

10 **RESUMED**

[1.32 pm]

COMMISSIONER: Good afternoon. We'll reconvene, 1.30, with Mr Craig Oakeshott. Craig, welcome. Thank you for joining us.

15 MR OAKESHOTT: Thank you.

COMMISSIONER: Mr Jacobi.

20 MR JACOBI: Craig Oakeshott is a mechanical engineer with 30 years' work experience in the electricity industry. He's currently the director of wholesale markets for the Australian Electricity Regulator. He's worked in power stations, in business development, and in preparing the South Australian Generation Corporation at the start of the National Electricity Market. Over the last 20 years he's been involved in South Australian and national electricity planning, renewable
25 energy development policy, and electricity regulation at the Electricity Supply Industry Planning Council, the Australian Electricity Market Operator, and the AER, and we call Craig Oakeshott.

30 MR OAKESHOTT: Thank you.

COMMISSIONER: Right. Perhaps you could start with the key functions of electricity regulation here in Australia.

35 MR OAKESHOTT: Certainly. Probably the overarching parameters that cover the electricity regulation and National Electricity Market are the principles that underpin it in the first place, and that is that we were looking for a structure which promoted competition, provided technology neutrality, and structural separation. So to look at the way the market exists currently, the existing electricity supply network was broken into down parts. So there was generation, which was
40 designed only to supply electricity into the transmission and then down to the distribution network.

The transmission and distribution network has monopolies within to be regulated, whereas competition would act on the generators, and at the final end before the

customer are the retailers, and they also are fully competitive. So the principle is to make sure that the supply of electricity to customers is delivered at the lowest possible cost and with the benefit of competition, maintaining system security and maintaining reliability, so cost competitive and lowest possible cost.

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COMMISSIONER: Thank you. Mr Jacobi.

MR JACOBI: I'm just interested to ask, you've explain what I understand is the overarching purpose or philosophy. Is there any technical specificity or
10 technological preference that's in-built into those rules?

MR OAKESHOTT: There's no technological preference. The rules consider different categories of generation, but not related to their technical form, if you like. We have scheduled generation, which is typically for large power producers,
15 those that were owned traditionally by the older founding electricity businesses. Semi-scheduled is a category which was introduced only about eight years ago to deal with intermittent forms of generation, so not just wind. It could be solar, it could be tidal. It could be anything that would be classified as intermittent. And finally non-scheduled, which is typically small generators which might be
20 embedded in the network or generators which are there to feed power to a particular facility.

MR JACOBI: The technical standards that embodied in the rules, are they directed at specific technologies?
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MR OAKESHOTT: I'm sorry. I don't know what - - -

MR JACOBI: Are there are technical standards that are in-built into the National Electricity Rules which are directed at specific generating technologies?
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MR OAKESHOTT: The technical standards of the Rules define parameters which are seen as common and necessary to the reliable operation of the network and the reliable and secure operation of the power system as a whole. It's not to say a fuel preference or any other sort of thing. It would be defining how a
35 machine must respond under a fault or how much power factor correction it must do to get a little bit technical, but they're very technical parameters and they're not technology specific.

MR JACOBI: Just in very broad terms, what sort of topics, as a matter of their
40 breadth, do the rules cover?

MR OAKESHOTT: The National Electricity Rules covers the entire electricity supply and delivery chain. So there are chapters within the rules which cover the operation of generation, the way the electricity market operator must deal with the

market and how it communicates and how all the participants must communicate with the market operator. There are sections of the rules which govern the way network businesses operate and the way they deal with their customers, the way a new connection would be established, those sorts of things, both at a transmission and distribution level. And there are also the National Electricity Retail Rules that will cover the way that the retailers, so it covers the full plethora of supply chain.

MR JACOBI: And in terms of the scope of the AER's obligations as against other entities that exist in the regulatory system, what are the AER's specific responsibilities?

MR OAKESHOTT: In short, we're the compliance and monitoring agency. So we don't develop the rules. That's done by the AEMC. We don't operate the market. That's the Australian Energy Market Operator. We follow, I guess, the market operator in looking at the behaviour of the generators and making sure that what they have done is compliant with the rules. We would also do the same thing for the transmission and distribution businesses and for the retail businesses.

MR JACOBI: Do you have particular responsibilities at the wholesale end as distinct from the retail end?

