

Attachment 2.0

Basis of Preparation

Responses to the 2026-31 Reset RIN for AGN (SA) – February 2025

July 2025

PUBLIC

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Overview

The Australian Energy Regulator (AER) served '2026-31 Access Arrangement Regulatory Information Notice' (RIN) on Australian Gas Networks (AGN) on its gas distribution network in South Australia on 25 February 2025 under National Gas Law (NGL). The RIN requires AGN to provide the information and prepare and maintain the information in the manner and form specified in the written notice which includes the following Regulatory Templates:

- Workbook 1 - Forecast data for regulatory years (RY) 2024/25 to 2030/31
- Workbook 2 - Historical data for regulatory years 2019/20 to 2023/24
- Workbook 3 - Efficiency Carryover Mechanism (ECM)
- Workbook 4 - Capital Expenditure Sharing Scheme (CESS)
- Workbook 5 – Indicative Bill Impacts

The RIN requires AGN to submit the information to the AER on or before 1 July 2025.

Basis of Preparation

In accordance with the requirements Schedule 5 of the RIN, AGN is required to prepare a Basis of Preparation **for all the information other than forecast information**, which must:

- enable auditors, assurance practitioners and the AER to clearly understand how the AGN has complied with the requirements of this notice; and
- identify any policy or operating instructions that are used to direct the compilation and preparation of historical information required to respond to the notice.

The Basis of Preparation must:

- demonstrate how the information provided is consistent with the requirements of the RIN;
- explain the source from which AGN used to provide the information;
- explain the methodology AGN has applied to provide the required information, including any assumptions AGN has made;
- explain in circumstances where AGN cannot provide input for a variable using actual information and therefore must provide input using estimated information:
 - why an estimate was required, including why it was not possible for AGN to use actual information;
 - the basis for estimate, including the approach used, assumptions made and reasons why the estimate has been arrived on a reasonable basis and is AGN's best estimate possible in the circumstance.
- explain, in circumstances where AGN provides a 'NULL' response as an input for a variable:
 - why we believe the variable is not applicable for AGN.

To satisfy the requirements of the RIN, AGN has prepared a Basis of Preparation (this document) which is structured to reflect the same section headings used in the relevant Workbooks with a table to include the following details to support the information provided:

- data source of the information provided;
- methodology and assumptions adopted to prepare the information;
- classification as actual or estimated information, including appropriate justification if estimated; and
- any additional comments to assist users of the information to understand the Basis of Preparation.

The Basis of Preparation document has included the historical information contained in the followings:

- Workbook 2 - Historical data for regulatory years 2019/20 to 2023/24
- Workbook 3 - Efficiency Carryover Mechanism (ECM)
- Workbook 4 - CESS

Workbook 2 - E2. Mains Replacement

E 2.1 – Capex

E2.1.1 – Proactive – by Project

Variable	Data source, Methodology and Assumptions	Actual / Estimate	Justification (if estimated)	Additional Comments
2019/20 - 2023/24	<p>Refer to Appendices A and B for a description of the systems and processes that support AGN Limited's cost capture and reporting of Capex and related Network Overheads presented below.</p> <p>Refer to the Regulatory Accounting Principles and Policies and Cost Allocation Methodology documents for guidance on certain expenditure categories that may be included or excluded from capex for regulatory purposes, and in relation to AGN Limited's policies and processes for cost allocation.</p>			2019/20 information was previously submitted to the AER on 30 November 2020 (resubmitted on 11 February 2021) as per the Notice issued on 28 February 2020 Refer section (e)(i) of the cover letter AER Ref:65112
Direct Internal labour expenditure	AGN Limited does not incur internal labour expenditure in relation to delivery of its Capex program. Delivery of AGN Limited's Capex program is performed by APA Asset Management (APA) under an Operating and Management Agreement (OMA). Accordingly this expenditure is reported as Direct Contractor expenditure below.	Actual		
Direct Contractor expenditure	<p>Given all network capex is performed by APA under the OMA, direct capex is all categorised as Direct Contractor Expenditure.</p> <p>Capex reported for Proactive Mains Replacement projects includes programmed renewal of specific areas of mains, specified at a project level.</p>	Actual		<p>Note 1: Negative amounts reported in the RIN template represent reversal of accruals or reclassification between activity types between financial years.</p> <p>Note 2: There are some errors within the AER template, so some lines remain blank.</p>

Variable	Data source, Methodology and Assumptions	Actual / Estimate	Justification (if estimated)	Additional Comments
	<p>All projects with the following activity codes have been designated as Proactive projects:</p> <ul style="list-style-type: none"> 2350 Mains Renewal - PI Block (this is then broken down by suburb. For the purposes of this RIN, a suburb is equal to a project) 2352 Mains Renewal – No pressure change Trunk 2353 Mains Renewal – PI Piece 2354 Mains Renewal - PI Trunk 2356 Mains Renewal - PI CBD Block 2361 Mains Renewal – No pressure change HDPE 250 2362 Mains Renewal – No pressure change HDPE 575 2364 Mains Renewal - PI Multi Service 2366 Mains Renewal - PI Non CBD Major Block <p>Proactive mains replacement projects (inclusive of both direct and overhead expenditure) form part of the Mains asset class.</p>			Note 3: There were a greater number of projects greater than \$500,000 so an additional tab titled " <i>E2. Mains Repex (2)</i> " has been added to provide the project details. The total of these projects has been added as one line labelled " <i>Various - Refer E2 Mains Repex (2) for details</i> " into the original E2. Main Repex tab (refer line 58)
Direct Material expenditure	AGN Limited does not incur Direct Material expenditure in relation to delivery of its Capex program. Delivery of AGN Limited's Capex program is performed by APA under the OMA. Accordingly, this expenditure is reported as Direct Contractor expenditure above.	Actual		
Other Direct expenditure	AGN Limited does not incur and Other Direct expenditure in relation to delivery of its Capex program. Delivery of AGN Limited's Capex program is performed by APA under the OMA.	Actual		

Variable	Data source, Methodology and Assumptions	Actual / Estimate	Justification (if estimated)	Additional Comments
	Accordingly, this expenditure is reported as Direct Contractor expenditure above.			
Related Party margin expenditure	AGN Limited does not have any Related Party Margin expenditure to report in the RIN template	Actual		
Capital Contributions	There were no Capital contributions received by AGN Limited in relation to Proactive Mains Replacement Capex	Actual		

E2.1.2 – Reactive – by Connection Type

Variable	Data source, Methodology and Assumptions	Actual / Estimate	Justification (if estimated)	Additional Comments
2019/20 - 2023/24	<p><i>Refer to Appendices A and B for a description of the systems and processes that support AGN Limited's cost capture and reporting of Capex and related Network Overheads presented below.</i></p> <p><i>Refer to the Regulatory Accounting Principles and Policies and Cost Allocation Methodology documents for guidance on certain expenditure categories that may be included or excluded from capex for regulatory purposes, and in relation to AGN Limited's policies and processes for cost allocation.</i></p>			<p><i>2019/20 information was previously submitted to the AER on 30 November 2020 (resubmitted on 11 February 2021) as per the Notice issued on 28 February 2020 Refer section (e)(i) of the cover letter AER Ref:65112</i></p>
Direct Internal labour expenditure	AGN Limited does not incur internal labour expenditure in relation to delivery of its Capex program. Delivery of AGN Limited's Capex program			

Variable	Data source, Methodology and Assumptions	Actual / Estimate	Justification (if estimated)	Additional Comments
	is performed by APA under the OMA. Accordingly, this expenditure is reported as Direct Contractor expenditure below.			
- Mains		Actual		
- Services		Actual		
Direct Contractor expenditure	<p>Given all network capex is performed by APA under the OMA, direct capex is all categorised as Direct Contractor Expenditure.</p> <p>Capex reported for Reactive Mains Replacement projects includes unplanned capital expenditure associated with mains replacement which is required where repairs are not possible and urgent replacement of mains is required to manage gas escape.</p>			
- Mains	<p>For <u>Mains</u>, all projects with the following activity codes have been designated as Reactive projects:</p> <ul style="list-style-type: none"> 2351 Mains Renewal – No pressure change Piece 2363 Mains Renewal – No pressure change HDPE Piece 	Actual		<p>Refer to Appendix C for a description of the adjustments made due to regulatory accounting policies. Specifically see adjustment type:</p> <ul style="list-style-type: none"> “Piecemeal Mains Replacement” where certain expenditure is treated as Opex.

Variable	Data source, Methodology and Assumptions	Actual / Estimate	Justification (if estimated)	Additional Comments
				Due to the above-mentioned regulatory accounting policy, all expenditure originally recorded against these activities have been transferred to operating expenditure. Therefore, there is nil amount of capital expenditure to report in this section of the RIN table
- Services	<p>For <u>Services</u>, all projects with the following activity codes have been designated as Reactive projects:</p> <ul style="list-style-type: none"> 2371 Service Renewal – Non AMRP <p>Reactive mains replacement projects (inclusive of both direct and overhead expenditure) form part of the Inlets asset class.</p>	Actual		
Direct Material expenditure	AGN Limited does not incur Direct material expenditure in relation to delivery of its Capex program. Delivery of AGN Limited's Capex program is performed by APA under the OMA. Accordingly, this expenditure is reported as Direct Contractor expenditure above.			
- Mains		Actual		

Variable	Data source, Methodology and Assumptions	Actual / Estimate	Justification (if estimated)	Additional Comments
- Services		Actual		
Other Direct expenditure	AGN Limited does not incur Other Direct material expenditure in relation to delivery of its Capex program. Delivery of AGN Limited's Capex program is performed by APA under the OMA. Accordingly this expenditure is reported as Direct Contractor expenditure above.			
- Mains		Actual		
- Services		Actual		
Related Party margin expenditure	AGN Limited does not have any Related Party Margin expenditure to report in the RIN template.			
- Mains		Actual		
- Services		Actual		
Capital Contributions	There were no Capital contributions received by AGN Limited in relation to Reactive Mains Replacement Capex.			
- Mains		Actual		
- Services		Actual		

E 2.2 – Volumes

E2.2.1 – Proactive – by Connection Type – by Project

Variable	Data source, Methodology and Assumptions	Actual / Estimate	Justification (if estimated)	Additional Comments
2019/20 - 2023/24				2019/20 information was previously submitted to the AER on 30 November 2020 (resubmitted on 11 February 2021) as per the Notice issued on 28 February 2020 Refer section (e)(i) of the cover letter AER Ref:65112
Low pressure to high pressure (metres replaced)	<p>Data sourced from APA business management systems, including its Workday (formerly Oracle) General Ledger, which is integrated with a separate Asset Management System (Maximo) which allocates Volumes by Activity.</p> <p>The specific projects identified in this pressure category are allocated to material and pressure categories during the planning and design phase based on network configuration information in the APA GIS mapping system.</p>	Actual		
Low pressure to medium pressure (metres replaced)	<p>Data sourced from APA business management systems, including its Workday (formerly Oracle) General Ledger, which is integrated with a separate Asset Management System (Maximo) which allocates Volumes by Activity..</p> <p>The specific projects identified in this pressure category are allocated to material and pressure categories during the planning and design phase based on network configuration information in the APA GIS mapping system.</p>	Actual		

Variable	Data source, Methodology and Assumptions	Actual / Estimate	Justification (if estimated)	Additional Comments
Low pressure to low pressure (metres replaced)	<p>Data sourced from APA business management systems, including its Workday (formerly Oracle) General Ledger, which is integrated with a separate Asset Management System (Maximo) which allocates Volumes by Activity.</p> <p>The specific projects identified in this pressure category are allocated to material and pressure categories during the planning and design phase based on network configuration information in the APA GIS mapping system.</p>	Actual		
Medium pressure to medium pressure (metres replaced)	<p>Data sourced from APA business management systems, including its Workday (formerly Oracle) General Ledger, which is integrated with a separate Asset Management System (Maximo) which allocates Volumes by Activity.</p> <p>The specific projects identified in this pressure category are allocated to material and pressure categories during the planning and design phase based on network configuration information in the APA GIS mapping system.</p>	Actual		
Medium pressure to high pressure (metres replaced)	<p>Data sourced from APA business management systems, including its Workday (formerly Oracle) General Ledger, which is integrated with a separate Asset Management System (Maximo) which allocates Volumes by Activity.</p> <p>The specific project identified in this pressure category are allocated to material and pressure categories during the</p>	Actual		

Variable	Data source, Methodology and Assumptions	Actual / Estimate	Justification (if estimated)	Additional Comments
	planning and design phase based on network configuration information in the APA GIS mapping system.			
High pressure to high pressure (metres replaced)	<p>Data sourced from APA business management systems, including its Workday (formerly Oracle) General Ledger, which is integrated with a separate Asset Management System (Maximo) which allocates Volumes by Activity.</p> <p>The specific projects identified in this pressure category are allocated to material and pressure categories during the planning and design phase based on network configuration information in the APA GIS mapping system.</p>	Actual		

E2.2.2 – Reactive – by Connection Type

Variable	Data source, Methodology and Assumptions	Actual / Estimate	Justification (if estimated)	Additional Comments
2019/20 - 2023/24				2019/20 information was previously submitted to the AER on 30 November 2020 (resubmitted on 11 February 2021) as per the Notice issued on 28 February 2020 Refer section (e)(i) of the cover letter AER Ref:65112
Low pressure to high pressure				
- Metres of mains replaced	There are no volumes to report in this category of connections capex.	Actual		Refer to Appendix C for a description of the adjustments made due to regulatory accounting policies. Specifically see adjustment type: • "Piecemeal Mains Replacement" In line with this, no volumes have been reported either.
- Number of services replaced	Data sourced from APA business management systems, including its Workday (formerly Oracle) General Ledger, which is integrated with a separate Asset Management System (Maximo) which allocates Volumes by Activity.	Actual		
Low pressure to medium pressure				
- Metres of mains replaced	There are no volumes to report in this category of connections capex.	Actual		

Variable	Data source, Methodology and Assumptions	Actual / Estimate	Justification (if estimated)	Additional Comments
- Number of services replaced	There are no volumes to report in this category of connections capex.	Actual		
Low pressure to low pressure				
- Metres of mains replaced	There are no volumes to report in this category of connections capex.	Actual		
- Number of services replaced	There are no volumes to report in this category of connections capex.	Actual		
Medium pressure to medium pressure				
- Metres of mains replaced	There are no volumes to report in this category of connections capex.	Actual		
- Number of services replaced	There are no volumes to report in this category of connections capex.	Actual		
Medium pressure to high pressure				
- Metres of mains replaced	There are no volumes to report in this category of connections capex.	Actual		
- Number of services replaced	There are no volumes to report in this category of connections capex.	Actual		

Variable	Data source, Methodology and Assumptions	Actual / Estimate	Justification (if estimated)	Additional Comments
High pressure to high pressure				
- Metres of mains replaced	There are no volumes to report in this category of connections capex.	Actual		
- Number of services replaced	There are no volumes to report in this category of connections capex.	Actual		

Workbook 2 - E3. Mains Augex

E3.1 – Capex by Project

Variable	Data source, Methodology and Assumptions	Actual / Estimate	Justification (if estimated)	Additional Comments
2019/20 - 2023/24	<p>Refer to Appendices A and B for a description of the systems and processes that support AGN Limited's cost capture and reporting of Capex and related Network Overheads presented below.</p> <p>Refer to the Regulatory Accounting Principles and Policies and Cost Allocation Methodology documents for guidance on certain expenditure categories that may be included or excluded from capex for regulatory purposes, and in relation to AGN Limited's policies and processes for cost allocation.</p>			2019/20 information was previously submitted to the AER on 30 November 2020 (resubmitted on 11 February 2021) as per the Notice issued on 28 February 2020 Refer section (e)(i) of the cover letter AER Ref:65112
Direct Internal labour expenditure	AGN Limited does not incur internal labour expenditure in relation to delivery of its Capex program. Delivery of AGN Limited's Capex program is performed by APA under the OMA. Accordingly, this expenditure is reported as Direct Contractor expenditure below.	Actual		
Direct Contractor expenditure	<p>Given all network capex is performed by APA under the OMA, direct capex is all categorised as Direct Contractor Expenditure.</p> <p>Mains Augmentation projects include capital expenditure incurred on the AGN SA network due to a change in the capacity requirements of mains and services in the gas distribution network to meet the demands of existing and future customers.</p>	Actual		

Variable	Data source, Methodology and Assumptions	Actual / Estimate	Justification (if estimated)	Additional Comments
	<p>Capex reported for Mains Augmentation projects has been identified with reference to specific project names in APA's Workday (formerly Oracle) finance system that are known to be Mains Augmentation projects. Projects with expenditure greater than \$500k per annum have been reported separately, with all other projects in this category grouped.</p> <p>The projects reported as Mains Augmentation projects are identified by the following activity names in APA's Workday (formerly Oracle) finance system:</p> <ul style="list-style-type: none"> • 3015 Major Projects – Murray Bridge • 3065 Major Projects – Adelaide CBD HP Main Ext East • 3133 Seaford Aldinga HP Network • 3132 New Gate Station Gawler <p>In the most part, Mains Augmentation projects (inclusive of both direct and overhead expenditure) form part of the Mains asset class except for the following project:</p> <ul style="list-style-type: none"> • 3132 New Gate Station Gawler <p>Over the period 2019/20 – 2023/24 expenditure on this project has been allocated between expenditure categories Mains Augex (Mains) and Other capex (City Gate) on a 25%/75% basis.</p>			

