31 January 2023

Attachment 5.10.c - Heavy commercial vehicles program

Ausgrid's 2024-29 Regulatory Proposal

Empowering communities for a resilient, affordable and net-zero future.

Ausgrid

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1. Document governance

1.1. Purpose of this document

The purpose of this document is to outline a business case for Ausgrid's heavy commercial vehicle replacement program that may, subject to investment governance processes, form part of Ausgrid's 2024-29 regulatory proposal.

Related documents

Document	Version	Author
Fleet Strategy – 2024-29 Regulatory Proposal Support Document	V1.0	Tim Kynoch
Fleet Capital Expenditure Strategy – Benefits Assessment Approach	V1.0	Craig Calder
Ausgrid Fleet NPV Model	Final	Ernst & Young

Document history

Date	Version	Comment	Person
17/10/2022	V0.2	Initial draft	Damon Taylor

Approval(s)

Name	Position	Date
Kelly Wood	EGM Network Delivery Services	

2. Executive summary

The table below provides a summary of Ausgrid's heavy commercial vehicle replacement program business case. It provides a recommendation derived from analysis of five options overall, informed by Ausgrid's experience in operating heavy commercial vehicles during the current (2019-24) regulatory period. The proposed program of work, if approved, would deliver net benefits of $3.7 million based on our net present value (**NPV**) modelling.

Executive summary							
Key objective(s) of the program	Ausgrid's fleet capex program is focused on improving employee and public safety, standardising vehicle types to obtain improved pricing, optimising through-life costs, and improving fleet capability, utilisation and sustainability. During the 2024-29 regulatory period, the program for heavy commercial vehicles will renew 76 existing assets that have reached end of determined useful life, while increasing the level of standardisation and optimisation within the fleet. Asset replacement will be guided by a bottom-up build of fleet requirements that includes Minimum Level Operating Capability statements approved by the business. Failure to replace heavy commercial vehicles or adopting a run to failure approach is not considered acceptable due to the significant impacts such a strategy would have to operating costs, productivity, and employee and public safety.						
Key benefits	• Increased employee and public safety • Increased employee mobility and productivity • Reduced operating costs • Reduced carbon emissions						
Safety considerations	A heavy vehicle is defined by Heavy Vehicle National Law (**HVNL**) as one that has a gross vehicle mass (**GVM**) or aggregate trailer mass (**ATM**) of more than 4.5 tonnes. As an operator of heavy vehicles, Ausgrid, its executive and management have obligations under the HVNL's Chain of Responsibility (**CoR**) regime. Compliance with CoR legislation is essential to ensure network operations are able to continue. Such a compliance requirement is significant due to CoR's application to any party that has the capacity to control or influence heavy vehicle operations, including indirectly through decisions related to investment and operating cost.						
Recommended Option & Rationale	Option 2: BAU Replacement • Unlocks second most net economic benefits of options assessed • Represents an appropriate balance of capital investment and operating cost reduction, without compromising customer outcomes						
Market NPV	$3.7 million						
Expenditure forecast	**($M Real, FY24)**	**FY25**	**FY26**	**FY27**	**FY28**	**FY29**	**Total**
	CAPEX	2.7	3.5	3.0	3.5	1.3	**14.0**
	OPEX benefits	0.1	0.3	0.4	0.6	0.6	**2.0**
	CAPEX benefits	0.6	0.8	0.7	0.9	0.4	**3.5**

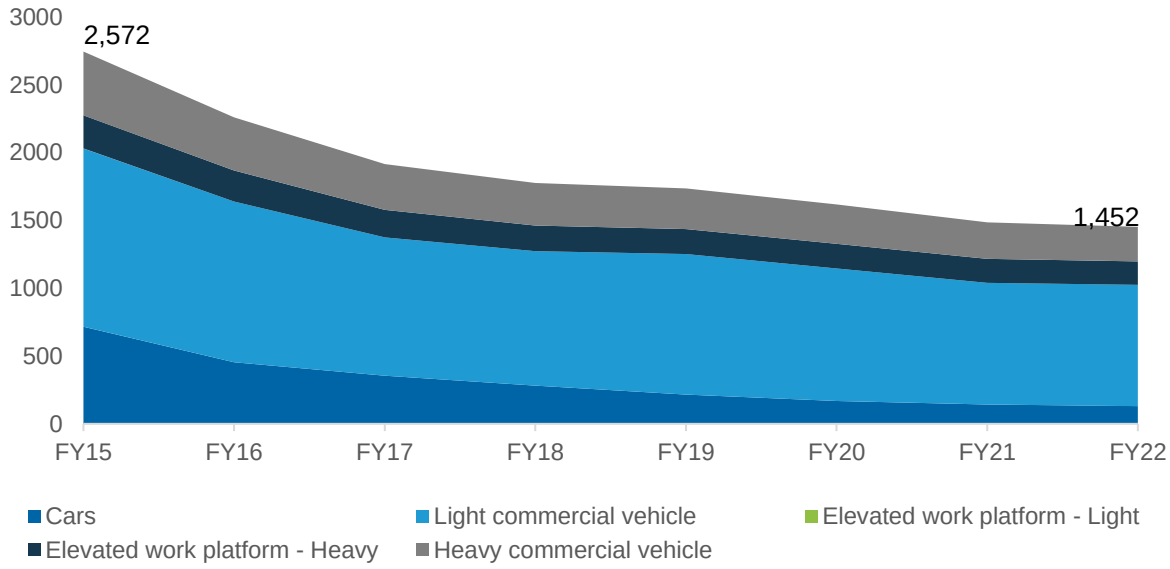
3. CONTEXT

3.1. Background

Ausgrid's fleet of heavy commercial vehicles supports the efficient delivery of network maintenance and capital delivery. Heavy commercial vehicles account for approximately 10% of overall fleet number and transport a variety of different network equipment, including cable, oil, and spoil. Heavy commercial vehicles are also used for role-specific applications such as cable jointing and high voltage testing. Capital investment within the heavy commercial vehicle portfolio is driven by business need and determined useful life.

Ausgrid's 2024-29 heavy commercial vehicle program considers fleet reductions already realised, as well as future opportunities that exist to relocate, reallocate or outright reduce vehicles in order to optimise the overall fleet portfolio. To facilitate this reduction, Ausgrid has leveraged data provided by In-Vehicle Monitoring Systems (**IVMS**) installed across all heavy commercial vehicles to better understand utilisation, optimise the fleet and reduce operating costs. In combination with previous fleet rationalisation initiatives, this has resulted in a reduction of 216 heavy commercial vehicles since FY15 as shown in **Figure 1**.

