

# INCOME STATEMENT - PRESCRIBED TRANSMISSION SERVICES



for the period ended: **30 June 2022**

Account code or reference to Account Code	Description	Disaggregation Statement - Prescribed Transmission Services	Journal number	Regulatory adjustments	Regulatory financial statements	Support reference
		\$'000		\$'000 Dr/(Cr)	\$'000	
	Network Charges	863,292	2022-03	(2,576)	860,716	
	Grid Support Under Recovery Accrual					
	External Project Work					
	Other Revenue					
	Customer Works					
	Other	1,573	2022-01	(78)	1,494	
	<b>Total Revenue</b>	864,865		(2,654)	862,211	
	Opex Costs					
	- Network Operations	16,580			16,580	
	- Network Maintenance	117,717			117,717	
	- Corporate / Business Support	60,540			60,540	
	- Insurance and Self Insurance	9,690	2022-02	1,068	10,758	
	- Debt Management Costs	546			546	
	- Grid Support	272			272	
	- Other Costs					
	Depreciation	331,427			331,427	
	Net Loss/(Gain) on Disposal of Property, Plant & Equipment	(522)			(522)	
	<b>Total Operating Costs</b>	536,250		1,068	537,318	
	<b>Earnings before Interest and Tax (EBIT)</b>	328,615		(3,722)	324,893	
	<b>Taxation</b>					

Note: The above numbers have been derived from Powerlink Queensland's financial reporting systems.

**Note:**

In addition it is mandatory to produce for each cost or revenue item that has been allocated to the **Prescribed Services Segment** a supporting workpaper that includes the following:

- a) the amounts that have been directly attributed to the **Prescribed Services Segment**
- b) the amounts that have been allocated to each **Prescribed Services Segment**
- c) a description of the allocation basis
- d) the numeric quantity of each allocator.

## DISAGGREGATION STATEMENT - INCOME



for the period e 30 June 2022

Account code or reference to Account Code	Description	Adjusted Audited financial statements	Prescribed Transmission Services	Negotiated Transmission Services	Non-Regulated Transmission Services	Not Allocated
		\$'000	\$'000	\$'000	\$'000	\$'000
	Network Charges	1,072,130	863,292			
	Grid Support Under Recovery Accrual					
	External Project Work					
	Other Revenue					
	Customer Works	24,323				
	Other	18,764	1,573			
	<b>Total Revenue</b>	<b>1,115,217</b>	<b>864,865</b>			
	Opex Costs					
	- Network Operations	19,890	16,580			
	- Network Maintenance	129,791	117,717			
	- Corporate / Business Support	74,808	60,540			
	- Insurance and Self Insurance	13,578	9,690			
	- Debt Management Costs	546	546			
	- Grid Support	272	272			
	- Other Costs	27,144				
	Depreciation and amortisation	373,131	331,427			
	Net Loss/(Gain) on Disposal of Property, Plant & Equipment	3,442	(522)			
	<b>Total Operating Costs</b>	<b>642,602</b>	<b>536,250</b>			
	<b>Earnings before Interest and Tax (EBIT)</b>	<b>472,615</b>	<b>328,615</b>			
	Interest and Dividend Income	2,633				2,633
	Finance Charges	(192,149)				(192,149)
	Share of Net Profit/(Loss) of Associates					
	<b>Profit(loss) before Income Tax Expense</b>	<b>283,099</b>				
	Australian income tax expense	102,559				102,559
	Deferred income tax	(18,489)				(18,489)
	Other income tax					
	Non-controlling interests	(45)				(45)
	<b>Profit(loss) after income tax expense</b>	<b>198,984</b>				
	Dividends Provided for / Paid	80,000				80,000
	Retained Earnings Adjustments	62,000				62,000
	<b>Retained Profit(Loss)</b>	<b>180,984</b>				



# CAUSAL ALLOCATION



for the period ended: 30 June 2022

A copy of this workpaper is to be produced for each Causal basis that has been used to allocate costs between Business Segments.

