



31/10/2018

Mr Shaun Reardon  
Executive General Manager, Customer and Markets  
Jemena Gas Networks  
PO Box 1220  
North Sydney NSW 2060

Dear Mr Reardon,

## **Jemena Gas Network Remittal Proposal**

St Vincent de Paul Society (SVDP), welcomes the opportunity to comment on Jemena Gas Network's (JGN) remittal proposal.

SVDP supports JGN's proposal to

- Accept the AER's 2015 position on cost of debt, including application of a transition to trailing average cost of debt;
- Accept the AER's most recent position on market expansion capex, allowing an additional \$21m; and
- Estimate the final 2016/17-2018/19 over-recovery at \$169m (rather than the \$178m AER estimate).

Given the above and on balance SVDP considers it reasonable for JGN to recover \$9m above the AER's over-recovery estimate.

## **JGN's stakeholder engagement**

SVDP notes and supports JGN engagement strategy for its 2015-20 remittal proposal which has included the AER, Consumer Challenge Panel, its Customer Council and consumer advocates in developing this proposal.

By not pursuing the positions it took in 2015, JGN will ensure their customers do not face the increase in bills associated with the full allowances originally sought. In addition, the removal of the potential for judicial review of the AER's re-made decision by JGN, is also in consumers' interests.



# St Vincent de Paul Society

*good works*

If the AER wish to discuss this matter further, please do not hesitate to contact me.

Yours sincerely,

Gavin Dufty

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