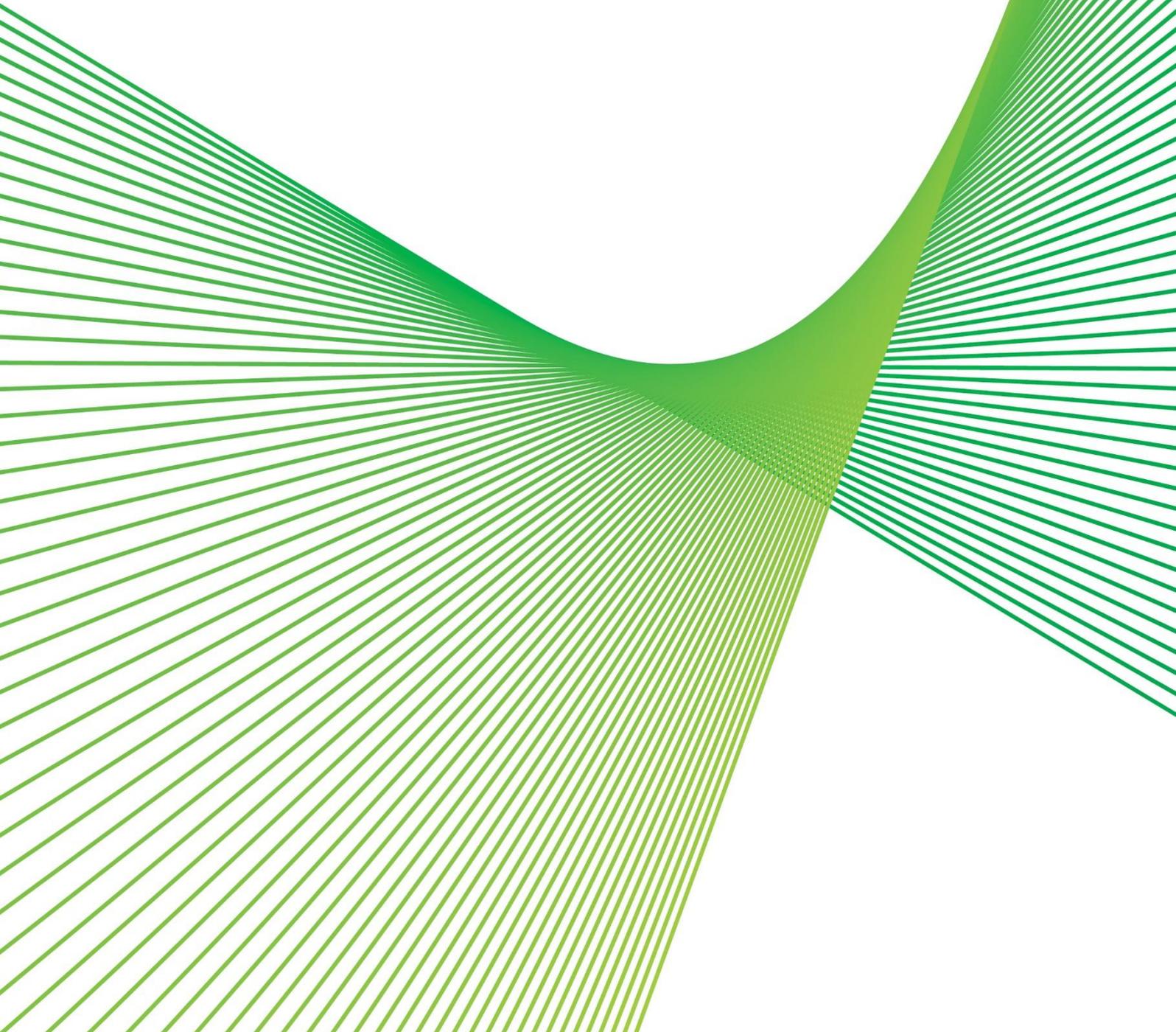


Attachment 7: Reopener capex methodology



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1. Purpose and key messages

This Attachment forms part of Transgrid's application to reopen the 2023-2028 Revenue Determination in accordance with clause 6A.7.1 of the NER (**Application**).

