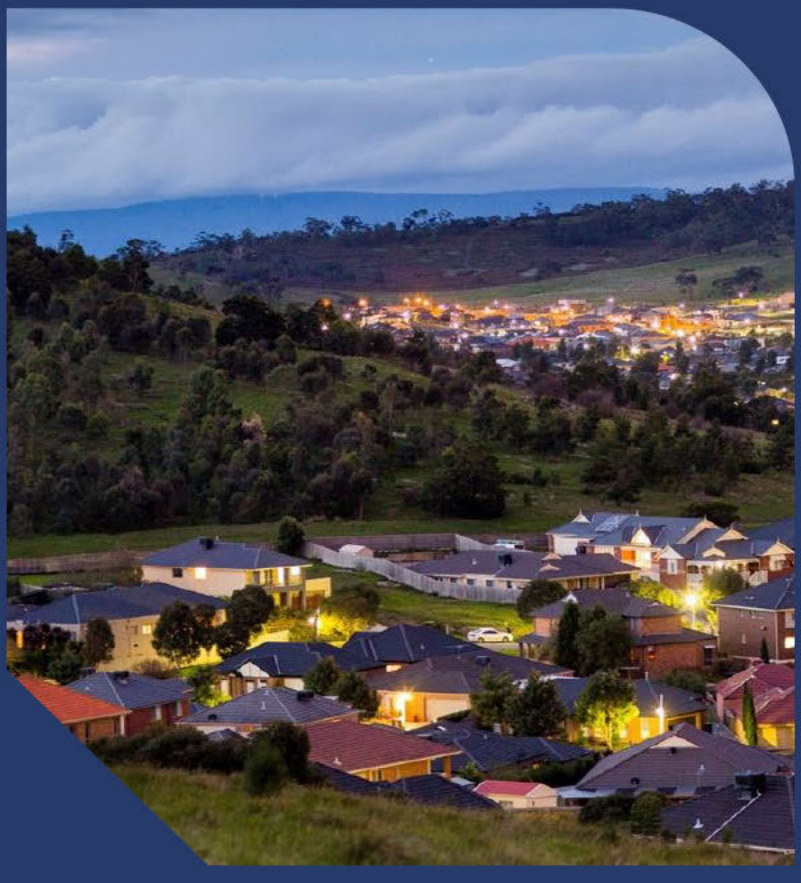
AusNet Electricity Services Pty Ltd

Annual Information Order

2024-25 Regulatory Year

Basis of Preparation



AusNet

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1. Overview

As per section 5.1.1 of the Annual Information Order – Electricity Distributors ("**AIO**") issued by the Australian Energy Regulator ("**AER**") on 5 April 2024 under the National Electricity Law ("**NEL**"), AusNet Electricity Services Pty Limited ("**AusNet Electricity**") must prepare and submit a Basis of Preparation for each annual response to the AIO.

This Basis of Preparation document supports AusNet Electricity in its preparation and reporting of regulatory information to meet the annual regulatory reporting obligations to the AER under the AIO for the regulatory year 1 July 2024 to 30 Jun 2025 ("**RY25**").

This Basis of Preparation accompanies the regulatory information presented in the AER submission workbooks ("**Reports**") entitled, 'AusNet Electricity Services Annual Order 2024-25 - Confidential' and 'AusNet Electricity Services Annual Order 2024-25 – Public'.

AusNet Electricity has prepared this Basis of Preparation in accordance with Appendix C of the AIO, whereby all required reportable categories as stipulated in Appendix C have been addressed for each table and sub-table of the AIO reports.

All financial data included in the Reports is presented in Australian dollars. All non-financial data is stated as per the measures specified in the Reports.

The AusNet Services' Group owns and operates three regulated networks – an electricity distribution network, a gas distribution network, and an electricity transmission network, as well as unregulated businesses. Employees of the AusNet Services Group work across the networks/businesses and there are shared costs, overheads and other corporate costs that cannot be directly allocated to a particular network or business. These costs are proportioned amongst AusNet Services' three regulated networks, as well as unregulated businesses, based on a monthly indirect cost allocation process in accordance with the Cost Allocation Methodology ("**CAM**") document as approved by the AER in November 2019.

Materiality has been applied throughout the Reports and the Basis of Preparation in line with the AER Glossary of Definitions issued on 5 April 2024. Information is material if its omission, misstatement or non-disclosure has the potential, individually or collectively, to influence the economic decisions of users (including the AER) taken based on the information provided. This definition is based on the definition of materiality in the AASB conceptual framework which provides context for the interpretation of this definition of materiality.

Based on the AIO instructions and other supplementary guidance received from the AER, AusNet Services must report all variables as 'Actual Information', unless it is unable to do so.

Actual Information is information whose presentation is materially dependent on information recorded in historical accounting records or other records used in the normal course of business, and whose presentation is not contingent on judgments and assumptions for which there are valid alternatives, that could lead to a materially different presentation.

- 'Accounting records' include trial balances, the general ledger, subsidiary accounting ledgers, journal entries and documentation to support journal entries. Actual financial information may include accounting estimates, such as accruals and provisions, and any adjustments made to the accounting records to populate its regulatory accounts.

- 'Records used in the normal course of business', for the purposes of non-financial information, includes asset registers, geographical information systems, outage analysis systems, and so on.
- Information presented whose presentation is based on allocation method using judgments or assumptions, can be still reported as actual. The allocation method would be expected to be clearly documented by the Network Service Provider and approved by senior management as either a regulatory statement accounting policy or regulated statement policy, with any judgments or assumptions used in the allocation remaining consistent between reporting years. The judgments or assumptions used are to be determined in accordance with the Order, notice or other purpose governing the preparation of the information.
- Hence, indirect cost allocations reported in the AIO reports are considered actual information as the allocations are in accordance with the AER-approved CAM.

'Estimated Information' is information whose presentation is not materially dependent on information recorded in the Network Service Provider's historical accounting records or other records used in the normal course of business (refer above), and whose presentation is contingent on judgments and assumptions for which there are valid alternatives, that could lead to a materially different presentation.

Interpretation of the AER's definition of Actual and Estimated information requires Management judgment to be made as to the appropriate classification of information including:

- the extent to which the information is sourced from accounting or other records used in the normal course of business; and
- the degree of estimation involved and whether the information is materially dependent on judgments and assumptions for which there are valid alternatives, which could lead to a materially different presentation.

Based on the AIO instructions and other supplementary guidance received from the AER, in circumstances where AusNet Electricity is unable to provide 'Actual Information', the information is required to be estimated and an explanation included in the Basis of Preparation document as to why AusNet Electricity was unable to provide 'Actual Information', how the estimate was derived and why it is the best estimate in the circumstances. This is consistent with supplementary guidance received from the AER, in the absence of evidence that AusNet is unable to provide 'Actual Information' the AER may regard the provision of 'Estimated Information' as non-compliant with the AIO.

Where 'Estimated Information' has been presented, the circumstances and the basis for the estimate, including the approach used, assumptions made, reasons why an estimate was required and why the estimate is AusNet Electricity best estimate have also been set out below. Estimates will often not equal the related actual results and estimates have only been made for the purpose of disclosing the information required under the AIO. Considerations of the cost and efficiency of preparation as well as the reliability and accuracy of data available have been considered in determining the best methodology to determine the estimates.

AusNet Electricity believes that the estimated data provided in the Reports is management's best estimate and complies with the AIO Instructions. The methodologies, assumptions and judgments

made by Management in respect of variables are described within the relevant sections of this Basis of Preparation.

Amounts reported as 'Audited Financial Statements' are sourced from the AusNet Electricity Services Pty Limited's trial balance for the regulatory year ended 30 June 2025 which has been prepared to assist AusNet Electricity in meeting its regulatory reporting requirements to the AER and may not be suitable for any other purpose. The trial balance meets the definition of 'audited financial statements' as described in the AIO.

AusNet Electricity is not required to submit General or Special Purpose Financial Statements as a statutory reporting requirement for the regulatory year ended 30 June 2025 under the Corporations Act. To the extent applicable, the information reported has been prepared in a manner consistent with the policies and methodologies applied in preparing the annual regulatory information. There were no changes in Accounting Policies during the Regulatory Year that had a material impact on the information presented.

The preparation methodologies and information sources adopted in the preparation of the Reports are detailed below.

2.1 Expenditure Summary

Table 2.1.1 - Standard control services capex

Table 2.1.2 - Standard control services opex

Table 2.1.3 - Alternative control services capex

Table 2.1.4 - Alternative control services opex

Data reporting quality:

Actual.

Estimated data:

No estimated data was used.

Null response:

A NULL value is applied and PWC disclosures are not applicable to AusNet Electricity.

Information source, methodology and assumptions:

The information reported was prepared using Capex (**capex**) and Opex (**opex**)data extracted from the Financial System and from the workings of other AIO Templates. The expenditure reported in Total Capex and Total Opex in Table 2.1.1 to Table 2.1.4 is mutually exclusive and collectively exhaustive.

AusNet Electricity does not have dual function assets and has not reported information in that section of the tables in the template.

The expenditure reported for the following categories relate to direct costs only, excludes expenditure on overheads and reported in the column labelled 'Direct'

Table 2.1.1 Standard Control Service Capex by Purposes	Table 2.1.2 Standard Control Service Opex by Purposes
Replacement	Vegetation management
Export services	Maintenance
Augmentation	Emergency response
Connections	Non-network
ICT	Export services
Property	
Fleet	
Other Non-network	
Public Lighting	
Metering	
Fee and Quoted Services	

Allocated overheads are reported in the column labelled 'Indirect' as represents the indirect overheads for both Capex and Opex.

Total Capex and Opex have been reported on an 'as incurred' basis.

The sum of each of the Capex and Opex line items in the Tables in 2.1 Expenditure Summary are sourced from the internal tables in the AIO as well as supporting files.

Amounts reported as Capital Contributions (**Capcons**) were extracted from the AIO.

Additional information:

Capital Expenditure includes all costs that are directly attributable including a share of allocated indirect costs to bringing an asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Operating Expenditure reported is the costs of operating and maintaining the network (excluding all Capex).

Capcons reported include Type 1 Customer Contributions only as Type 2 Contributions are net against the Capex reported in each respective template.

Capital Contributions by Purpose - Type 1

As per the AER Guidance note, a Type 1 contribution is to be reported on an "as incurred" basis if the contribution meets the following materiality criteria:

a) The project to which the capital contribution relates is expected to take greater than 12 months to complete; and

b) The capital contribution is greater than $200,000

All contributions are received upfront, therefore, to ensure that all contributions are reported across the relevant reporting period is consistent with the capital expenditures incurred, i.e. "as incurred", a report from SAP was extracted detailing all deferred revenue, i.e. the Trust Account. All contributions in deferred revenue for projects greater than 12 months and greater than $200,000, were isolated and apportioned based on the capex incurred for that project.

Length of the project was determined using business cases and capex incurred was sourced from actual data obtained from SAP.

Any projects that did not meet this materiality threshold would be recognised upon supply ready using actual data from SAP.

Capital Contributions by Purpose - Type 2

Amounts disclosed reflects the gifted asset value, calculated by AusNet Electricity, of assets 'gifted' to us by third party suppliers.

Capital Contributions by Purpose - PWC Undergrounding Capex

A NULL value is applied and PWC disclosures are not applicable to AusNet Electricity.

2.1.3 Alternative Control Services (ACS) Capex

AusNet Electricity sourced the overhead expenditure from its financial systems and reported all ACS capex overheads as 'Indirect'.

2.1.4 Alternative Control Services (ACS) Opex

AusNet Electricity sourced the overhead expenditure from its financial systems, internal AIO templates and various support files.

2.2 Repex

Replacement Expenditure (**Repex**) is the non-demand driven Capex to replace an asset with its modern equivalent, where the asset has reached the end of its economic life. Capex has a primary driver of replacement expenditure if the factor determining the expenditure is the existing asset's inability to efficiently maintain its service performance requirement.

The following definitions have been applied in the preparation of the data:

Asset Type	Definition
Poles	Vertically oriented assets that provide load bearing structural support for overhead conductors or other line assets. This also includes associated pole top structures, such as cross-arms and insulators where these are replaced in conjunction with a pole replacement project. It excludes other pole mounted assets that are included in any other asset group, e.g., pole mounted substations and pole mounted switchgear such as links, fuses, air brake switches etc.
Staking Wooden Poles: Replacement Expenditure and Volumes.	The number of wooden poles staked in the reporting period, including where an existing staked pole is re-staked.
Staking Wooden Poles: Asset Failures	The number of staked wooden poles that failed in the reporting period.
Pole top structures	Horizontally oriented structures and their components that provide support for overhead conductors and related assets to be supported on a pole and provide adequate clearances. This relates to expenditure incurred when a pole top structure is replaced independently of the pole it is located on. This includes cross-arms and insulators which are reported in others category. It excludes any pole mounted assets that are included in any other asset group, notably pole mounted substations and pole mounted switchgear such as links, fuses, air brake switches etc.
Overhead conductors	These assets have the primary function of distributing power, above ground, within the distribution network. It excludes any pole mounted assets that are included in any other asset group.
Underground cables	These assets have the primary function of distributing power, below ground, within the distribution network. This includes cable ends, joints, terminations and associated hardware and equipment (e.g., surge diverters, etc.), cable tunnels, ducts, pipes, pits, and pillars. It excludes any pole mounted assets that are included in any other asset group.

Asset Type	Definition
Service lines	Includes assets that provide a physical link and associated assets between the distribution network and a customer's premises.
Transformers	These are assets used to transform between voltage levels within the network. This includes all its components such as the cooling systems and tap changing equipment (where installed). It excludes any pole mounted assets that are included in any other asset group. This does not include instrument transformers as defined in the National Electricity Rules. It also does not include auxiliary transformers.
Switchgear	Used to control, protect and isolate segments of the network. This includes disconnect switches, fuses, circuit breakers, links, reclosers, sectionalises, ring main units, oil insulated fuses etc.
SCADA & Network Control & Protection Systems Repex	Replacement expenditure associated with SCADA and network control hardware, software and associated IT systems. Includes replacement of protection and control systems and communication systems. This excludes all costs associated with SCADA and Network Control Expenditure that exist within gateway devices (routers, bridges etc.) at corporate offices. Protection systems have the meaning prescribed in the National Electricity Rules.
Other	These are assets or refurbishments which are not captured in the AER categories. "Other – Capacitor Bank" has been added as an additional category in the Regulatory Year.

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

Replacement Expenditure and Volume

Data reporting quality:

Estimate.

Estimated data:

The Asset Replacement Expenditure and Quantity data provided is considered Estimated Information due to the judgments made to align data with the categories required and the unit rate review approach outlined below.

Data provided for 'Staking Wooden Poles' is considered Estimated Information based on the voltage categorisation methodology outlined above. The methodology applied 'in-service' (asset complete) information to 'as incurred' volume and cost data to provide an estimate of the information required. This is considered Management's best estimate based on the data available.

Null response:

No NULL responses.

Information source, methodology and assumptions:

Using information from the Annual Regulatory Accounts, the relevant projects and costs to report were determined. This information was ultimately sourced from SAP. The preparation process was as follows -

- A report was also generated in SAP providing work order details (including project number, project description, compatible unit type (**CU Type**), functional location (**floc**), 'equipment', 'notification' and the corresponding costs (work order report).
- The work order report was filtered to show all data on the replacement projects identified.
- The reported amounts exclude all costs that are capitalised finance charges (CFCs) or overhead (OHD) in nature.

Replacement Projects are either Bulk or Discrete project types.

- For the Discrete project types, the work order report was reviewed by a subject matter expert (**SME**) and, using business case information, the work order data was allocated into the Repex Template categories. Expenditure for each project was allocated into asset categories based on the cost estimate prepared for the project business case. Where necessary, business case unit rates were applied to calculate volumes of replacements.
- For Bulk project expenditure, reports were generated from SAP with additional work order characteristics to enable the classification of the data. CU Type (the equipment on the work order) was used as the primary classification driver (for Asset Type) and further characteristics on the work orders were used to determine the Asset Category. An SME determined the relevant characteristics which remains consistent year-on-year. In some cases, the work order data had insufficient characteristics to enable classification to an Asset Category level. In these circumstances the expenditure was split across the corresponding CU type Asset Categories on a pro-rata basis. The knowledge and judgement of an SME was applied to determine categorisations where necessary.
- For Bulk project volumes (except for Underground Cables and Overhead Conductors), the above step was repeated for all Repex workorders from CY2015 to the current regulatory year. Using the total expenditure and total workorder volume, a unit rate was calculated for each asset category. An average CPI factor (based on ABS CPI Index for all cities) was applied to escalate the unit rate to current regulatory year and then reviewed by a SME. Any necessary corrections to unit rates were made (based on historical Repex unit rate information) and replacement quantities adjusted accordingly. The expenditure calculated in the previous step was then divided by this escalated unit rate to derive the volume for bulk project Repex categories. The unit rate for Underground Cables was based on a cost per kilometre as per Discrete underground cable projects reviewed by an SME. The resulting volume is reflected in kilometres. The unit rate for Overhead Conductors was based on prior years' historical rate. This is an improvement to the process of calculating this component of the Repex table and results in more accurate information.
- Staking Wooden Poles: Replacement Expenditure and Volumes

  A report was generated from SAP for the current regulatory year which provided a list of pole stakes in service, the year in which the assets were put in-service and the associated 'pole object type'. 'Pole object type' was used to map the records to a AIO voltage category. Using this data, the percentage of poles stakes by pole voltage was determined for the current regulatory year.

  This information was applied to the Total Staking Wooden Poles data determined as part of the reported pole data on the same Repex model to obtain an estimate of the Volumes and Cost by pole voltage. The same methodology was followed in splitting the Asset failure volumes (per Repex

Model) across pole voltage categories. As there is no 'pole stay' category this has been excluded from the data tables in this section of the template.

There were some Repex projects which were not allocated using the above methodology. For these projects, the costs were allocated on a pro rata basis across the Repex template asset categories.

Additional information:

Replacement expenditure and volumes have been provided for the prescribed asset categories.

Capex and associated non-financial information have been reported against the Regulatory Year on an 'as incurred' basis. Expenditure reported are the costs directly attributable to replacement of the asset and excludes expenditures on overheads. All Capex has been presented in nominal dollars.

The sum of the asset group replacement expenditures is equal to the total replacement expenditure in Template 2.1 Expenditure Summary.

Public Lighting replacement expenditure is reported in 4.1 Public Lighting template.

Changes from previous year Basis of Preparation:

No material changes were adopted from the previous year.

Asset Failures (Quantity)

Data reporting quality:

Estimate.

Estimated data:

All Asset Failure Quantity data is considered Estimated Information due to the preparation process outlined below. This is considered Management's best estimate based on the data available.

Null response:

No NULL responses.

Information source, methodology and assumptions:

A comprehensive dataset of asset failure notifications was extracted from the SAP database using Power Query, replicating the structure of the original BI report. This dataset includes cause codes, damage codes, equipment details, and floc data, which were grouped into asset categories aligned with the definition of asset failures. The data was refined through a structured five-step filtering process to exclude non-relevant entries such as blanks, cancelled/deleted statuses, external causes, non-failure damage codes, and observational priorities. The final dataset was reviewed and validated by a subject matter expert.

Additional information:

No additional information is required.

Changes from previous year Basis of Preparation:

The failure rate analysis methodology was refined to improve accuracy and alignment with the asset failure definition. This included the removal of observational priorities (P6Y and P900), exclusion of external causes, and filtering out non-failure damage codes. The updated approach provides a more targeted and representative view of true asset failures.

Table 2.2.2 - Selected Asset Characteristics

Data reporting quality:

Estimate & Actual.

Asset Characteristics	Data Quality
Pole	Estimate
Overhead Conductor by feeder	Estimate
Overhead Conductor by material	Estimate
Underground cable	Estimate
Transformers	Actual

Estimated data.

AusNet Electricity Services does not capture quantities of replacement of assets in Network Type (CBD, Urban, Rural Long, Rural Short) categories; hence the data provided in this table has been estimated.

Null response:

No NULL responses.

Information source, methodology and assumptions:

Data in relation to 'Asset Volumes Currently in Commission' and 'Asset Replacements' were sourced from Table 2.2.1 Repex and Template 5.2 Asset Age Profile respectively.

The quantity information included in Table 2.2.2 has been allocated into Feeder Type (Poles, Overhead Conductors and Underground Cables) metrics. These metrics have been split into Network Type (CBD, Urban, Rural Long, Rural Short) on a percentage allocation basis.

The percentages applied were derived by calculating the percentage split of feeder lengths into CBD, Urban, Rural Long, Rural Short as per the data included in the Annual AIO Template 3.6.8 Network Feeder Reliability and Template 3.7 Operating Environment. 'Conductor Length by Material Type' is based on the proportion of conductor in each material type in the Regulatory Year. They were obtained from the EDPR conductor data set sourced from the Information Management database. These proportions were applied to the asset volumes from the corresponding categories in Template 5.2 Asset Age Profile.

The total Transformer MVA information was sourced from the current Regulatory Template - 3.5 Physical Assets. MVA disposed was determined based on a report generated in SAP which showed all transformers which had a change in status to 'disposed' in the Regulatory Year and is Actual Information. The total MVA replaced was calculated as the net increase in Distribution and Zone Substation Transformer MVA (per the 3.5 Physical Assets Template) less the increase in Transformer MVA (per the 2.3 Augex Template) plus MVA Disposed (as above). This represents Actual Information.

Additional information

Information reported under Total Poles, Overhead Conductors and Underground Cables is considered Estimated Information based on the percentage allocation methodologies described above. This is considered Management's best estimate based on the data available.

However, for the Transformer MVA 'asset columns currently in commission', the information is actual as it is sourced from the Template 3.5 Physical Assets which uses actual data from the SDME system. Transformer MVA replacement is Actual Information as it is derived from actual sourced data as described above. Transformer MVA disposals is Actual Information as it is sourced from SAP.

Changes from previous year basis of preparation

No material changes were adopted from the previous year.

2.3 Augex

Projects relating to the augmentation of AusNet Electricity Services' network have been included in Template 2.3 Augex. Augmentation has the meaning prescribed in the National Electricity Rules and includes work relating to improving the quality of the network, for example, to meet regulatory obligations. Augmentation expenditure does not include gifted assets.

Table 2.3.3 - Augex data - HV/LV feeders and distribution substations | descriptor metrics

Data reporting quality:

Actual.

Estimated data:

No estimated data was used.

Null response:

No NULL responses.

Information source, methodology and assumptions:

Table 2.3.3 contains information prepared on an 'asset complete' basis. This has been used as a proxy for 'as incurred' project data. This assumption has been applied as the information required is not available on an 'as incurred' basis. The 'Units Added' or 'Units Upgraded' figures are not recorded until a project is complete. Similarly, financial information is not attributed to a specific asset until a project is complete.

Based on the above, although the data is being used as a proxy, the data is still based on actual financial information as such the Descriptor Metrics and Cost Metrics reported in Table 2.3.3 are considered Actual Information.

For the current Regulatory Year, information was sourced from the Asset Additions report from the Fixed Asset Register in SAP. The report included details of asset class, quantities, assignment number and total costs. The Assignment Number provides a linkage to project data and work code.

'Units Added' and 'Units Upgraded' for HV and LV Feeders was obtained directly from Asset Addition report. 'Units Added' and 'Units Updated' relate to material projects only.

'Units Added' and 'Units Upgraded' for Distribution Substation Augmentations was obtained from an SAP report.

The report was filtered to capture Augmentation projects only and the relevant data to report was aggregated.

Information provided is on an 'asset complete' basis (which includes life to date costs for assets completed in the Regulatory Year). This has been used as a proxy for 'project complete' information as it provides more accurate and complete data and is considered to better align with when assets are in use.

In the Asset Additions report, assets are assigned a standardised 'Regulatory Asset Tag' (**RAT**) and 'Class' which identifies the asset type. Engineering expertise was used to allocate each of the asset types into the assets groupings as required by Table 2.3.3. Allocations are consistent with prior Regulatory Years.

Additional information

- HV Feeder Augmentations – Overhead Lines', Overhead conductors and HV Feeder Augmentations – Underground Cables.

  To ensure consistency with prior year comparatives, data reported in this category is the summation of the length(km) of cables of all HV feeder augmentation assets, where the assets were completed during the Regulatory Year and the total project expenditure (on assets completed during the Regulatory Year) was greater than or equal to $0.5 million.

- LV Feeder Augmentations – Overhead Lines, Overhead conductors & LV Feeder Augmentations – Underground Cables

  To ensure consistency with prior year comparative, data reported in this category is the summation of the length(km) of all LV feeder augmentation assets, where the assets were completed during the Regulatory Year and the total project expenditure (on assets completed during the Regulatory Year) was greater than or equal to $50,000.

- The terms "Overhead Lines' and "Overhead conductors" are interpreted to be the same because as stated in the AER's Issues Register as at 5th September, the terms are "duplicative".

- To ensure consistency with Augmentation Expenditure all Descriptor Metrics does not include gifted assets.

Changes from previous year basis of preparation

No material changes were adopted from the previous year.

Table 2.3.3 - Augex data - HV/LV feeders and distribution substations | cost metrics

Data reporting quality:

Estimate.

Estimated data:

Table 2.3.3 contains information prepared on an 'asset complete' basis. This has been used as a proxy for 'as incurred' project data. This assumption has been applied as the information required is not available on an 'as incurred' basis. The 'Units Added' or 'Units Upgraded' figures are not recorded until a project is complete. Similarly, financial information is not attributed to a specific asset until a project is complete. Based on the above, all Descriptor Metrics and Cost Metrics reported in Table 2.3.3 are considered Estimated Information. The data provided is considered Management's best estimate, based on the information available

Null response:

No NULL responses.

Information source, methodology and assumptions:

For the current Regulatory Year, information was sourced from the Asset Additions report from the Fixed Asset Register in SAP. The report included details of asset class, quantities, assignment number and total costs. The Assignment Number provides a linkage to project data and work code.

The report was filtered to capture Augmentation projects only and the relevant data to report was aggregated.

Information provided is on an 'asset complete' basis (which includes life to date costs for assets completed in the Regulatory Year). This has been used as a proxy for 'project complete' information as it provides more accurate and complete data and is considered to better align with when assets are in use.

In the Asset Additions report, assets are assigned a standardised 'Regulatory Asset Tag' (**RAT**) and 'Class' which identifies the asset type. Engineering expertise was used to allocate each of the asset types into the assets groupings as required by Table 2.3.3. Allocations are consistent with prior Regulatory Years. Expenditure has been recorded on an 'asset complete' basis in nominal dollars.

In accordance with the AER guidance, only direct costs are required to be recorded. This information was estimated due to limitations in relation to generating Financial System reports. A calculation was performed based on OHDs and CFCs as a percentage of Total Augex. This percentage was applied to the expenditure in Table 2.3.3 to derive an estimate of the direct costs only. This calculation assumes that the percentage of overhead costs for all projects is consistent with the overhead & CFC as a percentage of total Augex costs incurred during the regulatory year.

Additional information:

- HV Feeder Augmentations – Overhead Lines', Overhead conductors and HV Feeder Augmentations – Underground Cables.

  Data reported in this category is the summation of the costs of all HV feeder augmentation assets, where the assets were completed during the Regulatory Year and the total project expenditure (on assets completed during the Regulatory Year) was greater than or equal to $0.5 million. While the threshold of $0.5 million is not explicitly noted in the AER's workbook instructions and Notice, AusNet Electricity has continued to apply the threshold in the current year's AIO to be consistent with the prior years.

- HV Feeder Non-Material Projects

  Data reported in this category is the summation of the costs of all HV feeder augmentation assets, where the assets were completed during the Regulatory Year and the total project expenditure (on assets completed during the Regulatory Year) was less than $0.5 million. While the threshold of $0.5 million is not explicitly noted in the AER's workbook instructions and Notice, AusNet Electricity has continued to apply the threshold in the current year's AIO to be consistent with the prior years.

- LV Feeder Augmentations – Overhead Lines, Overhead conductors & LV Feeder Augmentations – Underground Cables

  Data reported in this category is the summation of the costs of all LV feeder augmentation assets, where the assets were completed during the Regulatory Year and the total project expenditure (on assets completed during the Regulatory Year) was greater than or equal to $50,000. While the threshold of $50,000 is not explicitly noted in the AER's workbook instructions and Notice, AusNet Electricity has continued to apply the threshold in the current year's AIO to be consistent with the prior years.

- LV Feeder Non-Material Projects

  Data reported in this category is the summation of the costs of all LV feeder augmentation assets, where the assets were completed during the Regulatory Year and the total project expenditure (on assets completed during the Regulatory Year) was less than $50,000. While the threshold of $50,000 is not explicitly noted in the AER's workbook instructions and Notice, AusNet Electricity has continued to apply the threshold in the current year's AIO to be consistent with the prior years.

- Distribution Substation Augmentations – Pole Mounted, Ground Mounted and Indoor

  The information reported is the summation of assets completed on augmentation projects on Distribution Substations (under the 3 specified types) during the Regulatory Year.

- Financial data was sourced from the Asset Addition report for the Augmentation work codes. Data was obtained at a total distribution substation level. The units added and upgraded were used to allocate the total distribution substation costs into the required categories using a percentage allocation basis. This was required as expenditure into the prescribed categories is not available.

Additional information

No additional information is required.

Changes from previous year basis of preparation

No material changes were adopted from the previous year.

Table 2.3.4 – Augex Data – Total Expenditure

Data reporting quality:

Estimate.

Null response:

No NULL responses.

Estimated data:

Information reported in Table 2.3.4 is considered Estimated Information due to the calculations performed to derive the 'as incurred' Augex category allocations. These calculations were performed based on percentages of 'project close' augmentation data which are also considered Estimated Information. This data is estimated as system reports generated on an 'as incurred' basis do not provide sufficient augmentation works identifiers to classify the costs into the required categories. Data provided is considered Management's best estimate based on the information available.

Information source, methodology and assumptions:

'As incurred' Augmentation Capex was obtained from the workings supporting the Annual Regulatory Accounts. This data was ultimately sourced from SAP. To report the Capex in the prescribed categories, the percentage allocation of costs in Table 2.3.3 was calculated. These percentages were applied to the 'as incurred' Augmentation Capex to estimate the data in Table 2.3.4.

Table 2.3.4 does not reconcile to the total of Table 2.3.3 as the data is prepared on an 'as incurred' basis, whereas Table 2.3.3 is prepared on a 'project close' basis and the estimation has been performed to derive total costs only.

Additional information

No additional information is required.

Changes from previous year basis of preparation

No material changes were adopted from the previous year.

2.5 Connections

Connections expenditure, connection rating and connection voltage have been reported for all distribution substations installed for complex connection projects. Data provided relates to non-contestable, regulated connection services (as defined in the National Electricity Rules) and includes work performed by third parties on behalf of AusNet Electricity Services. It excludes negotiated connection services and contestable works (including gifted assets in contestable works; gifted assets are not distinguishable in business systems).

All expenditure is presented in nominal dollars. Expenditure data reported is the gross amount (including type 1 customer contributions) and excluding gifted assets (type 2 customer contributions).

Data reported in Template 2.5 Connections is distinct from data reported in Template 2.3 Augex.

AusNet Electricity Services records all customer connection costs (including augmentation costs where these are required and paid for by a customer) against specific work codes (distinct from augmentation work codes). In many instances these work codes do not align with the AER Connection definitions. At the highest level, allocations were undertaken according to the following mapping.

AusNet Electricity Services' Codes	AER Connection Subcategory
1012 MEDIUM DENSITY HOUSING - SUBDIVISION	Subdivision
1013 U/GROUND SERVICE INSTALLATION	Residential
1014 BUSINESS SUPPLY PROJECTS	Commercial/Industrial
1015 COGENERATION PROJECTS (up to 1.5 MW) 1047 EMBEDDED GENERATION > 1.5 MW 1048 BATTERY ENERGY STORAGE SYSTEM (BESS) & HYBRID GENERATION >1.5MW	Embedded Generation
1016/1017 PRIVATE ELECTRIC LINE REPLACEMENT	Residential Commercial Industrial
1018 COMPLEX RESIDENTIAL SUPPLY PROJECTS/ 1019 LOW DENSITY HOUSING - SUBDIVISION	Residential Subdivision
1020 NEW SERVICE	Residential Commercial/ Industrial

Table 2.5.1 Descriptor Metrics

Data reporting quality:

Actual/Estimate.

Estimated data:

Information reported in Table 2.5.1 is considered Estimated Information - including all cost and volume data on an 'as commissioned' basis, as sourced from the Fixed Asset Register. This is only indicative of the incurred costs.

This is considered Management's best estimate based on the data available.

The descriptor metric 'SUBDIVISION - COST PER LOT ($)' is prepared on an as-incurred basis and is therefore considered Actual information.

Null response:

No NULL responses.

Information source, methodology and assumptions:

'MVA added' for distribution substations has been estimated for connection services by multiplying the number of substations in each cost code by an assumed standard for the class of customers in the cost code supplied by distribution planning SMEs (1MVA for business supply projects, 0.5MVA for medium density housing and 0.2MVA for low density housing).

The number and cost of substations for each AusNet Electricity Services cost code have been estimated from an extract of the Fixed Asset Register. No other AusNet Services system contains asset data that can be identified as Customer Connection Capex.

For HV and LV augmentation metrics, 'kms added' refers to the net addition of circuit line length resulting from the augmentation work of complex connections. Costs were estimated from an extract of the Fixed Asset Register according to AusNet Services cost codes. This extract excludes public lighting costs which are disclosed separately in Template 4.1 Public Lighting. Estimated value of Gifted Assets was removed from the Fixed Asset Additions data by comparing historical as incurred gifted asset cost data obtained from SAP with the Regulatory Year Fixed Asset Additions.

The circuit lengths for LV augmentation assets within each Connection subcategory were estimated using actual quantity data extracted from the Fixed Asset Register. The circuit lengths for HV augmentation assets within each Connection subcategory were estimated using actual quantity data extracted from the Fixed Asset Register. No other AusNet Services system contains asset data that can be identified as Customer Connection Capex.

For the purposes of deriving the estimated volumes for all additions reported in Table 2.5.1, some further data cleansing to the raw SAP additions data was required.

This included -

- The cleansing of '0' volumes from the Fixed Asset Register, which are assumed to be '1' substation installed; and
- The exclusion of HV fuses, earthing and other voltage equipment from being considered as '1' substation installed since these are not 'substations' in their own right. They are individual and relatively low-cost pieces of equipment needed to ensure substation units perform as intended.
- The verification of records with large volumes, for example an addition with '13' substations recorded, which are manually checked and corrected.
- The exclusion of rows containing zero value of additions which may or may not include volumes.

The volumes reported in Table 2.5.1 are considered Management's best estimate.

For connection subcategory 'Subdivision', the average cost per lot is estimated by dividing the costs from Table 2.5.2 by the number of lots (12 months to Jun). The methodology for calculating the number of lots for this purpose is consistent with the approach adopted since preparation of the historical 2018-2019 CA RINs. AusNet Services obtained both as-incurred cost reports and volumes information from SAP to generate the required number of lots, excluding gifted assets. Both costs and volumes data in this calculation excluded gifted assets.

Additional information:

Private Electric Line replacement contains Connections expenditure relating to the undergrounding of a private line. It includes only the component from the distribution system to the property boundary. The customer is responsible for the entire cost of the undergrounding on their property.

Complex Residential Supply projects provide new or modified overhead or underground supply to single connection point customers and single/small group extensions where the supply requirement is less than 50kVA per lot. Low Density Housing – Subdivision involves works to connect multi-lot developments in Low Density areas where the supply requirement is less than 50kVA per lot. This may include some single lot developments (including where an existing single lot is being subdivided). Therefore, Low Density Housing was allocated using a project management report that provided a count and direct cost of both single and multi-lot developments that were physically complete (supply available) in the 12 months to June. From this extract, an estimated percentage split was generated for both costs (applied to 'as incurred' cost data) and volumes (applied to volume data). Splits were reviewed by SMEs.

Small scale solar connections are not included in co-generation projects.

Changes from previous year Basis of Preparation:

No material changes were adopted from the previous year, except for the exclusion of Alternative control service connections costs and volumes.

Table 2.5.2 Cost Metrics by Connection Classification

Data reporting quality:

Estimate at the connection category level.

Estimated data:

All information in Table 2.5.2 is considered Estimated Information. Estimates have been provided as the information requested is not separately captured by AusNet Electricity Services and therefore requires judgment by Management on how information should be obtained and presented.

