



18 May 2020

Warwick Anderson
General Manager
Australian Energy Regulator
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Dear Warwick

2020-21 Annual Pricing Proposal Process Timeline

On 30 April 2020, the Australian Energy Regulator (AER) published the proposed process timeline for Energex Limited's (Energex) and Ergon Energy Corporation Limited's (Ergon Energy) 2020-21 Annual Pricing Proposal¹. This followed from the AER's decision to defer publication of the AER's 2020-25 final distribution decisions from 30 April to 29 May 2020. In summary, the AER's process timeline sets out:

- That Energex and Ergon Energy must prepare and submit their indicative pricing proposals by the close of business on Friday 22 May 2020, and these must provide the same information and content as their formal pricing proposals but without standard control services (SCS) indicative prices for years 2 to 5 and without alternative control service (ACS) prices for years 1 to 5;
- That Energex and Ergon Energy must prepare and submit their formal pricing proposals by Monday 1 June 2020, and these must provide the same information as their indicative proposals (adjusted for any agreed changes) but with a full set of prices (SCS years 2-5 and ACS years 1-5); and
- The information (and timing) to be provided by the AER to enable the preparation of the indicative and formal pricing proposals.

Energy Queensland Limited (Energy Queensland) wishes to advise the AER that it is working to meet the AER's proposed timeframes for the indicative and formal pricing proposals.

However, EQL also wishes to flag with the AER that, despite its best endeavours to meet the proposed deadlines, it will likely require extensions to 26 May 2020 and 3 June 2020, for the submission of indicative and formal pricing proposals, respectively. This is in part due to some of the information required from the AER not being finalised until well after 30 April 2020. This has placed considerable pressure on the already tight timeframes for the preparation and submission of the 2020-21 annual pricing proposals, including reflecting the AER's final decisions, accuracy and validation checks, legal and compliance review and internal approval process.

¹ <https://www.aer.gov.au/networks-pipelines/determinations-access-arrangements/ergon-energy-determination-2020-25/updates>

Should you wish to discuss any aspect of this matter further, please contact

██████████ General Manager, Legal, Regulation and Pricing on ██████████

Yours sincerely

Peter Scott
Chief Financial Officer