

31 May 2007

Mike Buckley  
General Manager Network Regulation North  
Australian Energy Regulator  
PO Box 1199  
Dickson ACT 2602

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

Dear Mike,

### **ElectraNet Transmission Network Revenue Proposal**

Please find attached ElectraNet's Revenue Proposal, proposed pricing methodology, and proposed negotiating framework for the five year regulatory control period from 1 July 2008 to 30 June 2013, in accordance with the requirements of Chapter 6A of the National Electricity Rules (Rules).

The specific attachments included with this letter are:

- ElectraNet's Revenue Proposal and Appendices;
- AER Submission Guideline templates – cost information;
- AER Submission Guideline templates – other information;
- Post Tax Revenue Model and Asset Base Roll Forward Model;
- Proposed pricing methodology; and
- Proposed negotiating framework.

I will write separately, on a confidential basis, proposing the start and end dates of the averaging period for determining the risk free rate in accordance with clause 6A.6.2(c) of the Rules.

ElectraNet has used its best endeavours, including close liaison with the AER review team, to ensure that this material satisfies the requirements of the AER's First Proposed Submission Guidelines published on 31 January 2007.

ElectraNet is confident that the information provided satisfies the information content requirements of the Submission Guidelines.

We understand that while the information provided must be verifiable (as defined in 2.7(a) of the Submission Guidelines), verification will take place as part of the AER's review process following acceptance of ElectraNet's Revenue Proposal in accordance with the Rules.

ElectraNet has provided a substantial amount of information with its Revenue Proposal. However, at this stage we have not provided the more detailed information that is expected to be required later as part of the AER's review process.

ElectraNet expects to provide the information requested by the AER in relation to specific historical capital expenditure projects in early June.

ElectraNet's principal contact throughout the revenue review process will be Rainer Korte, who can be contacted on (08) 8404 7983.

Yours sincerely,

A handwritten signature in black ink, appearing to be 'I. Stirling', written over a faint grid background.

**IAN STIRLING  
CHIEF EXECUTIVE OFFICER**