



15 March 2017

Mr Joe Dimasi
Tasmanian Economic Regulator
Office of the Tasmanian Economic Regulator
GPO Box 770
HOBART TAS 7001

Attention: Todd Newett

Dear Mr Dimasi

**WHOLESALE CONTRACT REGULATORY INSTRUMENT - NOTICE OF INTENTION TO CONDUCT
A PRICING INVESTIGATION**

Thank you for your letter dated 27 February 2017, notifying Aurora Energy of the Tasmanian Economic Regulator's intention to conduct a pricing investigation to revoke the existing Wholesale Contract Regulatory Instrument (Instrument), and make a new Instrument to reconcile an inconsistency between the existing Instrument and the Wholesale Pricing Model (Model) underpinning it.

Aurora Energy agrees with the findings from the audit conducted by Hydro Tasmania that the definitions of the NQP and NQC in Clauses 11.7(d) and 11.7(f) respectively of the Instrument have been transposed in the Instrument and that the Model is correct.

Aurora Energy supports the intended approach to provide wholesale pricing outcomes consistent with the Model by revoking the existing Instrument and making a new Instrument to the extent it rectifies the specific error identified in the Instrument. Aurora Energy believes that failure to address the error until 2022 would be inconsistent with the intended approach of the framework.

If you have any questions, please contact Kate Spencer on 6237 3293 or by email to Kate.Spencer@auroraenergy.com.au

Yours sincerely

A handwritten signature in blue ink, appearing to read "Rebecca Kardos".

Rebecca Kardos
Chief Executive Officer

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