Figure 1 – Ausgrid motor vehicle fleet: FY15 to FY22



3.2. Problem / Opportunity

With an average age of around 10 years across 230 individual assets (see **Figure 1** and **Figure 2** below), a significant number of Ausgrid's heavy commercial vehicles are either rapidly approaching the end of their determined useful life of 15 years or else have already surpassed this milestone.

Figure 2 – Heavy Commercial Vehicles by Age and Count

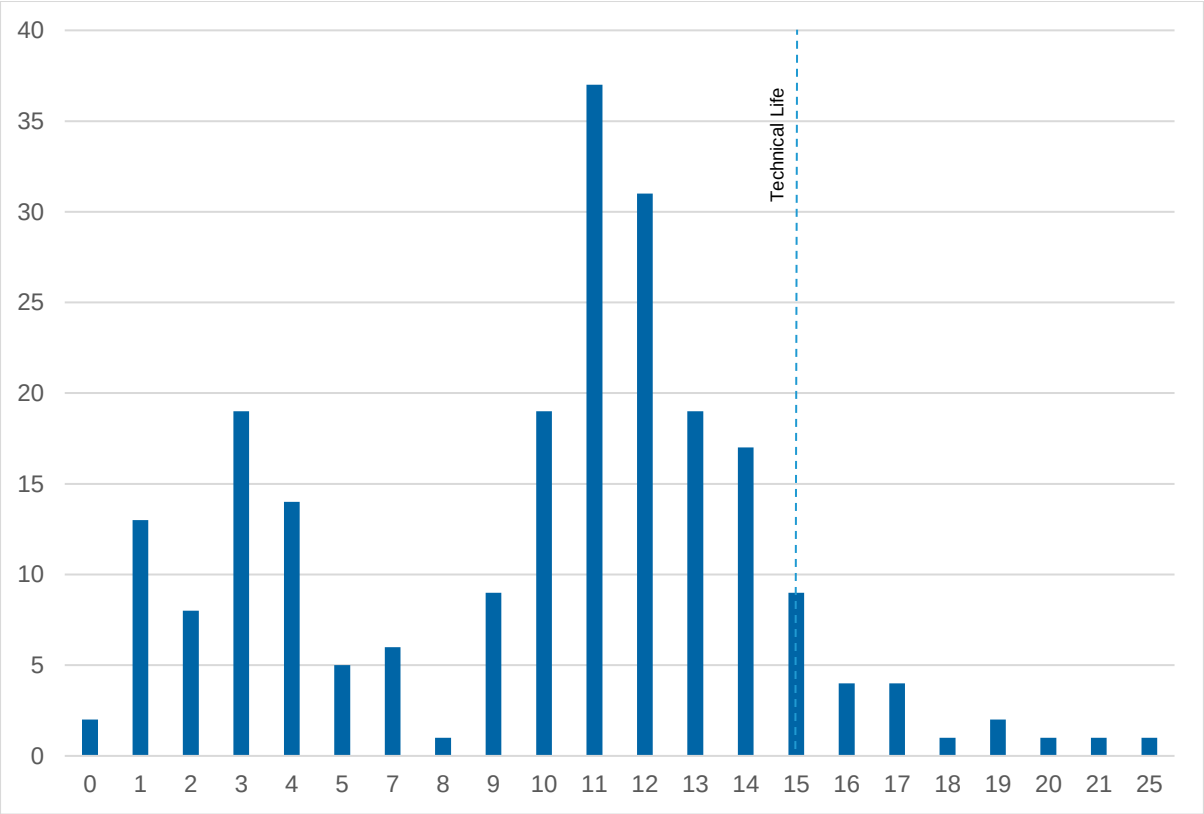
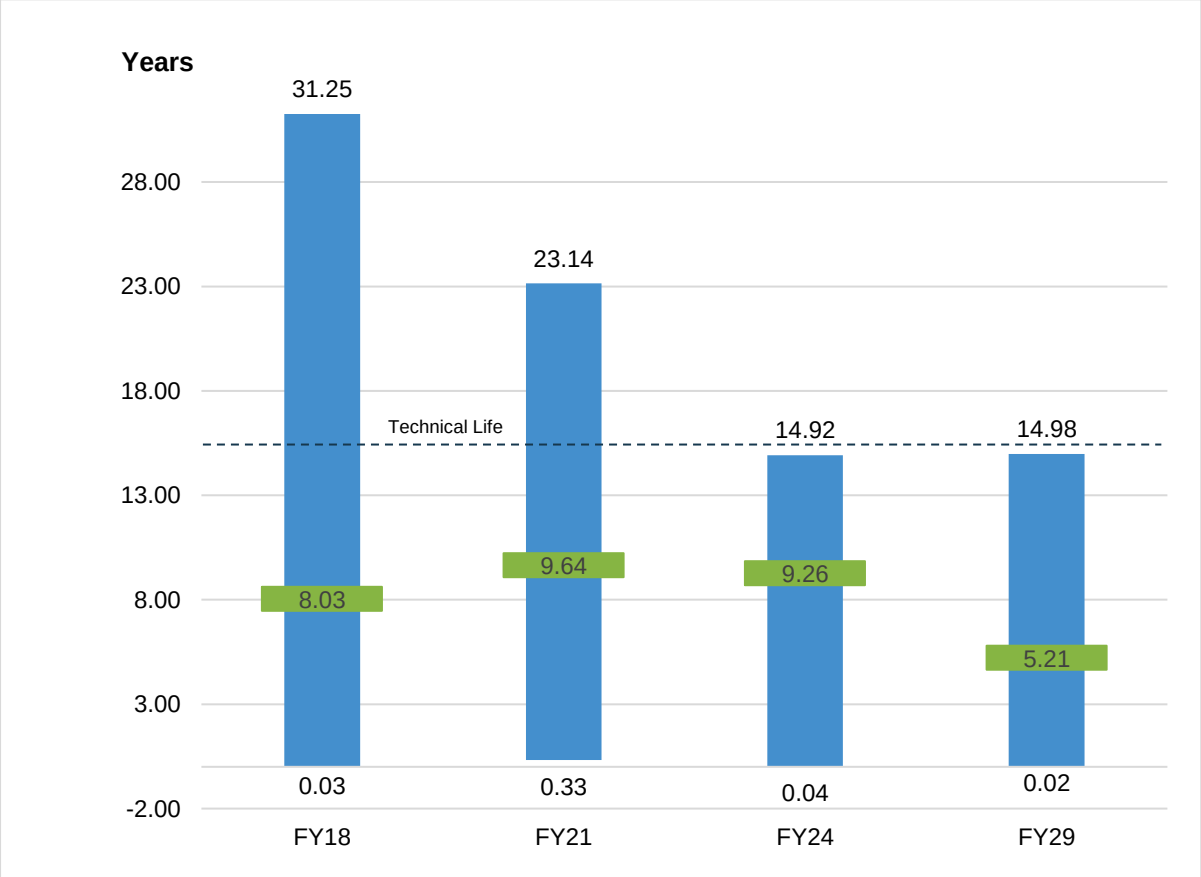


