Addendum – Equity Raising Costs

Energy to the people

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Foreword

In accordance with the provisions of Chapter 6 of the *Rules*, Aurora provided the AER with its *Regulatory Proposal* on 31 May 2011. In its *Regulatory Proposal* Aurora did not include any allowance for equity raising costs.

The AER sought clarification from Aurora on 16 June 2011 that Aurora was not proposing an allowance for equity raising costs. Aurora confirmed that it would be seeking an allowance for equity raising costs in it response to the AER on 24 June 2011.

The AER sought further clarification on Aurora's position on 29 June 2001 and asked that Aurora provide:

- an amended PTRM; and
- a document outlining the basis for equity raising costs to be included in its *Regulatory Proposal*.

Aurora has sought an allowance for equity raising costs that is consistent with the AER's final determination for the Victorian electricity distribution businesses. Incorporation of the equity raising allowance within the PTRM has resulted in a slight adjustment to Aurora's revenue allowance for the forthcoming *Regulatory Control Period*.

This revenue change has therefore impacted on tables within the following chapters of Aurora's *Regulatory Proposal*:

- 1 – Executive summary;
- 19 – Regulatory asset base;
- 21 – Depreciation;
- 22 – Corporate income tax;
- 25 – Service Target Performance Incentive Scheme;
- 29 – X factor;
- 30 – Annual revenue requirement;
- 31 – Total revenue requirement;
- 33 – Alternative Control Services; and
- 36 – Indicative pricing.

Aurora has prepared this addendum to its *Regulatory Proposal* to reflect the changes to the tables within these chapters. The amended tables within this addendum replace the original tables within Aurora's *Regulatory Proposal* in their entirety.

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1. Executive Summary

1.7. Revenue calculation

The notional building block revenue requirement, in real 2009-10 dollars, for each year of the *Regulatory Control Period* is detailed in Table 3 below.

Table 3: Notional building block revenue

$2009-10	2012-13 ($m)	2013-14 ($m)	2014-15 ($m)	2015-16 ($m)	2016-17 ($m)
Notional building block revenue	272.18	280.70	279.53	275.28	275.87
Notional building block smoothed revenue	277.36	276.99	276.62	276.25	275.88

1.8. Customer pricing outcomes

Table 4 below provides an indication of distribution prices, in real 2009-10 cents per kWh, for *Standard Control Services* by customer class. These prices have been calculated using energy consumption forecasts and annual revenue requirements at the customer class level.

Table 4: Indicative distribution prices

cents 2009-10	2010-11 (c/kWh)	2011-12 (c/kWh)	2012-13 (c/kWh)	2013-14 (c/kWh)	2014-15 (c/kWh)	2015-16 (c/kWh)	2016-17 (c/kWh)
Residential	5.75	6.36	7.01	6.94	6.88	6.79	6.71
Small business – LV	7.53	7.90	8.78	8.68	8.59	8.48	8.37
Large business – LV	3.87	4.12	4.59	4.50	4.43	4.33	4.24
Large commercial - HV	1.05	1.18	1.17	1.16	1.14	1.12	1.11
Irrigation	5.72	6.11	6.40	6.34	6.26	6.20	6.07
Unmetered supplies	6.72	7.06	7.89	7.77	7.65	7.54	7.43
All classes	5.02	5.47	6.03	5.97	5.91	5.85	5.78
All classes (percentage change)		8.97%	10.17%	(1.01%)	(0.89%)	(1.06%)	(1.22%)

Indicative prices increase 10.2 percent between 2011-12 and 2012-13 and are largely driven in the P_o adjustment that will occur following the application of the AER's post tax revenue model that is used to derive Aurora's ARR. Following this initial price increase, indicative prices fall by an average 1.0 percent, in real terms, each year.

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19. Regulatory asset base

19.2. Summary

Table 87 below summarises Aurora's forecast of the RAB over the 2012-17 *Regulatory Control Period*.

Table 87: RAB – 2012-17

Nominal dollars	2012-13 ($m)	2013-14 ($m)	2014-15 ($m)	2015-16 ($m)	2016-17 ($m)
Opening RAB – 1 July	1,484.86	1,576.13	1,662.61	1,750.59	1,843.94
Forecast capital expenditure	156.73	159.17	158.77	157.52	163.64
Forecast straight line depreciation	83.33	91.84	90.99	86.28	88.23
Forecast disposals	0.75	1.08	1.69	1.55	1.59
Forecast customer contributions	20.96	21.50	22.06	22.63	23.21
Closing RAB – 30 June	1,536.56	1,620.87	1,760.64	1,797.65	1,894.55

19.6. 2012-17 RAB

Table 93 below summarises Aurora's forecast of the RAB over the 2012-17 *Regulatory Control Period*.