Variable	Data source, Methodology and Assumptions	Actual / Estimate	Justification (if estimated)	Additional Comments
	<p>And the following activity containing mains augmentation projects with expenditure under \$500k:</p> <ul style="list-style-type: none"> 2160 New Main – Improved Supply 			
Direct Material expenditure	AGN Limited does not incur Direct Material expenditure in relation to delivery of its Capex program. Delivery of AGN Limited's Capex program is performed by APA under the OMA. Accordingly this expenditure is reported as Direct Contractor expenditure above.	Actual		
Other Direct expenditure	AGN Limited does not incur Other Direct expenditure in relation to delivery of its Capex program. Delivery of AGN Limited's Capex program is performed by APA under the OMA. Accordingly this expenditure is reported as Direct Contractor expenditure above.	Actual		
Related Party margin expenditure	AGN Limited does not have any Related Party Margin expenditure to report in the RIN template	Actual		
Capital Contributions	There were no Capital contributions received by AGN Limited for Mains Augmentation Capex	Actual		

E3.2 – Volumes – by Pressure Type – by Project

Variable	Data source, Methodology and Assumptions	Actual / Estimate	Justification (if estimated)	Additional Comments
2019/20 - 2023/24				2019/20 information was previously submitted to the AER on 30 November 2020 (resubmitted on 11 February 2021) as per the Notice issued on 28 February 2020 Refer section (e)(i) of the cover letter AER Ref:65112
Low pressure to low pressure (metres augmented)	There are no volumes to report in this category of mains augmentation capex			
Low pressure to medium pressure (metres augmented)	There are no volumes to report in this category of mains augmentation capex.	Actual		
Low pressure to high pressure (metres augmented)	There are no volumes to report in this category of mains augmentation capex.	Actual		
Medium pressure to Medium pressure (metres augmented)	There are no volumes to report in this category of mains augmentation capex.	Actual		
Medium pressure to High pressure (metres augmented)	Volumes for the mains augmentation projects reported in activity 2160 New Main – Improved Supply, have been sourced from either APA's Asset Management System (Maximo) or APA's Geographic information System (GIS).	Actual		
High pressure to High pressure (metres augmented)	Volumes for the following mains augmentation projects have been sourced from either APA's Asset Management	Actual		

System (Maximo) or APA's Geographic information System (GIS).:

- 3133 Seaford Aldinga HP Network
- 3132 New Gate Station Gawler

Volumes for the following projects were captured in the last Reset RIN covering years 2014/15 to 2018/19 alongside the majority of the expenditure:

- 3015 Major Projects – Murray Bridge i.e. 2,100m
- 3065 Major Projects – Adelaide CBD HP Main Ext East i.e. 1,250m

Workbook 2 - E4. Meter Replacement

E4.1 - Capex

E4.1.1 – New Meters Acquired

Variable	Data source, Methodology and Assumptions	Actual / Estimate	Justification (if estimated)	Additional Comments
2019/20 - 2023/24	<p><i>Refer to Appendices A and B for a description of the systems and processes that support AGN Limited's cost capture and reporting of Capex and related Network Overheads presented below.</i></p> <p><i>Refer to the Regulatory Accounting Principles and Policies and Cost Allocation Methodology documents for guidance on certain expenditure categories that may be included or excluded from capex for regulatory purposes, and in relation to AGN Limited's policies and processes for cost allocation.</i></p>			<p><i>2019/20 information was previously submitted to the AER on 30 November 2020 (resubmitted on 11 February 2021) as per the Notice issued on 28 February 2020 Refer section (e)(i) of the cover letter AER Ref:65112</i></p>
Direct Internal labour expenditure	AGN Limited does not incur internal labour expenditure in relation to delivery of its Capex program. Delivery of AGN Limited's Capex program is performed by APA under the OMA. Accordingly, this expenditure is reported as Direct Contractor expenditure below.			
- Residential		Actual		
- Industrial and Commercial		Actual		
- Other		Actual		

Variable	Data source, Methodology and Assumptions	Actual / Estimate	Justification (if estimated)	Additional Comments
Direct Contractor expenditure	<p>Given all network capex is performed by APA under the OMA, direct capex is all categorised as Direct Contractor Expenditure.</p> <p>Expenditure has been reported only against New Meters Acquired and Meter Refurbishment because AGN Limited and APA's business systems and processes are not designed to provide any further breakdown of costs, as requested in this RIN table. Data is captured by APA on the number of meters refurbished each year and this has been used to split the costs between new and refurbished meters.</p> <p>Capex reported in this category relates to the cost of new meters installed into the AGN SA network for operation.</p> <p>Replacing domestic gas meters involves:</p> <ul style="list-style-type: none"> • procuring any new or refurbished meters required, including quality control; • planning and scheduling of meters to be changed over; • organising resources (combination of direct and contractor) to carry out the meter change, which includes testing of outlet service and relighting appliances, and if required, re-attending premises after hours if the customer requires assistance; 			

Variable	Data source, Methodology and Assumptions	Actual / Estimate	Justification (if estimated)	Additional Comments
	<ul style="list-style-type: none"> • testing meters brought in from the field; • life extension; and • refurbishing meters as required. <p>Costs reported for New Meters include the above activities, excluding the cost of refurbished meters which are reported in their own category below. A meter is an instrument that measures the quantity of gas passing through it and includes associated equipment attached to the instrument to filter, control or regulate the flow of gas.</p> <p>Capex reported for Meter Replacement projects has been identified with reference to the expenditure captured in APA's Workday (formerly Oracle) finance system against the following activity names:</p> <ul style="list-style-type: none"> • 2545 Meter – Change – Domestic (Residential) • 2546– Change – Dom – Unscheduled (Residential) • 2745 Meter – Change – I&C < 10TJ (Industrial & Commercial) • 2845 Meter – Change – I&C > 10TJ (Industrial & Commercial) • 3127 Major Project – DGMS Pilot (Other) <p>Meter Replacement projects (inclusive of both direct and overhead expenditure) form part of the Meters asset class.</p>			

Variable	Data source, Methodology and Assumptions	Actual / Estimate	Justification (if estimated)	Additional Comments
	Expenditure for New Meters Acquired and Meter Refurbishment has been totalled and then allocated between each category and each customer type based on the proportion of new and refurbished meters each year (as advised by APA)			
- Residential	Refer above	Actual		
- Industrial and Commercial	Refer above	Actual		
- Other	Refer above	Actual		
Direct Material expenditure	AGN Limited does not incur Direct Material expenditure in relation to delivery of its Capex program. Delivery of AGN Limited's Capex program is performed by APA under the OMA. Accordingly, this expenditure is reported as Direct Contractor expenditure above.			
- Residential		Actual		
- Industrial and Commercial		Actual		

Variable	Data source, Methodology and Assumptions	Actual / Estimate	Justification (if estimated)	Additional Comments
- Other		Actual		
Other Direct expenditure	AGN Limited does not incur Other Direct expenditure in relation to delivery of its Capex program. Delivery of AGN Limited's Capex program is performed by APA under the OMA. Accordingly, this expenditure is reported as Direct Contractor expenditure above.			
- Residential		Actual		
- Industrial and Commercial		Actual		
- Other		Actual		
Related Party margin expenditure	AGN Limited does not have any Related Party Margin expenditure to report in the RIN template			
- Residential		Actual		
- Industrial and Commercial		Actual		
- Other		Actual		

Variable	Data source, Methodology and Assumptions	Actual / Estimate	Justification (if estimated)	Additional Comments
Capital Contributions	AGN Limited received no Capital contributions in relation to Meter Replacement Capex.			
- Residential		Actual		
- Industrial and Commercial		Actual		
- Other		Actual		

E4.1.2 – Meter Refurbishment

Variable	Data source, Methodology and Assumptions	Actual / Estimate	Justification (if estimated)	Additional Comments
2019/20 - 2023/24	<p><i>Refer to Appendices A and B for a description of the systems and processes that support AGN Limited's cost capture and reporting of Capex and Network Overheads presented below.</i></p> <p><i>Refer to the Regulatory Accounting Principles and Policies and Cost Allocation Methodology documents for guidance on certain expenditure categories that may be included or excluded from capex for regulatory purposes, and in relation to AGN Limited's policies and processes for cost allocation.</i></p>			<p><i>2019/20 information was previously submitted to the AER on 30 November 2020 (resubmitted on 11 February 2021) as per the Notice issued on 28 February 2020 Refer section (e)(i) of the cover letter AER Ref:65112</i></p>
Direct Internal labour expenditure	AGN Limited does not incur internal labour expenditure in relation to delivery of its Capex program. Delivery of AGN Limited's Capex program is performed by APA under the OMA. Accordingly, this			

Variable	Data source, Methodology and Assumptions	Actual / Estimate	Justification (if estimated)	Additional Comments
	expenditure is reported as Direct Contractor expenditure below.			
- Residential		Actual		
- Industrial and Commercial		Actual		
- Other		Actual		
Direct Contractor expenditure	<p>Given all network capex is performed by APA under the OMA, direct capex is all categorised as Direct Contractor Expenditure.</p> <p>Capex reported in this category relates to meters that were operating within the AGN SA network which were temporarily taken out of operation and that were able to be restored to full function through a process of being refurbished. Costs reported include installation and other meter replacement costs because there is no data available with which to separate those costs. Costs reported in this table excludes the cost of New Meters which are reported in their own category above.</p> <p>Refer to Basis of Preparation explanation above against New Meters Acquired. Expenditure has been totalled for New Meters Acquired and Meter</p>			

Variable	Data source, Methodology and Assumptions	Actual / Estimate	Justification (if estimated)	Additional Comments
	Refurbishment and allocated based on the proportion of new and refurbished meters each year.			
- Residential	Refer above	Actual		
- Industrial and Commercial	Refer above	Actual		
- Other	N/A	Actual		
Direct Material expenditure	AGN Limited does not incur Direct Material expenditure in relation to delivery of its Capex program. Delivery of AGN Limited's Capex program is performed by under the OMA. Accordingly, this expenditure is reported as Direct Contractor expenditure above.			
- Residential		Actual		
- Industrial and Commercial		Actual		
- Other		Actual		

Variable	Data source, Methodology and Assumptions	Actual / Estimate	Justification (if estimated)	Additional Comments
Other Direct expenditure	AGN Limited does not incur Other Direct expenditure in relation to delivery of its Capex program. Delivery of AGN Limited's Capex program is performed by under the OMA. Accordingly, this expenditure is reported as Direct Contractor expenditure above.			
- Residential		Actual		
- Industrial and Commercial		Actual		
- Other		Actual		
Related Party margin expenditure	AGN Limited does not have any Related Party Margin expenditure to report in the RIN template			
- Residential		Actual		
- Industrial and Commercial		Actual		
- Other		Actual		
Capital Contributions	AGN Limited received no Capital contributions in relation to Meter Replacement Capex.			

Variable	Data source, Methodology and Assumptions	Actual / Estimate	Justification (if estimated)	Additional Comments
- Residential		Actual		
- Industrial and Commercial		Actual		
- Other		Actual		

E4.1.3 – Meter Installation

Variable	Data source, Methodology and Assumptions	Actual / Estimate	Justification (if estimated)	Additional Comments
2019/20 - 2023/24				
Direct Internal labour expenditure	AGN Limited does not incur internal labour expenditure in relation to delivery of its Capex program. Delivery of AGN Limited's Capex program is performed by APA under the OMA. Accordingly, this expenditure is reported as Direct Contractor expenditure below.			
- Residential		Actual		
- Industrial and Commercial		Actual		

Variable	Data source, Methodology and Assumptions	Actual / Estimate	Justification (if estimated)	Additional Comments
- Other		Actual		
Direct Contractor expenditure	The costs of installing meters are not separately identified within AGN Limited and APA's business systems. Installation costs have been included in the costs reported above for new and refurbished meters; hence there is no information available to report in this table.			
- Residential		Actual		
- Industrial and Commercial		Actual		
- Other		Actual		
Direct Material expenditure	AGN Limited does not incur Direct Material expenditure in relation to delivery of its Capex program. Delivery of AGN Limited's Capex program is performed by under the OMA. Accordingly, this expenditure is reported as Direct Contractor expenditure above.			
- Residential		Actual		

Variable	Data source, Methodology and Assumptions	Actual / Estimate	Justification (if estimated)	Additional Comments
- Industrial and Commercial		Actual		
- Other		Actual		
Other Direct expenditure	AGN Limited does not incur Other Direct expenditure in relation to delivery of its Capex program. Delivery of AGN Limited's Capex program is performed by under the OMA. Accordingly, this expenditure is reported as Direct Contractor expenditure above.			
- Residential		Actual		
- Industrial and Commercial		Actual		
- Other		Actual		
Related Party margin expenditure	AGN Limited does not have any Related Party Margin expenditure to report in the RIN template			
- Residential		Actual		
- Industrial and Commercial		Actual		

Variable	Data source, Methodology and Assumptions	Actual / Estimate	Justification (if estimated)	Additional Comments
- Other		Actual		
Capital Contributions	AGN Limited received no Capital contributions in relation to Meter Replacement Capex.			
- Residential		Actual		
- Industrial and Commercial		Actual		
- Other		Actual		

E4.1.4 – Other Meter Replacement Capex

Variable	Data source, Methodology and Assumptions	Actual / Estimate	Justification (if estimated)	Additional Comments
2019/20 - 2023/24				
Direct Internal labour expenditure	AGN Limited does not incur internal labour expenditure in relation to delivery of its Capex program. Delivery of AGN Limited's Capex program is performed by APA under the OMA. Accordingly, this expenditure is reported as Direct Contractor expenditure below.			

Variable	Data source, Methodology and Assumptions	Actual / Estimate	Justification (if estimated)	Additional Comments
- Residential		Actual		
- Industrial and Commercial		Actual		
- Other		Actual		
Direct Contractor expenditure	Other meter replacement costs are not separately identified within AGN Limited and APA's business systems, these costs have been included in the costs reported above for new and refurbished meters; hence there is no information available to report in this table.			
- Residential		Actual		
- Industrial and Commercial		Actual		
- Other		Actual		
Direct Material expenditure	AGN Limited does not incur Direct Material expenditure in relation to delivery of its Capex program. Delivery of AGN Limited's Capex program is performed by under the OMA. Accordingly, this expenditure is reported as Direct Contractor expenditure above.			

Variable	Data source, Methodology and Assumptions	Actual / Estimate	Justification (if estimated)	Additional Comments
- Residential		Actual		
- Industrial and Commercial		Actual		
- Other		Actual		
Other Direct expenditure	AGN Limited does not incur Other Direct expenditure in relation to delivery of its Capex program. Delivery of AGN Limited's Capex program is performed by under the OMA. Accordingly, this expenditure is reported as Direct Contractor expenditure above.			
- Residential		Actual		
- Industrial and Commercial		Actual		
- Other		Actual		
Related Party margin expenditure	AGN Limited does not have any Related Party Margin expenditure to report in the RIN template			
- Residential		Actual		

Variable	Data source, Methodology and Assumptions	Actual / Estimate	Justification (if estimated)	Additional Comments
- Industrial and Commercial		Actual		
- Other		Actual		
Capital Contributions	AGN Limited received no Capital contributions in relation to Meter Replacement Capex.			
- Residential		Actual		
- Industrial and Commercial		Actual		
- Other		Actual		

E4.2 – Volumes

E4.2.1 – Number of New Meters Acquired

Variable	Data source, Methodology and Assumptions	Actual / Estimate	Justification (if estimated)	Additional Comments
2019/20 - 2023/24				2019/20 information was previously submitted to the AER on 30 November 2020 (resubmitted on 11 February 2021) as per the Notice issued on 28 February 2020 Refer section (e)(i) of the cover letter AER Ref:65112
Residential (#of new meters acquired)	<p>Data sourced from APA business management systems, including its Workday (formerly Oracle) General Ledger, which is integrated with a separate Asset Management System (Maximo) which allocates Volumes against the following activity name:</p> <ul style="list-style-type: none"> 2545 Meter – Change – Domestic <p>Volumes of New Meters Acquired and Meter Refurbishment has been totalled and then allocated between each category and each customer type based on the proportion of new and refurbished meters in each year for each customer type.</p>	Actual		
Industrial and commercial (#of new meters acquired)	<p>Data sourced from APA business management systems, including its Workday (formerly Oracle) General Ledger, which is integrated with a separate Asset Management System (Maximo) which allocates Volumes against the following activity names:</p> <ul style="list-style-type: none"> 2745 Meter – Change – I&C < 10TJ 	Actual		

Variable	Data source, Methodology and Assumptions	Actual / Estimate	Justification (if estimated)	Additional Comments
	Volumes of New Meters Acquired and Meter Refurbishment has been totalled and then allocated between each category and each customer type based on the proportion of new and refurbished meters in each year for each customer type.			
Other (# of new meters acquired)	<p>Data sourced from APA business management systems, including its Workday (formerly Oracle) General Ledger, which is integrated with a separate Asset Management System (Maximo) which allocates Volumes against the following activity name:</p> <ul style="list-style-type: none"> 2545 Meter – Change – Domestic <p>(The digital meter volumes were included as part of the residential (domestic) volumes as they related to existing customers They were identified via the type of work Order raised).</p>	Actual		

E4.2.2 – Number of Meters Refurbished

Variable	Data source, Methodology and Assumptions	Actual / Estimate	Justification (if estimated)	Additional Comments
2019/20 - 2023/24				
Residential (# of refurbishable meters removed)	Data sourced from APA business management systems, including its Workday (formerly Oracle) General Ledger, which is integrated with a separate	Actual		

