

12 February 2019

Sebastian Roberts
General Manager, Transmission & Gas
Australian Energy Regulator
GPO Box 520
Melbourne VIC 3001



Dear Mr Roberts,

Jemena Gas Networks 2015-20 access arrangement draft remittal decision

The Public Interest Advocacy Centre (PIAC) is an independent, non-profit legal centre based in New South Wales. Established in 1982, PIAC tackles systemic issues that have a significant impact upon people who are marginalised and facing disadvantage. We ensure basic rights are enjoyed across the community through litigation, public policy development, communication and training. The Energy + Water Consumers' Advocacy Program represents the interests of low-income and other residential consumers, developing policy and advocating in energy and water markets.

PIAC welcomes the opportunity to respond to AER's draft decision on the remittal for Jemena Gas Networks' (JGN) 2015-20 access arrangement.

We support the AER's draft remittal decision to allow:

- an adjustment amount of \$169 million (\$ at 30 June 2020) to be allocated to the 2019-20 regulatory year in the AER's remade draft decision; and
- a subsequent adjustment amount of -\$169 million (\$ at 30 June 2020) to be allocated to JGN's reference services for the 2020–25 access arrangement period.

As noted in our submission to JGN's remittal 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. The certainty that flows from the resolution of this process, and particularly the removal of the potential for judicial review of the AER's re-made decision by JGN, is also in consumers' interests.

Continued engagement

PIAC would welcome the opportunity to meet with the AER and other stakeholders to discuss these issues in more depth.

Yours sincerely,

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