

Draft Annual Information Order 2026-28 – Interconnectors Appendix A – Instructions

March 2026

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1 General instructions

1.1 Data requirements

- 1.1.1 General instructions relevant to the completion of the *data submission workbooks* are contained in the data workbooks attached at Appendix A.
- 1.1.2 Data requirements are identified by reference to table headings, row descriptors and column headings. They are represented as input cells - shaded yellow in the *data submission workbooks*.
- 1.1.3 Reported data (inputs) must meet validation rules and consistency cross checks, as set out in the *data submission workbook*.
- 1.1.4 Where a NULL response is specified as valid, a response to the data requirement is not mandatory.
- 1.1.5 The *Interconnector* must identify and explain each NULL response in its *basis of preparation*.
- 1.1.6 Where a NULL response is specified as not valid (that is, a response to the data requirement is mandatory) and the data requirement is not relevant to the *Interconnector* in the reporting period, it must report '0'.

1.2 Reporting framework

- 1.2.1 *Interconnectors* must prepare and report the data in the data workbooks in accordance with:
 - (a) the service classifications that apply or applied in the reporting period; and
 - (b) the *cost allocation method* approved by the AER for the reporting period.
- 1.2.2 The *Interconnector* must report *financial information* in the data workbooks that:
 - (a) is derived from the *audited statutory accounts*;
 - (b) is verifiable by reference to the *audited statutory accounts*;
 - (c) is generally prepared using the accrual basis of accounting;
 - (d) is presented on a fair and consistent basis, from the accounting records that underlie the costs, *revenue*, assets and liabilities that may be reasonably attributed to the *Interconnector*;
 - (e) in so far as is reasonably practicable, is prepared in accordance with the general rules and format of the *audited statutory accounts*, and use the accounting principles and policies applicable to the *audited statutory accounts* except as otherwise required by this *Order*;
 - (f) is presented in an understandable manner, without sacrificing relevance or reliability; and
 - (g) states fairly the financial performance of the *Interconnector*.

1.3 Cost allocation

- 1.3.1 The *Interconnector* must allocate all costs that relate to or are incurred in the provision of *prescribed transmission services* in the *audited statutory accounts*, to the *Interconnector* in accordance with section 1.3.3
- 1.3.2 All costs allocated to the *Interconnector* in the response to section 1.3.1 must in turn be allocated in accordance with section 1.3.3 to:
- (a) a *prescribed transmission service*;
 - (b) a negotiated service; or
 - (c) an unclassified or *unregulated service*.
- 1.3.3 A cost allocated to the *Interconnector* that is:
- (a) *directly attributable* to the *Interconnector*, must be allocated to the *Interconnector*;
 - (b) not *directly attributable* to the *Interconnector* must be allocated to the *Interconnector* on a *causation basis*, using an appropriate allocator, determined in accordance with section 4.5 of the *Order*, unless the item is not material;
 - (c) *directly attributable* to the *Interconnector* but not *directly attributable* to a to a *prescribed transmission service*, a negotiated service or an unclassified or *unregulated service*, must be allocated in accordance with the approved *cost allocation method*;
 - (d) *capital expenditure* must be allocated to an *asset class* on a *directly attributable* basis or a *causation basis* using an appropriate allocator; and
 - (e) *operating expenditure* must be allocated to an opex category on a *directly attributable* basis or a *causation basis* using an appropriate allocator.

Note: See section 4.5 of the *Order*.

1.4 Customer and government contributions

- 1.4.1 The *Interconnector* must not carry forward into the *asset base capital contributions* treated as *revenues* in *audited statutory accounts* and included in the value of assets in those accounts.
- 1.4.2 The *Interconnector* must treat *capital contributions* in accordance with the method approved in the *Interconnector's* current *revenue determination*.

1.5 Asset base

- 1.5.1 Asset revaluations or adjustments for impairment are not permitted unless agreed to or required by the *AER*.
- 1.5.2 The *Interconnector* must report revaluations or adjustments for impairment made in the *audited statutory accounts* in the *adjustments* column in Table 9.2.1 RFS Income statement.

1.5.3 The *Interconnector* must allocate *capital expenditure* to an *asset class* and not show it under a work in progress heading.

1.5.4 The *Interconnector* must not include goodwill and any related impairments in the *financial information*.

1.6 Regulatory accounting principles and policies

1.6.1 The regulatory accounting principles and policies applied by the *Interconnector* must:

- (a) be based on a recognisable and rational economic basis;
- (b) ensure that the resultant *financial information* satisfies the concepts of relevance and reliability;
- (c) ensure that the substance of the underlying transactions and events is reported in the *financial information*;
- (d) ensure that the *financial information* can be understood;
- (e) allow for comparisons to be made over time; and
- (f) conform to the recognition and measurement principles of the Australian Accounting Standards.

1.6.2 Unless otherwise required by this *Order*, the *Interconnector* must report *capital expenditure* and associated data (such as *asset* volumes against the reporting period on an as-incurred basis).

1.7 Data submission workbooks

1.7.1 There is one data submission workbook for *Interconnectors*

- Annual order [Reporting year] – *Interconnectors* – Data submission workbook

1.7.2 Instructions are set out for each table by worksheet in section 2.

1.7.3 The *Interconnector* can reduce the file size by pasting over the (formula) validation rules in the *data submission workbook* with values. To do this, first complete the corresponding data table, check the data validation rules (to the right of the data table) have not been violated, (you will see an 'X' where data does not comply with the validation rules) then copy the formulas and paste values (or delete if there are no 'X's).

NOTE: The *AER* will independently verify data validation rules upon receipt of the *data submission workbooks*.

