

Delivering energy to South Australians

ETSA Utilities ABN 15 352 550 749, a partnership of CKI Utilities Holdings Pty Ltd ABN 54 091 142 380 HEI Utilities Holdings Pty Ltd ABN 50 091 142 362 CKI/HEI Utilities Distribution Pty Ltd ABN 19 091 143 038 each incorporated in Australia CKI Utilities Development Limited ABN 65 090 718 880 HEI Utilities Development Limited ABN 82 090 718 951 each incorporated in The Bahamas

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

En Linda

Eric Lindner General Manager Regulation and Company Secretary