

13 September 2013

Mr Chris Pattas General Manager, Network Operations and Development Australian Energy Regulator GPO Box 520 MELBOURNE VIC 3001

Dear Mr Pattas

## RE: AER DRAFT SHARED ASSET GUIDELINE

Origin Energy (Origin) appreciates the opportunity to respond to the AER's consultation on its draft guideline on the Draft Shared Asset Guideline.

Consistent with our submission on the Issues Paper, Origin believes that transparent reporting on shared assets is important to ensure that customers receive value for money for their investment in network infrastructure.

To this end Origin supports the AER's decision to require comprehensive annual reporting and reporting in regulatory proposals, with the latter including:

- descriptions of each shared asset unregulated service to be provided during the relevant regulatory period
- descriptions of the shared assets used to provide unregulated services;

as well as an overview of contracts including:

- revenues related to each contract
- the contract period and renewal arrangements
- a description of termination options and other contract provisions which may alter unregulated revenues accruing to the distributor.

This level of detail will allow energy users and other stakeholders to be confident there is no cross-subsidy occurring and that competitive neutrality is maintained. To the extent that distributors are unable to provide meaningful detail (albeit at a high level) due to concerns about commercial confidentiality this should preclude them from entering these subsidiary activities.

Should you have any questions or wish to discuss this information further, please contact me on (02) 9503 5674.

Yours sincerely,

[SIGNED]

Keith Robertson Manager, Retail Regulatory Policy