Variable	Data source, Methodology and Assumptions	Actual / Estimate	Justification (if estimated)	Additional Comments
	<p>Asset Management System (Maximo) which allocates Volumes against the following activity name:</p> <ul style="list-style-type: none"> 2545 Meter – Change – Domestic <p>Volumes of New Meters Acquired and Meter Refurbishment has been totalled and then allocated between each category and each customer type based on the proportion of new and refurbished meters in each year for each customer type.</p>			
Industrial and commercial (# of refurbishable meters removed)	<p>Data sourced from APA business management systems, including its Workday (formerly Oracle) General Ledger, which is integrated with a separate Asset Management System (Maximo) which allocates Volumes against the following activity names:</p> <ul style="list-style-type: none"> 2745 Meter – Change – I&C < 10TJ <p>Volumes of New Meters Acquired and Meter Refurbishment has been totalled and then allocated between each category and each customer type based on the proportion of new and refurbished meters in each year for each customer type.</p>	Actual		
Other (# of refurbishable meters removed)	There are no volumes to report for this category of meters refurbished.	Actual		

Variable	Data source, Methodology and Assumptions	Actual / Estimate	Justification (if estimated)	Additional Comments
Residential (# of meters decommissioned)	Residential Meters Decommissioned are assumed to be equal to the number of New Meters as above.	Estimated	<p>Data on the number of residential meters decommissioned is not individually captured in AGN Limited or APA's systems. Therefore an assumption needed to be made for this section of the RIN template.</p> <p>AGN Limited believes these estimates have been arrived on a reasonable basis and is the best estimate possible in the circumstance.</p>	
Industrial and commercial (# of meters decommissioned)	Industrial and Commercial Meters Decommissioned are assumed to be equal to the number of New Meters as above.	Estimated	<p>Data on the number of industrial and commercial meters decommissioned is not individually captured in AGN Limited or APA's systems. Therefore an assumption needed to be made for this</p>	

Variable	Data source, Methodology and Assumptions	Actual / Estimate	Justification (if estimated)	Additional Comments
			<p>section of the RIN template.</p> <p>AGN Limited believes these estimates have been arrived on a reasonable basis and is the best estimate possible in the circumstance.</p>	
Other (# of meters decommissioned)	Other (Digital) Meters Decommissioned are assumed to be equal to the number of New Meters as above.	Actual		

E4.2.3 – Number of Meters Installed

Variable	Data source, Methodology and Assumptions	Actual / Estimate	Justification (if estimated)	Additional Comments
2019/20 - 2023/24				
Residential (# of meters installed)	<p>Data sourced from APA business management systems, including its Workday (formerly Oracle) General Ledger, which is integrated with a separate Asset Management System (Maximo) which allocates Volumes against the following activity name:</p> <ul style="list-style-type: none"> 2545 Meter – Change – Domestic 	Actual		

Variable	Data source, Methodology and Assumptions	Actual / Estimate	Justification (if estimated)	Additional Comments
	<p>Volumes of New Meters Acquired and Meter Refurbishment has been totalled and then allocated between each category and each customer type based on the proportion of new and refurbished meters in each year for each customer type.</p> <p>Number of Meters installed is assumed to be the total number of Residential Meters Changed Out.</p>			
Industrial and commercial (# of meters installed)	<p>Data Source sourced from APA business management systems, including its Workday (formerly Oracle) General Ledger, which is integrated with a separate Asset Management System (Maximo) which allocates Volumes against the following activity names:</p> <ul style="list-style-type: none"> 2745 Meter – Change – I&C < 10TJ <p>Volumes of New Meters Acquired and Meter Refurbishment has been totalled and then allocated between each category and each customer type based on the proportion of new and refurbished meters in each year for each customer type.</p> <p>Number of Meters installed is assumed to be the total number of Commercial & Industrial Meters Changed Out.</p>	Actual		
Other (# of meters installed)	<p>Data sourced from APA business management systems, including its Workday (formerly Oracle) General Ledger, which is integrated with a separate</p>	Actual		

Variable	Data source, Methodology and Assumptions	Actual / Estimate	Justification (if estimated)	Additional Comments
	<p>Asset Management System (Maximo) which allocates Volumes against the following activity name:</p> <ul style="list-style-type: none"> 2545 Meter – Change – Domestic <p>Number of Meters installed is assumed to be the total number of Other (Digital) Meters Changed Out.</p>			

E4.2.4 – Number of Meters Removed/Decommissioned

Variable	Data source, Methodology and Assumptions	Actual / Estimate	Justification (if estimated)	Additional Comments
2019/20 - 2023/24				
Residential (# of meters)	Residential Meters Decommissioned are assumed to be equal to the number of New Meters as above.	Estimate		
Industrial and commercial (# of meters)	Industrial and Commercial Meters Decommissioned are assumed to be equal to the number of New Meters as above.	Estimate		
Other (# of meters)	Other (Digital) Meters Decommissioned are assumed to be equal to the number of New Meters as above.	Actual		

E4.2.5 – Other Meter Replacement Volume

Variable	Data source, Methodology and Assumptions	Actual / Estimate	Justification (if estimated)	Additional Comments
2019/20 - 2023/24				
Residential (# of meters)	AGN Limited and its contractor APA's business systems are not configured to capture "Other Meter Replacement" activities, hence there is no information available to report in this table.	Actual		
Industrial and commercial (# of meters)	AGN Limited and its contractor APA's business systems are not configured to capture "Other Meter Replacement" activities, hence there is no information available to report in this table.	Actual		
Other (# of meters)	AGN Limited and its contractor APA's business systems are not configured to capture "Other Meter Replacement" activities, hence there is no information available to report in this table.	Actual		

Workbook 2 - E5. New Connections

E5.1 - Expenditure

E5.1.1 – Capex – by Connection Type

Variable	Data source, Methodology and Assumptions	Actual / Estimate	Justification (if estimated)	Additional Comments
2019/20 - 2023/24	<p>Refer to Appendices A and B for a description of the systems and processes that support AGN Limited's cost capture and reporting of Capex and related Network Overheads presented below.</p> <p>Refer to the Regulatory Accounting Principles and Policies and Cost Allocation Methodology documents for guidance on certain expenditure categories that may be included or excluded from capex for regulatory purposes, and in relation to AGN Limited's policies and processes for cost allocation.</p>			2019/20 information was previously submitted to the AER on 30 November 2020 (resubmitted on 11 February 2021) as per the Notice issued on 28 February 2020 Refer section (e)(i) of the cover letter AER Ref:65112
Direct Internal labour expenditure	AGN Limited does not incur internal labour expenditure in relation to delivery of its Capex program. Delivery of AGN Limited's Capex program is performed by APA under the OMA. Accordingly, this expenditure is reported as Direct Contractor expenditure below.			
- Electricity to gas		Actual		
- New homes		Actual		
-				
- New medium		Actual		

Variable	Data source, Methodology and Assumptions	Actual / Estimate	Justification (if estimated)	Additional Comments
density/high rise				
- Industrial & commercial tariff		Actual		
- Industrial & commercial contract		Actual		
- Gas Suppliers		Actual		
Direct Contractor expenditure	<p>Given all network capex is performed by APA under the OMA, direct capex is all categorised as Direct Contractor Expenditure.</p> <p>Capex reported as New Connections relates to expenditure on connections established or to be established, in accordance with Part 12A of the NGR and applicable energy laws, where there is no existing connection. Connection means a physical link between the gas distribution network and a retail customer's premises to allow the flow of natural gas.</p>			

Variable	Data source, Methodology and Assumptions	Actual / Estimate	Justification (if estimated)	Additional Comments
	<p>Any activities that relate to extending the network to connect a new customer, has been treated as Connections and not as Augmentation.</p> <p>Augmentation expenditure has been identified as activities related to increasing the size or capacity of the pipeline.</p> <p>Supply Mains projects have been treated as Connections expenditure because they are not increasing the size or capacity of the pipeline upstream of the new connection.</p> <p>Capex reported for New Connections has been identified with reference to the expenditure captured in APA's Workday (formerly Oracle) finance system against the following activity names:</p> <ul style="list-style-type: none"> • 2705 Design – I&C Mains Extn < 10TJ • 2725 Meter – Fabrication < 10TJ • 2535 Meter – Growth – Domestic • 2735 Meter – Growth – I&C < 10TJ • 2635 Meter – Growth – Multiuser • 2730 Meter – Installation < 10TJ • 2511 New Main – Estate • 2510 New Main – Existing Domestic • 2710 New Main – I&C < 10TJ • 2516 New Service – Exist Home • 2715 New Service – I&C < 10TJ • 2615 New Service – Multiuser • 2515 New Service – New Home 			

Variable	Data source, Methodology and Assumptions	Actual / Estimate	Justification (if estimated)	Additional Comments
	<ul style="list-style-type: none"> 2825 Meter – Fabrication > 10TJ 2835 Meter – Growth – I&C > 10TJ 2810 New Main – I&C > 10TJ 2815 New Services – I&C > 10TJ <p>In addition to the following project categorised internally as Supply Mains projects:</p> <ul style="list-style-type: none"> 3064 Major Projects – Roseworthy Mains Extension 3139 Mitchell Park Expansion <p>Expenditure has also been categorised as relating to the following sub-categories for the purpose of determining unit rates as required in Table E5.2.1 below:</p> <ul style="list-style-type: none"> Distribution Mains Inlet Service Pipes Meters <p>Note: There is no Distribution Mains expenditure reported under the connection type iii) New Medium Density / High Rise, as this forms part of Existing Mains. This expenditure is reported as relating to either New Homes or Electricity to Gas connections but we note that in some cases the trunk main may support some Industrial & Commercial customers (e.g. a local shopping centre).</p>			

Variable	Data source, Methodology and Assumptions	Actual / Estimate	Justification (if estimated)	Additional Comments
	<p>New Connections capex (inclusive of both direct and overhead expenditure) form part of the following asset classes:</p> <ul style="list-style-type: none"> • Mains (for all Distribution Mains expenditure) • Inlets (for inlet service pipes) • Meters (for all Meters expenditure) <p>Expenditure for projects in this category against each of above activity/project names has been allocated to the connection types shown in the RIN template as follows:</p>			
- Electricity to gas	<ul style="list-style-type: none"> • 2535 Meter – Growth – Domestic • 2510 New Main – Existing Domestic • 2516 New Service – Exist Home <p>The data captured by AGN Limited and its contractor APA against the activity 2535 Meter – Growth – Domestic listed above does not of itself enable the identification of the relevant Connection type for reporting in this RIN table.</p> <p>Therefore, in order to determine the volume and cost of Connections by Connection type for this specific activity code, as required in the RIN table, it has been necessary to reference data recorded against other activity codes</p>	Actual		

Variable	Data source, Methodology and Assumptions	Actual / Estimate	Justification (if estimated)	Additional Comments
	<p>that are considered to very closely relate to this activity and Connection type.</p> <p>For this activity code (2535 Meter – Growth – Domestic) the expenditure specifically related to the Electricity to gas Connection type has been identified with reference to the volume of Inlet service pipes allocated to the activity 2516 New Service – Existing Home.</p> <p>The volume of Inlet service pipes recorded against this activity is assumed to represent the equivalent volume of Meters relating to Connection type Electricity to gas.</p> <p>This derived volume of Meters estimated to relate to Electricity to gas has then been multiplied by the average unit cost for all Meters recorded against activity 2535 Meter – Growth – Domestic, to arrive at the estimated cost of Meters for connection type Electricity to gas.</p> <p>AGN Limited is confident that the volumes are derived from a reasonable basis and therefore consider this to be Actual information.</p>			
- New homes	<ul style="list-style-type: none"> 2511 New Main – Estate 2515 New Service – New Home 2535 Meter – Growth - Domestic <p>And the following Supply Mains projects:</p>	Actual		

Variable	Data source, Methodology and Assumptions	Actual / Estimate	Justification (if estimated)	Additional Comments
	<ul style="list-style-type: none"> • 3064 Major Projects – Roseworthy Mains Extension • 3139 Mitchell Park Expansion <p>As stated above, the data captured by AGN Limited and its contractor APA against the activity 2535 Meter – Growth – Domestic listed above does not of itself enable the identification of the relevant Connection type for reporting in this RIN table.</p> <p>For this activity code (2535 Meter – Growth – Domestic) the expenditure specifically related to the New homes Connection type has been identified with reference to the volume of Inlet service pipes allocated to the activity 2515 New Service – New Home.</p> <p>The volume of Inlet service pipes recorded against this activity is assumed to represent the equivalent volume of Meters related to the Connection type New homes.</p> <p>This derived volume of Meters estimated to relate to “New homes” has then been multiplied by the average unit cost for all Meters recorded against activity 2535 Meter – Growth – Domestic, to arrive at the estimated cost for connection type New homes.</p> <p>AGN Limited is confident that the volumes are derived from a reasonable basis and therefore consider this to be Actual information.</p>			

Variable	Data source, Methodology and Assumptions	Actual / Estimate	Justification (if estimated)	Additional Comments
- New medium density/high rise	<ul style="list-style-type: none"> 2635 Meter – Growth – Multiuser 2615 New Service – Multiuser 2535 Meter – Growth - Domestic <p>As stated above, the data captured by AGN Limited and its contractor APA against the activity 2535 Meter – Growth – Domestic listed above does not of itself enable the identification of the relevant Connection type for reporting in this RIN table.</p> <p>For activity 2535 Meter – Growth – Domestic the expenditure specifically related to New medium density/high rise has been identified by taking the total expenditure against this activity and deducting the amounts separately identified above that are reported as being for Electricity to gas and New homes.</p> <p>AGN Limited is confident that the volumes are derived from a reasonable basis and therefore consider this to be Actual information.</p>	Actual		
- Industrial & commercial tariff	<ul style="list-style-type: none"> 2705 Design – I&C Mains Extn < 10TJ 2725 Meter – Fabrication < 10TJ 2735 Meter – Growth – I&C <10TJ 2730 Meter – Installation < 10TJ 2710 New Main – I&C < 10TJ 	Actual		

Variable	Data source, Methodology and Assumptions	Actual / Estimate	Justification (if estimated)	Additional Comments
	<ul style="list-style-type: none"> 2715 New Service – I&C < 10TJ 			
- Industrial & commercial contract	<ul style="list-style-type: none"> 2825 Meter – Fabrication > 10TJ 2835 Meter – Growth – I&C > 10TJ 2830 Meter – Installation > 10TJ 2810 New Main – I&C > 10TJ 2815 New Service – I&C > 10TJ 	Actual		Credit reported in 2021/22 represents an accrual reversal
- Gas Suppliers	Nil to report	Actual		
Direct Material expenditure	AGN Limited does not incur Direct Material expenditure in relation to delivery of its Capex program. Delivery of AGN Limited's Capex program is performed by APA under the OMA. Accordingly, this expenditure is reported as Direct Contractor expenditure above.			
- Electricity to gas		Actual		
- New homes		Actual		
- New medium density/high rise		Actual		

Variable	Data source, Methodology and Assumptions	Actual / Estimate	Justification (if estimated)	Additional Comments
- Industrial & commercial tariff		Actual		
- Industrial & commercial contract		Actual		
- Gas Suppliers		Actual		
Other Direct expenditure	AGN Limited does not incur Other Direct expenditure in relation to delivery of its Capex program. Delivery of AGN Limited's Capex program is performed by APA under the OMA. Accordingly, this expenditure is reported as Direct Contractor expenditure above.			
- Electricity to gas		Actual		
- New homes		Actual		
- New medium		Actual		

Variable	Data source, Methodology and Assumptions	Actual / Estimate	Justification (if estimated)	Additional Comments
density/high rise				
- Industrial & commercial tariff		Actual		
- Industrial & commercial contract		Actual		
- Gas Suppliers		Actual		
Related Party margin expenditure	AGN Limited does not have any Related Party Margin expenditure to report in the RIN template			
- Electricity to gas		Actual		
- New homes		Actual		
- New medium density/high rise		Actual		

Variable	Data source, Methodology and Assumptions	Actual / Estimate	Justification (if estimated)	Additional Comments
- Industrial & commercial tariff		Actual		
- Industrial & commercial contract		Actual		
- Gas Suppliers		Actual		
Capital Contributions				
- Electricity to gas	Nil to report	Actual		
- New homes	The amount of Capital contributions reported for New Homes (domestic/small commercial customers) has been derived from invoiced revenue. This revenue mostly funds the economic shortfall for Mains. The calculation of this revenue includes allowance for a 20% margin.	Actual		Contributions reported are inclusive of direct and overheads
- New medium	Nil to report	Actual		

Variable	Data source, Methodology and Assumptions	Actual / Estimate	Justification (if estimated)	Additional Comments
density/high rise				
- Industrial & commercial tariff	Nil to report	Actual		
- Industrial & commercial contract	<p>The amount of Capital Contributions reported for Industrial & Commercial Contract customers, is derived from the amounts of related capex incurred, as reported by APA in the Capex Data Model (with an adjustment to remove the allocated NMF).</p> <p>The Capex Activities in APA's Workday (formerly Oracle) finance system related to this category of Capex and Capital Contributions are:</p> <ul style="list-style-type: none"> • 2810 New Main – I&C > 10TJ (relating to Mains) • 2815 New Service – I&C > 10TJ (relating to Inlets) • 2825 Meter Fabrication > 10TJ (relating to Meters) • 2830 Meter Installation > 10TJ (relating to Meters) • 2835 Meter Growth – I&C > 10TJ (relating to Meters) 	Actual	<p>Capital contributions for works undertaken at customers' request are typically received up-front or in milestone payments that do not necessarily match the timing of related expenditure incurred by AGN Limited.</p> <p>Accordingly, in order to match Capital contributions received with related Capex incurred, the</p>	Contributions reported are inclusive of direct and overheads