The purpose of this Attachment is to explain the methodology used to determine the costs Transgrid is seeking to recover through the Application. It also describes the calculation process, including the key inputs and assumptions to ensure the accuracy and integrity of the amount claimed. Unless otherwise noted, all amounts are in real 2023\$. Numbers in tables may not add due to rounding.

Key messages

- Transgrid has developed principles to ensure that this Application only includes costs that can be claimed in accordance with the reopener provisions under 6A.7.1 of the NER.
- The total forecast capital expenditure to deliver PEC has increased by \$1,507 million and the proposed reopener amount is approximately \$365 million or 24% lower at \$1,142 million. The remaining 'overspend amount' will not be claimed in this Application and will be subject to the AER's ex post review before it can be included in Transgrid's RAB.
- Transgrid's shareholders will incur additional costs in funding the overspend amount, which will be financed at the cost of equity rather than the Weighted Average Cost of Capital (**WACC**), until it is included in the RAB. Shareholders also face potential penalties under the Capital Expenditure Sharing Scheme (**CESS**), and risks of additional losses if any expenditure is not found to be prudent and efficient.
- The majority of the reopener amount relates to the increase in delivering PEC under the Incentivised Completion Cost (**ICC**) contract (**ICC Contract Cost**) which was executed with Elecnor Australia in December 2024, compared to the fixed price Engineering, Procurement and Construction (**EPC**) contract (**EPC Contract Cost**), which was executed with SEJV in June 2021.
- In addition to the increase in Contract Costs, Transgrid is proposing to recover the increase in the insurance costs for the ICC Contract Cost, and the cost of negotiating the ICC contract. These costs are described as Other Project Costs.
- Transgrid is not seeking cost recovery in relation to its active client costs in this Application, although these costs are attributable to Contract Failure and fall within the scope of the reopener provisions. This decision means that Transgrid's shareholders will share a greater burden of the increase in project costs and make a further contribution to easing consumers' affordability concerns.
- Transgrid has examined the Contingent Project Application (**CPA**) risk allowance that was provided by the AER and shown that Transgrid's actual cost incurred in relation to those risks exceeds the AER's allowance. Transgrid is not seeking any additional amount in this reopener in relation to risk.
- Transgrid commits to return to consumers the full value of any profit share it receives from Elecnor Australia. Similarly, any interest received by Transgrid in relation to the trust account will also be returned to consumers. This approach ensures that the benefits obtained on behalf of consumers in Transgrid's negotiation of the ICC contract are passed onto consumers, even

if payments are received by Transgrid after the AER makes its determination in relation to this Application.

2. Cost recovery principles and methodology

The regulatory framework provides a mechanism for the AER to reopen its revenue determination for a TNSP if its capital expenditure requirements have increased materially as a result of ‘an event’ that has occurred during the regulatory period. However, the amount that can be included in an Application must be limited to increases that comply with the NER principles.

As outlined in Attachments 3 and 6, the event is a Contract Failure. In summary, Contract Failure means that PEC could not be delivered under the EPC contract and, if PEC were to proceed, an alternative arrangement to delivery would be necessary. As set out in Attachment 3, Transgrid considered eight alternative options to ensure that its resolution of the Contract Failure would deliver the best outcome for consumers. The result of this process was the execution of a new ICC contract with Elecnor Australia in December 2024, as explained in Attachment 4.

Transgrid has developed principles to ensure that this Application only includes costs that can be claimed in accordance with the reopener provisions set out in Clause 6A.7.1 of the NER, as shown in Figure 1.

Figure 1: Transgrid's cost recovery principles



The first principle shown in Figure 1 reflects the purpose of clause 6A.7.1, which is to allow an existing revenue determination (in this case Transgrid’s 2023-2028 Revenue Determination) to be reopened to include the costs of rectifying the adverse consequences of an event that was unforeseen and beyond the TNSP’s control. Attachment 6 sets out the reasons Transgrid considers that the Contract Failure was outside of its reasonable control and why the Contract Failure could not reasonably have been foreseen by Transgrid at the time of the making of the revenue determination.

In accordance with this principle, the reopener amount cannot include increases in project costs that are not caused by the Contract Failure. If this first principle is satisfied, it follows that the second and third principles will also be satisfied because:

- only those costs that were incurred after the date of the Contract Failure will be included in the reopener amount (Principle 2), and
- the costs of rectification could not have been included in the AER’s existing regulatory allowance, as the Contract Failure was not foreseen (Principle 3).

