

RIN02

RIN Schedule 1 response table

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Section	Requirement	Response
1	PROVIDE INFORMATION	
1.1	Provide the information required in each regulatory template in the Microsoft Excel Workbook 1 – Regulatory determination, Workbook 2 – New category analysis, Workbook 5 - EBSS and Workbook 6 - CESS attached at Appendix A, completed in accordance with: <ul style="list-style-type: none"> (a) this notice; (b) the instructions in the relevant Microsoft Excel Workbook attached at Appendix A; (c) the instructions in Appendix E; (d) the service classifications set out in the framework and approach paper; and (e) Ausgrid's cost allocation method. 	The regulatory templates, which have been included at Attachments RIN11, RIN12, RIN14 and RIN15, have been completed in accordance with these requirements.
1.2	If: <ul style="list-style-type: none"> (a) Ausgrid's cost allocation method has changed during the current regulatory control period, or (b) Ausgrid's service classifications have changed from the current regulatory control period, or (c) Ausgrid proposes to divert from the service classifications set out in the relevant framework and approach paper, or (d) Ausgrid proposes to change its cost allocation method for the forthcoming regulatory control period; such that there would be material changes to information previously submitted to the AER Ausgrid must use the regulatory templates in Workbook 3 – Recast category analysis and Workbook 4 – Recast economic benchmarking attached at Appendix A to submit revised historical information.	See Attachment RIN01 (RIN Response).
1.3	For all information, other than <i>forecast information</i> , provide in accordance with this <i>notice</i> and the instructions in Appendix E, a <i>basis of preparation</i> demonstrating how <i>Ausgrid</i> has complied with this <i>notice</i> in respect of:	See Attachment RIN16 (Ausgrid's Basis of Preparation).
1.3(a)	the information in each regulatory template in the Microsoft Excel Workbooks attached at Appendix A; and	
1.3(b)	the information prepared in accordance with the following requirements in Schedule 1 of this notice: <ul style="list-style-type: none"> (i) paragraph 1.2 (ii) paragraph 5.1(a)(ii) (iii) paragraph 8.5 (iv) paragraph 13 (13.5 and 13.6) (v) paragraph 15 (15.2 and 15.3) (vi) paragraph 16 (16.2-16.7, 16.10) 	
1.4	Provide material used for the purposes of preparing the <i>regulatory proposal</i> :	
1.4(a)	all consultants' reports commissioned and relied upon in whole or in part;	All consultants' reports relied upon have been included as attachments to our proposal. These are identified in attachment RIN01 (RIN Response).
1.4(b)	all material assumptions relied upon;	See Attachment RIN01 (RIN Response).
1.4(c)	a table that references each response to a paragraph in this Schedule 1 and where it is provided in or as part of the regulatory proposal;	This file, Attachment RIN02, is the response.
1.4(d)	a table that references each document provided in or as part of the regulatory proposal and its relationship to other documents provided; and	These are identified in attachment RIN03 (List of proposal documents).
1.4(e)	each document identified in paragraph 1.4(d) must be given a meaningful filename in the form: Ausgrid – [Author] – [title] – [date] – [public/confidential], where: <ul style="list-style-type: none"> (i) Author is the author of the file if not Ausgrid, for example a consultant or other third party; (ii) Title provides a meaningful description of the content of document, with limited reliance on acronyms or cross references, for example "Appendix 1A" is not meaningful, but "Appendix 1A – Cost allocation method" is; (iii) Date is a relevant date associated with the file, generally the date the document was created (iv) Public/confidential identifies if the file in its entirety can be published (public); or if it contains any information which is the subject of a claim for confidentiality in accordance with paragraph 33 of this notice (confidential). 	All attachments follow this file naming format.
1.5	Provide for each material assumption identified in the response to paragraph 1.4(b): <ul style="list-style-type: none"> (a) its source or basis; (b) if applicable, its quantum; (c) whether and how the assumption has been applied and was taken into account; and (d) the effect or impact of the assumption on the capital and operating expenditure forecasts in the forthcoming regulatory control period taking into account: <ul style="list-style-type: none"> (i) the actual expenditure incurred during the current regulatory control period; and (ii) the sensitivity of the forecast expenditure to the assumption. 	See Attachment RIN01 (RIN Response).
1.6	Provide reconciliation of the capital and operating expenditure forecasts provided in the <i>regulatory templates</i> to the proposed capital and operating allowances in the <i>post-tax revenue model</i> for the <i>forthcoming regulatory control period</i> .	See Attachment RIN01 (RIN Response).

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1.7	Where the <i>regulatory proposal</i> varies or departs from the application of any component or parameter of the <i>capital efficiency sharing scheme</i> , <i>efficiency benefit sharing scheme</i> , <i>demand management incentive scheme</i> or <i>service target performance incentive scheme</i> as set out in the <i>framework and approach paper</i> , for each variation or departure explain:	See Attachment RIN01 (RIN Response).
1.7(a)	the reasons for the variation or departure, including why it is appropriate;	
1.7(b)	how the variation or departure aligns with the objectives of the relevant scheme; and	
1.7(c)	how the proposed variation or departure will impact the operation of the relevant scheme.	
2	CLASSIFICATION OF SERVICES	
2.1	Identify each proposed service classification in the <i>regulatory proposal</i> which departs from a service classification set out in the <i>framework and approach paper</i> and explain:	Ausgrid has not departed from the service classifications set out in the framework and approach. See Attachment 11.01 (Ausgrid's classification proposal) for proposed minor amendments to descriptions of services.
2.1(a)	the reasons for the departure, including why the proposed service classification is more appropriate; and	
2.1(b)	how service will differ under the proposed service classification in comparison to that in the <i>framework and approach paper</i> .	
2.2	If the proposed service classifications in the <i>regulatory proposal</i> depart from any of the service classifications set out in the <i>framework and approach paper</i> :	Not applicable as Ausgrid has not proposed any amendments to the service classifications.
2.2(a)	provide, in a second set of <i>regulatory templates</i> , all information required in each <i>regulatory template</i> in accordance with the instructions contained therein, modified as necessary, to incorporate the proposed service classifications; and	
2.2(b)	identify and explain where the <i>regulatory templates</i> differ.	
3	CONTROL MECHANISMS	
3.1	For the forecast revenues that <i>Ausgrid</i> proposes to recover from providing <i>direct control services</i> over the <i>forthcoming regulatory control period</i> provide:	See Attachment 4.06 (Control Mechanism for SCS and ACS).
3.1(a)	formulaic expressions for the basis of control mechanisms for <i>standard control services</i> and for <i>alternative control services</i> ; and	
3.1(b)	a detailed explanation and justification for each component that makes up the formulaic expression.	
3.2	Also demonstrate:	See Attachment 4.06 (Control Mechanism for SCS and ACS).
3.2(a)	how <i>Ausgrid</i> considers the control mechanisms are compliant with the <i>framework and approach paper</i> ; and	
3.2(b)	for <i>standard control services</i> , how <i>Ausgrid</i> considers the control mechanisms are also compliant with clause 6.2.6 and Part C of Chapter 6 of the <i>NER</i> .	
	EXPENDITURE REPORTING	
4	CAPITAL EXPENDITURE	
	General	
4.1	Provide justification for <i>Ausgrid's</i> total <i>forecast capex</i> , including the following information:	See Attachment RIN01 (RIN Response).
4.1(a)	why the total <i>forecast capex</i> is required for <i>Ausgrid</i> to achieve each of the objectives in clause 6.5.7(a) of the <i>NER</i> ;	
4.1(b)	how <i>Ausgrid's</i> total <i>forecast capex</i> reasonably reflects each of the criteria in clause 6.5.7(c) of the <i>NER</i> ;	
4.1(c)	how <i>Ausgrid's</i> total <i>forecast capex</i> accounts for the factors in clause 6.5.7(e) of the <i>NER</i> ;	
4.1(d)	an explanation of how the plans, policies, <i>procedures</i> and <i>regulatory obligations or requirements</i> identified in <i>Workbook 1 – Regulatory determination, regulatory templates 7.1 and 7.3</i> have been used to develop <i>forecast capex</i> ; and	
4.1(e)	an explanation of how each response provided to paragraph 4.1 (a) to (d) is reflected in any increase or decrease in expenditures or volumes, particularly between the <i>current</i> and <i>forthcoming regulatory control periods</i> , provided in <i>Workbook 1 – Regulatory determination, regulatory templates 2.1 to 2.11</i> .	
4.2	Provide the model(s) and methodology <i>Ausgrid</i> used to develop its total <i>forecast capex</i> , including:	See Attachment RIN01 (RIN Response).
4.2(a)	A description of how <i>Ausgrid</i> prepared the <i>forecast capex</i> , including:	
4.2(a)(i)	how its preparation differed or related to budgetary, planning and governance processes used in the normal operation of <i>Ausgrid's</i> business;	
4.2(a)(ii)	the processes for ensuring amounts are free of error and other quality assurance steps; and	
4.2(a)(iii)	if and how <i>Ausgrid</i> considered the resulting amounts, when translated into price impacts, were in the long term interest of consumers.	
4.2(b)	any source material used (including models, documentation or any other items containing quantitative data); and	
4.2(c)	calculations that demonstrate how data from the source material has been manipulated or transformed to generate data provided in the regulatory templates in <i>Workbook 1 – Regulatory determination</i> .	