1.7.4 Where confidential and / or protected SOCI information has been removed from the relevant version of the *data submission workbook*, any violated 'NULL is not valid' rules from that version of the *data submission workbook* should be ignored.

1.7.5 Checks and totals are included on some worksheets. Where there is a variance between data comparators an explanation for the variance must be included in the worksheet.

2 Data submission workbook

2.1 Worksheet 2.1 Expenditure summary

Table 2.1.1 – Prescribed Transmission Services Capex (as incurred)

- 2.1.1 The *Interconnector* must report *capital expenditure* on an “as-incurred” basis.
- 2.1.2 The *capital expenditure* for each *AER* defined purpose must be mutually exclusive and collectively exhaustive.
- 2.1.3 The *Interconnector* must provide a reconciliation between the total *capital expenditure* to the gross capital expenditure recorded in Table 8.6.1 Indicative asset base as incurred.
- 2.1.4 Where the *Interconnector* reports a negative value in Table 2.1.1, the *Interconnector* must explain the reason for the negative value in the *basis of preparation*.

Table 2.1.2 - Prescribed Transmission Service Opex

- 2.1.5 The *Interconnector* must report *operating expenditure* on a mutually exclusive and collectively exhaustive basis.
- 2.1.6 The *Interconnector* should only report against the purpose ‘other opex’ where the expenditure is not already reported in one of the other expenditure categories.
- 2.1.7 Where the *Interconnector* reports a negative value in Table 2.1.2, the *Interconnector* must explain the reason for the negative value in the *basis of preparation*.

2.2 Worksheet 2.2 Repex

Table 2.2.1 - Replacement Expenditure, Volumes and Asset Failures by Asset Category

Expenditure

- 2.2.1 The *Interconnector* must report asset replacement capital expenditure on an as commissioned basis.
- 2.2.2 The *Interconnector* must report asset replacement capital expenditure by the prescribed asset class.
- 2.2.3 Where the *Interconnector* considers the prescribed *asset classes* do not account for an asset on the *Interconnector’s* network, the *Interconnector* must add the asset to the asset class row descriptors that are formatted as input cells~~report the asset in the ‘Other’.~~
- 2.2.4 Where the *Interconnector* reports *replacement capital expenditure* associated with asset refurbishments/ life extensions, the *Interconnector* must report the expenditure against the *asset class* “Other”. Each asset in this *asset class* must be described by the equivalent asset class followed by the word “refurbished”.

Asset Replacements and failures

- 2.2.5 The *Interconnector* must report data on *asset replacement*, ~~and failure, inspection and maintenance~~ on an as commissioned basis.
- 2.2.6 The *Interconnector* must report data on *asset failure* in the reporting year in which the failure commenced.
- 2.2.7 The *Interconnector* must report data on *asset replacement* and *failure* by the prescribed *asset class*.
- 2.2.8 Where the *Interconnector* considers the prescribed *asset classes* do not account for an asset on the *Interconnector's* network, the *Interconnector* must ~~report~~ add the asset in to the 'Other' *asset class* row descriptors that are formatted as input cells.
- 2.2.9 Where the *Interconnector* reports replacement activities associated with asset refurbishments/ life extensions, the *Interconnector* must add the asset to the *asset class* row descriptors that are formatted as input cells~~report the activities against the *asset class* 'Other' business-specified categories.~~ Each *asset* in this *asset class* must be described by the equivalent *asset class* followed by the word 'refurbished'.
- 2.2.10 For each row descriptor added as an *asset class*, the *Interconnector* must identify the units of measure used to quantify the volume of *asset replacements* and *asset failures*. The units of measure reported do not apply to the replacement expenditure, which is measured in \$.
- 2.2.11 For each row descriptor added as an *asset class*, the *Interconnector* must report corresponding asset volumes, as per the requirements in Table 5.2.1 Asset age profile.
- ~~For each asset category the TNSP must report:~~
- ~~(a) For assets maintained—the number of maintenance activities in the reporting period~~
- ~~(b) For assets inspected—the number of inspection activities in the reporting period.~~
- 2.2.12 The *Interconnector* must use the same descriptors for the *Interconnector* defined *asset classes*, as were used in the previous reporting year, unless the *asset class* is new.

2.3 Worksheet 2.3C Material projects (Augex)

- 2.3.1 *Interconnector* must not report *augmentation* data relating to connections in this worksheet.
- 2.3.2 The *Interconnector* must not include data for *gifted assets*.

Table 2.3C.2 – Material Projects

- 2.3.3 The interconnector must report material projects with a total cumulative expenditure over the life of the project of greater than or equal to \$5 million (nominal), including *augmentation* works on any line or cable in the interconnector's network.
- 2.3.4 The interconnector must report each project where project close occurred during the reporting period.

- 2.3.5 The interconnector must report a project identifier for the '*Project ID*'. This may be the project name, location and/or code.
- 2.3.6 The interconnector must report all expenditures in real dollars, where the real dollar terms are set to the last day of the reporting period (for example, for the reporting period 1 July 2026 to 30 June 2027, the expenditure is reported in \$*real*, 30 June 2027).
- 2.3.7 The interconnector must explain the conversion factors used to derive the real dollar expenditures in its *basis of preparation*.
- 2.3.8 For projects that span across reporting periods, the *Interconnector* must report data for the *units added* or *units upgraded* in the final year in which expenditure was incurred for the project.
- 2.3.9 Where there was no expenditure or relevant project detail for a *material* project against a heading the *Interconnector* should report '0' against the relevant heading for that project.

