



Aligning TasNetworks' regulatory control periods

Stakeholder submissions invited on new rule change request
The Australian Energy Market Commission has commenced consultation on a rule change request from TasNetworks which seeks to align the timing of its transmission and distribution network revenue determinations.

The rule change request

TasNetworks is seeking to align the timing for Australian Energy Regulator (AER) revenue determinations for its distribution and transmission networks. It proposes to achieve this through a change to the national electricity rules that would set the length of the next regulatory control period for its distribution network to be two years. The revenue determination processes and regulatory control periods of the two network businesses would then be aligned from 1 July 2019 as demonstrated below.

Figure: TasNetworks' proposal

	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24
Current reg cycle for TasNetworks (Distribution)	Current regulatory period					Next regulatory period						
Current reg cycle for TasNetworks (Transmission)			Current - one-year	Next regulatory control period (process already commenced)			Aligned regulatory period					
TasNetworks' solution - Two year reg period for TasNetworks (Distribution)	Current regulatory period					2 year period		Aligned regulatory period				

TasNetworks considers alignment of the two networks' revenue determinations would:

- result in reduced regulatory burden for TasNetworks, the AER and other stakeholders involved in the revenue determination processes such as consumers and their representatives;
- assist TasNetworks to plan for the whole network business at once leading to cost and network performance efficiencies;
- reduce customer confusion relating to revenues and pricing arrangements; and
- facilitate any future changes to the transmission and distribution network boundaries.

In addition, it submits any efficiency gains it makes will be passed onto consumers through lower network revenues and charges.

Expedited rule making process

The AEMC will assess this rule change request as a non-controversial rule under an expedited rule making process, subject to the receipt of any written objections from stakeholders by 12 March 2015.

If no written objections to the expedited process are received, the AEMC will publish a final rule determination and any final rule by 9 April 2015.

Submissions

Submissions on the rule change request are to be lodged by 26 March 2015.

**Submissions are
due by 26 March
2015**

For information contact:

AEMC Director, **Richard Khoe** (02) 8296 7800

AEMC Senior Adviser, **Neil Howes** (02) 8296 7800

Media: Communication Manager, Prudence Anderson 0404 821 935 or (02) 8296 7817

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