

Reset RIN Response References

2024-29 Regulatory Proposal



1. Purpose and context

This document has been provided to comply with the following question of 2024-29 Reset RIN issued by the AER to Endeavour Energy:

4.2.1 Provide information used for the purposes of preparing the regulatory proposal including:

(c) a table that references each response to this section 4 and where it is provided in or as part of the regulatory proposal.

Endeavour Energy's response to each question of Reset RIN - Section 4 is provided in Attachment RIN0.09 (Endeavour Energy - RIN0.09 Reset RIN Response - January 2023 - Public). Where a response references a supporting document, the filename of the supporting document has been provided below. Where no reference has been provided below, our response to the Section 4 question is either:

- (a) provided in full in Attachment RIN0.09 with no additional supporting document reference; or
- (b) the question is not applicable.

2. Reference table

Table 1: Reset RIN Response Reference List - Section 4

No.	Supporting Information Requirement	Document Referenced
4.1 Requirement to provide supporting information under this notice		
4.1.1	Endeavour Energy must prepare and provide the AER with the supporting information set out in sections 4, 5 and 6 of this notice.	<p>Endeavour Energy - RIN0.09 Reset RIN Response - January 2023 – Public</p> <p>Endeavour Energy - RIN0.06 Reset RIN Basis of Preparation - January 2023 - Public</p> <p>Endeavour Energy - RIN0.07 Reset RIN Audit Report - January 2023 - Public</p> <p>Endeavour Energy - RIN0.08 Reset RIN Statutory Declaration - January 2023 - Public</p>
4.2 Information used for the purposes of preparing the regulatory proposal		
Consultant reports, material assumptions, etc		
4.2.1	<p>Provide information used for the purposes of preparing the regulatory proposal including:</p> <p>(a) all consultants' reports commissioned and relied upon in whole or in part;</p> <p>(b) all material assumptions relied upon;</p> <p>(c) a table that references each response to this section 4 and where it is provided in or as part of the regulatory proposal;</p> <p>(d) a table that references each document provided in or as part of the regulatory proposal and its relationship to other documents provided; and</p> <p>(e) each document identified in the table referred to in section 4.2.1(d) must be given a meaningful filename in the form:</p> <p>Endeavour Energy – [Author] – [title] – [date] – [public/confidential], where:</p> <p>(i) Author is the author of the file if not Endeavour Energy for example a consultant or other third party;</p> <p>(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;</p> <p>(iii) Date is a relevant date associated with the file, generally the date the document was created, received or finalised;</p> <p>(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 this notice (confidential).</p>	<p>Endeavour Energy - RIN1.02 Document Register - January 2023 - Public</p> <p>Endeavour Energy - 0.08 Board Certified Key Assumptions - January 2023 – Public</p> <p>Endeavour Energy - RIN1.01 Reset RIN Response References - January 2023 - Public</p>

No.	Supporting Information Requirement	Document Referenced
4.2.2	<p>For each material assumption identified in response to section 4.2.1(b) provide:</p> <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 opex 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. 	<p>Endeavour Energy - 0.08 Board Certified Key Assumptions - January 2023 – Public</p> <p>Endeavour Energy - 0.01 Regulatory Proposal - January 2023 – Public</p> <p>Endeavour Energy - 5.01 Engagement Summary Report - October 2022 – Public</p> <p>Endeavour Energy - 5.04 Engagement Plan (Plain Language) - April 2022 – Public</p> <p>Endeavour Energy - 10.22 Asset Risk Model Framework - November 2022 – Public</p> <p>Endeavour Energy - Brian Nuttall Consulting - 10.23 AER Repex Model - September 2022 - Public</p> <p>Endeavour Energy - 11.01 Opex Model - January 2023 – Public</p> <p>Endeavour Energy - 8.01 Lease Capitalisation - January 2023 – Public</p> <p>Endeavour Energy - BIS - 0.10 Real Cost Escalation Forecast - November 2022 – Public</p> <p>Endeavour Energy - 0.06 Cost Allocation Method - March 2018 – Public</p> <p>Endeavour Energy - 0.11 Pass Through Event Proposal - January 2023 – Public.</p>
4.2.3	<p>Provide reconciliation of the capex and opex forecasts provided in the regulatory templates to the proposed capital and operating allowances in the post-tax revenue model for the forthcoming regulatory control period.</p>	<p>Endeavour Energy - 10.10 SCS Capex Listing - January 2023 – Public</p> <p>Endeavour Energy - 11.01 Opex Model - January 2023 – Public</p> <p>Endeavour Energy - 0.04 Post-Tax Revenue Model - January 2023 - Public</p>
4.2.4	<p>Where the regulatory proposal varies or departs from the application of any component or parameter of the capital efficiency sharing scheme, efficiency benefit sharing scheme, demand management incentive scheme or service target performance incentive scheme as set out in the framework and approach paper, for each variation or departure explain:</p> <ul style="list-style-type: none"> (a) the reasons for the variation or departure, including why it is appropriate; (b) how the variation or departure aligns with the objectives of the relevant scheme; and (c) how the proposed variation or departure will impact the operation of the relevant scheme. 	<p>Endeavour Energy - 9.02 CSIS Proposal - January 2023 – Public</p> <p>Endeavour Energy - 10.07 STPIS and non-compliant feeder capex proposal - November 2022 - Public</p>