Variable	Data source, Methodology and Assumptions	Actual / Estimate	Justification (if estimated)	Additional Comments
			<p>amounts reported for Capital contributions related to New Connections has been derived from the amounts of Capex incurred on these projects.</p> <p>Rather than deriving these amounts from payments received, this approach is considered by AGN Limited to be a better representation of the Capital contributions relating to the activity undertaken in each year.</p>	
- Gas Suppliers	Nil to report	Actual		

E5.2 - Unit Rates

E5.2.1 – Unit Rates – Per Connection – by Connection Type

Variable	Data source, Methodology and Assumptions	Actual / Estimate	Justification (if estimated)	Additional Comments
2019/20 - 2023/24				2019/20 information was previously submitted to the AER on 30 November 2020 (resubmitted on 11 February 2021) as per the Notice issued on 28 February 2020 Refer section (e)(i) of the cover letter AER Ref:65112
Electricity to gas	Unit rates have been manually calculated based on information (\$'s and units) sourced from APA business management systems, including its Workday (formerly Oracle) General Ledger, which is integrated with a separate Asset Management System (Maximo) with reference to the following activities:	Estimate	Given the unit rates reported are not directly sourced from APA's business management systems, AGN have deemed these as estimates. AGN believe these are the best estimates possible.	
- Distribution mains (per meter per connection)	2510 New Main – Existing Domestic			

Variable	Data source, Methodology and Assumptions	Actual / Estimate	Justification (if estimated)	Additional Comments
- Inlet services pipes (per service per connection)	2516 New Service – Exist Home			
- Meters (number per connection)	2535 Meter – Growth – Domestic			
New homes	Unit rates have been manually calculated based on information (\$'s and units) sourced from APA business management systems, including its Workday (formerly Oracle) General Ledger, which is integrated with a separate Asset Management System (Maximo) with reference to the following activities:	Estimate	Given the unit rates reported are not directly sourced from APA's business management systems, AGN have deemed these as estimate. AGN believe these are the best estimates possible.	
- Distribution mains (per meter per connection)	2511 New Main – Estate			

Variable	Data source, Methodology and Assumptions	Actual / Estimate	Justification (if estimated)	Additional Comments
- Inlet services pipes (per service per connection)	2515 New Service – New Home			
- Meters (number per connection)	2535 Meter – Growth – Domestic			
New medium density / high rise	Unit rates have been manually calculated based on information (\$'s and units) sourced from APA business management systems, including its Workday (formerly Oracle) General Ledger, which is integrated with a separate Asset Management System (Maximo) with reference to the following activities:	Estimate	Given the unit rates reported are not directly sourced from APA's business management systems, AGN have deemed these as estimate. AGN believe these are the best estimates possible.	
- Distribution mains (per meter per connection)	There is no unit rates reported for Distribution Mains expenditure under the connection type C. New Medium Density / High Rise, as this forms part of Existing Mains as noted above in the expenditure table.			

Variable	Data source, Methodology and Assumptions	Actual / Estimate	Justification (if estimated)	Additional Comments
- Inlet services pipes (per service per connection)	2615 New Service – Multiuser			
- Meters (number per connection)	2535 Meter – Growth – Domestic			
Industrial & Commercial Tariff	Unit rates have been manually calculated based on information (\$'s and units) sourced from APA business management systems, including its Workday (formerly Oracle) General Ledger, which is integrated with a separate Asset Management System (Maximo) with reference to the following activities:	Estimate	Given the unit rates reported are not directly sourced from APA's business management systems, AGN have deemed these as estimate. AGN believe these are the best estimates possible.	
- Distribution mains (per meter per connection)	2710 New Main – I&C < 10TJ			

Variable	Data source, Methodology and Assumptions	Actual / Estimate	Justification (if estimated)	Additional Comments
- Inlet services pipes (per service per connection)	2715 New Service – I&C < 10TJ			
- Meters (number per connection)	2735 Meter – Growth – I&C < 10TJ			
Industrial & Commercial Contract	Unit rates have been manually calculated based on information (\$'s and units) sourced from APA business management systems, including its Workday (formerly Oracle) General Ledger, which is integrated with a separate Asset Management System (Maximo) with reference to the following activities:	Estimate	Given the unit rates reported are not directly sourced from APA's business management systems, AGN have deemed these as estimate. AGN believe these are the best estimates possible.	Unit rates are not applicable for the connection type E. Industrial & Commercial Contract due to the low volumes and high degree of variability in the scope and complexity of the work. The scope of work is dependent on the technical requirements of each Industrial & Commercial Contract and therefore these connections are designed, costed and installed on a case-by-case basis.
- Distribution mains (per meter per connection)	2810 New Main – I&C > 10TJ			

Variable	Data source, Methodology and Assumptions	Actual / Estimate	Justification (if estimated)	Additional Comments
- Inlet services pipes (per service per connection)	2815 New Services – I&C > 10TJ			
- Meters (number per connection)	2815 New Services – I&C > 10TJ			
Gas suppliers				
- Distribution mains (per meter per connection)				Nil to report
- Inlet services pipes (per service per connection)				Nil to report
- Meters (number per connection)				Nil to report

E5.3 – Volumes

E5.3.1 – Number of new connections

Variable	Data source, Methodology and Assumptions	Actual / Estimate	Justification (if estimated)	Additional Comments
2019/20 - 2023/24				2019/20 information was previously submitted to the AER on 30 November 2020 (resubmitted on 11 February 2021) as per the Notice issued on 28 February 2020 Refer section (e)(i) of the cover letter AER Ref:65112
Electricity to gas (# of new connections)	<p>Data Source sourced from APA business management systems, including its Workday (formerly Oracle) General Ledger, which is integrated a separate Asset Management System (Maximo) which allocates Volumes against the following activity names:</p> <ul style="list-style-type: none"> 2516 New Service – Exist Home <p>It is assumed that there is a 1:1 relationship with 2535 Meter – Growth – Domestic.</p> <p>AGN Limited is confident that the volumes are derived from a reasonable basis and therefore consider this to be actual information.</p>	Actual		
New homes (# of new connections)	Data Source sourced from APA business management systems, including its Workday (formerly Oracle) General Ledger, which is integrated a separate Asset Management System	Actual		

Variable	Data source, Methodology and Assumptions	Actual / Estimate	Justification (if estimated)	Additional Comments
	<p>(Maximo) which allocates Volumes against the following activity names:</p> <ul style="list-style-type: none"> 2515 New Service – New Home <p>It is assumed that there is a 1:1 relationship with 2535 Meter – Growth – Domestic.</p> <p>AGN Limited is confident that the volumes are derived from a reasonable basis and therefore consider this to be actual information.</p>			
New medium density / high rise (# of new connections)	<p>Data Source sourced from APA business management systems, including its Workday (formerly Oracle) General Ledger, which is integrated a separate Asset Management System (Maximo) which allocates Volumes against the following activity names:</p> <ul style="list-style-type: none"> 2615 New Service – Multiuser <p>It is assumed that there is a 1:1 relationship with 2535 Meter – Growth – Domestic to New Home and E to G services and that the residual are Medium Density connections.</p> <p>AGN Limited is confident that the volumes are derived from a reasonable basis and therefore consider this to be actual information</p>	Actual		

Variable	Data source, Methodology and Assumptions	Actual / Estimate	Justification (if estimated)	Additional Comments
Industrial & Commercial Tariff (# of new connections)	<p>Data Source sourced from APA business management systems, including its Workday (formerly Oracle) General Ledger, which is integrated a separate Asset Management System (Maximo) which allocates Volumes against the following activity names:</p> <ul style="list-style-type: none"> 2735 Meter – Growth – I&C < 10TJ <p>It is assumed that there is a 1:1 relationship with 2735 Meter – Growth – I&C < 10TJ.</p> <p>AGN Limited is confident that the volumes are derived from a reasonable basis and therefore consider this to be actual information.</p>	Actual		
Industrial & Commercial Contract (# of new connections)	Data sourced from the AGN SA Annual RINs tab S1.1 Customer numbers. Table S1.1 Customer Numbers – By Customer type. C Industrial “Total Customer connections”	Estimate	The volume of new connections for Industrial & Commercial Contract Customers are not reliably recorded in Maximo so AGN consider this to be a more accurate approach.	Refer also to Additional Comments under 5.2 Unit Rates.

Variable	Data source, Methodology and Assumptions	Actual / Estimate	Justification (if estimated)	Additional Comments
Gas Suppliers		Actual		Nil to report

E5.3.2 – Volumes – Per Connection – by Connection Type

Variable	Data source, Methodology and Assumptions	Actual / Estimate	Justification (if estimated)	Additional Comments
2019/20 - 2023/24				
Electricity to gas				
- Distribution mains (metre per connection)	<p>Data sourced from APA business management systems, including its Workday (formerly Oracle) General Ledger, which is integrated a separate Asset Management System (Maximo) which allocates Volumes against the following activity name:</p> <p>2510 New Main – Existing Domestic</p> <p>This is then divided by the number of connections reported in E5.3.1 Number of New Connections for Connection Type Electricity to Gas</p>	Actual		
- Inlet services pipes (service per connection)	<p>Data sourced from APA business management systems, including its Workday (formerly Oracle) General Ledger, which is integrated a separate Asset Management System (Maximo) which allocates Volumes against the following activity name:</p> <p>2516 New Service – Exist Home: 2535 Meter – Growth – Domestic</p>	Actual		

Variable	Data source, Methodology and Assumptions	Actual / Estimate	Justification (if estimated)	Additional Comments
	<p>This is then divided by the number of connections reported in E5.3.1 Number of New Connections for Connection Type Electricity to Gas</p> <p>Assumed 1:1 relationship between Meter : Service</p> <p>AGN Limited is confident that the volumes are derived from a reasonable basis and therefore consider this to be actual information.</p>			
- Meters (# per connection)	<p>Data sourced from APA business management systems, including its Workday (formerly Oracle) General Ledger, which is integrated a separate Asset Management System (Maximo) which allocates Volumes against the following activity name:</p> <p>2516 New Service – Exist Home: 2535 Meter – Growth – Domestic</p> <p>This is then divided by the number of connections reported in E5.3.1 Number of New Connections for Connection Type Electricity to Gas</p> <p>Assumed 1:1 relationship between Meter : Service</p>	Actual		

Variable	Data source, Methodology and Assumptions	Actual / Estimate	Justification (if estimated)	Additional Comments
	AGN Limited is confident that the volumes are derived from a reasonable basis and therefore consider this to be actual information.			
New homes				
- Distribution mains (metre per connection)	<p>Data sourced from APA business management systems, including its Workday (formerly Oracle) General Ledger, which is integrated a separate Asset Management System (Maximo) which allocates Volumes against the following activity name:</p> <p>2511 New Main – Estate and Supply Main Major Projects</p> <p>This is then divided by the number of connections reported in E5.3.1 Number of New Connections for Connection Type New Homes</p>	Actual		
- Inlet services pipes (service per connection)	<p>Data sourced from APA business management systems, including its Workday (formerly Oracle) General Ledger, which is integrated a separate Asset Management System (Maximo) which allocates Volumes against the following activity name:</p>	Actual		

Variable	Data source, Methodology and Assumptions	Actual / Estimate	Justification (if estimated)	Additional Comments
	<p>2515 New Service – New Home: 2535 Meter – Growth – Domestic</p> <p>This is then divided by the number of connections reported in E5.3.1 Number of New Connections for Connection Type New Homes</p> <p>Assumed 1:1 relationship between Meter : Service</p> <p>AGN Limited is confident that the volumes are derived from a reasonable basis and therefore consider this to be actual information.</p>			
- Meters (# per connection)	<p>Data sourced from APA business management systems, including its Workday (formerly Oracle) General Ledger, which is integrated a separate Asset Management System (Maximo) which allocates Volumes against the following activity name:</p> <p>2515 New Service – New Home: 2535 Meter – Growth – Domestic</p> <p>This is then divided by the number of connections reported in E5.3.1 Number of New Connections for Connection Type New Homes</p> <p>Assumed 1:1 relationship between Meter : Service</p>	Actual		

Variable	Data source, Methodology and Assumptions	Actual / Estimate	Justification (if estimated)	Additional Comments
	AGN Limited is confident that the volumes are derived from a reasonable basis and therefore consider this to be actual information.			
New medium density / high rise				
- Distribution mains (metre per connection)	Not Accounted for separately. Included as part of Existing Mains.	Actual		
- Inlet services pipes (service per connection)	Assumed 1 service per connection	Actual		
- Meters (# per connection)	<p>Data sourced from APA business management systems, including its Workday (formerly Oracle) General Ledger, which is integrated a separate Asset Management System (Maximo) which allocates Volumes against the following activity name:</p> <ul style="list-style-type: none"> 2535 Meter – Growth - Domestic <p>The residual number of meters in the above activity once the volumes for Electricity to gas and New Homes has been deducted (as reported in table E5.3.2 Number of New Connections for connection type New medium density/high rise)</p>	Actual		

Variable	Data source, Methodology and Assumptions	Actual / Estimate	Justification (if estimated)	Additional Comments
	divided by the volume of Services reported in the following activity name: <ul style="list-style-type: none"> 2615 New Service – Multiuser 			
Industrial & Commercial Tariff				
- Distribution mains (metre per connection)	<p>Data sourced from APA business management systems, including its Workday (formerly Oracle) General Ledger, which is integrated a separate Asset Management System (Maximo) which allocates Volumes against the following activity name:</p> <p>2710 New Main – I&C < 10TJ</p> <p>This is then divided by the number of connections reported in E5.3.1 Number of New Connections for Connection Type Industrial and commercial tariff</p>	Actual		
- Inlet services pipes (service per connection)	<p>Data sourced from APA business management systems, including its Workday (formerly Oracle) General Ledger, which is integrated a separate Asset Management System (Maximo) which allocates Volumes against the following activity name:</p>	Actual		

Variable	Data source, Methodology and Assumptions	Actual / Estimate	Justification (if estimated)	Additional Comments
	<p>2715 New Service – I&C < 10TJ</p> <p>This is then divided by the number of connections reported in E5.3.1 Number of New Connections for Connection Type Industrial and commercial tariff</p> <p>AGN Limited is confident that the volumes are derived from a reasonable basis and therefore consider this to be actual information.</p>			
- Meters (# per connection)	<p>Data sourced from APA business management systems, including its Workday (formerly Oracle) General Ledger, which is integrated a separate Asset Management System (Maximo) which allocates Volumes against the following activity name:</p> <p>2735 Meter – Growth – I&C < 10TJ</p> <p>This is then divided by the number of connections reported in E5.3.1 Number of New Connections for Connection Type Industrial and commercial tariff</p> <p>AGN Limited is confident that the volumes are derived from a reasonable basis and therefore consider this to be actual information.</p>	Actual		

Variable	Data source, Methodology and Assumptions	Actual / Estimate	Justification (if estimated)	Additional Comments
Industrial & Commercial Contract				
- Distribution mains (meter per connection)	<p>Data sourced from APA business management systems, including its Workday (formerly Oracle) General Ledger, which is integrated a separate Asset Management System (Maximo) which allocates Volumes against the following activity name:</p> <p>2810 New Main – I&C > 10TJ/ 2815 New Services – I&C > 10TJ</p>	Estimate		No volumes are reported in Maximo in 2021/22 therefore have assumed 1000 metres per connection for Distribution mains
- Inlet services pipes (service per connection)	No volumes are reported in Maximo, so it has been assumed that the number of inlet service pipes per connection is equal to the number of new connections reported in Table E5.3.1 for E Industrial and Commercial Contract.	Estimate		
- Meters (# per connection)	No volumes are reported in Maximo, so it has been assumed that the number of meters per connection is equal to the number of new connections reported in Table E5.3.1 for E Industrial and Commercial Contract.	Estimate		
Gas Suppliers				Nil to report

Variable	Data source, Methodology and Assumptions	Actual / Estimate	Justification (if estimated)	Additional Comments
- Distribution mains (meter per connection)				
- Inlet services pipes (service per connection)				
- Meters (# per connection)				

E5.4 – Capital Contributions

E5.4.1- Value of Capital Contributions – by Connection Type

Variable	Data source, Methodology and Assumptions	Actual / Estimate	Justification (if estimated)	Additional Comments
2019/20 - 2023/24				
Electricity to gas	AGN Limited received no Capital Contributions in relation to the Electricity to gas connection type.	Actual		
New homes	The amount of Capital Contributions reported for New Homes is linked to E5.1.1 table F Capital Contributions - (ii) New Homes	Actual		
New medium density / high rise	AGN Limited received no Capital Contributions in relation to the New medium density / high rise connection type.	Actual		
Industrial & Commercial Tariff	AGN Limited received no Capital Contributions in relation to the Industrial & Commercial Tariff connection type.	Actual		
Industrial & Commercial Contract	The amount of Capital Contributions reported for Industrial & Commercial Contract customers is linked to E5.1.1 table F Capital Contributions – (v) Industrial and Commercial Contract	Actual		

Variable	Data source, Methodology and Assumptions	Actual / Estimate	Justification (if estimated)	Additional Comments
Gas Suppliers	AGN Limited received no Capital Contributions in relation to Gas Suppliers connection type.	Actual		

E5.4.2 – Number of Capital Contributions – by Connection Type

Variable	Data source, Methodology and Assumptions	Actual / Estimate	Justification (if estimated)	Additional Comments
2019/20 - 2023/24				
Electricity to gas	AGN Limited received no Capital Contributions in relation to the Electricity to gas connection type.	Actual		
New homes	The number of Capital contributions received for New homes has been estimated with reference to the number of invoices that are recorded in AGN Limited's accounts receivable ledger, against the Customer contributions revenue account code.	Estimate	AGN Limited and its capital delivery contractor APA does not capture data related to Capital contributions for New homes to a level of detail which provides a precise record of the individual contributions	The capital contributions reported are inclusive of direct costs and overheads