2.4 Worksheet 2.4 Capex by Asset Class

Table 2.4.1 - Actual Gross Capital Expenditure – as Commissioned

- 2.4.1 The *Interconnector* must report against each *asset class* specified in
 - (a) its current determination as listed in the *AER's* final decision *post-tax revenue model*; or
 - (b) if the *AER's* final decision *post-tax revenue model* has been updated, the most recent *post-tax revenue model* update issued by the *AER*.
- 2.4.2 Where allocations are based on assumptions, the *Interconnector* must explain the allocation method in the *basis of preparation*.
- 2.4.3 The *Interconnector* must explain in its *basis of preparation* the basis upon which it has reported movements in capitalised *provisions*.
- 2.4.4 Reported *provisions* are those that have been included in the associated *capital expenditure*.
- 2.4.5 The *Interconnector* must report capital expenditure funded by capital contributions. Capital expenditure for each *asset class* must include the capital contributions as a positive value where relevant.

Immediate expensing of capex

- 2.4.6 The *Interconnector* must report *immediate expensing capital expenditure* against each *asset class* specified in its current determination as listed in the most recent *post-tax revenue model* issued by the *AER* as part of or after the final determination ~~*AER's* final decision in its *post-tax revenue model*.~~
- 2.4.7 Where allocations are based on assumptions, the *Interconnector* must explain the allocation method in its *basis of preparation*.

2.4.8 The reported value of the *Interconnector's immediate expensing capital expenditure* by *asset class* incurred within the reporting period must be consistent with the value of *immediate expensing capital expenditure* that has been or will be included in the income tax returns lodged by the *Interconnector*, whether Federal or NTER, for the reporting period. Where, as a result of the ATO's decision-making process, these values change the *Interconnector* must report the updated values to the AER through a RIO resubmission.

2.4.9 NULL is a valid response where 'immediate expensing of capex' is not applicable to the Interconnector, the NULL response must be explained in the basis of preparation.

NCIPAP projects

2.4.10 The Interconnector must list each project that is defined as a NCIPAP project and report total capex for that project on an as-commissioned basis.

Table 2.4.2 - Actual Gross Capital Expenditure – as Incurred

2.4.11 The *Interconnector* must report against each *asset class* specified in its current determination as listed in the most recent post-tax revenue model issued by the AER as part of or after the final determination~~AER's final decision post-tax revenue model.~~ The asset classes are linked to the asset classes reported in table 2.4.1 and must not be overwritten or amended.

2.4.12 Where allocations are based on assumptions, the *Interconnector* must explain the allocation method in the *basis of preparation*.

2.4.13 The *Interconnector* must explain in its *basis of preparation* the basis upon which it has reported movements in capitalised *provisions*.

2.4.14 Reported *provisions* are those that have been included in the associated *capital expenditure*.

The *Interconnector* must report *capital expenditure* funded by *capital contributions*. *Capital expenditure* for each *asset class* and must include the *capital contributions* as a positive value where relevant.

NCIPAP projects

2.4.15 The Interconnector must list each project that is defined as a NCIPAP project, and report capex for that project on an as-incurred basis.

2.5 Worksheet 2.5 Connections

Table 2.5.2 - Description of Connection Projects

2.5.1 The *Interconnector* must report *augmentation* for connections relating to *customer connection* requests and only as per the definition of connection work. The *Interconnector* must not double count *augmentation* work; it must be classified by primary purpose as either *augmentation* or connections works.

- 2.5.2 Data requirements are identified by reference to table headings, row descriptors and column headings. They are represented as input cells in [Table 2.5.2](#).

2.6 Worksheet 2.6 Non-Network

Table 2.6.1 - Non-Network Expenditure

- 2.6.1 The *Interconnector* must report *non-network capital and operating expenditure* as a *direct expenditure*, irrespective of whether that expenditure is also classified as *corporate overheads*, *network overheads* or other *capital expenditure* categories. To the extent this results in multiple reporting of expenditures, the *Interconnector* must identify this in the *basis of preparation* and the reconciliation report required under section 4.15 of this *Order*.

~~In relation to the Other Non-network capital expenditure, if the TNSP has incurred \$1 million or more (nominal) in capital expenditure over the last five reporting periods for a given type or class of asset (e.g. mobile cranes), the TNSP must report that item separately.~~

Information and communications technology

- 2.6.2 Where the *Interconnector* can report recurrent expenditure disaggregated by category it must do so. The categories reported are to be mutually exclusive and combine to report total recurrent expenditure.
- 2.6.3 Where the *Interconnector* can report non-recurrent expenditures disaggregated by category it must do so. The categories reported are to be mutually exclusive and combine to report total non-recurrent expenditures.
- 2.6.4 The *Interconnector* should use categories consistent with the *AER's 2019 ICT expenditure review*.
- 2.6.5 If the *Interconnector* cannot report recurrent expenditures disaggregated by category, it must report total recurrent expenditure.
- 2.6.6 If the *Interconnector* cannot report non-recurrent expenditures disaggregated by category, it must report total non-recurrent expenditure.

Motor vehicles / Buildings and property expenditure / Other non-network expenditure

- 2.6.7 The *Interconnector* must report *non-network operating expenditure* as a *direct expenditure*, irrespective of whether any expenditure is also reported in *corporate overheads*, *network overheads* or other operating expenditure categories. To the extent this results in multiple reporting of expenditures, the *Interconnector* must identify this in the *basis of preparation* and the reconciliation report required under section 4.15 of this *Order*.
- 2.6.8 Where the *Interconnector* reports a negative value in Table 2.6.1, the *Interconnector* must explain the reason for the negative value in the *basis of preparation*.