No.	Supporting Information Requirement	Document Referenced
Models		
4.2.5	<p>Provide the models Endeavour Energy has used to:</p> <ul style="list-style-type: none"> (a) develop its total forecast capex; (b) derive and apply the materials price changes, including any model(s) developed by a third party; (c) develop total forecast opex; (d) develop proposed charges for public lighting services in the forthcoming regulatory control period; (e) forecast new connections and maximum demand; (f) calculate the long run marginal cost estimates in Endeavour Energy's proposed tariff structure statement; (g) develop proposed charges for metering services (the AER's Standardised metering capex and opex model; and the Standardised metering pricing model); and (h) develop proposed charges for ancillary network services (the AER's Standardised ancillary network services model). 	<p>Endeavour Energy - 10.10 SCS Capex Listing - January 2023 – Public</p> <p>Endeavour Energy - 11.01 Opex Model - January 2023 – Public</p> <p>Endeavour Energy - 14.06 Public Lighting Pricing Model - January 2023 – Public</p> <p>Endeavour Energy - 7.05 Customer Forecast Model - December 2022 - Confidential</p> <p>Endeavour Energy - 0.16 Import LRM model - January 2023 – Public</p> <p>Endeavour Energy - 0.17 Export LRM model - January 2023 – Public</p> <p>Endeavour Energy - 14.03 Metering Capex and Opex Model - January 2023 – Public</p> <p>Endeavour Energy - 14.04 Metering Pricing Model - January 2023 – Public</p> <p>Endeavour Energy - 14.07 ANS Pricing Model - January 2023 - Public</p>
4.3 Classification of services		
4.3.1	<p>If the proposed service classifications in the regulatory proposal depart from any of the service classifications set out in the framework and approach paper:</p> <ul style="list-style-type: none"> (a) provide, in a second set of regulatory templates, all information required in each regulatory template in accordance with the instructions contained therein, modified as necessary, to incorporate the proposed service classifications; and (b) identify and explain where the regulatory templates differ. 	
4.4 Capital expenditure		
General		
4.4.1	<p>Provide justification for Endeavour Energy's total forecast capex, including the following information:</p> <ul style="list-style-type: none"> (a) why the total forecast capex is required for Endeavour Energy to achieve each of the objectives in clause 6.5.7(a) of the NER; (b) how Endeavour Energy's total forecast capex reasonably reflects each of the criteria in clause 6.5.7(c) of the NER; (c) how Endeavour Energy's total forecast capex accounts for the factors in clause 6.5.7(e) of the NER; (d) an explanation of how the plans, policies, procedures and regulatory obligations or requirements identified in Workbook 1 – Forecast, regulatory templates 7.1 and 7.3 have been used to develop forecast capex; and 	<p>Endeavour Energy - 0.01 Regulatory Proposal - January 2023 – Public</p> <p>Endeavour Energy - 10.10 SCS Capex Listing - January 2023 – Public</p> <p>Endeavour Energy - 10.21 Connections Case for Investment - September 2022 – Public</p> <p>Endeavour Energy - 7.01 2023-2032 Summer Demand Forecast - August 2022 – Public</p>