The final principle, Principle 4, requires that the costs included in the Application must be prudent and efficient. This principle is consistent with the requirements of clause 6A.7.1(f), which refers to the requirements in clause 6A.6.7(c) that effectively places an obligation on the TNSP to demonstrate that its capital expenditure forecasts are prudent and efficient.

To implement these principles, the first step is to consider what is meant by ‘rectification’ in the context of this Application. Transgrid’s position is that rectification means responding to the Contract Failure in a manner that delivers the best outcome for consumers. Transgrid’s rectification costs can, therefore, be broadly defined as:

- **Contract Costs**, the increase in the ICC Contract Cost from the date of the event to the completion of the project.
- **Other Project Costs**, the increase in Transgrid’s own costs that will be incurred to rectify the adverse consequences of the event.

The treatment of risk, for which Transgrid received a CPA allowance, is discussed in section 5. In that section we explain that Transgrid’s actual costs in relation to those risks has exceeded the AER’s CPA allowance. Transgrid is not seeking any additional risk allowance in the reopener amount, as the Contract Failure has not changed Transgrid’s risk exposure.

Table 1 below summarises Transgrid’s calculation of the reopener amount, which commences with the current forecast and deducts the CPA allowance of \$2,121 million to derive the total increase of \$1,507 million. Of this increase in the total project costs, approximately \$365 million or 24% is not being claimed in this Application, which results in a reopener amount of \$1,142 million.

Table 1: Summary of the reopener amount (\$m, 2022/23)

Items	Current Forecast	CPA allowance	Forecast Increase	Excluded from Reopener	Reopener amount
Contract costs	2,967	1,634	1,333	211	1,122
Other Project Costs	661	487	174	154	20
Total	3,628	2,121	1,507	365	1,142

The \$365 million excluded from the reopener amount arises principally because those costs do not meet the definitions in the cost principles as they were either pre-event or not linked to rectifying the adverse consequences of the event. In addition, Transgrid has decided not to claim the increased costs associated with its active client role under the ICC contract as part of this Application. The \$365 million that will not be recovered in this Application will impact Transgrid’s shareholders through increased financing costs and potential penalties through the AER’s ex post review and/or CESS mechanism.

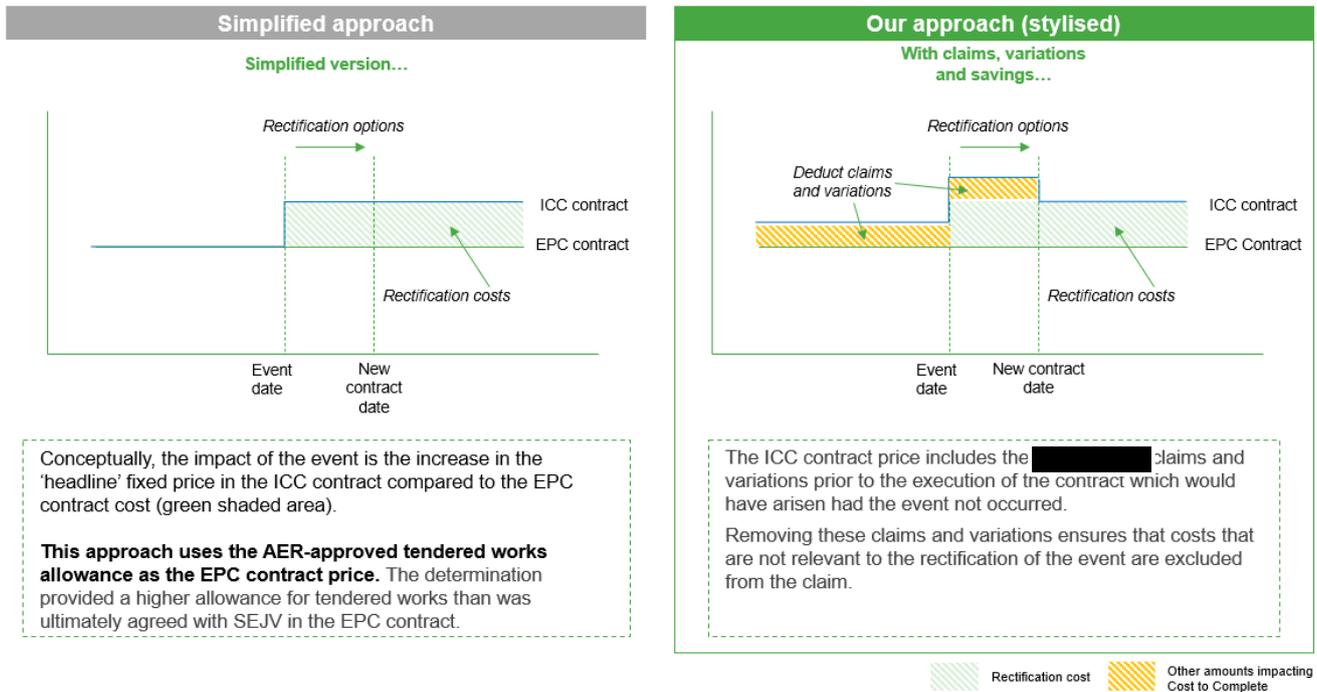
The remaining sections of this document provide further details on how the cost principles have been applied to the Contract Cost, Other Project Costs and an explanation regarding the treatment of the CPA risk allowance.

