



24 July 2023

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Dear Jason

2022 Gas Rate of Return Instrument update

Alinta Sales Pty Ltd (**Alinta Energy**) is pleased to provide comment on the ERA's proposal to amend its *2022 Final gas rate of return instrument (Gas Instrument)* by replacing RBA published data, discontinued on 30 Mar 2023, with Bloomberg pricing data.

We acknowledge the importance of the Gas Instrument, which sets out the process for determining the allowed rate of return for Western Australian regulated gas network service providers. In particular, we note ATCO Gas will very shortly make its AA6 submission to the ERA, which must include a rate of return calculated in accordance with the Gas Instrument.

Because of the importance of the risk free rate in calculating the regulated asset return, we would support using the most accurate and transparent source of data. The ERA's proposed list of allowable data sources and its options evaluation indicate a preference for Bloomberg data over Yieldbroker. However, ignoring the "cost to stakeholder" criteria, the options evaluation would appear to swing in favour of Yieldbroker.

Unless the cost differential between the options is material, we would reason that a Yieldbroker subscription is preferable, given the better "data transparency" and "based on actual bond data" measures. We anticipate the ERA advising of the estimated costs as part of its final decision on this matter.

If you have any questions concerning this submission, please contact me on [REDACTED] or [REDACTED]

Yours sincerely

Catherine Rousch
Manager WA Retail Regulation
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