Table 93: RAB – 2012-17

Nominal dollars	2012-13 ($m)	2013-14 ($m)	2014-15 ($m)	2015-16 ($m)	2016-17 ($m)
Opening RAB – 1 July	1,484.86	1,576.13	1,662.61	1,750.59	1,843.94
Forecast capital expenditure	156.73	159.17	158.77	157.52	163.64
Forecast regulatory depreciation	83.33	91.84	90.99	86.28	88.23
Forecast disposals	0.75	1.08	1.69	1.55	1.59
Forecast customer contributions	20.96	21.50	22.06	22.63	23.21
Closing balance	1,536.56	1,620.87	1,760.64	1,797.65	1,894.55
Forecast inflation rate	2.58%	2.58%	2.58%	2.58%	2.58%

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21. Depreciation

21.3. Standard and remaining lives for asset classes

Table 97 below provides standard and remaining asset lives by asset class.

Table 97: Standard and remaining lives

Asset category	Standard life (years)	Remaining life (years)
Overhead subtransmission lines (urban)	50	31.65
Underground subtransmission lines (urban)	60	38.68
Urban zone substations	40	31.49
Rural zone substations	40	30.92
SCADA	10	2.86
Distribution switching stations (ground)	40	33.01
Overhead high voltage lines urban	35	24.12
Overhead high voltage lines rural	35	20.84
Voltage regulators on distribution feeders	40	23.23
Underground high voltage lines	60	42.22
Underground high voltage lines SWER	60	51.23
Distribution substations HV (pole)	40	33.29
Distribution substations HV (ground)	40	17.07
Distribution substations LV (pole)	40	23.01
Distribution substations LV (ground)	40	24.58
Overhead low voltage lines underbuilt urban	35	23.73
Overhead low voltage lines underbuilt rural	35	17.74
Overhead low voltage lines urban	35	23.95
Overhead low voltage lines rural	35	25.96
Underground low voltage lines	60	38.11
Underground low voltage common trench	60	47.20
HVST service connections	40	2.08
HV service connections	40	28.41
HV metering CA service connections	40	11.07
HV/LV service connections	40	27.30
Business LV service connections	35	13.26
Business LV metering CA service connections	25	6.33
Domestic LV service connections	35	22.11
Domestic LV metering CA service connections	20	4.00

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Asset category	Standard life (years)	Remaining life (years)
Emergency network spares	1	0.00
Motor vehicles	6	3.50
Minor assets	5	2.67
Non-system property	40	20.93
Spare parts	1	0.00
NEM assets	5	2.07
Equity raising costs	41	0.00

21.4. Forecast regulatory depreciation

Table 98 below shows the depreciation Building Blocks for *Standard Control Services* for 2012-17:

Table 98: Depreciation building blocks

	2012-13 ($m)	2013-14 ($m)	2014-15 ($m)	2015-16 ($m)	2016-17 ($m)
Straight-line depreciation (real)	81.24	87.29	84.31	77.94	77.70
Straight-line depreciation (nominal)	83.33	91.84	90.99	86.28	88.23
Regulatory depreciation (nominal)	46.05	52.28	49.25	42.34	41.94
Inflation on opening RAB	2.58%	2.58%	2.58%	2.58%	2.58%

21.5. Regulatory tax lives for asset classes

Table 99 below provides tax asset lives by asset class.

Table 99: Tax lives

Asset category	Tax life (years)	Remaining life (years)
Overhead subtransmission lines (urban)	45	40.17
Underground subtransmission lines (urban)	50	48.32
Urban zone substations	33	28.75
Rural zone substations	33	30.98
SCADA	33	29.28
Distribution switching stations (ground)	36	28.99
Overhead high voltage lines urban	35	29.16
Overhead high voltage lines rural	33	24.66
Voltage regulators on distribution feeders	45	43.60
Underground high voltage lines	31	18.97
Underground high voltage lines SWER	31	30.37

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Asset category	Tax life (years)	Remaining life (years)
Distribution substations HV (pole)	38	32.97
Distribution substations HV (ground)	33	25.42
Distribution substations LV (pole)	37	31.86
Distribution substations LV (ground)	34	28.74
Overhead low voltage lines underbuilt urban	37	31.29
Overhead low voltage lines underbuilt rural	39	34.54
Overhead low voltage lines urban	35	28.58
Overhead low voltage lines rural	37	30.86
Underground low voltage lines	42	39.47
Underground low voltage common trench	43	40.92
HVST service connections	36	0.00
HV service connections	36	31.44
HV metering CA service connections	36	34.96
HV/LV service connections	36	31.52
Business LV service connections	36	31.16
Business LV metering CA service connections	36	34.89
Domestic LV service connections	36	31.90
Domestic LV metering CA service connections	36	34.66
Emergency network spares	1	0.00
Motor vehicles	9	4.40
Minor assets	5	2.92
Non-system property	35	22.78
Spare parts	1	0.00
NEM assets	3	1.60
Equity raising costs	33	0.00

21.6. Forecast regulatory tax depreciation

Aurora's forecast tax depreciation schedule for the 2012–2017 *Regulatory Control Period*, which has been used to calculate Aurora's nominal allowance for corporate income tax, is shown in Table 100 below. Chapter 22 of Aurora's *Regulatory Proposal* provides further details on Aurora's proposed allowance for corporate income tax.