3. Contract cost calculation

3.1 Methodology overview

This section explains the methodology, approach and calculations to determining the reopener amount for the Contract Cost.

Figure 2: Methodology for determining the reopener amount for the Contract Costs

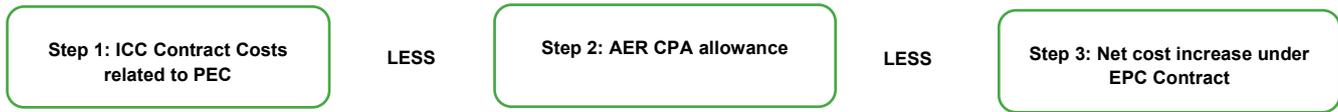


The 'simplified approach' in Figure 2 illustrates that the event caused a 'step up' in the costs of delivering PEC from the fixed price in the EPC contract, depicted by the green line, to the fixed price in the ICC contract, depicted by the blue line. The difference between the two lines, shown by the green shaded area is the reopener cost or the 'rectification costs', i.e., the additional costs that must be incurred if PEC is to be delivered.

The 'our approach' in Figure 2 extends the simplified approach to show that the ICC Contract Cost includes additional claims and variations amounts, depicted by orange boxes, that were paid by Transgrid in accordance with the EPC contract. Therefore, the ICC contract is a combination of the EPC contract, plus claims and variations, plus the rectification costs. The reopener amount is therefore calculated as the ICC contract price (the blue line) minus the EPC contract price (the green line) minus the claims and variations (the orange boxes).

The portion of the Contract Cost that can be claimed in this Application is the prudent and efficient increase in costs as a result of the Contract Failure. To calculate this amount, we compare the ICC Contract Cost and the AER's CPA allowance for Contract Costs (see Figure 3 below). This approach is consistent with Figure 2, with the exception that the AER's CPA allowance in respect of the EPC contract (Step 2) is deducted from the ICC contract price, rather than deducting the EPC contract value. The adopted approach results in a lower reopener amount and is aligned with the purpose of the reopener provisions, which is to provide an appropriate adjustment to recover the increased costs caused by the Contract Failure.

Figure 3: Methodology for determining the reopener amount for the ICC Contract Cost



Further details on each of these steps are provided below:

Step 1: ICC Contract Cost related to PEC

This step takes the ICC Contract Cost and deducts the Elecnor Australia payment that was paid to Transgrid on contract signing, the additional Delay Damages payment received, Transgrid's share of interest on the Project Trust Account, and removes the costs associated with the Line 5 (Dinawan) upgrade from 330kV to 500kV as this scope is part of the VNI West project, rather than PEC. Each of these adjustments is required to identify the costs of delivering PEC under the ICC contract, consistent with the methodology described above.

Step 2: AER CPA allowance

The AER CPA allowance is the tendered works allowance for PEC, inclusive of Provisional Sums, inflated from real 2018\$ to real 2023\$.

