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File Ref: D18/119748

22 August 2018

Mr Rick Francis  
Managing Director &  
CEO  
Spark Infrastructure

Steven Fitzgerald  
Head of Asset  
Management  
HRL Morrison

Michael Cummings  
Global Co-Head of Asset  
Management  
AMP Capital

Nik Kemp  
Head of Infrastructure  
AustralianSuper

Michael Hanna  
Head of Infrastructure—  
Australia  
IFM Investors

Francis Kwok  
Co-Head of Asia-Pacific  
Macquarie Infrastructure  
& Real Assets

Jean-Etienne Leroux  
Regional Director,  
Infrastructure  
Developments – Australia  
& New Zealand  
CDPQ

By email:

Dear Rick, Steven, Michael, Nik, Michael, Francis, and Jean-Etienne

**Request for meeting between the Network Shareholders Group (NSG) and the AER Board**

Thank you for your letter dated 15 August 2018 regarding our review of the rate of return guidelines. I would also like to thank you for your continued involvement in the review and the contributions that your group has made in submissions, in our public forums, and in concurrent expert evidence sessions.

The AER board is reluctant to meet with individual stakeholders prior to submissions being filed. The draft decision is meant to “stand on its own”. To the extent that stakeholders feel we have not adequately considered certain information or have not sufficiently explained our

reasoning (as your letter suggests), we encourage them to set this out in their submissions. We are extending invitations to stakeholders to meet with the AER Board after submissions are filed and we have had the opportunity to review them. This will provide an opportunity for the Board to ask clarifying questions to ensure we fully understand stakeholders' submissions in arriving at our final decision.

I trust you understand that we want to provide all stakeholders with equal access to the AER Board. In the interim however, staff are available and would be pleased to meet with you and hear your views including the topics you have raised in your letter. I have copied Warwick Anderson into this email.

In your letter you also suggested that we enable public forums with the members of the independent panel that is currently reviewing our draft rate of return guidelines.

The independent panel was formed to provide an independent perspective on whether the draft guidelines are supported by sound reasoning based on the available information such that it is capable of promoting achievement of the NEO/NGO. To achieve this, it is important that the panel's review is expressly limited to the material available to us at the time of our draft decision. Therefore, the panel's review should not be supplemented with additional information that was not put before us in arriving at our draft decision. For this reason we will not be arranging public forums with the independent panel.

In our contact with the independent panel we have been careful to ensure that our responses to their requests for information are limited to providing files submitted to us prior to the draft decision and providing clarification through referencing relevant sections of our draft decision and the material we relied upon. A record of all of our contact with the independent panel is published on our website. We update this record each time there is contact from the panel.

I have attached the independent panel fact sheet that was posted on our website on 12 July 2018 for your reference. The independent panel's report will be made available to all stakeholders in time to inform submissions as well as our final decision.

I appreciate hearing your views on our draft rate of return guidelines and look forward to your continued involvement in the review.

If you have any queries, or would like to arrange a meeting with the AER Board after close of submissions, please contact Warwick Anderson at [warwick.anderson@er.gov.au](mailto:warwick.anderson@er.gov.au) or (02) 6243 1240.

Yours sincerely



Paula Conboy  
Chair  
Australian Energy Regulator