

Our Ref: D12/28833
Your Ref:



17 July 2012

Mr John Pierce
Chairman
Australian Energy Market Commission
PO Box A2449
SYDNEY SOUTH NSW 1235

Dear Mr Pierce

TransGrid request for participant derogation – rate of return decisions

I refer to the derogation request submitted by TransGrid on 26 June 2012, and the subsequent response by the AEMC published on 12 July 2012 whereby it is noted that the AEMC has decided to treat TransGrid's rule change proposal as a submission to the *Economic regulation of network service providers* rule change requests.

As you would be aware, Transend is required to submit its next revenue proposal by 31 May 2013 for the regulatory period commencing 1 July 2014, as is the case for TransGrid.

Whilst I acknowledge that the AEMC is cognisant that transitional issues may arise as a result of any changes to the rules as a result of its review, for the record, I submit that the issues raised by TransGrid apply similarly to Transend.

Yours sincerely

Bess Clark
Executive Manager Corporate Strategy & Compliance