1. Causal basis of allocation GROSS BOOK VALUE

2. Complete the table set out below to indicate:
- the Account Headings and the amounts subject to this Causal basis; and
  - the description and quanta of allocator that has been used

Account code or reference to account code	Account Heading	Prescribed Transmission Services	Negotiated Transmission Services	Non-Regulated Transmission Services	Not Allocated	Total
		\$'000	\$'000	\$'000	\$'000	\$'000
	Numeric quantity of allocator (eg no of man-hours)					1,422,182
	Network Operations					
	Network Maintenance					
	Corporate / Business Support					14,268
	Insurance and Self Insurance					
						14,268

3. Provide a detailed description and explanation of the basis of allocation:

Powerlink does not separately account for the above "Negotiated" and "Non-Regulated" Corporate / Business Support operating costs. These costs have been allocated on the basis of Opening Gross Book Value.

**REGULATORY ADJUSTMENT JOURNALS - PRESCRIBED TRANSMISSION SERVICES**



for the period ended: 30 June 2022

Journal number	Account Debited Account Credited	Amount		Supporting Statement No.
		Debit \$'000	Credit \$'000	
2022-01	Other Revenue Insurance and Self Insurance  Revenue disclosed in the Financial Statements includes insurance proceeds. For regulatory accounts, this is presented as an offset against self insurance costs.	78	78	
2022-02	Insurance and Self Insurance Self Insurance Provision  Provision for self insurance has been provided in the Powerlink Queensland Transmission Network Revenue Cap 2017-18 to 2021-22. This provision has only been made in the regulatory accounts due to AASB 137 - Provisions, Contingent Liabilities and Contingent Assets not allowing any provision for unidentifiable or unmeasurable costs.	1,146	1,146	
2022-03	Account Receivable - AEMO NTP Network Revenue In the 2020/21 regulatory accounts, the AEMO NTP fee has been adjusted to be a Receivable as the cost recovery is yet to be finalised and will be recovered in the 2021/22 transmission prices. In 2021/22, this amount is released from the Receivable and charged to the regulatory accounts as an offset against the revenue recovered from the customers.	2,576	2,576	

**Note:**

This schedule must contain for each Regulatory Adjustment made on the Income Statement, the following:

- a) a journal entry showing accounts debited and credited
- b) an explanation of why the adjustment has been made.

**PRICE REDUCTION/RECOVERY - PRESCRIBED TRANSMISSION SERVICES**



for the period ended:

30 June 2022

	\$'000 Customer TUOS general charges	\$'000 Common service charges
<b>Total Reduction</b>		
<b>Recovery of above reduction in prices from other transmission customers<sup>1</sup></b>		
<b>Total Recovery</b>		

**Note:**

Each instance of a price reduction/recovery should be detailed.

<sup>1</sup>The amount of any reduction in a transmission customer's Customer TUOS general charges and/or common service charges recovered from other transmission customers under clause 6A.26.1 of the Rules.

**COMMENTS**



for the period ended:

30 June 2022

Number of discounts recovered in previous year	
For each discount recovered: Date of AER approval, if given Expiry date Party receiving the discount Beneficiary of discount Amount of discount offered in previous year Amount recovered from the other customers in previous year Load subject to discount (max, min, average)	
For each discount approved by the AER: Compliance with conditions - for each condition imposed provide information demonstrating that the condition has been met.	
For each discount recovered: Date of AER approval, if given Expiry date Party receiving the discount Beneficiary of discount Amount of discount offered in previous year Amount recovered from the other customers in previous year Load subject to discount (max, min, average)	
For each discount approved by the AER: Compliance with conditions - for each condition imposed provide information demonstrating that the condition has been met.	
For each discount recovered: Date of AER approval, if given Expiry date Party receiving the discount Beneficiary of discount Amount of discount offered in previous year Amount recovered from the other customers in previous year Load subject to discount (max, min, average)	
For each discount approved by the AER: Compliance with conditions - for each condition imposed provide information demonstrating that the condition has been met.	

## SUMMARY OF PROVISIONS



for the period ended:

30 June 2022

	Prescribed Transmission Services	Negotiated Transmission Services	Non-Regulated Transmission Services	Not Allocated	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
Amount set aside to provisions				3,670	3,670
Expenditure incurred debited to provisions				(88,839)	(88,839)
Amounts written back from provisions / unwinding of discount				19	19
Net movement in provisions				(85,150)	(85,150)
Balance at start of period				138,978	138,978
Balance at end of period				53,828	53,828
Comprising:					
Current provisions				51,545	51,545
Non-current provision				2,283	2,283
<b>Total per balance sheet</b>				<b>53,828</b>	<b>53,828</b>