Figure 3 – Heavy Commercial Vehicles – Historic & Projected Maximum, Minimum and Average Ages



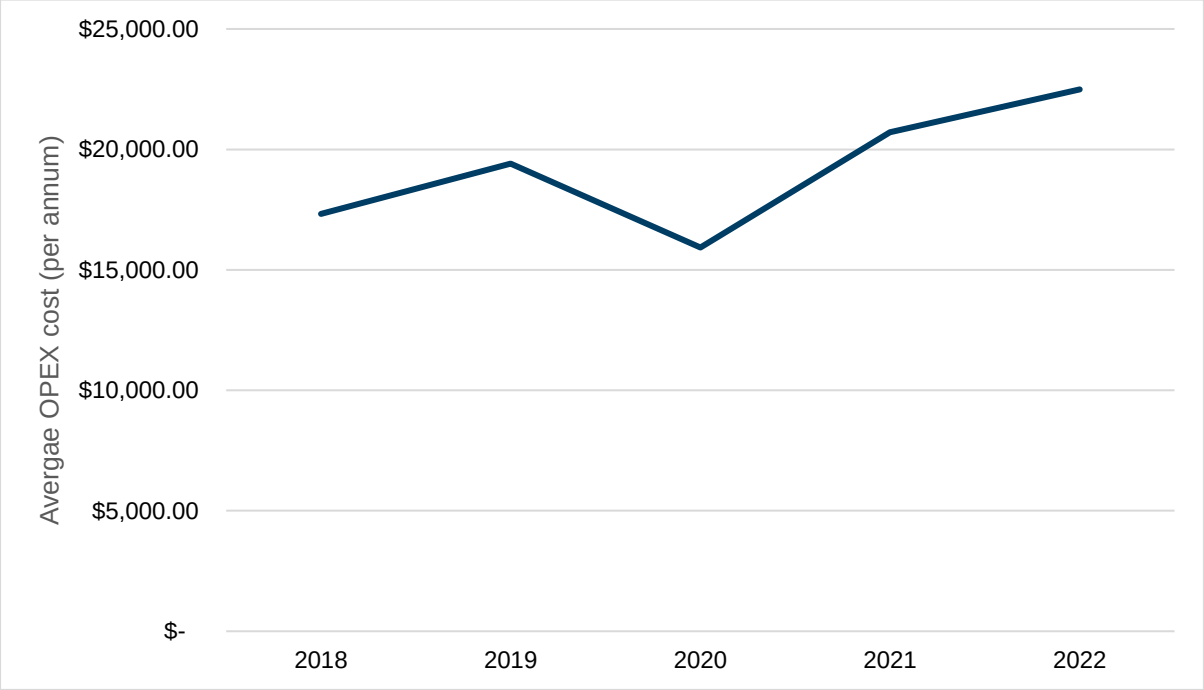
When Ausgrid enters the next Regulatory Period in 2024 and despite investment in the intervening period, a significant number of heavy commercial vehicles will start to fall due for replacement according to their technical life of 15 years.

Replacement at this point is considered prudent in order to support the transport of network equipment, role-specific capability and staff mobility, all of which contribute to the efficient delivery of network maintenance and capital delivery. In particular, renewal of the heavy commercial vehicle fleet increases its reliability, reduces ongoing maintenance, repair costs and carbon emissions, and implements newer vehicle safety technology to better protect both Ausgrid staff and members of the public.

Conversely, failure to replace heavy commercial vehicles or adopting a run to failure approach is not considered acceptable due to the significant impacts such a strategy would have to operating costs, productivity, and employee and public safety.

Figure 4 below shows a noticeable increase in heavy commercial vehicle operating costs since 2018 as assets in this category have aged.

Figure 4 – Heavy Commercial Vehicles: average operating cost per annum over time



3.3. Safety Considerations

Ausgrid Fleet Replacement Guidelines stipulate that the technical life of heavy commercial assets is 15 years. This is comparable with the technical life maintained for heavy commercial vehicles by other distribution network service providers (**DNSP**s) and contractors as shown in **Figure 5** below.

Figure 5 – Fleet lifecycle benchmarking

Company	Passenger Vehicles	**Light Commercial Vehicles**	**Heavy Commercial Vehicles & Plant**
Essential Energy	60 months / 150,000 km	60 months / 150,000 km	10-15 years
Powerlink	48 months	48 – 84 months	8-10 years
Ergon	48 months / 100,000 km	150,000 km	10-15 years
Energex	3 or 5 years	60 months	10-15 years
SA Power Networks	60 months / 150,000 km	60 months / 150,000 km	10 years (EWP) 15 years (crane)
Powercor	60 months / 150,000 km	60 months / 150,000 km	10-15 years (EWP) 10 years (HCV)
Downer	36 months / 90,000 km	36 months / 90,000 km	7-10 years
Jemena	60 months / 150,000 km	60 months / 150,000 km	10-15 years (EWP) 10 years (HCV)
Ausgrid	**60 months / 150,000 km**	**84 months / 150,000 km**	**15 years**

Source: sgfleet (included in Jemena – Attachment 05-01 – Forecast capital expenditure report – 31 January 2020, p. 114)

More significantly, the majority of Ausgrid's heavy commercial vehicles are defined by HVNL as heavy vehicles and as such, are subject to management under CoR. As an operator of heavy vehicles, Ausgrid, its executives and management have obligations under the HVNL and with respect to CoR. Guidance from the National Heavy Vehicle Regulator (NHVR) states that safety systems and controls should be in place to prevent HVNL breaches, to manage risks and maintain a safe road environment.

While CoR requirements have a broad focus on parties directly involved in the heavy vehicle transport chain, the legislation also makes clear that it is relevant to all parties that have the capacity to control or influence heavy vehicle operations. This brings into stark focus decisions made with respect to maintenance, repair and ultimately replacement of assets in this category.

3.4. Procurement Strategy

To support the heavy commercial vehicle replacement program, a procurement strategy is developed and approved each financial year for all fleet asset classes. Ausgrid utilises the purchasing power of the NSW Government (as a minority shareholder) to obtain the best available market rates for heavy commercial vehicles and enters into manufacturer-specific agreements to obtain further discounts where applicable.

4. NPV Methodology & Approach

4.1. Overview of Cash & Probablistic Benefits

The NPV modelling conducted for the 2024-29 Fleet Capital Expenditure Program for Heavy Commercial Vehicles considers the following cash and probabilistic benefits:

- Maintenance costs;
- Repair and breakdown costs;
- Fuel costs;
- Disposal proceeds; and
- Carbon emissions.