This is considered Management's best estimate based on the data available.

Null response:

No NULL responses.

Information source, methodology and assumptions:

Total direct costs (including customer contributions) by work code have been taken from information supporting the AIO.

Total connection volumes were estimated using an extract from the SAP project information system. Alternative control connection volumes were extracted from information supporting the Annual Regulatory Accounts.

AusNet Electricity Services has not captured the costs or volumes in the Simple/Complex categories.

To determine the required Complex LV, HV and Sub-transmission split of costs in Table 2.5.2 AusNet Services has continued applying the same approach used in AusNet Services' 2019 Category Analysis RIN which utilises as-incurred costs information obtained from SAP. An expenditure report was generated from SAP containing a breakdown of as-incurred costs by AusNet Services' work code, compatible unit type and equipment type - providing sufficient information to estimate the required split of cost (by direct cost) by voltage type.

To determine the required LV, HV and sub-transmission split of volumes in Table 2.5.2, AusNet Services has used the same data source (as-incurred costs report) to estimate volumes into the required AER Connection classifications. The estimated portion of gifted asset related volumes have been excluded. The allocation of costs and volumes into the AER Connection categories are set out in the table below.

AER Connection Classification	AusNet Electricity Services' Code	Cost/Volume Allocations
RESIDENTIAL		
SIMPLE CONNECTION LV	1013 Underground Service Installation 1016 Private Electric Line Replacement	Projects with just LV costs
COMPLEX CONNECTION LV	1013 Underground Service Installation 1016 Private Electric Line Replacement - Residential 1018 Complex Residential Supply Projects 1019 Low Density Housing - Subdivision	Projects with just LV costs
COMPLEX CONNECTION HV (NO UPSTREAM ASSET WORKS)	1018 Complex Residential Supply Projects 1019 Low Density Housing - Subdivision	Projects with HV costs (projects may or may not also contain LV costs)
COMMERCIAL/INDUSTRIAL		
SIMPLE CONNECTION LV	1016 Private Electric Line Replacement - Residential	Projects with just LV costs
COMPLEX CONNECTION HV (CUSTOMER CONNECTED AT LV, MINOR HV WORKS) ($000'S)	1016 Private Electric Line Replacement - Residential 1014 Commercial/Industrial Supply Projects	Projects with just LV costs
COMPLEX CONNECTION HV (CUSTOMER CONNECTED AT LV, UPSTREAM ASSET WORKS) ($000'S)	1014 Commercial/Industrial Supply Projects	Projects with HV and LV costs
COMPLEX CONNECTION HV (CUSTOMER CONNECTED AT HV) ($000'S)	1014 Commercial/Industrial Supply Projects	Projects with just HV costs

AER Connection Classification	AusNet Electricity Services' Code	Cost/Volume Allocations
COMPLEX CONNECTION SUB-TRANSMISSION ($000'S)	1014 Commercial/Industrial Supply Projects	Projects with just ST costs
SUBDIVISION		
COMPLEX CONNECTION LV	1012 Medium Density Housing 1019 Low Density Housing -Subdivisio	Projects with just LV costs
COMPLEX CONNECTION HV (NO UPSTREAM ASSET WORKS)	1012 Medium Density Housing 1019 Low Density Housing -Subdivisio	Projects with HV costs (projects may or may not also contain LV costs)
COMPLEX CONNECTION HV (WITH UPSTREAM ASSET WORKS)	1012 Medium Density Housing 1019 Low Density Housing -Subdivisio	Projects with just ST costs
EMBEDDED GENERATION		
SIMPLE CONNECTION LV		No new customer connected
COMPLEX CONNECTION HV (SMA CAPACITY)	1015 Embedded Generation Projects (up to 1.5 MW)	Projects with HV and LV costs
COMPLEX CONNECTION HV (LAR CAPACITY)	1047 EMBEDDED GENERATION > 1.5 MW 1048 BESS & HYBRID GENERATION >1.5MW	Projects with HV costs

*The exception was the split of Underground Service Installation and Private Electric Line Replacement. Half the projects were considered residential SIMPLE CONNECTIONS and half residential COMPLEX CONNECTION LV on the basis that undergrounding on one side of the street does not have to cross the road (simple) while connections on the other side of the street must be connected under the street (complex). The cost split assumes that a complex jobs cost 44% more than a simple job in line with SME advice underpinned by existing contractor rates.

Underground/Overhead splits have been calculated as follows:

AusNet Electricity Services' Codes	AER Connection Subcategory
1012 MEDIUM DENSITY HOUSING - SUBDIVISION	Split performed with Overhead/Underground lines asset count in Fixed Asset Register
1013 U/GROUND SERVICE INSTALLATION	All underground
1014 BUSINESS SUPPLY PROJECTS	Split performed with Overhead/Underground lines asset count in Fixed Asset Register
1015 COGENERATION PROJECTS (up to 1.5 MW) 1047 EMBEDDED GENERATION > 1.5 MW 1048 BESS & HYBRID GENERATION >1.5MW	Fixed Asset Register project specific analysis
1016/1017 PRIVATE ELECTRIC LINE REPLACEMENT	All underground
1018 COMPLEX RESIDENTIAL SUPPLY PROJECTS/ 1019 LOW DENSITY HOUSING - SUBDIVISION	Split performed with Overhead/Underground lines asset count in Fixed Asset Register

Underground/Overhead splits for medium Density Housing, Business Supply Projects and Low-Density Housing are based on actual 2023-24 Fixed Asset data extracts as sourced from the financial system.

Additional information:

Connections expenditure is the costs to establish new connection assets and upgrades to existing connections assets necessary to meet customer connection requests. This excludes alterations to existing connection assets.

Changes from previous year Basis of Preparation:

No material changes were adopted from the previous year.

Table 2.5.3 Capital Contributions (Type 1) by Connection Classification

Data reporting quality:

Estimate at the connection category level.

Estimated Data:

The data presented in Table 2.5.3 - Capital Contributions (Type 1) by Connection Classification is considered Management's best estimate of the level of Type 1 capital contributions received under each connection category. Estimates have been provided as the information requested by benchmark category are not separately captured by AusNet Electricity Services and therefore requires judgment by Management on how information should be obtained and presented.

Null response:

No NULL responses.

Information source, methodology and assumptions:

Each work code can be attributed to a Connection Subcategory of Residential, Commercial/Industrial, Subdivision and Embedded Generation. This mapping of work codes is consistent with the process outlined above for Table 2.5.2 - Cost Metrics by Connection Classification.

Customer contributions (Type 1) by work code were then allocated to benchmark connection categories on a proportionate basis according to expenditures reported in Table 2.5.2: Direct expenditure (Excluding capital contributions) - Standard Control Services. Reported customer contributions in Table 2.5.3 exclude overheads.

For Embedded Generation projects, the mapping to benchmark connection categories is applied according to the AER's AIO definitions. For the current Regulatory Year, there were customer contributions attributed to all three subcategories including Simple connection LV, Complex connection HV (small capacity), and Complex connection HV (large capacity).

Additional information:

All expenditure information contained in this template is reported on a nominal basis.

Expenditure - Standard Control Services - Capital Contributions

AusNet Electricity Services does not record expenditures or capital contributions in its financial system in accordance with the AER's benchmarking RIN categories. In AusNet Electricity Services' financial system, capital contributions can be summarised at the work code level, as shown in the table below.

CONNECTION SUBCATEGORY	SAP Code	Work Code Description
RESIDENTIAL	1013	UNDERGROUND SERVICE INSTALLATION
	1016 #	PRIVATE ELECTRIC LINE REPLACEMENT - RESIDENTIAL
	1018	COMPLEX RESIDENTIAL SUPPLY PROJECTS
	1019 *	LOW DENSITY HOUSING - SUBDIVISION
COMMERCIAL/INDUSTRIAL	1014	BUSINESS SUPPLY PROJECTS
	1016 #	PRIVATE ELECTRIC LINE REPLACEMENT - RESIDENTIAL
SUBDIVISION	1012	MEDIUM DENSITY HOUSING - SUBDIVISION
	1019 *	LOW DENSITY HOUSING - SUBDIVISION
EMBEDDED GENERATION	1015	COGENERATION PROJECTS
	1047	EMBEDDED GENERATION >1.5MW
	1048	BESS and hybrid generation facilities >1.5 MW

* Low Density housing subdivision capex costs are split across two categories in the annual RIN - per splits in next tab
# PEL Replacement (1016) is split across two categories in the annual RIN, based on annual volume of new connections

Changes from previous year Basis of Preparation:

No material changes were adopted from the previous year.

Table 2.5.4 New Connections by Connection Classification – Excluding SCS

Data reporting quality:

Actual data and partially estimated data.

Estimated data:

Estimated split of residential and commercial fee-based connection volumes reported for the Regulatory Year. The split described below is considered Management's best estimate based on the data available.

Null response:

No NULL responses.

Information source, methodology and assumptions:

Alternative Control Services connection costs have been extracted from SAP (work code 1020 – New Services).

Alternative Control Service connections are allocated using the ratio of residential to commercial gross connections reported for the Regulatory Year applied to actual reported total volumes. This ratio was obtained from an extract of the Customer Information System – Gross new connections.

These services have been classified as Simple LV connections as they involve provision of basic connection services to LV customers who are charged a fixed fee as per the annual tariff schedule for Alternative Control Services.

Additional information:

The split of overhead and underground connections is obtained from actual reported fee-based connections for the Regulatory Year. These volumes are further split into Simple connection LV using the ratio of residential to commercial gross connections.

Changes from previous year Basis of Preparation:

Not applicable – this information wasn't separately reported in prior years but is consistent with the methodology used in prior years.

2.6 Non-network

Table 2.6.1 Non-network Expenditure

ICT and Communications Expenditure

Data reporting quality:

Estimate.

Estimated data:

Whilst total IT Opex and Capex is Actual Information, the split of IT Opex and Capex into Recurrent and Non-Recurrent is considered Estimated Information as the current SAP design does not cater for the categorisation of transactions into the recurrent or non-recurrent categories required in the template. The categorisation is judgment based as per the Digital SME's knowledge of the nature of the projects.

Null response:

No NULL responses.

Information source, methodology and assumptions:

Opex:
Using data extracted from the Financial Systems for the preparation of the Annual Information Order. The total direct SCS Opex for IT and Communications Expenditure was determined.

An assessment of IT Opex was performed by an SME to provide the total Non-Recurrent IT Opex. Recurrent IT Opex was calculated as the total direct SCS Opex less the Non-Recurrent portion identified.

Capex:
A list of projects and the associated financial information relating to SCS Capex (excluding overheads) was extracted from the workings to the Annual Regulatory Accounts. This data was ultimately sourced from SAP. An appropriate SME performed an assessment of the nature of each of the projects (Recurrent expenditure, Non-Recurrent expenditure or Client Device expenditure) and based on this assessment, the expenditure was classified into the prescribed categorisations in Table 2.6.1.

Additional information:

Non-network IT & Communications Expenditure which is directly attributable to IT and communications assets including replacement, installation, operation, maintenance, licensing, and leasing costs at corporate offices have been reported. All costs associated with SCADA and Network Control Expenditure that exists beyond gateway devices have been excluded.

Expenditure reported has been allocated between 'Recurrent' and 'Non-recurrent' Expenditure'.

Recurrent expenditure is all IT & Communications Expenditure that returns time after time, excluding any expenditure reported as Client Devices Expenditure. Temporally, expenditure that would be expected to be reasonably consistent from regulatory period to regulatory period would be classified as recurrent expenditure.

Non-recurrent expenditure is all IT & Communications Expenditure that is not Recurrent expenditure.

Changes from previous year Basis of Preparation:

No material changes were adopted from the previous year.

Motor Vehicles

Data reporting quality:

Estimate.

Estimated data:

Data reported for Motor Vehicle Opex is considered Estimated Information due to the estimation of the percentage of expenditure which relates to SCS use. Estimation is required as the data is not separately captured in the Financial or Fleet Systems.

This is considered Management's best estimate based on the data available.

Null response:

No NULL responses.

Information source, methodology and assumptions:

Opex:
A report was generated in SAP to determine the amount of motor vehicle regulated opex in Electricity Distribution. The total regulated opex was then allocated to motor vehicle categories based on the weighting of the number of regulated vehicles in each category. The regulated opex by motor vehicle was then scaled for the 'SCS use percentage' which is the ratio of SCS motor vehicle opex to total motor vehicle opex.

Capex:
A fixed asset additions list was generated in the Financial System (Fixed Asset Register) which provided details of all motor vehicles acquired during the Regulatory Year. The capex additions reconcile to the Regulatory Accounts SCS motor vehicles category, hence represents actual information.

Additional information:

Non-network expenditure reported relates to direct Opex and Capex costs only. Capex and associated non-financial information have been reported on an 'as incurred' basis. Capex and Opex have been presented in nominal dollars.

Motor Vehicle Expenditure is all expenditure directly attributable to motor vehicles including the purchase, replacement, operation and maintenance of motor vehicle assets registered for use on public roads and excluding mobile plant and equipment. It excludes expenditure on vehicles not generally moved large distances on public roads under their own power.

Category	Description
Car	Cars are Motor Vehicles other than those that comply with the definition of Light commercial vehicle, Heavy commercial vehicle, or Elevated Work Platform. Motor vehicles are any motor vehicle registered for use on public roads excluding motor vehicles not generally moved large distances on public roads under their own power (e.g., tractors, forklifts, backhoes, bobcats and any other road registered mobile plant).

Category	Description
Heavy Commercial Vehicle (HCV)	Heavy commercial vehicles (HCVs) are Motor Vehicles that are registered for use on public roads excluding Elevated Work Platform (HCVs) that: have a gross vehicle mass greater than 4.5 tonnes: or are articulated Vehicles; or are buses with a gross vehicle mass exceeding 4.5 tonnes.
Light Commercial Vehicle (LCV)	Light commercial vehicles (LCVs) are Motor Vehicles that are registered for use on public roads excluding Elevated Work Platforms that: are rigid trucks or load carrying vans or utilities having a gross vehicle mass greater than 1.5 tonnes but not exceeding 4.5 tonnes: or have cab-chassis construction, and a gross vehicle mass greater than 1.5 tonnes but not exceeding 4.5 tonnes: or are buses with a gross vehicle mass not exceeding 4.5 tonnes.
Elevated Work Platform (EWP - HCV)	Elevated Work Platform (EWP - HCV) are HCV's that have permanently attached elevating work platforms.
Elevated Work Platform (EWP - LCV)	Elevated Work Platform (EWP - LCV) are LCV's that have permanently attached elevating work platforms.

Buildings and Property Expenditure

Data reporting quality:

Actual.

Estimated data:

No estimated data was used.

Null response:

No NULL responses.

Information source, methodology and assumptions:

Opex:
Using SCS Opex extracted from the Financial System for the Annual Regulatory Accounts, expenditure recorded in Building Services and Property Services cost centres was obtained. The data was analysed by GL Accounts to ensure that only GL Accounts which met the AER category analysis definition for Buildings and Property expenditure were included.

Capex:
A project report was generated in the Financial System using the relevant Buildings and Property work codes

and cost codes. The project report was reviewed to determine whether any projects met the definition of Buildings and Property expenditure. Projects which did not meet the definition were included in the 'Other Expenditure' section as per below.

Additional information:

Expenditure directly attributable to non-network buildings and property assets has been reported, including the replacement, installation, operation and maintenance of non-network buildings, fittings and fixtures. It includes expenditure related to real chattels (e.g., interests in land such as a lease) but excludes expenditure related to personal chattels (e.g., furniture).

Total Buildings and Property expenditure has been reported split between Capex and Opex.

Changes from previous year Basis of Preparation:

No material changes were adopted from the previous year.

Other Expenditure

Data reporting quality:

Actual.

Estimated data:

No estimated data was used.

Null response:

No NULL responses.

Information source, methodology and assumptions:

Using data extracted from the Financial System for the preparation of the Annual Regulatory Accounts, 'Other Expenditure - General Equipment' Capex was determined. As the amount exceeded $1 million, the data has been reported separately.

Additional information:

Other Expenditure includes non-material miscellaneous items. As $1 million or more (nominal) in capital expenditure has been incurred during the Regulatory Year for 'General Equipment' expenditure has been disclosed separately.

Changes from previous year Basis of Preparation:

No material changes were adopted from the previous year.

Table 2.6.2 Annual Descriptor Metrics – IT & Communications Expenditure

Client Devices

Data reporting quality:

Estimate.

Estimated data:

Client device information is considered Estimated Information due the approximate percentages applied to derive an estimate of the devices owned by AusNet Electricity Services in relation to SCS.

An estimate was required as the information is not separately captured by the business. This is considered Management's best estimate based on the data available.

Null response:

No NULL responses.

Information source, methodology and assumptions:

Information in relation to the number of laptops and desktop computers was obtained from ICT Desktop Support and is extracted from the Microsoft System Centre Configuration Manager ("SCCM"), Intune system, and ServiceNow. The report provided the number of devices across the AusNet Services businesses.

Information in relation to handheld devices (smartphones and tablets) was obtained from ICT Desktop Support and is extracted from the Intune system. The report provided the number of devices across the AusNet Services businesses and filtered to ensure that the list reflected devices acquired on or before the end of the Current Regulatory year.

The reports described above were summed to provide the total number of Client Devices across the AusNet Services businesses.

A report showing the number of full-time employees and equivalents (by month) was generated in the HR/Payroll System and a simple average was calculated. This report included Employee Numbers in relation to the Current Regulatory Year and provided Employee Numbers in total across all AusNet Services' businesses.

The indirect cost allocation methodology provides information about work activities across the AusNet Services businesses. This data was used to allocate the total employee numbers between the Electricity, Gas, Transmission and unregulated businesses. This indirect cost allocation methodology information captures data relating to employees who do not work directly on projects. The information from the indirect cost allocation methodology process has been applied to all employees in a cost centre, assuming that the survey results are applicable to employees who are directly involved in as well as those who are not directly involved in projects.

Using these percentages, average Client Devices were split between the Electricity Distribution, Gas Distribution, Transmission and Unregulated businesses. The SCS percentage was then applied to the Electricity Distribution Client Devices to derive an estimate of the variables to be reported. The SCS percentage allocation was calculated as the amount of Operating Costs relating to SCS divided by the Total Operating Costs. Information for the calculation was obtained from the Annual Information Order.

Additional information:

Device numbers are defined as the number of client devices used to provide standard control services scaled for standard control services use. Client Devices are hardware devices that accesses services made available by a server.

Changes from previous year Basis of Preparation:

No material changes were adopted from the previous year.

Table 2.6.3 Annual Descriptor Metrics – Motor Vehicles

Number Purchased, Number Leased and Number in Fleet

Data reporting quality:

Estimate.

Estimated data:

This information provided is considered Estimated Information due to the approximation of SCS use. This is considered Management's best estimate based on the data available.

Null response:

No NULL responses.

Information source, methodology and assumptions:

Information was sourced from a motor vehicle report generated from the Fleet System and vehicles which did not meet the prescribed Motor Vehicle definition were excluded.

For the average 'Number Leased' and average 'Number in Fleet', the Fleet System report was used to obtain AusNet Electricity's motor vehicle additions and disposals during the regulatory year. A monthly average based on the date purchased and date disposed was calculated to determine the average number leased and average number in fleet during the regulatory year.

The number of vehicles in the fleet purchased, the average number of vehicles leased and the average number of vehicles in the fleet were scaled for SCS use. The percentage of SCS use that was applied was consistent with the 'Proportion of Total Fleet Expenditure Allocated as Regulatory Expenditure' as discussed below.

Additional information:

No additional information is required.

Changes from previous year Basis of Preparation:

No material changes were adopted from the previous year.

Proportion of Total Fleet Expenditure Allocated as Regulatory Expenditure

Data reporting quality:

Actual.

Estimated data:

No estimated data was used.

Null response:

No NULL responses.

Information source, methodology and assumptions:

The 'Proportion of Total Fleet Expenditure Allocated as Regulatory Expenditure' was calculated based on a report generated in SAP. The report provided Motor Vehicle Opex in Electricity Distribution and included

details to enable classification of the data into SCS and other service classifications. The percentage reported is the SCS amount divided by the total costs for the Regulatory Year.

Additional information:

No additional information is required.

Changes from previous year Basis of Preparation:

No material changes were adopted from the previous year.

2.7 Vegetation Management

AusNet's Vegetation Management System is a Power BI data model containing data extracts of all works performed by delivery partners and data from AusNet's asset management systems (**SDME and SAP**). The data is refreshed daily and is presented in the Vegetation Management System.

The Electricity Safety (Electric Line Clearance) Regulations impose a material cost on performing vegetation management works. The cost of compliance is consistent with the information reported in Table 2.7.2.

Table 2.7.1 – Descriptor Metrics by Zone

Total Route Line Length

Data reporting quality:

Actual.

Estimated data:

No estimated data was used.

Null response:

No NULL responses.

Information source, methodology and assumptions:

The overhead line length data was extracted from AusNet Electricity's Vegetation Management System (**VMS**) containing all spans on AusNet Electricity's network. This data contains span lengths expressed in metres and was divided by 1000 to convert the unit of measurement to kilometres. A report was generated from the SDME system which provided the feeder classifications for the Urban and Rural (AusNet does not have any feeders classified as CBD feeders) categories.

The Urban/Rural classification was imported from the SDME report into VMS extract using a lookup formula in Excel. A pivot table was used to sum the total route line length contained within the two feeder classifications of Urban and Rural.

There were a small number of spans that could not be directly matched to the Urban/Rural designation. For these spans, it was assumed that all unmatched HBRA spans are classified as Rural, and all unmatched LBRA spans are classified as Urban.

Additional information:

The route line length is the aggregated distance in kilometres, measured as the length of each span between poles and/or towers. The length of each span is considered only once irrespective of how many circuits it contains and does not include the vertical component of line sag.

The reported route line length is overhead route line length only and does not include underground route line length. Furthermore, service wires connected directly to a metering point (i.e. not attached to a service pole) are not contained in VMS, therefore are not included in overall route line length.

Changes from previous year Basis of Preparation:

Route line length was determined using information contained in AusNet Electricity's VMS rather than SDME which was the source of data used in previous years reporting. It is a more accurate representation of overall the route line length as it contains corrections made based on field observations and measurements.

Total Length of Maintenance Spans

Data reporting quality:

Actual.

Estimated data:

No estimated data was used.

Null response:

No NULL responses.

Information source, methodology and assumptions:

Some spans require multiple cuts in a year to maintain a compliant status (*Victorian Regulation requires compliance "at all times"*). Where this occurs, the span is counted on each occasion that maintenance is performed.

Pruning around service wires connected directly to a metering point (i.e., not attached to a service pole) are included in the maintenance of the main span so there is no separate service wire cut jobs. Where a service wire connects to poles at both ends, this is considered a span so is included in the calculations.

While "vegetation maintenance span" is defined in the AER glossary and used elsewhere in table, the term *maintenance spans* within the field "Length of maintenance spans" is not defined. It was assumed to mean "length of *vegetation* maintenance spans", consistent with previous years reporting. Therefore, the Length of maintenance spans is the total length of all spans where active vegetation management was performed during the regulatory year, excluding spans where only inspection occurred.

A report was run from the VMS to identify all vegetation maintenance spans completed during the regulatory period. Span Lengths are identified in the column headed "Span Length". The Urban/Rural classification was imported from the SDME report into the VMS extract using a lookup formula. A pivot table was used to sum the total length of all spans where active vegetation management occurred within the two feeder classifications of Urban and Rural. The VMS Span Length field and is expressed in metres so was divided by 1000 to convert the unit of measurement to kilometres.

Additional information:

There were a small number of spans that could not be directly matched to the Urban/Rural designation. For these spans, it was assumed that all unmatched HBRA spans are classified as Rural, and all unmatched LBRA spans are classified as Urban. There are also a small number of spans where the span length values were not populated so did not contribute to the overall length of maintenance spans value.

Changes from previous year Basis of Preparation:

Spans that could not be classified as urban or rural were excluded from previous years reporting. The VMS functionality has improved since the previous report, and it can now run a report to identify all vegetation maintenance spans completed within a specific timeframe (the regulatory year was used for this report). This reduced the amount of data interrogation and facilitated more streamlined reporting.

Terrain Factors

Average Frequency of Cutting Cycle

Data reporting quality:

Actual.

Estimated data:

No estimated data was used.

Null response:

No NULL responses.

Information source, methodology and assumptions:

AusNet Electricity conducts an annual cutting cycle across all areas of our network so the average frequency of cutting cycle is 1 year.

Additional information:

The cutting cycle is the average planned number of years (including fractions of years) between which cyclic vegetation maintenance is performed within vegetation management zones.

Changes from previous year Basis of Preparation:

No changes were adopted from the previous year.

Number of Maintenance Spans

Data reporting quality:

Actual.

Estimated data:

No estimated data was used.

Null response:

No NULL responses.

Information source, methodology and assumptions:

The same dataset that was used to calculate the length of maintenance spans was used for the number of maintenance spans. A pivot table was used to count the total number of spans within the two feeder classifications of Urban and Rural.

Additional information:

There were a small number of spans that could not be directly matched to the Urban/Rural designation. For these spans, it was assumed that all unmatched HBRA spans are classified as Rural, and all unmatched LBRA spans are classified as Urban.

While "vegetation maintenance span" is defined in the AER glossary and used elsewhere in table, the term "maintenance spans" is not defined. Since "number of vegetation maintenance spans" is also in the table, "Number of maintenance spans" was assumed to mean the total number of spans that *may* require active vegetation management (depending on the outcome of an inspection). Therefore, the Number of maintenance spans is the total number of spans within each maintenance zone.

Changes from previous year Basis of Preparation:

The section "number of maintenance spans" was used differently in previous years. It was defined as the total count of spans in the network that are subject to active vegetation management practices in the

relevant Regulatory Year. However, this year the "number of vegetation maintenance spans" was introduced. The data preparation was completed under the assumption that a maintenance span means any span that *may* require vegetation management activities to be performed depending on the results of the inspection (i.e., the total number of spans in both Urban and Rural)

Number of Vegetation Maintenance Spans

A vegetation maintenance span is a network span that is subject to active vegetation management practices during the regulatory year. Active vegetation management practices do not include inspection of vegetation maintenance spans where 'inspection' is only for the purpose of identifying trees or other vegetation that require trimming or removal and include vegetation scoping works.

Data reporting quality:

Actual.

Estimated data:

No estimated data was used.

Null response:

No NULL responses.

Information source, methodology and assumptions:

The data used to calculate the length of vegetation maintenance spans was the same used to calculate the total length of maintenance spans. A pivot table was used to count the number of spans that received active vegetation management during the regulatory period and divided into the Urban and Rural categories based on the feeder classifications.

There were a small number of spans that could not be directly matched to the Urban/Rural designation. For these spans, it was assumed that all unmatched HBRA spans are classified as Rural, and all unmatched LBRA spans are classified as Urban.

Changes from previous year Basis of Preparation:

The VMS functionality has improved since the previous report, and it can now run a report to identify all vegetation maintenance spans completed within a specific timeframe (the regulatory year was used for this report). This reduced the amount of data interrogation and facilitated more streamlined reporting.

Average Number of Defects per Maintenance Span

Defects are any recorded instance of non-compliant vegetation and includes vegetation outside the standard clearance zone that is recognised as hazardous vegetation that requires action to prevent the tree or parts of the tree falling onto the network assets. Vegetation Management field staff record the number of trees to be actioned in each span during the assessment.

Data reporting quality:

Actual.

Estimated data:

No estimated data was used.

Null response:

No NULL responses.

Information source, methodology and assumptions:

Two datasets were required to determine the total number of defects per maintenance span. Firstly, the same report used to calculate the total length of maintenance spans was used, although only the noncompliant maintenance spans within the report included in the count (PT1, PT30 and PT180). However, not all trees that require pruning are currently defects (non-compliant), as maintenance work is conducted to keep trees from entering the required clearance space (a proactive approach), as well as clearing trees that are within the required clearance space. It was assumed that 50% of the number of trees in each noncompliant maintenance span are considered defects (noncompliant).

The second report was a VMS extract showing all Hazard Trees that were completed during the regulatory year. All Hazard Trees are considered defects, and the actual count of number of trees is the number of defects (no assumptions required).

Therefore, half of all trees in the Number of Trees for the maintenance work was added to the number of hazard trees completed and divided by the number of maintenance spans. A pivot table was used to determine the totals within the Urban and Rural classifications.

There were a small number of spans that could not be directly matched to the Urban/Rural designation. For these spans, it was assumed that all unmatched HBRA spans are classified as Rural, and all unmatched LBRA spans are classified as Urban.

Changes from previous year Basis of Preparation:

For the previous hazard tree report, spans could not be classified as either Rural or Urban, so the total number of hazard trees completed within the regulatory year was allocated to Urban/Rural based on the ratio of the number of maintenance spans in Urban/Rural. The VMS functionality has improved since the previous report, and hazard tree spans can now be classified as either Urban or Rural.

In the previous report, the number of defects in each noncompliant span was considered 1, whereas the updated VMS can now export the exact number of trees that required maintenance. Although not all trees requiring cutting are considered defects due to AusNet's preventative approach to maintenance (see above for explanation of the 50% assumption).

Average Number of Trees per Maintenance Span

Data reporting quality:

Actual.

Estimated data:

No estimated data was used.

Null response:

No NULL responses.

Information source, methodology and assumptions:

Vegetation Management field staff record the number of trees to be actioned in each span during the assessment. The data used to calculate the average number of trees per maintenance spans was the same used to calculate the length of vegetation maintenance spans.

The number of trees within this data (Number of Trees column) is divided by the number of maintenance spans to quantify average numbers of actioned trees per maintenance span which was split into Urban and Rural using a pivot table.

Additional information:

The 'Average number of trees per maintenance span' includes only trees that require active vegetation management to meet its vegetation management obligations. It excludes trees that only require inspections and no other vegetation management activities required to comply with AusNet Electricity Services' vegetation management obligations.

There were a small number of spans that could not be directly matched to the Urban/Rural designation. For these spans, it was assumed that all unmatched HBRA spans are classified as Rural, and all unmatched LBRA spans are classified as Urban.

Changes from previous year Basis of Preparation:

The VMS functionality has improved since the previous report, and it can now run a report to identify all vegetation maintenance spans completed within a specific timeframe (the regulatory year was used for this report). This reduced the amount of data interrogation and facilitated more streamlined reporting.

Total number of spans

Data reporting quality:

Actual.

Estimated data:

No estimated data was used.

Null response:

No NULL responses.

Information source, methodology and assumptions:

The same dataset that was used to calculate the length of maintenance spans was used for the number of spans. The total number of spans is simply a count of the number of rows within this dataset as each row constitutes one span.

Additional information:

There were a small number of spans that could not be directly matched to the Urban/Rural designation. For these spans, it was assumed that all unmatched HBRA spans are classified as Rural, and all unmatched LBRA spans are classified as Urban.

Changes from previous year Basis of Preparation:

The VMS functionality has improved since the previous report, and it can now run a report to identify all spans on the network.

Tropical Proportion (number of spans)

Data reporting quality:

Actual.

Estimated data:

No estimated data was used.

Null response:

No NULL responses.

Information source, methodology and assumptions:

There are no Tropical Spans in AusNet Electricity Services' network.

Additional information:

Tropical spans are the approximate total number of urban and rural Maintenance Spans in the Hot Humid Summer and Warm Humid Summer regions as defined by the Australian Bureau of Meteorology Australian Climatic Zones map (based on temperature and humidity).

Changes from previous year Basis of Preparation:

No changes from previous year Basis of Preparation.

Bushfire Risk (number of spans)

Data reporting quality:

Actual.

Estimated data:

No estimated data was used.

Null response:

No NULL responses.

Information source, methodology and assumptions:

The same dataset that was used to calculate the length of maintenance spans was used to determine the number of Bushfire Risk maintenance spans. From this data, the count of HBRA maintenance spans is extracted via a pivot table using the Fire zone field.

Pruning around service wires connected directly to a metering point (i.e. not attached to a service pole) are included in the maintenance of the main span so there is no separate count for service wire cut jobs. Where a service wire does connect to a service pole, this is considered a span and are counted in the number of maintenance spans reported.

Additional information:

Bushfire risk is the number of Maintenance Spans in high bushfire risk areas where maintenance occurred during the regulatory reporting period and does not include spans where only inspection was required.

The fire zone classifications held within the relevant datasets are determined via reference to Country Fire Authority information.

Changes from previous year Basis of Preparation:

The VMS functionality has improved since the previous report, and it can now run a report to identify all vegetation maintenance spans completed within a specific timeframe (the regulatory year was used for this report). This reduced the amount of data interrogation and facilitated more streamlined reporting.

Standard Vehicle Access

Data reporting quality:

Actual.

Estimated data:

No estimated data was used.

Null response:

No NULL responses.

Information source, methodology and assumptions:

Vegetation Management field staff record the type of vehicle access required for each span during the assessment as either Standard Vehicle or Non-Standard Vehicle. The same dataset that was used to calculate the route line length was used to determine the length of Standard Vehicle Access metric. A pivot table was used to sum the span lengths for the number of records identified as Standard Vehicle within the "Vehicle" field and divided by 1000 to provide the total length in kilometres.

Additional information:

Distribution route Line Length that has Standard Vehicle Access. Areas with Standard Vehicle Access are serviced through made roads, gravel roads and open paddocks (including gated and fenced paddocks). An area with Non-Standard Vehicle Access would not be accessible by a two-wheel drive vehicle including areas that cannot be accessed by any type of vehicle.

There were a small number of spans that could not be directly matched to the Urban/Rural designation. For these spans, it was assumed that all unmatched HBRA spans are classified as Rural, and all unmatched LBRA spans are classified as Urban. Additionally, there were a small number of spans where they type of vehicle access had not been recorded so were excluded from the calculations.

Changes from previous year Basis of Preparation:

The VMS functionality has improved since the previous report, and it can now run a report to identify all vegetation maintenance spans completed within a specific timeframe (the regulatory year was used for this report). This reduced the amount of data interrogation and facilitated more streamlined reporting.

AusNet have historically provided the length of "non-standard vehicle access" which was applied only to vegetation maintenance spans. Based on feedback from WSP regarding the 2024-2025 submission, AusNet are now providing the total route line length of "standard vehicle access", which will result in a considerable increase in the reported value.

Table 2.7.2 – Expenditure Metrics by Zone

Data reporting quality:

Actual/Estimate.

Estimated data:

The Tree Trimming, Inspection and Audit components of the table are Actual Information as the information is sourced directly from the SAP system.

All other segments are Estimated Information with the assumptions and estimations documented above against each specific category. These assumptions and estimates are considered Management's best approach based on the data available.

Null response:

No NULL responses.

Information source, methodology and assumptions:

Expenditure recorded on Vegetation Management in the Distribution business is coded to specific project codes that align to different vegetation management functions. This data is posted to one work code in AusNet Electricity Services' financial system. Two data repositories are interrogated to obtain the required financial data.

1. Project transactions
2. Cost Centre transactions

To populate Table 2.7.2, expenditure on each project in the Vegetation Management work code was extracted from the SAP Financial System. These data extracts were then subjected to further analysis, as per the following subheadings.

Tree Trimming

Under the Vegetation Contracts commencing 1 April 2023 Tree Trimming is part of our fixed fee HBRA / LBRA Treatment project codes this fixed fee also includes other works such as ground clearance and corridor clearance which under the new contract are no longer invoiced separately. Our outsourcing partners have provided estimates for ground clearance and corridor clearance. We have deducted this value from Tree Trimming WBS and the remainder of the spend has been allocated to Tree Trimming (both function and fire zone).

Inspection

The Inspection project codes in SAP allows for the direct allocation of data from the Financial System extract to the categories in Table 2.7.2 (both function and fire zone).

Hazard Tree Cutting

The Hazard Tree Cutting project has a specific code in SAP with which they can be identified for AIO Reporting.

Ground Clearance

Under the Vegetation Contracts commencing 1 April 2023 Ground Clearance (slashing & herbicide, juvenile trees) is part of our fixed fee Treatment cost (Tree Trimming) and is no longer invoiced separately. Our outsourcing partners have provided 24/25 ground clearance estimates. We have deducted this value from Tree Trimming and allocated this to Ground Clearance.

Vegetation Corridor Clearance

Distribution LiDAR Cutting expenditure is allocated to the Vegetation Audit. Under the Vegetation Contracts commencing 1 April 2023 Vegetation Corridor Clearance is part of our fixed fee HBRA / LBRA Treatment

costs (Tree Trimming) and is no longer invoiced separately. Our outsourcing partners have provided 24/25 estimates. We have deducted this value from Tree Trimming and allocated this to Ground Clearance.

