

23rd July 2021

Mr Warwick Anderson
General Manager
Australian Energy Regulator
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Submitted via: AEMO2021@aer.gov.au

Dear Warwick,

Re: AER Issues Paper – AEMO 2022-27 proposed pricing methodology

AusNet Services is pleased to have the opportunity to make a response to the Australian Energy Regulator (AER) Issues Paper on the Australian Energy Market Operator (AEMO) 2022-27 proposed pricing methodology.

AusNet Services is supportive of the proposed change in setting locational charges from the 10MD method to the 365 method. We consider this amendment acknowledges the shift in the generation mix in the transmission system, and the current 10MD method which relies on peak demand as the main driver of investment, will be less appropriate in the future.

We also support with AEMO's recent request to the AER to bring forward their process on making a final decision on the proposed pricing methodology to December 2021. It is important that an expedited decision should be made to enable AEMO to publish their Victorian transmission charges by 15th March. This will allow the Victorian network businesses to incorporate the transmission charges into their annual pricing proposals and will also achieve national consistency on transmission publication dates.

If you have any queries on our submission, please do not hesitate to contact Edwin Chan on [REDACTED].

Your sincerely,



Charlotte Eddy
Manager Economic Regulation
AusNet Services