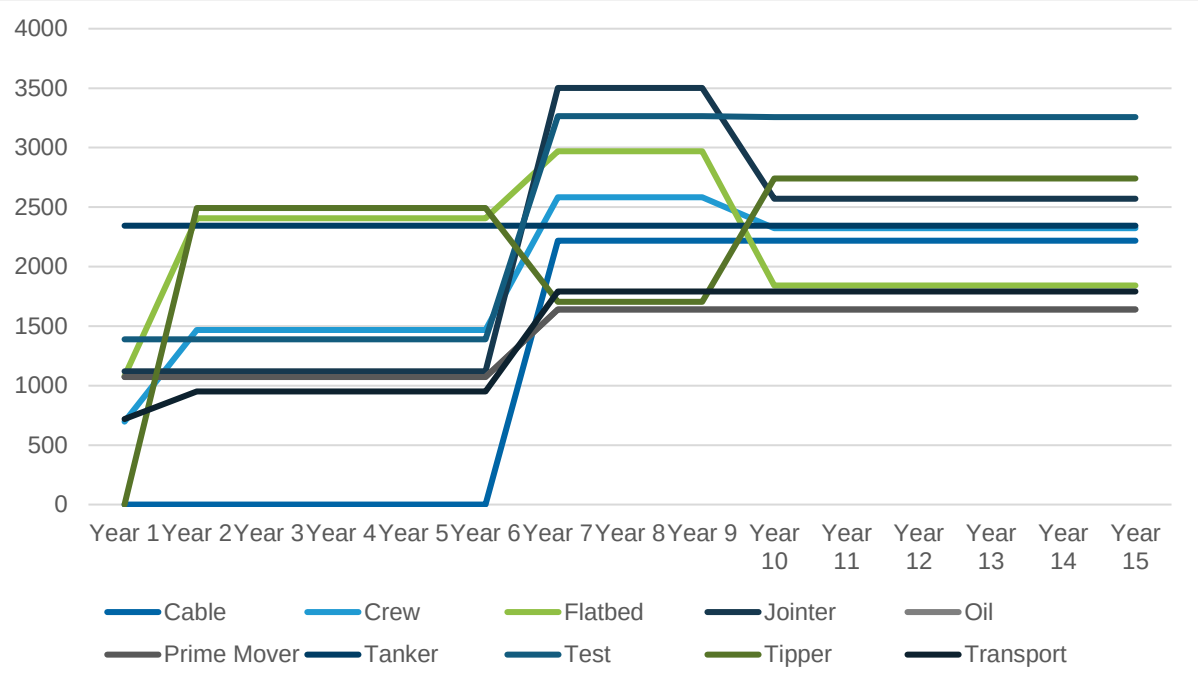
4.2. Maintenance costs

Financial data sourced from the Plant Maintenance (**PM**) module of Ausgrid's Enterprise Resource Platform (**ERP**) has been used to calculate the average annual maintenance cost by asset age and exhibits significant cost step changes for crew truck, flatbed, jointer, oil, and test truck assets at Year 7 as shown in **Figure 6** and **Figure 7** below. Conversely, tipper assets experience a decrease in maintenance costs at this point.

Figure 6 – Average annual maintenance costs by asset age ($)

Asset Class	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11	Year 12	Year 13	Year 14	Year 15
Cable	-	-	-	-	-	-	2,218	2,218	2,218	2,218	2,218	2,218	2,218	2,218	2,218
Crew	697	1,468	1,468	1,468	1,468	1,468	2,583	2,583	2,583	2,322	2,322	2,322	2,322	2,322	2,322
Flatbed	1,079	2,406	2,406	2,406	2,406	2,406	2,970	2,970	2,970	1,842	1,842	1,842	1,842	1,842	1,842
Jointer	1,120	1,120	1,120	1,120	1,120	1,120	3,502	3,502	3,502	2,570	2,570	2,570	2,570	2,570	2,570
Oil	1,072	1,072	1,072	1,072	1,072	1,072	1,640	1,640	1,640	1,640	1,640	1,640	1,640	1,640	1,640
Prime Mover	1,733	2,961	2,961	2,961	2,961	2,961	2,624	2,624	2,624	2,624	2,624	2,624	2,624	2,624	2,624
Tanker	2,344	2,344	2,344	2,344	2,344	2,344	2,344	2,344	2,344	2,344	2,344	2,344	2,344	2,344	2,344
Test	1,389	1,389	1,389	1,389	1,389	1,389	3,265	3,265	3,265	3,258	3,258	3,258	3,258	3,258	3,258
Tipper	-	2,493	2,493	2,493	2,493	2,493	1,705	1,705	1,705	2,741	2,741	2,741	2,741	2,741	2,741
Transport	719	950	950	950	950	950	1,791	1,791	1,791	1,791	1,791	1,791	1,791	1,791	1,791

Figure 7 – Average annual maintenance costs by asset age ($)



At Year 10, maintenance costs decrease for jointer, crew truck and flat bed assets, with tippers the only heavy commercial vehicle type to exhibit a second cost increase. Over the course of a 15-year technical life, the maintenance costs for heavy commercial vehicles increase by 203% on average across all vehicle types.

