

Sebastian Roberts
General Manager, Network Expenditure
Australian Energy Regulator
GPO Box 520
Melbourne VIC 3001
Email: NSWACTremittal@aer.gov.au

08 January 2018

Dear Mr Roberts,

Re: TransGrid 2018 – 2023 Revenue Proposal and Powering Sydney's Future

The Energy Users Association of Australia (EUAA) is the peak national body representing major Australian electricity and gas users. Our membership covers a broad cross-section of the Australian economy including significant retail, mining, manufacturing, materials and food processing industries.

The EUAA is a strong advocate for energy users and firmly believe that the primary objective of energy markets should be to serve the long-term interests of the consumer as stated in the NEO and NGO.

The EUAA is a member of the Transgrid Advisory Council (TAC) and through this process we have been kept both well informed and been able to provide input into their 2018-2023 revenue proposal, including significant discussion involving Powering Sydney's Future (PSF). We would like to commend Transgrid for their commitment to stakeholder engagement via the TAC and welcome the openness and frankness of our discussions.

Specifically, we are writing to you at this time to express our support for the revised PSF proposal put to the AER in late 2017. We believe the revised proposal represents a reasonable compromise between maintaining reliability and security of supply in the Sydney metropolitan area and minimising costs for consumers. Given the likelihood of ongoing uncertainty in energy markets we expect that such compromises will become increasingly necessary and we welcome the approach taken by TransGrid in this instance.

We are happy to answer any further questions you may have.

Yours sincerely



Andrew Richards
CEO, EUAA