**AUSTRALIAN ENERGY REGULATOR**

**Key Issues and Action Items**

DATE: 18 April 2018

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

CC: Warwick Anderson

**SUBJECT: RRG 18 April videoconference**

**Introduction**

The AER organised for the RRG to engage in another videoconference to discuss the process for the rate of return review. The agenda included:

1. Introduction
2. Recap of the concurrent evidence sessions
3. Brief explanation of COAG EC amendment package and AER submission
4. Overview of next steps in the rate of return review process
5. Other issues

**Key Issues**

**Recap of the concurrent evidence sessions**

The AER stated that the independent facilitator and the concurrent evidence session (CES) experts are working on a statement of positions. The AER said that while the CES are influential, they are one aspect of the considerations taken into account. The RRG said that their attendees found the session very interesting. The AER also gave an overview of the experts that participated.

**COAG EC amendment package**

The AER is supportive of the approach taken by the COAG EC. The AER also gave a brief explanation of the submission they have provided to the COAG EC. The AER identified that the matter of reopening the guideline may be contentious.

**Overview of the rate of return review process**

The AER gave a brief overview of the previous steps in the rate of return process. The AER stated that they are looking to produce a return on debt discussion paper and discussed some of the issues. The AER strongly encouraged the RRG to make submissions to the AER in advance of the guideline draft decision.

**Action Items**

**AER:**

* *Arrange with the RRG a time for the next monthly meeting.*