Table 100: Tax depreciation schedule

Asset category	2012-13 ($m)	2013-14 ($m)	2014-15 ($m)	2015-16 ($m)	2016-17 ($m)
Overhead subtransmission lines (urban)	0.2	0.2	0.2	0.2	0.2

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Asset category	2012-13 ($m)	2013-14 ($m)	2014-15 ($m)	2015-16 ($m)	2016-17 ($m)
Underground subtransmission lines (urban)	0.1	0.1	0.1	0.1	0.1
Urban zone substations	1.2	1.3	1.4	1.6	1.8
Rural zone substations	0.1	0.1	0.1	0.1	0.1
SCADA	0.2	0.2	0.4	0.6	0.6
Distribution switching stations (ground)	0.9	1.0	1.0	1.0	1.1
Overhead high voltage lines urban	3.1	3.3	3.5	3.7	3.9
Overhead high voltage lines rural	10.0	10.9	11.9	12.8	13.7
Voltage regulators on distribution feeders	0.1	0.1	0.1	0.1	0.2
Underground high voltage lines	6.9	7.6	8.3	9.0	9.7
Underground high voltage lines SWER	0.0	0.0	0.0	0.0	0.0
Distribution substations HV (pole)	0.0	0.0	0.0	0.0	0.0
Distribution substations HV (ground)	0.3	0.4	0.5	0.7	0.8
Distribution substations LV (pole)	2.4	2.7	3.0	3.4	3.7
Distribution substations LV (ground)	1.3	1.5	1.6	1.8	2.0
Overhead low voltage lines underbuilt urban	1.3	1.4	1.5	1.6	1.6
Overhead low voltage lines underbuilt rural	0.5	0.6	0.7	0.8	0.9
Overhead low voltage lines urban	1.6	1.7	1.8	1.9	2.1
Overhead low voltage lines rural	1.4	1.7	1.9	2.1	2.3
Underground low voltage lines	0.8	1.0	1.1	1.3	1.5
Underground low voltage common trench	0.5	0.6	0.7	0.8	0.9
HVST service connections	-	-	-	-	-
HV service connections	0.0	0.0	0.0	0.0	0.0
HV metering CA service connections	0.0	0.0	0.0	0.0	0.0
HV/LV service connections	0.0	0.1	0.1	0.1	0.1

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Asset category	2012-13 ($m)	2013-14 ($m)	2014-15 ($m)	2015-16 ($m)	2016-17 ($m)
Business LV service connections	0.1	0.1	0.2	0.2	0.2
Business LV metering CA service connections	0.1	0.1	0.1	0.2	0.2
Domestic LV service connections	1.3	1.4	1.6	1.7	1.9
Domestic LV metering CA service connections	0.1	0.1	0.1	0.1	0.2
Emergency network spares	-	-	-	-	-
Motor vehicles	5.5	6.2	6.9	7.3	4.3
Minor assets	10.1	12.3	13.2	5.5	8.1
Non-system property	1.4	1.5	1.5	1.5	1.5
Spare parts	-	-	-	-	-
NEM assets	5.3	3.2	-	-	-
Equity raising costs	0.0	0.1	0.1	0.1	0.1
Residual tax value	1,108.9	1,200.2	1,288.1	1,378.2	1,470.8

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22. Corporate income tax

22.3. 2012-17 Regulatory Control Period overview

Aurora has calculated its corporate income tax allowance for each *Regulatory Year* of the 2012-17 *Regulatory Control Period* consistent with the requirements of the *Rules*, and RFM and PTRM Handbooks. For this purpose, Aurora has adopted the following high level approach, where it:

(1) established the appropriate asset balances for its opening tax asset base as of 1 July 2007 using the methodology devised and endorsed by Deloitte and KPMG respectively. A total opening tax asset base of $526.1 million was calculated;

(2) entered the opening tax asset base values and required data, as of 1 July 2007, into the AER's RFM, to determine the closing tax asset base of $1,028.5 million as at 30 June 2012;

(3) adjusted the closing tax asset base value to account for the use of shared services assets to determine the closing tax asset base as at 30 June 2012, which then was input into the PTRM as the 1 July 2012 opening tax asset base of $1,015.3 million;

(4) calculated its tax income as the estimated ARR of $1,573.7 million, plus the estimated value of customer contributions of $106.4 million, using the PTRM;