Audit

Field Officer wage costs are fully allocated to 'Audit' directly as staff members time is directly record against these two zones in SAP. No estimates are required.

Contractor Liaison

As Contract Manager & Senior Contract Analyst do not timesheet, an estimate of their wages is allocated to 'Contractor Liaison'.

Other Vegetation Management Costs Not Specified in the Sheet.

The balance of costs between the above categories and the total expenditure derived from the Vegetation Management work code Financial System extract are allocated to this field. Where applicable, these activities include management costs, trouble orders, strategic trees, storm response works, salary not allocated to Audit or Contractor Liaison and vehicle costs.

Additional information:

Expenditure provided relates to direct costs and excludes overhead expenditure. Annual vegetation management expenditure across all categories and zones sums to the total Vegetation Management expenditure in the Regulatory Year.

Changes from previous year Basis of Preparation:

No changes were adopted from the previous year.

Table 2.7.3 – Descriptor Metrics Across All Zones – Unplanned Vegetation Events

Data reporting quality:

Actual.

Estimated data:

No estimated data was used.

Null response:

No NULL responses.

Information source, methodology and assumptions:

Enablon is the source of information for distribution network fire starts. Vegetation-related outages are entered into Enablon when the incident caused a fire.

Vegetation related fire starts are investigated to meet mandatory reporting requirements under the F-factor scheme. This investigation process enables the classification of vegetation-related fire starts as either grow-ins or vegetation blow-ins/fall-ins.

The number of 'fire starts' caused by vegetation contact with electrical apparatus) has been reported as the total number of fire starts 'Started by any tree, or part of a tree, falling upon or coming into contact with a distribution system' per the AusNet Services' AER F-Factor RIN.

The list of vegetation related fire starts in Enablon is reviewed to categorise them into Table 2.7.3 on an annual basis.

Additional information:

Unplanned vegetation events are system outages and fire starts caused by either vegetation grow-ins or vegetation blow-ins/fall-ins.

Changes from previous year Basis of Preparation:

No changes were adopted from the previous year.

2.8 Maintenance

Maintenance relates to operational repairs and maintenance of the distribution system, including testing, investigation, validation and correction costs not involving capital expenditure.

Public Lighting has not been included in Template 2.8 Maintenance as it is an Alternative Control Service.

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

Asset Quantity Inspected & Asset Quantity Maintained

Data reporting quality:

Estimate.

Estimated data:

A degree of judgment was required to allocate the data extracted into the categories required in the templates. SMEs were engaged to derive these allocations.

Null response:

No NULL responses.

Information source, methodology and assumptions:

Financial and non-financial data was extracted from the SAP system based on project work codes. The financial component of the extract was reconciled to Maintenance Opex in the Annual Regulatory Accounts (to ensure completeness of the extract).

The data extracted provided project number, project description, work order, assembly code and 'Number of Records'. Assembly codes represent type of asset and type of work being performed. 'Number of Records' represents a count of Notifications. A notification represents an item of work.

Assembly codes for each maintenance work order were mapped to the prescribed Maintenance Asset Categories using a mapping table which was created by an SME and used in previous Regulatory Years. To derive the 'Asset Quantity Inspected/Maintained' the 'Number of Records' were summed for each mapped Assembly code. In some instances, the assembly codes were not considered reliable. For these exceptions, project information or work order descriptions were used to categorise the data into Maintenance Asset Category.

For the following Maintenance Asset Categories, information provided has been calculated as the sum of the 'Asset Quantity at Year End' divided by the 'Inspection Cycle' in years and 'Asset Quantity at Year End' divided by the 'Maintenance Cycle' in years –

- Service Lines
- Distribution substation transformers
- Distribution substation switchgear
- SCADA & network control maintenance.

For the following Maintenance Asset Categories, information provided has been calculated as the 'Asset Quantity at Year End' split into HBRA and LBRA and divided by the 'Inspection Cycle' in years for the respective areas -

- All Poles
- Pole Tops and Overhead Assets (Cross arms)

For these maintenance categories, the calculation performed is considered to be more indicative of the quantity inspected and maintained than information from other sources.

To derive the estimated quantities for assets maintained and assets inspected, a % multiplier is applied to the total quantity derived in the earlier step. This multiplier is calculated as the proportion of total number notifications that are inspection related (AusNet Electricity uses SAP functionality to code inspection activities namely, ZB), by each asset category and type using the data obtained in the earlier steps from SAP. The estimated inspection volume is then subtracted from the total to derive the estimated maintained quantity.

Finally, given the asset categorisation requirements, additional mapping table determined by SME guidance was used to translate the more granular data to the current reporting categories.

Additional information:

No addition information is required.

Changes from previous year Basis of Preparation:

- Addition of a step to aggregate the more granular data to the reporting categories
- Addition of step to proportion the total quantity between inspection and maintenance

Inspection Cycle and Maintenance Cycle

Data reporting quality:

Estimate.

Estimated data:

Based on the preparation methodologies outlined below, data provided is considered Estimated Information

Null response:

No NULL responses.

Information source, methodology and assumptions:

Below is a Mapping Table that provides a reference of the different asset category and maintenance activities and the 2.8 Maintenance Template categories. Each of the subsequent tables (Table A to Table G) provides a detailed explanation of the procedures and estimation processes to derive the inspection and maintenance cycles for each of the more granular activities and asset categories.

Mapping Table

MAINTENANCE ACTIVITY	MAINTENANCE ASSET CATEGORY	AIO Category Mapping
Pole top, overhead line & service line maintenance	Pole tops and overhead lines	Pole top structures
	Service lines	Service lines
Pole inspection and treatment	All poles	Poles
Overhead asset inspection	All overhead assets	Overhead conductors
Network underground cable maintenance: by voltage	LV - 11 to 22 KV	Underground cables
	33 KV and above	Underground cables
Distribution substation equipment & property maintenance	Distribution substation transformers	Transformers
	Distribution substation switchgear	Switchgear
	Distribution substation - other equipment	Transformers
	Distribution substation - property	Other business specified categories - total
Zone substation property maintenance	Transformers - zone substation	Transformers
	Transformers - distribution	Transformers
	Transformers - HV	Transformers
	Zone substation - other equipment	Other business specified categories - total
	All zone substation properties	Other business specified categories - total
SCADA & network control maintenance	SCADA & network control maintenance	SCADA, network control and protection systems
Protection systems maintenance	Protection systems maintenance	SCADA, network control and protection systems

Table A.

MAINTENANCE ACTIVITY	MAINTENANCE ASSET CATEGORY
POLE TOP, OVERHEAD LINE & SERVICE LINE MAINTENANCE	POLE TOPS AND OVERHEAD LINES
POLE TOP, OVERHEAD LINE & SERVICE LINE MAINTENANCE	SERVICE LINES
POLE INSPECTION AND TREATMENT	ALL POLES
OVERHEAD ASSET INSPECTION	ALL OVERHEAD ASSETS

The inspection cycles in relation to the above asset categories was estimated based on cycles contained in the AusNet Electricity Services' internal policy document 'Asset Inspection Manual'. The estimation was performed by a relevant SME. The Inspection Cycle for Service lines is 3 (high bushfire risk) or 5-year (low bushfire risk) years, which is a proxy for the inspection cycle that aligns with the requirement for Overhead line inspection. In practice, physical inspection and maintenance result from regular analysis of network data that are identified through faulty service connections and reports from customers of electricity supply interruption.

In relation to the Maintenance Cycle, the above listed assets are subject to 'condition based' maintenance only. No planned maintenance is undertaken. Based on this, the maintenance cycle has been populated as zero.

Table B.

MAINTENANCE ACTIVITY	MAINTENANCE ASSET CATEGORY
NETWORK UNDERGROUND CABLE MAINTENANCE: BY VOLTAGE	LV - 11 TO 22 KV
	33 KV AND ABOVE

As Underground cable assets are not routinely inspected or maintained, 'Inspection Cycles' and 'Maintenance Cycles' of zero have been reported.

Table C.

MAINTENANCE ACTIVITY	MAINTENANCE ASSET CATEGORY
DISTRIBUTION SUBSTATION EQUIPMENT & PROPERTY MAINTENANCE	DISTRIBUTION SUBSTATION TRANSFORMERS
	DISTRIBUTION SUBSTATION – OTHER EQUIPMENT
	DISTRIBUTION SUBSTATION SWITCHGEAR (WITHIN-SUBSTATIONS AND STAND-ALONE SWITCHGEAR)
	DISTRIBUTION SUBSTATION – PROPERTY

In relation to Distribution Substation Transformers, the 'Inspection Cycle' reported is based on the inspection cycle of pole mounted transformers as ground mounted transformers are not routinely inspected (unless they are at a key switch location). Pole mounted transformers are inspected as part of the overhead line routine patrol which is performed based on a 3 (high bushfire risk) or 5-year (low bushfire risk) year cycle. The inspection cycle reported is considered Management's best estimate of the required data.

Distribution Substation Transformers are not subject to a routine maintenance cycle. Generally, distribution transformers assets are run to failure (failures are pre-empted by load profile review etc.). This is supported by the minimal number of work orders for Transformer maintenance. Based on this, the 'Maintenance Cycle' has been reported as zero.

Distribution Substation Other Equipment relates to Earth Mats which are not subject to routine or non-routine maintenance.

Distribution Substation Switchgear is not routinely inspected. Based on this, the inspection cycle has been reported as zero. Maintenance is conducted on switches that have been identified as 'key switches' according to various timescales. The frequency for gas switch, ring main units' maintenance is approximately 10 years. This is based on information sourced in prior years from the Asset Management Systems.

The Inspection Cycle of Distribution substation property has been reported as 3 (high bushfire risk) or 5-year (low bushfire risk) years. They are not subject to a routine maintenance cycle.

Other Equipment is not subject to routine maintenance. Based on this, the Maintenance Cycles have been reported as zero. Inspections are on an ad hoc basis.

Table D.

MAINTENANCE ACTIVITY	MAINTENANCE ASSET CATEGORY
ZONE SUBSTATION EQUIPMENT MAINTENANCE	TRANSFORMERS - ZONE SUBSTATION

The Maintenance Cycle of Transformers was calculated as the average maintenance cycle based on the age of the transformer assets. A 2-year routine maintenance cycle is required for older transformers; newer transformers require a 4-year maintenance cycle and very new transformers require minor maintenance work every two years but major work every 12 years. This information was extracted from the AusNet

Electricity Services' internal policy document 'PGI 02-01-04 Summary of Maintenance Intervals Distribution Zone Substations' and is also based on the knowledge of SMEs, asset conditions and manufacturer recommendations. The average cycle has been reported as data is unavailable to determine the cycle with the highest cost activity.

The inspection cycles reported for Transformers was based on the frequency of oil sampling which is performed on an annual basis for all transformers. This is based on the knowledge of SMEs, asset conditions and manufacturer recommendations.

Table E.

MAINTENANCE ACTIVITY	MAINTENANCE ASSET CATEGORY
ZONE SUBSTATION EQUIPMENT MAINTENANCE	ZONE SUBSTATION - OTHER EQUIPMENT

The Maintenance Cycle of Zone Substation - Other Equipment has been estimated as the number of routine maintenance activities performed on circuit breakers and isolators/disconnectors. The majority of the older circuit breakers are on a 4-year maintenance cycle with the remaining circuit breakers on an 8-year cycle. All isolator/disconnector maintenances are on an 8-year cycle. This information was extracted from the AusNet Electricity Services' internal policy document 'PGI 02-01-04 Summary of Maintenance Intervals Distribution Zone Substations' and is also based on the knowledge of SMEs, asset conditions and manufacturer recommendations. The average cycle has been reported as data is unavailable to determine the cycle with the highest cost activity.

The inspection cycles reported for Other Equipment is inspected on an annual basis based on information in AusNet Electricity Services' policy 'PGI 02-01-04 Summary of Maintenance Intervals Distribution Zone Substations', the knowledge of SMEs, asset conditions and manufacturer recommendations.

Table F.

MAINTENANCE ACTIVITY	MAINTENANCE ASSET CATEGORY
ZONE SUBSTATION EQUIPMENT MAINTENANCE	ALL ZONE SUBSTATION PROPERTIES

Zone Substation civil inspections are conducted every three months, in general, based on information contained in internal policy 'PGI 67-01-01' and the site risk associated with stations. Also, the inspections intervals are adjusted based on locations and criticality of the zone substation. The interval could vary from monthly to three monthly and even six monthly in some cases. The average has been estimated as three monthly for every zone substation. The average cycle has been reported as data is unavailable to determine the cycle with the highest cost activity.

Maintenance is performed on a 'condition-basis' only. For the purposes of complying with the RIN requirements, the template has been completed as 0.5 years which was calculated as the quantity of assets in age group and expected maintenance works generated due to identified defects during each inspection for each age group.

Table G.

MAINTENANCE ACTIVITY	MAINTENANCE ASSET CATEGORY
SCADA & NETWORK CONTROL MAINTENANCE	SCADA & NETWORK CONTROL MAINTENANCE
PROTECTION SYSTEMS MAINTENANCE	PROTECTION SYSTEMS MAINTENANCE

Data provided was extracted from the AusNet Electricity Services' internal policy document 'PGI 02-01-04 Summary of Maintenance Intervals Distribution Zone Substations' as the maintenance interval for Protection Schemes. The inspection and maintenance cycles are the same for Protection System assets as inspection and maintenance is performed simultaneously.

Given the more granular asset inspection and maintenance cycles outlined in the above tables, SME guidance was provided to translate the detailed cycles to the categories outlined in the reporting template.

Additional information:

A 'Maintenance cycle' is the planned or actual duration between two consecutive maintenance works on an asset. An 'Inspection cycle' is the planned or actual duration between two consecutive inspections of an asset.

The 'Inspection cycle' and the 'Maintenance cycle' for each maintenance subcategory have been expressed as the number of years in the respective cycles. Where there are multiple inspection and maintenance activities, the cycle that reflects the highest cost activity has been reported.

Changes from previous year Basis of Preparation:

Additional mapping from detailed inspection and maintenance cycle inputs to the categories outlined in the reporting template.

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

Data reporting quality:

Estimate.

Estimated data:

All data provided is considered Estimated Information. A degree of judgment was also required to allocate expenditure in each work code to the categories required in the templates. SMEs were engaged to derive these allocations.

Null response:

No NULL responses.

Information source, methodology and assumptions:

Data was sourced from SAP based on the Maintenance work codes. The data sourced from SAP is the same information used in preparing the Asset Quantities Inspected/Maintained. As such the same categorisations were applied to the corresponding financial information to determine the Maintenance Asset Category. Project work codes provide the Routine and Non-Routine information required.

Where necessary, the data was supplemented with project or work order descriptions to allocate the financial information into Asset Categories. Categorisations were performed by an SME.

The costs presented in the various rows of Table 2.8.2 are not necessarily mutually exclusive of other rows in the same table. For example, 'Network Underground Cable Maintenance' is reported both by voltage and by location, in the same table. To sum these amounts together would double count these maintenance costs. In accordance with guidance from the AER, an additional row ('Duplications') has been included in Table 2.8.2 to remove duplications.

Additional information:

Maintenance expenditure has been provided for each of the prescribed maintenance categories and has been presented in nominal dollars.

Expenditure incurred for the simultaneous inspection of assets and vegetation has been included in Template 2.7 Vegetation Management and not in Template 2.8 Maintenance. Expenditure has been classified as Routine and Non-routine Maintenance Costs.

Routine maintenance costs are costs of recurrent/programmed activities undertaken to maintain assets, performed regardless of the condition of the asset. Costs of activities are predominantly directed at discovering information on asset condition and often undertaken at intervals that can be predicted. Routine maintenance may include activities to inspect, survey, audit, test, repair, alter, or reconfigure assets.

Non-routine maintenance costs are costs of activities predominantly directed at managing asset condition or rectifying defects (excluding emergency callouts). The timing of these activities depends on asset condition and decisions on when to maintain or replace the asset, which may vary over time.

Non-routine maintenance are activities to maintain asset condition and/or to maintain the capacity of the distribution system to distribute electricity and where the activities are not routine in nature.

Non-routine maintenance expenditure excludes activities that are designed to increase or improve the capacity of the distribution system to distribute electricity, except where the increase or improvement is incidental to the maintenance of the distribution system. It also excludes costs associated with asset removal, asset replacement, new asset installation, vegetation management and emergency response.

Changes from previous year Basis of Preparation:

No changes were adopted from the previous year.

2.9 Emergency Response

Emergency response expenditure relates to costs incurred to restore a failed component to an operational state including all expenditure relating to the work incurred where supply has been interrupted or assets damaged or rendered unsafe by a breakdown, making immediate operations and/or repairs necessary.

Emergency response includes costs of activities primarily directed at maintaining network functionality and for which immediate rectification is necessary. These activities are primarily due to network failure caused by weather events, vandalism, traffic accidents or other physical interference by non-related entities. The emergency costs recorded for the storm events on 1st to 2nd September 2024. These are known as Major Event Days (**MEDs**) and relate to the emergency component of the major events works only. There were other Capex and Opex costs (of a material nature) associated with this MED.

Table 2.9.1 – Emergency response expenditure (OPEX)

Data reporting quality:

Actual.

Estimated data:

Information provided is considered Actual Information. No estimates or assumptions were applied.

Null response:

No NULL responses

Information source, methodology and assumptions:

While the AER has changed the template the information is linked to the 2.1 Expenditure template. However, AusNet Electricity has reported the source and methodology process in how it derives Emergency expenditure.

For the Regulatory Year, Total Emergency Response expenditure was extracted from a specific SAP cost code created to capture Emergency Response expenditure.

Additional information:

No additional information is required.

Changes from previous year Basis of Preparation:

The AER changed the template from what was reported in the prior year, hence reporting on MEDs was removed for the current period.

2.10 Overheads Expenditure

Overhead Expenditure is expenditure that cannot be directly attributed to a work activity, project or work order and consists of labour, materials, contract costs and other costs. Overhead Expenditure has been disaggregated as Network Overheads and Corporate Overheads.

Table 2.10.1 - Network Overheads Expenditure

Data reporting quality:

Actual.

Estimated data:

Information provided is considered Actual Information. No estimates or assumptions were applied.

Null response:

No NULL responses

Information source, methodology and assumptions:

The AER template requires the reporting of Network Overhead Expenditure for Negotiated and Unregulated Overheads. AusNet Electricity, does not provide any Negotiated Services and while it does have Unregulated overheads, these have not been allocated to the 'Distribution Business'.

Additional information:

No additional information is required.

Changes from previous year Basis of Preparation:

The AER updated the reporting template from the prior year, now including only Negotiated and Unregulated Services. As noted above AusNet Electricity does not provide Negotiated Services and has not allocated any Unregulated Services to the 'Distribution Business'.

Table 2.10.2 - Corporate overheads expenditure

Data reporting quality:

Actual.

Estimated data:

No estimated data was used.

Null response:

No NULL responses.

Information source, methodology and assumptions:

The AER template requires the reporting of Corporate Overhead Expenditure for Negotiated and Unregulated Overheads. AusNet Electricity, does not provide any Negotiated Services and while it does have Unregulated overheads, these have not been allocated to the 'Distribution Business'.

Additional information:

No additional information is required.

Changes from previous year Basis of Preparation:

The AER updated the reporting template from the prior year, now including only Negotiated and Unregulated Services. As noted above AusNet Electricity does not provide Negotiated Services and has not allocated any Unregulated Services to the 'Distribution Business'.

2.11 Labour

Table 2.11.3 - Labour / non-labour expenditure split - standard control services

Data reporting quality:

Actual.

Estimated data:

Information provided is considered Actual Information, no estimates or assumptions have been applied.

Null response:

No NULL responses.

Information source, methodology and assumptions:

Total opex and capex was obtained from the AIO 8.4 Opex and 8.2 Capex AIO Templates (SCS only), respectively. Information was ultimately sourced from the financial system.

Note - 'Labour Expenditure Outsourced to Related Parties' and 'Labour Expenditure Outsourced to Unrelated Parties' have been reported as $nil. This is based on the definitions outlined above. AusNet Electricity Services incurs expenditure (SCS Opex and SCS Capex) from Contractors (unrelated) for labour services. However, the contractor arrangements do not constitute employment contracts or labour hire arrangements and as such have not been reported as Labour Expenditure.

Direct expenditure for Labour Capex is reported exclusive of capital contributions and capitalised overheads.

Direct expenditure for Labour Opex is reported exclusive allocated overheads.

Additional information:

Labour includes all expenditure used to deliver standard control services that is associated with people. Labour expenditure relates to -

- Full time, part time and casual employees.
- Ongoing and temporary employment contracts; and
- Labour hire contracts.

Labour expenditure includes wages, salaries, overtime payments, bonuses, allowances, incentive payments, superannuation contributions, taxes, termination and redundancy payments, workers compensation, training and study assistance and purchases made on behalf of employees.

The definition of labour only includes labour hire arrangements and contracts of employment with the network service provider (**NSP**), AusNet Electricity Services.

Data reported relates to Standard Control Services ("SCS") only, and exclusive of Customer contributions.

Changes from previous year Basis of Preparation:

Data reported is in accordance with the AER's definition i.e. based 'Direct Expenditure' which excludes allocated overheads.

2.12 Input tables

Information reported in Template 2.12 Input Tables relates to the Opex costs for Standard Control Services.

The summation of Direct Material Expenditure, Direct Labour Expenditure, Contract Expenditure (labour and non-labour), Other Expenditure for each category reconcile to total expenditure amounts reported in the Expenditure Summary template.

Table 2.12.1 - Input tables

Direct Costs

Data reporting quality:

Actual & estimated.

Expenditure category	Data Quality
Direct Material	Actual
Direct Labour	Actual
Contract non-labour /labour	Estimate
Other Expenditure	Actual

Estimated data:

Contract Expenditure – Labour and Contract Expenditure – Non-labour

Information reported is estimated for all categories as the labour and non-labour breakdown of contract expenditure is not readily available in the SAP system. Contractors generally charge a consolidated price for their goods and services.

The labour/non-labour split was estimated based on AusNet Electricity's SME's knowledge of the nature of contractor costs or based on vendor rate cards which is the best available information based on the major contracts to estimate the split for the purposes of preparing the 2.12 Template.

Null response:

No NULL responses.

Information source, methodology and assumptions:

Vegetation Management, Routine and Non-Routine Maintenance, Emergency Response, Non-Network Expenditure, Export Services and Overhead Expenditure.

Information was obtained from files supporting the AIO (ultimately sourced from the SAP system). Reporting of the SCS Opex information, certain reports were executed based on work codes which provide the split of costs into Direct Material Expenditure, Direct Labour Expenditure, Contract Expenditure, Other Expenditure.

Work codes were aligned to each of the Input Table categories (Vegetation Management, Routine Maintenance, etc.). Where the costs on the work codes did not directly align with the costs included in the respective Templates (due to adjustments), the work code data was proportionately scaled to align with the Template costs reported. This approach provided the Direct Material, Direct Labour, Contract and Other splits by Input Table category (Vegetation Management, Routine Maintenance, etc.).

Additional information:

No addition information is required.

Changes from previous year Basis of Preparation:

The 2.12 template only includes SCS Opex, with the inclusion of Export Services.

3.1 Revenue

Distribution Use of Systems Revenue (**Revenue**) is measured at the fair value of the consideration received or receivable, net of the amount of Goods and Services Tax payable to the taxation authority. Revenue is recognised as the services are rendered and is reported inclusive of incentive scheme penalties and rewards. Total Revenue is disaggregated by chargeable quantity and by customer class.

There have been no material changes to the accounting policies adopted by AusNet Electricity Services in relation to Revenue during the current Regulatory Year.

Table 3.1.1 - Revenue grouping by chargeable quantity

Data reporting quality:

Actual.

Estimated data:

Information provided is considered Actual Information, no estimates or assumptions have been applied.

Null response:

No NULL Responses.

Information source, methodology and assumptions:

Standard Control:

Revenue by distribution tariff was sourced from the volumes (kWh, kVA, kW, etc.) charges to customers in the billing system (Kinetiq) and multiplied by the approved 2024/25 tariffs for each individual tariff component (e.g., tariff NEE20 peak consumption x NEE20 peak consumption DUOS price) and allocated into the RIN categories based on the tariffs in question (e.g., residential tariffs, tariffs with a peak component, etc.).

Amounts included as 'Revenue from other Sources' relates to a statutory adjustment for revenue for understatement of accrued NUOS Revenue for the regulatory period as identified by external auditors Ernst & Young.

Alternative Control:

Revenue was sourced from the amounts charged to customers in the billing system (Kinetiq) for each individual alternative control service and were allocated into the RIN categories based on the service in question (e.g., meter provision charges, public lighting charges, etc.).

Amounts included as 'Revenue from other Sources' relate to summer export payments made to customers for solar feed-in which forms part of Alternate Control Services revenue reported in the Annual Regulatory Accounts.

Additional information:

Revenue reported has been classified into the chargeable quantity which most closely reflects the basis upon which the revenue was charged to customers. Where it has been determined that Revenue cannot be allocated to the specified chargeable quantity classifications (in DREV0101 to DREV0112), Revenue has been reported against 'Revenue from other Sources' (DREV0113).

Changes from previous year Basis of Preparation:

No material changes were adopted from the previous year.

Table 3.1.2 - Revenue grouping by customer type or class

Data reporting quality:

Actual.

Estimated data:

Information provided is considered Actual Information, no estimates or assumptions have been applied.

Null response:

No NULL Responses

Information source, methodology and assumptions:

Standard Control:

Revenue reported in Standard Control Table 3.1.2 was allocated into customer type or class based on DUOS tariff schedules used to prepare the Annual Regulatory Accounts.

Alternative Control:

Revenue reported in Alternative Control Table 3.1.2 was allocated to 'Revenue from Other Customers' for all non-meter provision charges as the Revenue cannot be allocated to the specified chargeable quantity classifications in DREV0201 to DREV0205 based on the information available. Meter provision charges have been allocated based on the type of customer.

Additional information:

Revenue reported has been classified into the Customer Type or Class which most closely reflects the customers from which revenue was charged. Where it has been determined that Revenue cannot be allocated to the specified Customer Type (in DREV0201 to DREV0205), Revenue has been reported against 'Revenue from other Customers' (DREV0206).

Changes from previous year Basis of Preparation:

No material changes were adopted from the previous year.

Table 3.1.3 - Revenue (penalties) allowed (deducted) through incentive schemes

Data reporting quality:

Actual.

Estimated data:

Information provided is considered Actual Information, no estimates or assumptions have been applied.

Null response:

No NULL Responses

Information source, methodology and assumptions:

Information was sourced from the Annual Regulatory Accounts, Annual Tariff Submissions & Post Tax Revenue Model.

EBSS:

EBSS revenue or penalties were calculated by smoothing the nominal EBSS allowance over the 5-year period from 2021/22 to 2025/26 based on the Smoothed Revenue profile in the 2021/22 to 2025/26 Post Tax Revenue Model. EBSS Revenue was collected in accordance with the allowances and penalties prescribed for the applicable 5-year Revenue determination period.

STPIS:

STPIS was calculated by dividing the total DUOS revenue by (1+ incentive scheme rate) and reporting the resultant difference between reported Revenue and this adjusted Revenue as STPIS. STPIS Revenue was collected in accordance with the incentive scheme rate prescribed by the AER for the applicable period.

CESS:

A proportion of annual revenue has been attributed to the nominal CESS included in the 2021/22 - 2025/26 revenue requirement reflecting the close out of the previous CESS regime. To calculate the impact in each of the years, the total CESS over the five years was allocated to individual years based on the Smoothed Revenue profile in the 2021/22 - 2025/26 Post Tax Revenue Model. This approach most accurately reflects the years in which the revenue was generated.

F-Factor:

F-Factor revenue is recovered by AusNet Electricity Services via the addition of approved pass-through tariffs to DUOS prices. The approved pass-through amount has been adjusted to reflect the difference between AusNet Electricity Services' 2024/25 Annual DUOS Revenue Target and the actual DUOS revenue received to determine the total amount of F-Factor revenue earned in 2024/25. This calculation is performed to take account of differences between forecast and actual volumes delivered.

CSIS:

CSIS was calculated by dividing the total DUOS revenue by (1+ incentive scheme rate) and reporting the resultant difference between reported Revenue and this adjusted Revenue as CSIS. CSIS Revenue was collected in accordance with the incentive scheme rate prescribed by the AER for the applicable period.

DMIS:

DMIS was calculated by dividing the total DUOS revenue by (1+ incentive scheme rate) and reporting the resultant difference between reported Revenue and this adjusted Revenue as DMIS. DMIS Revenue was collected in accordance with the incentive scheme rate prescribed by the AER for the applicable period.

Additional information:

The penalties or rewards from the service target performance incentive scheme (**STPIS**) or efficiency benefit sharing scheme (**EBSS**) have been reported based on the year that the penalty or reward was applied, not the year in which it was earned.

Changes from previous year Basis of Preparation:

- The **S Factor True Up** has been renamed to **CESS**.
- Methodologies for the **CSIS** and **DMIS** incentive schemes have been added, reflecting their inclusion in the **RY25 AIO**.

3.2 Operating Expenditure

Operating Expenses (**Opex**) are the costs of operating and maintaining the network (excluding all capital costs and capital construction costs). Only those costs that are disclosed as Operating and Maintenance expenditure in the current Regulatory Year's Annual Regulatory Accounts have been included in the Opex tables in Section 3.2. All other expenses have been excluded.

Opex that is incurred for a particular network within the Group is directly recorded to that network. Costs that cannot be directly allocated to a particular network within the Group are apportioned amongst the Group's 3 regulated networks as well as unregulated businesses through an indirect cost allocation process. This is in accordance with AusNet Electricity Services' CAM.

Table 3.2.1 - OPEX categories

Data reporting quality:

Actual.

Estimated data:

No estimated data was used.

Null response:

No NULL responses.

Information source, methodology and assumptions:

Using data extracted from the current Regulatory Year's Annual Information Order, which was sourced from the SAP financial system, operating and maintenance expenses were allocated into the categories applicable for the current Regulatory Year.

Additional information:

Opex categories and allocations have been presented as per the categories in the current Annual Information Order and in accordance with requirements of the CAM and the Annual reporting requirements. Opex for Standard Control Services and Alternative Control Services agrees to operating expenses and maintenance as disclosed in the current Annual Information Order.

Changes from previous year Basis of Preparation:

No changes were adopted from the previous year.

Table 3.2.2 - OPEX consistency

Data reporting quality:

Actual.

Estimated data:

No estimated data was used.

Null response:

No NULL responses.

Information source, methodology and assumptions:

Data provided in Table 3.2.2 has been presented in a manner consistent with recent AER advice.

In relation to Standard Control Services opex, data was extracted from the financial system and allocated into categories based on work codes and/or cost ledger codes. Each code was reviewed by a subject matter expert (**SME**) and a relationship identified between the code and the regulatory category in Table 3.2.2.

In relation to Opex for Connection Services, the AER defined this reporting category as operating and maintaining costs for connection services that are not capitalised. Amounts reported include SCS connection projects and indirect costs attributed to connection services.

In relation to Opex for Transmission Connection Point Planning, data reported was obtained via the indirect cost allocation methodology process and reflects the salary costs of the employees involved in transmission point planning scaled by the portion of their time spent undertaking such activities.

Additional information:

No additional information is required.

Changes from previous year Basis of Preparation

As per recent advice from the AER, AusNet Electricity, now reports this table in accordance with the accounting standards, with the agreed exclusion of network support payments for the Bairnsdale Power Station.

Alternate Control Services are no longer required.

3.2.3 Provisions

Provisions are recognised when AusNet Electricity Services has a present legal or constructive obligation arising from past events, it is probable that an outflow of resources will be required to settle the obligation, and the amount can be measured reliably. Provisions are not recognised for future operating losses.

The amount recognised represents the best estimate of the consideration required to settle the present obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligations. Where provisions are based on estimated future cash flows, the carrying amount reflects the present value of those cash flows.

Provisions have been presented separately based on the nature of the provision and allocated across Other, Operating Expenditure (**Opex**), and Capital Expenditure (**Capex**) components based on the classification of the underlying costs associated with each provision.

Data reporting quality:

Actual/Estimate.

Estimated data:

Provision	Data Quality
Employee Entitlements	Estimate
Uninsured Losses	Actual
Make Good	Actual
Miscellaneous	Actual
Superannuation	Estimate
Other	Actual

All information reported is Actual Information for movements categorised as Opex. No estimates were required as the provision information was sourced directly from AusNet Electricity Services' financial records.

Information reported for the Employee Entitlements Provision and the Provision for Superannuation is considered Estimated Information. An 'employing entity' approach has been used as a proxy to determine the component of the Group's provision that relates to electricity distribution activities. Further assumptions have been made to estimate the Capex and Opex splits for movements in these Provisions.

Null response:

No NULL responses.

Information source, methodology and assumptions:

Provision - Uninsured Losses, Provision – Miscellaneous, Provision for Make Good and Provision - Other

Data was extracted from the financial system and based on the nature of the Provision/transaction, mapped to the appropriate category. Data was reviewed by an SME to ensure that Provision movements do not include any components related to non-SCS or Metering services.

Provision - Superannuation and Provision - Employee Entitlements

The amounts reported in the 'Provision - Employee Entitlements' table relate to liabilities for wages and salaries, including non-monetary benefits and annual leave recognised in respect of employees' services up to the reporting date. These liabilities are measured at the amounts expected to be paid when settled.

Provisions associated with employee benefits (e.g. superannuation, annual leave, long service leave) are recognised based on the employing entity within the Group (referred to as the 'employing entity' approach). Movements in these Provisions are also reported using this approach.

Provision data was extracted from the financial system and allocated into SCS and Metering using the percentage split of SCS, Metering and Alternative Control Services (ACS) total operating and maintenance costs, as reported in section 8.1.

For the Employee Entitlements Provision and Provision for Superannuation, the split between the opex component and the capex component was estimated using the CAM. The SCS + Metering component of the provision was also estimated based on a review of the employees included in the closing provision balance.

The Superannuation closing balance is reported as an asset, as the fair value of plan assets exceeds the defined benefit obligation.

Additional information:

No additional information required.

Changes from previous year Basis of Preparation:

No material changes were adopted from the previous year.

3.3 Assets (RAB)

The Regulated Asset Base (**RAB**) values have been prepared and reported as per AusNet Electricity Services' interpretation of the AER instructions set out in Section 8 of the Annual Order - Electricity distributors - Appendix A – Data workbooks. Instructions. The opening RAB values were sourced from the previous regulatory year's closing RAB values from the Economic Benchmarking RIN. For Metering, we have applied several opening RAB adjustments in-year which are explained further below.

The accounting policies adopted by AusNet Electricity Services in relation to capex (the only regulatory accounting input into the RAB have not materially changed during the Regulatory Year compared to previous Regulatory Years.

Consistent with the previous regulatory year's RIN submission, we have reported the RAB roll forward for Meters in Alternative Control Services.

Table 3.3.1 - Regulatory asset base values

Data reporting quality:

Actual.

Estimated data:

No estimated data was used.

Null response:

No NULL responses.

Information source, methodology and assumptions:

The opening RAB values were sourced from the previous regulatory year's closing RAB values from the Economic Benchmarking RIN.

Opening adjustments:

For Network Services, there was a negative straight-line depreciation adjustment of $1.1 million to correct for the prior year closing RAB value in benchmark category 'Other assets with long lives'. This adjustment relates to depreciation of Equity raising costs RAB class that is only reported in SCS RAB and is not required to be reported in NS RAB. This adjustment is captured in DRAB0103 in Table 3.3.1 and DRAB1003 in Table 3.3.2.

For SCS, there are two opening adjustments including:

1. a $0.53 million reallocation of gross capex (before half WACC allowance) between RAB asset classes for year 2023-24 was reflected in SCS roll forward model inputs. This reallocation was based on information provided by AusNet on 24th June 2025 to the AER via email (entitled 'RE: AusNet EDPR 2026-31 - information request #037 - General modelling clarifications - 20250611 – PUBLIC). The reclassification of gross capex (before provision movements) involved RAB categories 'Land' and 'Distribution system assets'. This information was used by the AER in its Draft decision RFM published in September this year. This adjustment affects multiple benchmark categories reported in Table 3.3.2 and several line items including gross capex, inflation addition, straight-line depreciation, and capex timing adjustment.