Step 3: Net cost increase incurred under the EPC contract

This final step in the methodology deducts net Contract Cost increases under the EPC contract. These cost increases include [REDACTED], offset by scope changes (contract variations) and savings made under the EPC contract.

Once completed, this step produces the cost increase in the ICC Contract Cost that is attributable to the Contract Failure, i.e. the reopener amount in relation to Contract Costs.

3.2 Calculation of the Contract Cost

Table 2 below shows the application of the approach explained above resulting in the reopener amount in relation to the Contract Cost, which is \$1,122 million.

Table 2: Summary of the contract price calculation (\$m, 2022/23)

Contract cost	Total	Basis of forecast
ICC Contract Cost	3,363	Item 1 of Schedule 1 of the ICC contract.
Elecnor Payments & Interest	(119)	Payment made to Transgrid by Elecnor Australia on signing of the contract, a Delay Damages payment, and Transgrid's share of interest on the Project Trust Account
Line 5 (Dinawan) upgrade	(276)	Costs are part of VNI West project, approved by the AER as part of the CPA (being CPA1).
ICC Contract Cost relating to PEC	2,967	Step 1 completed: This is the conclusion of Step 1 in the methodology.
AER's CPA allowance	(1,634)	This is the tendered works CPA allowance for PEC inflated from real 2018\$ to real 2023\$.
PEC Contract Cost less CPA allowance	1,333	Step 2 completed: This is the conclusion of Step 2 in the methodology, which is the increase in the total contract price for PEC compared to the AER's CPA allowance.

Contract cost	Total	Basis of forecast
Claims ██████ pre-event	█████	These are claims made by Elecnor Australia under the original EPC contract and ██████
Claims ██████ on recontract	█████	These are claims made by Elecnor Australia under the original EPC contract ██████. The total includes some claims made post-event but prior to signing the ICC contract. Transgrid has deducted the full amount of the ██████ claims rather than seeking to apportion the claims pre- and post-event.
Scope changes and savings under the EPC contract	54	These are scope changes (variations made to reduce the cost of the original EPC contract) and savings made in the procurement of the original EPC contract in comparison to the AER CPA allowance. The effect of these adjustments is to reduce the net cost increases prior to the Contract Failure.
Total adjustments	(211)	Step 3 completed: This is the net cost increase in Contract Costs that cannot be claimed by Transgrid in this Application.
Contract Cost reopener amount	1,122	This is the reopener amount in relation to the Contract Cost.

The following sections provide further information on each item shown in the above table.

3.3 ICC Contract Cost

The ICC Contract Cost of \$3,363 million (or \$3,475 million, nominal) is sourced from Item 1, Schedule 1 of the ICC Contract and has been adjusted for some minor cost variations since the contract was signed.

The methodology to determine the phasing of costs for the ICC Contract Cost has been:

- actual costs by month until October 2025, and
- forecast costs which are based on the agreed schedule of work which was provided in October 2025.

The monthly costs were then aggregated by year and converted into real 2023 dollars using the applicable inflation rate.

Schedule 10 of the ICC contract provides a detailed breakdown of the cost by activity and includes a schedule of payments based on achieving the percentage of work complete for each activity. It also sets out the amounts that have been paid to the date of the contract signing and amounts remaining to be paid.

Table 3 summarises the items in Schedule 10, noting all amounts are in nominal dollars.

Table 3: Summary of the Contract Cost (\$m, nominal)

Item	Total
Preliminaries and Overheads, Protection and Comms, Other	1,379
Construction of Lines including Testing and Commissioning	1,509
Construction of Sub-Stations including Testing and Commissioning	605
Variations	(18)
Total Contract Cost	3,475

Schedule 5 of the ICC contract sets out a reconciliation between the prior EPC contract cost of \$1.4 billion (nominal), agreed claims and variations, and the uplift to the ICC Contract Cost.

3.4 Elecnor payments & Interest

As part of the negotiations to finalise the ICC contract, Elecnor Australia paid Transgrid \$110 million. Transgrid subsequently received a Delay Damages payment of \$6 million and is entitled to a share of the interest on the Project Trust account of \$4 million. These payments totalling \$119 million have been deducted from the Contract Cost to pass the benefit of this payment directly to consumers, which leads to a lower reopener amount. Should further Delay Damages payments and/or interest be received by Transgrid, we commit to return the full value of any additional benefit obtained by Transgrid to consumers.

