



25 May 2017

Mr Chris Pattas
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Attention Mr David Chan

Via email: AERInquiry@aer.gov.au

Dear Chris

Electricity f-factor Scheme 2016–2020 | Draft Determinations and Explanatory Statement

We refer to the Commission's paper setting out draft determinations and explanatory statement, published in April 2017, in respect of establishing a new f-factor scheme in accordance with the Victorian Government's "f-factor scheme Order 2016".

AusNet Services is satisfied with the AER's draft determination, however we note the following matter to be addressed:

Section 3.2.1 IRU amount

The method of calculation of IRU set out does not incorporate clause 11 (5) of the Victorian Government's Order in Council. This provides that a fire start occurring when 'no fire danger is forecast' and occurs in an 'electric line construction area', is to be assigned an IRU of 1. The draft determination would assign an IRU amount of 1.98 in these circumstances.

Although the AER is already aware, we also wish to confirm that table in section A.1, identifying IRU targets for each distributor, is in error for the 2019/20 target applying to AusNet Services. The correct target is 221.1, in accordance with the Victorian Government's Notice of Determination dated 9 December 2016.

Thank you for the opportunity to make this submission. I would be pleased to discuss any queries you may have.

Sincerely,

A handwritten signature in blue ink that reads "Kelvin Gebert". The signature is enclosed in a thin blue rectangular border.

Kelvin Gebert
Manager Regulatory Frameworks
AusNet Services