

Attachment 1 – Ausgrid’s pass through application

Compliance checklist

August 2015



Rule	Requirement	Analysis
6.6.1(c)(1)	Specify the details of the <i>positive change event</i> .	<p data-bbox="1279 272 1491 300">Yes – section 4.2.</p> <p data-bbox="1279 320 2145 379">To 'specify the details of the <i>positive change event</i>, the application must specify the following:</p> <ol data-bbox="1279 400 2145 1466" style="list-style-type: none"> <li data-bbox="1279 400 2145 655">1. the elements of the definition of a <i>pass through event</i> (in this case a general nominated pass through event): <ol data-bbox="1368 480 2145 1246" style="list-style-type: none"> <li data-bbox="1368 480 2145 655">(a) An uncontrollable and unforeseeable event (<i>an event will be considered unforeseeable if, at the time the DNSP lodged its regulatory proposal, despite the occurrence of the event being a possibility there was no reason to consider that the event was more likely to occur than not to occur during the next regulatory control period</i>) Yes - see section 4.2.1. <li data-bbox="1368 719 2145 778">(b) the effect of which prudent operational risk management could not have prevented or mitigated; Yes - see section 4.2.2. <li data-bbox="1368 842 2145 991">(c) The event does not fall within any of the definitions of 'service standard event', 'tax change event', 'terrorism event', 'retail project event', 'smart meter event', 'emissions trading scheme event' or 'aviation hazards event'. Yes - see section 4.2.4 and Appendix C. <li data-bbox="1368 1054 2145 1246">(d) The change in costs of providing distribution services as a result of the event is material (that is, that the costs associated with the event would exceed 1 per cent of the smoothed forecast revenue specified in the final decision in the years of the regulatory control period that the costs are incurred) Yes - see section 4.2.3. <li data-bbox="1279 1310 2145 1466">2. The positive change event causes the DNSP to incur <i>materially</i> higher costs in providing <i>direct control services</i> than it would have incurred but for that event (<i>materially in this connects means an event results in a Distribution Network Service Provider incurring materially higher or materially lower costs if the change in costs</i>

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		(as opposed to the revenue impact) that the Distribution Network Service Provider has incurred and is likely to incur in any regulatory year of a regulatory control period, as a result of that event, exceeds 1% of the annual revenue requirement for the Distribution Network Service Provider for that regulatory year.) Yes - see section 4.3.
6.6.1(c)(2)	Specify the date on which the <i>positive change event</i> occurred.	Yes – sections 3 (Outline of Ausgrid's written statement) and 4 (positive change event) and 4.2.2 (Development of the April storm)
6.6.1(c)(3)	Specify the <i>eligible pass through amount</i> in respect of that <i>positive change event</i>	Yes – section 6.1 (Eligible pass through amount)
6.6.1(c)(4)	Specify the <i>positive pass through amount</i> the <i>Distribution Network Service Provider</i> proposes in relation to the <i>positive change event</i> .	Yes – section 6.2 (Positive pass through amount)
6.6.1(c)(5)	Specify the amount of the <i>positive pass through amount</i> that the <i>Distribution Network Service Provider</i> proposes should be passed through to <i>Distribution Network Users</i> in the <i>regulatory year</i> in which, and each <i>regulatory year</i> after that in which, the <i>positive change event</i> occurred.	Yes – section 6.2
6.6.1(c)(6)(i)	Specify evidence of the actual and likely increase in costs referred to in subparagraph (3) (the <i>eligible pass through amount</i>)	Yes – Section 5 (Costs incurred).
6.6.1(c)(6)(ii)	Specify evidence that such costs occur solely as a consequence of the <i>positive change event</i> .	Yes – section 5 (Costs incurred).
6.6.1(c)(6)(iii)(A)-(C)	<i>Not applicable</i> (applies to <i>retailer insolvency events</i> only)	<i>Not applicable</i>
6.6.1(c)(7)	Specify such other information as may be required under any relevant <i>regulatory information instrument</i> .	<i>Not applicable</i>