

19 November 2021

Mr Sebastian Roberts
General Manager, Expenditure
Australian Energy Regulator



Submitted via email to: AERInquiry@aer.gov.a

Dear Mr Roberts,

Essential Energy - Cost Pass Through Application - Critical Infrastructure Licence Conditions

The Public Interest Advocacy Centre (PIAC) is a leading social justice law and policy centre. Established in 1982, we are an independent, non-profit organisation that works with people and communities who are marginalised and facing disadvantage. PIAC builds a fairer, stronger society by helping to change laws, policies and practices that cause injustice and inequality. The Energy and Water Consumers' Advocacy Program (EWCAP) represents the interests of low-income and other residential consumers of electricity, gas and water in NSW. The program develops policy and advocates in the interests of low-income and other residential consumers in the NSW energy and water markets.

PIAC welcomes the opportunity to respond to the Australian Energy Regulator's (AER) consultation on Essential Energy Cost Pass Through Application - Critical Infrastructure Licence Conditions, to strengthen its cyber and physical security.

PIAC supports allowing Essential Energy to recover efficient costs incurred as a result of the changes to the distributor licence conditions, with which Essential Energy must comply. We accept that the changed conditions were unforeseen and therefore were not covered in Essential Energy's Network Determinations.

PIAC notes that Essential Energy worked with the Independent Pricing and Regulatory Tribunal (IPART) in developing their plan to achieve full compliance with the changed conditions, and that IPART will monitor Essential's compliance with this plan. We expect the AER to determine the efficient and prudent amount to allow and the specifics of how to smooth the recovery of costs from consumers.

PIAC welcomes the opportunity to discuss this matter further with the AER and Essential Energy.

Yours sincerely

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