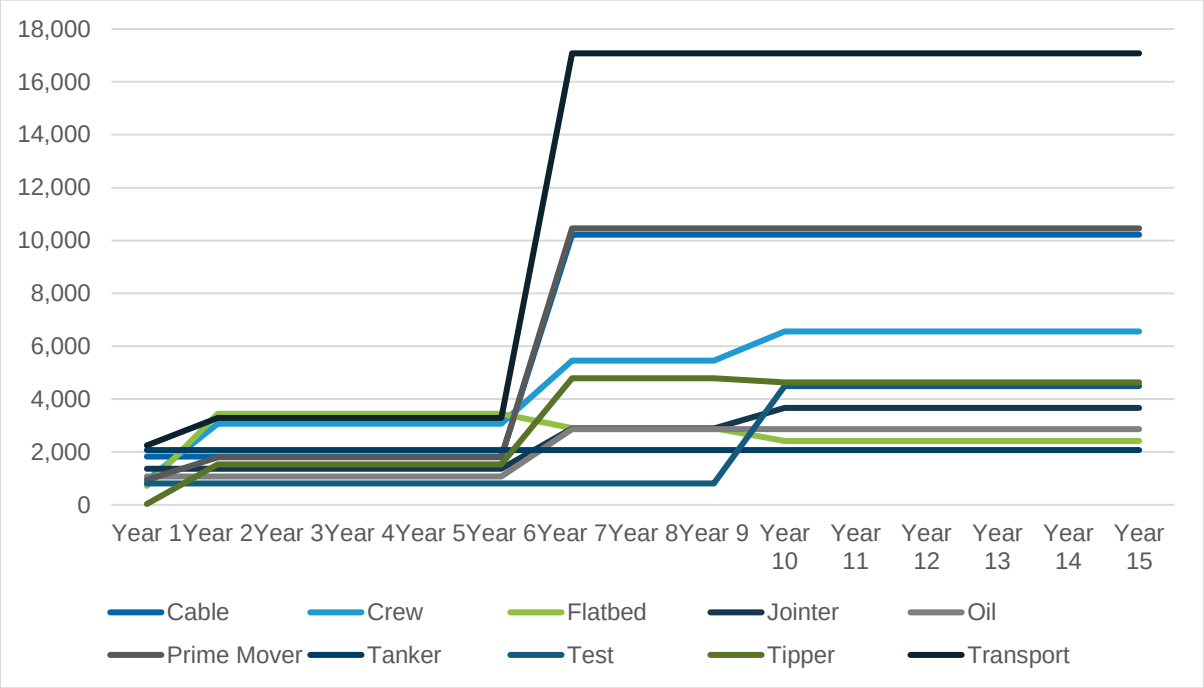
4.3. Repair and breakdown costs

Ausgrid data has been used to calculate the average annual repair cost by asset age and again exhibits a significant increase in expenditure in Year 7 as shown in **Figure 8** and **Figure 9** below.

Figure 8 – Annual repair costs by asset age ($)

Asset Class	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11	Year 12	Year 13	Year 14	Year 15
Cable	1,827	1,827	1,827	1,827	1,827	1,827	10,221	10,221	10,221	10,221	10,221	10,221	10,221	10,221	10,221
Crew	932	3,069	3,069	3,069	3,069	3,069	5,451	5,451	5,451	6,560	6,560	6,560	6,560	6,560	6,560
Flatbed	718	3,445	3,445	3,445	3,445	3,445	2,905	2,905	2,905	2,421	2,421	2,421	2,421	2,421	2,421
Jointer	1,366	1,366	1,366	1,366	1,366	1,366	2,886	2,886	2,886	3,667	3,667	3,667	3,667	3,667	3,667
Oil	1,072	1,072	1,072	1,072	1,072	1,072	2,864	2,864	2,864	2,864	2,864	2,864	2,864	2,864	2,864
Prime Mover	945	1,803	1,803	1,803	1,803	1,803	10,459	10,459	10,459	10,459	10,459	10,459	10,459	10,459	10,459
Tanker	2,072	2,072	2,072	2,072	2,072	2,072	2,072	2,072	2,072	2,072	2,072	2,072	2,072	2,072	2,072
Test	810	810	810	810	810	810	810	810	810	4,493	4,493	4,493	4,493	4,493	4,493
Tipper	34	1,532	1,532	1,532	1,532	1,532	4,789	4,789	4,789	4,634	4,634	4,634	4,634	4,634	4,634
Transport	2,249	3,291	3,291	3,291	3,291	3,291	17,079	17,079	17,079	17,079	17,079	17,079	17,079	17,079	17,079

Figure 9 – Annual repair costs by asset age ($)



Transport assets incur the most significant increase in repair costs, seeing a 419% increase in expenditure between Year 6 and Year 7. At Year 10, repair costs again increase for crew truck, jointer, and test truck assets with flatbed assets actually incurring less repair costs at this point. Over the course of a 15-year technical life and removing outliers, the repair costs for heavy commercial vehicles increase by 444% on average across all vehicle types.

4.4. Fuel costs

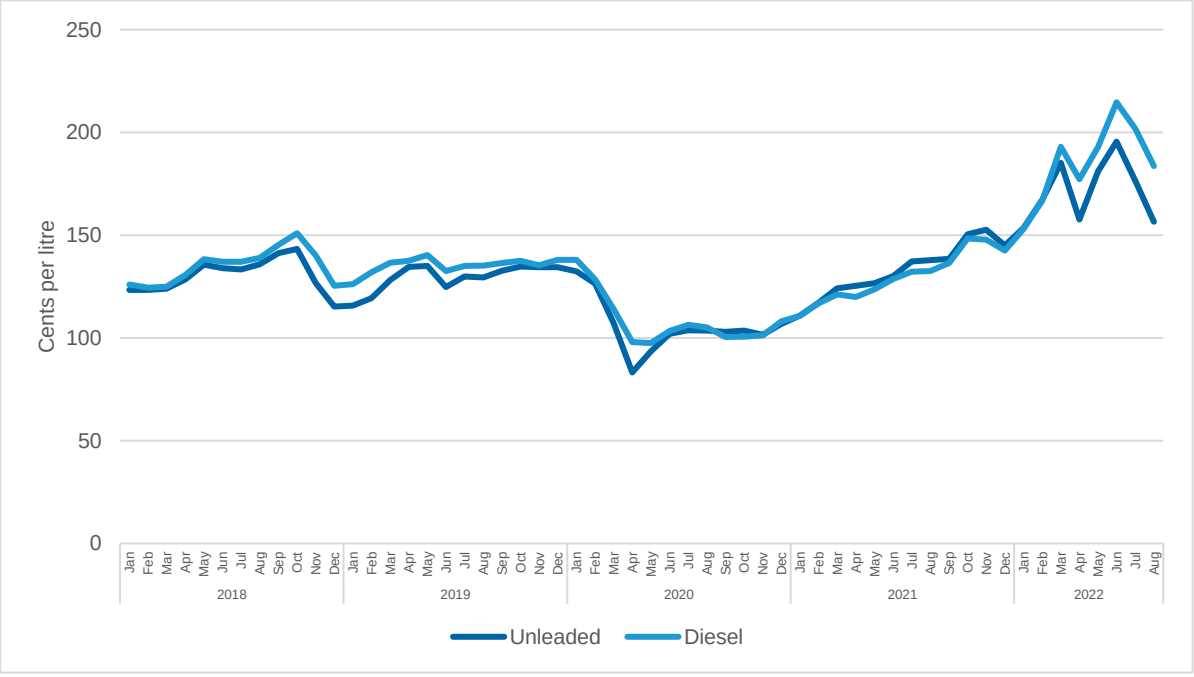
Ausgrid data has been used to calculate the average fuel consumption for heavy commercial vehicles by asset age, with fuel costs calculated based on the estimated distance vehicles in each asset class will travel per annum. Annual fuel consumption for all heavy commercial vehicle types are shown in **Figure 10** below.

