

2 June 2022

John Mackay
Director
Australian Energy Market Commission
Submitted electronically

Dear John,

Consultation paper: Establishing revenue determinations for intending TNSPs

The Public Interest Advocacy Centre welcomes the opportunity to respond to the consultation paper on establishing revenue determinations for intending Transmission Network Service Providers (TNSPs).

PIAC agrees with Marinus Link Pty Ltd (MLPL) regarding the process requirement to establish provisions for the AER to establish a revenue determination for an intending TNSP.

We are concerned about the proposal for related costs to accrue to the Regulated Asset Base (RAB) of the intending TNSP. We note that inclusion of early works in the RAB should be subject to a requirement that they are assessed as prudent and efficient. In addition, PIAC recommends:

- that early works costs should be included in the cost and benefit assessment of the RIT-T (rather than excluded as sunk costs), and
- if the project does not go ahead, the costs should not be recovered from consumers.

PIAC welcomes the opportunity to discuss these matters further with the Commission and other stakeholders.

Yours sincerely

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