



7 November 2018

Mr Warwick Anderson  
General Manager  
Australian Energy Regulator  
GPO Box 520 Melbourne Vic 3001

Via email: [rateofreturn@aer.gov.au](mailto:rateofreturn@aer.gov.au)

Dear Mr Anderson

**RE:                   Submission of additional evidence on investor sentiment and perceptions to the  
AER's review of the rate of return guideline**

Infrastructure Partnerships Australia (IPA) has welcomed the opportunity to make submissions to the Australian Energy Regulator's (AER) consultation process on the review of the rate of return guideline for regulated energy network businesses.

To further inform the review process, we would like to submit our recently released [2018 Australian Infrastructure Investment Report](#) as additional evidence for consideration. The report provides a comprehensive overview of investor appetite and sentiment. It reveals insights into the drivers and challenges for foreign and domestic infrastructure investors, which include sovereign wealth funds, pension funds, fund managers, banks and other infrastructure professionals.

This year's report contains a section focused on the key challenges and opportunities for investors in the energy sector, and as such provides timely and relevant evidence, which may help inform the AER's work on the rate of return guideline. Specifically, the report offers insights into the key factors limiting investment in the energy sector, which may provide useful input into your assessment of the current investment environment.

Thank you for your consideration of this submission, if you require further detail please contact Rob Montgomery, Head of Economics & Policy, on (02) 9152 6021 or [robert.montgomery@infrastructure.org.au](mailto:robert.montgomery@infrastructure.org.au). We would also be pleased to provide an in-person briefing on the report, if you would find it of use.

Yours sincerely,



**ADRIAN DWYER**  
Chief Executive Officer

CC:     Paula Conboy, Chair of the Australian Energy Regulator

