



Ref: 2138735

4 April 2018

Mr Sebastian Roberts
Australian Energy Regulator
GPO Box 520
Melbourne VIC 3001

Email: EssentialRemittal2014-19@aer.gov.au

Dear Sebastian

Submission on draft decision for the remittal of Essential Energy's 2014-19 distribution determination

Thank you for the opportunity to comment on the Australian Energy Regulator's (AERs) draft decision on the remittal of the 2014-19 distribution determination for Essential Energy.

We support the AER's draft decision noting it is in line with our proposed approach to the remittal. Minor corrections are required to be made to the over-recovery calculation, and the treatment of the service target performance incentive scheme within that calculation, to ensure adherence to the formulas outlined in the Control Mechanism attachment of the AER's April 2015 final decision.

Essential Energy consulted extensively with key consumer groups in developing our proposed remittal agreement. Ultimately, the proposed approach will promote price certainty and stability for consumers, as well as providing a timely and certain resolution for the 2014-19 regulatory control period that will benefit both consumers and Essential Energy.

We look forward to continuing our open and collaborative discussions with the AER and stakeholders on this and other processes. Please do not hesitate to get in touch with myself or Natalie Lindsay on (02) 6589 8419 should you have any questions or wish to discuss this matter further.

Yours sincerely

A handwritten signature in black ink that reads "Chantelle Bramley". The signature is written in a cursive, flowing style.

Chantelle Bramley
General Manager Strategy, Regulation and Transformation