No.	Supporting Information Requirement	Document Referenced
	(e) an explanation of how each response provided to paragraph 4.4.1(a)-(d) is reflected in any increase or decrease in expenditures or volumes, particularly between the current and forthcoming regulatory control periods, provided in Workbook 1 – Forecast, regulatory templates 2.1 to 2.11.	<p>Endeavour Energy - 7.05 Customer Forecast Model - December 2022 - Confidential</p> <p>Endeavour Energy - 10.01 Investment Management Framework (IMF) - November 2022 – Public</p> <p>Endeavour Energy - 10.02 Asset Management Policy - May 2022 – Public</p> <p>Endeavour Energy - 10.03 Network Business Strategy - November 2022 – Public</p> <p>Endeavour Energy - 10.04 Investment Portfolio Decision Making - November 2022 – Public</p> <p>Endeavour Energy - 10.05 Value Framework - November 2022 – Public</p> <p>Endeavour Energy - 10.07 STPIS and non-compliant feeder CAPEX proposal - November 2022 - Public</p> <p>Endeavour Energy - 10.22 Asset Risk Model Framework - November 2022 – Public</p> <p>Endeavour Energy - 0.07 Expenditure Forecasting Methodology Statement - June 2022 – Public</p> <p>Endeavour Energy - Brian Nuttall Consulting - 10.23 AER Repex Model - September 2022 – Public</p> <p>Endeavour Energy - 10.42 Fleet Asset Strategy - November 2022 – Public</p> <p>Endeavour Energy - 10.43 ICT Asset Strategy - November 2022 - Public</p> <p>Endeavour Energy - 10.46 Building, Property and other non-system asset strategy - November 2022 – Public</p>
4.4.2	<p>Identify which items of Endeavour Energy's forecast capex are:</p> <p>(a) derived directly from competitive tender processes;</p> <p>(b) based upon competitive tender processes for similar projects;</p> <p>(c) based upon estimates obtained from contractors or manufacturers;</p> <p>(d) based upon independent benchmarks;</p> <p>(e) based upon actual historical costs for similar projects; and</p>	<p>Endeavour Energy - 10.20 AUGEX Selection of Cases for Investment ZIP - January 2023 – Public</p>

No.	Supporting Information Requirement	Document Referenced
	(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.	
4.4.3	Provide all documents which were materially relied upon and relate to the deliverability of forecast capex and explain the proposed deliverability.	Endeavour Energy - 0.01 Regulatory Proposal - January 2023 - Public
Capex categories		
4.4.4	Describe each capex category and expenditures relating to these categories identified in the regulatory templates, including: (a) key drivers for expenditure; (b) an explanation of how expenditure is distinguished between: (i) greenfield driven and reinforcement driven augex; (ii) connections expenditure and augmentation capex; (iii) replacement capex driven by condition and asset replacements driven by other drivers (e.g. the need for greenfield or reinforcement driven augex); and (iv) any other capex category or opex category where Endeavour Energy considers that there is reasonable scope for ambiguity in categorisation.	Endeavour Energy - 0.01 Regulatory Proposal - January 2023 – Public
Replacement capex modelling		
4.4.5	In relation to information provided in Workbook 1 – Forecast, regulatory template 2.2 and with respect to the AER's repex model, provide: (a) For individual asset categories in each asset group set out in the regulatory templates, provide in a separate document a description of the asset category, including: (i) the assets included and any boundary issues (i.e. with other asset categories); (ii) an explanation of how these matters have been accounted for in determining quantities in the age profile; (iii) an explanation of the main drivers for replacement (e.g. condition); and (iv) an explanation of whether the replacement unit cost provides for a complete replacement of the asset, or some other activity, including an extension of the asset's life (e.g. pole staking) and whether the costs of this extension or other activity are capitalised or not.	Endeavour Energy - 10.24 Overhead System Strategy - November 2022 - Public Endeavour Energy - 10.25 Underground System Strategy - November 2022 - Public Endeavour Energy - 10.26 Asset Class Plan HV Overhead Switchgear - October 2022 - Public Endeavour Energy - 10.27 Asset Class Plan Overhead Conductors - November 2022 - Public Endeavour Energy - 10.28 Asset Class Plan Overhead Structures - October 2022 - Public Endeavour Energy - 10.29 Asset Class Plan Underground Cables - November 2022 - Public Endeavour Energy - 10.30 Asset Class Plan Circuit Breakers - November 2022 - Public Endeavour Energy - 10.31 Asset Class Plan Power Transformers - November 2022 - Public Endeavour Energy - 10.32 REPEX Selection of Cases for Investment ZIP - January 2023 - Public
Connections expenditure		

