

13 December 2017

Ms Paula Conboy  
Chair  
Australian Energy Regulator  
Melbourne

By email: [paula.conboy@aer.gov.au](mailto:paula.conboy@aer.gov.au)

**ECA support for Endeavour Energy's application for an extension to lodge initial regulatory proposal**

Dear Paula,

I write in relation to Endeavour Energy's application for an extension to the date they are required to submit, to the Australian Energy regulator (AER), their initial regulatory proposal for 2019-24. Endeavour are seeking an extension from 30 January 2018, to 30 April 2018.

An important consideration for Energy Consumers Australia (ECA) in relation to the application is Endeavour's intention to achieve pricing stability and affordability for consumers throughout 2019-24, in the context of price reductions achieved during 2014-19. Based on our understanding of Endeavour's intentions in this regard, ECA supports the application for an extension.

Having engaged with Endeavour senior management, and read their application letter to the AER of 8 December 2017, I am confident that granting the request will not adversely impact the prospect of making a revenue determination in the long-term interests of Endeavour's consumers. I note, in particular, Endeavour's commitments in relation to applying the 2013 Rate of Return Guideline methodology and base year operation expenditure for the next period being below the level determined by the AER for 2015. I am confident these commitments mean that the issues remaining 'on the table' can be resolved within the amended, shorter time frame.

I have indicated to Endeavour that, should their application be successful, ECA will work with them to develop the specific consumer engagement program that will be completed over the first quarter of 2018. We are particularly keen to work through Endeavour's capital expenditure proposals through the use of 'deep dive' sessions.

As always, I look forward to our organisations continuing to work together to ensure consumers pay no more than is necessary for essential energy services.

Yours sincerely,



Rosemary Sinclair  
Chief Executive Officer  
Energy Consumers Australia