

25 August 2017

Mr. Peter Adams
General Manager—Wholesale Markets Branch
Australian Energy Regulator
GPO Box 520
Melbourne VIC 3001

Dear Mr Adams,

Minor amendments to the RIT-T and RIT-D application guidelines

TransGrid welcomes the opportunity to comment on the minor amendments to the regulatory investment test for transmission (RIT-T) application guideline, aligning it with the new replacement planning arrangements in the National Electricity Rules.

It is understood that the scope of guideline changes was limited by the timeframe for implementing the new rule. The proposed amendments are very minor, limited to definitional updates and adding in new rules' provisions in relation to re-applying RIT-Ts if there is a material change in circumstances. As such, TransGrid has no comments on the proposed changes to the guideline at this time.

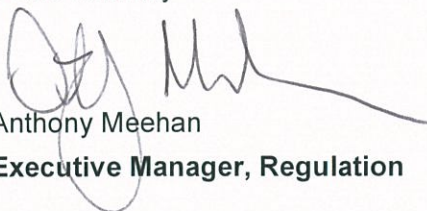
The planned wider review of the RIT-T is supported

TransGrid supports transparency and appropriate oversight of regulated network investment. However, it has concluded that the current RIT-T arrangements do not serve the National Electricity Market well, especially at a time of significant and fast change.

Given the urgency of an appropriately designed RIT-T process on transmission infrastructure and investment decisions, TransGrid strongly encourages the wider review of the RIT-T driven by the COAG Energy Council commence as soon as possible. TransGrid appreciates the opportunity to comment on these minor changes and looks forward to engaging with you on the wider review later this year.

If you would like to discuss this submission, please contact Stuart McGrow on 02 9284 3615 in the first instance.

Yours faithfully



Anthony Meehan
Executive Manager, Regulation