Figure 10 – Annual fuel consumption by asset age (L/km)

Asset Class	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11	Year 12	Year 13	Year 14	Year 15
Cable	0.17	0.17	0.17	0.17	0.17	0.17	0.34	0.34	0.34	0.34	0.34	0.34	0.34	0.34	0.34
Crew	0.07	0.07	0.07	0.07	0.07	0.07	0.24	0.24	0.24	0.24	0.24	0.24	0.24	0.24	0.24
Flatbed	0.15	0.17	0.17	0.17	0.17	0.17	0.30	0.30	0.30	0.30	0.30	0.30	0.30	0.30	0.30
Jointer	0.12	0.12	0.12	0.12	0.12	0.12	0.16	0.16	0.16	0.16	0.16	0.16	0.16	0.16	0.16
Oil	0.18	0.18	0.18	0.18	0.18	0.18	0.40	0.40	0.40	0.40	0.40	0.40	0.40	0.40	0.40
Prime Mover	0.35	0.60	0.60	0.60	0.60	0.60	0.77	0.77	0.77	0.77	0.77	0.77	0.77	0.77	0.77
Tanker	0.33	0.33	0.33	0.33	0.33	0.33	0.33	0.33	0.33	0.33	0.33	0.33	0.33	0.33	0.33
Test	0.06	0.06	0.06	0.06	0.06	0.06	0.15	0.15	0.15	0.15	0.15	0.15	0.15	0.15	0.15
Tipper	0.09	0.26	0.26	0.26	0.26	0.26	0.31	0.31	0.31	0.31	0.31	0.31	0.31	0.31	0.31
Transport	0.20	0.39	0.39	0.39	0.39	0.39	0.45	0.45	0.45	0.45	0.45	0.45	0.45	0.45	0.45

In FY22, Ausgrid's heavy commercial vehicle assets travelled an average distance of 6,520, however in consideration of the impacts of COVID-19 lockdowns, as well as the proposed increase in capital expenditure for the 2024-29 period, an annual escalation factor of 5% has been applied. This will take projected average travel to 9,174 kilometres per asset by FY29. A diesel price of $1.90 per litre has been used by default within the modelling conducted, however in light of the impact of conflict between Russia and the Ukraine, not to mention a well-established trend of increasing diesel costs as shown in **Figure 11**, a 5% per annum escalation factor has also been applied. This will take the forecast diesel price to $2.70 by FY29.

Figure 11 – Average monthly fuel cost trend – January 2018 to August 2022



Source: Australian Institute of Petroleum – Historical ULP and Diesel Terminal Gate Price Data

4.5. Disposal proceeds

Disposal proceeds for heavy commercial assets consider both current and historic sales performance. Proceeds vary greatly depending on asset condition and vehicle make with relevant estimates – based on a small number of historic sales between FY21 and FY22 - summarised in **Figure 12** below.

.Figure 12 – Heavy Commercial Vehicales: Estimated disposal proceeds

Heavy Commercial Vehicle Type	Estimated disposal proceeds
Cable	63,750
Crew	39,082
Flatbed	44,545
Jointer	30,000
Oil	44,375
Prime Mover	33,333
Tanker	80,000
Test	43,000
Tipper	40,735
Transport	63,636

5. OPTIONS

Five options have been developed, including the Base (Counterfactual) Case which assumes no incremental capital expenditure. These options have been informed by Ausgrid's experience in operating heavy commercial vehicles during the current (2019-24) regulatory period, and includes consideration of operator feedback, technology and safety advances, fleet utilisation, and network equipment transport requirements.

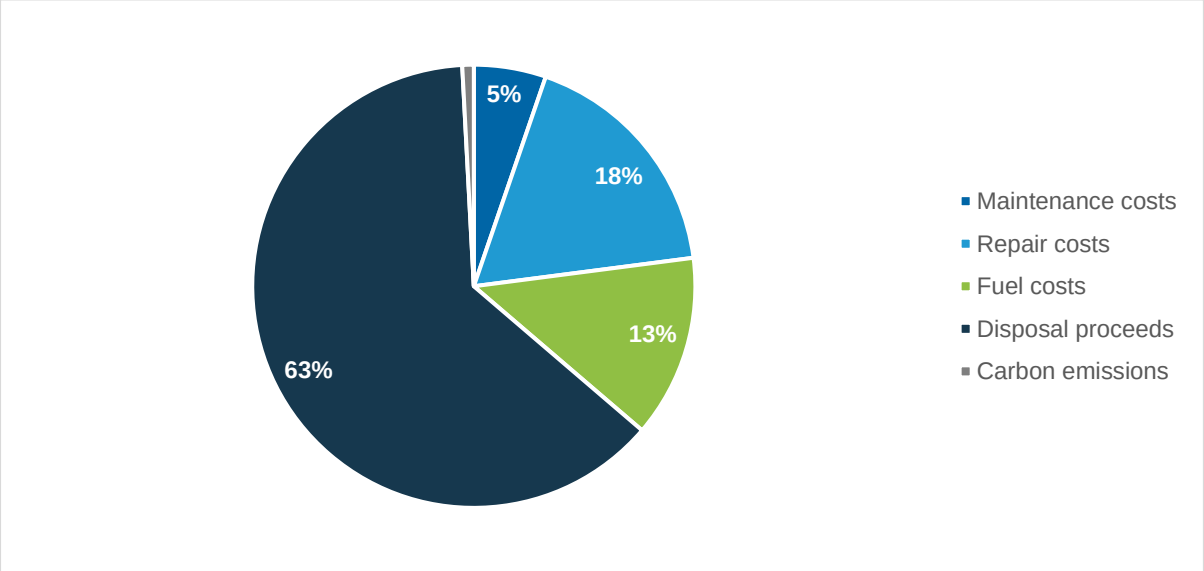
The expenditure forecast for the Base (Counterfactual) Case, which assumes a run to failure strategy is adopted, cannot be summaried due to a scarcity of operating cost data for heavy commercial vehicle assets beyond 15 years of age. While this approach is not considered acceptable due to the significant impacts it would have to operating costs, productivity, and employee and public safety, it has been assumed to be NPV neutral for purposes of comparison.

Option 2 assumes current asset volumes are maintained for heavy commercial vehicles, noting that Ausgrid has already realised significant benefits from fleet reduction/rationalisation projects. Option 2 also assumes that the determined useful life for heavy commercial vehicles is maintained at 15 years. The expenditure forecast and benefits for Option 2 is summarised in **Figure 13** and **Figure 14** below.