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4.3	Identify which items of <i>Ausgrid's forecast capex</i> are:	See Attachment RIN01 (RIN Response).
4.3(a)	derived directly from competitive tender processes;	
4.3(b)	based upon competitive tender processes for similar projects;	
4.3(c)	based upon estimates obtained from contractors or manufacturers;	
4.3(d)	based upon independent benchmarks;	
4.3(e)	based upon actual historical costs for similar projects; and	
4.3(f)	reflective of any amounts for risk, uncertainty or other unspecified contingency factors, and if so, how these amounts were calculated and deemed reasonable and prudent.	See Attachment 5.12 (Resourcing and Delivery Strategy for 2019-24 period). Other supporting material is referenced in Chapter 5 of the proposal and Attachment 5.01 (Ausgrid's proposed capital expenditure).
4.4	Provide all <i>documents</i> which were materially relied upon and relate to the <i>deliverability</i> of <i>forecast capex</i> and explain the proposed <i>deliverability</i> .	
Capex categories		
4.5	Describe each <i>capex category</i> and expenditures comprising these categories identified in the <i>regulatory templates</i> , including:	See Attachment RIN01 (RIN Response).
4.5(a)	key drivers for expenditure;	
4.5(b)	an explanation of how expenditure is distinguished between:	
4.5(b)(i)	greenfield driven and reinforcement driven <i>augmentation capex</i> ;	
4.5(b)(ii)	<i>connections expenditure</i> and <i>augmentation capex</i> ;	
4.5(b)(iii)	<i>replacement capex</i> driven by condition and <i>asset</i> replacements driven by other drivers (e.g. the need for greenfield or reinforcement driven <i>augmentation capex</i>); and	
4.5(b)(iv)	any other <i>capex category</i> or <i>opex category</i> where <i>Ausgrid</i> considers that there is reasonable scope for ambiguity in categorisation.	
5	REPLACEMENT CAPITAL EXPENDITURE MODELLING	
5.1	In relation to information provided in <i>Workbook 1 – Regulatory determination, regulatory template 2.2</i> and with respect to the <i>AER's repex model</i> , provide:	
5.1(a)	For individual asset categories in each asset group set out in the regulatory templates, provide in a separate document:	See Attachment RIN05 (Repex model description).
5.1(a)(i)	a description of the <i>asset</i> category, including:	
5.1(a)(i)(A)	the <i>assets</i> included and any boundary issues (i.e. with other <i>asset</i> categories);	
5.1(a)(i)(B)	an explanation of how these matters have been accounted for in determining quantities in the age profile;	
5.1(a)(i)(C)	an explanation of the main drivers for replacement (e.g. condition); and	
5.1(a)(i)(D)	an explanation of whether the replacement unit cost provides for a complete replacement of the <i>asset</i> , or some other activity, including an extension of the <i>asset's</i> life (e.g. <i>pole</i> staking) and whether the costs of this extension or other activity are capitalised or not.	
5.1(a)(ii)	an estimate of the proportion of <i>assets</i> replaced for each year of the <i>current regulatory control period</i> , due to:	
5.1(a)(ii)(A)	aging of existing <i>assets</i> (e.g. condition, obsolesce, etc.) that should be largely captured by this form of replacement modelling;	
5.1(a)(ii)(B)	replacements due to other factors (and a description of those factors);	
5.1(a)(ii)(C)	additional <i>assets</i> due to the <i>augmentation</i> , extension, development of the <i>network</i> ; and	
5.1(a)(ii)(D)	additional <i>assets</i> due to other factors (and a description of those factors).	See Attachment RIN05 (Repex model description).
5.1(b)	For the previous, current and forthcoming regulatory control periods, explain the drivers or factors that have changed network replacement expenditure requirements. Identify and quantify the relative effect of individual matters within the following categories:	
5.1(b)(i)	rules, codes, licence conditions, statutory requirements;	
5.1(b)(ii)	internal planning and <i>asset</i> management approaches;	
5.1(b)(iii)	measurable <i>asset</i> factors that affect the need for expenditure in this category (e.g. age profiles, risk profiles, condition trend, etc.). Identify and quantify individual factors;	

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5.1(b)(iv)	the external factors that can be forecast and the outcome measured (e.g. demand growth, <i>customer numbers</i>) that affect the need for expenditure in this category. Identify and quantify individual factors, covering the forecasts and the outcome (external factors to be discussed here do not relate to changing obligations which are covered in paragraphs 11.3 and 11.8);	
5.1(b)(v)	technology/solutions to address needs, covering:	
5.1(b)(v)(E)	<i>network</i> ; and	
5.1(b)(v)(F)	non-network.	
5.1(b)(vi)	any other significant matters.	
5.1(b)(vii)	Identify and provide information or documentation to justify and support any responses to paragraph 5.1(b) (i)-(vi).	All relevant supporting documentation is identified in Attachment RIN05 (Repex model description).
	The information provided in response to paragraph 5.1(b) above should at least distinguish between the asset categories listed in Workbook 1 – Regulatory determination, regulatory template 2.2.	Attachment RIN05 (Repex model description) provides the relevant information broken down into these categories.
6	AUGMENTATION CAPITAL EXPENDITURE MODELLING	
6.1	Any instructions in this notice relating to the augex model must be read in conjunction with the augex model guidance document available on the AER's website (http://www.aer.gov.au/networks-pipelines/guidelines-schemes-models-reviews/expenditure-forecast-assessment-guideline/final-decision).	Noted. The information provided in Attachment RIN11 (Workbook 1, template 2.4) has been prepared in accordance with this guidance.
6.2	In relation to information provided in <i>Workbook 1 – Regulatory determination, regulatory template 2.4</i> and with respect to the AER's <i>augex model</i> :	
6.2(a)	Separately for sub-transmission lines, sub-transmission and zone substations, HV feeders and distribution substations, Ausgrid must explain how it:	
6.2(a)(i)	Prepared the <i>maximum demand</i> data (weather corrected at 50 per cent <i>probability of exceedance</i>) provided in the <i>asset status tables 2.4.1 to 2.4.4</i> , including where relevant, explanations of each of:	See Attachment RIN01 (RIN Response).
6.2(a)(i)(A)	how this value relates to the maximum demand that would be used for normal planning purposes;	
6.2(a)(i)(B)	whether it is based upon a measured value, and if so, where the measurement point is and how abnormal operating conditions are allowed for;	
6.2(a)(i)(C)	whether it is based on estimated (rather than actual measured) demand, and if so, the basis of this estimation process and how it is validated; and	
6.2(a)(i)(D)	the relationship of the values provided to raw unadjusted maximum demand; and the relationship of the values provided to the values that could be expected from weather corrected maximum demand measures that reflect a 10 per cent probability of exceedance year.	
6.2(a)(ii)	Determined the rating data provided in the <i>asset status tables 2.4.1 to 2.4.4</i> , including where relevant:	See Attachment RIN01 (RIN Response).
6.2(a)(ii)(A)	the basis of the calculation of the ratings in that segment, including asset data measured and assumptions made; and	
6.2(a)(ii)(A)	the relationship of these ratings with Ausgrid's approach to operating and planning the network. For example, if alternative ratings are used to determine the augmentation timing, these should be defined and explained.	
6.2(a)(iii)	Determined the growth rate data provided in the <i>asset status tables 2.4.1 to 2.4.4</i> . This should clearly indicate how these rates have been derived from <i>maximum demand</i> forecasts or other load forecasts available to <i>Ausgrid</i> .	See Attachment RIN01 (RIN Response).
6.2(b)	In relation to the capex-capacity table 2.4.6, Ausgrid must explain:	See Attachment RIN01 (RIN Response).
6.2(b)(i)	the types of cost and activities covered. Clearly indicate what non-field analysis and management costs (i.e. direct <i>overheads</i>) are included in the <i>capex</i> and what proportion of <i>capex</i> these cost types represent;	
6.2(b)(ii)	how it determined and allocated actual <i>capex</i> and capacity to each of the segment groups, covering:	
6.2(b)(ii)(A)	the process used, including assumptions, to estimate and allocate expenditure where this has been required; and	
6.2(b)(ii)(B)	the relationship of internal financial and/or project recording categories to the segment groups and process used.	
6.2(b)(iii)	how it determined and allocated estimated/ <i>forecast capex</i> and capacity to each of the segment groups, covering:	
6.2(b)(iii)(A)	the relationship of this process to the current project and program plans; and	
6.2(b)(iii)(B)	any other higher-level analysis and assumptions applied.	
6.2(c)	Describe the projects and programs Ausgrid has allocated to the unmodelled augmentation categories in table 2.4.6, covering:	
6.2(c)(i)	the proportion of unmodelled <i>augmentation capex</i> due to this <i>project</i> or <i>program</i> type;	
6.2(c)(ii)	the <i>primary drivers</i> of this <i>capex</i> , and whether in <i>Ausgrid's</i> view, there is any secondary relationship to <i>maximum demand</i> and/or utilisation of the <i>Ausgrid network</i> ; and	

