Revised Proposal

Attachment 5.15.2 Revised Reporting of Historical & Forecast Repex

January 2019

Background

Following the AER's Draft decision Ausgrid engaged Brian Nuttall Consulting to assist in reviewing the AER's Repex model results, particularly in relation to a small number of asset categories. The reason for this review was that, due to the specific characteristics of these asset categories, it was believed that in those cases the AER's Repex model was not suitable to forecast future capital requirements.

The spreadsheet in attachment 5.15.3 outlines Ausgrid's revised historical and forecast expenditure and volume data with revised categorisation of these asset categories based on Nuttall Consulting's advice.

Revised Historical & Forecast Repex Data

Based on Nuttall Consulting's advice, Ausgrid has provided revised reporting of historical and forecast replacement expenditure and volumes. This has separated out several specific replacement programs to facilitate alternate assessment should the AER agree that an alternate assessment method is appropriate.

Revised categorisation includes;

1. ≤ 11kV Circuit Breakers replacements have been separately reported as;
   a. brownfield replacements as part of major zone substation projects;
   b. like-for-like replacements in distribution substations.
2. Dedicated Low Voltage Overhead Reconfiguration has been reported as Overhead Conductors – Other.

Reformatted historical annual RIN data for FY15-18 is contained in columns E-H, projections for FY19 are contained in column I and forecast data is contained in J-N and effectively replace reset RIN repex template data from our original submission.