MR OAKESHOTT: Absolutely. As you'd see from my title, I'm the Wholesale Energy Market Director. We're there to monitor the way, and enforce the rules, regarding the way generators put their offers into the market, the way they respond to the targets they receive, the way they plan their maintenance, the way they would inform the market of maintenance that's approaching. During high demand events we will follow up and find out exactly how the network has operated and see what issues or causes might've caused price spikes or other things.

MR JACOBI: Now, can I come to you with specific parts of the electricity supply system? Perhaps deal with transmission first. What are the AER's responsibilities with respect to transmission entities and the activities of transmission entities?

MR OAKESHOTT: The primary functions of the AER with respect to transmission really revolve around the process to approve their expenditure on the network, and I should say that that is a very broad expenditure classification, if you like. We're not analysing project by project what should or shouldn't be done. We're not reviewing the structure of the network to say where it's weak or where it's strong. The process that we undergo requires us to look at the proposal that they put forward every five years of how they want to spend their money or the total bucket of money that they want to spend. We'll analyse that down to decide on whether that is a reasonable total bucket of money that they should be spending on the network. We don't break it down to operating and capital expenditures. We may do in our analysis, but the actual answer that we produce at the end is an

expenditure over a period. It's not classified further than that.

MR JACOBI: As I understand it, that involves the AER proving a TUOS charge. Can you explain what that amount is?

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MR OAKESHOTT: Sure. A TUOS is not something that is actually specifically approved by the AER. By approving the amount of money that the network service provide is entitled to spend, we are also then governing the amount of return that they are allowed to make. So one of the parameters that we would be looking at in the approvals process is their regulated rate of return and, therefore, the amount of money that they can recover from customers. By knowing what the amount of money is that you can recover from customers, knowing the energy throughput between the two across the energy market from customers to suppliers or, rather, the other way around, you can divide one by the other, if you like. So looking at the total number of dollars and the amount of energy that passes through you can come up with a TUOS, a dollars per megawatt hour that you can charge customers to recover the amount of money they're allowed to recover.

MR JACOBI: Now, does the AER have similar responsibilities with respect to distribution entities as it has with respect to transmission?

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MR OAKESHOTT: Yes, they're similar.

MR JACOBI: Now, does the AER have any responsibility for approving either the tariffs that customers are charged or the tariffs structures that they're charged?

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MR OAKESHOTT: Current process is one where the AER will review the proposed tariff but it's not specifically approving allocation across the different components of a tariff. We're looking to see that the tariff complies with the required format, if you like, for a tariff and we're looking to see that it's likely to achieve the level of return which is appropriate. So it's in line with what they're entitled to recover. That's certainly the way our current approach is. We don't actually break it down and say this component should be larger or this one should be smaller.

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MR JACOBI: You've spoken of the fact that that's currently the system. Is that expected to change?

MR OAKESHOTT: It is expected to change. There's a rule change which has been completed which indicates that the AER will have a greater role to look at the components of the tariff to see whether they are fair and equitable and represent a reasonable distribution for consumers. So that would give us perhaps more chance to look at the components and the way the components are structured to promote – not to promote but to see whether they are fair and equitable.

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MR JACOBI: The commission has heard about possible future changes to the way that tariffs are structured in particular and there has been some talk of capacity-based pricing, or cost-reflective pricing is another way things have been expressed. Is that the sort of structure that the AER is going to be able to be involved in?

MR OAKESHOTT: The aim is of course to provide cost-reflective network pricing from the rules that have just been approved. That then will drive signals to consumers more clearly about the network on which they rely. Currently everything is allocated within each region on a postage stamp basis. So independent of where you are in the network you would pay the same TUOS and DUOS with some minor alterations for loss factors. In the future it would be much more cost reflective of the value of the network or the work that needs to be done to the network and, therefore, you might find pockets of slightly different pricing.

MR JACOBI: Is a transition to something that might be described as capacity-based pricing thought to be something that will be inevitable within the industry?

MR OAKESHOTT: At certain levels within the industry capacity-based pricing already exists. So for large consumers of energy there are already capacity payments. They have a system which works out the largest demand that your business may impose on the network in a 12-month period between particular hours of the day and that then governs the capacity charge that you would pay. Then there's a separate component for the amount of energy that you might consume and there might also be a daily charge into the future. We will get more opportunity to look at those components and how they're distributed but I think it's fair to say that when you go to cost-reflective network pricing, that the capacity charge becomes a very relevant aspect and consideration.