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6.2(d)	Separately for each network segment that Ausgrid defined in the model segment data table 2.4.5, whether the outcome of such a project or program, whether intended or not, should be an increase in the capability of the Ausgrid network to supply customer demand at similar service levels, or the improvement in service levels for a similar customer demand level:	
6.2(d)(i)	Describe the <i>network</i> segment, including:	See Attachment RIN01 (RIN Response).
6.2(d)(i)(A)	the boundary with other connecting <i>network</i> segments; and	
6.2(d)(i)(B)	the main reasoning for the individual segment (e.g. as opposed to forming a more aggregate segment).	
6.2(d)(ii)	Explain the utilisation threshold statistics provided (i.e. the mean and standard deviation), including:	See Attachment RIN01 (RIN Response).
6.2(d)(ii)(A)	the methodology, data sources and assumptions used to derive the parameters;	
6.2(d)(ii)(B)	the relationship to internal or external planning criteria that define when an augmentation is required;	
6.2(d)(ii)(C)	the relationship to actual historical utilisation at the time that augmentations occurred for that asset category;	
6.2(d)(ii)(D)	Ausgrid's views on the most appropriate probability distribution to simulate the augmentation needs of that network segment; and	
6.2(d)(ii)(E)	the process applied to verify that the parameters are a reasonable estimate of utilisation limit for the network segment.	See Attachment RIN01 (RIN Response).
6.2(d)(iii)	Regarding the <i>augmentation</i> unit cost and capacity factor provided, provide an explanation of each of:	
6.2(d)(iii)(A)	the methodology, data sources and assumptions used to derive the parameters;	
6.2(d)(iii)(B)	the relationship of the parameters to actual historical augmentation projects, including the capacity added through those projects and the cost of those projects;	
6.2(d)(iii)(C)	the possibility of double-counting in the estimates, and processes applied to ensure that this is appropriately accounted for (e.g. where an individual project may add capacity to various segments); and	
6.2(d)(iii)(D)	the process applied to verify that the parameters are a reasonable estimate for the network segment.	See Attachment RIN01 (RIN Response).
6.2(e)	Explain the factors Ausgrid considers may result in different augmentation requirements for itself as compared to other NEM-based DNSPs. Ausgrid must account for the degree that different augmentation requirements are driven by differences in asset utilisation and maximum demand growth. Ausgrid must also explain all other factors, specific to its network, which would result in different augmentation requirements when compared to a DNSP with similar asset utilisation and maximum demand growth. The explanation must clearly indicate those factors that may impact:	
6.2(e)(i)	the maximum achievable utilisation of <i>assets</i> for <i>Ausgrid</i> ; and	
6.2(e)(ii)	the likely <i>augmentation project</i> and/or cost.	
	For each significant factor discussed, <i>Ausgrid</i> must indicate relevant model segments and estimate the impact these factors will have on its <i>augmentation</i> levels and associated <i>capex</i> compared to other DNSPs.	
7	CONNECTIONS EXPENDITURE	
7.1	Provide and describe the methodology and assumptions used to prepare the forecasts of <i>connection</i> works including:	See Attachment RIN01 (RIN Response).
7.1(a)	Estimation of connection unit costs for each customer type; and	
7.1(b)	Connection volumes for each customer type.	
7.2	<i>Ausgrid</i> must provide its estimation of <i>customer contributions</i> based upon the estimated life and revenue to be recovered from <i>connection assets</i> , including:	See Attachment RIN01 (RIN Response).
7.2(a)	the expected life of the connection;	
7.2(b)	the average consumption expected by the customer over the life of the connection; and	
7.2(c)	any other factors that influence the expected recovery of the Ausgrid network use of system charge to customers.	
8	NON-NETWORK ALTERNATIVES	
8.1	Identify the <i>policies and strategies</i> and <i>procedures</i> in the response to <i>Workbook 1 – Regulatory determination, regulatory template 7.1</i> which relate to the selection of efficient non-network solutions.	See Attachment RIN01 (RIN Response).
8.2	Explain the extent to which the provision for efficient non-network alternatives has been considered in the development of the <i>forecast capex</i> proposal and the <i>forecast opex</i> proposal.	See Attachment RIN01 (RIN Response).
8.3	Identify each non-network alternative that <i>Ausgrid</i> has:	See Attachment RIN01 (RIN Response).
8.3(a)	commenced during the current regulatory control period; and	
8.3(b)	selected to commence during, or will continue into, the forthcoming regulatory control period.	
8.4	For each non-network alternative identified in the response to paragraph 8.3, provide a description, including cost and location.	See Attachment RIN01 (RIN Response).
8.5	Provide, for each year of the <i>current regulatory control period</i> , and for the <i>forthcoming regulatory control period</i> , details of each payment made, or expected to be made, by <i>Ausgrid</i> to an <i>Embedded Generator</i> in reflection of any costs avoided by deferring <i>augmentation</i> of:	

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8.5(a)	Ausgrid's distribution network; or	
8.5(b)	the relevant transmission network.	
9	FORECAST INPUT PRICE CHANGES	
9.1	Provide, in <i>Workbook 1 – Regulatory determination, regulatory template CPI series</i> , the CPI series and index used by Ausgrid in its <i>forecast capex</i> proposal and the <i>forecast opex</i> proposal.	Our CPI forecast is provided in Attachment RIN11 (RIN Workbook 1 - Regulatory Determination, template 2.14).
9.2	Provide, in <i>Workbook 1 – Regulatory determination, regulatory template 2.14</i> , the <i>capex</i> and <i>opex</i> price changes assumed by Ausgrid in its <i>forecast capex</i> proposal and the <i>forecast opex</i> proposal. All price changes must be expressed in percentage year on year real terms.	Our forecast opex and capex escalators are provided in Attachment RIN11 (RIN Workbook 1 - Regulatory Determination, template 2.14).
9.3	Provide:	
9.3(a)	the model(s) used to derive and apply the materials price changes, including model(s) developed by a third party;	Ausgrid has not developed a model for the application of material price changes, as we are not applying real materials price changes except where it applies to land. See Attachment 5.01 (Ausgrid's proposed capital expenditure) for a description of cost escalation applied.
9.3(b)	in relation to labour escalators, a copy of the current Enterprise Bargaining Agreement or equivalent agreement; and	A copy of the current enterprise agreement is provided at Attachment RIN08 (Ausgrid Agreement 2012).
9.3(c)	documents supporting or relied upon that explain the change in the price of goods and services purchased by Ausgrid, including evidence that any materials price forecasting method explains the price of materials previously purchased by Ausgrid.	Our cost escalation assumptions have been informed by a report prepared by BIS Oxford, which is provided as Attachment RIN09.
9.4	Provide also an explanation of :	
9.4(a)	the methodology underlying the calculation of each price change, including: (i) sources; (ii) data conversions; (iii) the operation of any model(s) provided under paragraph 9.3(a); and (iv) the use of any assumptions such as lags or productivity gains.	See Attachment RIN01 (RIN Response).
9.4(b)	whether the same price changes have been used in developing both the <i>forecast capex</i> proposal and <i>forecast opex</i> proposal; and	The same price changes have been applied to both the capex and opex forecasts where applicable.
9.4(c)	if the response to paragraph 9.4(b) is negative, why it is appropriate for different expenditure escalators to apply.	Not applicable.
9.5	If an agreement provided in response to paragraph 9.3(b) is due to expire during the <i>forthcoming regulatory control period</i> , explain the progress and outcomes of any negotiations to date to review and replace the current agreement.	See Attachment RIN01 (RIN Response).
10	OPERATING AND MAINTENANCE EXPENDITURE	
	Total forecast operating and <i>maintenance</i> expenditure (<i>opex</i>)	
10.1	Provide:	
10.1(a)	the model(s) and the methodology Ausgrid used to develop total forecast opex;	Ausgrid's opex model is provided at Attachment 6.02 (Opex model). Chapter 6 of the regulatory proposal and Attachment 6.01 (Ausgrid's proposed operating expenditure) explain the methodology used to develop total forecast opex.
10.1(b)	justification for Ausgrid's total forecast opex, including:	See Attachment 6.01 (Ausgrid's proposed operating expenditure).
10.1(b)(i)	why the proposed total forecast <i>opex</i> is required for Ausgrid to achieve each of the objectives in clause 6.5.6(a) of the <i>NER</i> ;	
10.1(b)(ii)	how Ausgrid's total forecast <i>opex</i> reasonably reflects each of the criteria in clause 6.5.6(c) of the <i>NER</i> ; and	
10.1(b)(iii)	how Ausgrid's total forecast <i>opex</i> accounts for the factors in clause 6.5.6(e) of the <i>NER</i> .	The only non-recurrent aspect of our opex forecast are our proposed step changes (see responses to question 11 for details on step changes).
10.2	Provide:	
10.2(a)	the quantum of non-recurrent opex for each year of the <i>forthcoming regulatory control period</i> ; and	
10.2(b)	an explanation of the driver of each non-recurrent opex.	