2.7 Worksheet 2.7 Vegetation Management

Table 2.7.2 - Expenditure Metrics by Zone

Vegetation management expenditure

- 2.7.1 The *Interconnector* must report annual *vegetation management* expenditure as the direct *vegetation management* expenditure for the reporting period.
- 2.7.2 The *Interconnector* must report only expenditure on inspections where the *Interconnector* inspects solely for the purpose of assessing vegetation. Where the expenditure involves assessing both the *Interconnector's* assets and vegetation, the *Interconnector* must allocate the expenditure to *maintenance expenditure*.

2.8 Worksheet 2.8 Maintenance

~~Table 2.8.1 –Descriptor Metrics for Routine and Non-Routine Maintenance~~

~~The TNSP must report data on asset replacement, failure, inspection and maintenance on an as-commissioned basis.~~

~~The TNSP must report:~~

- ~~(a) data on asset replacement and failure by the prescribed asset class disaggregated into prescribed asset sub-categories~~
- ~~(b) data on asset maintenance and inspection by the prescribed asset class.~~

~~Where the TNSP considers the prescribed asset classes do not account for an asset on the TNSP's network, the TNSP must report the asset in the 'Other by business specified categories' and must provide an appropriate description for that asset.~~

~~Where the TNSP considers the prescribed asset class sub-categories do not account for an asset on the TNSP's network, the TNSP must report the asset in the row 'other' under the relevant asset class. The TNSP must describe the assets included as 'other' for each asset class in the basis of preparation.~~

~~Where the TNSP reports replacement activities associated with asset refurbishments/ life extensions, the TNSP must report the activities against the asset class 'Other by business specified categories'. Each asset sub-category in this asset class must be described by the equivalent asset sub-category followed by the word 'refurbished'.~~

~~For each row descriptor added in the 'Other by business specified categories', the TNSP must report corresponding operational outputs and asset volumes, as per the requirements in Data workbook 07—Capital expenditure and 03—Network metrics.~~

~~For each asset category the TNSP must report:~~

- ~~(a) For asset maintained—the number of maintenance activities in the reporting period~~
- ~~(b) For assets inspected—the number of inspection activities in the reporting period.~~

Table 2.8.2 - Cost Metrics for Routine and Non-Routine Maintenance

- 2.8.1 The *Interconnector* must report total *maintenance expenditure* in table 2.8.2 on an as-incurred basis.
- 2.8.2 Where *maintenance expenditure* is incurred that does not relate to the *asset classes* or sub-categories listed, it must be reported in '*Other maintenance activity*'.
- 2.8.3 Where '*routine*' or '*non-routine*' *maintenance expenditure* has changed by more than 10 per cent compared to the previous reporting period for a *maintenance* item listed in Table 2.8.2, the *Interconnector* must explain the driver of the change in the *basis of preparation*.

~~Data requirements are identified by reference to table headings, row descriptors and column headings. They are represented as input cells— shaded yellow in the data workbook 06— Operating expenditure. There are no further instructions.~~

2.9 Worksheet 2.10 Overheads

Table 2.10.1 - Network Overheads Expenditure

Table 2.10.2 - Corporate Overheads Expenditure

- 2.9.1 The *Interconnector* must report *overheads expenditure* allocated to *operating expenditure* ~~and~~ disaggregated into service categories and *direct* and *indirect expenditure*.
- ~~The *interconnector* must report *overheads expenditure* allocated to *capital expenditure* and disaggregated into service categories.~~
- 2.9.2 The *Interconnector* must report *overheads expenditure* allocated to *capital expenditure* and disaggregated into service categories and *direct* and *indirect expenditure*.
- 2.9.3 Where the *Interconnector* reports negatives value in Tables 2.10.1 and 2.10.2, the *Interconnector* must explain the reason for the negative value in the *basis of preparation*. This requirement does not apply to data reported as a '*Regulatory adjustment*'.

2.10 Worksheet 3.1 Revenue

Table 3.1.3 - Revenue (Penalties) Allowed (Deducted) Through Incentive Schemes

- 2.10.1 The *Interconnector* must report the *penalties or rewards of incentive schemes* in Table 3.1.3. The *Interconnector* must report the penalties or rewards from all incentive schemes that applied in the reporting year, including applied by previous jurisdictional regulators that are equivalent to the service target performance incentive scheme (STPIS), or efficiency benefit sharing scheme (EBSS) and Capital Expenditure Sharing Scheme (CESS) against the line items for those schemes.

- 2.10.2 The *Interconnector* must add all incentive schemes to Table 3.1.3, and report '0' if not reward or penalty applied to revenues in the reporting year.
- 2.10.3 Revenues reported must reflect the effect on revenues of incentive schemes in the year that the penalty or reward is applied ~~(as opposed to when it was earned which depending on the scheme may be in earlier years)~~. For instance, if the *Interconnector* is rewarded extra revenues for performance under the *STPIS* in 2019-2024 and gains these revenues in 2021-2026 these revenues must be reported in the 2021-2026 year only.

2.11 Worksheet 3.2B Provisions

Table 3.2.3 - Provisions

- 2.11.1 The *Interconnector* must report data on total *provisions* in accordance with the requirements of the Cost Allocation Approach and the Regulatory Accounting Statements that were in effect for the reporting period.
- 2.11.2 The *Interconnector* must report data for each of its individual *provisions*. A *provision* is an account that records a specific present liability of the *Interconnector* to another entity. Examples of *provision* accounts include employee entitlements, doubtful debts and uninsured losses.
- 2.11.3 The *Interconnector* must report *provisions* in accordance with the principles and policies applying in the reporting period, and apply the following presentation standards:
- if the opening balance has a credit balance and represents a liability associated with the *provision*, it should be reported as a positive number
 - if the opening balance has a debit balance and represents a 'negative' liability associated with the *provision* it should be reported as a negative number
 - a movement in *provisions* that increases the liability should be reported as a positive number
 - a movement in *provisions* that decreases the liability should be reported as a negative number.

