
Technical Document: Non-Network Capital Expenditure

2023-27 Transmission Revenue Reset

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1 Executive Summary

AusNet Services is a regulated Victorian Transmission Network Service Provider (TNSP) that supplies electricity transmission services. Our electricity transmission network covers all of Victoria and Melbourne metropolitan area.

As expected by our customers and required by the various regulatory instruments that we operate under, AusNet Services aims to maintain service levels at the lowest possible cost to our customers. To achieve this, we develop forward-looking plans that aim to maximise the present value of economic benefit to all those who produce, consume and transport electricity in the National Electricity Market (NEM).

This report presents our forward-looking investment plans for non-network equipment such as fleet vehicles, tools, and property. A significant change in the organisational structure of AusNet Services in the past 12 months is outsourcing of field crews to Zinfra. This transfer of employees and vehicles has resulted in an increase in the required CAPEX in the 2023-2027 FY regulatory period.

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2 Introduction

This report outlines the forecasted expenditure for non-network assets over the 2022-2027 FY regulatory period excluding IT expenditure. It breaks down the expenditure into categories of property, fleet, tools, and general expenditure.

The forecast was built from the bottom up with various components contributing to the calculation. Some components are based on historical expenditure and estimates whilst others are based on known lists of currently held assets as described in the following sections.

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3 Major Depot and Stations Acquisitions

There is no forecasted expenditure for Major Depot and Stations Acquisitions.

It is not expected that the CEOT will be relocated during the 2022-2027 regulatory period. Relocation may be deferred until the 2028-2032 regulatory period.

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4 Depot and Stations Refurbishment and Upgrades

AusNet Services owns many buildings and properties and is responsible for their management and maintenance. These buildings include staff workplaces such as depots and storage locations for plant and equipment. Refurbishment and upgrade expenditure are necessary to ensure existing sites are suitable to support the services delivered from each site. This typically involves items such as:

- Ongoing minor building works such as installation of partitions
- Purchase and replacement of building capital items such as air conditioners
- Replacement of items such as roofs

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5 Motor Vehicle and Mobile Plant Fleet

AusNet Services maintains a fleet of vehicles both owned and leased. These vehicles are used to carry out routine work on the network, to respond to network events, to travel between our office sites and to travel to meet stakeholders.

5.1 Fleet register

A list of 87 vehicles currently on AusNet Services' fleet register was extracted. For each vehicle, the list provides a description of the vehicle, the employee to whom it has been allocated, its estimated cost and the date of lease expiry.

5.2 Expenditure Profile

The current fleet policy is to purchase vehicles at the cessation of the current leases.

The volume of vehicles purchased each financial year could also be derived from the fleet extract.

Table 1: Purchased vehicles each financial year

Category	2022/23	2023/24	2024/25	2025/26	2026/27
Car	9	8	11	5	6
EWP	0	0	0	0	0
Heavy Commercial Vehicle	0	0	0	0	0
Light Commercial Vehicle	13	19	21	15	15
Total	22	27	32	20	21

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6 BAU Minor Tools and Equipment

Expenditure in this category is comprised of spending on tools and measurement equipment. The following table shows the spending on tools and equipment for the next regulatory period. It is assumed that the forecast expenditure of [C-I-C] per year will continue throughout the regulatory period.

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7 CAPEX General Equipment

Other miscellaneous capital items are included in this category. It is assumed that the forecast expenditure of [C-I-C] per year will continue throughout the regulatory period.

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