(5) calculated its estimated tax expense of $1,188.7 million based on the costs that a "benchmark efficient entity" would incur under the current statutory corporate tax rate as prescribed by ATO taxation rules. Tax expenses included were the estimated values for operating expenditure, tax depreciation, and interest or debt servicing expenses;

(6) calculated pre-tax income of $491.4 million, being its total tax income less total tax expenses, as determined in the steps above;

(7) recorded a carried forward tax loss equal to zero as at 1 July 2012;

(8) aggregated the values determined in steps (4) and (5) to obtain the value for total taxable income of $491.4 million;

(9) applied the current statutory corporate tax rate of 30 percent, as prescribed by ATO taxation rules to its total taxable income to determine the tax allowance building block; and

(10) adjusted the corporate income tax allowance to offset for imputation credits. A gamma value of 0.25 was applied, reflecting a departure from the value of 0.65 set out in the AER's SORI.

The specific issues encountered, and the rationale underpinning Aurora's approach, in undertaking this process and associated calculations are discussed below.

Aurora's opening tax asset base as of 1 July 2007 was calculated to be $526.1 million; and its opening tax asset base as of 1 July 2012 was estimated to be $1,015.3 million. Aurora's corporate income tax cost estimate for the 2012-17 *Regulatory Control Period* is set out below in Table 102.

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Table 102: Corporate income tax estimate for 2012-17 *Regulatory Control Period*

Nominal dollars	2012-13 ($m)	2013-14 ($m)	2014-15 ($m)	2015-16 ($m)	2016-17 ($m)	TOTAL ($m)
Tax payable	27.76	30.10	29.63	29.84	30.10	147.43
Less value of imputation credits	6.94	7.52	7.41	7.46	7.53	36.86
Net corporate income tax allowance	20.82	22.57	22.22	22.38	22.58	110.57

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25. Service Target Performance Incentive Scheme

25.3. Aurora proposed scheme

25.3.4. Incentive rates

Average smoothed annual revenue requirement

The STPIS Guideline requires that the average of the smoothed Annual Revenue Requirement for the *Regulatory Control Period* (in $ real, referenced to the first *Regulatory Year* of the *Regulatory Control Period*) is utilised in calculating the incentive rate.

Aurora's calculation of its annual revenue requirement is detailed in chapter 30 of Aurora's *Regulatory Proposal Addendum.* Aurora proposes an average smoothed Annual Revenue Requirement for the *Regulatory Control Period* of $298.86 million as shown in Table 106 below.

Table 106: Annual revenue requirement

Nominal dollars	2012-13 ($m)	2013-14 ($m)	2014-15 ($m)	2016-16 ($m)	2016-17 ($m)
Notional building block smoothed revenue	299.63	299.23	298.86	298.48	298.10
Average smoothed revenue	298.86				

Incentive rates

Utilising the algorithms prescribed within the STPIS Guideline Aurora has calculated the incentive rates to apply in the forthcoming *Regulatory Control Period* as shown in Table 107 below.

Table 107: Incentive rates

	Parameter Segment	Incentive Rate
SAIDI	Critical Infrastructure	0.00580
	High Density Commercial	0.00825
	Urban and Regional Centres	0.05053
	High Density Rural	0.01268
	Lower Density Rural	0.00922
SAIFI	Critical Infrastructure	0.911
	High Density Commercial	0.583
	Urban and Regional Centres	4.568
	High Density Rural	1.418
	Lower Density Rural	1.245

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29. X factor

The resulting X factors for each year of the *Regulatory Control Period* are set out in Table 113 below.

Table 113: X Factors

	2012-13	2013-14	2014-15	2015-16	2016-17
X factor (%)	13.37	(0.13)	(0.13)	(0.13)	(0.13)

The application of these X factors results in the smoothed revenue requirement for the *Regulatory Control Period* as set out in Table 114 below.

Table 114: Smoothed Revenue Outcomes

Nominal dollars	Total NPV ($m)	2012-13 ($m)	2013-14 ($m)	2014-15 ($m)	2015-16 ($m)	2016-17 ($m)
Adjusted notional Revenue	1,176.91	294.04	311.05	317.73	320.95	329.93
Smoothing		5.59	(4.11)	(3.31)	1.13	0.02
Smoothed building block revenue	1,176.91	299.63	306.94	314.42	322.09	329.94
Variance		1.9%	(1.3%)	(1.0%)	0.4%	0.0%

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30. Annual revenue requirement

30.2. Aurora's ARR

Aurora's ARR (smoothed) for the 2012-17 *Regulatory Control Period* is shown in Table 115 below.

Table 115: Annual Revenue Requirement

Nominal dollars	2012-13 ($m)	2013-14 ($m)	2014-15 ($m)	2015-16 ($m)	2016-17 ($m)
Annual smoothed revenue	299.63	306.94	314.42	322.09	329.94

The building blocks that comprise the ARR are discussed in the following sections.