3.5 Dinawan upgrade/PEC enhancement

The PEC enhancement involves increasing the capacity of a segment of the transmission line, Dinawan Substation to the Wagga Wagga Substation, from 330kV to 500kV in order to future-proof the network and lower the overall costs of delivering the transition to renewables. Further information on the project scope is provided in section 2 of Attachment 2.

The EPC contract scope included the construction of this section of the line between the Dinawan Substation and the Wagga Wagga Substation at 330 kV capacity for a direct cost of \$143 million (nominal). Subsequently, as part of the VNI West project, it was recognised that the line needed to be upgraded from 330 kV to 500 kV to provide sufficient capacity to transmit power to and from Victoria.

With the successful approval of the VNI West Contingent Project Application, the cost of the upgrade should be removed from the ICC Contract Cost. In the ICC contract the incremental cost of the upgrade from 330kV to 500kV is not separate and distinguishable from the cost of the 330kV line. To determine the portion of the cost attributable to VNI West, we have used the nominal value (\$293 million) approved through the VNI West CPA1 allowance, which equates to \$276 million (real 2023\$).

To determine the phasing of costs, actual costs were used for historical periods to October 2025 and for future periods the forecast costs were based on the construction schedule.

3.6 Transgrid's Residual Profit share

As discussed in section 3 of Attachment 4, Transgrid negotiated a profit sharing arrangement into the ICC contract which means if that Elecnor Australia makes a profit in excess of \$50 million (nominal), any additional profit above that amount will be shared equally between Elecnor Australia and Transgrid. The ICC contract price includes no allowance for profit and, therefore, Elecnor Australia's cost performance would need to be

better than expected in order for Elecnor Australia to earn any profit in relation to PEC. Transgrid negotiated the profit share arrangement to provide Elecnor Australia with an incentive to reduce costs, while ensuring that consumers obtained a fair share of any savings.

If a profit share is provided to Transgrid at the end of the project, we commit to return the full value of Transgrid's profit share to consumers.

3.7 AER's CPA allowance

The AER's original CPA allowance for PEC included a tendered works allowance of \$1,401 million (real 2018\$). Adjusting for five years of actual inflation, this translates to \$1,607 million (real 2023\$).

3.8 Claims [REDACTED] pre-event

Under the reopener provisions of the NER, Transgrid can only include costs in the reopener that were incurred after the date of the event. As such any agreed claims, savings or variations prior to the event that form part of the ICC Contract Cost should be excluded from the reopener amount.

Variation and extension of time claims had been made by Elecnor Australia under the EPC contract [REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]

3.9 Claims [REDACTED] on recontract

At the time of the negotiation of the ICC contract, there was a list of outstanding claims that had been submitted by Elecnor Australia but had not been agreed to by Transgrid (background on claims submitted by Elecnor Australia can be found in section 7 of Attachment 2). [REDACTED]
[REDACTED]
[REDACTED]

The payment relates to claims up to December 2024, but it is not possible to apportion this amount to pre and post event amounts, so the full amount has been deducted from the Contract Cost. As the contract does not specify when the payments were made, the month of December 2024 has been used as the cash flow phasing date.

3.10 Scope changes and savings under the EPC contract

These are scope changes and savings, which form part of the ICC Contract Cost, and were agreed prior to the event but after the AER approved the CPA allowance. As these scope changes and savings were agreed under the EPC contract, they have been excluded.

The amount in relation to scope changes and savings is explained in further detail in Table 4 below.