Figure 13 – Expenditure Forecast: Option 2 – Business-as-Usual Replacement

($M Real, FY24)	FY25	FY26	FY27	FY28	FY29	Total
CAPEX	2.7	3.5	3.0	3.5	1.3	**14.0**
OPEX benefits	0.1	0.3	0.4	0.6	0.6	**2.0**
CAPEX benefits	0.6	0.8	0.7	0.9	0.4	**3.5**

Figure 14 – Benefits Breakdown: Option 2 – Business-as-Usual Replacement

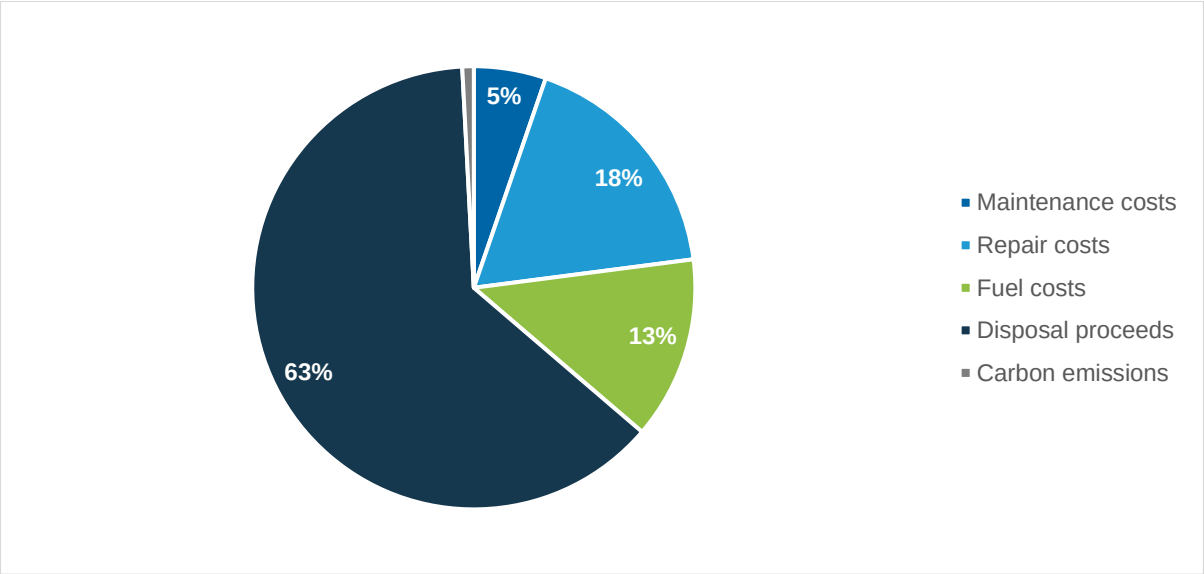


Option 3 changes the determined useful life for heavy commercial vehicles to 10 years in line with the determined useful life maintained by a number of Ausgrid's DNSP and contractor peers for this asset class. The expenditure forecast and benefits breakdown for Option 3 is summarised in **Figure 15** and **Figure 16** below.

Figure 15 – Expenditure Forecast: Option 3 – Determined Useful Life Changed to 10 Years

($M Real, FY24)	FY25	FY26	FY27	FY28	FY29	Total
CAPEX	2.7	3.4	3.0	3.5	1.5	**14.2**
OPEX benefits	0.1	0.3	0.4	0.6	0.6	**2.0**
CAPEX benefits	0.6	0.8	0.7	0.9	0.4	**3.5**

Figure 16 – Benefits Breakdown: Option 3 – Determined Useful Life Changed to 10 Years

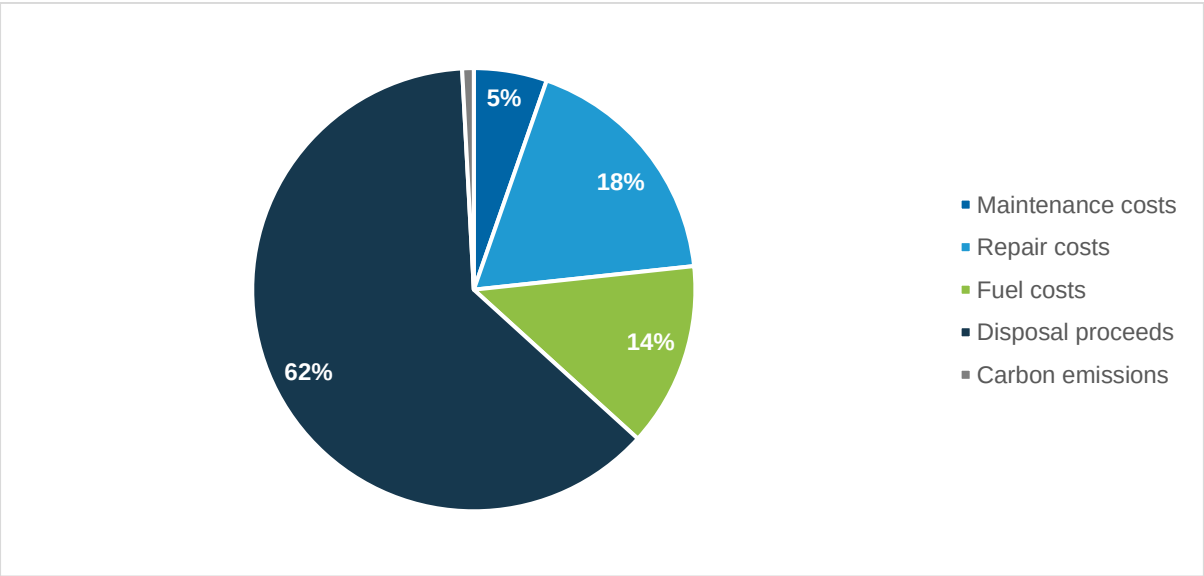


Option 4 assumes a 5% reduction in heavy commercial vehicles, implying that some level of fleet reduction/rationalisation will continue. The expenditure forecast and benefits breakdown for Option 4 is summarised in **Figure 17** and **Figure 18** below.