No.	Supporting Information Requirement	Document Referenced
4.4.6	Provide and describe the methodology and assumptions used to prepare the forecasts of connection works including: (a) Estimation of connection unit costs for each customer type; and (b) Connection volumes for each customer type.	Endeavour Energy - 7.05 Customer Forecast Model - December 2022 - Confidential
4.4.7	Endeavour Energy must provide its estimation of customer contributions based upon the estimated life and revenue to be recovered from connection assets, including: (a) the expected life of the connection; (b) the average consumption expected by the customer over the life of the connection; and (c) any other factors that influence the expected recovery of the Endeavour Energy network use of system charge to customers.	
Non-network alternatives		
4.4.8	Identify the policies and strategies and procedures in the response to Workbook 1 – Forecast, regulatory template 7.1 which relate to the selection of efficient non-network solutions.	Endeavour Energy - 10.01 Investment Management Framework (IMF) - November 2022 – Public Endeavour Energy - 10.02 Asset Management Policy - May 2022 – Public Endeavour Energy - 10.03 Network Business Strategy - November 2022 – Public Endeavour Energy - 10.05 Value Framework - November 2022 – Public Endeavour Energy - 10.14 Growth Servicing Strategy - November 2022 - Public Endeavour Energy - 10.22 Asset Risk Model Framework - November 2022 – Public Endeavour Energy - 10.06 Demand Side Engagement - July 2022 - Public
4.4.9	Explain the extent to which the provision for efficient non-network alternatives has been considered in the development of the forecast capex and forecast opex proposals.	Endeavour Energy - 10.20 AUGEX Selection of Cases for Investment ZIP - January 2023 – Public Endeavour Energy - 10.32 REPEX Selection of Cases for Investment ZIP - January 2023 - Public
4.4.10	Identify each non-network alternative that Endeavour Energy has: (a) commenced during the current regulatory control period; and (b) selected to commence during, or will continue into, the forthcoming regulatory control period.	

No.	Supporting Information Requirement	Document Referenced
4.4.11	For each non-network alternative identified provide a description, including cost and location.	
4.4.12	Provide, for each year of the current regulatory control period, and for the forthcoming regulatory control period, details of each payment made, or expected to be made, by Endeavour Energy to an embedded generator in reflection of any costs avoided by deferring augmentation of: (a) Endeavour Energy's distribution network; or (b) the relevant transmission network.	
4.5 Forecast input price changes		
4.5.1	Provide: (a) information supporting or relied upon that explain the change in the price of goods and services purchased by Endeavour Energy, including evidence that any materials price forecasting method explains the price of materials previously purchased by Endeavour Energy.	Endeavour Energy - RIN0.01 Reset RIN Workbook 1 - Forecast - January 2023 – Confidential
4.5.2	Provide also an explanation of : (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 4.2.5(b); and (iv) the use of any assumptions such as lags or productivity gains. (b) whether the same price changes have been used in developing both the forecast capex proposal and forecast opex proposal; and (c) if the same price changes have not been used in developing both the forecast capex proposal and forecast opex proposal, why it is appropriate for different expenditure escalators to apply.	Endeavour Energy - 0.01 Regulatory Proposal - January 2023 – Public Endeavour Energy - BIS - 0.10 Real Cost Escalation Forecast - November 2022 - Public
4.6 Operating and maintenance expenditure		
Total forecast operating and maintenance expenditure (opex)		
4.6.1	Provide: (a) justification for Endeavour Energy's total forecast opex, including: (i) why the proposed total forecast opex is required for Endeavour Energy to achieve each of the objectives in clause 6.5.6(a) of the NER; (ii) how Endeavour Energy's total forecast opex reasonably reflects each of the criteria in clause 6.5.6(c) of the NER; and (iii) how Endeavour Energy's total forecast opex accounts for the factors in clause 6.5.6(e) of the NER.	Endeavour Energy - 0.01 Regulatory Proposal - January 2023 – Public Endeavour Energy - 11.01 Opex Model - January 2023 - Public
4.6.2	If Endeavour Energy used a revealed cost base year approach to develop its total forecast opex proposal, provide: (a) explanation and justification for why that base year represents efficient and recurrent costs.	Endeavour Energy - 0.01 Regulatory Proposal - January 2023 – Public
4.6.3	If Endeavour Energy does not use a revealed cost base year approach to develop its total forecast provide:	