2. A reclassification of historical lease capex between RAB classes in the RFM for the current EDPR period (2022-26) in accordance with instructions received from the AER. Refer to SCS RAB roll forward calculations in section 3.3.2 below for further details on this reclassification.

For Metering, there are two prior year adjustments totalling -$3.5 million, comprising of:

1. A -$3.5 million prior year (2023-24) regulatory depreciation adjustment for lease capex that was omitted in error. This has been corrected in the current year inflation addition and straight-line depreciation values (DRAB1002 and DRAB1003) within Alternative Control Services.
2. A +$1,077 adjustment that represents the depreciated incremental approved Equity raising costs allowance in the AER's latest Metering return on debt (2025-26) final determination PTRM for 2022-26 (adjusted for inflation and a half year WACC allowance). Both the incremental capex allowance in year 2021-22 and consequential actual depreciation adjustments are included in the current year gross capex (DRAB0904), capex timing adjustment (DRAB0909), and actual straight-line depreciation (DRAB0903) values within Alternative Control Services.

For Public Lighting, there was an opening RAB adjustment of +$0.23 million) in the current year under 'Other assets with long lives' category in Table 3.3.2, comprising 'gross capex' (DRAB1004) of +$0.23 million and actual straight-line depreciation (DRAB10018) of $5.5k.

Therefore, these adjustments are included in gross capex (DRAB0104) and straight-line depreciation (DRAB0103) in Table 3.3.1 for Alternative Control Services (ACS) and relate to a correction for prior year (2023-24) conversion of Nominal gross capex inputs in the public lighting model (conversion from Nominal to real $2020-21).

Roll forward approach:

The SCS RAB has been rolled forward by twelve months to the end of the current regulatory year using actual additions (gross capex, net of customer contributions and disposals) and forecast straight-line depreciation. The Metering (ACS) RAB has been rolled forward by twelve months to the end of the current regulatory year using actual additions (gross capex, net of customer contributions and disposals) and actual straight-line depreciation.

The offsetting inflation addition was calculated using 1-year lagged inflation (December quarter basis), consistent with the inflation approach in the roll forward model for the current regulatory control period (2022-26).

Actual additions and disposal data were reconciled to the current regulatory year's Annual Regulatory Accounts supporting workpapers. For actual additions under Standard Control, Network Services and Metering (ACS), net capex values include a 6-month nominal WACC allowance consistent with the treatment of additions in the AER's Roll Forward Model. This adjustment is recorded in 'capex timing adjustment' row (DRAB0109) in Table 3.3.1 for NS, SCS and Metering (ACS) RABs. Public lighting additions exclude the 6-month WACC allowance consistent with the historical cost approach applied by all Victorian DNSP's for public lighting RAB modelling. Actual additions for SCS exclude the capital movement in provisions. Asset disposals recorded in the RAB roll forward for SCS and Metering include an adjustment for capitalised leases that were not renewed and/or expired prior to the lease end date, as described below per "Table 3.3.2 Asset Value Roll Forward".

Straight-line depreciation (reported in DRAB0103) for SCS is based on forecast straight-line depreciation to the end of the current regulatory year as per the AER Final Decision Post Tax Revenue Model for AusNet Electricity Services, expressed in real 2021 dollars, adjusted for actual inflation.

Straight-line depreciation (reported in DRAB0103) for Metering (ACS) is based on actual straight-line depreciation for 12 months to the end of the current regulatory year per the updated Metering Depreciation Tracking Model.

Straight-line depreciation (reported in DRAB0103) for Public Lighting (ACS) is based on actual straight-line depreciation for 12 months to the end of the current regulatory year per the updated Public Lighting Model.

Additional information:

The RAB values have been prepared and reported as per AusNet Electricity Services' interpretation of the AER instructions set out in Section 8 of the Annual Order - Electricity distributors - Appendix A – Data workbooks instructions.

AusNet Electricity Services considers that the proportion of the distribution assets that are dedicated connection assets is small. It has been assumed the customer contribution has more than fully funded customers' dedicated assets. Therefore, subject to the removal of metering and public lighting assets and equity raising costs, the capex included in the Standard Control Services and the Network Services Tables is equal. The data contained in Table 3.3.1 is considered Actual Information. Information prepared at this highest level is sourced directly from the respective roll forward models without any estimation or allocation methods required.

Changes from previous year Basis of Preparation

The new 3.3 RAB template requires DNSP's to separately report each component making up 'net additions' to RAB. That is, starting with gross capex (DRAB0104), customer contributions included in gross capex (DRAB0108) and asset disposals (DRAB0106). An additional step is required for NS, SCS and Metering ACS, involving a capex timing adjustment (DRAB0109) that converts net capex into end of year $Nominal terms, consistent with roll forward approach in the AER's RFM model. These requirements have been met by AusNet in completing Table 3.3.1, which is linked to sub tables contained in 3.3.2.

Table 3.3.2 - Asset value roll forward

Data reporting quality:

Actual/Estimate.

Estimated data:

Data provided in Table 3.3.2 for Network Services, Standard Control Services and Meters (ACS) are considered Estimated Information except for 'Other Assets with Long Lives' and 'Other Assets with Short Lives' where the information is considered Actual Information. Public lighting (ACS) is also considered actual information.

This is considered Management's best estimate based on the data available as estimated information is accepted by the Notice.

Null response:

No NULL responses.

Information source, methodology and assumptions:

Information has been sourced from the previous regulatory year's Economic Benchmarking RIN, the AER's 2022-26 Final Decision for Standard Control Services and Metering PTRM & Exit Fees and supporting workpapers to the Annual Regulatory Accounts.

The following process was followed:

1. As noted above and in accordance with AIO instructions, the opening RAB values were sourced from the previous regulatory year's closing RAB values from the Economic Benchmarking RIN data for Standard Control Services, Network Services and Alternative Control Services.
2. The process to establish the opening RAB values for both Standard Control Services and Network Services is consistent with the approach described above in Table 3.3.1.
3. For Network Services RAB, a straight-line depreciation adjustment of $1.1 million was made in benchmark category 'Other assets with long lives' (DRAB1003) to ensure alignment with the corrected closing RAB value for the prior year.
4. For SCS RAB, a $0.53 million reallocation of gross capex between the 'Land' and 'Distribution system assets' RAB categories for 2023–24 was incorporated into the SCS roll forward model, based on AusNet's correspondence with the AER on 24th June 2025. This adjustment, reflected in the AER's Draft Decision RFM, affects multiple benchmark categories and line items including gross capex, inflation addition, straight-line depreciation, and capex timing adjustment.
5. The opening RAB values in Alternative Control Services were calculated using information from several sources including:

   For the Metering RAB

   a. The latest available opening RAB values were obtained from the previous regulatory year's Economic Benchmarking RIN data for Metering.
   b. To derive the opening RAB values for Metering this followed the same approach described above in Table 3.3.1. No further adjustments were made to the opening RAB values for the current regulatory year as described above.

   For the Public Lighting RAB

   a. The opening value was sourced from the previous regulatory year's Economic Benchmarking RIN data for public lighting. An adjustment was made to the Opening RAB value via 'gross capex' in year (DRAB1004), as described in 3.3.1 above.

6. Split between Standard Control Services, Network Services, and Alternative Control Services:
   a. Network Services and Standard Control Services exclude public lighting and meters as instructed by the AER.
   b. Alternative Control Services – this category includes Metering and Public Lighting assets (post 2005). Historical additions for metering RAB are net of Metering remediation costs which are not allowed to be recovered from customers.
7. A separate twelve month roll forward calculation was performed for each RAB category to the end of the current regulatory year, including for Standard Control Services, Network Services, and Alternative Control Services. For both Standard Control Services and Metering, the AER's latest Roll Forward Model (version 3) was used that is consistent with the published models in the recent 2022-26 EDPR Final Determination, updated by the AER to allow for 2020 and 2021 half year actual net capex inputs.
8. Table 3.3.1 was directly disaggregated into the available RAB categories from the Roll Forward Model (column 1 in the table below):

Table 3.1: RAB category mapping

Roll Forward RAB categories	Benchmarking AIO categories
Distribution	Overhead network assets less than 33kV (wires and poles)
	Underground network assets less than 33kV (cables)
	Distribution substations including transformers
Sub-transmission	Overhead network assets 33kV and above (wires and towers / poles etc.)
	Underground network assets 33kV and above (cables, ducts etc.)
	Zone substations and transformers
Land	Zone substations and transformers
Non-network Leasehold Land & Buildings (SCS) - 2021-22	'Other' assets with long lives
Non-network Leasehold Land & Buildings - 2025-26	'Other' assets with short lives
Equity Raising Costs and SCADA assets	'Other' assets with long lives
Buildings – capital works	'Other' assets with long lives
Metering (ACS)	Meters
Non-network Leasehold Land & Buildings (Metering / AMI sites)	Meters
Public Lighting (ACS)	'Other' assets with long lives
Non-Network IT and Other	'Other' assets with short lives
In-house software	'Other' assets with short lives

In preparing the 2024-25 RAB template, historical lease capex was reallocated from unapproved RAB asset classes 'Non- Network Leasehold Land & Buildings - 2022-23' and 'Non- Network Leasehold Land & Buildings - 2023-24' to the approved short lives and long lives asset classes in the current AER determination. This change was based on an email advice received from AER modelling team on 3rd October 2025 (entitled 'AER review of AusNet transmission draft models') that applies equally for AusNet's Distribution approach. This advice stated that the approach adopted in the annual regulatory accounts for lease capex asset classes should be consistent with those in the approved PTRM. It considers that AusNet should report its lease

capex in its regulatory accounts using approved asset classes and amend its historical lease capex by RAB class in its next round of regulatory accounts. AusNet has reflected the requested changes retrospectively in the SCS RFM model inputs using approved lease asset classes based on the current AER Distribution determination (2022-26). The RAB class mapping table (shown above) also reflects these changes across short and long lives benchmark categories.

For the current year, additions and disposals were directly attributed into column 1 (above) categories, reconciling to the Annual Regulatory Accounts[1]. The capex related opening adjustments for SCS, Metering and Public Lighting (ACS) outlined above were added to current year additions.

Straight-Line depreciation reconciled to:

1. Total Forecast depreciation from the AER's 2022-26 Final Decision PTRM for AusNet Services' SCS RAB. This includes the latest return on debt update PTRM for SCS (2025-26) and incremental Forecast Straight-line RAB Depreciation associated with approved cost passthrough's (separate to the PTRM forecast) each expressed in real 2021 dollars and adjusted for actual inflation.
2. Total Actual depreciation per the updated Depreciation tracking model for Metering Services RAB (including a prior year correction as explained above).
3. Total Actual depreciation per the updated Public Lighting model, excluding the 2005 opening RAB.

The depreciation related opening adjustment for Network Services outlined above was added to current year forecast depreciation.

Straight-Line Depreciation – straight-line depreciation into AIO categories is allocated directly where RAB values are directly attributed to AIO categories. For the Distribution and Sub-transmission RAB categories, depreciation is allocated to AIO categories proportionate to their opening RAB shares.

Gross capex – the allocation of gross capex minus provision movements from RAB roll forward categories into AIO categories was based on additions information contained in Regulatory Templates 2.2 Repex, 2.3 Augex and 2.5 Connections. In some instances, the judgment of an SME was used to apportion additions into the relevant benchmarking categories.

Capital contributions included in gross capex – the allocation of Type 1 customer contributions from RAB roll forward categories into AIO categories was based on a two-step process. For SCS, Type 1 customer contributions by RAB category reported in Table 8.2.5 were split between Repex, Augex, Connections, and Non-network IT. Non-network IT is directly attributed to AIO category 'Other assets with short lives'. For network categories, customer contributions are already split at the Distribution and Sub-transmission RAB category level as sourced from Table 2.5.2. These values were allocated to AIO benchmark categories using the additions information source shown in Table 3.2 below.

Table 3.2: Additions 2024-25 – Network assets

RAB Roll Forward Categories	Benchmarking AIO Categories	Repex Splits	Augex Splits	Connections Splits
Distribution	Overhead network assets less than 33kV (wires and poles)	82%	10%	10%

[1] Excluding Equity Raising Costs. Additions exclude the capital movement in provisions.

RAB Roll Forward Categories	Benchmarking AIO Categories	Repex Splits	Augex Splits	Connections Splits
	Underground network assets less than 33kV (cables)	11%	72%	58%
	Distribution substations including transformers	7%	18%	31%
	Total Distribution	**100%**	**100%**	**100%**
Sub-transmission	Overhead network assets 33kV and above (wires and towers/poles etc.)	3%	9%	72%
	Underground network assets 33kV and above (cables, ducts etc.)	0%	0%	28%
	Zone Substations and Transformers	97%	91%	0%
	Total Subtransmission	**100%**	**100%**	**100%**

Asset Disposals - AusNet currently capitalises its property leases under accounting standard AASB16. When an existing property lease expires and is not renewed, an adjustment is made to the Asset Disposal value in the roll forward model to reflect the 'net disposal value'. That is, the original capitalised value (which represents the present value of future lease payments) minus the present value of actual lease payments made under the lease agreement, up to the lease termination date. Therefore, for this reason the current regulatory year's Asset Disposal values reported in the RAB roll forward models for SCS and Metering (on a $Nominal basis) each differ to the values reported in the AIO template 8.2 - Capex ($Nominal). Table 3.3 below shows the required offsetting lease adjustments that were applied in the roll forward models that ensure AusNet recovers the value of its actual lease payments through the RAB return. There was no disposal of lease assets for SCS and Metering in the current year.

Table 3.3: Asset Disposals 2024-25 ($M, $Nominal)

Details	SCS	Metering	Total
Asset Disposals for Lease asset classes – AIO	n/a	n/a	n/a
Offsetting lease adjustments	n/a	n/a	n/a
Adjusted Asset Disposals for Roll forward model	n/a	n/a	n/a

Capex timing adjustment – Capex is assumed to be reported in mid-year dollar terms. The Capex timing adjustment allows for the reported capex to be adjusted to end of year dollar terms (also called 'half WACC adjustment'), reflecting the approach used in the AER's Roll Forward Model. This adjustment has been applied to net capex (gross capex, net of customer contributions and disposals) for NS, SCS and Metering (ACS). The half-year WACC was sourced from the updated SCS and Metering roll forward models.

Additional information:

The disaggregated RAB values have been constructed as per AusNet Electricity Services' interpretation of the AER instructions set out in Section 8 of the Annual Order - Electricity distributors - Appendix A – Data workbooks instructions. AusNet Electricity Services has recorded assets in the RAB in asset classes that do not allow a direct attribution into the AER's economic benchmarking RAB Asset classes for the majority of assets.

Therefore, where direct attribution is not possible, AusNet Electricity Services has utilised the standard approach applied in previous RINs – consistent with instructions.

Changes from previous year Basis of Preparation

The main changes from previous basis of preparation were the disaggregation of RAB additions into gross capex, customer contributions (Type 1), disposals, and capex timing adjustments – as required in the new AIO template. This meant apportioning total SCS gross capex and customer contributions by RAB class to benchmark categories using additions data for the current year. For Metering, since gross capex, customer contributions, and disposals by RAB class are direct inputs to the roll forward model, these elements were directly attributable to 'Meters' benchmark category.

Table 3.3.4 - Asset lives

Data reporting quality:

Estimate.

Estimated data:

Data for Asset Lives is considered Estimated Information. Estimates and assumptions have been outlined above. This is considered Management's best estimate based on the data available. Per the AIO Instructions and Definitions, this information is permitted to be Estimated Information on an ongoing basis.

Null response:

No NULL responses.

Information source, methodology and assumptions:

Table 3.3.4.1 Asset Lives – estimated service life of new assets.

Data reported as the 'Estimated Service Life of New Assets' is consistent with the information reported in the previous regulatory year's Assets (RAB Template). The data reported was reviewed by an SME and no material changes were required for the current regulatory year. The current regulatory year's data was sourced from data that supports the 5.2 Asset Age profile template where a weighted average life for grouped assets was calculated. The Asset Age profile data was grouped to align to the Asset Groups required for Table 3.3.4.

Asset class specific assumptions are:

- DRAB1401: Overhead network assets less than 33kV (wires and poles)
- DRAB1402: Underground network assets less than 33kV (cables)
- DRAB1403: Distribution substations including transformers
- DRAB1404: Overhead network assets 33kV and above (wires and towers / poles etc.)
- DRAB1405: Underground network assets 33kV and above (cables, ducts etc.)

- DRAB1406: Zone substations and transformers

For variable DRAB1407 'Meters', the approved service lives were obtained from the AER's 2022-26 Final Decision for Metering PTRM & Exit Fees. As 'Meters' includes meter equipment, IT, communications and other metering assets, a weighted average of the service lives was performed (for the five metering subcategories) based on the Closing RAB balance.

For variable DRAB1408 'Other assets with long lives', in the Standard Control RAB this comprises Equity raising costs, SCADA/network control assets, Non-network Leasehold Land & Buildings – 2025-26, and Buildings – Capital works. The weighted average service life has been calculated using a weighted average of historical capex (2021-25) for SCADA/network control assets, Non-network Leasehold Land & Buildings – 2025-26, Buildings – Capital works and Equity raising costs and the approved standard RAB lives. The standard RAB asset lives have not changed in the AER's 2022-26 Final Decision for AusNet Services; however, the methodology has changed in the current year as described below (see section 'Changes from previous year Basis of Preparation').

Public Lighting assets which are no longer a Standard Control Service but assumed as Alternative Control Services are also reported under variable DRAB1408 'Other assets with long lives'. The weighted average service life for these assets has been calculated using a weighted average of historical capex (2021-25) across asset subclasses including poles and brackets, existing luminaires and new energy efficient luminaires. This calculation excludes the 2005 opening RAB values.

Variable DRAB1409 'Other assets – Short lives' is based on the standard RAB asset lives for Non network IT, In-house software, Other, and Non-network Leasehold Land & Buildings – 2021-22 as contained in AusNet Services' Distribution Determination 2022-26.

Table 3.3.4.2 Asset Lives – estimated residual service life

The 'Estimated Residual Service Life' of the asset group or category was calculated based on data reported in Template 5.2 Asset Age. The Asset Installation dates included in Template 5.2 Asset Age were used to calculate the Average Asset Lives in each of the Asset Categories. The 'Estimated Residual Service Life' was calculated as the difference between the 'Estimated Service Life of New Assets' and the Average Asset Lives. The data provided is considered Estimated Information as it is based on Estimated Information included in Template 5.2 Asset Age.

For variable DRAB1508 'Other assets with long lives' in the Network Services RAB and Standard Control Services RAB the Weighted Average Remaining Life (**WARL**) is based on remaining lives information sourced from the AER's Roll Forward Model, updated with 2024-25 actual net Capex. Straight-line depreciation is applied based on forecast depreciation contained in the AER's latest return on debt update PTRM for SCS 2022-26 Final Decision for AusNet Services.

For variable DRAB1507 'Meters' in the Alternative Control Services RAB, the WARL for Metering assets has been derived from RAB information contained in the latest Roll Forward Model, updated with 2024-25 actual net Capex as sourced from the annual regulatory accounts, excluding remediation costs. The weighted average calculation of metering assets was based on the Closing RAB balance.

For variable DRAB1508 'Other assets with long lives' in the Alternative Control Services RAB, the WARL for Public Lighting assets has been derived from RAB information contained in the Final Decision Public Lighting model published by the AER in April 2021, updated with CY2020, CY2021 half year, and 2021-22 to 2024-25 actual net Capex.

For variable DRAB1509 'Other assets – Short lives' in the SCS RAB, the WARL is based on remaining lives information sourced from the latest Final Decision RAB roll forward model, updated with 2024-25 actual net

Capex. Straight-line depreciation is applied based on forecast depreciation contained in the AER's latest return on debt update PTRM for SCS 2022-26 Final Decision for AusNet Services.

Additional information:

No additional information is required.

Changes from previous year Basis of Preparation:

Previously, AusNet calculated weighted average standard lives and residual service lives for Leasehold Land & Buildings RAB asset classes using actual lives rather than based on approved standard lives for approved RAB classes. The AER instructed AusNet to report its lease capex within the approved RAB asset classes (as discussed earlier) for current period in the RFM and annual regulatory accounts. This resulted in a change to lives calculations in the current year for 'Other assets with long lives' and 'Other assets with short lives' categories.

3.4 Operational Data

Table 3.4.1 - Energy delivery

Data reporting quality:

Actual.

Estimated data:

No estimated data was used.

Null response:

No NULL responses.

Information source, methodology and assumptions:

Total Energy Delivered: This data was obtained from the billing system.

3.4.1.1 Energy delivery by chargeable quantity:

Tariff quantity data (sourced from the supporting documentation to the Annual Regulatory Accounts) was allocated to the categories required by assigning tariffs to a specific chargeable quantity.

'Energy Delivery where time of use is not a determinant', DOPED0201, do not have 'shoulder', 'peak' and 'off-peak' periods within their tariff. Instead, considering tariffs with 'block' and 'anytime' periods.

Consumption reported for unmetered supplies (DOPED0206) reflects three types of customers: (1) unmetered consumption related to the provision of electricity to mine sites from electricity generators in the Latrobe Valley, (2) unmetered consumption by connections which are assigned NMIs (AusNet Services' tariff code NEE52) and (3) unmetered consumption for sites without NMIs. Please note these sites were converted to NMI-based sites during the year, so by year-end, all sites had NMIs. Consumption has been derived from the billing system used to calculate network charges for these customers.

3.4.1.2 Energy – received from TNSP and other DNSPs by time of receipt:

The data required was calculated based on NEM Meters which record all energy flowing into and out of the transmission connections point, cross boundaries and from embedded generators.

Total energy received has been included in DOPED0304 'Energy received from TNSP and other DNSPs not included in the above categories' as it is not possible to allocate the available energy received information into the defined on-peak, shoulder and off-peak times. AusNet Electricity Services has multiple peak and off-peak time periods across its tariff classes. Without a specific definition of those time periods, it is not possible to break down and determine which is the relevant time block category.

3.4.1.3 Energy – received into DNSP system from embedded generation by time of receipt:

The non-residential data required was calculated based on information directly extracted from NEM Meters.

Total energy received from non-residential embedded generation has been included in DOPED0404 'Energy received from embedded generation not included in above categories from non-residential embedded generation'. It is not possible to allocate the available energy received information into the relevant time block categories with the absence of specified time periods.

Total energy received from residential embedded generation has been included in DOPED0408 'Energy received from embedded generation not included in above categories from residential embedded generation'. Similar to above, not possible to allocate to relevant time blocks.

3.4.1.4 Energy grouping – customer type or class:

Tariff quantity data sourced from the supporting documentation to the Annual Regulatory Accounts (which was ultimately sourced from customer billing data) was allocated to the categories required by assigning each tariff to a specific customer type or class.

Unmetered energy delivery was reported in 'Other Customer Class Energy Deliveries' (DOPED0505). Same as above DOPED0206.

Additional information:

Energy delivered is the amount of electricity transported out of the network in the relevant period and is measured as the energy metered (or estimated) at the customer charging location.

Changes from previous year Basis of Preparation

No changes were adopted from the previous year.

Table 3.4.2 - Customer numbers

Data reporting quality:

Actual.

Estimated data:

No estimated data was used.

Null response:

No NULL responses.

Information source, methodology and assumptions:

The total average customer numbers were obtained from combined extracts from AusNet Services' SAP Customer Information System and spatial system SDME. The split of customer numbers into the prescribed categories was determined as follows -

- Table 3.4.2.1 Distribution customer numbers by customer type or class: A table which combines SAP and SDME data. It contains information that determines the energised status of each NMI by date. This data was joined to another table from CIS which contains the tariff code for each NMI. Tariff codes were mapped to the relevant RIN categories. 4 customers under the tariff 'NEE93' are manually added to the 'unmetered customer number' bucket.
- 'Unmetered customer numbers' DOPCN0105, is obtained from tariff being 'NEE52'.
- Table 3.4.2.2 Distribution customer numbers by location on the network: Using data extracted from the Service Order Management System, the percentage of customers by the three feeder categories (Urban, Short Rural and Long Rural) was obtained at the start and end of the period. Their respective percentages were applied to the total customer numbers per Table 3.4.2.1, to derive the number of distribution customer numbers by location on the network.

  The categorisations are based on the feeder locations (Urban, Short Rural and Long Rural) in the current Regulatory Year.

Additional information:

Distribution Customers for a Regulatory Year are defined as the average number of energised and de-energised National Meter Identifiers (NMIs) in AusNet Electricity Services' network in that year, plus unmetered customers but excluding extinct NMIs. It is calculated as at the start and end of the regulatory period.

For unmetered customers, Customer Numbers are the sum of connections excluding public lighting connections and the energy usage for billing purposes is derived from a calculated load profile (examples include bus shelters, security lighting and traffic signals where not metered).

Changes from previous year Basis of Preparation:

Prior year used average between the start and the end of the regulatory period. This year, it is calculated as at the start and end of the regulatory period.

Table 3.4.3 - System demand

Tables 3.4.3.1 and 3.4.3.3 Annual system maximum demand characteristics at the zone substation level – MW and MVA measures

Data reporting quality:

Actual maximum demands extracted from SCADA data and validated by network planners.

Estimated data:

No estimated data was used.

Information source, methodology and assumptions:

Non-coincident Summated Raw System Annual Maximum Demand

Daily non-coincidental maximum demand data was extracted from OSI Pi. Using this information, the maximum demand day at each substation was identified. The attributes at the time of peak (MW, MVA, Date, Time) were determined for each zone substation for the current Regulatory Year (defined as the period between 01/07/2024 – 30/06/2025). The winter period constitutes April - September and the summer period constitutes October – March.

Coincident Raw System Annual Maximum Demand:

30-minute maximum demand data was extracted from OSI Pi for each zone substation, providing daily coincidental maximum demand information (date, time). Using this information, the maximum MVA and the attributes at the time of peak (MW, MVA) were determined for each zone substation for the current Regulatory Year.

Changes from previous year Basis of Preparation:

- Regulatory year for reporting used instead of Forecasting Year to maintain consistency with other reporting measures.
- Updated weather adjustment methodology to a more robust method considering the weather characteristics specific to each zone substation. This method is based on the methodology used to produce AusNet Services' demand forecasts for all zone substations.

Table 3.4.3.2 and 3.4.3.4 Annual system maximum demand characteristics at the transmission connection point – MW and MVA measures

Data reporting quality:

Actual maximum demands extracted from SCADA data and validated by network planners.

Estimated data:

No estimated data was used.

Information source, methodology and assumptions:

Non-coincident Summated Raw System Annual Maximum Demand:

AusNet Electricity Services has calculated demand based on National Energy Market Meter data supplied from the transmission business.

Coincident Raw System Annual Maximum Demand:

Information was sourced from the National Energy Market Meters (both Terminal Station, Boundary and Generator Meters). The network meters have been reconciled with AEMO and AusNet Services' Protection department to ensure all applicable meters are accounted for in calculating the Maximum Demand on the network.

Daily coincidental maximum demand data was extracted for the network for all days in the current Regulatory Year. Using this information, the maximum demand day was identified for each year. Using information described above, the yearly attributes at the time of peak (MW, MVA, Date, Time, Peak) was identified.

Changes from previous year Basis of Preparation:

Regulatory year for reporting used instead of Forecasting Year to maintain consistency with other reporting measures.

Weather corrected 10% POE and 50% POE (noncoincident and coincident) Maximum Demands (Tables 3.4.3.1, 3.4.3.2, 3.4.3.3, 3.4.3.4)

Data reporting quality:

Estimate.

Estimated Information:

Weather corrected maximum demand is considered Estimated Information based on the preparation method outlined above.

This is considered Management's best estimate based on the data available.

Information source, methodology and assumptions:

AusNet Electricity Services' weather corrected coincident and non-coincident POE10 and POE50 maximum demands are derived from a process within AusNet's demand forecasting methodology[2], prepared annually for AusNet's transmission connection points, zone substations and distribution feeders.

The methodology used to estimate weather-corrected maximum demand comprises the following steps:

- Prepare historical data: This step includes extracting maximum and minimum half hourly operational demands for Regulatory Year 2024/25, historical customer numbers, rooftop PV capacity, EV numbers, embedded generation, and weather and solar variables.

[2] AusNet - Demand forecasting methodology - 31 Jan 2025

- Derive the unitised weather corrected half hourly underlying maximum demand:

  First, the historical half hourly underlying maximum demand is calculated as follows:

  Underlying Demand = Operational Demand + Embedded Generation + Rooftop PV Generation

  Following this, the underlying demand is unitised (on a per-customer basis) and modelled to estimate its relationship with key demand drivers. The modelling process incorporates historical temperature data and other factors to derive the weather corrected unitised underlying demand, including:

  - Average maximum monthly consumption using Cooling Degree Days (CDDs) and Heating Degree Days (HDDs) temperatures and calendar variables.
  - 30-minute fluctuations using weather related variables, time of day and calendar variables.
- Multiply the unitised weather corrected half hourly underlying maximum demand at noncoincident and coincident demand timestamps by the corresponding number of customers.
- Estimate weather corrected half hourly maximum operational demands by subtracting the corresponding rooftop PV generation and incorporating additional adjustments to account for the impacts of EV load and gas-electrification load.
- Determine POE 10 and POE 50 values for coincident and non-coincident weather corrected half hourly maximum operational demands.

Changes from previous year Basis of Preparation:

- Regulatory year for reporting used instead of Forecasting Year to maintain consistency with other reporting measures.
- Updated weather adjustment methodology to a more robust method considering the weather characteristics specific to each transmission connection point and zone substation. This method is based on the methodology used to produce AusNet Services' demand forecasts for all transmission connection points and zone substations.

3.4B Total Customers

Table 3.4.2.3 - Total customers by metering type and connection type

Data reporting quality:

Actual.

Estimated data:

No estimated data was used.

Null response:

No NULL responses.

Information source, methodology and assumptions:

- Table 3.4.2.3 Breakdown 1 uses the same methodology as 3.4.2.1 but instead counts the number of customers on tariff 'NEE52', classified as 'unmetered customer'. All remaining customers are categorised as 'metered customer'. 4 customers under the tariff 'NEE93' are manually added to the 'unmetered customer' bucket.
- Table 3.4.2.3 Breakdown 2 uses the same methodology as Table 3.4.2.1 but instead counts the number of NMIs/customers in the 'Energised' and 'De-Energised' status. 4 customers under the tariff 'NEE93' are manually added to the 'energised connection points' bucket.

Additional information:

No additional information is required.

Changes from previous year Basis of Preparation:

This is a new template that is included in the current year's AIO.

Table 3.4.2.4 - Total customers by metering status

Data reporting quality:

Actual.

Estimated data:

No estimated data was used.

Null response:

No NULL responses.

Information source, methodology and assumptions:

Table 3.4.2.4 uses the same methodology as Table 3.4.2.1 but instead counts the number of customers on tariff 'NEE52', classified as 'Non-residential LV'. All remaining customers are categorised as 'Customers where meter is provided by DNSP'. 4 customers under the tariff 'NEE93' are manually added to the 'Non-residential HV' bucket.

Additional information:

No additional information is required.

Changes from previous year Basis of Preparation

This is a new template that is included in the current year's AIO.

3.5 Physical Assets

Table 3.5.1 - Network capacities

Data reporting quality:

Actual.

Estimated data:

No estimated data was used.

Null response:

No NULL responses.

Information source, methodology and assumptions:

Table 3.5.1.1 Overhead network length of circuit at each voltage

Table 3.5.1.2 Underground network circuit length at each voltage

Network capacity variables are reported for the whole network including overhead power lines, underground cables and pilot cables that transfer electricity from the regional bulk supply points supplying areas of consumption to individual zone substations, to distribution substations and to customers. Network also includes distribution feeders and the low voltage distribution system but excludes the final connection from the mains to the customer and wires or cables for public lighting, communication, protection or control and for connection to unmetered loads.

In relation to Table 3.5.1.1 'Overhead network length of circuit at each voltage' and Table 3.5.1.2 'Underground network circuit length at each voltage', circuit length is calculated from the length (measured in kilometres) of lines in service, where each SWER line, single-phase line, and three-phase line counts as one line. A double circuit line counts as two lines. The length does not consider vertical components such as sag.

For the current Regulatory Year, a report was generated in the Asset Management System (SDME) which provided the voltage and length attributes required. The data was allocated into the specified categories taking into consideration the inclusions and exclusions discussed above. The report was generated on 1 July 2025 to provide the circuit length as of 30 June 2025.

The information provided is considered 'actual information' as it was extracted from the SDME system, however it is noted that the system data has been subject to data cleansing and updating over the Regulatory Years.

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

Weighted average capacities have been reported for both the overhead and underground network in the required voltage classes.

Data for the current Regulatory Year was sourced from the Asset Management System (SDME) - including the conductor voltage ('Volts') and line length in kilometres ('length') for each section of line. The report extracted from SDME included details such as 'Specification' and 'Dictionary' name. These parameters were used to determine the associated amp rating. An internal document is maintained defining all Dictionary names.

Actual amp ratings were used which are reflective of operational ratings. The rating used to calculate the circuit capacity are the ratings of the conductor type at its design temperature (50^0C, 60^0C and etc), i.e., these are not adjusted for restrictions or limitations imposed on the capacity of the conductor due to its location in the network. Further, the amp ratings are not adjusted for lines which are constrained by voltage as voltage only constrains a small number of lines and changing the methodology to incorporate these voltage constrained lines is not expected to materially change the weighted average MVA capacity by voltage class.

Where the data extracted from SDME is insufficient to determine the amp ratings, additional information was sourced from a Circuit ratings database maintained by the Regional Network Planners. This database includes information for the North, East and South regions. Inputs to the database are based on historic internal information and internal policy document AMS 20-24 'Sub-transmission line and Station Data for Planning Purposes'.

Due to data improvement initiatives, SDME amp ratings of cables in several underground 66 KV sub transmission lines are now available. However, amp ratings sourced from the Circuit database are higher compared to ratings sourced from the conductor dictionary.

The weighted average was calculated based on the following methodology:

$$\frac{\text{Line 1: (length * Volts * Amps) + Line 2: (length * Volts * Amps) + Line 3: (length * Volts * Amps) etc.}}{\text{(Line 1 length + Line 2 length + Line 3 length etc.)}}$$

For three phase lines each group in the numerator has also been multiplied by √3.

However, for SWER MVA the capacities were derived based on the summation of the product of individual transformer unit size (e.g., 50 kVA, 100 kVA, 200 kVA) and the length of SWER lines for each transformer unit size divided by the total length of SWER lines for both overhead and underground.

The network weighted average MVA capacity of SWER networks the following methodology was used:

> (50kVA transformer unit * Length of lines with 50kVA transformer units) + (100kVA transformer unit * Length of lines with 100kVA transformer units) + (200kVA transformer unit * Length of lines with 200kVA transformer units) *divided* by the total length of SWER lines.

Additional information:

The information provided is considered 'actual information' as it was extracted from the SDME system and sourced from supporting AusNet documentation, however it is noted that the system data has been subject to data cleansing and updating over the Regulatory Years.

Changes from previous year Basis of Preparation:

No changes were adopted from the previous year.

Table 3.5.2 Transformer Capacities

Data reporting quality:

Actual.

Estimated data:

No estimated data was used.

Null response:

No NULL responses.

Information source, methodology and assumptions:

Table 3.5.2.1 Distribution transformer total installed capacity

Information in relation to 'Distribution Transformer capacity owned by AusNet Services' was sourced directly from SDME - including the kVA capacity rating, and substation type.

'Distribution Transformer capacity owned by High Voltage customers' was extracted based on Capacity charges that are paid by customers, which reflect the rating of the cabling and switchgear at the customer connection point. The data (in kVA) is taken from Annual AER Tariff Submissions and is originally sourced from the billing system.

This information is based on what is charged to the customer at a peak rate and assumes this calculation as a maximum capacity. This is not what the customer has installed and will underestimate the actual installed rated capacity 'Cold Spare Capacity' (DPA0503) was sourced from a 'stock on hand' report generated in SAP. The report used was generated on 1 July 2025 to provide the Cold Spare Capacity as at 30 June 2025.

Table 3.5.2.2 Zone substation transformer capacity

Table 3.5.2.2 was prepared on an asset-by-asset basis using information sourced from internal policy AMS 20-101 Zone Substation Transformer Cyclic Ratings (for Total Installed Capacity) which is used for the Distribution Annual Planning Report and AMS 20-90 Zone Substation Transformer Contingency Plan (for Cold Spare Capacity). Any variations between the publications and the data reported was sourced from SMEs.