2.12 Worksheet 3.5 Physical assets

Table 3.5.1 - Transmission System Capacities

Table 3.5.1.1 - Overhead Network Length of Circuit at Each Voltage

Table 3.5.1.2 - Underground Cable Circuit Length at Each Voltage

~~The network *circuit length* is the *circuit length* (measured in kilometres) of lines in service. Lines in service is the total length of lines including interconnectors, backbones and spurs. A double circuit line counts as twice the length. Length must not include vertical components such as sag.~~

2.12.1 For ‘Other overhead voltages’ and ‘Other underground voltages’ the *Interconnector* must report the aggregate *circuit length* for all voltages that comprise ‘Other’. The *Interconnector* must identify the other voltages in its *basis of preparation*.

2.12.2 NULL is a valid response where the ‘overhead voltage’ or ‘underground voltage’ is not applicable to the *Interconnector*.

Table 3.5.1.3 - Estimated Overhead Network Weighted Average MVA Capacity by Voltage Class

Table 3.5.1.4 - Estimated Underground Network Weighted Average MVA Capacity by Voltage Class

2.12.3 The *Interconnector* must report, for each of the listed voltage classes, estimated typical or weighted average capacities under normal circumstances taking account of limits imposed by thermal or by voltage drop considerations as relevant.

2.12.4 NULL if a valid response where the voltage class is not applicable to the *Interconnector*.

2.12.5 This information will be used to calculate an overall MVA x km ‘carrying capacity’ for each voltage class under normal circumstances. The *Interconnector* is required to provide summer Maximum Demands for summer peaking assets and winter Maximum Demands for winter peaking assets. If the *Interconnector’s* peak has changed from winter to summer (or vice versa) over the time period, winter ratings should be applied for those years where there was a winter peak and summer ratings for those years where there were summer peaks.

2.12.6 Where circuits travel both overhead and underground and the capacity of the overhead and underground components is not available separately, the *Interconnector* may split the known *circuit capacity* by the ratio of its overhead network to its underground network and report estimated values for the overhead capacity and underground capacity components.

2.13 Worksheet 3.6 Quality of service data

Table 3.6.1 - Service Component

2.13.1 The *Interconnector* must report service performance outcomes for all parameters that apply to the *Interconnector* in the calendar year immediately preceding the reporting period, as specified in a revenue determination made by the *AER*.

2.13.2 This data requirement adopts the definitions specified in the *service target performance incentive scheme (STPIS)* that applies to the *Interconnector* in the calendar year immediately preceding the reporting period.

2.13.3 The *Interconnector* must report unrounded data.

Table 3.6.2 – Market Impact Component

- 2.13.4 The *Interconnector* must report service performance outcomes for the market impact component of the *STPIS* that applies to the *Interconnector* in the calendar year immediately preceding the reporting period

~~Table 3.6.3 – System Losses~~

- ~~2.13.5 The *Interconnector* must report system losses calculated as:~~

~~$$\frac{((\text{Electricity inflows} - \text{electricity outflows}) \times 100)}{(\text{electricity inflows})}$$~~

~~where:~~

~~Electricity inflows is the total electricity inflow into *Interconnector's* transmission network including from generation, other connected *Interconnectors* at the *connection point*, and connected DNSPs as measured by revenue meters.~~

~~Electricity outflows is the total electricity outflow into the networks of connected *distribution network service providers*, other transmission networks and *directly connected end-users* as measured by revenue meters.~~

2.14 Worksheet 5.2 Asset Age Profile

Table 5.2.1 - Asset Age Profile

- 2.14.1 All asset volumes are to be reported as at the end of the reporting period.
- 2.14.2 The *Interconnector* must report data on asset quantities by the prescribed *asset class*.
- 2.14.3 Where the *Interconnector* considers the prescribed *asset class* does not account for an asset on the *Interconnector's* network, the *Interconnector* must report the asset in the row "other". ~~The *Interconnector* must describe the assets reported as "other" for each *asset class* in the *basis of preparation* and~~ All assets in commission reported in the asset class 'Other' must be included in the discretionary asset classes listed in table 2.2.1, even if there are no replacement expenditures, activities or asset failures to report against that asset class.

~~For each row descriptor added in the 'Other by business specified categories', the TNSP must report corresponding operational outputs and capital expenditure, as per the requirements in Data workbook 02—Operational outputs and 07—Capital expenditure~~

2.15 Worksheet 7.5 Large Projects

Table 7.5.1 - Large Project Expenditure

- 2.15.1 The *Interconnector* must report operating and capital expenditure incurred in the reporting year for all large projects. A large project is defined as any project that has commenced, where the expected expenditure on the project exceeds a threshold value.