30.2.2. Indexation of the RAB

Aurora's proposed opening RAB for *Standard Control Services* for each *Regulatory Year* of the 2012-17 *Regulatory Control Period* is shown in Table 117 below.

Table 117: Opening Regulatory Asset Base

Nominal dollars	2012-13 ($m)	2013-14 ($m)	2014-15 ($m)	2015-16 ($m)	2016-17 ($m)
Opening RAB – 1 July	1,484.86	1,576.13	1,662.61	1,750.59	1,843.94

30.2.3. Return on capital

Aurora's proposed return on capital for *Standard Control Services* for each *Regulatory Year* of the 2012-17 *Regulatory Control Period* is shown in Table 118 below.

Table 118: Return on capital

Nominal dollars	2012-13 ($m)	2013-14 ($m)	2014-15 ($m)	2015-16 ($m)	2016-17 ($m)
Return on capital	149.59	158.79	167.50	176.36	185.77

30.2.4. Regulatory depreciation

Aurora's proposed regulatory depreciation for *Standard Control Services* for each *Regulatory Year* of the 2012-17 *Regulatory Control Period* is shown in Table 119 below.

Table 119: Regulatory depreciation

Nominal dollars	2012-13 ($m)	2013-14 ($m)	2014-15 ($m)	2015-16 ($m)	2016-17 ($m)
Return of capital (regulatory depreciation)	46.05	52.28	49.25	42.34	41.94

30.2.5. Corporate income tax

Aurora's estimated cost of corporate income tax for *Standard Control Services* for each *Regulatory Year* of the 2012-17 *Regulatory Control Period* is shown in Table 120 below.

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Table 120: Corporate income tax

Nominal dollars	2012-13 ($m)	2013-14 ($m)	2014-15 ($m)	2015-16 ($m)	2016-17 ($m)
Benchmark tax liability	20.82	22.57	22.22	22.38	22.58

30.2.9. Annual revenue requirement

Aurora's ARR, showing all the building blocks, for *Standard Control Services* for the 2012-17 *Regulatory Control Period* is shown in Table 122 below.

Table 122: Annual revenue requirement

Nominal dollars	2012-13 ($m)	2013-14 ($m)	2014-15 ($m)	2015-16 ($m)	2016-17 ($m)	Total NPV
Return on capital	149.59	158.79	167.50	176.36	185.77	
Return of capital (regulatory depreciation)	46.05	52.28	49.25	42.34	41.94	
Operating expenditure	77.58	77.40	78.75	79.87	79.64	
Benchmark tax liability	20.82	22.57	22.22	22.38	22.58	
Notional building block revenue	294.04	311.05	317.73	320.95	329.93	1,176.91
Notional building block smoothed revenue	299.43	306.94	314.42	322.09	329.94	1,176.91

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31. Total revenue requirement

31.2. Aurora's total revenue requirement

Aurora's proposed total ARR for the 2012-17 *Regulatory Control Period* is $1,573.01 million. The ARR for each year of the forthcoming *Regulatory Control Period* is shown in Table 123 below.

Table 123: Total revenue requirement

Nominal dollars	2012-13 ($m)	2013-14 ($m)	2014-15 ($m)	2015-16 ($m)	2016-17 ($m)	TOTAL	Average ARR
Annual revenue requirement (smoothed)	299.43	306.94	314.42	322.09	329.94	1,573.01	314.60

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33. Alternative Control Services

33.2. Metering services

33.2.2. Indicative prices

Table 126 below provides indicative prices for metering services by meter class for each year of the forthcoming *Regulatory Control Period*, in accordance with clause 6.8.2(c)(4) of the *Rules*.

Table 126: Indicative prices for metering services (cents 2011-12)

Meter class	2012-13 (c/day)	2013-14 (c/day)	2014-15 (c/day)	2015-16 (c/day)	2016-17 (c/day)
Domestic LV – single phase	9.989	10.219	10.349	10.035	10.133
Domestic LV – multi phase	14.965	14.968	14.946	14.408	14.197
Domestic LV – CT meters	27.043	27.101	27.104	26.410	26.116
Domestic LV – single phase – remote read	9.738	9.808	9.811	9.373	9.249
Domestic LV – multi phase– remote read	18.579	18.747	18.796	18.260	18.075
Domestic LV – CT meters– remote read	25.271	25.415	25.454	24.816	24.586
Business LV – single phase	9.459	9.411	11.435	13.272	13.362
Business LV – multi phase	16.020	17.066	18.005	18.252	18.506
Business LV – CT meters	23.283	24.377	25.309	25.441	25.825
Business LV – single phase– remote read	12.525	12.514	12.481	11.978	11.835
Business LV – multi phase– remote read	18.879	18.747	18.796	18.260	18.075
Business LV – CT meters– remote read	25.271	25.415	25.454	24.816	24.586
Other meters	15.430	15.566	15.603	15.120	14.924

Indicative prices have been shown in 2011-12 cents per day, however, it is noted that actual prices depend on specific meter classes and tariff combinations. For this reason the above prices are considered indicative only, are not binding and are for the purposes of providing a high level overview of the expected price impact for the forthcoming *Regulatory Control Period* only.

