

14 November 2017

Mr Chris Pattas
General Manager, Networks
Australian Energy Regulator
GPO Box 520
Melbourne VIC 3001



Dear Mr Pattas,

Draft decision on DNSP ring-fencing waiver applications

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 disadvantaged and marginalised people. 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 the Australian Energy Regulator's (AER) draft decision regarding the ring-fencing waiver applications.

PIAC has reviewed the ring-fencing waiver applications from the three NSW Distribution Network Service Providers (DNSPs) – Ausgrid, Endeavour Energy and Essential Energy – and limit our comments to the AER's decisions regarding these three businesses.

PIAC supports the AER's draft decision. As noted in our submission in August to the first stage of consultation, PIAC did not oppose the waiver applications from these three DNSPs, but commented on Ausgrid's application for a temporary waiver from legal separation. PIAC supports the AER's assessment that it is appropriate to grant the waiver.

The AER has also sought comment on Essential Energy's application regarding regional service delivery as a "provider of last resort." PIAC also supports the AER's draft decision regarding this application.

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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