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10.3	If <i>Ausgrid</i> used a <i>revealed cost base year</i> approach to develop its total forecast <i>opex</i> proposal, provide:	
10.3(a)	(a) in Microsoft Excel format, reconciliation (including all calculations and formulae) of Ausgrid's forecast total <i>opex</i> proposal to forecast standard control services <i>opex</i> and dual function assets <i>opex</i> by <i>opex</i> driver in Workbook 1 – Regulatory determination, regulatory template 2.16, tables 2.16.1 and 2.16.3;	See Attachment RIN11 (Workbook 1, template 2.16, tables 2.16.1 and 2.16.3)
10.3(b)	the base year Ausgrid used; and	Ausgrid has used 2017/18 as the base year for the base step trend model.
10.3(c)	explanation and justification for why that base year represents efficient and recurrent costs.	Chapter 6 of the Regulatory Proposal and Attachment 6.01 (Ausgrid's proposed operating expenditure) explain and justify why 2017/18 represents efficient and recurrent costs.
10.4	If <i>Ausgrid</i> does not use a <i>revealed cost base year</i> approach to develop its total forecast provide:	Not applicable as Ausgrid has used a revealed cost base year approach.
10.4(a)	(a) forecast expenditure by <i>opex</i> category in Workbook 1 – Regulatory determination, regulatory template 2.16 for standard control services <i>opex</i> and dual function asset <i>opex</i> in tables 2.16.2 and 2.16.4;	n.a.
10.4(b)	(b) in Microsoft Excel format, reconciliation (including all calculations and formulae) of Ausgrid's total forecast <i>opex</i> proposal to forecast standard control services <i>opex</i> and dual function assets <i>opex</i> by <i>opex</i> category in Workbook 1 – Regulatory determination, regulatory template 2.16, tables 2.16.2 and 2.16.4;	n.a.
10.4(c)	explanation of major drivers for the increases and decreases in expenditure by <i>opex</i> category in the <i>forthcoming regulatory control period</i> compared to actual historical expenditure;	n.a.
10.4(d)	explanation and justification for:	n.a.
10.4(d)(i)	whether <i>Ausgrid</i> considers there is a year of historic <i>opex</i> that represents efficient and recurrent costs; or	
10.4(d)(ii)	why <i>Ausgrid</i> considers no year of historic <i>opex</i> represents efficient and recurrent costs.	
	Output growth	
10.5	Provide the amount of total forecast <i>opex</i> attributable to output growth changes for standard control services <i>opex</i> and dual function assets <i>opex</i> in Workbook 1 – Regulatory determination, regulatory template 2.16, tables 2.16.1 and 2.16.3.	See Attachment RIN11 (RIN Workbook 1 - Regulatory Determination, template 2.16).
10.6	Provide:	See Attachment RIN01 (RIN Response).
10.6(a)	the output growth drivers <i>Ausgrid</i> used to develop the amount of total forecast <i>opex</i> attributable to output growth changes;	
10.6(b)	any economies of scale factors applied to the growth drivers;	
10.6(c)	evidence that the growth drivers explain cost changes due to output growth; and	
10.6(d)	if Ausgrid applied any composite multiple output growth drivers:	
10.6(d)(i)	the inputs for each composite multiple output growth driver; and	
10.6(d)(ii)	the weightings for each input.	
10.7	Provide an explanation of how, in developing the amount of total forecast <i>opex</i> attributable to output growth changes, <i>Ausgrid</i> :	See Attachment RIN01 (RIN Response).
10.7(a)	applied the output growth drivers; and	
10.7(b)	accounted for economies of scale.	
	Real price changes	
10.8	Provide the amount of total forecast <i>opex</i> attributable to changes in the price of labour and materials for standard control services <i>opex</i> and dual function assets <i>opex</i> in Workbook 1 – Regulatory determination, regulatory template 2.16, tables 2.16.1 and 2.16.3.	See Attachment RIN11 (RIN Workbook 1 - Regulatory Determination, template 2.16).
10.9	Provide an explanation of:	
10.9(a)	how, in developing the amount of total forecast <i>opex</i> attributable to changes in the price of labour and materials, <i>Ausgrid</i> applied the real price measures in <i>Workbook 1 – Regulatory determination, regulatory template 2.14</i> ; and	See Chapter 6 and Attachment 6.02 (Opex model).
10.9(b)	whether Ausgrid's labour price measure compensates for any form of labour productivity change.	See Attachment RIN01 (RIN Response).
	Productivity change	
10.10	Provide the amount of total forecast <i>opex</i> attributable to changes in productivity for standard control services <i>opex</i> and dual function assets <i>opex</i> in Workbook 1 – Regulatory determination, regulatory template 2.16, tables 2.16.1 and 2.16.3.	See Attachment RIN11 (RIN Workbook 1 - Regulatory Determination, template 2.16).
10.11	Provide, in percentage year on year terms, the productivity measure that <i>Ausgrid</i> used to develop the amount of total forecast <i>opex</i> attributable to changes in productivity.	See Chapter 6 and Attachment 6.02 (Opex Model).
10.12	Provide an explanation of:	See Attachment RIN01 (RIN Response).
10.12(a)	how, in developing the amount of total forecast <i>opex</i> attributable to changes in productivity, Ausgrid applied the productivity measure in paragraph 10.11;	
10.12(b)	whether Ausgrid's forecast productivity changes capture the historic trend of cost increases due to changes in regulatory obligations or requirements and industry best practice; and	
10.12(c)	whether Ausgrid's productivity measure includes productivity change compensated for by the labour price measure used by Ausgrid to forecast the change in the price of labour.	
11	STEP CHANGES	
11.1	Provide the amount of total forecast <i>opex</i> attributable to <i>opex</i> step changes for standard control services <i>opex</i> and dual function assets <i>opex</i> in Workbook 1 – Regulatory determination, regulatory template 2.16, tables 2.16.1 and 2.16.3.	See Attachment RIN11 (RIN Workbook 1 - Regulatory Determination, template 2.16).

Section	Requirement	Response
11.2	Provide an explanation of why <i>Ausgrid</i> considers:	See Attachment 6.01 (<i>Ausgrid</i> 's proposed operating expenditure).
11.2(a)	the efficient costs of the step change are not provided by other components of <i>Ausgrid</i> 's total forecast opex such as base opex, output growth changes, real price changes or productivity change;	
11.2(b)	the total forecast opex will not allow <i>Ausgrid</i> to achieve the objectives in clause 6.5.6(a) of the NER unless the step change is included; and	
11.2(c)	the total forecast opex will not reasonably reflect the criteria in clause 6.5.6(c) of the NER unless the step change is included.	
11.3	For all <i>step changes</i> in forecast expenditure provide:	See Attachment RIN01 (RIN Response).
11.3(a)	In <i>Workbook 1 – Regulatory determination, regulatory template 2.17</i> the quantum of the <i>step changes</i> :	
11.3(a)(i)	forecasts for each year of the <i>forthcoming regulatory control period</i> ; and	
11.3(a)(ii)	expected to be incurred, in the <i>current regulatory control period</i> ;	
11.3(b)	a description of the step change.	
11.4	For each <i>step change</i> listed in response to paragraph 11.3, provide an explanation of:	See Attachment 6.01 (<i>Ausgrid</i> 's proposed operating expenditure) for details of the opex step changes. <i>Ausgrid</i> is not proposing any capex step changes.
11.4(a)	when the change occurred, or is expected to occur;	
11.4(b)	what the driver of the step change is;	
11.4(c)	how the driver has changed or will change (for example, revised legislation may lead to a change in a regulatory obligation or requirement); and	
11.4(d)	whether the step change is recurrent in nature.	
11.5	For each <i>step change</i> listed in response to paragraph 11.3, provide justification for when, and how, the <i>step change</i> affected, or is expected to affect:	See Attachment 6.01 (<i>Ausgrid</i> 's proposed operating expenditure).
11.5(a)	the relevant <i>opex category</i> ;	
11.5(b)	the relevant capex category;	
11.5(c)	total opex; and	
11.5(d)	total capex.	
11.6	For each step change listed in response to paragraph 11.3, provide the process undertaken by <i>Ausgrid</i> to identify and quantify the <i>step change</i> ; provide cost benefit analysis that demonstrates <i>Ausgrid</i> proposes to address the <i>step change</i> in a prudent and efficient manner, including:	See Attachment 6.01 (<i>Ausgrid</i> 's proposed operating expenditure).
11.6(a)	the timing of the <i>step change</i> ; and	
11.6(b)	if <i>Ausgrid</i> considered a 'do nothing' option, evidence of how <i>Ausgrid</i> assessed the risks of this option compared with other options.	
11.7	For each <i>step change</i> listed in response to paragraph 11.3, where the <i>step change</i> is due to a change in a <i>regulatory obligation or requirement</i> provide:	Not applicable.
11.7(a)	relevant variations or exemptions granted to <i>Ausgrid</i> during the <i>previous regulatory control period</i> or the <i>current regulatory control period</i> ;	
11.7(b)	any relevant compliance audits <i>Ausgrid</i> conducted during the previous regulatory control period or the current regulatory control period.	
11.8	For each <i>step change</i> listed in response to paragraph 11.7, provide, with reference to specific clauses of the relevant legislative instrument(s), the:	See Attachment 6.01 (<i>Ausgrid</i> 's proposed operating expenditure).
11.8(a)	previous regulatory obligation or requirement; and	
11.8(b)	how the changed regulatory obligation or requirement is driving the step change.	
	Category specific opex	
11.9	Provide the amount of total forecast opex attributable to category specific opex in Workbook 1 – Regulatory determination, regulatory template 2.17, table 2.17.5. The amount of total opex attributable to category specific opex must correspond with the category specific opex reported in Workbook 1 – Regulatory determination, regulatory template 2.16, table 2.16.1.	This is provided at Attachment RIN11 (Workbook 1 – Regulatory determination, regulatory template 2.17, table 2.17.5) and is consistent with numbers reported in Attachment RIN11 (Workbook 1 – Regulatory determination, regulatory template 2.16, table 2.16.1).
	ECONOMIC BENCHMARKING REPORTING	
12	ECONOMIC BENCHMARKING	
12.1	Complete the <i>Workbook 1 – Regulatory determination, regulatory templates 3.1</i> to 3.7 in accordance with:	Templates 3.1 to 3.7 in Attachment RIN11 (RIN Workbook 1 - Regulatory Determination) have been completed in accordance with these requirements.
12.1(a)	the ' <i>Economic Benchmarking RIN for distribution network service providers – Instructions and Definitions</i> ' issued to <i>Ausgrid</i> on 28 November 2013, chapters 2 to 9;	
12.1(b)	the instructions in paragraphs 12.2 to 12.10.	
12.2	The forecast revenue groupings in Workbook 1 – Regulatory determination, regulatory templates 3.1, tables 3.1.1 and 3.1.2 may be developed by trending forward actual historical revenue groupings in previous regulatory years. However:	See Attachment RIN01 (RIN Response).
12.2(a)	Total revenues must equal the total forecast revenues proposed by <i>Ausgrid</i> in its <i>regulatory proposal</i> , and	
12.2(b)	Revenue groupings must reflect <i>Ausgrid</i> 's forecast demand for its services in the forthcoming regulatory control period in its regulatory proposal.	