Table 4: Scope changes and savings under the EPC contract (\$m, 2022/23)

Item	Total	
Agreed variations under the EPC	17	There were several variations that were approved prior to the EPC Contract Failure, that were also incorporated into the ICC Contract Cost. As those variations were prior to the Contract Failure, they have been excluded under the cost principles.
Savings on tender price and Contract Cost	14	This represents foreign exchange and commodity savings which were realised after the Best and Final Offer (BAFO) process, which formed the basis of the PEC CPA allowance, but were included in the EPC and ICC Contract Cost. The savings are therefore added back as they are pre-event. This saving is evidenced on Schedule 10 of the EPC contract and described as Commodity/Forex adjustment. The cash flow is June 2021 which is the date the contract was signed with SEJV.
Route deviation provision	23	The CPA included an allowance for route deviations, but this amount was excluded from the EPC and ICC contracts as it was no longer required. The BAFO had a route deviation allowance of \$32.6 million (nominal) which was then reduced by the AER in the final PEC CPA allowance by \$10.7 million (nominal) to \$21.9 million (nominal). As the route deviation provision was not needed, this saving was realised pre-event and is therefore excluded under the cost principles. The cash flow is in June 2023 which is when Transgrid assumed that the route line deviation provision was to be utilised when it prepared the PEC CPA.
Total	54	

4. Application of methodology to Other Project Costs

4.1. Methodology

This section explains the methodology, approach and calculations to determine the reopener amount for Other Project Costs. In addition to the Contract Cost increase, Transgrid expects to incur an increase in Other Project Costs. These costs comprise Transgrid's own internal labour resources, external labour hire, and costs for professional and other services.

To identify the specific costs to be included in the reopener amount, the cost principles were first applied at an internal Other Project Costs category level. The process applied to each internal cost category was as follows:

- Step 1 – exclude all costs that were incurred prior to the event date.
- Step 2 – exclude costs that have already been compensated via the AER's CPA allowance and Clough Bonds (as these compensate Transgrid for its own cost increases caused by the Clough insolvency referred to in section 3 Attachment 2).
- Step 3 – for the remaining costs, consider whether any activities included in the cost category were linked to rectifying the adverse consequences of the event. Where activities were linked, conduct a line-by-line item review of the actual and forecast costs to identify the specific cost items to be included in the reopener.

As explained below, Transgrid has identified two categories of cost where a reopener amount is warranted:

- Negotiation and Analysis Costs, and
- Insurance Costs.

In addition to these costs, Transgrid will also incur additional costs in relation to its active client role, which is a new role under the ICC contract. While these costs are directly attributable to the event, in response to stakeholder feedback, Transgrid is not seeking to recover these costs in this Application. This decision means that Transgrid's shareholders will share a greater burden of the increase in project costs and help ease affordability concerns. In relation to the AER's review process, this conservative approach also means that the AER will review Transgrid's active client costs as part of its ex post review prior to those costs being included in the RAB, and provides confidence that the amount claimed in this Application is reasonable.

In the sections below, we explain the Negotiation and Analysis Costs and Insurance costs. In summary, Transgrid's forecast total expenditure in relation to Other Project Costs is \$765 million, which exceeds the AER's CPA allowance and other compensation received by \$174 million. Of this overspend amount of \$174 million in relation to Other Project Costs, \$20 million is included in the reopener amount. The remainder of the overspend will continue to be financed by Transgrid's shareholders at the cost of equity until the expenditure is included in Transgrid's RAB in the next revenue determination.

4.2. Calculation of Negotiation and Analysis Costs

The Negotiation and Analysis Costs comprise the cost associated with undertaking analysis, options assessments and finalising the ICC contract with Elecnor Australia. These costs include:

- internal time spent analysing and negotiating the ICC contract
- legal fees relating to the drafting and finalisation of the ICC contract and to finalise matters relating to the contract (such as claims), and

- other external advisor costs incurred to analyse and negotiate the ICC contract.

The total reopener amount for Negotiation and Analysis Costs is \$6 million. This comprises \$4 million of non-labour costs and \$2 million of internal labour costs. Of the non-labour costs approximately half relate to legal fees, with the balance for a range of external advisers.

For all external costs, Transgrid obtained copies of invoices and confirmed that the costs only related to the negotiation of the ICC contract. For Transgrid employees who are required to submit timesheets (i.e. PEC project employees), the timesheets were used to validate the costs relating to the negotiation of the ICC contract. For Transgrid employees who are not required to submit timesheets (i.e. those not employed specifically for PEC), the estimates have been derived from reviewing employees’ calendars and interviewing employees to ascertain the time spent on negotiations, and then applying the applicable hourly rate for the employees’ role. The resulting \$2 million of internal labour costs relate to nine Transgrid employees from the Procurement, Commercial and Legal Counsel teams who were involved in the negotiation of the ICC contract. As these costs would not have been incurred but for the Contract Failure, they have been included in the reopener amount.

