

# **Statement of Compliance with Clause 71YA of the NEL**

## **2023-27 Transmission Revenue Reset**

**PUBLIC**

**Submitted: 29 October 2020**

## 1 NER requirements

### 1.1 Key points

Section 71YA(2) of the National Electricity Law (NEL) prohibits a network service provider from including in its regulatory proposal expenditure or costs resulting from or incidental to merits review and other non-judicial review proceedings conducted under Division 3 of the NEL (71YA Costs). A network service provider must not recover or seek a pass through of any such expenditure or costs.

Where any 71YA Costs have been incurred or are forecast to be incurred by AusNet Services, item 26.1 of Schedule 1 of the RIN requires AusNet Services to identify the expenditure or cost and provide a statement attesting that:

- AusNet Services has not included any of that expenditure or cost, or any part of that expenditure or cost, in the capital or operating expenditures contained in its regulatory proposal; and
- AusNet Services has not recovered any of that expenditure or cost, or any part of that expenditure or cost, from end users; and
- AusNet Services has not sought to pass through any of that expenditure or cost, or any part of that expenditure or cost, to end users.

This statement is provided in satisfaction of this requirement.<sup>1</sup>

## 2 Identification of relevant expenditure

AusNet Services' Audited Regulatory Accounts for the calendar years 2015, 2016 and 2017 contain costs incurred as a result of or incidental to merits review or other non-judicial review. These costs are set out in table 1 below.

**Table 2: Costs incurred as a result of or incidental to merits review or other non-judicial review (\$ nominal)**

	2015-16	2016-17	2017-18	Total
Legal fees	81,921	219,792	96,775	<b>398,488</b>

Source: AusNet Services

## 3 Statement of Compliance with Clause 71YA of the NEL

AusNet Services has identified 71YA Costs and has made the following adjustments to ensure compliance with section 71YA of the NEL:

- All 71YA Costs have been removed from AusNet Services' operating expenditure for the purposes of calculating the EBSS carryovers in 2023-27 regulatory control period.
- No 71YA Costs were incurred past 2017-2018, so no further adjustment to AusNet Services' expenditure forecasts is necessary.

<sup>1</sup> Clause 6.8.2(d) of the NER states that a regulatory proposal must comply with the requirements of, and must contain or be accompanied by the information required by, any relevant regulatory information instrument (which includes the RIN issued by the AER to AusNet Services).

Accordingly, I confirm that:

- AusNet Services has not included any expenditure or cost to which s 71YA applies that it has incurred, or any part of that expenditure or cost, in the capital or operating expenditure forecasts contained in this regulatory proposal; and
- AusNet Services has not recovered any expenditure or cost to which s 71YA applies, or any part of that expenditure or cost, from end users; and
- AusNet Services has not sought to pass through any expenditure or cost to which s 71YA applies, or any part of that expenditure or cost, to end users; and
- in satisfaction of item 26.1 of the RIN, AusNet Services is not forecast to incur any expenditure or cost to which s 71YA applies in the 2023-27 regulatory control period.

Signed:



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Strategy  
AusNet Transmission Group Pty Ltd

29 October 2020