

Mr Chris Pattas
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By email: AERInquiry@aer.gov.au

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Dear Chris

Draft amended Service Target Performance Incentive Scheme

Jemena Electricity Networks (Vic) Ltd (**JEN**) appreciates the opportunity to provide feedback on the AER's draft amended Service Target Performance Incentive Scheme (**Scheme**).

The Scheme forms an important pillar of our incentive regulation framework to help ensure network investments are aligned with customers' long-term interests. Given the Scheme's importance, we support periodic reconsideration of the Scheme's incentives in light of customers' values, expectations and outcomes experienced in relation to their electricity supply.

Overall, JEN supports the AER's draft amendments to the Scheme. The amendments to the Scheme are timely for Victorian customers, as they will allow for the recut of historical data and adjustments to targets and other parameters based on the Scheme's new definitions in time for the upcoming Victorian Electricity Distribution Price Review.

In relation to the clarification of treatment of unmetered supplies, we support the AER's proposed approach to managing historical data availability issues—that unmetered supplies should be excluded from the calculation of reliability measures, except where a distribution network service provider is unable to identify the unmetered supplies due to the inadequacy of the existing customer record systems from its historical performance data.

If you have any questions regarding this submission, please contact me on (03) 9173 8231 or via email: matthew.serpell@jemena.com.au.

Yours sincerely

[signed]

Matthew Serpell
Manager Asset Regulation and Strategy