Variable	Data source, Methodology and Assumptions	Actual / Estimate	Justification (if estimated)	Additional Comments
			received for each new home. It is AGN Limited's assumption that one invoice for Capital contributions represents one Capital contribution.	
New medium density / high rise	AGN Limited received no Capital Contributions in relation to the New medium density / high rise connection type.	Actual		
Industrial & Commercial Tariff	AGN Limited received no Capital Contributions in relation to the Industrial & Commercial Tariff connection type.	Actual		
Industrial & Commercial Contract	The number of Capital contributions received for Industrial & Commercial Contract customers has been estimated with reference to counting the number of projects recorded against the relevant activity codes which map to Industrial & Commercial Contract Connections Capex.	Estimate	The business systems utilised by AGN Limited and its capital delivery contractor APA, does not capture the number of Capital	The capital contributions reported are inclusive of direct costs and overheads

Variable	Data source, Methodology and Assumptions	Actual / Estimate	Justification (if estimated)	Additional Comments
			contributions received.	
Gas Suppliers	AGN Limited received no Capital Contributions in relation to Gas Suppliers connection type.	Actual		

Workbook 2 - E6. Non-Network

E6.5 – Telemetry

E6.5.1 – Capex – by Project

Variable	Data source, Methodology and Assumptions	Actual / Estimate	Justification (if estimated)	Additional Comments
2019/20 - 2023/24	<p>Refer to Appendices A and B for a description of the systems and processes that support AGN Limited's cost capture and reporting of Capex and related Network Overheads presented below.</p> <p>Refer to the Regulatory Accounting Principles and Policies and Cost Allocation Methodology documents for guidance on certain expenditure categories that may be included or excluded from capex for regulatory purposes, and in relation to AGN Limited's policies and processes for cost allocation</p>			2019/20 information was previously submitted to the AER on 30 November 2020 (resubmitted on 11 February 2021) as per the Notice issued on 28 February 2020 Refer section (e)(i) of the cover letter AER Ref:65112
Direct Internal labour expenditure	AGN Limited does not incur internal labour expenditure in relation to delivery of its Non-Network Telemetry Capex. Delivery of AGN Limited's Telemetry Capex is performed by APA under the OMA. Accordingly, this expenditure is reported as Direct Contractor expenditure below.	Actual		
Direct Contractor expenditure	<p>Given all Telemetry capex is performed by APA under the OMA, direct capex is all categorised as Direct Contractor Expenditure.</p> <p>Telemetry projects include capital expenditure incurred in the replacement of SCADA (Supervisory control and data acquisition) equipment operating in the network due to the condition of the assets.</p>	Actual		

Variable	Data source, Methodology and Assumptions	Actual / Estimate	Justification (if estimated)	Additional Comments
	<p>Expenditure reported for Telemetry Capex projects has been identified with reference to the expenditure captured in APA's Workday (formerly Oracle) finance system against the following activity names:</p> <ul style="list-style-type: none"> • 2175 Telemetry – System – Capital Works • 2156 Network – Control & Monitoring - Capex <p>Telemetry projects (inclusive of both direct and overhead expenditure) form part of the Telemetry asset class.</p> <p>As there were no Telemetry Capex projects with expenditure greater than \$500k per annum for the years being reported in the RIN template, all expenditure is reported against the single line for 'Aggregate of projects with expenditure of less than \$500,000'.</p>			
Direct Material expenditure	<p>AGN Limited does not incur Direct Material expenditure in relation to delivery of its Capex program. Delivery of AGN Limited's Capex program is performed by APA under the OMA. Accordingly, this expenditure is reported as Direct Contractor expenditure above.</p>	Actual		

Variable	Data source, Methodology and Assumptions	Actual / Estimate	Justification (if estimated)	Additional Comments
Other Direct expenditure	AGN Limited does not incur Other Direct expenditure in relation to delivery of its Capex program. Delivery of AGN Limited's Capex program is performed by APA under the OMA. Accordingly, this expenditure is reported as Direct Contractor expenditure above.	Actual		
Related Party margin expenditure	AGN Limited does not have any Related Party Margin expenditure to report in the RIN template	Actual		
Capital Contributions	AGN Limited has received no Capital Contributions in relation to expenditure reported as Telemetry capex.	Actual		

E6.5.2 – Expenditure by Purpose

Variable	Data source, Methodology and Assumptions	Actual / Estimate	Justification (if estimated)	Additional Comments
2019/20 - 2023/24	<i>Refer to Appendices A and B for a description of the systems and processes that support AGN Limited's cost capture and reporting of Capex and related Network Overheads presented below.</i> <i>Refer to the Regulatory Accounting Principles and Policies and Cost Allocation Methodology documents for guidance on certain expenditure categories that may be included or excluded from capex for regulatory purposes, and in relation to AGN Limited's policies and processes for cost allocation</i>			
OPEX – Recurrent expenditure	Data sourced from APA business management systems, including its Workday (formerly Oracle) General Ledger and more specifically the Ring-Fenced Accounts (RFA).	Actual		

Variable	Data source, Methodology and Assumptions	Actual / Estimate	Justification (if estimated)	Additional Comments
	<p>The RFA is prepared by APA each half year and reports on all expenditure (operating and capital), including the capitalisation of support and shared business costs and allocations into each of AGN Limited's scheme and non-scheme business zones.</p> <p>The RFAs have been and continue to be a key source of data for regulatory reporting purposes.</p> <p>AGN Limited fully reconciles the operating expenditure reporting provided by APA in the RFAs with its own SAP S/4HANA general ledger, separate billing data received from APA and with reporting provided in the AER regulatory templates.</p> <p>The "Gas Control/Telemetry" activity/cost centre reported in the RFA captures the general operation and maintenance of AGN's SCADA equipment. Such activities include remote terminal unit (RTU) repairs, Network pressure monitoring etc</p>			
OPEX - Non-recurrent expenditure		Actual		Assumed all Telemetry opex is recurrent
CAPEX – Recurrent expenditure	<p>Expenditure reported for Telemetry Capex projects has been identified with reference to the expenditure captured in APA's Workday (formerly Oracle) finance system against the following activity names:</p> <ul style="list-style-type: none"> 2175 Telemetry – System – Capital Works 	Actual		

Variable	Data source, Methodology and Assumptions	Actual / Estimate	Justification (if estimated)	Additional Comments
	<ul style="list-style-type: none"> 2156 Network – Control & Monitoring – Capex <p>All telemetry capex is reported as recurrent capex.</p> <p>AGN has an ongoing SCADA end of life replacement program, whereby we will typically replace any assets that are at the end of their technical lives and/or are in poor condition.</p>			
CAPEX – Non-Recurrent expenditure		Actual		Assumed all Telemetry capex is recurrent

Workbook 2 - E10. Overheads

E10.1- Network

E10.1.1 – Opex

Variable	Data source, Methodology and Assumptions	Actual / Estimate	Justification (if estimated)	Additional Comments
2019/20 - 2023/24	<p>Refer to Appendices A and B for a description of the systems and processes that support AGN Limited's cost capture and reporting of Capex and related Network Overheads presented below.</p> <p>Refer to the Regulatory Accounting Principles and Policies and Cost Allocation Methodology documents for guidance on certain expenditure categories that may be included or excluded from capex for regulatory purposes, and in relation to AGN Limited's policies and processes for cost allocation.</p>			<p>2019/20 information was previously submitted to the AER on 30 November 2020 (resubmitted on 11 February 2021) as per the Notice issued on 28 February 2020 Refer section (e)(i) of the cover letter AER Ref:65112</p>
Reference Services	<p>AGN Limited receives charges for Opex related activities from its principal contractor APA, in total (i.e. not separated between direct costs and overheads). This expenditure is all reported to the AER as Repairs and Maintenance.</p> <p>Therefore, there is nil overheads to report in this RIN table.</p>	Actual		
Non-reference Services	<p>AGN Limited receives charges for Opex related activities (including Non-reference Services) from its principal contractor APA, in total (i.e. not separated between direct costs and overheads). This expenditure is all reported to the AER as Repairs and Maintenance.</p> <p>Therefore, there is nil overheads to report in this RIN table.</p>	Actual		

E10.1.2 – Capex

Variable	Data source, Methodology and Assumptions	Actual / Estimate	Justification (if estimated)	Additional Comments
2019/20 - 2023/24	<i>Refer to Appendix B for a description of the systems and processes that support AGN Limited's cost capture and reporting of Overheads expenditure as presented below.</i>			
Reference Services	<p>The Network Overheads reported as Capex in this table is the total of capitalised overheads allocated across all the below capex categories:</p> <ul style="list-style-type: none"> • E2 Mains Replacement • E3 Mains Augmentation • E4 Meter Replacement • E5 New Connections • E6 Non-Network - Telemetry • E13 Other Capex <p>The ICT capex category does not attract an allocation of network overheads. Refer to that section of the Basis of Preparation for further detail.</p> <p>Refer to Appendix C for a description of the adjustments made due to regulatory accounting policies.</p>	Actual		<p>In prior RESET RINs, overheads were reported separately in each of the capex categories i.e. E2, E3, E4, E5, E6 and E13 and projects under "Other Direct Expenditure". In this current template, overheads are reported as a total in E10.1.2 <u>only</u>.</p> <p>Refer to Appendix C for a description of the adjustments made due to regulatory accounting policies. Specifically see adjustment type:</p> <ul style="list-style-type: none"> • "Network Management Fee"
Non-reference Services	AGN SA has no Capex to report for Non-reference Services as all of its capital activities relate to Reference Services.	Actual		

E10.2 – Corporate

E10.2.1- Opex

Variable	Data source, Methodology and Assumptions	Actual / Estimate	Justification (if estimated)	Additional Comments
2019/20 - 2023/24				
Reference Services	AGN Limited does not allocate or account for its internal costs as overheads. This expenditure is reported to the AER as Other Opex (in the most part). Therefore a Null response is provided to this RIN table.	Null		
Non-reference Services	AGN Limited does not allocate or account for its internal costs as overheads. This expenditure is reported to the AER as Other Opex (in the most part). Therefore a Null response is provided to this RIN table.	Null		

E10.2.2 – Capex

Variable	Data source, Methodology and Assumptions	Actual / Estimate	Justification (if estimated)	Additional Comments
2019/20 - 2023/24				
Reference Services	As per AGN Limited's Capitalisation Policy, its internal costs are not capitalised.	Actual		

Variable	Data source, Methodology and Assumptions	Actual / Estimate	Justification (if estimated)	Additional Comments
Non-reference Services	<p>As per AGN Limited's Capitalisation Policy, its internal costs are not capitalised.</p> <p>Further, AGN Limited does not have any Capex activities that relate to Non-reference Services. All of AGN SA's Capex activities relate to Reference Services.</p>	Actual		

Workbook 2 - E12. Information and Communication Technology

E12.1 – Capex – by Project

Variable	Data source, Methodology and Assumptions	Actual / Estimate	Justification (if estimated)	Additional Comments
2019/20 - 2023/24	<p>Refer to Appendices A and B for a description of the systems and processes that support AGN Limited's cost capture and reporting of Capex and related Network Overheads presented below.</p> <p>Refer to the Regulatory Accounting Principles and Policies and Cost Allocation Methodology documents for guidance on certain expenditure categories that may be included or excluded from capex for regulatory purposes, and in relation to AGN Limited's policies and processes for cost allocation.</p>			<p>2019/20 information was previously submitted to the AER on 30 November 2020 (resubmitted on 11 February 2021) as per the Notice issued on 28 February 2020 Refer section (e)(i) of the cover letter AER Ref:65112</p>
Direct Internal labour expenditure	<p>AGN Limited (and in turn AGN SA), incur internal labour expenditure in regard to ICT capex for projects managed at the AGIG Group level.</p> <p>This information is recorded in AGN's finance system SAP S/4HANA (formerly SAP Business One). Analysis of specific "CIT" project codes and certain general ledger account codes (SAP Business one) that have been established for these projects, are analysed to identify and extract any internal labour expenditure for reporting to the AER. Further, once these projects are capitalised, they are added to AGN Limited's Fixed Assets Registers which are maintained by APA.</p>	Actual		Note: Negative amounts reported in the RIN template represent reversal of accruals.

Variable	Data source, Methodology and Assumptions	Actual / Estimate	Justification (if estimated)	Additional Comments
	<p>This expenditure is reported separately and is captured in the following projects:</p> <ul style="list-style-type: none"> • AGIG IT Strategy and Roadmap (SA138) • 1040-CIT-000001 AGIG Strategy and Roadmap (SA 138) - IT Transformation Project • 1040-CIT-000009 & 000021 AGIG Strategy and Roadmap (SA 138) - One ERP Project • Digital Customer Experience (SA 137) (various smaller projects) • IT Infrastructure (SA 139) (various smaller projects) <p>All ICT projects reported form part of the IT Systems asset class.</p> <p>Refer to Appendix A: "Cost Collection and Reporting Process – Capex" for more details on the AGN Internal Capex process.</p>			
Direct Contractor expenditure	The majority of network capex is performed by APA under the OMA or otherwise outsourced to other external contractors.	Actual		Note: Negative amounts reported in the RIN template represent reversal of accruals and or reallocation to another ICT project

Variable	Data source, Methodology and Assumptions	Actual / Estimate	Justification (if estimated)	Additional Comments
	<p>This capex is categorised as Direct Contractor Expenditure.</p> <p>ICT expenditure includes capital expenditure associated with ICT assets (e.g. physical hardware and software and the associated development and implementation costs that are capitalised in accordance with relevant accounting standards and policies).</p> <p>Expenditure reported for ICT capex projects has been identified with reference to specific project names in APA's Workday (formerly Oracle) finance system that are known to be ICT projects. Projects with expenditure greater than \$500k per annum have been reported separately, with all other projects in this category grouped.</p> <p>The projects reported as ICT capex projects with expenditure greater than \$500k per annum are identified by the following activity names in APA's Workday (formerly Oracle) finance system:</p> <ul style="list-style-type: none"> 3198 MAJOR PROJECTS - GIS CONSOLIDATION (SA 58) 			<p>Refer to Appendix C for a description of the adjustments made due to regulatory accounting policies. Specifically see adjustment type:</p> <ul style="list-style-type: none"> "Accounting for Cloud – based technology (including Software as a Service (SaaS))"

Variable	Data source, Methodology and Assumptions	Actual / Estimate	Justification (if estimated)	Additional Comments
	<ul style="list-style-type: none"> 3229 MAJOR PROJECTS - APPLICATIONS RENEWAL - CC&B UPGRADE (SA 117) 3202 MAJOR PROJECTS - MOBILITY INTEGRATION (SA59) 3203 MAJOR PROJECTS - BUSINESS INTELLIGENCE (SA 160) 3254 MAJOR PROJECTS - LIFE SUPPORT B2B 3261 MAJOR PROJECT - MNB UPGRADE (SA 117) <p>As mentioned above, various other ICT capex projects have also been identified with reference to their project/activity names in APA's Workday (formerly Oracle) finance system, with expenditure less than \$500k per annum, expenditure for these projects has been aggregated and reported as a single line in the RIN template.</p> <p>As explained above, AGN Limited (and in turn AGN SA), also incur direct contractor expenditure in regard to ICT capex for projects managed at the AGIG Group level.</p> <p>This information is recorded in AGN's finance system SAP S/4HANA (formerly SAP Business One). Analysis of specific "CIT" project codes and certain general ledger account codes</p>			

Variable	Data source, Methodology and Assumptions	Actual / Estimate	Justification (if estimated)	Additional Comments
	<p>(SAP Business One) that have been established for these projects, are analysed to identify and extract any direct contractor expenditure for reporting to the AER. Further, once these projects are capitalised they are added to AGN Limited's Fixed Assets Registers which are maintained by APA</p> <p>This expenditure is reported separately and is captured in the following project:</p> <ul style="list-style-type: none"> • AGIG IT Strategy and Roadmap (SA138) • 1040-CIT-000001 AGIG Strategy and Roadmap (SA 138) - IT Transformation Project • 1040-CIT-000009 & 000021 AGIG Strategy and Roadmap (SA 138) - One ERP Project • Digital Customer Experience (SA 137) (various smaller projects) • IT Infrastructure (SA 139) (various smaller projects) <p>All ICT projects reported form part of the IT Systems asset class.</p>			

Variable	Data source, Methodology and Assumptions	Actual / Estimate	Justification (if estimated)	Additional Comments
	Refer to Appendix A: "Cost Collection and Reporting Process – Capex" for more details on the AGN Internal Capex process.			
Direct Material expenditure	AGN Limited has not reported any IT capex as Direct Material expenditure. All other AGN IT capex, that is non APA and non-internal labour capex, has been reported as Other Direct Expenditure. Refer below.	Actual		
Other Direct expenditure	<p>AGN Limited has Other Direct Expenditure in relation to ICT capex (i.e. Infrastructure renewals, year one licensing etc) This information is recorded in AGN's finance system SAP S/4HANA (formerly SAP Business One). Analysis of specific "CIT" project codes and certain general ledger account codes (SAP Business One) that have been established for these projects, are analysed to identify and extract any Other Direct expenditure for reporting to the AER. Further, once these projects are capitalised, they are added to AGN Limited's Fixed Assets Registers which are maintained by APA.</p> <p>This expenditure is reported separately and is captured in the following project:</p>	Actual		