Section	Requirement	Response
12.3	Information provided in Workbook 1 – Regulatory determination, regulatory templates 3.2, tables 3.2.1 and 3.2.2 must reflect Ausgrid's cost allocation method.	Template 3.2 in Attachment RIN11 (RIN Workbook 1 - Regulatory Determination) has been completed in accordance with these requirements.
12.4	RAB asset financial data in the Workbook 1 – Regulatory determination, regulatory template 3.3 must reconcile to that in Ausgrid's regulatory proposal PTRM and RFM.	The data in template 3.3 in Attachment RIN11 (RIN Workbook 1 - Regulatory Determination) reconciles to the data used in the PTRM and RFM.
12.5	The definition of a <i>tree</i> must be applied when completing the <i>variables</i> "Average number of trees per urban and CBD vegetation maintenance span" (DOEF0208) and "Average number of trees per rural vegetation maintenance span" (DOEF0209)	See Attachment RIN01 (RIN Response).
12.6	In calculating responses to the <i>variables</i> DOEF0202 to DOEF0205, spans in the <i>network</i> service area where <i>Ausgrid</i> is not responsible for the <i>vegetation management</i> associated with the span are not to be counted.	The information provided in Template 3.7 in Attachment RIN11 (RIN Workbook 1 - Regulatory Determination) is consistent with these requirements.
12.7	"Total number of spans" (DOEF0205) does not include <i>service line</i> spans.	See Attachment RIN01 (RIN Response).
12.8	<i>Ausgrid</i> must report the <i>route line length</i> of feeders classified as either <i>short rural</i> or <i>long rural</i> divided by the total route feeder <i>line length</i> (this is the total feeder <i>route line length</i> for all <i>CBD</i> , <i>urban</i> , <i>short rural</i> and <i>long rural</i> feeders) against " <i>Rural proportion</i> " (DOEF0201).	See Attachment RIN01 (RIN Response).
12.9	For the purposes of calculating the " <i>Route line length</i> " variable (DOEF0301) or other <i>variables</i> measured in terms of <i>route line length</i> :	The information provided in Template 3.7 in Attachment RIN11 (RIN Workbook 1 - Regulatory Determination) is consistent with these requirements.
12.9(a)	the length of <i>service lines</i> are not to be counted	
12.9(b)	the length of a span that shares multiple voltage levels is only to be counted once	
12.9(c)	the lengths of two sets of lines that run on different sets of poles (or towers) but share the same easement are counted separately	
12.10	All forecast <i>variables</i> in the <i>Workbook 1 – Regulatory determination, regulatory templates</i> (3.1 to 3.7) must align with those in <i>Ausgrid's regulatory proposal</i> . For the avoidance of doubt this includes forecast:	Templates 3.1 to 3.7 in Attachment RIN11 (RIN Workbook 1 - Regulatory Determination) have been completed in accordance with these requirements.
12.10(a)	<i>opex</i> and <i>capex</i> ;	
12.10(b)	maximum demand, energy delivery;	
12.10(c)	revenues;	
12.10(d)	quality of services variables including SAIDI and SAIFI; and	
12.10(e)	quantities of physical assets.	
ALTERNATIVE CONTROL SERVICES REPORTING		
13	ALTERNATIVE CONTROL SERVICES	
13.1	The overheads relating to each alternative control service listed in paragraph 13.2 must be disclosed.	See Attachment RIN01 (RIN Response).

Section	Requirement	Response
13.2	Provide a list of all of the <i>alternative control services</i> that Ausgrid intends to provide to customers and levy charges for in the <i>forthcoming regulatory control period</i> .	See Attachment RIN01 (RIN Response).
13.3	Provide a definition of each <i>alternative control service</i> listed in paragraphs 14, 15 and 16.	See Attachment RIN01 (RIN Response).
13.4	For each <i>alternative control service</i> listed in paragraphs 14, 15 and 16, specify the charges applicable during each year of the <i>current regulatory control period</i> . Also include proposed charges for each year of the <i>forthcoming regulatory control period</i> .	See Attachment RIN01 (RIN Response).
13.5	For each <i>alternative control service</i> listed in paragraphs 14, 15 and 16, specify the total revenue earned by Ausgrid in each year of the <i>current regulatory control period</i> and forecast to be earned in the <i>forthcoming regulatory control period</i> .	See Attachment RIN01 (RIN Response).
13.6	For each <i>alternative control service</i> listed in paragraphs 14, 15 and 16, provide the labour rate(s) used to calculate the charges for the <i>current</i> and <i>forthcoming regulatory control periods</i> :	See Attachment RIN01 (RIN Response).
13.6(a)	specify the <i>labour classification level</i> used to provide the services e.g. outsourced or internally provided and labourer type.	
13.6(b)	list all <i>direct costs</i> , and their quantum, in the make-up of the labour rate(s).	
13.7	List each material category (e.g. <i>meters</i> , <i>poles</i> , brackets) required for the provision of each <i>alternative control service</i> listed in the response to paragraphs 14, 15 and 16.	See Attachment RIN01 (RIN Response).
13.7(a)	provide a description of each material category.	
13.7(b)	provide the average unit costs for each material category.	
13.7(c)	list all <i>direct costs</i> included in the unit costs.	
13.7(d)	specify the calculation of the quantum of <i>direct materials costs</i> included in the unit cost of materials.	
14. FEE BASED AND QUOTED ALTERNATIVE CONTROL SERVICES		
14.1	Provide a description of each <i>fee based</i> and <i>quoted service</i> , explaining the purpose of the service and list the activities which comprise each service. The list of <i>fee based</i> and <i>quoted services</i> should be consistent with those services listed in Ausgrid's annual <i>pricing proposals</i> .	See Attachment RIN01 (RIN Response).
14.1(a)	specify if the charges are for <i>fee based</i> and/or quoted alternative control services;	
14.1(b)	explain the reasons for the different charge with reference to the costs incurred;	
14.1(c)	explain the method used to set the different charge; and	
14.1(d)	provide the calculations underpinning the different charge.	
14.2	Identify the tasks involved in providing the service in <i>Workbook 1 – Regulatory determination, regulatory templates 4.3 and 4.4</i> .	See Attachment RIN01 (RIN Response).
14.2(a)	map the class of labour required to provide the service listed in regulatory templates 4.3 and 4.4.	
14.2(b)	the number of workers required to undertake the task and deliver the service.	
14.2(c)	the average time required to complete the task and deliver the service.	
14.3	If materials are required to provide the service, specify each material category.	
14.4	Provide all current and proposed charges for each <i>fee based</i> and quoted <i>alternative control service</i> in the current and <i>forthcoming regulatory control periods</i> .	See Attachment RIN01 (RIN Response).
15. METERING ALTERNATIVE CONTROL SERVICES		
15.1	For <i>metering alternative control services</i> for the <i>current regulatory control period</i> and the <i>forthcoming regulatory control period</i> , provide details of the:	See Attachment RIN01 (RIN Response).
15.1(a)	<i>direct materials</i> and <i>direct labour</i> costs;	
15.1(b)	installation costs;	
15.1(c)	meter purchase costs;	
15.1(d)	volumes of work;	
15.1(e)	other costs associated with providing metering services;	
15.1(f)	type of meters installed and forecast to be installed, separately for new meters and for replacement meters;	
15.1(g)	the volume of meters by type set out in (f) and the revenue earned and forecast to be earned by each meter type; and	
15.1(h)	the total operating and <i>maintenance</i> costs incurred, and forecast to be incurred, for metering services.	
15.2	For metering works, for each year of the <i>current regulatory control period</i> and forecasts for the <i>forthcoming regulatory control period</i> , provide a description of:	See Attachment RIN01 (RIN Response).
15.2(a)	the type of work undertaken (e.g. <i>meter reconfiguration</i> , <i>special meter read</i>) including a description of the activities undertaken to provide the service;	
15.2(b)	the labour costs involved in providing the service, including any <i>overheads</i> ;	
15.2(c)	any materials costs involved in providing the service;	
15.2(d)	the number (volume) of services provided and associated assumptions on which the volume of service was derived or estimated;	
15.2(e)	the charge per service; and	
15.2(f)	the revenue earned by each service.	

