

27 March 2020

Mr Sebastian Roberts
General Manager – Transmission and Gas
Australian Energy Regulator
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via email: sebastian.roberts@acc.gov.au

Dear Sebastian,

AusNet Services 2023-27 Transmission Revenue Reset – Expenditure Forecasting Methodology

As required by clause 6A.10.1B of the National Electricity Rules, please find attached a document outlining the methodology AusNet Services proposes to use for forecasting capital and operating expenditure for the Regulatory Proposal for the regulatory period commencing 1 April 2022.

It is intended that this document provides preliminary information that will facilitate pre-review consultation with the AER and with customers, particularly regarding the information those parties need from AusNet Services to understand and assess our regulatory proposal currently due on 31 October 2020. However, the current COVID-19 pandemic is having unprecedented impacts across society, including on energy use and affordability. There may be implications for our plans, and potentially our expenditure forecasting approach, for the next regulatory control period. Where this is the case this will be clearly explained in our Regulatory Proposal.

The pandemic will also impact our customer engagement plans. This is due to the more immediate priorities key stakeholders appropriately have at this time, together with restrictions on travel and indoor gatherings making typical methods of engagement impossible. We are currently thinking through how we can best seek customer views on our plans; this is more important than ever in the current circumstances.

As the full implications of the pandemic become clearer, we will continue to engage with the AER on the implications for this regulatory process. In addition, AusNet Services would be pleased to address any queries either the AER, or other stakeholders, may have in relation to the Expenditure Forecasting Methodology. Please do not hesitate to contact Rob Ball, Principal Economist, on 03 9695 6281.

Sincerely,



Tom Hallam
General Manager Regulation and Network Strategy
AusNet Services