No.	Supporting Information Requirement	Document Referenced
	(a) explanation of major drivers for the increases and decreases in expenditure by opex category in the forthcoming regulatory control period compared to actual historical expenditure; (b) explanation and justification for: (i) whether Endeavour Energy considers there is a year of historical opex that represents efficient and recurrent costs; or (ii) why Endeavour Energy considers no year of historical opex represents efficient and recurrent costs.	
Output growth		
4.6.4	Provide: (a) the output growth drivers Endeavour Energy used to develop the amount of total forecast opex attributable to output growth; (b) the weight applied to each output growth driver; (c) the forecast amount for each output growth driver; (d) evidence that the growth drivers explain cost changes due to output growth; and (e) an explanation of how, in developing the amount of total forecast opex attributable to output growth Endeavour Energy applied the above output growth measures.	Endeavour Energy - 0.01 Regulatory Proposal - January 2023 – Public Endeavour Energy - 11.01 Opex Model - January 2023 – Public
Real price changes		
4.6.5	Provide: (a) the labour and non-labour inputs used to develop the amount of total forecast opex attributable to input price growth; (b) the weight applied to each labour and non-labour input; (c) the forecast growth rate applied to each labour and non-labour input; and (d) an explanation of how, in developing the amount of total forecast opex attributable to changes in the price of labour and non-labour inputs, Endeavour Energy applied the real price measures in Workbook 1 – Forecast, regulatory template 2.14.	Endeavour Energy - 0.01 Regulatory Proposal - January 2023 – Public Endeavour Energy - BIS - 0.10 Real Cost Escalation Forecast - November 2022 – Public Endeavour Energy - RIN0.01 Reset RIN Workbook 1 – Forecast - January 2023 – Confidential Endeavour Energy - 11.01 Opex Model - January 2023 - Public
Productivity change		
4.6.6	Provide, in percentage year on year terms, the productivity measure that Endeavour Energy used to develop the amount of total forecast opex attributable to changes in productivity.	Endeavour Energy - 11.01 Opex Model - January 2023 - Public
4.6.7	Provide an explanation of: (a) how, in developing the amount of total forecast opex attributable to changes in productivity, Endeavour Energy applied the productivity measure; (b) whether Endeavour Energy's forecast productivity changes capture the historical trend of cost increases due to changes in regulatory obligations or requirements and industry best practice.	Endeavour Energy - 11.01 Opex Model - January 2023 - Public
Step changes		