Section	Requirement	Response
15.3	For metering <i>alternative control services</i> , specify the number of <i>customers</i> in each year of the <i>current regulatory control period</i> , and forecasts for the <i>forthcoming regulatory control period</i> .	See Attachment RIN01 (RIN Response).
16	PUBLIC LIGHTING ALTERNATIVE CONTROL SERVICES	
16.1	Specify which items are <i>capex</i> and operational expenditure for each year of the <i>current regulatory control period</i> and forecasts for the <i>forthcoming regulatory control period</i> .	See Attachment RIN01 (RIN Response).
16.2	Provide unit costs for the <i>current regulatory control period</i> and forecast for the <i>forthcoming regulatory control period</i> for:	See Attachment RIN01 (RIN Response).
16.2(a)	luminaires;	
16.2(b)	dedicated street lighting poles;	
16.2(c)	brackets;	
16.2(d)	lamps;	
16.2(e)	photoelectric cells;	
16.2(f)	labour rate (per hour);	
16.2(g)	miscellaneous materials.	
16.3	Provide the depreciation period in years for each type of luminaire.	
16.4	Provide the bulk change cycle in years for lamps and photoelectric cells.	
16.4	Provide details of the <i>average</i> replacement age of each type of luminaire.	
16.6	Provide the number of luminaires, by type, for the current and forthcoming regulatory control periods.	
16.7	Provide the number of luminaires, <i>poles</i> and brackets replaced per year, for the current and <i>forthcoming regulatory control periods</i> .	
16.8	Provide details, including assumptions used, for any other costs that are incurred for the provision of <i>public lighting services</i> .	
16.9	Provide models and/or modelling that underpins proposed charges for the <i>forthcoming regulatory control period</i> and the reasons for the assumptions behind those forecasts.	
16.10	For public lighting <i>alternative control services</i> , specify the number of <i>customers</i> in each year of the <i>current regulatory control period</i> , and forecasts for the <i>forthcoming regulatory control period</i> .	
	NETWORK INFORMATION REPORTING	
17	DEMAND AND CONNECTIONS FORECASTS	
17.1	Provide and describe the methodology used to prepare the following forecasts for the <i>forthcoming regulatory control period</i> :	See Attachment RIN01 (RIN Response).
17.1(a)	<i>maximum demand</i> ; and	
17.1(b)	number of new <i>connections</i> .	
17.2	Provide:	
17.2(a)	the model(s) <i>Ausgrid</i> used to forecast new <i>connections</i> and <i>maximum demand</i> ;	See Attachment RIN01 (RIN Response).
17.2(b)	where Ausgrid's approach to weather correction has changed, provide historically consistent weather corrected maximum demand data, as per the format in Workbook 1 – Regulatory determination, regulatory templates 3.4 and 5.4 using Ausgrid's current approach. If any of this data is unavailable, explain why;	See Attachment RIN01 (RIN Response).
17.2(c)	for new connections, volume expenditure data requested in Workbook 1 – Regulatory determination, regulatory template 2.5; and	See Attachment RIN01 (RIN Response).
17.2(d)	any supporting information or calculations that illustrate how information extracted from Ausgrid's forecasting model(s) reconciles to, and explains any differences from, information provided in Workbook 1 – Regulatory determination, regulatory templates 2.5, 3.4 and 5.4.	See Attachment RIN01 (RIN Response).
17.3	For each of the methodologies provided and described in response to paragraph 17.1, and, where relevant, data requested under paragraphs 17.2(b) and 17.2(c), explain or provide (as appropriate):	See Attachment RIN01 (RIN Response).
17.3(a)	the models used;	See Attachment RIN01 (RIN Response).
17.3(b)	a global[1] (top-down) and spatial[2] (bottom-up) demand forecast;	
17.3(c)	the inputs and assumptions used in the models (including in relation to economic growth, connections numbers and policy changes and provide any associated models or data relevant to justifying these inputs and assumptions);	
17.3(d)	the weather correction methodology, how weather data has been used, and how Ausgrid's approach to weather correction has changed over time;	
17.3(e)	an outline of the treatment of block loads, transfers and switching within the forecasting process;	
17.3(f)	each appliance model[3] used, where used, or assumptions relating to average customer energy usage (by customer type);	
17.3(g)	how the forecasting methodology used is consistent with, and takes into account, historical observations (where appropriate), including any calibration processes undertaken within the model (specifically whether the load forecast is matched against actual historical load on the system and substations);	
17.3(h)	how the resulting forecast data is consistent across forecasts provided for each network element identified in Workbook 1 – Regulatory determination, regulatory template 5.4 and system wide forecasts;	
17.3(i)	how the forecasts resulting from these methods and assumptions have been used in determining the following:	See Attachment RIN01 (RIN Response).
17.3(i)(i)	capex forecasts; and	
17.3(i)(ii)	operating and maintenance expenditure forecasts.	
17.3(j)	whether Ausgrid used the forecasting model(s) it used in the joint planning process for the purposes of its regulatory proposal;	See Attachment RIN01 (RIN Response).

Section	Requirement	Response
17.3(k)	whether Ausgrid's forecasts both coincident and non-coincident maximum demand at the feeder, connection point, sub-transmission substation and zone substation level, and how these forecasts reconcile with the system level forecasts (including how various assumptions that are allowed for at the system level relate to the network level forecasts);	See Attachment RIN01 (RIN Response).
17.3(l)	whether Ausgrid records historic maximum demand in MW, MVA or both;	See Attachment RIN01 (RIN Response).
17.3(m)	the probability of exceedance that Ausgrid uses in network planning;	See Attachment RIN01 (RIN Response).
17.3(n)	the contingency planning process, in particular the process used to assess high system demand;	See Attachment RIN01 (RIN Response).
17.3(o)	how risk is managed across the network, particularly in relation to load sharing across network elements and non-network solutions to peak demand events;	See Attachment RIN01 (RIN Response).
17.3(p)	whether and how the <i>maximum demand</i> forecasts underlying the <i>regulatory proposal</i> reconcile with any demand information or related planning statements published by AEMO, as well as forecasts produced by any <i>transmission network service providers</i> connected to Ausgrid's network;	See Attachment RIN01 (RIN Response).
17.3(q)	how the normal and emergency ratings are used in determining capacity for individual zone substations and <i>sub-transmission lines</i> ;	See Attachment RIN01 (RIN Response).
17.3(r)	where Ausgrid proposes to commence or continue a demand-related capex project or program during the forthcoming regulatory control period on a HV feeder:	See Attachment RIN01 (RIN Response).
17.3(r)(i)	for each feeder from the <i>zone substation</i> that is the connecting <i>zone substation</i> for the relevant <i>HV feeder</i> , and any other feeders that the relevant <i>HV feeder</i> can transfer load to or from:	
17.3(r)(i)(A)	assumed future load <i>transfers</i> between feeders;	
17.3(r)(i)(B)	assumed feeder underlying load growth rates (exclusive of <i>transfers</i> and specific <i>customer</i> developments); and	
17.3(r)(i)(C)	assumed <i>block loads</i> , and associated demand assumptions;	
17.3(r)(ii)	existing <i>embedded generation</i> capacity, and associated assumptions on the impact on demand levels;	
17.3(r)(iii)	assumed future <i>embedded generation</i> capacity, and associated assumptions on the impact on demand levels;	
17.3(r)(iv)	existing non-network solutions, and the associated assumptions on the impact on demand levels;	
17.3(r)(v)	assumed future non-network solutions, and associated assumptions on the impact on demand levels; and	
17.3(r)(vi)	the diversity between feeders;	
17.3(s)	where Ausgrid proposes to commence or continue a demand-related capex project or program during the <i>forthcoming regulatory control period</i> on a <i>zone substation</i> (or relevant substations for a <i>sub-transmission line</i>):	See Attachment RIN01 (RIN Response).
17.3(s)(i)	assumed future load <i>transfers</i> between related <i>substations</i> ;	
17.3(s)(ii)	assumed underlying load growth rates (exclusive of <i>transfers</i> and specific <i>customer</i> developments);	
17.3(s)(iii)	assumed specific <i>customer</i> developments, and associated demand assumptions;	
17.3(s)(iv)	existing <i>embedded generation</i> capacity, and associated assumptions on the impact on demand levels;	
17.3(s)(v)	assumed future <i>embedded generation</i> capacity, and associated assumptions on the impact on demand levels;	
17.3(s)(vi)	existing non-network solutions, and the associated assumptions on the impact on demand levels;	
17.3(s)(vii)	assumed future non-network solutions, and associated assumptions on the impact on demand levels; and	
17.3(s)(viii)	diversity with related <i>substations</i> .	
17.4	Provide:	
17.4(a)	evidence that any independent verifier engaged by <i>Ausgrid</i> has examined the reasonableness of the method, processes and assumptions in determining the forecasts and has sufficiently capable expertise in undertaking a verification of forecasts; and	See Attachment RIN01 (RIN Response).
17.4(b)	all documentation, analysis and models evidencing the results of the independent verification.	
INCENTIVE SCHEMES AND OTHER REPORTING		
18	EFFICIENCY BENEFIT SHARING SCHEME	
18.1	For the purposes of applying the <i>efficiency benefit sharing scheme</i> :	See Attachment RIN01 (RIN Response).
18.1(a)	identify all cost categories proposed to be excluded from the operation of the <i>efficiency benefit sharing scheme</i> ;	
18.1(b)	explain for each cost category identified in the response to paragraph 18.1(a) the reasons for the proposed exclusion.	
19	SERVICE TARGET PERFORMANCE INCENTIVE SCHEME	
19.1	Provide <i>Ausgrid's</i> detailed methodology for calculating the following parameters used in the <i>STPIS</i> ;	See Attachment 9.01 (Application of incentive schemes).
19.1(a)	the <i>SAIDI</i> , <i>SAIFI</i> and <i>MAIFI</i> targets for each supply reliability area;	
19.1(b)	the <i>customer</i> service parameters and targets;	
19.1(c)	daily <i>SAIDI</i> , <i>SAIFI</i> and <i>MAIFI</i> and <i>customer</i> service performance derived from the individual <i>interruption</i> data under paragraph 19.3;	