Included in DPA0605 is 'Cold spare capacity of zone substation transformers' that is reported in DPA0604'.

The ratings assumed were based on the nameplate capacity of the transformer unit.

Table 3.5.2.3 Distribution - Other transformer capacity

Table 3.5.2.3 was prepared on an asset-by-asset basis using information sourced from internal policy AMS 20-101 Zone Substation Transformer Cyclic Ratings which is used for the Distribution Annual Planning Report. The ratings assumed were based on the nameplate capacity of the transformer unit.

Additional information:

Table 3.5.2.1 Distribution transformer total installed capacity

A Distribution Transformer is a transformer that provides the final voltage transformation in the electricity distribution system, stepping down the voltage used in the distribution lines to the level used by the customer.

The total installed Distribution Transformer capacity is the transformer capacity involved in the final level of transformation, stepping down the voltage used in the distribution lines to the level used by the customer. It does not include intermediate transformation capacity (e.g., 132kV, 66kV, 22kV or 11kV) distribution level. The capacity measure is the normal nameplate continuous capacity/rating (including forced cooling and other factors used to improve capacity).

Distribution Transformer capacity involved in the final level of transformation owned by AusNet Electricity Services and owned by High Voltage Customers has been reported.

Cold spare capacity is the capacity of spare transformers owned by AusNet Electricity Services but not currently in use. Cold Spare Capacity incorporates both spare capacity and cold capacity. Cold capacity is equipment, which is already on site, with connections already in place so that the device can be brought into service merely by switching operations, but which is not normally load carrying. Spare capacity also includes spare assets, on site, or in the store, where physical movement and / or making of connections would require manual intervention at the site of use.

Table 3.5.2.2 Zone substation transformer capacity

'Total installed capacity for first step transformation where there are two steps to reach distribution voltage' (DPA0601) and 'Total installed capacity for second step transformation where there are two steps to reach distribution voltage' (DPA0602) has been reported as zero on the basis that AusNet Electricity Services does not have installed capacity with more than one step or transformation.

'Total zone substation transformer capacity where there is only a single step transformation to reach distribution voltage' (DPA0603) has been reported where there is only a single step of transformation.

Power transformer rating includes cooling mechanisms. It is the summer cyclic rating as defined and calculated in AMS 20-101'Cold Spare Capacity of zone substation transformers included in DPA0604' (DPA0605) has reported total Cold Spare Capacity included in total zone substation transformer capacity.

'Total zone substation transformer capacity' (DPA0604) was calculated as the sum of variables DPA0601, DPA0602, DPA0603 and DPA0605.

Station service transformers have been excluded.

Changes from previous year Basis of Preparation:

No changes were adopted from the previous year.

Table 3.5.3 - Public lighting

Data reporting quality:

Actual.

Estimated data:

No estimated data was used.

Null response:

No NULL responses.

Information source, methodology and assumptions:

A report generated in the SDME Spatial System was used to provide the data required for Public Lighting Luminaires (DPA0701) for the current Regulatory Year. The information provided is considered Actual Information as it was extracted from the system and the presentation is not contingent on judgments and assumptions for which there are valid alternatives.

Additional information:

In relation to the number of Public Lighting Poles (DPA0702), data was extracted directly from the SDME Spatial System. The information provided is considered Actual Information as it was extracted from the system.

Changes from previous year Basis of Preparation:

No changes were adopted from the previous year.

3.6 Quality of Services

Table 3.6.1 - Reliability

Data reporting quality:

Actual.

Estimated data:

No estimated data was used.

Null response:

No NULL responses.

Information source, methodology and assumptions:

Table 3.6.1.1 Inclusive of Major Event Days

Information was sourced from current Regulatory Year's Annual Information Order Templates.

Whole of network unplanned SAIDI (DQS0101) – 'Unplanned Minutes-Off-Supply' are obtained from the Annual RIN Report and divided by the average number of distribution customers connected to the network in the current Regulatory Year.

Whole of network unplanned SAIDI excluding excluded outages (DQS0102) - the annual total 'Unplanned Minutes-Off-Supply' from network events that are ineligible for exclusion according to Section 3.3(a) were obtained from the PowerOn network outage historical data and divided by the average number of distribution customers connected to the network in the current Regulatory Year. The total minutes (SAIDI) from excluded events were subtracted from the 'Whole of network unplanned SAIDI' in Table 3.6.1 (DQS0101).

Whole of network unplanned SAIFI (DQS0103) – 'Unplanned Interruptions' was obtained from the Annual RIN Report and divided by the average number of distribution customers connected to the network in the current Regulatory Year.

Whole of network unplanned SAIFI excluding excluded outages (DQS0104) - the annual total 'Unplanned Interruptions' from network events that are ineligible for exclusion according to Section 3.3(a) were obtained from the PowerOn system network outage historical data and divided by the average number of distribution customers connected to the network in the current Regulatory Year. The total customer interruptions (SAIFI) from excluded events were subtracted from the 'Whole of network unplanned SAIFI' in Table 3.6.1 (DQS0103).

Table 3.6.1.2 Exclusive of Major Event Days

Historical outage data from the PowerOn System was used to calculate the daily unplanned SAIDI and SAIFI in the current Regulatory Year.

The Major Event Days (**MED**) threshold was calculated for the current Regulatory Year from the daily Unplanned SAIDI data between Regulatory Years FY20 and FY24 (5 years) using the annual AER RIN Template MED calculator.

In relation to 'Whole of network unplanned SAIDI' (DQS0105) and 'Whole of network unplanned SAIFI' (DQS0107) - the summed unplanned SAIDI for all MEDs was subtracted from the Total SAIDI value in Table

3.6.1 (DQS0101) to obtain the SAIDI performance exclusive of the MED impact. The same process was followed for unplanned SAIFI.

'Whole of network unplanned SAIDI excluding excluded outages' (DQS0106): the total minutes (SAIDI) from excluded events were subtracted from the 'Whole of network unplanned SAIDI' exclusive of MED (DQS0105). The same process was followed for 'Whole of network unplanned SAIFI with excluded outages'.

Additional information:

An interruption is any loss of electricity supply to a customer associated with an outage of any part of the electricity supply network, including generation facilities and transmission networks, of more than 0.5 seconds, including outages affecting a single premise. The customer interruption starts when it is recorded by equipment such as SCADA or, where such equipment does not exist, at the time of the first customer call relating to the network outage. An interruption may be planned or unplanned, momentary or sustained. It does not include subsequent interruptions caused by network switching during fault finding. An interruption ends when supply is again generally available to the customer.

In this section reliability information is reported for unplanned interruptions, which is an interruption due to an unplanned event. An unplanned event is considered an event that causes an interruption where the customer has not been given the required notice for the interruption or where the customer has not requested the outage.

SAIDI or System Average Interruption Duration Index, means the sum of the durations of all the Sustained Interruptions (in minutes), divided by the Customer Base. Momentary Interruptions (of three minutes or less) are excluded from the calculation of unplanned SAIDI.

SAIFI or System Average Interruption Frequency Index, means the total number of Sustained Interruptions, divided by the Customer Base. Momentary Interruptions (of three minutes or less) are excluded from the calculation of unplanned SAIFI.

Whole of network SAIDI and SAIFI is the system wide SAIDI and SAIFI.

Section 3.3(a) of the Electricity Distribution Network Service Providers – STPIS (Version 2) Nov 2018 Amendment outlines the exemption criteria applicable in the EDPR period 2022-2026. Events that fall in any of the following conditions may be excluded in calculating the revenue increment or decrement as well as annual performance under the STPIS scheme.

1. [Deleted]
2. load shedding due to a generation shortfall;
3. automatic load shedding due to the operation of under frequency relays following the occurrence of a power system under-frequency condition;
4. load shedding at the direction of the Australian Energy Market Operator (AEMO) or a system operator;
5. load interruptions caused by a failure of the shared transmission network;
6. load interruptions caused by a failure of transmission connection assets except where the interruptions were due to:
   (a) actions, or inactions, of the DNSP that are inconsistent with good industry practice; or
   (b) inadequate planning of transmission connections and the DNSP is responsible for transmission connection planning
7. load interruptions caused by the exercise of any obligation, right or discretion imposed upon or provided for under jurisdictional electricity legislation or national electricity legislation applying to a DNSP.

8. load interruptions caused or extended by a direction from state or federal emergency services, provided that a fault in, or the operation of, the network did not cause, in whole or part, the event giving rise to the direction.

Additional information:

No additional information is required.

Changes from previous year Basis of Preparation:

No changes were adopted from the previous year.

Table 3.6.2 - Energy not supplied

Data reporting quality:

Estimate.

Estimated data:

Values provided for 'Energy not supplied' are considered Management's best estimate based on the data available. Per the RIN Instructions and Definitions, this information is permitted to be Estimated Information on an ongoing basis.

Null response:

No NULL responses.

Information source, methodology and assumptions:

The reported values of energy not supplied were obtained from the Annual Regulatory Accounts.

An estimate was performed of the raw (not normalised) energy not supplied due to unplanned customer interruptions. This is calculated based on average customer demand multiplied by the number of customers interrupted and the duration of the interruption. Average customer demand was determined from average consumption of customers on the feeder based on their billing history.

Data reported for DQS0202 has been reported exclusive of the effect of Excluded Outages (i.e., STPIS Exclusions 3.3 (a) only).

Additional information:

Energy not supplied is an estimate of the energy that was not supplied because of customer interruptions and is reported exclusive of the effect of Excluded Outages (i.e., STPIS Exclusions 3.3 (a) only).

Changes from previous year Basis of Preparation:

No changes were adopted from the previous year.

Table 3.6.3 - System losses

Data reporting quality:

Actual.

Estimated data:

No estimated data was used.

Null response:

No NULL responses.

Information source, methodology and assumptions:

System losses are calculated as the sum of

(DOPED0304 'Energy received from TNSP and other DNSPs not included in the above categories' **+**

DOPED0404 'Energy received from embedded generation not included in above categories from non-residential embedded generation' **+**

DOPED0408 'Energy received from embedded generation not included in above categories from residential embedded generation' **–**

DOPED01 'Total Energy Delivered'**)**

divided by

(DOPED0404 'Energy received from embedded generation not included in above categories from non-residential embedded generation' **+**

DOPED0408 'Energy received from embedded generation not included in above categories from residential embedded generation' **+**

DOPED0304 'Energy received from TNSP and other DNSPs not included in the above categories'**)**.

Additional information:

System losses are the proportion of energy that is lost in the distribution of electricity from the transmission network to customers. It has been calculated as the difference between electricity imported and electricity delivered as a percentage of electricity imported.

Electricity imported is the total electricity inflow into the distribution network (including from Embedded Generation) less the total electricity outflow into the networks of the adjacent connected distribution network service providers or the transmission network.

Electricity delivered is the amount of electricity transported out of the network to customers as metered (or otherwise calculated) at the customer's connection. This is a system wide figure not a feeder level figure.

Changes from previous year Basis of Preparation:

No changes were adopted from the previous year.

Table 3.6.4 - Capacity utilisation.

Data reporting quality:

Actual.

Estimated data:

No estimated data was used.

Null response:

No NULL responses.

Information source, methodology and assumptions:

Data was calculated as variable DOPSD0201 Non–coincident Summated Raw System Annual Maximum Demand divided by variable DPA0604 Total zone substation transformer capacity.

Additional information:

Capacity utilisation is a measure of the capacity of zone substation transformers that is utilised in the current Regulatory Year. The sum of non-coincident Maximum Demand at the zone substation level divided by summation of zone substation thermal capacity is reported.

Thermal capacity is the rated continuous load capacity of the zone substation (with forced cooling or other capacity improving factors included if relevant) being the lowest of either the transformer capacity or feeder exit capacity of the zone substation. Feeder exit capacity is the continuous rating.

Changes from previous year Basis of Preparation:

No changes were adopted from the previous year.

Table 3.6.8 - Network feeder reliability

Data reporting quality:

Actual.

Estimated data:

No estimated data was used.

Null response:

No NULL responses

Information source, methodology and assumptions:

Feeder Classification

- Obtain Feeder Maximum Demand (**MVA**) from Network Strategy and Planning (Region Planners).
- Obtain the year-end feeder level summary for overhead and underground line length SDME Support Team via IT Helpdesk.
- For each feeder, calculate the 3-year average maximum demand and 3-year average feeder route length.
- Feeders were classified to either Urban, Short Rural or Long Rural according to the definitions provided in Section 3.2 of the AER Distribution Reliability Measures Guideline – August 2022.
  - Urban Feeder: $\frac{Maximum\ Demand\ (MVA)\ 3yr\ avg}{Overhead+Undergraound\ Length\ (km)\ 3yr\ avg} > 0.3\ MVA/km$
  - Short Rural Feeder is not an urban feeder with total Overhead and Underground line length less than 200 km.
  - Long Rural Feeder is not an urban feeder with total Overhead and Underground line length greater than 200 km.
- Values for Maximum Demand (MVA) and Length of High Voltage Distribution Lines are specific to the regulatory being reported (i.e. RY25).

Customer Count Estimation Process

- Obtain Customer Count by Feeder report from Poweron Advantage (formerly Poweron Fusion). This report is automatically generated on the first day of each month.
- The Regulatory year average customers count was estimated by:

$$\frac{Customer\ Count\ on\ 1\ July\ 2024 + Customer\ Count\ on\ 1\ July\ 2025}{2}$$

Additional information:

Reliability Information is reported for unplanned interruptions which is an interruption due to an unplanned event. An unplanned event is considered an event that causes an interruption where the customer has not been given the required notice for the interruption or where the customer has not requested the outage.

A sustained interruption is any loss of electricity supply to a customer associated with an outage of any part of the electricity supply network, including generation facilities and transmission networks, of more than three minutes in duration, including outages affecting a single premise. Momentary interruptions last for three minutes or less.

The customer interruption starts when recorded by equipment or, where such equipment does not exist, at the time of the first customer call relating to the network outage. An interruption may be planned or unplanned, momentary or sustained. Subsequent interruptions caused by network switching during fault finding are not included. An interruption ends when supply is again generally available to the customer.

To prepare Template 6.7 STPIS Daily Performance, three supporting reports are first prepared. The Basis of Preparation for that Template should be read in conjunction with this section.

The process undertaken to produce these supporting reports is described in Section 3.6.8.

Changes from previous year Basis of Preparation:

No changes were adopted from the previous years.

3.7 Operating Environment

Table 3.7.2 - Terrain factors

Rural proportion is calculated by dividing the rural route line length by the total route line length, sourced from table 3.7.3 Services area factors.

AusNet Electricity has not provided information for the remaining labels for this section as it can sourced from the 2.7 Vegetation Management section of the basis of preparation.

Table 3.7.3 - Service area factors

AusNet Electricity has not provided information for this section as it can sourced from the 2.7 Vegetation Management section of the basis of preparation.

3.9 Export Services

Table 3.9.1 – Net metered volume of energy exported by customers with smart meters

Data reporting quality:

Actual.

Estimated data:

No estimated data was used.

Null response:

No NULL responses.

Information source, methodology and assumptions:

Source: Smart Network Analytics Database

In accordance with the instructions, this data represents net metered volumes of energy exported by smart meter customers at the end of the regulatory year. It is an actual measure of net export volume at each smart meter and aggregate for an annual total.

Additional information:

No additional information is required.

Changes from previous year Basis of Preparation:

No changes were adopted from the previous year; information request provided to the AER.

Table 3.9.2.1 – Export capacity requested by customer type/feeder classification

Data reporting quality:

Actual.

Estimated data:

No estimated data was used.

Null response:

No NULL responses.

Information source, methodology and assumptions:

Source: Smart Network Analytics Database

Customers connecting rooftop solar PV or batteries are not asked for their preferred export capacity, rather they are subject to AusNet's MSO. Through the MSO, export is offered as a capacity allowance to all connecting rooftop solar and batteries, with an upper static capacity limit applied to each customer. Capacity limits range from 5kW to 0kW, depending on the condition of the network in the area in which a customer is connecting. The standard limit is 5kW for most customers, and 3.5kW for rural customers. In some circumstances, where the network is constrained, AusNet may offer a limit below the standard to the customer, including rarely a zero-export limit.

Customers are advised of the limit during the pre-approval phase (prior to connecting) and some customers may choose not to connect as a result. This data does not include customers who have requested pre-approval but have not proceeded with the connection.

Therefore, for reporting purposes the number of customers requesting exports is equal to the number of customers requesting to connect, and have connected, rooftop solar PV and batteries.

Table CUSTOMER (EXPORT SERVICES) TYPE is actual customer numbers at the end of the regulatory year by customer type who have connected rooftop solar or battery.

Table FEEDER CLASSIFICATION is actual customer numbers at the end of the regulatory year by type of feeder they are connected to who have connected rooftop solar or battery.

Additional information:

No additional information is required.

Changes from previous year Basis of Preparation:

No changes were adopted from the previous year; information request provided to the AER.

Table 3.9.2.2 – Export capacity approved by customer type/feeder classification

Data reporting quality:

Actual.

Estimated data:

No estimated data was used.

Null response:

No NULL responses.

Information source, methodology and assumptions:

Source: Smart Network Analytics Database

As per the MSO, export is offered as a capacity allowance to all connecting rooftop solar and batteries, with an upper static capacity limit applied to each customer. Capacity limits range from 5kW to 0kW, depending on the condition of the network in the area in which a customer is connecting. The standard limit is 5kW for most customers, and 3.5kW for rural customers. In some circumstances, where the network is constrained, AusNet may offer a limit below the standard to the customer, including rarely a zero-export limit.

Data is presented in kVA and the 1:1 conversion is applied as per the instructions.

Table CUSTOMER (EXPORT SERVICES) TYPE is the actual export capacity limit applied to each connecting customers by customer type at the time of connection, in accordance with the MSO.

Table FEEDER CLASSIFICATION is actual export capacity limit applied to each connecting customers, by type of feeder they are connected to, at the time of connection, in accordance with the MSO.

Additional information:

No additional information is required.

Changes from previous year Basis of Preparation:

No changes were adopted from the previous year; information request provided to the AER.

Table 3.9.2.3 – Average static export limit at year end (non-zero)

Data reporting quality:

Actual.

Estimated data:

No estimated data was used.

Null response:

No NULL responses.

Information source, methodology and assumptions:

Source: Smart Network Analytics Database

As per the instructions, average non-zero static export limit at year end is measured as the total capacity approved for customers that are constrained below the standard limit but above a zero-export limit, divided by the number of those customers.

Data is presented in kVA and the 1:1 conversion is applied as per the instructions.

Table CUSTOMER (EXPORT SERVICES) TYPE is the average capacity per customer, by customer type at the end of the year, for customers who have had a limit applied to them below the standard limit but above a zero limit, in accordance with the MSO.

Table FEEDER CLASSIFICATION is the average capacity per customer, per type of feeder the customer is connected to, at the end of the year, for customers who have had a limit applied to them below the standard limit but above a zero limit, in accordance with the MSO.

Additional information:

No additional information is required.

Changes from previous year Basis of Preparation:

No changes were adopted from the previous year; information request provided to the AER.

Table 3.9.3 – Utilisation and curtailed energy

Data reporting quality:

Estimate.

Estimated data:

The net metering arrangements in Victoria do not provide sufficient visibility to distinguish between behind-the-meter generation and customer load therefore the total potential generation and curtailment is estimated.

Null response:

No NULL responses.

Information source, methodology and assumptions:

Source: Smart Network Analytics Database

The reported figures are derived by aggregating estimated solar generation and export curtailment for customers with PV systems recorded in our DER register. For each customer, solar generation is estimated at 30-minute intervals using Global Tilted Irradiance (GTI) data at each postcode, combined with the reported PV system size. An age-based degradation model is applied to account for the gradual deterioration of panel efficiency over time. The resulting generation estimate is then constrained by the inverter's rated capacity, as this represents the maximum power the system can deliver.

To account for electricity consumed on-site. Typical customer demand profiles, derived from smart meter interval data, are applied and subtracted from the estimated solar generation. This adjustment ensures that only surplus energy (beyond what is consumed behind the meter) is considered for export and potential curtailment.

Curtailment is then estimated in two ways. Firstly, when the calculated PV output exceeds the customer's static export limit, the difference is assumed to be curtailed. Secondly, additional curtailment can occur when inverters reduce output in response to voltage conditions on the network, as required by AS4777 standards. To capture this, we incorporate power quality voltage data to estimate curtailment caused by high voltages within each LV network.

Additional information:

No additional information is required.

Changes from previous year Basis of Preparation:

No changes were adopted from the previous year; information request provided to the AER.

Table 3.9.4.1 – Exporting customer capacity by customer (export services) type

Data reporting quality:

Actual.

Estimated data:

No estimated data was used.

Null response:

No NULL responses.

Information source, methodology and assumptions:

Source: Smart Network Analytics Database

Table SOLAR PV ONLY is actual exporting capacity at the end of the regulatory year by each customer type with rooftop solar connected by AusNet based on each customer's system size or export limit applied by AusNet, whichever is lower. AusNet applies a range of export limits to protect the integrity of the network, and the export limits can range from 5kVA to 0kVA depending on the condition of the network in the area in which the customer connects. The kVA measure is a 1:1 conversion from kW, as per the instructions.

Table is actual exporting capacity at the end of the regulatory year by each customer type with both rooftop solar and battery connected by AusNet based on each customer's system size or export limit applied by AusNet, whichever is lower. AusNet applies a range of export limits to protect the integrity of the network, and the export limits can range from 5kVA to 0kVA depending on the condition of the network in the area in which the customer connects. The kVA measure is a 1:1 conversion from kW, as per the instructions.

Table BATTERY ONLY is actual exporting capacity at the end of the regulatory year by each customer type with a battery connected by AusNet based on each customer's system size or export limit applied by AusNet, whichever is lower. AusNet applies a range of export limits to protect the integrity of the network, and the export limits can range from 5kVA to 0kVA depending on the condition of the network in the area in which the customer connects. The kVA measure is a 1:1 SOLAR PV AND BATTERY conversion from kW, as per the instructions.

Additional information:

No additional information is required.

Changes from previous year Basis of Preparation:

No changes were adopted from the previous year; information request provided to the AER.

Table 3.9.4.2 – Exporting customer capacity by feeder classification

Data reporting quality:

Actual.

Estimated data:

No estimated data was used.

Null response:

No NULL responses.

Information source, methodology and assumptions:

Source: Smart Network Analytics Database

Table SOLAR PV ONLY is actual exporting capacity at the end of the regulatory year by each customer with rooftop solar connected by AusNet and depending on what type of feeder they are connected to, based on each customer's system size or export limit applied by AusNet, whichever is lower. AusNet applies a range of export limits to protect the integrity of the network, and the export limits can range from 5kVA to 0kVA depending on the condition of the network in the area in which the customer connects. The kVA measure is a 1:1 conversion from kW, as per the instructions.

Table SOLAR PV AND BATTERY is actual exporting capacity at the end of the regulatory year by each customer with rooftop solar and battery connected by AusNet and depending on what type of feeder they are connected to, based on each customer's system size or export limit applied by AusNet, whichever is lower. AusNet applies a range of export limits to protect the integrity of the network, and the export limits can range from 5kVA to 0kVA depending on the condition of the network in the area in which the customer connects. The kVA measure is a 1:1 conversion from kW, as per the instructions.

Table BATTERY ONLY is actual exporting capacity at the end of the regulatory year by each customer with battery connected by AusNet and depending on what type of feeder they are connected to, based on each customer's system size or export limit applied by AusNet, whichever is lower. AusNet applies a range of export limits to protect the integrity of the network, and the export limits can range from 5kVA to 0kVA depending on the condition of the network in the area in which the customer connects. The kVA measure is a 1:1 conversion from kW, as per the instructions.

Additional information:

No additional information is required.

Changes from previous year Basis of Preparation:

No changes were adopted from the previous year; information request provided to the AER.

Table 3.9.5.1 – Exporting customers with smart meters by feeder classification/equipment type

Data reporting quality:

Actual.

Estimated data:

No estimated data was used.

Null response:

No NULL responses.

Information source, methodology and assumptions:

Source: Smart Network Analytics Database

Table FEEDER CLASSIFICATION is actual count of customers at the end of the financial year who are connected to different types of feeders on our network for whom we have connected rooftop solar and/or battery with an ability to export energy back into the network.

Additional information:

No additional information is required.

Changes from previous year Basis of Preparation:

No changes were adopted from the previous year; information request provided to the AER.

Table 3.9.5.2 – Exporting customers without smart meters by feeder classification/equipment type

Data reporting quality:

Actual.

Estimated data:

No estimated data was used.

Null response:

No NULL responses.

Information source, methodology and assumptions:

Source: Smart Network Analytics Database

Table FEEDER CLASSIFICATION presents the actual count of customers, as at the end of the financial year, who are connected to different types of feeders on our network and have installed rooftop solar and/or batteries without smart meters, but with the ability to export energy back into the network.

Additional information:

No additional information is required.

Changes from previous year Basis of Preparation:

No changes were adopted from the previous year; information request provided to the AER.

Table 3.9.5.3 – Exporting customers with static zero limits by feeder classification/export service type

Data reporting quality:

Actual.

Estimated data:

No estimated data was used.

Null response:

No NULL responses.

Information source, methodology and assumptions:

Source: Smart Network Analytics Database

As per the MSO, export is offered as a capacity allowance to all connecting rooftop solar and batteries, with an upper static capacity limit applied to each customer. Capacity limits range from 5kW to 0kW, depending on the condition of the network in the area in which a customer is connecting. The standard limit is 5kW for most customers, and 3.5kW for rural customers. In some circumstances, where the network is constrained, AusNet may offer a limit below the standard to the customer, including rarely a zero-export limit.

Table FEEDER CLASSIFICATION is the actual number of customers per customer type at the end of the year who have had a zero-export limit applied to them at the time of connection, in accordance with the MSO.

Table CUSTOMER (EXPORT SERVICES) TYPE is the actual number of customers, per type of feeder they are connected to, at the end of the year, who have had a zero-export limit applied to them at the time of connection, in accordance with the MSO.

Additional information:

No additional information is required.

Changes from previous year Basis of Preparation:

No changes were adopted from the previous year; information request provided to the AER.

Table 3.9.5.4 – Exporting customers with static non-zero limits by feeder classification/export service

Data reporting quality:

Actual.

Estimated data:

No estimated data was used.

Null response:

No NULL responses.

Information source, methodology and assumptions:

Source: Smart Network Analytics Database

As per the MSO, export is offered as a capacity allowance to all connecting rooftop solar and batteries, with an upper static capacity limit applied to each customer. Capacity limits range from 5kW to 0kW, depending on the condition of the network in the area in which a customer is connecting. The standard limit is 5kW for most customers, and 3.5kW for rural customers. In some circumstances, where the network is constrained, AusNet may offer a limit below the standard to the customer.

Table FEEDER CLASSIFICATION is the actual number of customers per customer type at the end of the year who have had a limit applied to them below the standard limit but above a zero limit, in accordance with the MSO.

Table CUSTOMER (EXPORT SERVICES) TYPE is the actual number of customers, per type of feeder they are connected to, at the end of the year, who have had a limit applied to them below the standard limit but above a zero limit, in accordance CUSTOMER (EXPORT SERVICES) TYPE with the MSO.

Additional information:

No additional information is required.

Changes from previous year Basis of Preparation:

No changes were adopted from the previous year; information request provided to the AER.

Table 3.9.5.5 – Exporting customers requesting capacity by feeder classification/export service type

Data reporting quality:

Actual.

Estimated data:

No estimated data was used.

Null response:

No NULL responses.

Information source, methodology and assumptions:

Source: Smart Network Analytics Database

As the customer is not asked their preferred export capacity at the time of connection, the requested export capacity measures the maximum amount of export capacity a customer can get when requesting a connection of rooftop solar or a battery. This is assumed to be their system size or the standard export limit (5kW for most customers and 3.5kW for rural customers), whichever is lower, as per the MSO. Data is presented in kVA and the 1:1 conversion is applied as per the instructions.

Table FEEDER CLASSIFICATION is total export capacity requested by connecting customers by customer type at the time of connection, through adherence with the MSO, by requesting the maximum allowed capacity for their circumstance.

Table CUSTOMER (EXPORT SERVICES) TYPE is total export capacity requested by connecting customers, by type of feeder to which they are connected, at the time of connection, through adherence with the MSO, by requesting the maximum allowed capacity for their circumstance.

Additional information:

No additional information is required.

Changes from previous year Basis of Preparation:

No changes were adopted from the previous year; information request provided to the AER.

Table 3.9.5.6 – Exporting customers with flexible limits by feeder classification/export service type

Data reporting quality:

Actual.

Estimated data:

No estimated data was used.

Null response:

No NULL responses.

Information source, methodology and assumptions:

Source: Flexible Exports Distributed Energy Resources Management System (DERMS)

Actual number of customers in the Flexible Exports trial at the end of the regulatory year.

Table CUSTOMER (EXPORT SERVICES) TYPE is the number of customers, by customer type at the end of the year.

Table FEEDER CLASSIFICATION is the number of customers, per type of feeder the customer is connected to, at the end of the year.

Additional information:

No additional information is required.

Changes from previous year Basis of Preparation:

No changes were adopted from the previous year; information request provided to the AER.

Table 3.9.5.7 – Exporting customers with measured voltage data by feeder classification/export service

Data reporting quality:

Actual.

Estimated data:

No estimated data was used.

Null response:

No NULL responses.

Information source, methodology and assumptions:

Source: Smart Network Analytics Database

As per the instructions, this measure includes customers with voltage data that the DNSP has measured and collected through smart meters. AusNet's measures and collects voltage data from all its customers with smart meters. Therefore, this metric is equal to the number of AusNet's customers with smart meters.

Table CUSTOMER (EXPORT SERVICES) TYPE is the actual number of customers, by customer type, who can have their voltage measured and collected, during the year.

Table FEEDER CLASSIFICATION is the actual number of customers, per type of feeder they are connected to, who can have their voltage measured and collected, during the year.

Additional information:

No additional information is required.

Changes from previous year Basis of Preparation:

No changes were adopted from the previous year; information request provided to the AER.

Table 3.9.5.8 – Exporting customers with measured overvoltage by feeder classification/export service

Data reporting quality:

Actual.

Estimated data:

No estimated data was used.

Null response:

No NULL responses.

Information source, methodology and assumptions:

Source: Smart Network Analytics Database

As per the instructions, this measure includes customers who have experienced overvoltage through AusNet's measured voltages for each customer. It measures customers who have experienced overvoltage, with some customers experiencing multiple instances of overvoltage. Overvoltage is voltage above the upper allowable voltage limit within the regulated Australian Standards for voltages in the Victorian Electricity Distribution Code of Practice (EDCOP).

Table CUSTOMER (EXPORT SERVICES) TYPE is the actual number of customers, by customer type, who have experienced measured overvoltage according to the EDCOP standards during the year.

Table FEEDER CLASSIFICATION is the actual number of customers, per type of feeder they are connected to, who have experienced measured overvoltage according to the EDCOP standards during the year.

Additional information:

No additional information is required.

Changes from previous year Basis of Preparation:

No changes were adopted from the previous year; information request provided to the AER.

Table 3.9.5.9 – Exporting customers estimated with overvoltage by feeder classification/export service

Data reporting quality:

Actual.

Estimated data:

No estimated data was used.

Null response:

No NULL responses.

Information source, methodology and assumptions:

Source: Smart Network Analytics Database

This measure is equal to 3.9.5.8 as AusNet has full visibility of voltage performance for customers with Smart Meters.

Additional information:

No additional information is required.

Changes from previous year Basis of Preparation:

No changes were adopted from the previous year; information request provided to the AER.

Table 3.9.6 – AS4777.2 measures – compliant inverters

Data reporting quality:

Actual.

Estimated data:

No estimated data was used.

Null response:

No NULL responses.

Information source, methodology and assumptions:

Source: Smart Network Analytics Database

As per the instructions, total export customers required to have AS4777.2 (2020) compliant inverters, are the actual number of customers who have connected rooftop solar or a battery since the standard was legislated in December 2020.

Total export customers not required to have AS4777.2 (2020) compliant inverters are customers who have connected rooftop solar and batteries prior to the legislation of the standard.

Additional information:

No additional information is required.

Changes from previous year Basis of Preparation:

No changes were adopted from the previous year; information request provided to the AER.

Table 3.9.7.1 – Average duration of full export to agreed limit by customer (export services) type

Data reporting quality:

Estimate.

Estimated data:

The net metering arrangements in Victoria do not provide sufficient visibility to distinguish between behind-the-meter generation and customer load therefore the total potential generation, underlying load and curtailment is estimated.

Null response:

No NULL responses.

Information source, methodology and assumptions:

Source: Smart Network Analytics Database

As per the instructions, the annual percentage of time that customers experience unconstrained access up to maximum export limit set in their connection agreement.

This is calculated using the estimated generation and curtailment dataset used in 3.9.3. The total duration where no curtailment occurred is summated for each customer for the duration of the reporting period or since the completion of the DER installation if the system was connected inside the reporting period.

Table SOLAR PV ONLY is the average total duration of customers with solar PV only (no battery).

Table SOLAR PV AND BATTERY is the average total duration for customers with solar PV and battery.

Table BATTERY ONLY is average total duration for customers with battery only.

Additional information:

No additional information is required.

Changes from previous year Basis of Preparation:

No changes were adopted from the previous year; information request provided to the AER.

Table 3.9.7.2 - Average duration of no export access by customer (export services) type

Data reporting quality:

Estimated.

Estimated data:

The net metering arrangements in Victoria do not provide sufficient visibility to distinguish between behind-the-meter generation and customer load therefore the total potential generation, underlying load and curtailment is estimated.

Null response:

No NULL responses.

Information source, methodology and assumptions:

Source: Smart Network Analytics Database

As per the instructions, the annual total duration of time that customers have not been able to export any energy due to factors that DNSPs have control over. It is assumed to be 100%, for customers with zero export limits are constrained to zero and customers who are not constrained or only partially constrained will have duration of 0 Constrained exports are calculated using the generation and curtailment dataset in 3.9.3.

Table SOLAR PV ONLY is the average total duration for customers with solar PV only (no battery).

Table SOLAR PV AND BATTERY is the average total duration for customers with solar PV and battery.

Table BATTERY ONLY is the average total duration for customers with battery only.

Additional information:

No additional information is required.

Changes from previous year Basis of Preparation:

No changes were adopted from the previous year; information request provided to the AER.

Table 3.9.7.3 - Average upper limit - customers with flexible limits by feeder classification/export service

Data reporting quality:

Actual.

Estimated data:

No estimated data was used.

Null response:

No NULL responses.

Information source, methodology and assumptions:

Source: Flexible Exports Distributed Energy Resources Management System (DERMS)

The average of each customer's maximum export limit for the duration of the year.

Additional information:

No additional information is required.

Changes from previous year Basis of Preparation:

No changes were adopted from the previous year; information request provided to the AER.

Table 3.9.7.4 - Average time upper limit unavailable to customers with flexible limits by feeder classification/export service type

Data reporting quality:

Actual.

Estimated data:

No estimated data was used.

Null response:

No NULL responses.

Information source, methodology and assumptions:

Source: Flexible Exports Distributed Energy Resources Management System (DERMS)

Based on the maximum permitted limit for each customer, a measure is used to calculate on an hourly basis a true/false of if the assigned export limit is less than or equal to 5kW is evaluated. Then the total

number of hours that the limit was less than 5kW is summed to give several hours across the year the upper limit was unavailable. This is then by customer type/feeder type.

Table CUSTOMER (EXPORT SERVICES) TYPE is the average value by customer type at the end of the year.

Table FEEDER CLASSIFICATION is the average value per type of feeder the customer is connected to, at the end of the year.

Additional information:

No additional information is required.

Changes from previous year Basis of Preparation:

No changes were adopted from the previous year; information request provided to the AER.

Table 3.9.8.1 - Export limit compliance

Data reporting quality:

Actual.

Estimated data:

No estimated data was used.

Null response:

No NULL responses.

Information source, methodology and assumptions:

Source: Smart Network Analytics Database and Flexible Export DERMS

As per the instructions, for static customers the percentage of connections that are export constrained which are exporting within their export limit (or not at all for customers with zero constraints).

For customers with flexible limits, it is the percentage of time the customer was compliant with the flexible limit.

Additional information:

No additional information is required.

Changes from previous year Basis of Preparation:

No changes were adopted from the previous year; information request provided to the AER.