Actual prices for the forthcoming *Regulatory Control Period* will be determined following the submission and approval of Aurora's annual Pricing Proposal to the AER in accordance with clause 6.18.2 of the *Rules*.

All indicative prices are exclusive of GST.

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33.3. Public lighting services

33.3.3. Indicative prices

Table 127 below provides indicative prices for public lighting services (where the public lighting is owned by Aurora) for each year of the forthcoming *Regulatory Control Period*, in accordance with clause 6.8.2(c)(4) of the *Rules*.

Table 127: Indicative prices for public lighting services (cents 2011-12)

Lighting type	2012-13 (c/day)	2013-14 (c/day)	2014-15 (c/day)	2015-16 (c/day)	2016-17 (c/day)
42W mercury vapour	38.582	38.454	38.000	39.934	38.542
50W mercury vapour	36.110	35.956	35.492	37.437	36.052
80W mercury vapour – Aeroscreen	36.110	35.956	35.492	37.437	36.052
80W mercury vapour – Artcraft decorative	57.708	57.781	57.405	59.256	57.803
125W mercury vapour	41.806	41.546	41.016	42.844	41.339
250W mercury vapour	42.327	42.072	41.544	43.370	41.864
400W mercury vapour	47.376	47.174	46.667	48.471	46.948
70W sodium vapour	38.650	38.523	38.069	40.003	38.610
100W sodium vapour	38.667	38.486	38.005	39.903	38.473
150W sodium vapour	43.154	42.908	42.383	44.206	42.696
250W sodium vapour	43.296	43.051	42.527	44.349	42.839
400W sodium vapour	43.527	43.284	42.761	44.582	43.072
150W metal halide	43.154	42.908	42.383	44.206	42.696
250W metal halide	43.296	43.051	42.527	44.349	42.839
2 x 20W fluorescent	40.701	40.596	40.150	42.075	40.676
2 x 40W fluorescent	40.114	39.948	39.473	41.364	39.930
42W compact fluorescent	38.582	38.454	38.000	39.934	38.542
60W incandescent	35.387	35.226	34.759	36.707	35.325

Table 128 below provides indicative prices for contract lighting services for each year of the forthcoming *Regulatory Control Period*, in accordance with clause 6.8.2(c)(4) of the *Rules*.

Table 128: Indicative prices for contract lighting services (cents 2011-12)

Lighting type	2012-13 (c/day)	2013-14 (c/day)	2014-15 (c/day)	2015-16 (c/day)	2016-17 (c/day)
50W mercury vapour	23.010	22.875	22.440	24.510	23.242
80W mercury vapour	22.997	22.862	22.427	24.497	23.229
125W mercury vapour	23.931	23.752	23.293	25.323	24.015
250W mercury vapour	24.016	23.837	23.379	25.408	24.100
400W mercury vapour	24.080	23.901	23.443	25.473	24.164

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Lighting type	2012-13 (c/day)	2013-14 (c/day)	2014-15 (c/day)	2015-16 (c/day)	2016-17 (c/day)
70W sodium vapour	23.227	23.094	22.660	24.729	23.460
150W sodium vapour	24.760	24.589	24.134	26.160	24.849
250W sodium vapour	24.721	24.550	24.095	26.121	24.810
400W sodium vapour	24.807	24.637	24.182	26.208	24.897
150W metal halide	24.760	24.589	24.134	26.160	24.849
250W metal halide	24.721	24.550	24.095	26.121	24.810
400W metal halide	24.721	24.550	24.095	26.121	24.810
1 x 20W fluorescent	23.073	22.938	22.504	24.573	23.305
2 x 20W fluorescent	23.211	23.078	22.643	24.713	23.444
1 x 40W fluorescent	23.082	22.947	22.513	24.583	23.314
2 x 40W fluorescent	24.148	23.970	23.512	25.541	24.233
3 x 40W fluorescent	24.294	24.118	23.661	25.689	24.380
4 x 40W fluorescent	25.261	25.095	24.642	26.666	25.354
60W incandescent	22.994	22.859	22.424	24.494	23.226
100W incandescent	23.913	23.733	23.275	25.304	23.996
Pole surcharge	25.209	25.209	25.209	25.141	25.209

Indicative prices have been shown in 2011-12 cents per day and are considered indicative only, are not binding and are for the purposes of providing a high level overview of the expected price impact for the forthcoming *Regulatory Control Period* only.

Actual prices for the forthcoming *Regulatory Control Period* will be determined following the submission and approval of Aurora's annual Pricing Proposal to the AER in accordance with clause 6.18.2 of the *Rules*.