- 2.15.2 For *Interconnector* the expected expenditure threshold values is a project with expected total expenditure over the life of the project that exceeds either \$30 million or 5% of the value of the maximum allowed revenue for the first year of the relevant regulatory control period, whichever is the larger amount.
- Note: As the definition of *large project* uses the same threshold as is required for a *contingent project*, a *contingent project* that is triggered will be captured in the *large project* reporting.
- 2.15.3 Do not include expenditure on programs of work unless an individual project with the program meets the definition of a *large project*, in which case the individual project must be included in the *large project* reporting.
- 2.15.4 If the expected expenditure on a project is varied during the life of the project, a project that previously did not meet the definition of a *large project* may subsequently meet the definition after expenditure variations are included in the total expected expenditures.
- 2.15.5 If expected expenditure on a project is varied such that the project no longer meets the definition of a *large project* (that is the total expected expenditure on the project is less than the threshold amount), the project should not be included in Table 7.5.1.
- 2.15.6 The *Interconnector* must report *operating expenditure* and *capital expenditure* for all *large projects*, as incurred in all reporting periods covering the life of the project.
- 2.15.7 The *Interconnector* must only report the actual expenditure incurred in the reporting year in Table 7.5.1.
- 2.15.8 The *Interconnector* is not required to report ongoing costs after the project is commissioned in Table 7.5.1.
- 2.15.9 Table 7.5.1 requires both large project operating and capital expenditure by direct and indirect expenditure. Interconnectors must report overheads expenditure in columns with headings marked ‘indirect expenditure’.

2.16 Worksheet 7.6 Price Reduction

Table 7.6.1 - Price Reduction/Recovery

- 2.16.1 Data requirements are identified by reference to table headings, row descriptors and column headings. They are represented as input cells - shaded yellow in the *data submission workbook*. There are no further instructions.

2.17 Worksheet 7.7 Related Party Transactions

Table 7.7.1 - Related Party Transactions

Payments from related parties / Payments to related parties

- 2.17.1 The *Interconnector* must report information relating to any *material related party transactions* attributed to, or allocated between, categories of transmission services provided by the *Interconnector*.

- 2.17.2 The data requirement relates to aggregate payments to or from *related parties*, in relation to a specified transaction.
- 2.17.3 The *Interconnector* must report 'type of service' as one of the following options
- (a) Prescribed
 - (b) Negotiated
 - (c) Unregulated.
- 2.17.4 Where possible, the *Interconnector* should report information (*related parties*, description of transaction and procurement process) consistent with prior years.

2.18 Worksheet 7.9 Market Impact Component

Table 7.9.4 - Market Impact Component

- 2.18.1 This data requirement adopts the definitions specified in the *STPIS* that applies to the *Interconnector* in the calendar year immediately preceding the end of the reporting period. (For example, if the reporting period ends on 30 June 2025, the data required is for the calendar year 2024.)
- 2.18.2 The *Interconnector* must report unrounded data.
- 2.18.3 NULL is valid where the scheme does not apply to *Interconnector* with no explanation required in the *basis of preparation*.

2.19 Worksheet 8.5 Operating Expenditure

Table 8.5.1 - Operating Expenditure - Audited Statutory Accounts

- 2.19.1 The *Interconnector* must identify any expenditure category where the expense is more than five per cent of the total operating expenditure for regulated *prescribed transmission services*. The *Interconnector* must identify debt raising cost as an expenditure category, regardless of the expenditure amount.
- 2.19.2 The reported sum of the individual operating expenditure categories must reconcile with the total operating expenditure included in the *Audited financial statementsstatutory accounts* of the *Interconnector*.
- 2.19.3 Where the *Interconnector* reports a negative value in Table 8.5.1 the *Interconnector* must explain the reason for the negative value in the *basis of preparation*.

Table 8.5.2 - Operating Expenditure - Regulatory Accounts

- 2.19.4 The *Interconnector* must report all operating expenditure against all operating expenditure categories reported for the *Audited Statutory accounts*.
- 2.19.5 The *Interconnector* must explain the regulatory adjustments in the basis of preparation, including a reconciliation with the Audited financial statementsstatutory accounts of the *Interconnector*.

- 2.19.6 Where the Interconnector reports a negative value in Table 8.5.2 the Interconnector must explain the reason for the negative value in the basis of preparation. This requirement does not apply to 'Regulatory adjustments'.

2.20 Worksheet 8.6 Indicative Asset Base Roll Forward

Table 8.6.1 - Indicative Asset Base as Incurred

Table 8.6.2 - Indicative Asset Base as Commissioned

- 2.20.1 The *Interconnector* must report the required data in accordance with the AER's Roll Forward Model, and the definitions the AER Networks Glossary.
- 2.20.2 The *Interconnector* must report the *opening value* in accordance with the following instructions:
- (a) In the first year of a regulatory control period the *opening asset base value* must equal the *opening asset base value* used by the AER to model revenue requirements in
 - i. its final determination for the regulatory period (using the *Post Tax revenue Model*)
 - ii. Its most recent post-tax revenue model issued by the AER after the final determination.
 - (b) In remaining years of a regulatory control period, the *opening asset base value* should equal the *closing value* of the prior year.
- 2.20.3 The *Interconnector* must report the *inflation addition* consistent with the inflation requirement as per the annual revenue adjustment process set out in the final determination.
- 2.20.4 The *Interconnector* must report the *forecast straight-line depreciation* based on the *forecast real straight-line depreciation* determined in the most recent post-tax revenue model issued by the AER as part of or after the final determination annual RoD updated PTRM, but converted to nominal terms.
- 2.20.5 The *Interconnector* must report the *gross capex* and *disposals* consistent with expenditures reported in worksheet 2.4 – Capex by asset class, or the *income statements* for *prescribed transmission services - Regulatory Accounts*.
- 2.20.6 The *Interconnector* must report the *capex timing adjustment* consistent with the 'half year WACC adjustment' described in the RFM, using the WACC value determined in the most recent post-tax revenue model issued by the AER as part of or after the final determination latest Return on debt annual update PTRM published by the AER.

