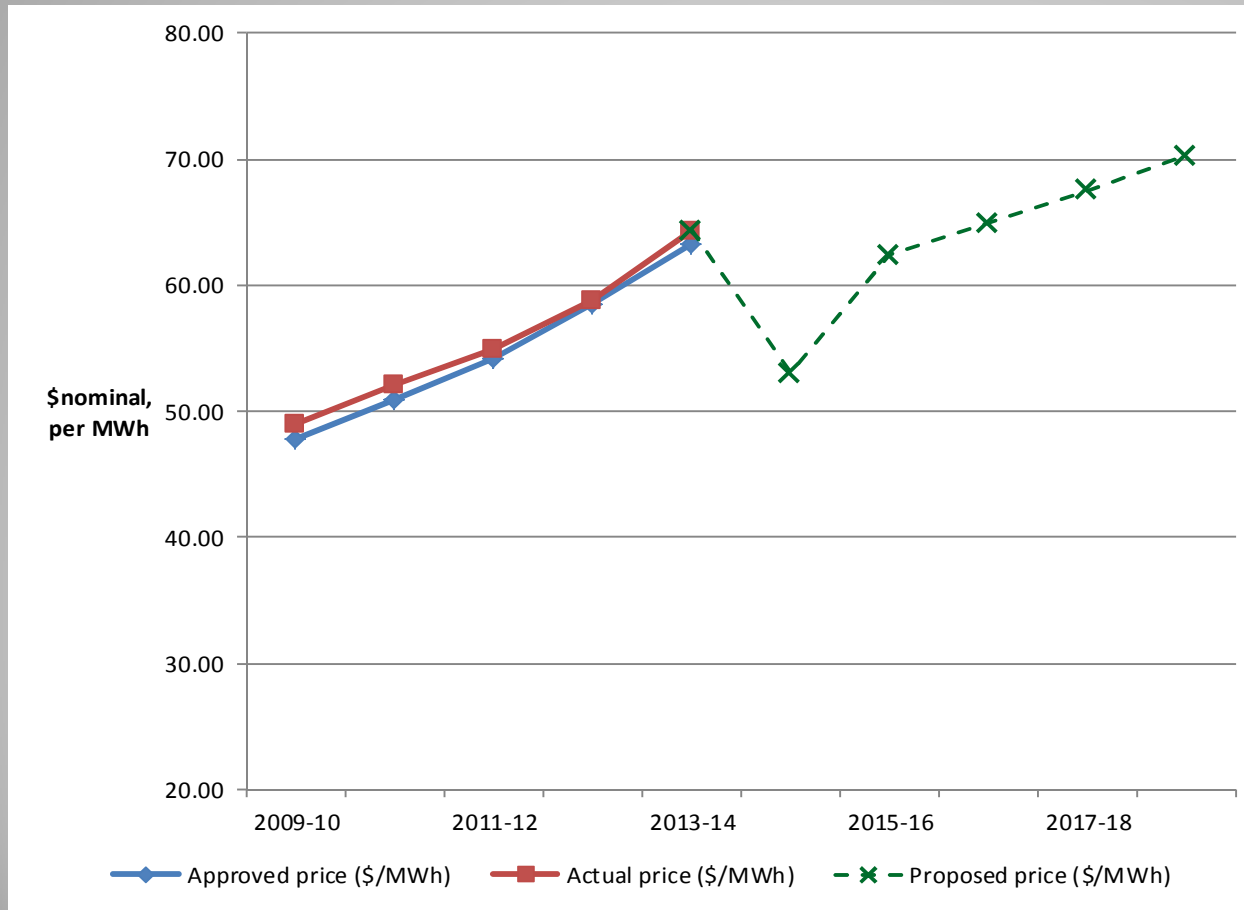
Purpose of the public forum

- ActewAGL to present its regulatory proposal
- Consumer Challenge Panel to present some initial views on the proposal
- Consumers and their representatives to ask questions of ActewAGL about its regulatory proposal
- Outline the determination process from here

Process to date

- AEMC rule change determination on November 2012
- Deferral of full regulatory determination process for ActewAGL's next regulatory control period (2014–19)
- Better Regulation guideline development process in 2013
- Placeholder revenue allowance for a transitional regulatory control period (1 July 2014 to 30 June 2015) in April 2014
- Receipt of ActewAGL's regulatory proposal 31 May 2014
- Publication of ActewAGL's regulatory proposal 11 July 2014
- Publication of issues paper 25 July 2014

How proposal affect consumers



ActewAGL's actual and proposed price paths (\$nominal)

AER approach

- Our analysis of ActewAGL's regulatory proposal will necessarily consider each of the revenue components and any inter-relationships between these components as we must decide its revenues as a whole.
- In assessing the proposed revenue, we will have regard to our 'Better Regulation' Guidelines, including:
 - For capex and opex we will have regard to our Expenditure Assessment Guideline – and the results from our first benchmarking report
 - For the cost of financing (require rate of return) we will have regard to our Rate of Return Guideline
- We will be interested in hearing consumer views on ActewAGL's consumer engagement initiatives (including engagement on its proposed changes to the pricing methodology)

Presentation from ActewAGL

Presentation from Consumer Challenge Panel

AER wrap-up
Jim Cox, AER board member

How to make submissions

- We are seeking submissions on ActewAGL's regulatory proposal
- AER issues paper published to assist stakeholders
- The issues paper is designed to draw attention to the important issues
- It is helpful if submissions are supported by reasons
- Submissions will be published on our website
- Submissions are sought by 22 August 2014

Next steps

Task	Date
Stakeholders submissions on revenue proposals close	22 August 2014
AER issues draft decision	30 November 2014
ActewAGL submits revised regulatory proposal	January 2015
Stakeholder submissions on revised regulatory proposal close	Late February 2015
AER issues final decision	30 April 2015

Key contact details

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