Table 3.9.8.2 - Export service complaints by feeder classification/export service type

Data reporting quality:

No data was reported.

Estimated data:

No estimated data was used.

Null response:

AusNet Electricity does not categorise complaints 'relating to export services'

Information source, methodology and assumptions:

No information source, methodology and assumptions are available.

Additional information:

No additional information is required.

Changes from previous year Basis of Preparation:

No changes were adopted from the previous year; information request provided to the AER.

Table 3.9.8.3 - Overvoltage complaints by feeder classification/export service type

Data reporting quality:

Actual.

Estimated data:

No estimated data was used.

Null response:

No NULL responses.

Information source, methodology and assumptions:

Source: Smart Network Analytics Database

Based on number of complaints categorised as 'relating to overvoltage', as per the instructions.

Table FEEDER CLASSIFICATION is the total number of complaints received by customer type during the year.

Table CUSTOMER (EXPORT SERVICES) TYPE is the total number of complaints received per type of feeder they are connected to during the year.

Additional information:

No additional information is required.

Changes from previous year Basis of Preparation:

No changes were adopted from the previous year; information request provided to the AER.

Table 3.9.9 - Average time of offer

Data reporting quality:

Actual.

Estimated data:

No estimated data was used.

Null response:

No NULL responses.

Information source, methodology and assumptions:

Source: Salesforce and connections tool

As per the instructions, the average time to connect for both the MSO and non-MSO connections is the average time between when AusNet receives a connection application to when the offer is sent.

We do not consider HV connections to be small generating units, and hence the response to that part of the table is 0.

Additional information:

No additional information is required.

Changes from previous year Basis of Preparation:

No changes were adopted from the previous year; information request provided to the AER.

Table 3.9.10 - Export services OPEX

Data reporting quality:

Estimate.

Estimated data:

The Export Services OPEX has been estimated based on data provided by the Customer Resolution team, which reported the number of customer complaints related to export services. To allocate costs, the total voltage complaint and voltage rectification OPEX was apportioned to export services using a weighting method, based on the proportion of export service-related complaints relative to the total number of complaints.

Null response:

No NULL responses.

Information source, methodology and assumptions:

The information reported was prepared using opex data extracted from the Financial System. This data represents opex for export services integration for which the primary driver is for providing export services.

It does not include the following:

- expenditure to accommodate electric vehicles
- expenditure funded under the Demand Management Innovation Allowance (DMIA)
- expenditure where the primary driver is for traditional augmentation, replacement, or maintenance.
- incentive payments received under the Demand Management Incentive Scheme (DMIS).

Additional information:

No additional information is required.

Changes from previous year Basis of Preparation:

No changes were adopted from the previous year; information request provided to the AER.

Table 3.9.11 - Export services CAPEX

Data reporting quality:

Actual.

Estimated data:

No estimated data was used.

Null response:

No NULL responses.

Information source, methodology and assumptions:

The information reported was prepared using Capex (capex) data extracted from the Financial System and reconciled to the Capex model. This data includes capex for export services integration for which the primary driver is for providing export services, including investment in trials of flexible and dynamic export services. This includes IT, communications and network assets including replacement, installation, operation, maintenance, licensing, and leasing costs.

It does not include the following:

- expenditure to accommodate electric vehicles
- expenditure funded under the DMIA
- expenditure where the primary driver is for traditional augmentation, replacement, or maintenance.
- incentive payments received under the DMIS.

Other capex includes investment in network upgrades related to enabling exports for customers, as well as a small cost for the implementation of the Flexible Exports trial.

Additional information:

No additional information is required.

Changes from previous year Basis of Preparation:

No changes were adopted from the previous year; information request provided to the AER.

4.1 Public Lighting

Public lighting information relates to non-contestable, regulated public lighting services only and excludes contestable services and negotiated public lighting services.

Table 4.1.1 - Descriptor Metrics over Current Year

Data reporting quality:

Estimate.

Estimated data:

Information provided is considered estimated information as the gifted light population is not separately identifiable.

Null response:

No NULL responses.

Information source, methodology and assumptions:

Information in relation to the 'Current Population of Lights' was obtained from the SDME Asset Management System. An SDME report was generated for the Regulatory Year which provided total light quantities by watts and light type.

Data reported is required to be exclusive of gifted assets. Based on the knowledge of an SME, the year-on-year movement in lights is considered to represent gifted assets (e.g., the annual growth in light population is attributable to gifted assets only). On this basis, the 'Current Population of Lights' as at the end of the prior Regulatory Year is deemed to provide a reasonable estimate of the non-gifted light population for the current Regulatory Year.

Information contained in the Asset Management System as well as the Fixed Asset Register does not distinguish between gifted assets and non-gifted assets. Based on this, the data reported is an estimate of the non-gifted asset information required.

Additional information:

No additional information is required.

Changes from previous year Basis of Preparation:

No changes were adopted from the previous year.

Table 4.1.2 - Descriptor Metrics Annually Light Maintenance - Volume of Works and Expenditure

Data reporting quality:

Actual.

Estimated data:

No estimated data was used.

Null response:

No NULL responses.

Information source, methodology and assumptions:

Light Installation – Volume and Expenditure

Light Installation is an installation on a major or minor road for the purpose of establishing new luminaires, including associated components such as bracket and lamp. The installation may also include poles dedicated to public lighting services and underground or overhead cabling dedicated to public lighting services. Light installation is for new Public Lighting requests with the expectation these would be LED lights.

The total of 'Major Road Light Installation Volume' and 'Minor Road Light Installation Volume' have been reported as zero as it has been assumed that all growth in public lighting luminaries is attributable to gifted assets.

'Number of Poles Installed' was obtained from the Table 3.5.3, which is part of the '3.5 Physical assets' template and extracted from the SDME system, as the yearly movement in 'Public Lighting poles' population.

'Total Cost' was sourced from information in the Financial System. A report was generated from the system for the Regulatory Year based on the relevant Public Lighting work codes. Costs reported are direct costs only (gross of capital contributions) and are on an 'as incurred' basis. Gifted Assets were excluded.

The total of 'Major Road Light Installation Volume' and 'Minor Road Light Installation Volume' have been reported as zero as it has been assumed that all growth in public lighting luminaries is attributable to gifted assets.

Light Replacement - Volume of Works and Expenditure

'Total Cost' was sourced from information in the Financial System. A report was generated from the system for the Regulatory Year based on the relevant Public Lighting work codes. Costs reported are direct costs only (gross of capital contributions) and are on an 'as incurred' basis. Gifted Assets were excluded.

The 'Major Road Light Replacement Volume' and 'Minor Road Light Replacement Volume' data for the Regulatory Year was obtained from SAP using a report with the relevant public lighting activities. For "Major Road" these activities included 'Lantern Replacement Head Major' with the following LEDs 70W 155W and 275W. For "Minor Road" these activities included 'Lantern Replacement Head Minor' with the following CFLs 32/42W and T5s. The data reported is a count of the quantity of these replacements.

The 'Number of Poles Installed' data for the Regulatory Year was obtained from SAP using a report filtered to capture the activity for a pole replacement that featured a streetlight. The data reported is a count of the quantity of these replacements.

Light Maintenance - Volume of Works and Expenditure

'Total Cost' was sourced from information in the Financial System. A report was generated from the system for the Regulatory Year based on the relevant Public Lighting work codes. Costs reported are direct costs only (gross of capital contributions) and are on an 'as incurred' basis. Gifted Assets were excluded.

The 'Major Road Light Maintenance Volume' and 'Minor Road Light Maintenance Volume' – Light Maintenance data for the Regulatory Year was obtained from SAP using a report with the relevant public lighting activities. For "Major Road" these activities included major light repairs on all lanterns on a road that is deemed major. For "Minor Road" these activities included minor light repairs on all lanterns on a road that is deemed minor and the bulk maintenance program which includes replacing globes and PE cells. The data reported is a count of the quantity of these maintenance items.

Additional information:

Gross public lighting expenditure (before subtracting customer contributions) has been reported on an 'as incurred' basis, in nominal terms. Work performed by third parties on behalf of AusNet Electricity Services has been included in the metrics reported. Expenditure on public lighting has not been distinguished between standard and alternative control services in this template.

Light Installation is an installation on a major or minor road for the purpose of establishing new luminaires, including associated components such as bracket and lamp. The installation may also include poles dedicated to public lighting services and underground or overhead cabling dedicated to public lighting services.

Changes from previous year Basis of Preparation:

No changes were adopted from the previous year.

Table 4.1.3 - Cost Metrics

Data reporting quality:

Estimate.

Estimated data:

For all major road categories, the 'Average Unit Cost' metric is considered Estimated Information, as one rate has been assumed to reflect the 'Average Unit Cost' for major road light types. This estimation has been used as information in relation to the 'Average Unit Cost' of all major road light types is not available in the contract rate schedules.

For all other categories, an 'Other Minor' light type has been included which estimates the 'Average Unit Cost' for all light types where specific rate information was not available in contract rate schedules. This is considered Estimated Information. This is considered Management's best estimate based on the data available.

Null response:

No NULL responses.

Information source, methodology and assumptions:

Information reported in relation to the 'Average Unit Cost for Public Lighting Services' was based on data obtained from contract rate schedules. The rate schedules provided the unit rates of light types for each region in AusNet Electricity Services' distribution network.

For Major Lights, the contract rate schedules contain one rate for each of the 3 regions in AusNet Electricity Services' distribution network. The average of the 3 region rates was calculated and assumed to be consistent across all major light types.

For all other categories, contract rate data was available for 3 light types. The average contract rate across the 3 regions for each of these 3 light types was calculated.

Note – the average unit costs for Light Installation on major and minor roads does not include the cost of the installation of brackets.

Additional information:

No additional information is required.

Changes from previous year Basis of Preparation:

No changes were adopted from the previous year.

Table 4.1.4 - Public Lighting Metrics By Tariff

Data reporting quality:

Actual/Estimate.

Estimated data:

Revenue information reported is Actual Information. The number or volume of public lighting type is estimated.

Null response:

No NULL responses.

Information source, methodology and assumptions:

Revenue information is calculated for the period July 24 – Jun 25. The amount is calculated via a combination of billed, open invoices, accruals and reversals.

The number of public lighting type is determined based on billing information of the most recent month within the target period, which is Jun 25. The revenue for the month is annualised by multiplying it by 12. We divide the estimated annual revenue by the unit rate to derive the estimated volume per light type.

Additional information:

Public Lighting is as defined in the 2021-2026 EDPR.

Changes from previous year Basis of Preparation:

No changes were adopted from the previous year.

4.2 Metering

Data reported relates to non-contestable, regulated metering services only. This includes work performed by third parties on behalf of AusNet Electricity Services. Data in relation to contestable metering services has not been provided.

Meter type 4 is defined as a remotely read interval meter with communications functionality that is:

> designed to transmit metering data to a remote location for data collection; and does not, at any time, require the presence of a person at, or near, the meter for the purposes of data collection or data verification (whether this occurs manually as a walk-by reading or through the use of a vehicle as a close proximity drive-by reading), including, but not limited to, an interval meter that transmits metering data via direct dialup, satellite, the internet, general packet radio service, power line carrier, or any other equivalent technology.

Meter type 4 includes metering assets and services introduced with the Advanced Metering Infrastructure **(AMI)** rollout. Meter type 5 is defined as a manually read interval meter that records interval energy data, which is not a remotely read interval meter. Meter type 6 is defined as a manually read accumulation meter which measures and records electrical energy in periods more than a trading interval.

Table 4.2.1 - Metering Descriptor Metric

Data reporting quality:

Actual.

Estimated data:

No estimated data was used.

Null response:

No NULL responses.

Information source, methodology and assumptions:

Information was sourced from SAP and was classified into the prescribed categories by an SME. The information reported in the Regulatory Year is the cumulative population of meters. Connection points (NMI) where multiple meters are located, each meter is accounted by meter type in the corresponding descriptor fields listed in table 4.2.1.

Additional information:

No additional information is required.

Changes from previous year Basis of Preparation:

No changes were adopted from the previous year.

Table 4.2.2 - Cost Metrics

Data reporting quality:

Actual/Estimate

Estimated data:

The total costs related to Meter Testing, Meter Investigations, Scheduled Meter Reading, Special Meter Reading, and Meter Maintenance is considered Actual Information. However, the allocation of these costs to legacy and smart metering services, as well as to the prescribed meter type, results in the information being considered Estimated Information. Similarly, the total of Remote Meter Reading and Remote Meter Re-configuration is Actual information but the split of these costs into the two categories is estimated based on volume data. This is considered as Management's best estimate based on the data available.

Data provided in relation to IT Infrastructure Opex and Communications Infrastructure Opex and Other metering is considered Actual Information.

Data reported for Meter Purchase and IT Infrastructure Capex is Actual Information. Meter Replacement and Communication Infrastructure capex is considered Estimated Information as described in the corresponding sections above, in addition to the split of replacement costs into Whole Meter and Component Replacements.

Null response:

No NULL responses.

Information source, methodology and assumptions:

Cost Metrics (Volume)

All Volume data was obtained from SAP.

The data sets reported for legacy Type 5 and Type 6 meters were obtained from host meter reading systems (CIS and MVRS). These systems provided an extract of the number of "local" reads completed on a quarterly or monthly basis.

This process resulted in meters that were categorised in the market as BASIC (Type 6) at the time, being converted to MRIM (type 5 manual read interval meters) then to Type 4 remotely read meters. This transition occurred over several months and in some cases years. While this does not require a meter exchange, it's purely the process of an evolving methos to which meter reading data is obtained from the AMI capable meter and how the meter installation is then reflected in market systems. Note, all greenfield new connections are installed and treated as Type 4 (remote read) meters from the date of connection

No volumes have been reported in New Meter Installations, as these are an Alternative Control Service as, and thus are reported in Template 4.3 'Fee-based services' as new connections.

The Special meter reading category excludes the Alternative Control Services activities related to "Re-Energisations" and "De-Energisations" of meters and has been reported in Template 4.3 "Fee-based services" under the field officer visits category.

Note that meter replacement volume includes the replace of meter communication cards (NICs).

Cost Metrics (Expenditure)

Meter Operating Expenditure:

In relation to Meter Opex, the total expenditure and the cost per meter type was determined for each of the required service subcategories (based on the process outlined below). Using this information, an estimate of the expenditure by meter type was derived. Costs for Meter Type 5 are further allocated between Smart and Legacy Meters on a pro rata basis using the respective meter volumes.

Meter Testing, Meter Investigation, Scheduled Meter Reading, Special Meter Reading, Meter Maintenance, Remote Meter Reading, Remote Meter Re-configuration, IT Infrastructure Opex & Communications Infrastructure Opex

Meter Operating Expenditure - Total Cost Calculations:

Cost data was extracted from the Financial System and the workings to section 8.4 of the AIO. Data reported relates to all direct and indirect Metering Opex – both SCS and ACS costs. An analysis of the data was performed by an SME to allocate the respective cost of each service into the subcategories prescribed.

Meter Operating Expenditure - Costs per Meter Type:

Costs were reported across the Meter Types based on a pro rata allocation of the volumes reported for each type.

Other Metering Opex

Other Metering relates to other Opex costs associated with metering which are not separately disclosed in Table 4.2.2. This includes SCS metering costs and support and management costs. These costs have been reported against Meter Type 4 and are considered Actual Information as no estimates were required. Costs were sourced from the workings to the AIO (based on information obtained from the Financial System).

Meter Capital Expenditure

In relation to Meter Capex, the total expenditure and the cost per meter type was determined for each of the required service subcategories (based on the process outlined below). Costs for Meter Type 5 are further allocated between Smart and Legacy Meters on a pro rata basis. Amounts are shown exclusive of overheads.

Meter Purchase

Meter purchase relates to the direct material cost of purchasing the meter, communication cards and antennas for installation or replacement. This includes the cost of delivery to AusNet Electricity Services' store, including testing of equipment and inclusion of spare parts. All meters purchased were in relation to meter type 4. Costs of meters are separately identifiable from installation costs from the Financial System. The materials component of all Meter Replacements has been included in Meter Purchase.

Meter Replacement

Meter replacement relates to the replacement cost of a meter and associated equipment at a site with existing metering infrastructure. Data was sourced from the workings to the AIO (based on information obtained from the Financial System). The Meter Replacement cost is estimated based on the inventory value of meters and an allocation of communication cards replaced during the regulatory period. The volume and cost include Capex spend required under BAU operations to exchange faulty AMI meter communication NIC cards separate to any meter replacement, this amount is reported as Component/Software Replacement.

IT Infrastructure Capex

IT Infrastructure Capex relates to costs associated with the Metering IT work codes. Costs were sourced from the workings to the AIO (based on information obtained from the Financial System).

Communications Infrastructure Capex

Communications Infrastructure Capex relates to costs associated with the Metering communications work code, communication card replacements and communication modules. Costs were sourced from the workings to the AIO (based on information obtained from the Financial System). The cost to replace communication infrastructure is estimated based on the inventory value of meters and an allocation of communication cards replaced during the regulatory period.

Capex relating to 4G Mesh Backhaul communication upgrade that is reported under Communications Infrastructure Capex.

Additional information:

Meter Type 4 includes Smart Meters only; Meter Type 5 includes both Smart and Legacy Meters and Meter Type 6 includes Legacy Meters only.

AusNet Services does not own Meter Types 1-3.

Changes from previous year Basis of Preparation:

Methodology updated to include additional reporting requirements, specifically the disaggregation of Smart and Legacy Meters as well as the allocation of Meter Replacements between Whole Meter and Component/Software Replacements.

4.3 Fee-based Services

Fee-based services are provided for the benefit of individual customers rather than uniformly supplied to all network customers. Some services of this type are homogenous in nature and scope. This means that these services are provided on a fixed fee basis.

Table 4.3.1 - Cost Metrics for Fee-based Services

Data reporting quality:

Actual/Estimate.

Estimated data:

The non-financial information presented in Table 4.3.1 is considered Estimated Information based on the preparation approach outlined below. This is considered Management's best estimate based on the data available.

All other information reported is considered Actual Information.

Information in relation to the volumes of Field Officer Visits, New Connections and Service Truck Visits was calculated using the billing information contained in the workings to the Annual Information Order. The reported data was derived by calculating the number of sales invoices and other sales transactions for each of the above fee-based categories in the Regulatory Year. It has been assumed that one sales invoice/transaction is equal to one fee-based service volume and cost.

In relation to Meter Equipment Volume, the definition includes – Meter Tests, Meter Conversions and Embedded Generator Services.

- Volume data for Meter Tests was sourced from the billing information report (contained in the workings to the Annual Regulatory Accounts). It has been assumed that one sales invoice/transaction is equal to one fee-based service volume and cost.
- For Meter Conversion services, the volume data has been estimated as the number of solar installations in the Regulatory Year. Information in relation to solar installations was obtained from the SAP system, which is the main inventory and customer management system. It has been assumed that all solar installations relate to Meter Conversions. This is considered a reasonable assumption given that solar panel installations by customers are the main driver for meter conversions.
- The volume of Embedded Generator fee-based services was estimated by calculating the total number of sales invoices in the relevant GL account in SAP. It has been assumed that one sales invoice is equal to one fee-based service volume.

Null response:

No NULL responses.

Information source, methodology and assumptions:

The financial information was sourced from the workings to the Annual Information Order and grouped in the categories reported (as listed above) by a SME.

Additional information:

The following are the fee-based services that were listed in AusNet Services' annual tariff proposal of each relevant year:

Field Officer Visits

Field Officer visits are provided to customers, retailers and other parties seeking the following range of Services:

- Reconnection (Fuse Insertion New Customer);
- Customer Transfer;
- Fuse Removal (for any purpose as requested by the customer, the customer's retailer, or electrical contractor); and
- General information on the nature of a customer's usage (e.g.: residential, small commercial).

Field officer visits exclude special meter reading as this is reported in AIO 4.2 Metering.

New Connections

AusNet Services provides connection services to customers making connection of a new premise to the network. This service includes the provision of a service cable in areas with overhead supply and making a connection in a pit for customers in underground supply areas or where a customer requests an underground connection in an overhead supply area.

Service Truck Visits

Service Truck visits are provided to customers, retailers and other parties seeking services such as, but not limited to, the following:

- Supply alterations, additions and upgrades to service and installation assets;
- Fuse removal/insertion where supply is greater than 100 amps; and
- Dropping of service lines for safety reasons while work such as the removal of tree limbs is carried out.

Meter Equipment Test

Where metering data is in dispute AusNet Services will conduct an "in situ" test of the meter. Where the meter is found to be faulty, the prepaid charge will be refunded, and a replacement meter installed at no charge to the customer. This service also includes the conversion of a standard meter to a solar meter as well as anti-islanding tests for embedded generators.

Changes from previous year Basis of Preparation:

No changes were adopted from the previous year.

4.4 Quoted Services

Quoted Services are services for which costs are recovered through quoted prices as the nature and scope of these services are specific to individual customers' needs and vary from customer to customer.

AusNet Services provides various Quoted Services including emergency works where the customer is at fault and immediate action needs to be taken by the Distribution Network Service Provider, supply enhancement at the customer's request, auditing of design and construction and specification and design enquiry.

Table 4.4.1 – Cost Metrics for Quoted Services

Data reporting quality:

Actual/Estimate.

Estimated data:

The non-financial information presented in Table 4.4.1 is considered Estimated Information based on the preparation approach outlined below.

Information in relation to volumes of quoted services was obtained from the workings to the AIO based on information sourced from SAP. The reported data was derived by calculating the number of sales invoices and other sales transactions for recoverable works in the Regulatory Year. It has been assumed that one sales invoice/transaction is equal to one quoted service volume and cost.

This is considered Management's best estimate based on the data available.

All other information reported is considered Actual Information.

Null response:

No NULL responses.

Information source, methodology and assumptions:

The financial information was sourced from the workings to the Annual Regulatory Accounts.

Additional information:

No additional information is required.

Changes from previous year Basis of Preparation:

No material changes were adopted from the previous year.

5.2 Asset age profile

The age profile for assets currently in commission has been provided for each prescribed asset category. Data reported corresponds with the Regulatory Year's historical replacement volumes and cost data in Template 2.2 Repex.

'Installed assets – quantity currently in commission by year' is the number of assets currently in commission and the year they were installed.

Table 5.2.1 – Asset Age Profile

Data reporting quality:

Estimate

Estimated data:

Data provided in Table 5.2.1 is considered Estimated Information.

As outlined below, estimates and assumptions have been applied to align the data extracted from SAP with the prescribed AER asset categories and where necessary, to profile the data into installation dates. Assumptions were applied to align the categories in this model into the prescribed categories.

Null response:

No NULL responses.

Information source, methodology and assumptions:

Information for all Asset Groups was sourced from the SAP System, except for the Public Lighting Luminaries & Poles, Overhead Conductor and Underground Cable where data was sourced from the SDME Asset Management System.

It should be noted that the data has been subject continuing reviews and cleansing across Regulatory Years.

Where AusNet Electricity's asset categories do not directly align with the prescribed AER asset categories. To populate Table 5.2.1, engineering judgment has been applied to align assets in the required categorisations. Where AusNet Electricity identified assets that are significantly different to the asset categories prescribed by the AER, 'Other' categories have been included in Table 5.2.1 with a suitable description.

The quantity of assets included in the age profile for each year is the number of assets with an installation date in that year. For certain asset categories, the data in SAP has incomplete installation information. For these asset categories, assumptions have been applied to categorise the data into the required installation dates. Further details are outlined in the table below.

Asset Group	Assumptions Applied
Poles	Pole assets with no installation year information have been allocated into installation years using percentage allocations based on the prior year age profile reported. It has been assumed that Pole assets with no installation year were not installed in the Regulatory Year. The 'Other' wood pole categories include both staked and unstaked poles as well as titan poles.
Staked Wooden Poles	Staked wooden pole with no installation year information have been allocated into installation year using percentage allocation based on the existing age profile of staked wooden pole with installation date.
Overhead Conductors	Total quantity of installed assets was extracted from SDME. Assets installed from 2020-21 were extracted from SAP. All other assets (the total quantity less assets installed in the Regulatory Year) were allocated into installation years based on percentage allocations which were derived using the prior the Regulatory Year's asset age profiles.
Underground Cables	Total quantity of installed assets was extracted from SDME. The age profile of Underground Cables is based on detailed engineering analytics of the cable characteristics.
Service Lines	Total quantity of installed assets was extracted from SAP. The allocation between Residential and Commercial & Industrial was calculated based on a percentage split in accordance with the number of customers in the respective asset categories described. This percentage was determined using data reported in the 2.5 Connections template. Assets installed in the Regulatory Year were extracted from SAP. All other service cable types were assigned into installation years based on the percentage allocations which were derived using the prior the Regulatory Year's asset age profiles.

Asset Group	Assumptions Applied
Transformers	Total quantity of installed assets was extracted from SAP and, where necessary, assumptions were applied to classify SAP data into the Transformer Asset Categories based on the equipment description and other attributes in SAP. Assets installed in the Regulatory Year were extracted from SAP. All other assets were allocated into installation years based on percentage allocations which were derived using the prior the Regulatory Year Asset Age profiles. For all 'Ground Outdoor/Indoor Chamber Mounted; <22kV' transformer categories, transformers <=22kV rather than <22kV were reported, as it was assumed that this is a typo otherwise all of these transformers would have been reported in the single line" >=22kV & <=33kV; <=15MVA". The transformers reported in these categories are all distribution substation transformers. The '>=22kV & <=33kV' categories have been reserved for the reporting of power transformers located in zone substations. The assets with invalid installation dates are distributed as per the prior the Regulatory Year's asset age profile for the relevant asset category.
Switchgear	Total quantity of installed assets was extracted from SAP and, where necessary, assumptions were applied to classify SAP data into the Switchgear Asset Categories based on the equipment description and other attributes in SAP. For all assets categories, the assets installed in the Regulatory Year were extracted from SAP. All other assets were allocated into installation years based on percentage allocations which were derived using the prior the Regulatory Year's asset age profiles.
Public Lighting	For Luminaries and Poles, data was extracted from SDME. The net movement in Luminaries and Poles from prior the Regulatory Year to the current Regulatory Year per the Economic Benchmarking Report (Physical Assets template) was populated in the Regulatory Year installation year. For Luminaries and Poles, all other assets were allocated into installation years using the prior the Regulatory Year's Asset Age profile allocations. The total number of Brackets was extracted from SAP and was split into categories based on the ratio of Public Lighting Poles on Major and Minor Roads. Brackets were allocated into installation years based on percentage allocations which were derived using the prior the Regulatory Year's asset age profiles.

Asset Group	Assumptions Applied
Scada, Network control and protection systems	For Field Devices, and Communications Network Assets, data was extracted from SAP. The assets with invalid installation dates for Field Devices are distributed as per the prior the Regulatory Year's asset age profile for the relevant asset category.
Other	Data was extracted from SAP for all categories. Assets with no installation years have been allocated into installation years using percentage allocations based on the prior year age profile reported.

Additional information:

No additional information is required.

Changes from previous year Basis of Preparation:

No material changes were adopted from the previous year.

5.3 MD - Network level

Table 5.3.1 – Maximum Demand Characteristics

Information source, methodology and assumptions:

Information was sourced from the National Energy Market Meters (Terminal Station, Boundary and Generator Meters) by Network Level. The network meters have been reconciled with AEMO and AusNet Protection department to ensure all applicable meters are accounted for in calculating the Maximum Demand on the network.

Daily coincidental maximum demand date and time was extracted for the network for all days in the Forecasting Year. Using this information, the maximum MVA and the attributes at the time of peak (MW, MVA) were determined for each zone substation.

Regulatory Year is defined as the period between 1/07/2024 – 30/06/2025. The winter period constitutes April - September and the summer period constitutes October – March.

Embedded Generation data was sourced from an Oracle SQL database which is populated using Kinetiq (billing) data. The meter data for each 30-minute period (for the coincidental and non-coincidental time periods) for each applicable zone substation is extracted using a SQL query. For coincidental this is the summation of all embedded generation into the network (Scheduled, Non-Scheduled and Solar Generation) at the time that the network peaks.

Estimated Information:

Information provided is considered Actual Information. No estimates or assumptions were applied.

Additional information:

Maximum demand has the meaning prescribed in the National Electricity Rules. Maximum demand refers to 30-minute demand unless otherwise indicated.

Actual maximum demands are validated by network planners.

Changes from previous year Basis of Preparation:

- Regulatory year for reporting used instead of Forecasting Year to maintain consistency with other reporting measures.
- Inclusion of coincident solar PV generation in the "Embedded generation at time of Coincident raw system annual maximum demand" measure. This measure includes 66 KV coincident embedded generation, 22 KV coincident embedded generation and coincident solar PV generation in MW.

5.4 MD & utilisation - spatial

Table 5.4.1 – Non-coincident & coincident Maximum Demand - Sub-transmission Substations

Non-coincident maximum demand has not been reported at the sub-transmission substation level as AusNet Electricity Services does not own any sub-transmission substations above 33kv. This is consistent with the definition in the AIO which defines sub-transmission substations as "A substation on a distribution network that transforms any voltage to levels above 33 kV."

Table 5.4.2 – Non-coincident & coincident Maximum Demand - Zone Substation

Non-coincident and coincident maximum demands have been reported at the zone substation level.

Substation Rating

Substation rating (MVA) refers to the seasonal cyclic rating that corresponds to the time of the raw adjusted maximum demand. For example, the summer normal cyclic rating of the substation has been reported in the case where the raw adjusted maximum demand for that substation occurred in summer and likewise for winter.

Data reporting quality:

Actual

Estimated data:

No estimated data was used.

Information source, methodology and assumptions:

Substation rating information was sourced from AusNet Services' SMEs.

Raw Adjusted Maximum Demand (MW), Raw Adjusted Maximum Demand (MVA), Date MD Occurred, Half Hour Time Period MD Occurred, Winter/ Summer Peaking and Embedded Generation

Data reporting quality:

Actual maximum demands extracted from SCADA data and validated by network planners.

Estimated data:

No estimated data was used.

Information source, methodology and assumptions:

Information was sourced from the OSI Pi (SCADA) system.

A list of all zone substations and feeders was compiled based on a combination of the latest round of zone substation forecasts to ensure all zone substations in the reporting period were accounted for.

Daily non-coincidental maximum demand data was provided by network planners. This data was sourced from SCADA and, using this information, the maximum demand day at each substation was identified over

the Regulatory Year. The attributes at the time of peak (MW, MVA, Date, Time) were determined for each zone substation.

30-minute maximum demand data was extracted from SCADA and OSI Pi for each zone substation, providing daily coincidental maximum demand information (date, time). Daily coincidental maximum demand data was extracted from SCADA for each site for the entire period. Using this information, the maximum MVA and the attributes at the time of peak (MW, MVA) were determined for each zone substation.

In cases where Zone Substation MVA peak date and time was different to that of the MW peak date and time, these cases have been reviewed in detail. There was only one occurrence where peak time in MW differed from MVA peak time and this was at Sale / SLE Zone Substation, where MVA peaked on 4/02/2025 at 18:00, as compared to the MW peak on 27/01/2025 at 17:30.

For embedded generation, data was extracted by an SME from an Oracle SQL database (which is populated using both Kinetiq (billing) data and Interval Data). For non-coincidental data at each zone substation, the "globalm" and "network_prd" demand exports are added together for the overall embedded generation as the data is split into different types of meters and customers.

Changes from previous year Basis of Preparation:

- Regulatory year for reporting used instead of Forecasting Year to maintain consistency with other reporting measures.
- The difference in seasonal cyclical ratings compared to the previous year is due to this year's ratings being based on seasonal cycles, whereas last year's figures reflected asset nameplate ratings.
- Inclusion of coincident and non-coincident solar PV generation for each Zone Substation in the coincident and non-coincident embedded generation numbers respectively. Coincident embedded generation for each Zone Substation includes 22 KV coincident embedded generation and coincident solar PV generation in MW. Noncoincident embedded generation for each Zone Substation includes 22 KV noncoincident embedded generation and noncoincident solar PV generation in MW.

Weather corrected MD (50% POE, 10% POE, Non-Coincident, Coincident, MW/MVA)

Information source, methodology and assumptions:

Refer to method listed under section 3.4 Weather adjusted non-coincident and coincident 10% POE and 50% POE Maximum Demands (Tables 3.4.3.1, 3.4.3.2, 3.4.3.3, 3.4.3.4)

Estimated Information:

Weather corrected maximum demand is considered Estimated Information based on the preparation method outlined under section 3.4.

This is considered Management's best estimate based on the data available.

Changes from previous year Basis of Preparation:

- Regulatory year for reporting used instead of Forecasting Year to maintain consistency with other reporting measures.
- Updated weather adjustment methodology to a more robust method considering the weather characteristics specific to each zone substation. This method is based on the methodology used to produce AusNet Services' demand forecasts for all zone substations.

6.2 STPIS Customer Summary Data

Table 6.2.4 - STPIS Customer Summary Data

Data reporting quality:

Actual.

Estimated data:

No estimated data was used.

Null response:

No NULL responses.

Information source, methodology and assumptions:

Obtain Customer Count by Feeder report from Poweron Advantage (formerly Poweron Fusion). This report is automatically generated on the first day of each month.

The Regulatory year average customers count was estimated by:

$$\frac{Customer\ Count\ on\ 1\ July\ 2024 + Customer\ Count\ on\ 1\ July\ 2025}{2}$$

Using the Network Outage Summary report (obtained from the Poweron Advantage application), a summary table of unplanned outages for Customer Interruptions (sustained and momentary) and CMOS by feeder classification (i.e. Urban, Short Rural and Long Rural) was created. A similar table less all exclusions was also created. The SAIDI, SAIFI and MAIFI values were calculated using the average customer count by feeder classification.

Additional information:

No additional information is required.

Changes from previous year Basis of Preparation:

No changes were adopted from the previous year.

6.3 Sustained Interruptions

Table 6.3.1 - Sustained interruptions to supply

Data reporting quality:

Actual.

Estimated data:

No estimated data was used.

Null response:

No NULL responses.

Information source, methodology and assumptions:

The Network Outage Summary report was extracted from the Poweron Advantage system. From this report, Unplanned outage data was obtained by Incident Reference Number.

For each unique Incident Reference Number, the Minutes-Off Supply (**MOS**) and Number of Customers Interrupted (Cust-Int) were aggregated. Each record identifies the feeder name and outage cause.

Using the feeder's name, and with reference to the current Regulatory Year's Annual RIN Reliability Reports, the feeder classification information was added to each outage record. Feeder classification information is maintained in the Poweron Advantage reports.

Using the data described above, the following calculations were performed for each outage record -

- Average Duration = MOS / Cust-Int
- USAIDI = MOS / Number of Customers by Feeder Classification
- USAIFI = Cust-Int / Number of Customers by Feeder Classification

The 'Number of Customers' by feeder classification was obtained from the Annual Information Order (AIO) Reports 3.6.8 Network Feeders and was calculated as (1 July 2024 count + 1 July 2025 count)/2.

In relation to MEDs, the MED threshold was calculated for the current Regulatory Year from the daily Unplanned SAIDI data between Regulatory Years FY20 and FY24 (5 years) using the annual AER RIN Template MED calculator. Calculations performed were in accordance with the requirements of the STPIS. The calculated MED threshold was then applied as the threshold for the current Regulatory Year for the purpose of identifying MEDs.

For each record, the outage cause (per the system data) was aligned with the options in Table 6.3.1 'Reason for Interruption' and 'Detailed Reason for Interruption'. Where the 'Reason for Interruption' was unknown, this has been identified and the 'Detailed Reason for Interruption' has been listed as 'Unknown'. All other 'black outs' under 'Detailed Reason for Interruption' are in accordance with the template guidelines prescribed by the AER.

Additional information:

An interruption is any loss of electricity supply to a customer associated with an outage of any part of the electricity supply network, including generation facilities and transmission networks, of more than 0.5 seconds, including outages affecting a single premise. The customer interruption starts when it is recorded by equipment such as SCADA or, where such equipment does not exist, at the time of the first customer call relating to the network outage. An interruption may be planned or unplanned, momentary or

sustained. It does not include subsequent interruptions caused by network switching during fault finding. An interruption ends when supply is again generally available to the customer.

Both planned and unplanned interruptions to supply have been reported. A planned supply interruption is where AusNet Electricity Services planned the interruption to supply, and customers were notified in advance.

An unplanned interruption is an interruption due to an unplanned event. An unplanned event is an event that causes an interruption where the customer has not been given the required notice of the interruption or where the customer has not requested the outage.