MR JACOBI: Coming back to questions of transmission, you've described transmission entities coming to the AER with respect to a proposal. I'm just trying to understand how that notion of proposal and respond works within the AER in terms of the way that it regulates transmission and distribution.

MR OAKESHOTT: Networks businesses every five years are obliged to come to the AER with a regulatory proposal which defines the way volume – it defines the way they're going to spend their money and their justification for spending the money that they are requesting from the AER or requesting the AER approve. The AER essentially analyses what it can out of that. It pulls as much of it apart as it possibly can. It will then essentially come back to the businesses after completing its analysis with an alternative proposal to say, "This is what we've prepared."

5 So there's a draft decision which is published. I should say it's published for the public to be able to see. So any stakeholder can get involved in that. Every stakeholder should be able to review the information in both the proposal and in the draft decision. The business will then go off and adjust its – respond to the questions or the position that has been put to it through the draft decision and propose an alternative outcome and the AER will consider that and then impose a final decision. Again, all of those steps are public and open to scrutiny.

10 MR JACOBI: Against that background the commission has heard that one of the key drivers in the experience of increased retail electricity prices for consumers has been increasing network costs. I'm just wondering whether you can identify what the key drivers in those network costs have been recently.

15 MR OAKESHOTT: Certainly the causes of the change in price to consumers has been related to a number of factors. Network charges has been one of those. Others were carbon tax being imposed and disappearing again and the systems that were developed by people to deal with that. Networks is the one that probably has taken the greatest amount of attention.

20 MR JACOBI: I'm just interested to understand, is that something that's expected to be likely to change in the future or is that component of those increasing costs – are the same sorts of factors still at play?

25 MR OAKESHOTT: I think it's fair to say that there were weaknesses in the mechanisms that the AER could employ that certainly were providing constraints to us in the way we could respond and potentially adjust the expenditure by the network service providers. Those have now been changed and the AER believes it has got the tools now to pursue additional changes to the expenditure.

30 MR JACOBI: Are you in a position to be able to say now in terms of retail cost what proportion is associated with – sorry, retail electricity prices paid by consumers, what proportion is associated with the network costs?

35 MR OAKESHOTT: It's a difficult question to answer because it's different in each region and also subject to some of the decisions that have been made in the preceding months to now. It has been some time since I've looked at it but working on memory – it's a difficult question to answer. The figures are around sort of 25 to 30 per cent for the wholesale market, something in the order of 45 or so, 40 to 45 for distribution and transmission costs and the rest are retail and other
40 margins. Please, they are very rubbery costs. I'm not very confident that I can provide a good answer to that.

MR JACOBI: The commission is required to consider the possible viability of new generation entering the market. I'm interested to understand what the AER's

involvement with respect to a new generator coming into the system is.

5 MR OAKESHOTT: The AER is not a body that either doesn't approve or drive expenditure in the market in terms of new generation capacity. Our role is to make sure that the new entrant a) can deal with a network service provider to which it may connect, in accordance with the rules that are defined. So there is all of the chapters of the rules that deal with transmission and the way it should be governed and the way connections should occur. So we will get involved in that space. We will also, once the generators technology is proposed, potentially register their performance standards on advice from the Australian Energy Market Operator. So 10 we would be looking at seeing that the connection process is appropriately complied with and once the generator is then operating we can be watching the way they operate, the way we watch every other generator.

15 MR JACOBI: There has been some discussion this morning with ElectraNet, where there has been some discussion about the construction of new interconnection. I understand the AER's responsibility for – perhaps shouldn't use the expression, approving proposals but looking at proposals with respect to new interconnectors. I am just wondering whether you can explain what that process is. 20

MR OAKESHOTT: The process for approval is known as the regulatory investment test. Regulatory investment test is a market benefit test. It considers – perhaps if I start again. The regulatory investment test is quite different to a 25 customer benefit test. Customer benefit test might consider what the change in wholesale or retail market prices might be as a result of an investment. The market benefit test would consider those changes in prices as a wealth transfer. So if the price goes down for customers then generators would lose but customers benefit. When it comes to building an interconnector and performing the regulatory investment test, the analysis that performs – that is performed, looks 30 essentially to find the base case in to the future, so a case where there is no interconnector, if that is what is you're testing. And compares that to the change in inputs in to the market which would occur as a result of the interconnector being built. So perhaps it is worth considering the three main components that you might see out of that and that would perhaps clarify how the regulatory investment 35 test works as a market benefit basis.