All indicative prices are exclusive of GST.

33.4. Fee-based services

33.4.3. Indicative prices

Table 130 below provides indicative prices for fee-based services for each year of the forthcoming *Regulatory Control Period*, in accordance with clause 6.8.2(c)(4) of the *Rules*.

Table 130: Indicative prices for fee-based services (dollars 2011-12)

Service	2012-13 ($)	2013-14 ($)	2014-15 ($)	2015-16 ($)	2016-17 ($)
De-energisation, re-energisation and special reads					
Site visit – no appointment	66.81	67.43	66.81	61.27	59.71
Site visit – non scheduled visit	133.62	134.86	133.62	122.54	119.42

Service	2012-13 ($)	2013-14 ($)	2014-15 ($)	2015-16 ($)	2016-17 ($)
Site visit – same day premium service	350.12	353.41	350.21	321.56	313.42
Site visit – after hours	890.78	899.09	890.81	816.96	796.13
Site visit – credit action or site issues	227.64	229.79	227.72	209.23	203.95
Site visit – rectification of illegal connection	283.32	285.98	283.40	260.29	253.71
Site visit – interval metering	66.81	67.43	66.81	61.27	59.71
Site visit – late cancellation	66.81	67.43	66.81	61.27	59.71
Transfer of retailer	-	-	-	-	-
Meter alteration					
Tariff alteration – single phase	170.69	172.30	169.61	151.49	146.32
Tariff alteration – three phase	230.96	233.13	229.47	204.77	197.74
Adjust time clock	66.81	67.43	66.81	61.27	59.71
Install pulse outputs	190.53	192.32	190.60	175.19	170.78
Remove meter	324.23	329.87	326.55	296.70	287.61
Meter alteration – after hours visit	890.78	899.09	890.81	816.96	796.13
Meter alteration – late cancellation	114.94	116.95	115.75	105.02	101.77
Meter alteration – wasted visit	247.60	251.90	249.38	226.69	219.76
PAYG meter alteration					
PAYG install	115.85	115.85	115.85	115.85	115.85
PAYG removal	301.87	304.71	301.95	277.31	270.30
PAYG reconfiguration	301.87	304.71	301.95	277.31	270.30
PAYG fault	246.20	248.52	246.28	226.25	220.54
PAYG fault – after hours	890.78	899.09	890.81	816.96	796.13
PAYG POS fault	190.53	192.32	190.60	175.19	170.78
PAYG POS fault – after hours	890.78	899.09	890.81	816.96	796.13
PAYG – late cancellation	114.94	116.95	115.75	105.02	101.77
PAYG – wasted visit	247.60	251.90	249.38	226.69	219.76
Meter test					
Meter test – single phase	338.99	342.17	339.07	311.35	303.47
Meter test – multi phase	673.03	679.33	673.13	617.71	602.02

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Service	2012-13 ($)	2013-14 ($)	2014-15 ($)	2015-16 ($)	2016-17 ($)
Meter test – CT	747.26	754.25	747.36	685.79	668.36
Meter test – after hours	890.78	899.09	890.81	816.96	796.13
Meter test –late cancellation	66.81	67.43	66.81	61.27	59.71
Meter test –wasted visit	247.60	251.90	249.38	226.69	219.76
Supply establishment					
New connection – install service & meters	215.90	217.92	214.50	191.45	184.88
New connection – unmetered supply	276.17	278.75	274.36	244.72	236.30
New connection – after hours	723.26	729.97	718.24	639.30	617.02
Install additional service span – single phase	411.48	419.04	414.04	374.93	362.25
Install additional service span – single phase – additional spans	306.74	312.27	309.17	282.87	274.11
Install additional service span – multi phase	583.79	594.40	587.98	535.59	518.34
Install additional service span – multi phase – additional spans	479.05	487.63	483.11	443.52	430.20
New Connection – late cancellation	114.94	116.95	115.75	105.02	101.77
New connection – wasted visit	247.60	251.90	249.38	226.69	219.76
Supply abolishment					
Remove service & meters	324.23	329.87	326.55	296.70	287.61
Supply abolishment – after hours	890.78	899.09	890.81	816.96	796.13
Supply abolishment – late cancellation	66.81	67.43	66.81	61.27	59.71
Supply abolishment – wasted visit	247.60	251.90	249.38	226.69	219.76
Renewable energy connection					
Renewable energy connection	170.69	172.30	169.61	151.49	146.32
Renewable energy connection – after hours	1,475.51	1,503.71	1,480.08	1,312.78	1,260.90