No.	Supporting Information Requirement	Document Referenced
4.6.8	<p>Provide an explanation of why Endeavour Energy considers:</p> <ul style="list-style-type: none"> (a) the efficient costs of the step change are not provided by other components of Endeavour Energy's total forecast opex such as base opex, output growth, real price growth or productivity growth; (b) the total forecast opex will not allow Endeavour Energy to achieve the objectives in clause 6.5.6(a) of the NER unless the step change is included; and (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. 	<p>Endeavour Energy - 0.01 Regulatory Proposal - January 2023 – Public</p> <p>Endeavour Energy - 11.03 Insurance Premium Opex Step Change - December 2022 – Confidential</p> <p>Endeavour Energy - 10.40 DER Integration Strategy and Business Case - December 2022 - Public</p>
4.6.9	<p>For each step change in forecast expenditure, provide a description of the step change and an explanation of:</p> <ul style="list-style-type: none"> (a) when the change occurred, or is expected to occur; (b) what the driver of the step change is; (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 (d) whether the step change is recurrent in nature. 	<p>Endeavour Energy - 0.01 Regulatory Proposal - January 2023 – Public</p> <p>Endeavour Energy - 11.03 Insurance Premium Opex Step Change - December 2022 – Confidential</p> <p>Endeavour Energy - 10.40 DER Integration Strategy and Business Case - December 2022 - Public</p>
4.6.10	<p>For each step change in forecast expenditure, provide justification for when, and how, the step change affected, or is expected to affect:</p> <ul style="list-style-type: none"> (a) the relevant opex category; (b) the relevant capex category; (c) total opex; and (d) total capex. 	<p>Endeavour Energy - 0.01 Regulatory Proposal - January 2023 – Public</p> <p>Endeavour Energy - 11.03 Insurance Premium Opex Step Change - December 2022 – Confidential</p> <p>Endeavour Energy - 10.40 DER Integration Strategy and Business Case - December 2022 - Public</p>
4.6.11	<p>For each step change in forecast expenditure, provide the process undertaken by Endeavour Energy to identify and quantify the step change; provide cost benefit analysis that demonstrates how Endeavour Energy proposes to address the step change in a prudent and efficient manner, including:</p> <ul style="list-style-type: none"> (a) the timing of the step change; and (b) if Endeavour Energy considered a 'do nothing' option, evidence of how Endeavour Energy assessed the risks of this option compared with other options. 	<p>Endeavour Energy - 0.01 Regulatory Proposal - January 2023 – Public</p> <p>Endeavour Energy - 11.03 Insurance Premium Opex Step Change - December 2022 – Confidential</p> <p>Endeavour Energy - 10.40 DER Integration Strategy and Business Case - December 2022 - Public</p>
4.6.12	<p>For each step change in forecast expenditure, where the step change is due to a change in a regulatory obligation or requirement provide:</p> <ul style="list-style-type: none"> (a) relevant variations or exemptions granted to Endeavour Energy during the previous regulatory control period or the current regulatory control period; 	

No.	Supporting Information Requirement	Document Referenced
	(b) any relevant compliance audits Endeavour Energy conducted during the previous regulatory control period or the current regulatory control period. (c) with reference to specific clauses of the relevant legislative instrument(s), the: (i) previous regulatory obligation or requirement; and (ii) how the changed regulatory obligation or requirement is driving the step change.	
4.7 Ancillary network services		
4.7.1	Provide a description of each ancillary network service listed in the Standardised ancillary network services model published by the AER.	Endeavour Energy - 14.07 ANS Pricing Model - January 2023 - Public
4.8 Public lighting services		
4.8.1	Specify which items are capex and opex for each year of the current regulatory control period and forecast for the forthcoming regulatory control period.	Endeavour Energy - 14.06 Public Lighting Pricing Model - January 2023 – Public
4.8.2	Provide unit costs for the current regulatory control period and forecast for the forthcoming regulatory control period for: (a) luminaires; (b) dedicated street lighting poles; (c) brackets; (d) lamps; (e) photoelectric cells; (f) labour rate (per hour); and (g) miscellaneous materials.	Endeavour Energy - 14.06 Public Lighting Pricing Model - January 2023 – Public
4.8.3	Provide the depreciation period in years for each type of luminaire.	
4.8.4	Provide the bulk change cycle in years for lamps and photoelectric cells.	
4.8.5	Provide details of the average replacement age of each type of luminaire.	
4.8.6	Provide the number of luminaires, by type, for the current and forthcoming regulatory control periods.	Endeavour Energy - 14.06 Public Lighting Pricing Model - January 2023 – Public
4.8.7	Provide the number of luminaires, poles and brackets replaced per year, for the current and forthcoming regulatory control periods.	Endeavour Energy - 14.06 Public Lighting Pricing Model - January 2023 – Public
4.8.8	Provide details, including assumptions used, for any other costs that are incurred for the provision of public lighting services.	
4.8.9	Provide the reasons for assumptions underpinning the proposed charges as set out in the models and/or modelling for public lighting for the forthcoming regulatory control period provided in response to 4.2.5(d) of this notice.	Endeavour Energy - 0.08 Certified Key Assumptions - January 2023 – Public Endeavour Energy - 0.01 Regulatory Proposal - January 2023 – Public