4.3. Calculation of Insurance Costs

Transgrid needed to renew its insurance coverage for Material Damage and Third-Party Liability cover to reflect the increase in the Contract Cost. The Insurance Cost is based on the increased cost of PEC multiplied by the premium rate. To determine that amount, Transgrid removed the completed sections of the project, namely Separable Portion 1 (SP1), from the project value. Transgrid then engaged its broker, AON, to negotiate the insurance renewal. The insurance invoices were paid in June 2025 and totalled \$14 million.

4.4. Summary of Other Project Costs

Table 5 below is a summary of the Other Project Costs that are included in the reopener amount.

Table 5: Summary of other project costs (\$m, 2022/23)

Item	\$m
Contract Analysis and Negotiation Costs	6
Insurance Costs	14
Total Other Project Costs	20

Further detailed information to evidence the costs incurred is provided in the supporting spreadsheets that accompany this Application.

5. Approach to risk allowance

In its CPA allowance for PEC, the AER provided a risk allowance of \$51 million (\$47 million nominal), referred to as 'Other Construction Costs'. This risk allowance, which was also reflected in the AER's revenue determination for the 2023-2028 regulatory period, reflected an assessment of Transgrid's expected costs arising from risks such as planning approval delays, weather related events and commissioning costs.

As explained in the previous sections, the reopener amount does not include any amount in relation to risk as Transgrid does not consider that Transgrid's risk exposure has been affected by the Contract Failure. For completeness, however, Table 6 below provides a summary of the risk allowance and how those amounts have been used in the period up to the ICC contract execution. It shows that Transgrid's actual costs of \$274 million (nominal) far exceeds the AER's risk allowance of \$47 million (nominal). As such, there is no 'headroom' or additional funds available from the AER's risk allowance to reduce the reopener amount.

Table 6: Overview of Other Construction Costs and utilisation (\$m, nominal)

Category	Other Construction Costs	Costs Allocated	Commentary on allocated costs
Baseline planning conditions	1	-	Costs comprise one variation under the Group A claims [REDACTED] (associated with delayed landholder consent to occupy Parks Victoria land) and one claim (associated with road permits not anticipated at the time of executing the EPC contract) [REDACTED].
Track possessions	1	-	No amounts have been allocated.
Micro-siting risk	2	3	Costs comprise two variations under the Group A claims [REDACTED] and one variation included [REDACTED] in the ICC contract. Each of these claims is related to the change from guyed towers to self-supporting towers in specific locations.
Safety & Quality Assurance Program	5	5	Costs allocated are for Transgrid Safety and Quality resource costs incurred prior to December 2024.
Planning Approval delay	10	4	Costs comprise extension of time claims to Dinawan and Wagga Wagga substations and Line 2 due to the late issuance of the Planning Approvals for PEC East.
Unforeseen Planning Approval Requirements (UPAR)	9	218	Costs comprise a claim due to different planning conditions on PEC West which were included in the Group A claims [REDACTED]; and three claims, which were extension of time claims due to changed planning conditions of PEC East. [REDACTED].
COVID-19	6	-	No amounts have been allocated to variations [REDACTED].

Category	Other Construction Costs	Costs Allocated	Commentary on allocated costs
Extreme weather	1	3	Costs comprise one claim under the Group A claims [REDACTED] where costs were incurred alleviating the flooding at Camp 7 and one variation included [REDACTED] in the ICC contract for relocating tower locations to avoid flooding.
Commissioning costs	13	4	Costs are Transgrid's commissioning resource costs incurred prior to December 2024 and one variation [REDACTED]
Overrun amounts not in 'Other construction costs'	N/A	36	Costs have been incurred over and above anticipated project costs against categories other than those set out above. These costs are primarily related to landholder issues, design and scope changes, which were not envisaged at EPC contract commencement.
Total	47	274	

6. Appendices

The following models are provided to support the reopener amount calculation:

- 7a: Capex forecast model, Transgrid
- 7b: Labour and indirects model, Transgrid, and
- 7c: Post-tax revenue model, Transgrid.