

14 May 2008

Mr Chris Pattas  
General Manager  
Network Regulation South Branch  
Australian Energy Regulator  
GPO Box 520  
MELBOURNE VIC 3001

Dear Mr Pattas

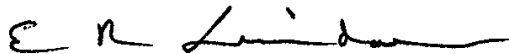
## Proposed Cost Allocation Guidelines

This letter is in response to the proposed Cost Allocation Guidelines for Electricity Distribution Network Service Providers.

ETSA Utilities' comments on the proposed Guidelines and in particular our comments in relation to the specific questions asked by the AER are attached.

Should you have any questions with respect to any matters raised then please contact Patrick Makinson on 08 84045865 or Eric Lindner on 08 84045694.

Yours sincerely



Eric Lindner  
*General Manager Regulation and Company Secretary*