No.	Supporting Information Requirement	Document Referenced
		Endeavour Energy - 14.08 Public Lighting Management Plan - July 2021 - Public
4.8.10	For public lighting services, specify the number of customers in each year of the current regulatory control period, and forecast for the forthcoming regulatory control period.	
4.9 Incentive schemes		
Efficiency benefit sharing scheme		
4.9.1	For the purposes of applying the efficiency benefit sharing scheme: (a) identify all cost categories proposed to be excluded from the operation of the efficiency benefit sharing scheme; (b) explain for each cost category identified the reasons for the proposed exclusion.	Endeavour Energy - RIN0.03 Reset RIN Workbook 3 – EBSS - January 2023 – Public Endeavour Energy - 0.01 Regulatory Proposal - January 2023 – Public
Service target performance incentive scheme and customer service incentive scheme		
4.9.2	If Endeavour Energy proposes to apply an incentive design under the AER's Customer Service Incentive Scheme, this proposal must meet the requirements under clause 3.3 of the Customer Service Incentive Scheme.	Endeavour Energy - 0.01 Regulatory Proposal - January 2023 – Public Endeavour Energy - 9.02 CSIS Proposal - January 2023 - Public
4.10 Indicative impact on annual electricity bills		
4.10.1	For the purposes of calculating the impact of Endeavour Energy's regulatory proposal on the annual electricity bill of typical residential and business customers in New South Wales, provide the data source for each input used for the calculation.	Endeavour Energy - RIN0.05 Reset RIN Workbook 5 – Indicative Bill Impact - January 2023 - Public Endeavour Energy - RIN1.03 Indicative Bill Impact - Data Sources - January 2023 - Public
4.11 Proposed tariff structure statement		
4.11.1	Provide and describe the methodology and assumptions used to prepare the long run marginal cost estimates in Endeavour Energy's tariff structure statement.	Endeavour Energy – 0.14 Tariff Structure Statement – January 2023 – Public Endeavour Energy – 0.15 Tariff Structure Explanatory Statement – January 2023 – Public Endeavour Energy – 0.16 Import LRMC model – January 2023 – Public Endeavour Energy – 0.17 Export LRMC model – January 2023 – Public
4.11.2	Describe the relationship between the expenditure, demand and other inputs (as appropriate) used in the model provided under this section and the expenditure, demand and other forecasts (as appropriate) provided as part of the building block proposal for the forthcoming regulatory control period.	Endeavour Energy – 0.14 Tariff Structure Statement – January 2023 – Public Endeavour Energy – 0.15 Tariff Structure Explanatory Statement – January 2023 - Public

No.	Supporting Information Requirement	Document Referenced
4.11.3	If Endeavour Energy calculates the long run estimate cost estimates using a method different from the Average Incremental Cost method, Endeavour Energy must provide all inputs, definitions and sources for inputs, a description of the methodology, and calculations for every stage of the methodology in the in the materials submitted to the AER.	
4.11.4	Describe the methods and assumptions used to derive the disaggregated capex beyond the forthcoming regulatory control period. Provide any model(s) used to derive such capex.	Endeavour Energy – RIN0.01 Reset RIN Workbook 1 – Forecast – January 2023 – Confidential
4.11.5	Describe the methods and assumptions used to derive the disaggregated opex beyond the forthcoming regulatory control period. Provide any model(s) used to derive such opex.	Endeavour Energy – RIN0.01 Reset RIN Workbook 1 – Forecast – January 2023 – Confidential
4.11.6	Describe the methods and assumptions used to derive the disaggregated demand beyond the forthcoming regulatory control period. Provide any model(s) used to derive such demand.	Endeavour Energy – RIN0.01 Reset RIN Workbook 1 – Forecast – January 2023 – Confidential Endeavour Energy – 7.01 2023-2032 Summer Demand Forecast – August 2022 – Public Endeavour Energy – 10.40 DER Integration Strategy and Business Case – December 2022 - Public
4.12 Rate of return		
4.12.1	For the purposes of assessing Endeavour Energy’s proposal we require it to provide ‘placeholder’ averaging periods which will be made public and have been used to calculate an indicative rate of return in Endeavour Energy’s regulatory proposal.	Endeavour Energy - 0.01 Regulatory Proposal - January 2023 – Public Endeavour Energy - 12.01 Rate of Return model - January 2023 - Public
4.13 Regulatory asset base		
4.13.1	If the value of the regulatory asset base as at the start of the forthcoming regulatory control period is proposed to be adjusted because of changes to asset service classification, provide details including relevant supporting information used to calculate that adjustment value.	
4.13.2	Provide details of any departure in the allocation of actual capex, asset disposal and customer contribution values across asset classes in the roll forward model from those reported in the Annual Reporting RIN for the relevant regulatory years and the reasons for that departure.	Endeavour Energy - 8.01 Lease Capitalisation - January 2023 – Public Endeavour Energy - 8.02 Lease RFM - January 2023 - Public
4.14 Depreciation schedules		
4.14.1	Identify any changes to standard asset lives for existing asset classes from the previous determination. Explain the reason(s) for each change and provide supporting information.	

