

16 June 2014

Chris Pattas  
General Manager  
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Dear Chris

### **TNSP Economic Benchmarking RIN Information**

Grid Australia appreciates the opportunity to comment on the Economic Benchmarking RIN information published by the AER in relation to transmission network service providers (TNSPs). Grid Australia understands that the intent behind the RIN is to gather more information for annual economic benchmarking purposes and as input to regulatory determination processes.

Based on a preliminary review of the published information, Grid Australia makes the following observations:

- While all TNSPs have provided data consistent with the RIN requirements, for reasons associated with the information currently available from existing information systems, there remain some differences in the data presented.
- It is important that the AER and stakeholders understand the underlying data behind that presented in the Benchmarking RIN templates. In particular, where there is limited or no commonality in the data sub-categories, benchmarking at the aggregate level may be the only appropriate basis of comparison until such time as the underlying data can be better aligned.
- For Victoria, it appears that data from SP AusNet has been published on the AER's website, but this has not been the case for data from AEMO. It is, therefore, difficult if not impossible to compare the Victorian data with that of other TNSPs in a number of the economic benchmarking areas. Grid Australia is of the understanding that the AER would seek similar data from AEMO as from other TNSPs in order to provide the complete picture on transmission costs in Victoria and to promote transparency and comparability.

In relation to the first two dot points above, Grid Australia acknowledges that in some areas, the information provided to the AER in response to the Category Analysis RINs may provide more context for the Economic Benchmarking RIN data. However, as discussed with the AER and stakeholders during the Better Regulation Program in 2013, the information required under the Category Analysis RIN also has its own limitations.

Consistent with the views expressed above and previously, Grid Australia considers that it may be prudent for the AER to reassess the nature, extent and clarification of its RIN information requirements prior to preparations for the 2015 benchmarking round. This is to ensure that the RINs are 'fit-for-purpose' and that their regulatory burden is not disproportionately large compared to the value provided by the information. This may be beneficial, given that the AER has requested further information in two economic benchmarking RIN areas post submission of the RINs, as the AER considers the templates have not achieved their intended purpose.

If you have any queries in relation to this submission, please contact Jennifer Harris (Powerlink) on (07) 3860-2667 or via email at [jharris@powerlink.com.au](mailto:jharris@powerlink.com.au).

Yours sincerely



Rainer Korte  
**Chairman**  
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