Variable	Data source, Methodology and Assumptions	Actual / Estimate	Justification (if estimated)	Additional Comments
	<ul style="list-style-type: none"> AGIG IT Strategy and Roadmap (SA138) 1040-CIT-000001 AGIG Strategy and Roadmap (SA 138) - IT Transformation Project 1040-CIT-000009 & 000021 AGIG Strategy and Roadmap (SA 138) - One ERP Project IT Infrastructure (SA 139) (various smaller projects) <p>All ICT projects reported form part of the IT Systems asset class.</p> <p>Refer to Appendix A: "Cost Collection and Reporting Process – Capex" for more details on the AGN Internal Capex process.</p>			
Related Party margin expenditure	AGN Limited does not have any Related Party Margin expenditure to report in the RIN template	Actual		
Capital Contributions	AGN Limited has received no Capital Contributions in relation to expenditure reported as ICT Capex.	Actual		

E12.2 – Expenditure by Purpose

Variable	Data source, Methodology and Assumptions	Actual / Estimate	Justification (if estimated)	Additional Comments
2019/20 - 2023/24	<p><i>Refer to Appendices A and B for a description of the systems and processes that support AGN Limited's cost capture and reporting of Capex and related Network Overheads presented below.</i></p> <p><i>Refer to the Regulatory Accounting Principles and Policies and Cost Allocation Methodology documents for guidance on certain expenditure categories that may be included or excluded from capex for regulatory purposes, and in relation to AGN Limited's policies and processes for cost allocation</i></p>			
OPEX – Recurrent expenditure	<p>Data sourced from the APA business management systems, including its Workday (formerly Oracle) General Ledger and more specifically the Ring-Fenced Accounts (RFA).</p> <p>The RFA reports on Shared Services charges which include IT related opex. APA Finance provided a breakdown of the IT opex expenditure which allowed AGN to populate this table. Such items include recharges for infrastructure, applications, project delivery, depreciation, SaaS, support for GIS and Metering and Billing system etc. This has been reported on a net basis as a portion of the Shared Services charge is capitalised.</p> <p>This expenditure has all been classified as recurrent expenditure.</p> <p>In addition to the IT opex recharged from APA, AGN Limited has its own internal related IT opex.</p>	Estimate	<p>Recurrent IT Opex is estimated information as it does not include labour.</p> <p>Historically this information was not available in the general ledger at a department/functional level.</p>	

Variable	Data source, Methodology and Assumptions	Actual / Estimate	Justification (if estimated)	Additional Comments
	<p>This information is recorded in AGN's finance system SAP S/4HANA (formerly SAP Business One) against specific IT related general ledger account codes and cost centres. These account codes include:</p> <ul style="list-style-type: none"> • Software/hardware licences • IT support • IT purchases less than \$1,000 • IT consulting <p>AGN SA is then allocated a percentage of these costs in line with the AGN Limited CAM.</p> <p>This expenditure has all been classified as recurrent expenditure.</p>			
OPEX - Non-recurrent expenditure	AGN Limited has assumed all ICT opex is recurrent.	Actual		
CAPEX – Recurrent expenditure	<p>Expenditure reported for ICT Capex projects has been identified with reference to the expenditure captured in APA's Workday (formerly Oracle) finance system, in addition to the AGN managed IT projects recorded in AGN's finance system SAP S/4HANA (formerly SAP Business One).</p> <p>Detailed analysis of each of the ICT capex projects (based on our principals below) was undertaken as part of developing the AGN SA IT Investment Plan, to establish if the projects were deemed recurrent or non-recurrent.</p>	Actual		The total ICT capex reported in table E12.1 is equal to the ICT Capex reported in E12.2 CAPEX

Variable	Data source, Methodology and Assumptions	Actual / Estimate	Justification (if estimated)	Additional Comments
	<p><u>Recurrent ICT CAPEX</u></p> <p>These are business as usual activities that maintain current levels of IT services and are required to ensure our suite of applications, cyber controls and IT infrastructure is operationally functional, secure and kept 'in-support' by the service provider/vendor.</p>			
CAPEX – Non-Recurrent expenditure	<p><u>Non-recurrent ICT CAPEX</u></p> <p>As our businesses evolves, so do our IT systems (i.e. suite of applications, cyber controls and IT infrastructure). We regularly review whether our IT systems remain fit-for-purpose and the most effective and efficient way of providing our services in line with our customers' expectations. This includes through feedback from users across the organisation, and external developments in the technology environment. This process often results in the adoption of new IT systems, adoption of additional significant uplifts in the capability/functionality in existing IT systems or the wholesale replacement of an IT system.</p>	Actual		

Workbook 2 - E13. Other Capex

E13.1 – Other Capex – by Project

Variable	Data source, Methodology and Assumptions	Actual / Estimate	Justification (if estimated)	Additional Comments
2019/20 - 2023/24	<p>Refer to Appendices A and B for a description of the systems and processes that support AGN Limited's cost capture and reporting of Capex and related Network Overheads presented below.</p> <p>Refer to the Regulatory Accounting Principles and Policies and Cost Allocation Methodology documents for guidance on certain expenditure categories that may be included or excluded from capex for regulatory purposes, and in relation to AGN Limited's policies and processes for cost allocation.</p>			2019/20 information was previously submitted to the AER on 30 November 2020 (resubmitted on 11 February 2021) as per the Notice issued on 28 February 2020 Refer section (e)(i) of the cover letter AER Ref:65112
Direct Internal labour expenditure	AGN Limited does not incur internal labour expenditure in relation to delivery of its Other Capex. Delivery of AGN Limited's Other Capex is mostly performed by APA under the OMA. Any additional Other Capex incurred by AGN Limited is reported in Other Direct Expenditure.	Actual		
Direct Contractor expenditure	<p>Given most Other capex is performed by APA under the OMA, Other Capex in the most part, is categorised as Direct Contractor Expenditure.</p> <p>Expenditure reported for Other capex projects has been identified with reference to specific project names/activities in APA's Workday (formerly Oracle) finance systems that are known to be miscellaneous other projects that are not otherwise relevant to the other RIN template tables.</p> <p>Projects/activities with expenditure greater than \$500k per annum have been reported separately, with all other</p>	Actual		<p>Note: Negative amount reported in the RIN template represents a reversal of an accrual.</p> <p>Refer to Appendix C for a description of the adjustments made due to regulatory accounting policies. Specifically see adjustment type:</p> <ul style="list-style-type: none"> • "Heat Shrinking Sleeves (HSS)"

projects in this category grouped and reported in a single line in the RIN template.

The projects reported as Other capex projects are identified by the following activity names in APA's Workday (formerly Oracle) finance systems and includes for example Mains Alteration expenditure, Other Regulated Capex and other non-reticulation capital.

- 2106 C P - CORROSION PROTECTION - CAPEX
- 2130 MAINS ALTERATION - CHARGEABLE
- 2130 MAINS ALTERATION - CHARGEABLE - MA CL16 - Darlington S2 Mains
- 2130 MAINS ALTERATION - CHARGEABLE - MA_CY22_Celtic to Quinlan
- 2131 MAINS ALTERATION - NON-CHARGEABLE
- 2139 NETWORK - REGULATOR STAY IN BUSINESS
- 2142 NETWORK - REGULATOR CAPEX
- 2142 NETWORK - REGULATOR CAPEX - S_REGG_CY21 Replace_Regs_SA22
- 2152 NETWORK - STOPPLE EQUIPMENT
- 2152 NETWORK - STOPPLE EQUIPMENT - S_OTH_CY21 HDPE CI Area 4 SA52
- 2152 NETWORK - STOPPLE EQUIPMENT HDPE CAMERA
- 2160 NEW MAIN - IMPROVED SUPPLY - S_MRTPI_CY19_M188
- 2190 OTHER - NON-RETIC CAPITAL
- 3132_2160 NEW GATE STATION GAWLER_IMPROVED SUPPLY
- 2461 TRANSMISSION PIPELINE – ENHANCEMENTS

Other Capex projects (inclusive of both direct and overhead expenditure) in the most part, form part of the **Other**

	<p>distribution equipment and Other non-distribution equipment asset classes.</p> <p>However, over the period 2019/20 to 2023/24 project "3132_2160 NEW GATE STATION GAWLER_IMPROVED SUPPLY has been allocated between expenditure categories Mains Augex (Mains) and Other capex (City Gate) on a 25%/75% basis.</p>	
Direct Material expenditure	<p>AGN Limited has not reported any Other capex as Direct Material expenditure. All AGN Other capex, that is non-APA and non-internal labour capex, has been reported as Other Direct Expenditure. Refer below.</p>	Actual
Other Direct expenditure	<p>AGN Limited has Other Direct expenditure which is recorded in AGN's finance system SAP S/4HANA (formerly SAP Business One) against specific "COT" projects codes or general ledger account codes (SAP Business One). This enables AGN Limited to identify and extract this expenditure for reporting to the AER. Further, this expenditure is added to AGN Limited's Fixed Assets Register which is maintained by APA. Such assets include, Furniture and Fixtures, Motor Vehicles etc.</p> <p>There were no Other capex projects with expenditure that exceeded \$500k per annum for the years being reported in the RIN template, therefore this expenditure is reported in the aggregated line "Major Projects <\$500K".</p> <p>Refer to Appendix A: "Cost Collection and Reporting Process – Capex" for more details on the AGN Internal Capex process.</p>	Actual

Related Party margin expenditure	AGN Limited does not have any Related Party Margin expenditure to report in the RIN template	Actual		
Capital Contributions	<p>The amount of Capital contributions reported for Other Capex is derived from the amounts of related capex incurred, as reported by APA in the Capex Data Model (with an adjustment to remove the allocated NMF).</p> <p>The Capex Activities in APA's Workday (formerly Oracle) finance systems related to this category of Capex are:</p> <ul style="list-style-type: none"> • 2130 MAINS ALTERATION - CHARGEABLE • 2130 MAINS ALTERATION - CHARGEABLE - MA CL16 - Darlington S2 Mains • 2130 MAINS ALTERATION - CHARGEABLE - MA_CY22_Celtic to Quinlan <p>These Capital contributions predominantly relate to funded mains alteration projects. The nature of these projects is to undertake work at customers' request which they fund, for example to relocate assets due to major infrastructure projects.</p>	Actual	<p>Capital contributions for works undertaken at customers' request are typically received up-front or in milestone payments that do not necessarily match the timing of related expenditure incurred by AGN Limited.</p> <p>Contributions reported are inclusive of direct and overheads</p> <p>Accordingly, in order to match Capital contributions received with related Capex incurred, the amounts reported for Capital</p>	

contributions related to Other Capex has been derived from the amounts of Capex incurred on these projects (inclusive of overheads).

Rather than deriving these amounts from payments received, this approach is considered by AGN Limited to be a better representation of the Capital contributions relating to the activity undertaken in each year.

S1. Customer Numbers

S1.1 – Customer Numbers – by Customer (Gas) Type

Variable	Data source, Methodology and Assumptions	Actual / Estimate	Justification (if estimated)	Additional Comments
2019/20 - 2023/24				
A. Residential				
Customer numbers - beginning of year	Data is sourced from APA's Customer Care and Billing System (CC&B).	Actual		Consistent with AGN SA Annual RIN submissions
Customer numbers -end of year	Data is sourced from APA's Customer Care and Billing System (CC&B).	Actual		Consistent with AGN SA Annual RIN submissions
Total customer connections	<p>Data is sourced from APA's Customer Care and Billing System (CC&B).</p> <p>Customer Connections have been adjusted to include additional information requested under S1.3 for disconnection meter not removed. These have not previously been included in disconnection data.</p> <p>The total number of customer connections (prior to the adjustment re disconnections explained above) does not equal the volume of new connections in Table E5.3.2 (Electricity to gas, New Homes and New Medium density/High Rise) as the data is sourced from two different systems, CC&B versus Maximo. This creates a timing variance between when the connection</p>	Actual		The net movement in customers numbers (Connections less Disconnections) is consistent with the AGN SA Annual RIN submissions.

Variable	Data source, Methodology and Assumptions	Actual / Estimate	Justification (if estimated)	Additional Comments
	was installed versus when the customer was activated in CC&B.			
Total customer disconnections	<p>Data is sourced from APA's Customer Care and Billing System (CC&B).</p> <p>Customer Disconnections have been adjusted to include additional information requested under S1.4 for reconnections (previous supply at the connection point). These have not previously been included in connection data.</p>	Actual		The net movement in customers numbers (Connections less Disconnections) is consistent with the AGN SA Annual RIN submissions
B. Commercial				
Customer numbers - beginning of year	Data is sourced from APA's Customer Care and Billing System (CC&B).	Actual		Consistent with AGN SA Annual RIN submissions
Customer numbers -end of year	Data is sourced from APA's Customer Care and Billing System (CC&B).	Actual		Consistent with AGN SA Annual RIN submissions
Total customer connections	<p>Data is sourced from APA's Customer Care and Billing System (CC&B).</p> <p>Customer Connections have been adjusted to include additional information requested under S1.3 for disconnection meter not removed. These have not previously been included in disconnection data.</p> <p>The total number of customer connections (prior to the adjustment re disconnections explained above) does not equal the volume of new</p>	Actual		The net movement in customers numbers (Connections less Disconnections) is consistent with the AGN SA Annual RIN submissions

Variable	Data source, Methodology and Assumptions	Actual / Estimate	Justification (if estimated)	Additional Comments
	connections in Table E5.3.2 (Industrial and commercial tariff) as the data is sourced from two different systems, CC&B versus Maximo. This creates a timing variance between when the connection was installed versus when the customer was activated in CC&B.			
Total customer disconnections	Data is sourced from APA's Customer Care and Billing System (CC&B). Customer Disconnections have been adjusted to include additional information requested under S1.4 for reconnections (previous supply at the connection point). These have not previously been included in connection data.	Actual		The net movement in customers numbers (Connections less Disconnections) is consistent with the AGN SA Annual RIN submissions
C. Industrial				
Customer numbers - beginning of year	Data is sourced from APA's Customer Care and Billing System (CC&B).	Actual		Consistent with AGN SA Annual RIN submissions
Customer numbers -end of year	Data is sourced from APA's Customer Care and Billing System (CC&B).	Actual		Consistent with AGN SA Annual RIN submissions
Total customer connections	Data is sourced from APA's Customer Care and Billing System (CC&B).	Actual		Consistent with AGN SA Annual RIN submissions
Total customer disconnections	Data is sourced from APA's Customer Care and Billing System (CC&B).	Actual		Consistent with AGN SA Annual RIN submissions

S1.3 – Customer Disconnections – by Customer (Gas) Type

Variable	Data source, Methodology and Assumptions	Actual / Estimate	Justification (if estimated)	Additional Comments
2019/20 - 2023/24				
A. Residential				The breakdown of Residential disconnections below is equal to the Total Residential customer disconnections reported in Table S1.1 Data reported for years 2022/23 and 2023/24 is consistent with the AER - Gas quarterly disconnection reporting data.
Disconnections – meter not removed	Data is sourced from APA's Customer Care and Billing System (CC&B). Volumes reported against B2B Job code "AML", charging code "LOCKPLUG" for attaching Lock/Plugs to a meter.	Actual		
Disconnections – meter removed	Data is sourced from APA's Customer Care and Billing System (CC&B). Volumes reported are based on a count of decommissioned meters.	Actual		
Disconnection - Other	Nothing to report for this category	Actual		
Abolishment	Data is sourced from APA's Customer Care and Billing System (CC&B).	Actual		

Variable	Data source, Methodology and Assumptions	Actual / Estimate	Justification (if estimated)	Additional Comments
	Volumes reported are based on a count of deregistered meters.			
B. Commercial				<p>The breakdown of Commercial disconnections below is equal to the Total Commercial customer disconnections reported in Table S1.1</p> <p>Data reported for years 2022/23 and 2023/24 is consistent with the AER - Gas quarterly disconnection reporting data.</p>
Disconnections – meter not removed	<p>Data is sourced from APA's Customer Care and Billing System (CC&B).</p> <p>Volumes reported against B2B Job code "AML", charging code "LOCKPLUG" for attaching Lock/Plugs to a meter.</p>	Actual		
Disconnections – meter removed	<p>Data is sourced from APA's Customer Care and Billing System (CC&B).</p> <p>Volumes reported are based on a count of decommissioned meters.</p>	Actual		
Disconnection - Other	Nothing to report for this category	Actual		

Variable	Data source, Methodology and Assumptions	Actual / Estimate	Justification (if estimated)	Additional Comments
Abolishment	Data is sourced from APA's Customer Care and Billing System (CC&B). Volumes reported are based on a count of deregistered meters.	Actual		
C. Industrial				The breakdown of Industrial disconnections below is equal to the Total Industrial customer disconnections reported in Table S1.1 Data reported for years 2022/23 and 2023/24 is consistent with the AER - Gas quarterly disconnection reporting data.
Disconnections – meter not removed	Nothing to report for this category	Actual		
Disconnections – meter removed	Data is sourced from APA's Customer Care and Billing System (CC&B).	Actual		
Disconnection - Other	Nothing to report for this category	Actual		
Abolishment	Nothing to report for this category	Actual		

