

28 September 2012

Mr Chris Pattas  
General Manager  
Network Operations and Development  
Australian Energy Regulator

By email: [AERInquiry@aer.gov.au](mailto:AERInquiry@aer.gov.au)

Dear Mr Pattas

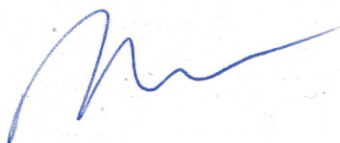
**ActewAGL Distribution response to the Australian Energy Regulator's ring-fencing position paper**

ActewAGL Distribution appreciates the opportunity to respond to the *Electricity Distribution Ring-Fencing Guidelines Review: Position Paper*, released by the AER on 4 September 2012, and is pleased to provide the attached submission.

ActewAGL Distribution agrees in broad terms with the AER's preference for a more flexible and less prescriptive approach to ring fencing. However we believe that further analysis and consultation is required to ensure that the practical implications and likely costs and benefits of moving from jurisdictional to national guidelines are fully understood. The AER should only adopt new ring-fencing arrangements where it is clear that they will result in better outcomes than the current arrangements.

If you would like to discuss any aspect of our submission please contact Leanne Holmes, Manager Economic Regulation, on 0412 850715.

Yours sincerely



David Graham  
Director Regulatory Affairs and Pricing