2.21 Worksheet 8.8 Revenue Requirements

- 2.21.1 Reporting throughout '8.8 Revenue Requirements' must be reported per the item's effect on transmission prices. For example, if the item to be reported reduces prices, then it

should be reported as a negative value. If it increases prices, then it should be reported as a positive value.

Table 8.8.1 – Estimated Revenue Requirements for Reporting Period (TNSP)

Adjusted ~~Allowed Revenue~~ MAR (excluding concessional finance benefits)

- 2.21.2 The *Interconnector* must report the *maximum allowed revenue (MAR)* and all adjustments (i.e., per NER cl. 6A.22.1(a)) that modify its revenue requirements for the reporting period. These amounts will match the information used to set prices in the reporting period.
- 2.21.3 Where a row is not applicable to the Interconnector, the Interconnector must leave the response NULL and explain this in the *basis of preparation*.
- 2.21.4 The *Interconnector* must include, in its *basis of preparation*, a breakdown and explanation of all costs included in the ‘Any other adjustments allowed under NER cl. 6A.3.2’ and ‘Other MAR adjustments’ rows.
- 2.21.5 For the ‘Any other adjustments allowed under NER 6A.3.2’ row, this may include annual *adjustments* to other NER cl. 6A.3.2 amounts (e.g., DMIAM, any *capex* re-opener etc.) that have not already been incorporated into the MAR in the ‘Maximum allowed revenue’ row.
- 2.21.6 For the ‘Other MAR adjustments’ row, this may include any other adjustment that was made to the MAR during price setting that is not captured under NER cl. 6A.3.2, such as any deliberate under recoveries. If the deliberate under-recovery was applied to a specific category of *prescribed transmission service*, then this should be reported in the ‘Other ASRR adjustments (per NER cl. 6A.23.3)’ row in the ‘Revenue from *Prescribed Services*’ sub-table.
- 2.21.7 The ‘Adjusted MAR (excluding concessional finance benefits)’ sub-table excludes adjustments to the MAR derived from concessional finance benefits, as these amounts should be reported in the ‘Adjusted MAR (including concessional finance benefits)’ sub-table.

Adjusted MAR (including concessional finance benefits)

- 2.21.8 The *Interconnector* must report any adjustments to the MAR from concessional finance ~~benefits~~agreements. These are any adjustments that have been derived in accordance with NER cl. 6A.3.3(b)(3)(ii) or (iii) and should not include adjustments that have already been made to the Regulatory Asset Base (RAB).
- 2.21.9 Where the *Interconnector* does not have a concessional finance agreement in place, this table must be left NULL.

Aggregate annual revenue requirement (AARR)

- 2.21.10 The *Interconnector* must report any adjustments to the Adjusted MAR that were made in accordance with NER cl. 6A.22.1(b) to derive the AARR.

- 2.21.11 Where a row is not applicable to the Interconnector, the Interconnector must leave the response NULL and explain this in the *basis of preparation*.

Table 8.8.2B – Estimated Revenue Requirements for Reporting Period (non CNSP)

Revenue from prescribed services

- 2.21.12 Where a row is not applicable to the *Interconnector*, the *Interconnector* must leave the response NULL and explain this in the *basis of preparation*.
- 2.21.13 To determine the total 'Revenue from prescribed services (including ASRR adjustments)' the *Interconnector* must report ASRR amounts excluding ASRR adjustments against each category of prescribed service, as well as the adjustments that were made to these services per NER cl. 6A.23.3.
- 2.21.14 ASRR amounts excluding ASRR adjustments are the *prescribed transmission service* category amounts after the application of NER cl. 6A.23.2 and 6A.23.3(a) but before the application of clause 6A.23.3(b). That is, after the allocation of the AARR to *prescribed transmission service* categories and after the prescribed TUOS services have been allocated to the locational and non-locational components, but before the further adjustments to ASRR amounts (e.g., for MLEC or settlement residues).
- 2.21.15 ASRR adjustments must be reported per their effect on transmission prices. For example, if the adjustment reduces prices, then it should be reported as a negative value. If it increases prices, then it should be reported as a positive value.
- 2.21.16 For 'Other ASRR adjustments (per NER cl. 6A.23.3)', the *Interconnector* must report an aggregated amount for all other adjustments that have been made to ASRR amounts (i.e., adjustments made in accordance with NER cl. 6A.23.3) and which have not been reported elsewhere in the table. The *Interconnector* must include in its *basis of preparation* a description of all revenues included in this line-item.

Table 8.8.3 – Actual Revenue Recovered for Reporting Period (TNSP)

Actual Revenue recoveredies for reporting period

- 2.21.17 The *Interconnector* must report the *revenue* recovered for the reporting period by service classification (e.g. prescribed entry services, prescribed exit services etc.). The *Interconnector* must include, in the *basis of preparation*, a breakdown and explanation of all costs included in the 'Revenue from other sources' row
- 2.21.18 Where a *revenue* category is not applicable to the *Interconnector*, the *Interconnector* must leave the response NULL and explain this in the *basis of preparation*.

Revenue unders / overs for reporting period

- 2.21.19 The *Interconnector* must report the opening balance and transactions relating to *revenue* over and under recoveries.

- 2.21.20 '(Under)/Over collection for reporting period' should reflect the aggregate under/over recovery for the reporting period in accordance with clause 6A.23.3(f). That is, how the total estimated revenue for all allowed revenues and other costs (i.e., settlements and MLEC) compared with the actual revenue recovered against these accounts. For Interconnectors that provide their AARR to a CNSP, this may equal 'Actual revenue recovered for reporting period' (Table 8.8.3) minus 'Adjusted MAR (including concessional finance benefits)' (Table 8.8.1) (plus any additional adjustments that were included in estimated revenues, e.g., system security costs). All Interconnectors must provide an explanation and reasoning in the basis of preparation for the method adopted to determine this value.
- 2.21.21 The *Interconnector* may provide additional disclosures if required to explain the changes in the revenue over and under balance in each reporting period.