S1.4 – Connection Activities – by Customer (Gas) Type

Variable	Data source, Methodology and Assumptions	Actual / Estimate	Justification (if estimated)	Additional Comments
2019/20 - 2023/24				
A. Residential				The breakdown of Residential connections below is equal to the Total Residential customer connections reported in Table S1.1
New connections (no previous supply)	This represents the difference between Total Residential customer connections reported in Table S1.1 and the volume of residential reconnections and disconnections reported below.	Actual		
Reconnections (previous supply at the connection point)	<p>Data is sourced from APA's Customer Care and Billing System (CC&B).</p> <p>Volumes reported against B2B Job code "RML", charging code "RMVLKPLU" for removing Lock/Plugs to a meter</p> <p>Data reported for years 2022/23 and 2023/24 is consistent with the AER - Gas quarterly disconnection reporting data. For years 2019/20 to 2021/22, prior to the requirement to report the quarterly disconnection data to the AER, total volumes reported against "RML" have been allocated between Residential and Commercial based on</p>	Actual		

Variable	Data source, Methodology and Assumptions	Actual / Estimate	Justification (if estimated)	Additional Comments
	total closing customer numbers consistent with the methodology for AER reporting.			
B. Commercial				The breakdown of Commercial connections below is equal to the Total Commercial customer connections reported in Table S1.1
New connections (no previous supply)	This represents the difference between Total Residential customer connections reported in Table S1.1 and the volume of residential reconnections and disconnections reported below.	Actual		
Reconnections (previous supply at the connection point)	<p>Data is sourced from APA's Customer Care and Billing System (CC&B).</p> <p>Volumes reported against B2B Job code "RML", charging code "RMVLKPLU" for removing Lock/Plugs to a meter</p> <p>Data reported for years 2022/23 and 2023/24 is consistent with the AER - Gas quarterly disconnection reporting data. For years 2019/20 to 2021/22, prior to the requirement to report the quarterly disconnection data to the AER, total volumes reported against "RML" have been allocated between Residential and Commercial based on total closing customer numbers consistent with the methodology for AER reporting.</p>	Actual		

Variable	Data source, Methodology and Assumptions	Actual / Estimate	Justification (if estimated)	Additional Comments
C. Industrial				The breakdown of Industrial connections below is equal to the Total Industrial customer connections reported in Table S1.1
New connections (no previous supply)	Data is sourced from APA's Customer Care and Billing System (CC&B).	Actual		
Reconnections (previous supply at the connection point)	Nothing to report for this category	Actual		

S1.5 – Dormant Connections – by Customer (Gas) Type

Variable	Data source, Methodology and Assumptions	Actual / Estimate	Justification (if estimated)	Additional Comments
2019/20 - 2023/24				
A. Residential				
Dormant connection ≤ 12 months	Data is sourced from APA's Customer Care and Billing System (CC&B). Dormant Connections are defined as sites that have not consumed gas for up to 12 months in the last quarter of the current year.	Actual		Data is unavailable for years 2019/20 to 2021/22
Dormant connection ≥ 12 months	Data is sourced from APA's Customer Care and Billing System (CC&B). Dormant Connections are defined as sites that have not consumed gas for more than 12 months in the last quarter of the current year.	Actual		Data is unavailable for years 2019/20 to 2021/22
B. Commercial				
Dormant connection ≤ 12 months	Data is sourced from APA's Customer Care and Billing System (CC&B). Dormant Connections are defined as sites that have not consumed gas for up to 12 months in the last quarter of the current year.	Actual		Data is unavailable for years 2019/20 to 2021/22
Dormant connection ≥ 12 months	Data is sourced from APA's Customer Care and Billing System (CC&B).	Actual		Data is unavailable for years 2019/20 to 2021/22

Variable	Data source, Methodology and Assumptions	Actual / Estimate	Justification (if estimated)	Additional Comments
	Dormant Connections are defined as sites that have not consumed gas for more than 12 months in the last quarter of the current year.			
C. Industrial				
Dormant connection ≤ 12 months	Nothing to report for this category	Actual		
Dormant connection ≥ 12 months	Nothing to report for this category	Actual		

Workbook 3 - Efficiency Carryover Mechanism

7.5.1 – The carryover amounts that arise from applying the ECM during the current regulatory control period

7.5.1.1 – Opex Allowance applicable to ECM

Variable	Data source, Methodology and Assumptions	Actual / Estimate	Justification (if estimated)	Additional Comments
Total Opex Allowance	2019/20-2020/21 (\$Jun 2016) AER approved forecast in \$Jun 2016 from AER published AGN (SA) Final Decision AA 2021-26 Efficiency Carryover Mechanism - 30 April 2021 workbook (EXC debt raising costs (DRC) and Unaccounted for Gas (UAFG))	Estimate	Estimate approved by AER .	2019/20-2020/21 Follows same logic as in AER Final Decision Efficiency Carryover mechanism 2021-26 workbook. 2021/22-2025/26 estimates follow logic to exclude category specific forecasts set out in AER Final Decision PTRM 2021-26, as per the Access Arrangement.
	2021/22-2025/26 (\$Jun 2021) AER approved forecast in \$Jun 2021 from AER published AGN (SA) Final Decision PTRM 2021-26 – 30 April 2021 (EXC category specific forecasts: DRC, ARS, UAFG and Vulnerable Customers Assistance Program (VCAP))			
Debt raising costs	2019/20-2020/21 (\$Jun 2016) AER approved forecasts in \$Jun 2016 from AER published AGN (SA) Final Decision AA 2021-26 Efficiency Carryover Mechanism - 30 April 2021 workbook for Debt Raising Costs (DRC). 2021/22-2025/26 (\$Jun 2021)	Estimate	Estimate approved by AER.	2019/20-2020/21 Follows same logic as in AER Final Decision Efficiency Carryover mechanism 2021-26 workbook. 2021/22-2025/26 estimates follow logic

Variable	Data source, Methodology and Assumptions	Actual / Estimate	Justification (if estimated)	Additional Comments
	AER approved forecasts in \$Jun 2021 from AER published AGN (SA) Final Decision PTRM 2021-26 – 30 April 2021 for DRC.			to exclude DRC set out in AER Final Decision PTRM 2021-26, as per the Access Arrangement.
Insurance	N/A			
Superannuation costs for defined benefits and retirement schemes	N/A			
Other specific non controllable costs	<p>2019/20-2020/21 (\$Jun 2016) AER approved forecasts in \$Jun 2016 from AER published AGN (SA) Final Decision AA 2021-26 Efficiency Carryover Mechanism - 30 April 2021 workbook for UAG (as well as DRC).</p> <p>2021/22-2025/26 (\$Jun 2021) AER approved forecasts in \$Jun 2021 from AER published AGN (SA) Final Decision PTRM 2021-26 – 30 April 2021 for category specific forecasts: ARS, UAFG and Vulnerable Customers Assistance Program (VCAP) (as well as DRC)).</p>	Estimate	Estimate approved by AER.	<p>2019/20-2020/21 Follows same logic as in AER Final Decision Efficiency Carryover mechanism 2021-26 workbook.</p> <p>2021/22-2025/26 estimates follow logic to exclude category specific forecasts set out in AER Final Decision PTRM 2021-26, as per the Access Arrangement.</p>
Retailer of last resort costs	N/A			

Variable	Data source, Methodology and Assumptions	Actual / Estimate	Justification (if estimated)	Additional Comments
Capitalisation policy changes	N/A – constant regulatory capitalisation policy through AA.			
Change in scope adjustment	2019/20-2020/21 (\$Jun 2016) None 2021/22-2025/26 (\$Jun 2021) None			

7.5.1.2 – Actual and Estimated Opex applicable to ECM

Variable	Data source, Methodology and Assumptions	Actual / Estimate	Justification (if estimated)	Additional Comments
Total Opex (EXC ARS)	2019/20-2020/21 (\$Nominal) From AGN SA Annual RIN Reporting Templates published by the AER, for reference services only 2021/22-2023/24 (\$Nominal) From AGN SA Annual RIN Reporting Templates published by the AER, for reference services only 2024/25 (\$Nominal) From unpublished AGN SA Opex forecast model	Actual Actual Estimate	2024/25 estimate sourced from the Opex Forecast Model – 2026 – 2030 (based on nine months of actuals and one quarter of budget forecasts)	2019/20-2020/21 Follows same logic as in AER Final Decision Efficiency Carryover mechanism 2021-26 workbook. 2021/22-2025/26 estimates follow logic to exclude category specific forecasts set out in AER Final Decision PTRM 2021-26, as per the Access Arrangement.

Variable	Data source, Methodology and Assumptions	Actual / Estimate	Justification (if estimated)	Additional Comments
Debt raising costs	2019/20-2020/21 (\$Nominal) From AGN SA Annual RIN Reporting Templates published by the AER 2021/22-2023/24 (\$Nominal) From AGN SA Annual RIN Reporting Templates published by the AER 2024/25 (\$Nominal) From unpublished AGN SA opex forecasts	Actual Actual Estimate	2024/25 estimate sourced from the Opex Forecast Model – 2026-2030 (based on nine months of actuals and one quarter of budget forecasts) -	2019/20-2020/21 Follows same logic as in AER Final Decision Efficiency Carryover mechanism 2021-26 workbook. 2021/22-2025/26 estimates follow logic to exclude category specific forecasts set out in AER Final Decision PTRM 2021-26, as per the Access Arrangement.
Insurance	N/A			
Superannuation costs for defined benefits and retirement schemes	N/A			
Other specific non controllable costs	UAG and ARS for 2019/20-2020/21 (\$Nominal) From AGN SA Annual RIN Reporting Templates published by the AER UAG and ARS for 2021/22-2023/24 (\$Nominal)	Actual Actual		2019/20-2020/21 Follows same logic as in AER Final Decision Efficiency Carryover mechanism 2021-26 workbook.

Variable	Data source, Methodology and Assumptions	Actual / Estimate	Justification (if estimated)	Additional Comments
	From AGN SA Annual RIN Reporting Templates published by the AER			2021/22-2025/26 estimates follow logic to exclude category specific forecasts set out in AER Final Decision PTRM 2021-26, as per the Access Arrangement.
	UAG and ARS for 2024/25 (\$Nominal) From unpublished AGN SA opex forecasts	Estimate	2024/25 estimate sourced from the Opex Forecast Model – 2026-2030 (based on nine months of actuals and one quarter of budget forecasts)	
	VCAP for 2021/22-2024/25 (commenced 2021/22) (\$Nominal) From unpublished AGN SA VCAP estimates (program since renamed Priority Services Program (PSP))	Actual /Estimate	2021/22-2023/24 VCAP estimates sourced from aggregated program costs, including labour cost allocation to implement program 2024/25 VCAP estimate derived as above, but based on nine months of actuals and one quarter of budget forecasts	
Opex associated with approved cost pass through	N/A			
Capitalisation policy changes	N/A			

Variable	Data source, Methodology and Assumptions	Actual / Estimate	Justification (if estimated)	Additional Comments
Movements in provisions related to opex		Actual		
	2019/20-2020/21 (\$Nominal) From AGN SA Annual RIN Reporting Templates published by the AER	Actual		2019/20-2024/25 Follows same logic as in AER Final Decision Efficiency Carryover mechanism 2021-26 workbook to exclude movement in provisions related to opex.
	2021/22-2023/24 (\$Nominal) From AGN SA Annual RIN Reporting Templates published by the AER		2024/25 estimate sourced from 2021/22-2023/24 annual average movement in provisions	
	2024/25 (\$Nominal) From unpublished AGN SA opex forecasts	Estimate		

Workbook 4 - CESS

Reported Capex

Variable	Data source, Methodology and Assumptions	Actual / Estimate	Justification (if estimated)	Additional Comments
Total Capex	<p>2021/22 to 2023/24: gross capex in F2 Capex worksheet of AGN SA annual RIN reporting Attachment 3-Workbook 2-Annual Performance Data;</p> <p>2024/25 and 2025/26 capex: gross capex in RFM Input worksheet of AGN SA AA 2026-31 Final Plan – Roll Forward Model</p>	2021-22, 2022-23, and 2023-24 Actuals; 2024-25 and 2025-26 Estimate	Both 2024-25 and 2025-26 are estimates, with 2024-25 estimate updated to incorporate nine months of actuals	
Customer Contributions	<p>2021/22 to 2023/24: capital contributions in F2 Capex worksheet of AGN SA annual RIN reporting Attachment 3-Workbook 2-Annual Performance Data;</p> <p>2024/25 and 2025/26: capital contributions in RFM Input worksheet of AGN SA AA 2026-31 Final Plan – Roll Forward Model</p>	2021-22, 2022-23, and 2023-24 Actuals; 2024-25 and 2025-26 Estimate	Both 2024-25 and 2025-26 are estimates, with 2024-25 estimate updated to incorporate nine months of actuals	
Asset Disposal	<p>2021/22 to 2023/24: asset disposals in F2 Capex worksheet of AGN SA annual RIN reporting Attachment 3-Workbook 2-Annual Performance Data;</p> <p>2024/25 and 2025/26: asset disposals in RFM Input worksheet of AGN SA AA 2026-31 Final Plan – Roll Forward Model</p>	2021-22, 2022-23, and 2023-24 Actuals; 2024-25 and 2025-26 Estimate		

Attachment 2

Variable	Data source, Methodology and Assumptions	Actual / Estimate	Justification (if estimated)	Additional Comments
Other excludable Capex	<p>2021/22 to 2023/24 other excludable capex: Connection capex net of contributions as per E1. Expenditure Summary worksheet of AGN SA annual RIN reporting Attachment 3-Workbook 2-Annual Performance Data;</p> <p>2024/25 and 2025/26 other excludable capex: new connection capex estimation</p>	2021-22, 2022-23, and 2023-24 Actuals; 2024-25 and 2025-26 Estimate	The excluded connection capex amount is net of any capital contributions received.	In line with the AER benchmark CESS, new connection capex is excluded from CESS calculation, due to its being largely driven by economic activities and market forces outside of AGN's control.

Reported Performance

Variable	Data source, Methodology and Assumptions	Actual / Estimate	Justification (if estimated)	Additional Comments
Customer numbers	AGN SA annual RIN reporting Attachment 3-Workbook 2-Annual Performance Data- tab S1.2.1 and S1.2.2 Customer numbers	2021-22, 2022-23, and 2023-24 Actuals; 2024-25 Estimate	Customer numbers as at 30 June 2025 are based on the projected connections in the demand forecast	
Length of mains	AGN SA annual RIN reporting Attachment 3-Workbook 2-Annual Performance Data- tab N2.1.1 + N2.1.2 + N2.1.3 (Length of mains)	2021-22, 2022-23, and 2023-24 Actuals; 2024-25 Estimate	The increase in mains length over 2024/25 is based on the volume forecast associated with new mains connections.	Total kilometres of gas distribution mains, excluding the length of transmission mains

Variable	Data source, Methodology and Assumptions	Actual / Estimate	Justification (if estimated)	Additional Comments
Unplanned outages	AGN SA annual RIN reporting Attachment 3-Workbook 2-Annual Performance Data- tab S11.1.2 (Unplanned outage);	2021-22, 2022-23, and 2023-24 Actuals; 2024-25 Estimate	The 2024/25 estimate is extrapolated from 10 months of actuals and will be updated using full year actuals as part of Revised Final Plan.	
Minutes off Supply	AGN SA Quarterly Reports 2021 -2024 prepared by APA – "minutes of gas supply lost - unplanned	2021-22, 2022-23, and 2023-24 Actuals; 2024-25 Estimate	The 2024/25 estimate is extrapolated from 10 months of actuals and will be updated using full year actuals as part of Revised Final Plan.	Number of minutes of gas supply lost through unplanned outages for AGN SA is reported quarterly as a network reliability measure
Publicly reported gas leaks	AGN SA annual RIN reporting Attachment 3-Workbook 2-Annual Performance Data- tab S14.1.1 + S14.1.2 + S14.1.3 (Number of Leaks - publicly reported)	2021-22, 2022-23, and 2023-24 Actuals; 2024-25 Estimate	The 2024/25 estimate is extrapolated from 10 months of actuals and will be updated using full year actuals as part of Revised Final Plan.	

Appendix A: Cost Collection and Reporting Process - Capex

The following description of AGN Limited's cost collection process for capital expenditure applies to the information previously reported to the AER (e.g. in the Annual RIN's) and to financial information now being reported for the Reset RIN years (2019/20 to 2023/24).

Source of financial data

As advised in previous submissions to the AER, the financial data used to complete the RESET RIN for the regulatory years 2019/20 -2023/24 is sourced from AGN Limited's finance systems (SAP S/4HANA (2023/24) and SAP Business One (2019/20 to 2022/23)) and from other information provided by AGN Limited's principal capital delivery contractor, APA Asset Management (APA). AGN Limited utilises Excel spreadsheets to consolidate detailed financial information provided by APA with information from its own finance system and to undertake cost allocation processes, for the purpose of producing the data required to complete the AER regulatory templates. This information and the associated processes are explained further below.

AGN Limited's capital delivery contractor (APA)

The delivery of AGN Limited's distribution network capex program is out-sourced to APA under an operating and management agreement. This arrangement (the 'OMA') commenced on 2 July 2007 and has continued since that time.

APA charges AGN Limited for these services on a 'cost pass-through' basis each month, plus the agreed Network Management Fee (NMF). The NMF represents APA's margin under the agreement.

APA's business support and overhead costs are allocated to capital expenditure in accordance with the processes outlined in the AGN Limited Cost Allocation Methodology (CAM) provided on 31 March 2021 with the Annual RIN (for initial regulatory years 2011 to 2019) and to the revised CAM provided on 2 December 2024 with the 2023/24 Annual RIN. For regulatory accounting purposes in relation to AGN SA, AGN Limited capitalises 100% of the NMF paid to APA, in accordance with AGN Limited's Regulatory Accounting Principles and Policies document.