The key inputs that are of interest in the regulatory investment test are going to be what is the change in fuel as a result of fuel consumption and therefore fuel 40 dollars, as a result of the construction of the new equipment. The change in reliability that may occur to customers and the change in capital costs. So in the base case, you would look at developing the market over say a 20-year period, how many new generators would get built, how much fuel would be burnt to meet the projected demand forecasts over that period. Understanding the way the

market works and how participants may operate, fuel availabilities, you will have forecasts of prices and all sorts of other things, forecasts of fuel prices. You will understand what the cost of a new entrant might be of particular types. You will generate a path which is essentially the lowest cost as your base case. You will
5 then add in to that analysis a new investment in an interconnector and see how the investment profile may change. To give a really simple example, without an interconnector over the next 20 years you might be building open cycle and closed cycle gas turbines across Australia and across the national electricity market because it would take in to account the entire market. As a result of building an
10 interconnector, you might get the opportunity to share some of that capacity between regions and therefore you may not need to build one or more of those additional pieces of plant.

By doing so, there is obviously a capital deferral benefit because you are not
15 building generation but you need to accommodate the amount of money that you are going to spend on building the transmission assets. So if you like you are summing up the dollars that went in to build the additional equipment in each region against the new case where you have got an interconnector coming in. The same things would cover fuel. You can be looking at the amount of fuel that
20 would get burnt in the entire NEM and then compare that with the amount of fuel that gets burnt in the NEM as a result of the construction of the interconnector. The last one is a change in the reliability, so the improvement to customers.

COMMISSIONER: Craig, I understand this is an investment test, does anybody
25 consider the carbon footprint that changes in new generation might occur? Does that occur somewhere else in the organisation or?

MR OAKESHOTT: It certainly doesn't occur in the AER.

30 COMMISSIONER: No. I gather that.

MR OAKESHOTT: It occurs – it doesn't occur in the regulatory investment test -
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35 COMMISSIONER: Right.

MR OAKESHOTT: - - - other than to say, if you are building a new wind farm for
example, there will be the cost implications and RET implications that might
govern some of that. But you are not actually calculating the amount of CO2 that
40 would be produced as a factor.

COMMISSIONER: Is that done anywhere, to your knowledge, in the regulatory
framework?

MR OAKESHOTT: It's not done within the framework of the approval that we currently have, no.

COMMISSIONER: Okay, thank you.

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MR JACOBI: I am right in saying if we go back to the issue of the capital costs and the way we are dealing with it there, that what one is really analysing is the capital costs that are avoided by an interconnector being connected. Is that correct?

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MR OAKESHOTT: That's right.

MR JACOBI: And is it the same with respect to fuel that is - - -

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MR OAKESHOTT: Essentially, that's right.

MR JACOBI: - - - essentially the fuel that wouldn't be burnt in the event that an interconnector was installed?

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MR OAKESHOTT: If I took an example of several additional wind farms in South Australia that would be constrained off because they couldn't export their power because the South Australian demand is only so big and the interconnectors we have are only so large, if you were to build an interconnector to allow that energy out of South Australia, you would potentially reduce the amount of fuel being burnt in the other regions because the supply would then come from the wind farms. There may be other implications that would occur as well. You would have to consider how to maintain system security, you might need to keep particular generators on, so that if there is a failure or the wind changes quickly, you can keep the lights on and keep the network stable.

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MR JACOBI: Yes. And just one final question on this, does - is there any way an evaluation of price or the effect on wholesale prices in this analysis? I know we have looked at fuel costs and capital costs and reliability, does price come in to the analysis?

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MR OAKESHOTT: No. If the interconnector was to result in a reduction in price in South Australia and an increase in price in another region, it's considered a wealth transfer, so it's not considered relevant. I might, if I may, just go back to your point sir, the - when there was a carbon tax - - -

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COMMISSIONER: Yes.

MR OAKESHOTT: - - - those increases in - the imposition of the carbon tax on essentially the fuel that is going in to the power stations is considered in the

analysis.