Section 3.3(a) of the Electricity Distribution Network Service Providers – STPIS (Version 2) Nov 2018 Amendment outlines the exemption criteria applicable in the EDPR period 2016-2020. Events that fall in any of the following conditions may be excluded in calculating the revenue increment or decrement as well as annual performance under the STPIS scheme.

1. [Deleted]
2. load shedding due to a generation shortfall;
3. automatic load shedding due to the operation of under frequency relays following the occurrence of a power system under-frequency condition;
4. load shedding at the direction of the Australian Energy Market Operator (AEMO) or a system operator;
5. load interruptions caused by a failure of the shared transmission network;
6. load interruptions caused by a failure of transmission connection assets except where the interruptions were due to:
   (a) actions, or inactions, of the DNSP that are inconsistent with good industry practice; or
   (b) inadequate planning of transmission connections and the DNSP is responsible for transmission connection planning
7. load interruptions caused by the exercise of any obligation, right or discretion imposed upon or provided for under jurisdictional electricity legislation or national electricity legislation applying to a DNSP.
8. load interruptions caused or extended by a direction from state or federal emergency services, provided that a fault in, or the operation of, the network did not cause, in whole or part, the event giving rise to the direction.

An event may also be excluded where daily unplanned SAIDI for AusNet Electricity Services' distribution network exceeds the major event day boundary, as set out in the STPIS scheme, when the event has not been excluded under clause 3.3(a) of the AER STPIS guidelines.

For the purpose of completing Table 6.3.1 Sustained Interruptions to Supply, the following definitions were applied:

Feeder Classification	CBD feeder: a feeder supplying predominantly commercial, high-rise buildings, supplied by a predominantly underground distribution network containing significant interconnection and redundancy when compared to urban areas. Urban feeder: is a feeder which is not a CBD feeder and has a 3-year average maximum demand over the 3-year average feeder route length greater than 0.3 MVA/km.

	Short rural feeder: a feeder which is not a CBD or urban feeder with a total feeder route length less than 200 km. Long rural feeder: a feeder that is not a CBD feeder, urban feeder or short rural feeder.
Effect on unplanned SAIDI (by feeder classification)	The sum of the duration of each unplanned sustained customer Interruption in minutes divided by the total number of distribution customers at feeder class level. USAIDI excludes momentary interruptions (of less than three minutes duration). Note: The Category Analysis template also contains Planned Interruptions. SAIDI for these incidents are set to zero.
Effect on unplanned SAIFI (by feeder classification)	The total number of unplanned sustained customer interruptions divided by the total number of distribution customers at feeder class level. Unplanned SAIFI excludes momentary interruptions (of less than three minutes duration). Note: The Category Analysis template also contains Planned Interruptions. SAIFI for these incidents are set to zero. This template also includes momentary interruptions. Since the unplanned SAIFI column only applies for sustained interruptions, values for momentary faults are set to zero. However, the "number of customers affected by the interruption" column in this template still contains the actual customer count due to momentary interruptions.
MED (Major Event Days)	Has the same meaning as specified in the STPIS scheme.

Additional information:

No additional information is required.

Changes from previous year Basis of Preparation:

No changes were adopted from the previous year.

Table 1: Fault Cause Mapping

Cause Code	Cause Description	Reason for Interruption	Detailed Reason for Interruption
C001	Age	Asset failure	*(Refer to Table 2)*
C002	Arcing	Asset failure	*(Refer to Table 2)*
C003	Bearing Failure	Asset failure	*(Refer to Table 2)*
C004	Bees/Wasps	Animal	Animal other
C005	Below Regulatory Height	Asset failure	*(Refer to Table 2)*
C006	Bending Radius Violation	Other	
C008	Bird or Animal	Animal	Animal impact
C010	Burnt	Asset failure	*(Refer to Table 2)*
C011	Bushfire	Weather	
C012	Capacitor Packet Breakdown	Asset failure	*(Refer to Table 2)*
C999	Cause Not in List	Other	
C998	Cause Not in List (Use Comments)	Other	
C013	CB Restriking	Other	
C201	Checked Ok	Other	
C014	Clashing	Asset failure	*(Refer to Table 2)*
C015	Coding/Decoding	Other	
C161	Component Failure	Asset failure	*(Refer to Table 2)*
C018	Corrosion	Asset failure	*(Refer to Table 2)*
C190	Defect	Asset failure	*(Refer to Table 2)*
C022	Degradation	Asset failure	*(Refer to Table 2)*
C023	Design Issue	Other	
C024	Deteriorated Contacts	Asset failure	*(Refer to Table 2)*
C026	Dug Up	Third Party	Dig in
C186	Duplicate Work	Other	
C137	Earth Reading Above Design Level	Other	
C136	Earth Reading Above ESMS USL	Other	
C134	Earth Tremor	Other	

Cause Code	Cause Description	Reason for Interruption	Detailed Reason for Interruption
C129	Earthworks	Other	
C029	Electrical Overload	Overload	
C030	Electrical Surge	Asset failure	*(Refer to Table 2)*
C031	Environment	Other	
C032	Environmental Incident	Other	
C033	Environmental Pollution Deposits/Arc T	Other	
C034	Erosion	Other	
C035	Excessive Growth	Vegetation	Grow in - NSP responsibility
C036	Excessive Moisture	Asset failure	*(Refer to Table 2)*
C037	External Fault	Asset failure	*(Refer to Table 2)*
C038	Extreme Weather	Weather	
C039	Failed Heater	Asset failure	*(Refer to Table 2)*
C040	Failure Of Adjacent Equipment	Asset failure	*(Refer to Table 2)*
	False Call by Customer	Other	
C041	Fault Current	Other	
C042	Fire	Third party	Fire
C045	Foreign Object	Third party	Third party other
C046	Fruiting Fungal Body	Asset failure	*(Refer to Table 2)*
FVV	FVV - Verified Voltage Complaint	Other	
C048	Gasket Deterioration	Asset failure	*(Refer to Table 2)*
C147	Ground Movement	Other	
C049	Gunshot	Other	
C051	Hang Up	Asset failure	*(Refer to Table 2)*
C052	Heater Failure	Asset failure	*(Refer to Table 2)*
C053	High Ambient Temperature	Weather	
C054	High Resistance	Other	
C181	Host Computer Fault	Other	
C132	Incorrect Calibration	Other	

Cause Code	Cause Description	Reason for Interruption	Detailed Reason for Interruption
C057	Incorrect Earthing	Network business	Network error
C043	Incorrect Firmware	Other	
C133	Incorrect Setting	Network business	Switching and protection error
C189	Incorrect Voltage	Other	
C056	Incorrect/Superseded Type	Other	
C180	Incorrectly Certified	Other	
C058	Insufficient Cable Glanding	Other	
C059	Insufficient Gas	Asset failure	*(Refer to Table 2)*
C060	Insulation Deterioration	Asset failure	*(Refer to Table 2)*
NDC	Inter distributor connection failure	Network business	Switching and protection error
C061	Interference/Noise	Other	
C063	Lack of Lubrication	Other	
C064	Lamination Short Circuit	Asset failure	*(Refer to Table 2)*
C065	Lightning	Weather	
NLS	Load Shedding	Network business	Switching and protection error
C067	Loose/Missing Nuts	Asset failure	*(Refer to Table 2)*
C068	Maladjusted	Asset failure	*(Refer to Table 2)*
C069	Manufacturing Defect	Asset failure	*(Refer to Table 2)*
C070	Mechanical Failure	Asset failure	*(Refer to Table 2)*
C071	Mechanical Overload	Asset failure	*(Refer to Table 2)*
C073	Metal Work	Other	
C074	Misalignment	Asset failure	*(Refer to Table 2)*
C050	Mishandling	Other	
C075	Moisture Ingress	Asset failure	*(Refer to Table 2)*
C076	Motor Failure	Asset failure	*(Refer to Table 2)*
C135	Nail/Coach Screws Loose/Missing	Asset failure	*(Refer to Table 2)*
C191	Network Change	Other	
C078	Network Harmonics	Other	

Cause Code	Cause Description	Reason for Interruption	Detailed Reason for Interruption
C130	New Planting	Other	
C194	No Cause Found	Unknown	
C079	No Power Supply	Other	
NPO	Normal Planned outage	Planned	
C152	Normal Regrowth	Vegetation	Grow in - NSP responsibility
C081	Object on Line	Third party	Third party other
C082	Oil Contamination	Other	
C083	Out of Test	Other	
C084	Overcurrent	Other	
C085	Overvoltage	Other	
C086	Partial Discharge	Other	
C087	Particle Contamination	Other	
C088	Pollution	Other	
C089	Poor Chemical Properties	Other	
C090	Poor Connection	Asset failure	*(Refer to Table 2)*
C092	Poor Drainage	Other	
C093	Poor Electrical Properties	Asset failure	*(Refer to Table 2)*
C160	Poor Footing	Other	
C094	Poor Galvanic Protection	Other	
C096	Poor Installation	Other	
C098	Poor or Substandard Material	Other	
C099	Poor Particle Count	Other	
C100	Poor Work Practice	Other	
C200	Power returned to normal	Other	
C202	Power returned to normal - other	Other	
C101	Pressurisation	Other	
C159	Private Tree Bark	Vegetation	Blow in/Fall in - NSP responsibility
C156	Private Tree Branch Inside Clearance	Vegetation	*(To investigate specific case)*

Cause Code	Cause Description	Reason for Interruption	Detailed Reason for Interruption
C154	Private Tree Branch Outside Clearance	Vegetation	Blow in/Fall in - NSP responsibility
C157	Private Tree Broken-RootsInsideClearance	Vegetation	*(To investigate specific case)*
C155	Private Tree Broken-RootsOutsideClearanc	Vegetation	Blow in/Fall in - NSP responsibility
C158	Private Tree Felling (by 3rd Party)	Vegetation	Blow in/Fall in - Other responsible party
C146	Public Tree Bark	Vegetation	Blow in/Fall in - NSP responsibility
C143	Public Tree Branch Inside Clearance	Vegetation	*(To investigate specific case)*
C141	Public Tree Branch Outside Clearance	Vegetation	Blow in/Fall in - NSP responsibility
C144	Public Tree Broken-RootsInsideClearance	Vegetation	*(To investigate specific case)*
C142	Public Tree Broken-RootsOutsideClearance	Vegetation	Blow in/Fall in - NSP responsibility
C145	Public Tree Felling (by 3rd Party)	Vegetation	Blow in/Fall in - Other responsible party
C182	Radio/Base Failure	Other	
C102	Reduced Clamping Pressure	Other	
RTR	Retailer Request	Other	
C103	Reverse Polarity	Network business	Network error
C104	Rot	Asset failure	*(Refer to Table 2)*
C105	Rupture	Asset failure	*(Refer to Table 2)*
C106	Seal Deterioration	Asset failure	*(Refer to Table 2)*
C107	SF6 Contamination	Other	
C108	Sheath Circulating Current	Other	
C109	Software Failure	Other	
C110	Split	Asset failure	*(Refer to Table 2)*
C138	Stolen	Third party	Unauthorised access
C111	Subsidence	Other	
C139	Surplus to Requirements	Other	

Cause Code	Cause Description	Reason for Interruption	Detailed Reason for Interruption
C113	Termites	Asset failure	*(Refer to Table 2)*
C114	Theft	Third party	Unauthorised access
C115	Thermal Deterioration	Asset failure	*(Refer to Table 2)*
C116	Thermal Overload	Overload	
C117	Through Fault	Other	
NTX	Transmission Failure-no Fault Dist Asset	Network business	Switching and protection error
C193	Tree/Bark	Vegetation	Blow in/Fall in - NSP responsibility
C119	Uneven Sag	Asset failure	*(Refer to Table 2)*
C120	Unloaded Output/Ferroresonance	Other	
C203	Unplanned with planned	Other	
C164	Unprotected/Unpainted	Other	
C121	Unravelling	Other	
C122	Vandalism	Third Party	Unauthorised access
C204	Various cases	Other	
C123	Vehicle/Third Party	Third Party	Vehicle impact
C187	Vermin	Animal	Animal other
C124	Vibration	Other	
C125	Wear	Asset failure	*(Refer to Table 2)*
C153	Wet Weather or Flooding	Weather	
C126	Wiring Affected by Oil	Other	
C128	Work Standard Change	Other	
	(blank)	Unknown	

Table 2: Outage Classification Network Level

Classification	SPA Network Level	AER Network Level
Feeder CB	Subtransmission	Subtransmission
	Zone Substation	Zone Substation
	HV	HV
Auto-Recloser	HV	HV
Gas Switch	HV	HV
HV Fuse	HV	HV
HV Isolator	HV	HV
HV Bridge	HV	HV
Dynamic RWO	HV	HV
Isolating Device	HV	HV
Transformer	HV	Distribution substation*
	Dist Trans	Distribution substation
	LV	Distribution substation*
Single Customer	HV	HV
	Dist Trans	Distribution substation
	LV	LV

** Some exceptions to the above mapping rules were applied where necessary.*

6.6 STPIS Customer Service

Table 6.6.2 - Inadequately Served Customers

Data reporting quality:

Actual.

Estimated data:

No estimated data was used.

Null response:

No NULL responses.

Information source, methodology and assumptions:

- Calculation of threshold SAIDI value for inadequately served customers.

  Utilising historical Network Outage Summary reports from RY23, RY24 and RY25, calculate the 3-year rolling average for network unplanned CMOS. Multiply the 3-year average network unplanned CMOS by 4 and divided by the RY23, RY24 and RY25 (recent 3 year) network average customers as per section 3.6.8 – Customer Count Estimation Process. The resulting value is the threshold SAIDI for feeders supplying inadequately served customers.

- Calculation of feeder level USAIDI.

  For each feeder, divide the recent 3-year average unplanned CMOS by the recent 3-year average number of customers connected to each feeder as per section 3.6.8 – Customer Count Estimation Process. Customers connected to a feeder assumes the average USAIDI value.

- Calculation of feeder level USAIFI

  For each feeder, divide the recent 3-year average unplanned customer interruptions (CI) by the recent 3-year average number of customers connected to each feeder as per section 3.6.8 – Customer Count Estimation Process. Customers connected to a feeder assumes the average USAIFI value.

- Identification of feeders supplying inadequately served customers

  Feeders with inadequately served customers would be those with feeder level USAIDI greater than the threshold SAIDI for feeders supplying inadequately served customers.

- Identification of Average unplanned SAIDI/SAIFI of inadequately served customers

  From the list of X number of inadequately served customer feeders, calculate the simple average by summating all feeder USAIDI/USAIFI and dividing by X.

- Identification of Highest unplanned SAIDI of inadequately served customers

  From the list of X number of inadequately served customer feeders, search the feeder with the highest USAIDI/USAIFI value or sort the USAIDI/USAIFI values in descending order.

Additional information:

Inadequate level of service means a customer experiencing greater than 4 times the Network average for unplanned SAIDI on a three-year rolling average basis compared with a network average customer. DNSPs are required to report:

- the average unplanned SAIDI of the inadequate level of service customer

- the average unplanned SAIFI of the inadequate level of service customer
- the top five feeders or feeder sections with the most inadequate level of service customer
- the number of inadequate levels of service customer of each of the top five feeders or feeder sections.

Where data are unavailable at feeder or feeder-section level, the DNSP may report on zone substation level.

Changes from previous year Basis of Preparation:

No changes were adopted from the previous year.

6.7 STPIS Daily Performance

Table 6.7.1 - Daily performance data – unplanned

Data reporting quality:

Actual.

Estimated data:

No estimated data was used.

Null response:

No NULL responses.

Information source, methodology and assumptions:

Customer service data

Call data is obtained through Genesys telephony system from a Queue Performance report. This report contains all relevant call information required to complete the AIO report for the relevant electricity faults inbound queues. For the reporting period, all calls were exported into a single document 'FY25 RIN Raw Data'. This report contains all relevant call information required to complete the AIO report for the relevant call inbound.

In this reporting period there are 3 MED days. These days are 28th August 2024, 1st September 2024 and 2nd September 2024. These 3 days have been discounted from reporting. No other exceptions/discounts have been applied, including allowable discounts under 3.3(a) or 3.3(b) of the STPIS, where an event may be excluded where daily unplanned SAIDI for the DNSP's network exceeds the major event day boundary, as set out in appendix D, when the event has not been excluded under clause 3.3(a).

Daily performance data

MAIFIe data

Using the Network Outage Summary report (obtained from Poweron Advantage), a daily summary of customer interruptions caused by momentary outages by feeder classification (i.e., Urban, Short Rural, and Long Rural) was generated. A momentary outage has an outage duration >3 minutes. The daily MAIFI from each feeder classification was calculated using the average customer count by feeder classification.

The AER RIN template specifies that "excluded events to be removed from the data refer only to events listed in the clause 3.3(a) of the STPIS with respect to reliability data.

Additional information:

Daily performance data contains AusNet Electricity Services' daily performance on MAIFI and customer service metrics for each day during the current Regulatory Year.

In previous regulatory periods, for call data reported in Table 6.6.1 and Table 6.7.1, AusNet Services excluded calls associated with MED days that occurred on subsequent days where an incident commenced on an MED and was not resolved within the same day, by identifying the postcode data entered by callers. Consistent with the prior regulatory year, this methodology was not taken in the current regulatory year as it is an onerous task to isolate subsequent calls related to an MED event. This approach is still in accordance with the STPIS clause 5.4(a), where telephone answering data may be excluded for outages that are also excluded from reliability data.

Changes from previous year Basis of Preparation:

No changes were adopted from the previous year.

6.9 STPIS GSL

Table 6.9.1.1 - Guaranteed Service Levels

The scheme administrator is the Essential Services Commission of Victoria.

Specification of scheme can be found at the following URL.

Guaranteed Service Level payments for energy outages and voltage claims | Essential Services Commission (ESC Website)

Table 6.9.1.2 - Guaranteed Service Levels - Jurisdictional GSL Scheme

Data reporting quality:

Actual.

Estimated data:

No estimated data was used.

Null response:

No NULL responses.

Information source, methodology and assumptions:

Appointments and Connections

Appointments and new connections data is recorded in AusNet Electricity Services' SAP CIS software.

'Total Connections Made' was sourced from a report generated in SAP CIS.

Within SAP CIS, the 'Review GSL Products' module holds the relevant information for the remaining Connections data reported. Once information has been entered into SAP, it is reviewed daily by the New Connections team and should a GSL entry be accepted by the team, it is manually transferred to a monthly GSL spreadsheet. Each GSL entry is assessed against the applicable criteria for awarding a GSL and can be rejected if there are defects on the customer's site, no supply at the premises, or the customer has cancelled the appointment.

Once a GSL is accepted by the New Connections team, SAP CIS interfaces with Kinetiq (Billing System) and adds the GSL refund to the next billing cycle. This is actioned by the Metering Revenue team.

At the end of each month, the GSL report is finalised by generating a new connection and truck appointment report in SAP, which returns the total number of connections and truck appointments for that month. Based on this, the percentage of service orders completed on time can be calculated.

To populate the RIN template, a yearly extract is taken from SAP CIS and includes both Connection and Appointment GSL. For the GSL payments, the rates have been obtained from Electricity Distribution Code of Practice (version 2) dated 1 May 2023. These rates have been multiplied by respective volume data to obtain financial data.

Reliability of Supply

Reliability GSL data was sourced from the ADMS (Advanced Distribution Management System) and AMI (Advanced Metering Infrastructure) system, data from these systems is integrated in DnA (Data and Analytics) platform. The information was extracted using standard reports from DnA titled "LRPaymentsAnnual Auto" (Cumulative GSLs) and "LRPaymentsMEDAuto" (Major Event Day GSLs). The

output of this report includes the number of GSL events for each category (e.g., low reliability payments – 18 hours).

The number of events in each category was then multiplied by the applicable GSL payment (e.g., $130) to determine the amount paid under each GSL category.

The events that can be excluded from GSL is flagged in ADMS system. When the reports are run, option "YES" is selected for "Exclude GSL Exempt Events" to exclude these events.

3 NMIs were overpaid over the regulatory year. This is because the outage data was corrected after the payments were made to the customers.

Streetlights

This is the total number of streetlights on the network at the end of June 2025 and sourced from the SDME Asset Management system.

The preparation of STPIS GSL data is documented in the AusNet Services' Public Lighting Performance Reporting Guidelines (SOP 30-04).

Streetlights "out" during period

Each month the Fusion DOMS system produces a report on the total number of streetlight faults reported during that month. The DOMS system allows for selection of any commencement date and end date.

The total number of streetlight faults was determined by filtering the lighting report for all streetlight-specific faults reported using the 'Trouble Symptom' column including all categories except 'Found by patrol' and 'Watchman lights' for the entire year.

Data Reported in this metric relates to streetlight faults reported by a customer and does not relate to GSL eligible faults only.

Streetlights not repaired by "fix-by" date.

The "fix-by" date is assumed to be the agreed date for repair of a faulty light between AusNet Electricity Services and the person that reported the fault. The Fusion DOMS report does not specifically detail this information; therefore, a value cannot be determined under this item.

Data Reported in this metric relates to streetlight faults reported by a customer and does not relate to GSL eligible faults only.

Streetlights not repaired in 2 business days.

Using the same Fusion DOMS report as above and using the column 'Trouble Symptom' to filter on the three location categories 'Area lights Out', 'Single outside' and 'Failure adjacent'. This figure includes all faults under these three categories for the Regulatory year.

The Network (i.e., Business days) column is then filtered to remove all faults repaired in 2 days or less.

Streetlights average number of business days to repair.

This figure is assumed to be the average business days to repair faulty streetlights that were reported during the Regulatory year. This is determined by filtering the 'Trouble Symptom' column in the Fusion DOMS report to remove faults under 'Found by patrol' and 'Watchman lights'. Then, the average 'Network Days' i.e., Business days are calculated for the total time taken to repair these faults using the pivot to work out the average days to complete a job.

Number and dollar value of GSL payments

The number of payments to public residents who qualify for a missed GSL is determined by reviewing the data obtained from the Fusion DOMS report and this is provided by AusNet Electricity Services to its public

lighting contractor for confirmation. Each outage not rectified within 2 business days is reviewed and if the information provided aligns with the criteria in the Public Lighting Code, the GSL is considered payable.

The number of GSLs paid is multiplied by the mandated $25.00 GSL payment to calculate the total GSL amount.

Additional information:

The applicable GSL scheme for AusNet Electricity Services is the scheme included in the Victorian Electricity Distribution Code. This GSL scheme is referred to as the 'jurisdictional GSL scheme' in the reporting template. The AER GSL scheme does not apply to AusNet Electricity Services.

Changes from previous year Basis of Preparation:

No changes were adopted from the previous year.

7.4 Shared Assets

Table 7.4.1 - Total unregulated revenue earned with shared assets

Data reporting quality:

Actual.

Estimated data:

No estimated data was used.

Null response:

No NULL responses.

Information source, methodology and assumptions:

Revenue from shared communication assets was sourced from a separately identifiable general ledger account for communication service revenue pertaining to AusNet Electricity Services.

Unregulated revenue earned from shared assets was also identifiable by customer name and invoicing information recorded within the general ledger account for other revenue.

Additional information:

Information presented is Actual information as it has been sourced from the relevant general ledger accounts within SAP.

Changes from previous year Basis of Preparation:

No changes were adopted from the previous year.

7.5 Large Projects

Table 7.5.1 – Large Project Expenditure

Data reporting quality:

Actual.

Estimated data:

While we the calculation to identify large projects is based on expected total project expenditures as required by AER Guidelines, AusNet Electricity as reported actual expenditure incurred in the template.

Null response:

No NULL responses.

Information source, methodology and assumptions:

Large capital projects were identified from AusNet's Capex 'Workday' financial report sourced from SAP which lists all of AusNet's capital projects which are work in progress as at 30 June 2025. The report includes estimated spend at completion of all capital projects which was used to identify Distribution projects with project lifetime spend greater than $30million, as per the AER definition. Project lifetime spend is based on approved Business Cases which are required for capital projects per internal governance requirements.

Total Capital expenditure (including overheads) incurred during the regulatory year was sourced from the Capex model.

AusNet Distribution do not have any reportable large operating expenditure (opex) projects which meet the AER definition as noted below. The nature of opex projects is largely related to operating and maintenance programs, hence are recurring costs which are not assigned to a specific project nor have a specific project life and value and hence do not meet below definition.

Additional information:

As per AER's definition, a large project is any project that has commenced, where the expected expenditure on the project exceeds a threshold value. The expected expenditure threshold values for AusNet Electricity are 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 (**MAR**) for the first year of the relevant regulatory control period, whichever is the larger amount.

Note, the threshold was determined to be $40.1m (nominal dollars), which is 5% of the MAR ($802.2m) of the first year (RY22) of the 2022-26 AusNet Distribution Regulatory Control Period as sourced from the AER's final determination, the greater of $30m.

Changes from previous year Basis of Preparation:

No changes were adopted from the previous year, given this is a new template introduced by the AER for the current regulatory year.

7.10 Jurisdictional Scheme Payments

Table 7.10.1 - Jurisdictional Scheme Payments

Data reporting quality:

Actual.

Estimated data:

No estimated data was used.

Null response:

No NULL responses.

Information source, methodology and assumptions:

Data was sourced from the billing system and reconciles to the trial balance.

Solar tariff codes are used for the feed-in schemes for which AusNet Electricity Services is responsible for providing rebates – Premium feed-in tariff payments (**PFIT**). Data reported was calculated as the sum of billed volumes in the respective PFIT tariff codes multiplied by the relevant cents per kilowatt hour rate.

As the Energy Safe Victoria Levy (**ESV Levy**) is now recovered through jurisdictional tariffs the ESV levy is included in the Jurisdictional Scheme payments.

Additional information:

Jurisdictional scheme has the meaning given in Clause 6.18.7A (d) of the NER.

Jurisdictional Scheme Payment is, in respect of a Jurisdictional Scheme, the amount AusNet Electricity Services is required under the Jurisdictional Scheme obligations to:

(a) Pay to a person;

(b) Pay into a fund established under an Act of a participating jurisdiction;

(c) Credit against charges payable by a person; or

(d) Reimburse a person

less any amounts recovered by AusNet Electricity Services from any person in respect of those amounts other than under the NER.

Changes from previous year Basis of Preparation:

No changes were adopted from the previous year.

7.11 Demand Management Incentive Scheme

Table 7.11.1 - DMIS - Projects Submitted for Approval

Data reporting quality:

Actual.

Estimated data:

No estimated data was used.

Null response:

No NULL responses.

Information source, methodology and assumptions:

An SME reviewed the obligations of the AER's Demand Management Incentive Scheme published in December 2017. No projects were identified that met the criteria as set out in the scheme that required approval.

Additional information:

No projects submitted to the AER were not approved by the AER.

Changes from previous year Basis of Preparation:

No changes were adopted from the previous year.

7.11.2 - DMIA - Projects Submitted for Approval

Data reporting quality:

Actual.

Estimated data:

No estimated data was used.

Null response:

No NULL responses.

Information source, methodology and assumptions:

Relevant projects were identified by a SME. Project costs reported were extracted from SAP reports.

Additional information:

If the total project costs exceed the allowance DMIA determined in business case, the business case allowance will take precedence of the total project costs.

No projects submitted to the AER were not approved by the AER.

Changes from previous year Basis of Preparation:

No changes were adopted from the previous year.

8.1 Income

Table 8.1.1.1 - Revenue

Table 8.1.1.2 - Expenditure

Data reporting quality:

Actual/Estimate.

Estimated data:

We note the income, and operating expenses are sourced from a mix of Actual and Estimated data depending on the income or expense type. For avoidance of doubt, we have explicitly stated the reporting quality of each item in the table below.

Revenue		Expense	
Actual	**Estimate**	**Actual**	**Estimate**
Distribution Revenue	Public lighting Revenue	TUOS Expense	Depreciation
TUOS Revenue		Jurisdictional scheme payments	Finance Charges
Jurisdictional Scheme Revenue		Maintenance Expenditure	Efficient/non-efficient Public lighting split
Contributions		Operating expenses	Metering Expenses
Profit from sale of FA		Loss from disposal of FA	
F-Factor		Recoverable works	
Recoverable works		Other Expenses	
Metering Revenue			
Other Revenue			

- *Depreciation Expense:* Depreciation for the Regulatory year based on straight line depreciation amounts sourced from the Regulatory Asset Base (**RAB**) roll forward models. Note for SCS depreciation is forecast and Metering is actual. Public lighting based on actual straight-line depreciation, while Connection services is based on historical methodologies used which applies a useful life of 25 years.
- *Finance Charges:* The weighting process applied to Finance Charges results in the information being considered Estimated Information as the data is based on system generated information, for which there isn't an alternative approach that provides a materially different position. The AusNet Services Group has a common funding vehicle utilised for all entities within the Group and as such funding requirements are managed at the group level. As funding is not deemed to be associated with any specific entity, AusNet Electricity Services has allocated debt raising costs using RAB weightings of

the entities within the Group. Charges were obtained via weighting the actual debt raising costs from the General Ledger across networks, based on the Regulated Asset Base (**RAB**) value of each network.

- *Metering Expense Data: Total metering expenditure* was split a pro-rata basis using the respective meter volumes sourced from Table 4.2.2, between Smart and Legacy meters. This methodology was agreed with a metering SME.
- *Public Lighting Expenses:* Data was extracted from SAP based on work codes and projects. The information was allocated into Efficient and Non-Efficient based on the proportion of Efficient and Non-Efficient public lighting revenue.

Null response:

No NULL responses.

Information source, methodology and assumptions:

All amounts reported were extracted from SAP General Ledger accounts, billing information or from other templates within the current years Regulatory Accounts, except as detailed below:

- *Pass through revenue (F-factor) F-Factor revenue* is recovered by AusNet Electricity Services via the addition of approved pass-through tariffs to DUOS prices. The approved pass-through amount has been adjusted to reflect the difference between AusNet Electricity Services' 2024/25 Annual DUOS Revenue Target and the actual DUOS revenue received to determine the total amount of F-Factor revenue earned in 2024/25.
- *Metering Revenue:* An SME extracted the billing data to enable the categorisation of metering revenue into the Smart and Legacy categories. Legacy meter assets were identified and associated revenue was reported against these assets. Smart meter revenue is the result of total metering revenue less the legacy meter revenue.
- *Public Lighting Revenue*: The categorisation of public lighting revenue between Efficient and Non-Efficient was based on an analysis of the tariff descriptions of the amounts billed.

The 'Adjustments' column is the difference between the Audited Trial Balance amounts and Distribution Business amounts. These differences arise due to the following:

- Various adjustments are made to the audited Trial Balance that differ from recognition or measurement requirements of Australian Accounting Standards, to arrive at the AusNet Electricity Services distribution business' regulatory amounts, reflecting the AER's AIO submission guidelines.

The adjustment column is part of a reconciliation required by the notice. Refer to section 4.3 of Schedule 4 of the AusNet Electricity Services' submission for this reconciliation.

Additional information:

The accounting terms used in this template have the same meaning as is used for the preparation of the AusNet Electricity Services Pty Limited's Trial Balance. The service classifications have the same meaning as those used in the Distribution Determination.

Changes from previous year Basis of Preparation:

No material changes were adopted from the previous year.

8.2 Capex

Capital Expenditure (**Capex**) includes all costs that are directly attributable to bringing an asset to the location and condition necessary for it to be capable of operating in the manner intended by management. In accordance with the AER approved CAM, AusNet Electricity Services capitalises overhead expenditure that is directly attributable to bringing an asset to its intended in-service state.

Capex and capital contributions data were extracted from SAP by work code and project and populated into an excel based capex model. The data extracted included details of direct costs, overheads and capitalised finance charges. Projects were classified into Asset Classifications based on work codes with an SME review. Capital Contributions reported includes in kind, gifted assets and the accounting-based and in accordance with the new AER guideline for the recognition of cash customer contributions.

Table 8.2.1: Capex by Purpose - Standard Control Services

Table 8.2.3 Capex Other

Data reporting quality:

Actual/Estimate.

Estimated data:

Total expenditure in 8.2.1 and 8.2.3 is considered Actual Information. In table 8.2.3, the assignment of metering expenditure into Smart and Legacy meters is considered estimated information based on the methodology in table 4.2.2.

Null response:

No NULL responses.

Information source, methodology and assumptions:

Information in the Capex Model was used to populate Tables 8.2.1 and 8.2.3.

In Table 8.2.1 Augmentation, Connections, Replacement, Non-Network and REFCL costs reported are direct costs, capital contributions but, exclude capitalised overheads. AusNet Electricity Services capitalises a proportion of its overheads. These overheads are calculated using multiple drivers that isolates a portion of overheads that are capital in nature. These overheads are divided by the distribution capex direct costs to form a percentage. This percentage is applied to the direct costs of the distribution capex that forms the capitalised overheads. Capitalised overheads are shown separately.

In Table 8.2.3 Alternative Control Services costs reported are direct costs, overheads, capital contributions and gifted assets.

Related parties are defined in the AIO instructions. AusNet Electricity Services did not incur any related party margins during the current regulatory year.

Note, Distributed Energy Resources (**DER**)and Innovation is a new reporting asset class described in the AER approved PTRM. As data is not recorded at this category level, a SME reviewed the capex project listing and identified capex projects that fall into this category.

Additional information:

No additional information is required.

Changes from previous year Basis of Preparation:

Expenditure in table 8.2.1 and 8.2.3 is no longer categorised into HV, LV, and Subtransmission as this is no longer required.

Table 8.2.4 - Capex by Asset Class – Standard Control Services

Table 8.2.4 - Movement in Provisions Allocated to as Incurred Capex

Data reporting quality:

Actual/Estimate.

Estimated data:

Non-Network General Assets IT, Non-Network General Assets Other and Non-network Leasehold Land & Buildings are considered Actual Information. All other data reported is Estimated Information due to the preparation process outlined below. This is considered Management's best estimate based on information available.

In relation to provisions, a provision movement schedule was prepared for each provision based on information extracted from SAP. However, the 'Movements in Provisions' are considered Estimated Information as SAP does not capture provision movements on an Opex/Capex basis and not in the required Asset Categories. The allocation process applied is considered Management's best estimate based on the data available. Due to the nature of the data required (which is not required under Accounting Standards), it is anticipated that this will be estimated on an ongoing basis.

Null response:

No NULL responses.

Information source, methodology and assumptions:

Capex costs reported are direct costs, overheads and including Type 1 capital contributions.

The SCS expenditure is derived as follows:

- SCADA/Network Control:
  - This classification includes REFCL and Non-REFCL Capex data.
  - Non-REFCL Capex data was obtained from Table 8.2.1.
  - REFCL Capex relating to SCADA/Network Control comprises 2 major components for the current regulatory year:

  a) For Zone substation works carried out at various locations under REFCL tranches 2 and 3:

     i) Cost of REFCL Coil units purchased. SAP generated Materials Order reports showed that no material supply costs were receipted to capital projects for the current year.

     ii) REFCL Capex also includes 'Other SCADA & Comms'. This was obtained for work undertaken at 23 Zone Substations across all REFCL tranches (1,2&3), where applicable for RY25. A report was generated from SAP containing total costs for Zone Substations projects only. The approved Other SCADA & Comms amounts were taken from the respective AER decisions by station (covering 22 sites in total) and divided into the total approved amounts per station works. Refer to sheets 'T1 Allowance – Stations', 'T2 Allowance – Stations' and 'T3 Allowance – Stations' within the excel workbook. These splits were then applied to total RY25 actual costs incurred by station and by tranche using the SAP report data.

     Capitalised overheads were added onto the direct material cost by applying the capitalised overhead percentage.

iii) For 'SCADA/Network Control' assets relating to REFCL tranche 3 projects, a retrospective adjustment was applied between RAB categories 'SCADA/Network Control' and 'Subtransmission' to account for the difference between estimated historical capex as-incurred and their final as-commissioned values in the fixed asset register. This one-off adjustment includes both direct costs and capitalised overheads incurred.

b) For work carried out under the REFCL Augmentation program:

i) The REFCL Augmentation program as-incurred capex for Regulatory Year was split into 'Subtransmission', 'Distribution systems assets', 'SCADA\Network control' and Non-network 'Land'. The 'SCADA/Network control' component was determined using a combination of as-commissioned capex data and as-incurred capex data across four projects relating to the purchase of REFCL coils and installation of other SCADA & Comms assets. Actual cost data was obtained from SAP, and capitalised overheads were added onto the direct costs by applying the capitalised overhead percentage.

