



Notice

29 June 2018

Draft Rate of Return Guidelines (2018) for Gas Transmission and Distribution Networks

The Economic Regulation Authority (ERA) is currently [reviewing the gas rate of return guidelines](#). The guidelines detail the method the ERA intends to use to estimate the allowed rate of return for gas transmission and distribution networks.

The ERA is required to review these guidelines and produce a final version by 16 December 2018.

The ERA today published on its website the Draft Rate of Return Guidelines 2018 and Draft Explanatory Statement for the Rate of Return Guidelines 2018. These documents set out the ERA's proposed approach under the National Gas Law and National Gas Rules for determining the rate of return.

The requirement to review the guidelines provides an opportunity to undertake a comprehensive review of the approaches for determining the rate of return on capital for regulated assets owned by gas transmission and distribution networks in Western Australia.

At present, the rate of return guidelines are not binding. However, the Council of Australian Governments' Energy Council is currently developing a framework for a binding rate of return instrument. These reforms will have implications for the application of the rate of return guidelines to future determinations. In the event that the proposed binding framework is introduced, the draft guidelines also address this new framework.

Invitation to make a submission

Interested parties are invited to make submissions on the ERA's Draft Guidelines and Draft Explanatory Statement by **4:00 pm (WST) on Friday, 28 September 2018**. Submissions should be lodged online at <https://www.erawa.com.au/consultation>

For further information contact:

Media Enquiries

Natalie Warnock
08 6557 7933
0428 859 826
communications@erawa.com.au

General Enquiries

Jason Dignard
08 6557 7917
records@erawa.com.au