

16/10/2018

RM/18/26228

Mr Brett Redman
Interim Chief Executive Officer
AGL Energy
699 Bourke Street
Docklands VIC 3008

CC: Elizabeth Molyneux, General Manager Energy Markets Regulation

Dear Mr Redman,

I write to you in regards to your letter of 16 October 2018 regarding the assurances to be provided to the Essential Services Commission (the Commission), relating to the submission of performance data by AGL Energy (and relevantly related licensees). As indicated in our letter of 14 September 2018, we anticipated that AGL's 2017-18 performance data would be provided to us on 31 October 2018 with reasonable assurance of its accuracy and reliability.

In your letter, you recommit to provide AGL's 2017-18 performance data to the Commission by 31 October 2018. However, you propose that AGL provides assurances on the reliability of the data in two stages:

- assurances under an agreed upon procedures approach by 31 October 2018 and
- assurances under reasonable assurances approach no later than 14 December 2018.

Recognising the time required for an independent third party auditor to provide reasonable assurances on this data, and depending on agreement with the Commission on the proposed scope of these assurances, I would be prepared to accept AGL's proposed assurance approach.

The assurance engagements should only commence after the Commission has reviewed and has agreed the scope and timing of the agreed upon procedures assurance, and reasonable assurance. We expect that reasonable assurance of the data be provided as soon as possible, but no later than 14 December 2018.

Yours sincerely,



Dr Ron Ben-David
Chairperson