Revenue reconciliation (t-2)

- 2.21.22 The *Interconnector* must report information reconciling its allowed revenues to its out-turn revenue recoveries in the reporting period ending two years (t-2) prior to the current reporting period. For example, if the reporting period is for the year ending 30 June 2027, the *Interconnector* must reconcile its revenue allowance and recoveries for the year ending 30 June 2025.
- 2.21.23 The *Interconnector* must identify the dollar terms used to reconcile its revenue allowance and recoveries for the reporting period (t-2)
- 2.21.24 The *Interconnector* must explain the conversion factors used to derive the dollar terms in its basis of preparation.
- 2.21.25 Methodologies to determine this amount should be similar to the '(Under)/Over collection for reporting period' (see instruction above), although applied to year t-2 actuals. In this instance, 'Adjusted allowed revenue (year t-2)' is the aggregate revenue recovery estimate for year t-2, inclusive of all adjustments relevant to the Interconnector. 'Revenue earned (year t-2)' is the corresponding actual revenue that was recovered against these estimates for year t-2. The Interconnector must provide an explanation and reasoning in the basis of preparation for the methods adopted to determine the values in this table.
- 2.21.26 The *Interconnector* may provide additional disclosures to support its revenue reconciliation (t-2). Additional disclosures must be included in the scope of the audit or review engagement for the information in table 8.8.2.

2.22 Worksheet 8.9 Cost Allocation Agreement

- 2.22.1 If an Interconnector is not party to an interconnector cost allocation agreement it is not required to complete the tables on worksheet 8.9 – Cost allocation agreement.

Table 8.9.1 – Interconnector cost allocation agreement

- 2.22.2 The *Interconnector* must report the title of the *interconnector cost allocation agreement* and *implementation year* applicable to the *revenue* amounts reported in tables 8.9.2, 8.9.3 and 8.9.4.
- 2.22.3 The *Interconnector* must report the regions to which the *interconnector cost allocation agreement* applies (these are subsequently referred to as Region A and Region B).

Table 8.9.2 – Calculation of cost allocated to Region A

Table 8.9.3 – Calculation of cost allocated to Region B

- 2.22.4 For both regions reported in Table 8.9.1, the *Interconnector* must report the details of the *revenues* allocated to the region for the *implementation year*. In doing so, the *Interconnector* must demonstrate compliance with the *interconnector cost allocation agreement*.
- 2.22.5 The *Interconnector* must report the appropriate descriptor in the ‘Name of revenue amount’ column.
- 2.22.6 The *Interconnector* must include the baseline AARR allocations to each region – that is, the AARR allocation to each region without the *interconnector cost allocation agreement* – as well as the interconnector transfer amount that was specified in the applicable agreement for the implementation year.
- 2.22.7 *Revenue* amounts reporting the ‘*Regulatory accounts (PTS)*’ columns must be reported per their effect on transmission prices. For example, if the reported item reduces prices in a region, then it should be reported as a negative value. If it increases prices, then it should be reported as a positive value.

Table 8.9.4 – Annual Aggregate Revenue Requirement

- 2.22.8 The *Interconnector* must report the *interconnector’s* aggregate annual revenue requirement (‘AARR’) for the reporting period.
- 2.22.9 The calculated values in Table 8.9.4 should reflect the final adjusted AARR allocations to each region for the implementation year.
- 2.22.10 In most cases, the value for ‘Sum of revenue allocated to interconnected regions’ should equal the value for ‘Annual Aggregate Revenue Requirement’. If they are not equal, the *Interconnector* must explanation why they are not equal in its *basis of preparation*. This check is to satisfy that the *interconnector cost allocation agreement* has been implemented in accordance with the provisions in part J of chapter 6A of the NER.

2.23 Worksheet 9.1 Income Statement – Audited Statutory Accounts

Table 9.1.1 - Income Statement – Audited Statutory Accounts

- 2.23.1 The data requirements are set out in [the data submission workbook](#) with additional context provided by the general instructions in this document.
- 2.23.2 The *Interconnector* must disaggregate Other Revenue where the *revenue* represents greater than 5 per cent of the total *revenue* reported for *prescribed transmission services*.
- 2.23.3 The *Interconnector* must disaggregate Other expenditure where the expenditure is greater than 5 per cent of the total expenditure reported for *prescribed transmission services*.

2.24 Worksheet 9.2 Income Statement – Regulatory Accounts

Table 9.2.1 – Income Statement - Regulatory Accounts

- 2.24.1 The data requirements are set out in [the data submission workbook](#) with additional context provided by the general instructions in this document.
- 2.24.2 The *Interconnector* must disaggregate Other Revenue using the same categories as reported [in table 9.1.1](#).
- 2.24.3 The *Interconnector* must disaggregate Other expenditure using the same categories as reported [in table 9.1.1](#).

2.25 Worksheet NSP additional information

- 2.25.1 This worksheet is provided to enable the *Interconnector* to provide explanatory material, or alternative presentations of data in support of its submission.
- 2.25.2 Data amendments, that may be submitted in future reporting years can be documented in the table set out in this worksheet, but its use is not mandatory.
- 2.25.3 Other information can be added to the worksheet, as required. The *AER* will publish information in this worksheet unless an explicit claim for confidentiality is made over the information provided.