Source of financial data provided by APA

APA uses an enterprise resource planning system Workday (2023/24) and formerly Oracle (2019/20 to 2022/23) and an asset management system (Maximo) to capture costs which are assigned to master data identifiers including tasks, activities and expense types. In addition, with the use of additional master data identifiers, being project codes and cost centres, APA records its expenditure against specific scheme and non-scheme pipelines operated by AGN Limited in each state and to relevant regions within each state (also referred to as business zones).

APA provides detailed information about capital expenditure on AGN Limited's scheme and non-scheme pipelines either directly from Workday or previously, directly from Oracle and via its business intelligence (BI) tool 'Cognos'. The output created from either source is known as the Ring-Fenced Accounts (RFA). The RFA is prepared by APA each half year and reports on all expenditure (operating and capital), including the capitalisation of support and shared business costs, and allocations into each of AGN Limited's scheme and non-scheme business zones. The RFAs have been and continue to be a key source of data for regulatory reporting purposes. Amongst other things, capital expenditure information from the RFAs is used to reconcile to the additions to the fixed assets register for the SA network.

In addition to the RFA, APA provides a greater level of detail that underpins the SA regulated capital in Excel spreadsheet format (referred to as the Capex Data Model). This is generated directly from Workday (formerly Oracle).

AGN Limited fully reconciles all sources of capital expenditure reporting provided by APA with its own SAP general ledgers, separate billing data received from APA and with reporting provided in the AER regulatory templates.

AGN Limited business systems and cost capture

As a result of the newly implemented ERP, SAP S/4HANA in October 2023, costs are now captured by general ledger account code and cost centre or WBS (works breakdown structure). Each cost centre is assigned a Department (Reg=Regulated, Light Reg=Light Regulation, Unreg= Unregulated or NS=Non-Specific) and a Region (SA, QLD, VIC, NSW, ALBURY, NT and NS (Non-specific)). These additional cost centre fields allow the costs to be identified for each of AGN 's scheme and non-scheme pipelines. Cost centres with a "NS" Department are deemed more support in nature i.e. Finance, IT, Treasury, Corporate, People and Culture, OHS etc and as such, the costs recorded against these cost centres are then allocated across AGN's networks. With the implementation of SAP S/4HANA, AGN utilises the general ledger, accounts payable and project modules. Given the arrangement with APA, they are contracted to maintain our fixed assets and accounts receivable/billing/revenue data.

For years 2019/20 to 2022/23 AGN Limited utilised SAP Business One (SAP) to capture costs at the general ledger account code, department and state level where applicable.

Monthly charges invoiced from APA are recorded in AGN Limited's general ledger via journal entries which assign costs to general ledger account codes, cost centres and WBS's (previously departments and state codes). These entries provide control totals against which separate reporting provided by APA, including Monthly Management and Operating Reports, is able to be reconciled.

The detailed view of network capital expenditure delivered by APA is provided via separate reporting outside of AGN Limited's core finance systems, as described above (e.g. the Ring-Fenced Accounts, via Cognos BI reporting tools/Workday and the Capex Data Model in Microsoft Excel format). This information is used to complete the AER regulatory templates.

Adjustments are made by AGN Limited to the network capital expenditure reported by APA which are recorded in the Excel spreadsheets that form the working papers which support the data reported in the regulatory templates. These adjustments are in accordance with AGN Limited's Regulatory Accounting Principles and Policies document and the Capitalisation Policy.

AGN's internal non-network capital expenditure, primarily relating to corporate ICT systems and office furniture and fittings, is captured in the projects module in SAP S/4HANA and assigned a project and WBS (work breakdown structure) code (previously general ledger account numbers). The related WBS's begin with "CIT" – capital IT or "COT" Capital Other. Detailed transaction reports are generated from the projects module (or previously the general ledger) and exported to Excel spreadsheets and then the project expenditure is allocated across AGN's scheme and non-scheme business zones. The allocation of AGN's ICT systems and office furniture and fittings is based on the allocator "Total Customers (excl. Small Pipelines)".

AGN's internal ICT related Capex is reported in the Reset RIN in tab E12.ICT across all categories and Office furniture and fixtures related Capex is reported in tab E13. Other capex, D "Other Direct Expenditure".

AGN Limited does not capitalise any of its general corporate management and administration costs for regulatory accounting purposes, which is in accordance with the Regulatory Accounting Principles and Policies document and the Capitalisation Policy.

Reconciliation of data and information reported to the AER

As already mentioned above, AGN Limited fully reconciles all sources of capital expenditure reporting provided by APA, back to control totals in its own SAP general ledgers, additions to the fixed assets register for SA and separate invoices received from APA which are entered into the general ledger. Further, all information provided to the AER in the regulatory templates is also reconciled back to AGN Limited's SAP general ledgers.

Appendix B: Overhead Expenditure

The following description of AGN Limited's overhead expenditure as it relates to capital expenditure reporting in the regulatory templates, applies to the information previously reported to the AER (e.g. in the Annual RIN's) and to financial information now being reported for the Reset RIN years (2019/2017-2023/24).

Background

The operation and management of its distribution network, including delivery of its capital program, was out-sourced to APA Asset Management (APA) under a long-term agreement. This agreement (the 'OMA') commenced on 2 July 2007 and has continued in various forms since that time. The OMA provides for APA to recover all of its costs in delivering services to AGN Limited including a share of its business support and overheads.

Network overheads allocated to capital expenditure

Expenditure by AGN Limited under the above-mentioned OMA, includes a proportion of APA's business support and overhead costs which are identified through reporting mechanisms outlined below. A proportion of these overhead costs are capitalised by AGN Limited consistent with the AGN Limited policy documents provided 31 March 2021 with the Annual RIN (for initial regulatory years 2011 to 2019) and to the revised policy documents provided on 2 December 2024 with the 2023/24 Annual RIN. (Policy documents include the Cost Allocation Methodology, Capitalisation policy and the Regulatory Accounting Principles and Policies).

Other than the overhead costs charged by APA as the principal capital delivery contractor, AGN Limited does not capitalise any of its internal expenditure (including labour) for Regulatory Reporting purposes, unless it can be specifically linked to a capital activity (e.g. a corporate IT project). Direct Internal labour expenditure associated with corporate IT projects for example, is directly allocated to capex and not reported as an overhead.

For statutory reporting purposes, from 2022, AGN Limited capitalised a proportion of labour costs (salary and on-costs) associated with specific internal employees/positions that are working on the following activities:

- Business Development growth projects; and
- Delivery of major asset projects i.e. mains replacement programs, augmentation projects.

Essentially, this is reversed for Regulatory Reporting purposes and such costs remain as operating costs.

This is in accordance with the current AGN Limited's Regulatory Accounting Principles and Policies document and Capitalisation Policy.

The processes applied by APA in capturing, allocating and reporting its relevant overhead costs, is outlined in detail within the AGN Limited CAM and in Appendix A of this Basis of Preparation document.

APA's business systems and associated processes facilitate the allocation of network overheads to each of the separate scheme and non-scheme gas pipelines owned by AGN Limited. Further, these overheads are also able to be allocated to the various categories and sub-categories of capital expenditure, using functionality and master data identifiers within those business systems (excluding IT).

A key process in allocating APA's network overheads is the production of the 'Ring Fenced Accounts' (RFAs) which are explained in Appendix A of this Basis of Preparation document. The RFAs report capital expenditure inclusive of network overheads (e.g. embedded within each category of capex, excluding IT) that have been allocated across each of the scheme and non-scheme gas pipelines owned by AGN Limited. The RFAs also report the amount of network overheads that have been expensed as operating expenditure in each business zone. The Capex Data model supplied by APA, separately reports capital expenditure by direct costs and network overheads to allow population of the Reset RIN. Network overheads are reported as a total in tab E10. Overheads, Table E10.1 Network, E10.1.2 – Capex reference services.

There are two levels of network overheads charged by APA that is capitalised by AGN Limited. Those being 'state based' network overheads and 'national based' network overheads. Each level of network overheads is identified and captured in separate 'cost pool'.

The amount of APA's network overheads that is capitalised is initially determined by dividing the total annual budgeted overhead cost pool (relating to capital delivery services provided to AGN Limited) into the total budgeted capital expenditure to be delivered on behalf of AGN Limited.

The portion of APA's network overheads to be capitalised is allocated to the various categories and sub-categories of capital expenditure (excluding IT) based on the level of spend in each category and applied as a percentage rate. There is a separate rate for each state, based on the level of 'state based' overheads in each state. There is another common rate for applying 'national based' overheads consistently across all states, based on the level of expenditure.

APA utilises suspense accounts to capture all actual overhead costs in its general ledger and the amount of network overheads capitalised during the year by applying the standard percentage rates. At any time the balance of the suspense account represents the difference between the actual overhead cost pool expenditure and the amounts applied to capital expenditure each month which are based on the budgeted percentage rates. Each year APA performs a 'true-up' process that reconciles actual overhead costs to the budgeted amounts and any necessary reconciliation adjustments are made in the year-end accounts.

The network overheads that are capitalised are allocated to AGN Limited's regulatory business zones (states) in which the capital project or activity is assigned to. Capital projects and activities are generally only assigned to one regulatory business zone, with the exception of non-network related national IT projects which are allocated to each zone (state) based on customer numbers (excluding non-material small pipelines).

Appendix C: Regulatory accounting policy adjustments approved by the AER

The information set out below, describes the basis of preparation for expenditure reported in the AER regulatory templates (including the AGN SA Reset RIN 2019/20 to 2023/24), where adjustments were required consistent with Final decisions approved by the AER, both in recent (and past) Access Arrangements. There are additional regulatory adjustments required as a result of changes in statutory accounting treatment and these are not reported below but form part of the current AGN Limited policy documents submitted with the 2023/24 Annual RIN on 2 December 2024.

Adjustment type	Purpose	Notes for Basis of Preparation
Network Management Fee	Regulatory accounting treatment is different to Statutory accounting	<p>In accordance with the Regulatory Accounting Principles and Policies document, AGN Limited does not capitalise any of the Network Management Fee (NMF) paid to its capital delivery contractor, APA Asset Management (APA) under the network operations and management agreement (OMA).</p> <p>For Statutory Accounting purposes, 65% of the total NMF is capitalised and this amount is included in the gross Capex reporting received from APA (i.e. the Capex Data Model/Ring Fenced Accounts). The NMF amount is not separately identified in this Capex reporting but forms part of the reported Network Overheads that were capitalised by APA.</p> <p>The total NMF paid to APA each year is confirmed against invoices received and other management reporting provided to AGN Limited by APA.</p> <p>The other 35% of the NMF appears in AGN Limited's operating expenditure and is separately shown in Opex management reporting received from APA (i.e. the Ring-Fenced Accounts which are explained in the Cost Allocation Methodology and Appendices A and B to this Basis of Preparation document).</p> <p>To determine the adjustment required for regulatory Capex reporting, AGN Limited takes the Opex amount of NMF for each year and grosses it up, dividing the amount by 0.35 (e.g. \$2.45m / 0.35 = \$7m). The result represents 100% of the NMF for that year (e.g. \$7m).</p> <p>This total is then multiplied by 0.65 to determine the amount that has been included in Capex reporting for that year as part of Network Overheads reported by APA (e.g. \$7m x 0.65 = \$4.55m).</p> <p>This total amount of NMF that has been capitalised for the year (e.g. \$4.55m) is deducted from each Capex activity in proportion to the Network Overheads that were capitalised in each activity.</p>

Adjustment type	Purpose	Notes for Basis of Preparation				
		<p>That is, the amount of Network Overheads in each Capex activity, as a percentage of the total Network Overheads capitalised in that year, determines the share of the NMF adjustment that is made to each Capex activity each year.</p> <p><u>Mapping to the AA RIN templates</u> Adjustments made to remove the NMF from Capex reporting impacts only E10 Overheads Table E10.1 – Network, E10.1.2 – Capex Reference Services.</p>				
Heat Shrinking Sleeves (HSS)	Regulatory accounting treatment is different to Statutory accounting	<p>In accordance with the Regulatory Accounting Principles and Policies document, AGN Limited treats expenditure on Heat Shrinking Sleeves as Opex for regulatory accounting purposes.</p> <p>Expenditure on Heat Shrinking Sleeves is identified by APA in the detailed reporting analysis that it provides to AGN Limited as its capital delivery contractor under the OMA.</p> <p>This expenditure is recorded against the following Capex Activity type in APA’s Workday (formerly Oracle) finance system:</p> <table><tr><th>Activity</th><th>Activity Level6 Desc_MP</th></tr><tr><td>2106 CP – Corrosion Protection – Capex</td><td>Corrosion</td></tr></table> <p>Accordingly, the amounts of expenditure identified as relating to Heat Shrinking Sleeves is deducted from the above Activities as part of the analysis prepared by AGN Limited to produce the RIN templates data and is reported as Opex – Repairs and Maintenance expenditure.</p> <p><u>Mapping to the AA RIN templates for 2019/20 – 2023/24</u> Expenditure and associated adjustments recorded against the activities listed above, are reported in the AA RIN in tab E13. Other Capex, Table E13.1 – Capex by Project – B Direct Contractor Expenditure.</p>	Activity	Activity Level6 Desc_MP	2106 CP – Corrosion Protection – Capex	Corrosion
Activity	Activity Level6 Desc_MP					
2106 CP – Corrosion Protection – Capex	Corrosion					

Adjustment type	Purpose	Notes for Basis of Preparation						
Piecemeal Mains Replacement	Regulatory accounting treatment is different to Statutory accounting	<p>In accordance with the Regulatory Accounting Principles and Policies document, AGN Limited treats expenditure on Piecemeal Mains Replacement as Opex for regulatory accounting purposes.</p> <p>Expenditure on Piecemeal Mains Replacement is identified by APA in the detailed reporting analysis that it provides to AGN Limited as its capital delivery contractor under the OMA.</p> <p>Expenditure is recorded against the following Capex Activity types in APA’s Workday (formerly Oracle) finance system:</p> <table><tr><th>Activity</th><th>Activity Level6 Desc_MP</th></tr><tr><td>2351 Mains Renewal - Piece</td><td>Mains Renewal – No Pressure Change</td></tr><tr><td>2363 Mains Renewal – HDPE Piece</td><td>Mains Renewal – No Pressure Change</td></tr></table> <p>The final amounts of expenditure identified as relating to Piecemeal Mains Replacement is deducted from the above listed Activities as part of the analysis prepared by AGN Limited to produce the RIN templates data and the corresponding reallocation is to Opex as Repairs and Maintenance expenditure.</p> <p><u>Mapping to the AA RIN templates for 2019/20 – 2023/24</u> Expenditure and associated adjustments recorded against the activities listed above, are reported in the AA RIN in tab E2. Mains Repex, Table E2.1.2 – Reactive by Connection Type – B Direct Contractor Expenditure.</p> <p>As a result of these adjustments, all of the expenditure originally recorded against the above activities is transferred to operating expenditure. Therefore, there are no amounts of capital expenditure to report in this AA RIN templates.</p>	Activity	Activity Level6 Desc_MP	2351 Mains Renewal - Piece	Mains Renewal – No Pressure Change	2363 Mains Renewal – HDPE Piece	Mains Renewal – No Pressure Change
Activity	Activity Level6 Desc_MP							
2351 Mains Renewal - Piece	Mains Renewal – No Pressure Change							
2363 Mains Renewal – HDPE Piece	Mains Renewal – No Pressure Change							
Accounting for Cloud – based technology (including Software as a Service (SaaS))	Regulatory accounting treatment is different to Statutory accounting Refer Business Cases:	<p>With the development of cloud computing, many computing services are now delivered over the internet. AGN Limited must consider the components of the technology service being acquired.</p> <p>It is important to understand the nature of an item and the components within the overall technology solution to appropriately account for it.</p> <p>For Statutory accounting purposes, when a component is determined to be SaaS it will not be recognised as an intangible asset and will be expensed.</p>						

Adjustment type	Purpose	Notes for Basis of Preparation						
	<ul style="list-style-type: none">SA 117 Applications and renewal upgradesSA 59 Mobility IntregrationSA 138 AGIG IT Strategy & Roadmap	<p>For regulatory accounting purposes, this expenditure will be reported as Capex until the end of the current regulatory period reflecting the treatment of SaaS type expenditures at the time of the last Reset.</p> <p>In accordance with the Regulatory Accounting Principles and Policies document this expenditure is recorded against the following Capex Activity types in APA’s Workday (formerly Oracle) finance system:</p> <table><tr><th>Activity</th><th>Activity Level6 Desc_MP</th></tr><tr><td>3202 Major Projects – Mobility Integration</td><td>Information Technology</td></tr><tr><td>3256 Major projects – DBYD (Upgrade 2)</td><td>Information Technology</td></tr></table> <p>The final amounts of expenditure identified as relating to SaaS Opex added to the above listed Activities as part of the analysis prepared by AGN Limited to produce the RIN templates data and the corresponding reallocation is to Opex as a deduction to Other Opex expenditure.</p> <p><u>Mapping to the AA RIN templates for 2019/20 – 2023/24</u> Expenditure and associated adjustments recorded against the activities listed above, are reported in the AA RIN in Tab 12. ICT Table E12.1 – Capex – By Project - B Direct Contractor Expenditure, line items 3202 Major Projects – Mobility Integration and in the Aggregate of other projects with expenditure of less than \$500,000.</p>	Activity	Activity Level6 Desc_MP	3202 Major Projects – Mobility Integration	Information Technology	3256 Major projects – DBYD (Upgrade 2)	Information Technology
Activity	Activity Level6 Desc_MP							
3202 Major Projects – Mobility Integration	Information Technology							
3256 Major projects – DBYD (Upgrade 2)	Information Technology							