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Service	2012-13 ($)	2013-14 ($)	2014-15 ($)	2015-16 ($)	2016-17 ($)
Renewable energy connection – late cancellation	247.60	251.90	249.38	226.69	219.76
Renewable energy connection – wasted visit	114.94	116.95	115.75	105.02	101.77
Temporary builders connection					
Temporary supply underground – single phase – temporary position	226.89	229.25	226.60	206.54	200.50
Temporary supply underground – three phase – temporary position	282.09	285.28	282.99	262.55	255.97
Temporary supply underground – single phase – permanent position	226.89	229.25	226.60	206.54	200.50
Temporary supply underground – three phase – permanent position	282.09	285.28	282.99	262.55	255.97
Temporary supply overhead – single phase – temporary position	500.45	509.81	502.83	451.03	434.60
Temporary supply overhead – three phase – temporary position	683.58	696.15	687.83	622.66	601.56
Temporary supply overhead – single phase – permanent position	500.45	509.81	502.83	451.03	434.60
Temporary supply overhead – three phase – permanent position	683.58	696.15	687.83	622.66	601.56
Temporary supply – after hours	1,475.51	1,503.71	1,480.08	1,312.78	1,260.90
Temporary supply – late cancellation	114.94	116.95	115.75	105.02	101.77
Temporary supply – wasted visit	247.60	251.90	249.38	226.69	219.76
Temporary show & carnival connection					
Temporary supply – underground	376.11	379.63	376.19	345.39	336.64
Temporary supply – overhead mains	459.93	465.79	463.34	431.74	421.49

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Service	2012-13 ($)	2013-14 ($)	2014-15 ($)	2015-16 ($)	2016-17 ($)
Temporary supply – overhead service	982.76	1,000.76	992.45	908.15	881.29
Temporary supply – after hours	890.78	899.09	890.81	816.96	796.13
Temporary supply – late cancellation	66.81	67.43	66.81	61.27	59.71
Temporary supply – wasted visit	247.60	251.90	249.38	226.69	219.76
Truck tee-up					
Tee-up	796.86	812.08	799.36	709.25	681.29
Tee-up – after hours	1,357.57	1,383.53	1,361.72	1,207.31	1,159.49
Tee-up – no truck – after hours	1,197.51	1,221.08	1,198.20	1,044.92	998.66
Tee-up – late cancellation	114.94	116.95	115.75	105.02	101.77
Tee-up – wasted visit	247.60	251.90	249.38	226.69	219.76
Miscellaneous services					
Open turret	221.53	224.07	222.41	207.01	201.97
Addition/alteration to connection point	387.28	391.35	387.01	353.51	343.37
Connection of new mains to existing installation	215.90	217.92	214.50	191.45	184.88
Data download	459.93	465.79	463.34	431.74	421.49
Alteration to unmetered supply	230.96	233.13	229.47	204.77	197.74
Miscellaneous service	153.41	154.86	153.49	141.15	137.61
Miscellaneous service – after hours	890.78	899.09	890.81	816.96	796.13
Miscellaneous service – late cancellation	66.81	67.43	66.81	61.27	59.71
Miscellaneous service – wasted visit	247.60	251.90	249.38	226.69	219.76

Indicative prices have been shown in 2011-12 dollars per service and are considered indicative only, are not binding and are for the purposes of providing a high level overview of the expected price impact for the forthcoming *Regulatory Control Period* only.

Actual prices for the forthcoming *Regulatory Control Period* will be determined following the submission and approval of Aurora's annual Pricing Proposal to the AER in accordance with clause 6.18.2 of the *Rules*.

All indicative prices are exclusive of GST.

36. Indicative Pricing

36.5. Indicative prices

Table 133 provides an indication of distribution prices for standard control services by customer class. These prices have been calculated using energy consumption forecasts and annual revenue requirements at the customer class level.

Table 133: Indicative prices (nominal cents)

Customer Class	2012-13 (c/kWh)	2013-14 (c/kWh)	2014-15 (c/kWh)	2015-16 (c/kWh)	2016-17 (c/kWh)
Residential	7.57	7.69	7.82	7.92	8.03
Small business – LV	9.48	9.62	9.76	9.89	10.01
Large business – LV	4.96	4.99	5.03	5.05	5.07
Large commercial – HV	1.26	1.28	1.30	1.31	1.33
Irrigation	6.91	7.02	7.11	7.23	7.26
Unmetered supplies	8.52	8.61	8.70	8.79	8.88

Indicative prices have been shown in nominal cents per kWh for energy consumed, however, it is noted that actual prices depend on specific tariffs which are made up of additional components including fixed, energy and demand charges. For this reason the above prices are considered indicative only, are not binding and are for the purposes of providing a high level overview of the expected price impact for the forthcoming *Regulatory Control Period* only.

Actual prices for the forthcoming *Regulatory Control Period* will be determined following the submission and approval of Aurora's Tariff Strategy and annual Pricing Proposal to the AER in accordance with clause 6.18.7 of the *Rules*.

All indicative prices are exclusive of GST.

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