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19.1(d)	the <i>MED</i> threshold derived from the daily <i>SAIDI</i> data;	
19.1(e)	the incentive rates to apply to each supply reliability area.	
	Note: All calculations must be made in accordance with the <i>STPIS</i> and using data which complies with the <i>STPIS</i> definitions.	
19.2	If <i>Ausgrid</i> proposes adjustments to the <i>STPIS</i> targets away from those based upon raw historical data <i>Ausgrid</i> must provide, in respect of each adjustment:	See Attachment 9.01 (Application of incentive schemes).
19.2(a)	the reasons for the adjustment;	
19.2(b)	the quantum of the adjustment, and the effect of the adjustment on the targets for each of the supply reliability areas; and	
19.2(c)	the method, basis and empirical data used as justification for the adjustment.	
19.3	Provide the data required in Workbook 1 – Regulatory determination, regulatory templates 6.1 and 6.2.	See Attachment RIN11 (RIN Workbook 1 - Regulatory Determination, templates 6.1 and 6.2).
20	PROPOSED CONTINGENT PROJECTS	
20.1	For each contingent <i>project</i> proposed in the <i>regulatory proposal</i> , provide:	Ausgrid has not identified any projects in the forecast capex in the 2019-24 period that meet the criteria of a contingent project as set out in the NER.
20.1(a)	a description of the <i>proposed contingent project</i> , including reasons why <i>Ausgrid</i> considers the <i>project</i> should be accepted as a <i>contingent project</i> for the <i>forthcoming regulatory control period</i> ;	
20.1(b)	the <i>proposed contingent capex</i> which <i>Ausgrid</i> considers is reasonably required for the purpose of undertaking the <i>proposed contingent project</i> ;	
20.1(c)	the methodology used for developing that forecast and the key assumptions that underlie it;	
20.1(d)	information that demonstrates that the undertaking of the <i>proposed contingent project</i> is reasonably required to meet one or more of the objectives referred to in clause 6.6A.1(b)(1) of the <i>NER</i> ;	
20.1(e)	a demonstration that the proposed contingent <i>capex</i> for each <i>proposed contingent project</i> :	
20.1(e)(i)	is not included (either in part or in whole) in <i>Ausgrid's</i> proposed total <i>forecast capex</i> for the <i>forthcoming regulatory control period</i> ;	
20.1(e)(ii)	reasonably reflects the <i>capex</i> criteria, taking into account the <i>capex</i> factors, in the context of the <i>proposed contingent project</i> ; and	
20.1(e)(iii)	exceeds either \$30 million (\$nominal) or 5 per cent of <i>Ausgrid's</i> proposed annual revenue requirement for the first year of the <i>forthcoming regulatory control period</i> , whichever is larger amount.	
20.1(f)	the proposed trigger events relating to the <i>proposed contingent project</i> .	
20.2	For each proposed <i>trigger event</i> relating to the <i>proposed contingent project</i> referred to in paragraph 20.1(f), demonstrate:	As noted above, Ausgrid has not identified any projects in the forecast capex in the 2019-24 period that meet the criteria of a contingent project as set out in the NER.
20.2(a)	the proposed <i>trigger event</i> is reasonably specific and capable of objective verification;	
20.2(b)	the occurrence of the proposed <i>trigger event</i> makes the undertaking of the <i>proposed contingent project</i> reasonably necessary in order to achieve any of the <i>capex</i> objectives;	
20.2(c)	the proposed <i>trigger event</i> generates increased costs or categories of costs that relate to a specific location rather than a condition or event that affects the <i>network</i> as a whole;	
20.2(d)	the proposed <i>trigger event</i> is described in such terms that the occurrence of that event or condition is all that is required for the <i>distribution determination</i> to be amended under clause 6.6A.2 of the <i>NER</i> ;	
20.2(e)	the proposed <i>trigger event</i> is a condition or event, the occurrence of which is probable during the <i>forthcoming regulatory control period</i> , but the inclusion of <i>capex</i> in relation to the proposed <i>trigger event</i> under clause 6.5.7 of the <i>NER</i> is not appropriate because:	
20.2(e)(i)	it is not sufficiently certain that the event or condition will occur during the <i>forthcoming regulatory control period</i> or if it may occur after that <i>regulatory control period</i> or not at all; or	
20.2(e)(i)	the costs associated with the event or condition are not sufficiently certain.	As noted above, Ausgrid has not identified any projects in the forecast capex in the 2019-24 period that meet the criteria of a contingent project as set out in the NER.
20.3	Provide a summary of <i>Ausgrid's</i> proposed contingent projects for the <i>forthcoming regulatory control period</i> , including the proposed contingent <i>capex</i> and trigger events for each <i>proposed contingent project</i> in the <i>Workbook 1 – Regulatory determination, regulatory template 7.2</i> .	
21	REVENUES FOR STANDARD CONTROL SERVICES	
21.1	Provide <i>Ausgrid's</i> calculation of the unsmoothed and smoothed revenues for each year of the <i>forthcoming regulatory control period</i> using the <i>AER's post-tax revenue model</i> , which is to be submitted as part of <i>Ausgrid's regulatory proposal</i> .	See Attachments 4.02 (PTRM for distribution) and 4.05 (PTRM for transmission).
21.2	Provide details of any departure from the <i>AER's post-tax revenue model</i> for the calculations referred to in paragraph 21.1 and the reasons for that departure.	Ausgrid has not departed from the <i>AER's post-tax revenue model</i> .
22	INDICATIVE IMPACT ON ANNUAL ELECTRICITY BILLS	
22.1	For the purposes of calculating the impact of <i>Ausgrid's regulatory proposal</i> on the annual electricity bill of typical residential and business <i>customers</i> in New South Wales, provide the data/information required in <i>Workbook 1 – Regulatory determination, regulatory template 7.6</i> . Provide the data source for each input used for the calculation.	See completed regulatory template 7.6 in Attachment RIN11 (RIN Workbook 1 - Regulatory Determination). Further information on the data sources is provided in Attachment RIN01 (RIN Response).
23	PROPOSED TARIFF STRUCTURE STATEMENT	

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23.1	Provide the model(s) used to calculate the long run marginal cost estimates in Ausgrid's proposed tariff structure statement provided in accordance with the requirements of clauses 6.18.1A(a)(5) and 6.18.5(f) of the NER.	See Attachment 10.03 (LRMC Model).
23.2	Provide and describe the methodology and assumptions used to prepare the long run marginal cost estimates in paragraph 23.1.	See Attachment 10.04 (LRMC methodology report).
23.3	Describe the relationship between the expenditure, demand and other inputs (as appropriate) used in the model provided under paragraph 23.1 and the expenditure, demand and other forecasts (as appropriate) provided as part of the building block proposal for the forthcoming regulatory control period.	See Attachment RIN01 (RIN Response).
REGULATORY ASSET BASE AND TAX REPORTING		
24	REGULATORY ASSET BASE	
24.1	Provide Ausgrid's calculation of the <i>regulatory asset base</i> for the relevant <i>distribution system</i> in respect of <i>standard control services</i> for each <i>regulatory year</i> of <i>current regulatory control period</i> using the AER's <i>roll forward model</i> , which is to be submitted as part of the <i>regulatory proposal</i> .	Ausgrid's roll forward models (RFMs) for both distribution and transmission are provided at Attachment 4.01 (RFM for Distribution) and 4.04 (RFM for Transmission).
24.2	Provide details of each departure from the underlying methods in the AER's <i>roll forward model</i> for the calculation referred to in paragraph 24.1 and the reasons for that departure.	As approved by the AER for the 2014-19 determination, Ausgrid has used the distribution RFM for its transmission assets.
24.3	If the value of the <i>regulatory asset base</i> as at the start of the <i>forthcoming regulatory control period</i> is proposed to be adjusted because of changes to <i>asset service classification</i> , provide details including relevant supporting information used to calculate that adjustment value.	There are no changes to asset service classification.
24.4	Provide details of any departure in the allocation of actual <i>capex</i> , <i>asset disposal</i> and customer contribution values across <i>asset classes</i> in the <i>roll forward model</i> from those reported in the Annual Reporting RIN for the relevant <i>regulatory years</i> and the reasons for that departure.	See Attachment RIN01 (RIN Response).
25	DEPRECIATION SCHEDULES	
25.1	Provide Ausgrid's calculation of the depreciation amounts for the relevant <i>distribution system</i> in respect of <i>standard control services</i> for each <i>regulatory year</i> of:	
25.1(a)	the <i>current regulatory control period</i> using the AER's <i>roll forward model</i> , which is to be submitted as part of the <i>regulatory proposal</i>	See Attachment RIN01 (RIN Response).
25.1(a)	the <i>forthcoming regulatory control period</i> using the AER's <i>post-tax revenue model</i> , which is to be submitted as part of the <i>regulatory proposal</i> .	See Attachment RIN01 (RIN Response).
25.2	Provide details of any departure from the underlying methods in the AER's <i>roll forward model</i> and <i>post-tax revenue model</i> for the calculations referred to in paragraph 25.1 and the reasons for that departure.	See Attachment RIN01 (RIN Response).
25.3	Identify any changes to standard <i>asset lives</i> for existing <i>asset classes</i> from the previous <i>determination</i> . Explain the reason(s) for each change and provide supporting information.	There have been no changes to standard asset lives for existing asset classes from the previous determination.
25.4	Identify any changes to new <i>asset classes</i> from the previous <i>determination</i> . Explain the reason(s) for using these new <i>asset classes</i> and provide supporting information on their proposed standard <i>asset lives</i> .	Ausgrid has not proposed any new asset classes.
25.5	If any existing <i>asset classes</i> from the previous <i>determination</i> are proposed to be removed and their residual values to be reallocated to other <i>asset classes</i> , explain the reason(s) for the change and provide supporting information. This should include a demonstration of the materiality of the change	Ausgrid has not proposed to remove any existing asset classes from the previous determination.
25.6	Describe the method used to depreciate existing <i>asset classes</i> as at 1 July 2019 (the start of the <i>forthcoming regulatory control period</i>) and provide supporting calculations, if the approach differs from that in the <i>roll forward model</i> .	Ausgrid has not departed from the method of depreciating existing asset classes set out in the AER's most recent roll forward model for depreciation.
26	CORPORATE TAX ALLOWANCE	
26.1	Provide Ausgrid's calculation of the estimated cost of corporate income tax for the <i>forthcoming regulatory control period</i> using the AER's <i>post-tax revenue model</i> , which is to be submitted as part of the <i>regulatory proposal</i> .	See Attachment RIN01 (RIN Response).
26.2	Provide details of each departure from the AER's <i>post-tax revenue model</i> for the calculations referred to in paragraph 25.1 and the reasons for that departure.	Ausgrid has not departed from the PTRM's corporate tax allowance calculations.