COMMISSIONER: Right.

5 MR OAKESHOTT: But it's not that – you are not doing that to directly understand what the change in the missions are.

COMMISSIONER: Yes, understood.

10 MR OAKESHOTT: You are doing it to understand what the change in the inputs to the market are.

COMMISSIONER: Yes. Okay, thanks Craig.

15 MR JACOBI: Does that have any – just to follow on from that, does that have any – did the introduction of the carbon tax have any particular tendency to favour interconnection over not, or did it depend on the fuels that were being burnt?

MR OAKESHOTT: I couldn't answer that question. It is a very, very complex
20 one to try and understand. The dynamics of the market are extraordinarily intricate that is for sure.

MR JACOBI: Right.

25 MR OAKESHOTT: Given enough time I could probably give you an answer but not within the scope of this session I don't think.

MR JACOBI: Now we have heard a lot in the Commission's hearings so far about the sorts of changes that might be anticipated and I will just – they are things like
30 batteries, smart meters, smart grids, micro grids. Interested to understand the extent to which the regulatory system might need to be thought to change to address those sorts of developments?

MR OAKESHOTT: I think that the – probably the best way to look at this is to
35 look at the way the national electricity market was designed in the first place and the principles against which it was built. So again, that structural separation, competition and technology neutrality. In to the development of the market at the moment, the AER, the AEMC, Federal government and various other bodies are all challenged by what the technologies that you spoke of may or may not do to the
40 market. That means across the whole supply chain from the wholesale market right through to customer supply and the utilisation of the networks. We are certainly very actively trying to understand how those technologies may change the landscape but the principles against which we would be looking would be those which the AER has expounded before and that is that we are motivated to try

and make sure that the customers are best represented, that the customer benefit is focussed upon, that the competition is allowed to operate in those areas where competition can operate, so supply of services to customers which could be competitive, let's make competitive. And where they can't be competitive, let's
5 make them regulated, and I think that over time the number of services which are considered necessary to regulate is dropping as more and more technologies come out to facilitate competition in those spaces. Does that answer your question? I think it does.

10 MR JACOBI: Do you see whether those particular, I think, perhaps the technologies that I referred to, are likely to themselves be drivers of changes in the way that particular tariff structures and other structures will need to operate and then in turn be regulated?

15 MR OAKESHOTT: Dealing with the first part of that, yes, I think that the technologies themselves lead far more to the consumer being able to make more informed decisions providing there is more information to support that. It seems rather circular. Where a tariff may encourage a particular behaviour by either
20 increasing or decreasing the price of a particular at a particular time of day, you may be able to encourage a customer who is informed about those prices to make different decisions, either to turn an air conditioner on or turn it off, or run your pool pump during the day or not run your pool pump during the day.

25 While there's a flat tariff there's no real incentive to take those time-of-day type decisions. Therefore, without those time-of-day decisions, or even network loading information, you may be able to make decisions to better inform and better utilise the existing assets that are out there.

30 MR JACOBI: Does the AER anticipate any particular form of tariff structure will develop, or do they have a view as to the sorts that might develop?

35 MR OAKESHOTT: Within the structures that are available, principally the capacity charge, daily charge or a fixed charge, invariable charge, the combinations are virtually limitless. I would see that over time - this is my personal observation - I would see that over time, as more consumers become more active that the tariffs themselves will adapt to either encourage people to pursue particular approaches, or indeed to facilitate change in the market, changes
40 in utilisation, changes of the network, changes in the way the network is developed, or the imperative to the change or increase capacity in the network.

MR JACOBI: Stepping away from the tariff or the pricing structures, do you anticipate that as a regulator you might need to be regulating new players that come into the market different from the current structure of players?

MR OAKESHOTT: We're already seeing quite a number of new players come into the market. So the introduction of photovoltaics has prompted a significant increase in the number of new retail applications, for example. If we look overseas at some of the examples from overseas, we're seeing different offerings come out of the active retailers. Certainly since the start of the market in 1998 we went through the structural separation where we put generation away from the transmission and distribution businesses and away from retail businesses.

Over the time the generators and retailers have re-merged and we've seen the emergence of the gentailer over the past ten years of the operation of the market. They're logical and compatible partners in terms of managing the risks for the businesses. If the wholesale market price goes up, then the generators will benefit, but at the same time, they can be protecting the customers from that change in price. If the retail price goes up or down, then the generation business may be affected in the opposite direction. So they're sort of mutual risk instruments to one another, and those models are becoming more common. Certainly we see AGL, for example, which owns a large percentage of South Australian customers as well as generation in South Australia.