Figure 17 – Expenditure Forecast: Option 4 – Further Optimisation

($M Real, FY24)	FY25	FY26	FY27	FY28	FY29	Total
CAPEX	2.7	3.1	3.4	3.5	1.0	**13.7**
OPEX benefits	0.1	0.2	0.4	0.6	0.6	**2.0**
CAPEX benefits	0.6	0.7	0.8	0.9	0.3	**3.3**

Figure 18 – Benefits Breakdown: Option 4 – Further Optimisation

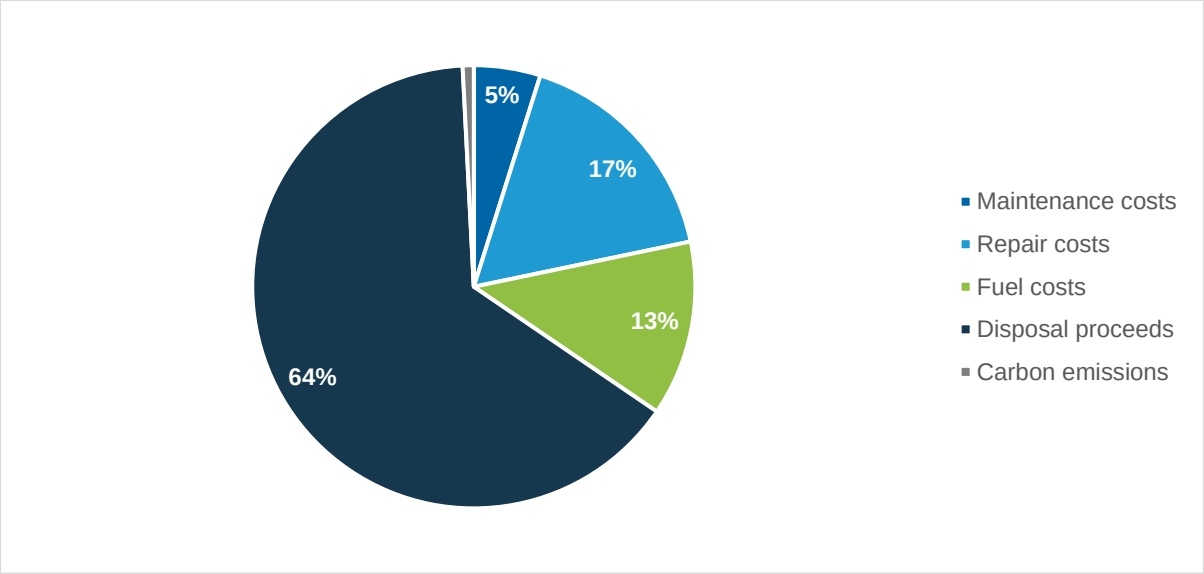


Option 4 assumes a 10% increase in heavy commercial vehicles. This parallels a proposed increase of 14% in network capital expenditure between 2019-2024 and 2024-29. The expenditure forecast and benefits breakdown for Option 5 is summarised in **Figure 19** and **Figure 20** below.

Figure 19 – Expenditure Forecast: Option 5 – Rapid Replacement

($M Real, FY24)	FY25	FY26	FY27	FY28	FY29	Total
CAPEX	3.3	3.5	3.4	3.5	1.3	**14.9**
OPEX benefits	0.1	0.3	0.4	0.6	0.6	**2.0**
CAPEX benefits	0.8	0.8	0.8	0.9	0.4	**3.7**

Figure 20 – Benefits Breakdown: Option 5 – Rapid Replacement



6. RECOMMENDATION

Options for Ausgrid's heavy commercial vehicle replacement program that have been considered for this business case, including the Market NPV outcomes, are summarised in **Figure 21**.

Figure 21 – Heavy Commercial Vehicles: NPV Modelling Options

Option	Description	Market NPV
Option 1: **BASE CASE (Counterfactual)**	Key initiatives include: • **No incremental investment**	**N/A**
Option 2: **BUSINESS-AS-USUAL REPLACEMENT**	Key initiatives include: • **Current asset volumes maintained** • **No change to determined useful life of: 15 years**	**$3.7 million**
Option 3: **DETERMINED USEFUL LIFE CHANGED TO 10 YEARS**	Key initiatives include: • **Current asset volumes maintained** • **Determined useful life changed to: 10 years**	**$7.1 million**
Option 4: **FURTHER OPTIMISATION**	Key initiatives include: • **Asset volumes reduced by 5%** • **No change to determined useful life of: 7 years or 150,000 km**	**$3.4 million**
Option 5: **RAPID REPLACEMENT**	Key initiatives include: • **Asset volumes reduced by 5%** • **Determined useful life changed to: 6 years or 150,000 in line with ANCAP guidelines**	**$2.0 million**

The recommended option for the 2024-29 period is Option 2. For a capital cost of $14.0 million, it results in an NPV of $3.7 million. While quantitative analysis demonstrates that Option 3 will unlock greater net economic benefits compared to this option, the relatively low utilisation of vehicles within this asset class, coupled with Ausgrid's strong maintenance and repair regime, means such a strategy is not appropriate in consideration of the poor customer outcomes it would produce.

6.1.1. Alignment to strategy

In line with Ausgrid's ELT-endorsed Fleet Strategy, the 2024-29 Fleet Capital Expenditure Program for Heavy Commercial Vehicles is guided by a bottom-up build of fleet requirements that combines stakeholder input, data analytics, optimisation opportunities and standardisation, to create a capability-based, fit-for-purpose, economical fleet to match the future needs of operations.

The program will achieve this by:

- Using capability as the priority factor instead of preferences, ratios, or utilisation;
- Allowing direct staff input to equipment needs;
- Producing documented capability bricks by team within regions and aligning the assets required;
- Dividing the requirements into full time and part time requirements; and

- Creating a fleet Minimum Level Operating Capability (**MLOC**) program with business approval.

6.1.2. Program delivery risks and dependencies

The most significant risk to delivery of the 2024-29 Fleet Capital Expenditure Program for Heavy Commercial Vehicles relates to the direct and indirect impacts of the COVID-19 pandemic on manufacturer supply chains. Current lead times for heavy commercial vehicles have increased from 6 to 8 months to in excess of 12 months in some cases. This presents a significant risk of under-delivery for the heavy commercial vehicle replacement program and could result in increased operating costs through late asset replacement.

To mitigate this risk, Ausgrid will place early orders for vehicles in order to establish an advanced pipeline of heavy commercial vehicle requirements. Ausgrid has also commenced engaging vehicle manufacturers and dealers directly in order to secure required stock and ensure maximum value. This approach also removes any opportunity for any third party (nominally Ausgrid's Fleet Management Organisation (**FMO**) to retain discounts from the dealers and manufacturers that would otherwise be passed on to Ausgrid.

The Fleet Engineering & Strategy team and its current level of resourcing is a critical dependency to the successful delivery of this program. This includes the third-party support of an FMO (currently *sgfleet*) who will be relied upon to administer ordering processes.

6.1.3. Business area impacts

#	Impacted Group	Description
01	Field Operations	Staff within this workgroup account for the majority of heavy commercial vehicle allocations, with approximately 90% of the fleet assigned.
02	Network Delivery Services	Staff within this workgroup account for approximately 10% of heavy commercial vehicle allocations.

6.1.4. Next steps

This business case has been developed to support Ausgrid's proposed fleet capital expenditure (capex) forecast and should be read in conjunction with Ausgrid's Fleet Strategy. Subject to endorsement by the Investment Governance Committee, it will be used for Ausgrid's FY25-29 Regulatory Proposal.