- Non-Network General Assets & IT, Land and Leased Properties:
  - Actual REFCL related IT costs incurred in Regulatory Year were sourced from the REFCL ICT capital project in SAP. Actual capitalised overheads incurred on the project in Regulatory Year were added to direct costs.
- Subtransmission:
  - This classification includes REFCL and Non-REFCL Capex data.
  - Non-REFCL Capex data was obtained from Table 8.2.1; and
    once cost allocations are known for SCADA/Network Control and Non-Network IT & General Assets then all remaining costs for Zone Substations works is considered 'Subtransmission'. This principle applies to all 3 tranches in the REFCL Program. For all other works delivered outside of Zone Substations, including HV feeder works, network balancing, line hardening, etc., these costs are all considered 'Distribution System Assets'.
    As noted above, a retrospective adjustment was applied to account for historical 'SCADA/Network Control' costs incurred on the REFCL tranche 3 program that were previously allocated to 'Subtransmission'. This adjustment includes both direct costs and overheads incurred.
- Distribution System Assets:
  - This was calculated as Total Capex less the amounts allocated other Asset Classes (described above).
- In-house Software:
  - This is a new reporting asset class described in the AER approved Post Tax Revenue model (PTRM). The information reported was calculated by applying a percentage split between hardware and software on IT projects based on business cases or data sourced from SAP.
- Non-network Leasehold Land & Buildings
  - This is a new reporting asset class described in the AER approved Post Tax Revenue model (PTRM). AER approved an allowance for Lease assets for the Regulatory periods 2020-21 and 2025-26. Any lease asset movements for these regulatory periods are reported as approved, and other periods of EDPR period is reported as, "Unapproved asset class - Non-network Leasehold Land & Buildings".
  - The information reported is based on the movement in the Right of Use (ROU) asset values to comply with the accounting standard as reported in AusNet's property lease accounting system. The amount is based on the lease model calculation, i.e., the present value of future lease payments

over the lease term using an appropriate discount rate (in accordance with Australian Accounting Standard (AASB16).

In relation to Provisions, a provision movement schedule was prepared for each provision based on information extracted from SAP. The 'Movement in Provisions' was allocated into SCS, Metering, Alternative Control Services and Unregulated services using the percentage split of total operating costs per Template 8.4 Opex. Only the Provision movement attributed to SCS has been reported in 8.2 Capex. The movement was then allocated into Capex and Operating Expenditure (**Opex**) components using the results from the indirect cost allocation methodology process.

The Capex SCS movement in Provisions was allocated across Asset Categories based on the capex expenditure weighting disclosed in the 'Actual' column of Table 8.2.4.

Additional information:

No additional information is required.

Changes from previous year Basis of Preparation:

No material changes were adopted from the previous year.

Table 8.2.5: Capital contributions by Asset Class – Standard Control Services

Data reporting quality:

Actual.

Estimated data:

No estimated data was used.

Null response:

No NULL responses.

Information source, methodology and assumptions:

Capital Contributions were determined using an SAP Report, classified into Asset Categories based on the cost weightings in Table 8.2.1. No capital contributions are received in relation to SCADA or Non-Network assets.

However, for projects greater than 12 months and greater than $200,000, were isolated and apportioned based on the capex incurred for that project. This is because, per the AER guidance note, if a Type 1 contribution must be reported on an "as incurred" basis if the contribution meets following materiality criteria:

a) The project to which the capital contribution relates is expected to take greater than 12 months to complete; and

b) The capital contribution is greater than $200,000

All contributions are received upfront, therefore, to ensure that all contributions are reported across the relevant reporting period is consistent with the capital expenditures incurred, i.e. "as incurred", a report from SAP was extracted detailing all deferred revenue, i.e. the Trust Account. Any contribution that met these criteria, were isolated and apportioned based on the capex incurred for that project.

Length of the project was determined using business cases and capex incurred was sourced from actual data obtained from SAP.

Any projects that did not meet these criteria would be recognised upon supply ready using actual data from SAP.

Additional information:

- Type 1 Capital Contributions

  Cash contributions, where tax obligations are incurred by AusNet Electricity Services and are recovered from its customers via charges for direct control services.

- Type 2 Capital Contributions
  This includes gifted assets and cash contributions from large, embedded generation projects where tax obligations, if incurred, are charged directly to the customer making the capital contribution.

Changes from previous year Basis of Preparation:

No material changes were adopted from the previous year, except for reporting contributions, per the new AER guidance note, on an "as incurred" basis if the relevant criteria were met.

Table 8.2.8: Capital contributions by Asset Class – PWC Undergrounding Capex

Data reporting quality:

Actual.

Estimated data:

No estimated data was used.

Null response:

No NULL responses.

Information source, methodology and assumptions:

Capital Contributions were determined using an SAP Report, classified into Asset Categories based on the cost weightings in Table 8.2.1. No capital contributions are received in relation to SCADA or Non-Network assets.

Additional information:

- Type 1 Capital Contributions

  Cash contributions, where tax obligations are incurred by AusNet Electricity Services and are recovered from its customers via charges for direct control services.

- Type 2 Capital Contributions
  This includes gifted assets and cash contributions from large, embedded generation projects where tax obligations, if incurred, are charged directly to the customer making the capital contribution.

Changes from previous year Basis of Preparation:

No material changes were adopted from the previous year, however table 8.2.8 is not applicable to AusNet.

Table 8.2.5 (B): Capital contributions by type – Alternative Control Services

Data reporting quality:

Actual

Estimated data:

No estimated data was used.

Null response:

No NULL responses.

Information source, methodology and assumptions:

Capital Contributions were determined using an SAP Report, classified into Asset Categories based on the same project categorisation used for table 8.2.3.

Additional information:

- Type 1 Capital Contributions

  Cash contributions, where tax obligations are incurred by AusNet Electricity Services and are recovered from its customers via charges for direct control services.

- Type 2 Capital Contributions

  This includes gifted assets from projects where tax obligations, if incurred, are charged directly to the customer making the capital contribution.

Capital Contributions by asset type is considered Actual Information as the data was sourced from SAP.

Changes from previous year Basis of Preparation:

No material changes were adopted from the previous year.

Table 8.2.6 - Disposals by asset class

Data reporting quality:

Actual.

Estimated data:

No estimated data was used.

Null response:

No NULL responses.

Information source, methodology and assumptions:

To determine 'Actual' values, a transaction listing was generated in SAP of the General Ledger account for asset sales and retirements. This was reviewed and the relevant disposals were identified and classified.

Additional information:

Disposals are defined as the gross proceeds from the sale of assets, including the retirement of Property Leases.

Changes from previous year Basis of Preparation:

No material changes were adopted from the previous year.

Table 8.2.7 - Immediate Expensing of Capex - Standard Control Services

Data reporting quality:

Estimate.

Estimated data:

Although the Refurbishment capital expenditure is sourced from the financial system for the current Regulatory Year, the capitalised indirect labour and non-labour overheads are not categorised by asset

class in SAP and were apportioned into the asset class categories based on capital expenditure reported in Table 8.2.4. Therefore, all information in table 8.2.7 is considered an estimate.

Null response:

No NULL responses.

Information source, methodology and assumptions:

AusNet Electricity Services' income tax assessment values are included as part of the AusNet Group income tax return that is lodged to the Australian Taxation Office which includes immediately deductible capital expenditure, that is based on the AusNet Group's statutory year, being 1 January to 31 December. The fixed assets that are immediately deducted for tax were sourced from the Corporate fixed asset register, which records such transactions. AusNet Electricity Services changed its policy to claiming the immediate expensing of capex to an 'incurred' basis from 2020. Historically this was based on when assets were commissioned.

Immediate Expensing capex consists of the replacement capital expenditure and the indirect labour and non-labour capitalised overheads for all types of capital expenditure. The replacement capex (that would be included in the tax return) was classified into capital expenditure categories. These categories were mapped by a SME into the Asset Classes prescribed in Table 8.2.7. Only immediately deductible SCS Capex was reported. AusNet Electricity Services excluded all expenditure related to Powerline Replacement Fund (**PRF**) projects which is deemed to be outside standard control services as it has a zero value in the RAB. PRF expenditure where applicable was identified using project description data in the asset register. In addition, all public lighting expenditure was identified via the asset class description provided by the SME and removed from the information reported.

AusNet Electricity Services capitalises a portion of its indirect and non-labour overheads. The capitalised indirect labour and non-labour overheads were apportioned into the asset class categories based on the actual capital expenditure reported in the Annual Regulatory Accounts. Through the apportionment methodology used; the capitalised indirect labour and non-labour share applicable to Alternative Control Services was excluded.

Additional information:

Immediate Expensing of Capex is the value of capital expenditure included in the regulatory or tax asset base that has been treated as immediately deductible for income tax purposes (e.g. refurbishments and overheads). Capex reported is consistent with the value of immediate expensing capital expenditure that would be included in the income tax returns lodged by AusNet Services. However, it should be noted that the AusNet Group's income tax return is based on a calendar year, while the regulatory accounts are based on a Regulatory Years. Reported values should reflect the values arising because of the ATO's decision-making process should the regulatory and tax years align.

Changes from previous year Basis of Preparation:

No material changes were adopted from the previous year.

8.4 Opex

Opex is the cost of operating and maintaining the network (excluding all capital costs and capital construction costs).

Standard Control Services and Alternative Control Services (**ACS**) are as defined in the Distribution Determination, applied to the Regulatory Year.

AusNet Electricity Services allocates costs directly to projects, assets and services where possible and appropriate. Where costs are not directly project costed, an indirect cost allocation methodology process is used to allocate costs across projects, assets and services. This is in accordance with the AER-approved CAM.

Table 8.4.1 - Operating & Maintenance Expenditure – By Purpose

Data reporting quality:

Actual/Estimate.

Estimated data:

We note the operating expenses are sourced from a mix of Actual and Estimated data depending on the expense type. For avoidance of doubt, we have explicitly stated the reporting quality of each item in the table below.

Expense	
Actual	**Estimate**
Network Operating Costs	Efficient/non-efficient public lighting split
Billing & Revenue Collection	Metering Expenses
Advertising, marketing & promotions	
Customer service	
Regulatory Expenses	
License Fee	
GSL Payments	
Non-network alternative costs	
Other costs	
Recoverable works	
SaaS expenses	
Routine (Maintenance)	
Routine (Condition-based)	

Expense	
Actual	Estimate
Routine (Emergency)	
Alternative Control (Other)	
Other	

- *Metering Expense Data: Total metering expenditure* was split a pro-rata basis using the respective meter volumes sourced from Table 4.2.2, between Smart and Legacy meters. This methodology was agreed with a metering SME.
- *Public Lighting Expenses:* Data was extracted from SAP based on work codes and projects. The information was allocated into Efficient and Non-Efficient based on the proportion of Efficient and Non-Efficient public lighting revenue.

Null response:

No NULL responses.

Information source, methodology and assumptions:

Information reported as 'Audited Statutory Accounts' was determined using information in Template 8.1 Income and the audited trial balance general ledger accounts where relevant.

Data reported in the 'Distribution Business' was calculated as the sum of SCS and ACS Opex in Table 8.4.1.

SCS Opex data was extracted from SAP by work code and project and classified into Opex Categories using work code and project data.

For ACS Opex, the following preparation approaches were applied:

- *Fee and Quoted:* Data was extracted from SAP based on work codes and projects.

Software as a Service (**SaaS**) expense has been reported as a stand-alone category under the "operating" section of table 8.4.1, in accordance with the AER's Advisory Note 2, issued by the AER to AusNet via email on 14 August 2023.

Additional information:

No additional information is required.

Changes from previous year Basis of Preparation:

Smart and Legacy Metering costs was not present in PY reporting and thus represents a change to PY Basis of Preparation.

Table 8.4.2 – Operating & Maintenance Expenditure – By Purpose – Related Party Margins

Data reporting quality:

Actual.

Estimated data:

No estimated data was used.

Null response:

No NULL responses.

Information source, methodology and assumptions:

AusNet Electricity Services did not incur any related party margins for the current regulatory year, nil amounts in this template reflect this fact.

Additional information:

No additional information is required.

Changes from previous year Basis of Preparation:

No changes were adopted from the previous year.

8.6 Indicative Asset Base Roll Forward

Table 8.6.1 - Asset Base Roll Forward SCS

Indicative total asset base roll forward (within period)

Data reporting quality:

Indicative RAB values only, as distinct from actual RAB values presented in 3.3 RAB.

Estimated data:

No estimated data was used.

Null response:

No NULL responses.

Information source, methodology and assumptions:

Opening RAB information was sourced from the AER's 2022-26 Final Decision PTRM for AusNet Services' SCS RAB. This includes the latest return on debt update PTRM for SCS (2025-26) containing forecast straight-line depreciation and information for the half-year WACC adjustment. The June 2021 opening RAB decision also includes forecast capex for 2020 and HY2021, as reflected at the time of the AER's Final decision. This forecast capex is not updated as per the AIO glossary definition for 'Indicative total asset base roll forward (within period)'.

For the roll forward calculation, information was sourced from the annual regulatory accounts, with exception as noted in 3.3 RAB for SCS for regulatory year 2023-24, including gross capex, capital contributions included in gross capex, and disposals. Forecast straight-line depreciation was sourced from the latest return on debt update PTRM for SCS (2025-26), adjusted for actual inflation. The capex timing adjustment was calculated using the nominal WACC as per the latest return on debt update PTRM for SCS (2025-26).

Additional information:

For property leases capitalised in the prior regulatory period (2016-21), the AER's preferred approach is to treat capex adjustments and disposals in the 2022-26 period relating to these leases as 'Final year asset adjustments' in the RFM (2025-26). This treatment is consistent with the AER's Draft Decision RFM for SCS published in September this year and it represents a timing difference between historical lease capex reported in the annual regulatory accounts and AIO 3.3 RAB template. Accordingly, both reported gross capex and the closing RAB value for the current regulatory year in Table 8.6.1 reflects this timing difference.

Changes from previous year Basis of Preparation:

No changes were adopted from the previous year, as this is a new requirement.

Indicative total tax asset base roll forward (within period):

Data reporting quality:

Indicative TAB values only.

Estimated data:

No estimated data was used.

Null response:

No NULL responses.

Information source, methodology and assumptions:

The opening tax asset base (TAB) value was sourced from the RAB roll forward calculation described above in Table 8.6.1. Actual tax depreciation for the current regulatory year was sourced from the depreciation tracking model. Both gross capex and disposals reconcile to the annual regulatory accounts for the current year, except as noted (above) for expenditure adjustments relating to prior period property leases. Gross capex for the current year is therefore consistent with gross capex reported for Indicative RAB roll forward (SCS).

Additional information:

No additional information is required.

Changes from previous year Basis of Preparation:

No changes were adopted from the previous year, as this is a new requirement.

Table 8.6.2 - Asset Base Roll Forward ACS

Data reporting quality:

Indicative RAB values only.

Estimated data:

No estimated data was used.

Null response:

No NULL responses.

Information source, methodology and assumptions:

The opening RAB values for Metering and Public Lighting were both sourced from the AER's Final Decision, including the latest return on debt update Metering PTRM (2022-26) and Public Lighting model (2022-26).

For the roll forward calculation, information was sourced from the annual regulatory accounts including gross capex, capital contributions included in gross capex, and disposals. An exception applies (as noted in 3.3 RAB) for Metering in the current regulatory year, where incremental capex and associated straight-line depreciation adjustments for Equity raising costs are reflected in the opening RAB value in Table 8.6.2, consistent with the roll forward approach. Actual straight-line depreciation was sourced from the AER's standardised depreciation tracking model. The capex timing adjustment was calculated using the nominal WACC as per the latest return on debt update PTRM for Metering (2025-26).

Additional information:

For property leases capitalised in the prior regulatory period (2016-21), the AER's preferred approach is to treat capex adjustments and disposals in the 2022-26 period relating to these leases as 'Final year asset adjustments' in the RFM (2025-26). This treatment is consistent with the AER's Draft Decision RFM for Metering published in September this year and it represents a timing difference between historical lease capex reported in the annual regulatory accounts and AIO 3.3 RAB template. Accordingly, the closing RAB value for the current regulatory year in Table 8.6.2 reflects this timing difference.

Changes from previous year Basis of Preparation:

No changes were adopted from the previous year, as this is a new requirement.

8.7 Profitability Tax Data

Table 8.7.1 Profitability Tax Data

Ownership Structure:

The ownership structure is reported as 'Private Sector Entity which is taxed as a company'. A 'Private Sector Entity which is taxed as a company' is defined as an entity or group of entities which is collectively subject to the Federal Income Tax Regime and taxed as a company (including tax consolidated groups).

The remaining sections have been reported as Null as this is only applicable for a flow through entity

Tax Asset Base Depreciation

Data reporting quality:

Estimate.

Estimated data:

Estimated tax depreciation. Refer below for methodology applied.

Null response:

No NULL responses.

Information source, methodology and assumptions:

The IR requires that the annualised tax depreciation of the Tax Asset Base (TAB) be reported. This was calculated using the TAB depreciation for the current year as sourced from the 'AER – AusNet Services Dx PTRM – 2025-26 RoD update (incl storm and VEBM CPT)', updated for actual CPI - 1 year lagged'. As per the Notice and a subsequent email from the AER, the tax depreciation value must be sourced from the final decision PTRM for AusNet Electricity Services. Therefore, information provided for the current year is an estimate.

Data reported for the current year includes the following items which took effect from 1 July 2021:

1. Immediate expensing of capex as part of AusNet Electricity Services' TAB roll-forward approach;
2. Accelerated tax depreciation in the TAB associated with approved asset class 'Secondary systems (pre-2016)', as reflected in the AER Final decision 2021-26 PTRM; and
3. Tax depreciation for approved capitalised lease asset classes.

Additional information:

No additional information is required.

Changes from previous year Basis of Preparation:

There was no change in preparation compared to previous year.

Tax Rate:

Data reporting quality:

Actual.

Estimated data:

No estimated data was used.

Null response:

No NULL responses.

Information source, methodology and assumptions:

The tax rate reported is based on the ownership structure discussed above.

Additional information:

No additional information is required.

Changes from previous year Basis of Preparation:

No changes were adopted from the previous year.

Taxable Income Adjustments

Data reporting quality:

Estimate.

Estimated data:

The tax provision for the period 1 January 2025 to 30 June 2025 is estimated information, this is due to the AusNet group tax return being prepared on a calendar year basis.

Null response:

No NULL responses.

Information source, methodology and assumptions:

Tax Loss Carried Forward

AusNet Electricity Services Pty Ltd is part of a tax consolidated group, following the acquisition of the AusNet Group by Australian Energy Holdings No.4 Pty Ltd on 16 February 2022.

The tax loss calculations are based on the proportional split of the estimated tax provision for the period 1 January 2025 to 30 June 2025 and the AusNet Group's actual tax return for the period 1 July 2024 to 31 December 2024, including any cumulative corrections to prior period estimates. In addition, AusNet Electricity Services Pty Ltd, excluded the impact of Shareholder Loan Interest Expense in its tax loss calculations.

Tax losses carried forward for AusNet Electricity Services Pty Ltd are reported if:

- AusNet Electricity Services Pty Ltd has a calculated tax loss on a standalone basis; and
- The tax consolidated group has a reported tax loss.

Total Taxable Revenue and/or Income for Customer Contributions and/or Gifted Assets

Data was sourced from the Annual AusNet Electricity Services' AIO submissions. It reflects contributions and gifted assets (Type 1 and Type 2) for Standard Control Services only. This data meets the AER's requirement (per email clarification received 12 January 2022) that customer contributions and gifted assets reported should reflect values included as 'capital contributions' in the PTRM/RFM.

This differs to the customer cash contributions that have been included as assessable taxable income - which are based on statutory accounting values as per the financial statements for tax purposes. Gifted assets are not included as assessable income for tax purposes.

Permanent Differences due to Disallowed Interest Expense

While AusNet Electricity Services, did incur a share of shareholder loan interest due to acquisition-related debt, this transaction created a Permanent difference as it is disallowed for tax purposes. AusNet Electricity Services did not report this amount in accordance with previous AER feedback that acquisition-related transactions should be excluded from this AIO.

Permanent Differences due to Adjustments to Prior Year Returns:

AusNet Electricity Services does not have any *material* adjustments to prior year returns.

Additional information:

No additional information is required.

Changes from previous year Basis of Preparation:

No changes were adopted from the previous year.

Interest Expense:

Data reporting quality:

Estimate.

Estimated data:

Refer below for description of debt allocation methodology.

Null response:

No NULL responses.

Information source, methodology and assumptions:

Interest Bearing Liabilities

Data reported reflects the liabilities held at 1 July 2024 to fund the operation of, and investment into, standard control services only.

Data was sourced from the treasury system, Quantum.

The majority of AusNet Services' interest-bearing liabilities are swapped to AUD floating rate debt and then floating-to-fixed interest rate swaps are entered into to align fixed rates of each regulated network in accordance with the Trailing Average Portfolio Approach methodology adopted by the AER (referred to as the 'macro portfolio').

In addition to the macro portfolio, there exists:

- Certain fixed rate debt that is unhedged but aligns to regulatory trailing average periods ('natural hedges').
- A residual portion of the AUD floating pool of debt (<10% in line with the treasury risk policy) is left unhedged.
- Floating rate working capital facilities that are unhedged.

The macro portfolio can be mapped into AusNet Services' three regulated networks, as specific interest rate swaps are taken out to cover the various stages of each regulatory reset period. This is performed as follows:

- A certain proportion of our total net debt portfolio is notionally allocated to each network such that this allocation represents ~60% of the networks' RAB values (on the basis that our RAB assets are approximately 60% debt funded).

- Interest rate swaps are taken out on the notional value of this debt for each network to match the cost of debt assumed by the regulator, with a maturity profile such that approximately 10% of swaps mature each year and thus 10% of the cost of debt can be aligned to the trailing average method. In some cases, the total notional value of interest rate swaps will be reduced where unhedged fixed rate debt in a 'natural hedge' is used.

Interest rate swaps are also taken out for unregulated assets on the same basis. However, these typically span the entire contract term and are fixed to the cost of debt assumed in the pricing of the contract. In addition, the notional value of these swaps will depend on the level of gearing in the pricing of the contract.

The remaining debt was allocated to the electricity network on a weighted-average basis using RAB and unregulated asset splits.

This calculation is carried out in the 'weighted average cost of debt' workbook used to allocate AusNet Services' interest expense for each month of the reporting period.

The above methodology derived the interest-bearing liabilities for the electricity network business. To determine the portion relating to standard control services, the split of assets by service classification was used. A review was performed of historical fixed asset register data to determine the split of electricity assets between Standard Control Services and Alternative Control Services assets. The data generated was for the 2017-2020 Regulatory Years. In all these years the split was 94% Standard Control Services assets and 6% Alternative Control Services assets. Accordingly, for the purposes for service classification allocation, the same split has been applied to interest bearing liabilities to determine allocations to Standard Control Services and Alternative Control Services. This results in the information reported being estimated information.

Interest Expense

Total net interest expense is allocated to AusNet Services' three regulated networks and the various unregulated assets monthly using the methodology outlined in the 'Interest bearing liabilities' section above. This is done by calculating a weighted average cost of debt for each network/unregulated asset taking the average rates of interest rate swaps and unhedged debt allocated to each.

To determine the component of Interest Expense that relates to standard control services, the ratio of assets (standard control vs alternative control) was applied to the electricity network interest expense. Refer to the Interest-Bearing Liabilities section above. This results in the information reported being considered estimated information.

Additional information:

The external debt raised as part of the consideration paid by Australian Energy Holdings No.4 Pty Ltd as part of the acquisition of AusNet Group on 16 February 2022, has been carved out from the calculations of all interest-bearing liabilities and interest expense amounts.

Changes from previous year Basis of Preparation:

No changes were adopted from the previous year.

9.5 TUoS Audit (t-2)

Table 9.5.1 - TUOS Charges (AEMO)

Data reporting quality:

Actual.

Estimated data:

No estimated data was used.

Null response:

No NULL responses.

Information source, methodology and assumptions:

'TUOS charges (AEMO)' was populated based on AEMO monthly invoices.

Additional information:

No additional information is required.

Changes from previous year Basis of Preparation:

Transmission connection fees information source description moves to Table 9.5.2 section.

Cross boundary network charges information source, methodology and assumptions have been deleted. This was done to reflect the table being removed from 9.5 TUOS Audit (t-2).

'Payments to embedded generators – Avoided TUOS' methodology move to Table 9.5.4 section.

Table 9.5.2 - Transmission Connection Fees

Data reporting quality:

Actual.

Estimated data:

No estimated data was used.

Null response:

No NULL responses.

Information source, methodology and assumptions:

To populate the table 'Transmission connection fees', a listing of connection fees was sourced from AusNet Services SAP financial system. No adjustments were required to be made to the fees.

Additional information:

No additional information is required.

Changes from previous year Basis of Preparation:

Transmission connection fees information source description moved from Table 9.5.1 section.

Table 9.5.4 - Payments to Embedded Generators

Data reporting quality:

Actual.

Estimated data:

No estimated data was used.

Null response:

No NULL responses.

Information source, methodology and assumptions:

'Payments to embedded generators – Avoided TUOS', the listing of projects is sourced from records of generators connected to the network. The charges for all projects are based on actual payments relating for the Regulatory Year 1 July 2024 – 30 June 2025.

Additional information:

No additional information is required.

Changes from previous year Basis of Preparation:

'Payments to embedded generators – Avoided TUOS' methodology moved from Table 9.5.1 section.

P1. Cost Reflective Tariffs

All NMI counts reported in sheet P1 reflect energised NMIs only.

Table P1.1.1 - Energy Delivered By Meter Type - Cost Reflective Tariff Customers

Data reporting quality:

Actual.

Estimated data:

No estimated data was used.

Null response:

No NULL responses.

Information source, methodology and assumptions:

The starting point for this table was the total energy delivered per cost-reflective tariff, as reported in Table P1.1.2. Energy volumes were grouped by tariff class (e.g., Residential, LV Small Business) based on the associated tariff codes to determine the total energy delivered per tariff class.

NMIs for Type 1–3, Type 5, and Type 6 meters for cost reflective tariffs were identified as part of Table P1.1.3. The energy delivered by these NMIs was extracted from the billing database and grouped by tariff class to calculate energy volumes by meter type and tariff class.

The energy delivered by Type 7 meters was the same as energy delivered by tariff NEE52(Unmetered) in the LV Non-Residential Customers table. Although HV customers on NEE93 (Large Latrobe Valley open cut supplies) are also unmetered, the reporting template does not include a "Meter Type 7" option under the HV Non-Residential Customers table. Consequently, energy delivered by tariff NEE93 are reported as Type 4.

The energy delivered by Type 4 meters was calculated as a balancing figure which is equal to the total energy delivered per tariff class minus the sum of energy delivered by Type 1–3, Type 5, type 6 and Type 7 meters within that class.

Additional information:

No additional information is required.

Changes from previous year Basis of Preparation:

This is a new table added in RY25 AIO.

Table P1.1.2 - Energy Delivered By Tariff Type - Cost Reflective Tariff Customers

Data reporting quality:

Actual.

Estimated data:

No estimated data was used.

Null response:

No NULL responses.

Information source, methodology and assumptions:

Energy delivered under each tariff code was extracted from the billing system - Kinetiq. The data was then filtered to include only records associated with cost reflective tariff codes.

Additional information:

No additional information is required.

Changes from previous year Basis of Preparation:

This is a new table added in RY25 AIO.

Table P1.1.3 - Number Customers By Meter Type - Cost Reflective Tariff Customers

Data reporting quality:

Actual.

Estimated data:

No estimated data was used.

Null response:

No NULL responses.

Information source, methodology and assumptions:

The starting point for this table was the total number of energised NMIs per cost-reflective tariff, as reported in Table P1.1.4. These NMIs were grouped by tariff class (e.g., Residential, LV Small Business) based on the tariff code, to derive the total customer count per tariff class.

Customer numbers for **Type 1–3**, **Type 5**, **Type 6** and **Type 7** meters were calculated using the following methodology:

- **Type 1–3 meters**: Derived by an extract from AusNet Services' SAP Customer Information System (i.e., customer database) then cross referencing a table from customer database containing NMIs to tariff code mapping. For example, Type 1-3 NMIs with tariff code *NAST12* were counted under "LOW VOLTAGE SMALL BUSINESS CUSTOMERS" in Table P1.1.3.
- **Type 5 meters**: Identified by extracting the number of 'MIRM' meters from the customer database and joining with the NMI-to-tariff mapping table to include only cost-reflective tariff customers. For example, Type 6 NMIs with tariff code *NASN21* were counted under "LOW VOLTAGE SMALL BUSINESS CUSTOMERS" in Table P1.1.3.
- **Type 6 meters**: Derived by extracting the number of 'basic' meters from the customer database, then joining this data with the NMI-to-tariff mapping table to isolate customers on cost-reflective tariffs. For example, Type 6 NMIs with tariff code *NEE60* were counted under "LOW VOLTAGE NON-RESIDENTIAL CUSTOMERS" in Table P1.1.3.
- **Type 7 meters**: This category applies to unmetered customers. According to the definition, customers on tariff NEE52 (Unmetered) are classified under Type 7. Although HV customers on NEE93 (Large Latrobe Valley open cut supplies) are also unmetered, the reporting template does not include a "Meter Type 7" option under the HV Non-Residential Customers table. Consequently, NEE93 customers are reported as Type 4.

The number of **Type 4 meters** was calculated as a balancing figure: the total customer count per tariff class minus the sum of Type 1–3, Type 5, Type6 and Type 7 meters per tariff class.

Additional information:

No additional information is required.

Changes from previous year Basis of Preparation:

In previous years, customer numbers by meter type were reported across all tariff codes collectively. This year, the reporting has been changed to report customer numbers by meter type separately for cost-reflective and non-cost-reflective tariff categories.

In addition, included methodology to populate customers for Type 7 meters.

Table P1.1.4 - NMI Count By Tariff Type - Cost Reflective Tariff Customers

Data reporting quality:

Actual.

Estimated data:

No estimated data was used.

Null response:

No NULL responses.

Information source, methodology and assumptions:

This information was extracted from the customer database, which contains all NMIs by tariff code, by energised status. To populate Table P1.1.4, the data was filtered to include only NMIs associated with cost reflective tariff codes. Only NMIs with an energised status of 'Energised' were selected for reporting.

Additional information:

No additional information is required.

Changes from previous year Basis of Preparation:

No changes were adopted from the previous year.

Table P1.2.1 Energy Delivered By Meter Type - Non-cost Reflective Tariff Customers

Data reporting quality:

Actual.

Estimated data:

No estimated data was used.

Null response:

No NULL responses.

Information source, methodology and assumptions:

The starting point for this table was the total energy delivered per cost-reflective tariff, as reported in Table P1.2.2. Energy volumes were grouped by tariff class (e.g., Residential, LV Small Business) based on the associated tariff codes to determine the total energy delivered per tariff class.

NMIs for Type 1–3, Type 5, and Type 6 meters for non-cost reflective tariffs were identified as part of Table P1.2.3. The energy delivered by these NMIs was extracted from the billing database and grouped by tariff class to calculate energy volumes by meter type and tariff class.

The energy delivered by Type 4 meters was calculated as a balancing figure—equal to the total energy delivered per tariff class minus the sum of energy delivered by Type 1–3, Type 5, and Type 6 meters within that class.

Additional information:

No additional information is required.

Changes from previous year Basis of Preparation:

This is a new table added in RY25 AIO.

Table P1.2.2 - Energy Delivered By Tariff Type - Non-cost Reflective Tariff Customers

Data reporting quality:

Actual.

Estimated data:

No estimated data was used.

Null response:

No NULL responses.

Information source, methodology and assumptions:

Energy delivered under each tariff code was extracted from the billing system - Kinetiq. The data was then filtered to include only records associated with non-cost reflective tariff codes.

Additional information:

No additional information is required.

Changes from previous year Basis of Preparation:

This is a new table added in RY25 AIO.

Table P1.2.3 - Number Customers By Meter Type - Non-cost Reflective Tariff Customers

Data reporting quality:

Actual.

Estimated data:

No estimated data was used.

Null response:

No NULL responses.

Information source, methodology and assumptions:

The starting point for this table was the total number of energised NMIs per cost-reflective tariff, as reported in Table P1.2.4. These NMIs were grouped by tariff class (e.g., Residential, LV Small Business) based on the tariff code, to derive the total customer count per tariff class.

Customer numbers for **Type 1–3**, **Type 5**, and **Type 6** meters were calculated using the following methodology:

- **Type 1–3 meters**: Derived by an extract from AusNet Services' SAP Customer Information System (i.e., customer database) then cross referencing a table from customer database containing NMIs to tariff code mapping.
- **Type 5 meters**: Identified by extracting the number of 'MIRM' meters from the customer database and joining with the NMI-to-tariff mapping table to include only cost-reflective tariff customers. For example, Type 6 NMIs with tariff code *NEE12* were counted under "LOW VOLTAGE SMALL BUSINESS CUSTOMERS" in Table P1.2.3.
- **Type 6 meters**: Derived by extracting the number of 'basic' meters from the customer database, then joining this data with the NMI-to-tariff mapping table to isolate customers on cost-reflective tariffs. For example, Type 6 NMIs with tariff code *NEE11* were counted under "RESIDENTIAL CUSTOMERS" in Table P1.2.3.

The number of **Type 4 meters** was calculated as a balancing figure: the total customer count per tariff class minus the sum of Type 1–3, Type 5, and Type 6 meters per tariff class.

Additional information:

No additional information is required.

Changes from previous year Basis of Preparation:

In previous years, customer numbers by meter type were reported across all tariff codes collectively. This year, the reporting has been changed to report customer numbers by meter type separately for cost-reflective and non-cost-reflective tariff categories.

Table P1.2.4 - Distribution Customer Numbers By Tariff Type - Non-cost Reflective Tariffs

Data reporting quality:

Actual.

Estimated data:

No estimated data was used.

Null response:

No NULL responses.

Information source, methodology and assumptions:

This information was extracted from the customer database, which contains all NMIs by tariff code, by energised status. To populate Table P1.1.4, the data was filtered to include only NMIs associated with non-cost reflective tariff codes. Only NMIs with an energised status of 'Energised' were selected for reporting.

Additional information:

No additional information is required.

Changes from previous year Basis of Preparation:

No changes were adopted from the previous year.

Table P1.3.3 - Customer Numbers By Meter Type - Secondary Tariff Customers

AusNet Electricity, does not have the secondary tariff and has not disclosed any information in the template.

AusNet Services

Level 31
2 Southbank Boulevard
Southbank VIC 3006
T +613 9695 6000
F +613 9695 6666
Locked Bag 14051 Melbourne City Mail Centre Melbourne VIC 8001
www.AusNetservices.com.au

Follow us on

@AusNetServices
@AusNetServices
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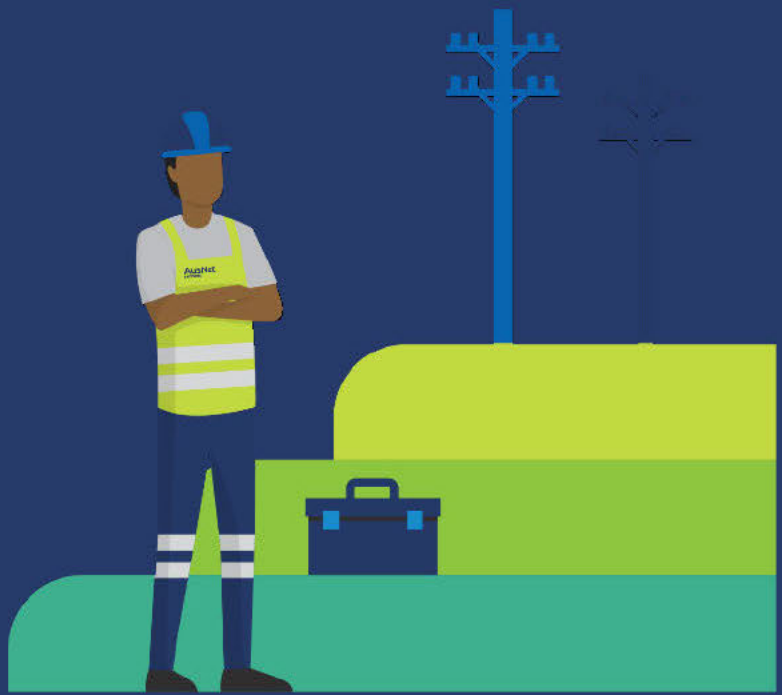

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