It may be that into the future - and again, this is my personal opinion - you will see smaller retailers providing perhaps solutions for people's homes. So there'll be a change to the gentailer-type model where instead of being a large generation portfolio, it might be a large, widely distributed portfolio. The AER is not in a position at this stage to see exactly how those things will fall. We are activity involved in a number of committees and other groups along with the AER, the AEMC and the Federal government looking at how those technologies may play out, what some of the possible alternatives might be, and how we might deal with them, but at this stage, we have no formal position.

MR JACOBI: Has the AER seen parties move into the system that are minded to aggregate storage?

MR OAKESHOTT: Yes. I can think of at least one player that is considering that, maybe two players at least that are considering that, just off the top of my head. Those businesses are certainly going to be potentially effective at participating in the distribution and way distribution is developed. They may also be large enough to be able to contribute to the frequency control ancillary services market inside the wholesale market as well as potentially the energy market. So they're certainly considered in the long-term as being one of the potential structures that we may have to deal with.

MR JACOBI: If we can come back to where we started, I think, in terms of the overall objective of the rules in terms of promoting electricity services for the long-term interests of customers, one of the issues that the Commission is required

to consider is potential energy-intensive industries, and I'm just interested in your views as to whether you consider that the existing regulatory system imposes any barriers to achieving what one might describe perhaps colloquially as low-cost electricity or cheaper electricity as an input into industry.

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MR OAKESHOTT: I'm sorry. I'm not quite sure where you want me to go with that.

MR JACOBI: We've spoken about the regulatory system as it's developed. We've looked at the regulatory structure as it effects transmission distribution and the approvals and the changes to those rules, and we discussed network costs associated with that matter, and I'm just interested in understanding whether there are other regulatory reforms that are expected to occur in the near future that might be directed at this overall outcome in terms of delivering cheaper energy as an output.

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MR OAKESHOTT: I'm not aware of specific initiatives that might drive that outcome. The National Electricity Market, the way it operates hinges on the competition that occurs between participants. Generators are effectively on a level playing field. Because there are no technology separators between the different styles of energy production, the lowest possible energy cost is delivered by virtue of the way the generators operate. There are a series of rules changes that are proposed currently that look at the way the generators participate and look at what we term good faith or intention of the bids that they are putting into the market. Each generator bids their energy into the market at a particular price.

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We are considering ways of modifying the rules around that to make that process more transparent, more promoting of competition, but the overall competitive nature of the market is such that when there's an oversupply situation prices drop. The problem with prices dropping is the generators themselves then start to struggle in terms of making money. The logical thing is for them to back down to their minimum position or, as necessary, leave the market.

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The generation market is not an ideal market. After all, it is a very expensive thing to build a power station and it's a very long-life asset. So you have to be able to understand what your potential futures and risks are likely to be if you're going to spend a lot of money on building a new power station. With the current trends in demand, it's difficult to see what the pricing outcomes will be over time, because certainly for the last 100 years demand has been growing. Over the last five years, I'm sure you would have heard from David Swift that the demand is starting flatten off. That changes what has been the assumed dynamic driving the market underneath everything that competition would continue to drive new entrants, and in fact we're actually seeing competition so fierce that it's driving participants out of the market.

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It's fair to say that the wholesale market is very competitive. The regulatory structures that are in place are transmission and distribution give the AER every opportunity to place pressure on the businesses to be as competitive and as efficient as they possibly can, and the retail market is naturally relatively thin, although we could see competition growing in different ways in that area as well, but it's very hard to predict how they'll turn out over the longer term. If it's a question of trying to promote a particular business, or energy-intensive base load, if you like, type businesses, the wholesale market is only part of the picture. There are contract structures that operate around the market which are not governed by the AER and they're not controlled by AEMO or the AEMC. They exist through the conventional contract trading platforms over the counter in futures exchange.

COMMISSIONER: Craig, I think that's done. Thank you very much indeed for your evidence.

MR OAKESHOTT: My pleasure.

COMMISSIONER: We'll adjourn until 1500.

ADJOURNED

[2.11 pm]