No.	Supporting Information Requirement	Document Referenced
4.14.1	Identify any changes in the post-tax revenue model to asset classes from the previous determination. Explain the reason(s) for using these new asset classes and provide supporting information on their proposed standard asset lives.	
4.14.3	If any existing asset classes from the previous determination are proposed to be removed and their residual values to be reallocated to other asset classes in the post-tax revenue model, explain the reason(s) for the change and provide supporting information. This should include a demonstration of the materiality of the change on the forecast depreciation allowance.	
4.15 Corporate tax allowance		
4.15.1	Identify each change to standard tax asset lives for existing asset classes from the previous determination. Explain the reason(s) for the change and provide relevant supporting information, including Federal tax laws governing depreciation for tax purposes.	
4.15.2	Identify each difference in the capitalisation 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.	
4.15.3	Please provide the following information regarding immediate expensing capex for standard control services: (a) Explain the approach Endeavour Energy used to forecast its immediate expensing capex for the 2024–2029 regulatory control period as provided in the proposed post-tax revenue models. (b) State if Endeavour Energy intends to change its tax policy on immediate expensing capex from its current policy.	
4.15.4	The post-tax revenue model applies the diminishing value (DV) method for tax depreciation purposes to all new depreciable assets except for certain assets. Where Endeavour Energy proposes capex associated with buildings and in-house software to be exempted from the DV method of tax depreciation, confirm that the proposal satisfies the following requirements: (a) Buildings (capital works): Capex for buildings may be depreciated using the straight-line (SL) method if it satisfies the definition of a capital work under section 43.20 of the Income Tax Assessment Act 1997 (ITAA). (b) In-house software: Capex for in-house software may be depreciated using the SL method if it satisfies the definition of in-house software under section 995.1 of the ITAA, and may be depreciated using the SL method, consistent with section 40.72 of the ITAA.	
4.16 Related party transactions		
4.16.1	4.16.1 Identify and describe all entities which: (a) are a related party to Endeavour Energy and contribute to the provision of distribution services; or (b) have the capacity to determine the outcome of decisions about Endeavour Energy's financial and operating policies.	
4.16.2	Provide a diagram of the organisational structure depicting the relationships between all the entities identified in the response to this section 4.17.	Endeavour Energy - RIN1.04 Group Structure - January 2023 - Public
4.16.3	Identify:	

No.	Supporting Information Requirement	Document Referenced
	<p>(a) all arrangements or contracts between Endeavour Energy and any of the other entities identified in the response to this section 4.17 currently in place or expected to be in place during the forthcoming regulatory control period which relate directly or indirectly to the provision of distribution services; and</p> <p>(b) the service or services that are the subject of each arrangement or contract.</p>	
4.16.4	<p>For each service identified as the subject of each arrangement or contract:</p> <p>(a) provide:</p> <ul style="list-style-type: none"> (i) a description of the process used to procure the service; and (ii) supporting documentation including, but not limited to, requests for tender, tender submissions, internal committee papers evaluating the tenders, contracts between Endeavour Energy and the relevant provider. <p>(b) explain:</p> <ul style="list-style-type: none"> (i) why that service is the subject of an arrangement or contract (i.e. why it is outsourced) instead of being undertaken by Endeavour Energy itself; (ii) whether the services procured were provided under a standalone contract or provided as part of a broader operational agreement (or similar); (iii) whether the services were procured on a genuinely competitive basis and if not, why not; and (iv) whether the service (or any component thereof) was further outsourced to another provider by the related party. 	