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26.3	Identify each change to standard tax asset lives for existing asset classes from the previous <i>determination</i> . Explain the reason(s) for the change and provide relevant supporting information, including Federal tax laws governing depreciation for tax purposes.	Ausgrid has not proposed any changes to the tax standard lives for existing asset classes.
26.4	Describe the method used to depreciate existing asset classes as at 1 July 2019 (the start of the <i>forthcoming regulatory control period</i>) for tax purposes and provide supporting calculations, if the approach differs from that in the <i>roll forward model</i> .	Ausgrid has not departed from the approach in the roll forward model.
26.5	Provide Ausgrid's calculation of the tax asset base for the relevant system in respect of <i>standard control services</i> for each <i>regulatory year</i> of the <i>current regulatory control period</i> using the AER's <i>roll forward model</i> , which is to be submitted as part of the <i>regulatory proposal</i> .	Ausgrid's approach to estimating the tax asset base for each regulatory year is outlined in Chapter 4 of the Regulatory Proposal. The calculations are contained in Attachments 4.01 (RFM for distribution) and 4.04 (RFM for transmission).
26.6	Provide details of each departure from the underlying methods in the AER's <i>roll forward model</i> for the calculation referred to in paragraph 26.5 and the reasons for that departure.	Ausgrid has not departed from the AER's roll forward model methodology
26.7	Identify each difference in the <i>capitalisation</i> of expenditure for regulatory accounting purposes and tax accounting purposes. Provide reasons and supporting calculations to reconcile any differences between the two forms of accounts.	There are no differences in Ausgrid's capitalisation of expenditure for regulatory accounting purposes and tax accounting purposes.
MISCELLANEOUS REPORTING		
27	RELATED PARTY TRANSACTIONS	
27.1	Identify and describe all entities which:	See Attachment RIN01 (RIN Response).
27.1(a)	are a <i>related party</i> to Ausgrid and contribute to the provision of <i>distribution services</i> ; or	
27.1(a)	have the capacity to determine the outcome of decisions about Ausgrid's financial and operating policies.	
27.2	Provide a diagram of the organisational structure depicting the relationships between all the entities identified in the response to paragraph 27.1.	See Attachment RIN01 (RIN Response).
27.3	Identify:	
27.3(a)	all arrangements or <i>contracts</i> between Ausgrid and any of the other entities identified in the response to paragraph 27.1 currently in place or expected to be in place during the period 2017-18 to 2023-24 which relate directly or indirectly to the provision of <i>distribution services</i> ; and	
27.3(b)	the service or services that are the subject of each arrangement or contract.	See Attachment RIN01 (RIN Response).
27.4	For each service identified in the response to paragraph 27.3(b):	
27.4(a)	provide:	
27.4(a)(i)	a description of the process used to procure the service; and	See Attachment RIN01 (RIN Response).
27.4(a)(ii)	supporting documentation including, but not limited to, requests for tender, tender submissions, internal committee papers evaluating the tenders, <i>contracts</i> between Ausgrid and the relevant provider.	
27.4(b)	explain:	
27.4(b)(i)	why that service is the subject of an arrangement or <i>contract</i> (i.e. why it is outsourced) instead of being undertaken by Ausgrid itself;	See Attachment RIN01 (RIN Response).
27.4(b)(ii)	whether the services procured were provided under a standalone <i>contract</i> or provided as part of a broader operational agreement (or similar);	
27.4(b)(iii)	whether the services were procured on a genuinely competitive basis and if not, why; and	
27.4(b)(vi)	whether the service (or any component thereof) was further outsourced to another provider.	
28	VEGETATION MANAGEMENT COMPLIANCE	
28.1	Provide compliance <i>audits</i> of <i>vegetation management</i> work conducted by Ausgrid during the <i>current regulatory control period</i> .	See Attachment RIN10 (Vegetation compliance audit).
29	CORPORATE STRUCTURE	
29.1	Provide charts that set out:	See Attachment RIN01 (RIN Response).
29.1(a)	the group corporate structure of which Ausgrid is a part; and	

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29.1(b)	the organisational structure of Ausgrid.	
30	FORECAST MAP OF DISTRIBUTION SYSTEM	
30.1	Provide a forecast map of <i>Ausgrid's</i> distribution system for the <i>forthcoming regulatory control period</i> . This map, together with any appropriate accompanying notes, should also indicate the location of new major <i>network assets</i> proposed to be constructed over the <i>forthcoming regulatory control period</i> .	See Attachment RIN01 (RIN Response).
31	TRANSITIONAL ISSUES	
31.1	Provide information on transitional issues (expressly identified in the <i>NEL</i> or otherwise) which <i>Ausgrid</i> expects will have a <i>material</i> impact on it and should be considered by the <i>AER</i> in making its <i>distribution determination</i> . For each issue, set out the following information:	See Attachment RIN01 (RIN Response).
31.1(a)	the transitional issue;	
31.1(b)	what has caused the transitional issue;	
31.1(c)	how the transitional issue impacts on Ausgrid; and	
31.1(d)	how Ausgrid considers the transitional issue could be addressed.	
	ASSURANCE REQUIREMENTS	
32	AUDIT AND REVIEW REPORTS	
32.1	Provide the <i>audit report</i> and <i>review reports</i> as applicable, prepared in accordance with the requirements set out in Appendix C.	See Attachment RIN17 (RIN Audit Report). Ausgrid confirms it has provided all audit reports.
32.2	Provide all reports from the <i>auditor</i> to <i>Ausgrid's</i> management regarding the <i>audit</i> review and/or <i>auditors'</i> opinions or assessment.	
	OTHER INFORMATION	
33	CONFIDENTIAL INFORMATION	
33.1	This clause applies to any information <i>Ausgrid</i> provides:	Noted.
33.1(a)	in response to Schedule 1;	
33.1(b)	in a <i>regulatory proposal</i> for the <i>forthcoming regulatory control period</i> (a Proposal)	
33.1(c)	in a revision or amendment to a Proposal; and	
33.1(d)	in a submission <i>Ausgrid</i> makes regarding a Proposal or a revised or amended Proposal; (together, <i>Ausgrid's</i> Information).	
33.2	If <i>Ausgrid</i> wishes to make a claim for confidentiality over any of <i>Ausgrid's</i> Information, provide the details of that claim in accordance with the requirements of the <i>AER's Confidentiality Guideline</i> , as if it extended and applied to that claim for confidentiality.	The completed confidentiality templates for the information we consider confidential is provided at Attachment 1.01 (Confidentiality claims). These completed templates provide comprehensive details of our claims.
33.3	Provide any details of a claim for confidentiality in response to paragraph 32.2 at the same time as making the claim for confidentiality.	
34	COMPLIANCE WITH SECTION 71YA OF THE NEL	
34.1	Provide a statement attesting that: (a) Where any expenditure or cost has been incurred or is forecast to be incurred by Ausgrid, as a result of or incidental to a review under Division 3A – Merits review and other non-judicial review – of the NEL: (i) Ausgrid has not included any of that expenditure or cost, or any part of that expenditure or cost, in its capital or operating expenditures for a network revenue or pricing determination; and (ii) Ausgrid has not recovered any of that expenditure or cost, or any part of that expenditure or cost, from end users; and (iii) Ausgrid has not sought to pass through any of that expenditure or cost, or any part of that expenditure or cost, to end users; or (b) Where no expenditure or cost has been incurred or is forecast to be incurred by Ausgrid, as a result of or incidental to a review under Division 3A – Merits review and other non-judicial review – of the NEL: (i) No such expenditure or cost has been incurred or is forecast to be incurred.	See Attachment RIN01 (RIN Response).
35	IDENTIFICATION OF CERTAIN COSTS IN ACTUAL CAPITAL AND OPERATING EXPENDITURE	
35.1	For any actual <i>capex</i> or <i>opex</i> reported in response to this <i>notice</i> , identify any part of that expenditure which can be attributed to any expenditure or cost that <i>Ausgrid</i> has incurred as a result of, or incidental to, a review under Division 3A - <i>Merits review and other non-judicial review - of the NEL</i> .	See Attachment RIN01 (RIN Response).
Notes		
[1]	A global level forecast is the demand forecast that applies to the network service provider's entire network.	

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[2]	A spatial forecast applies to elements of the network. For transmission network service providers (TNSPs), spatial forecasts could be at the level of connection points with distribution network service providers (DNSPs) and major customers. For DNSPs, spatial forecasts could be at the level of connection point, zone substations and/or HV feeders.	
[3]	A NSP may incorporate an appliance model in its demand forecasting method to account for the effects of the uptake of appliances (such as air-conditioners) on maximum demand.	