**Note:** Provisions are all attributed to 'Not Allocated' for disaggregation purposes.



RELATED PARTY TRANSACTIONS



for the period ended: 30 June 2022

Details of related party	Description of transaction	Prescribed	Procurement process	Monetary value of transaction
				\$'000
	Revenue			
	- Sale of Goods and Services	Part	Competitive Process	786,223
	- Dividend and Interest Income	Part	N/A	2,633
	Expense			
	- Purchases of Goods and Services	Part	Competitive Process	84,815
	- Borrowing Costs	Part	N/A	198,218
	Capital			
<b>Balances with related parties at regulatory accounting date</b>				
				\$'000
	Current assets			
	- Receivables			61,197
	- Advances			453,991
	- Cash and cash equivalents			9,125
	Non-current assets			
	<b>Total assets</b>			<b>524,313</b>
	Current liabilities			
	- Payables			
	Non-current liabilities			
	- Loans			5,216,846
	<b>Total liabilities</b>			<b>5,216,846</b>
<b>Commitments with related parties at regulatory accounting period</b>				
Value of commitments with related parties that are expected to result in related party transactions in future regulatory accounting periods:				
		Recognised as liabilities	Not recognised as liabilities	Total
		\$'000	\$'000	\$'000
	Payable:			
	Not later than one year			
	Later than one year and not later than five years			
	Later than five years			
	<b>Total commitments</b>			

## REVENUE RECONCILIATION



for the period ended: 30 June 2022

Description	Unit type	
CPI (December Tx)	CPI – All Groups Weighted Average of 8 Capital Cities (ABS)	116.2
CPI (December Tx+1)	As above	117.2
Change in CPI	Per cent	0.86%
X-factor	Per cent	1.70%
AR (Tx)	\$	779,016
AR (Tx+1)	\$	772,358
S-factor (Tx)	\$±	439
<b>Revenue Cap Tx+1</b>	\$	<b>772,797</b>

HISTORIC CAPEX by asset class



for the period ended 30 June 2022

Actual Gross Capital Expenditure – As Incurred (\$m Nominal)									
Asset Class	Year	Year-1	Year 1	Year 2	Year 3	Year 4	Year 5		
Transmission Lines - Overhead		1.3	8.0	8.8	14.5	11.4	9.2		
Transmission Lines - Underground		(0.0)			0.5				
Transmission Lines - Refit		43.0	66.5	95.9	12.5	12.9	14.5		
Substations Primary Plant		51.7	37.5	17.0	46.7	55.7	58.8		
Substations Secondary Systems		36.5	20.7	23.5	46.4	37.5	49.2		
Communications Other Assets		2.1	1.3	1.3	3.2	2.1	12.1		
Comms - Civil Works									
Network Switching Centres		0.2	0.0	0.0	9.7	24.0	20.3		
Land		0.1	0.0	(0.1)	0.0	2.4	1.9		
Easements		5.9	(0.3)	0.6	2.0	0.3	0.2		
Commercial Buildings		1.3	1.1	1.9	2.1	3.6	3.9		
Computer Equipment		23.1	11.2	12.0	25.8	26.3	26.1		
Office Furniture & Miscellaneous				0.0			0.0		
Office Machines									
Vehicles		1.3	2.9	5.0	3.1	2.9	8.4		
Moveable Plant		1.5	0.9	1.1	1.0	1.0	1.7		
Insurance Spares									
<b>Sub total</b>		<b>167.9</b>	<b>149.8</b>	<b>167.0</b>	<b>167.5</b>	<b>180.1</b>	<b>206.2</b>	Total Yrs 1-5	Total
								<b>870.6</b>	<b>1,038.5</b>

Actual Asset Disposal – As Incurred (\$m Nominal)									
Asset Class	Year	Year-1	Year 1	Year 2	Year 3	Year 4	Year 5		
Transmission Lines - Overhead									
Transmission Lines - Underground									
Transmission Lines - Refit									
Substations Primary Plant									
Substations Secondary Systems									
Communications Other Assets			1.5	0.4	0.7	0.1			
Comms - Civil Works							0.2		
Network Switching Centres									
Land		0.4	0.3	0.1	0.3	2.9	0.2		
Easements									
Commercial Buildings									
Computer Equipment									
Office Furniture & Miscellaneous									
Office Machines									
Vehicles		0.6	0.6	0.3	0.7	0.6	0.2		
Moveable Plant									
Insurance Spares									
<b>Sub total</b>		<b>1.0</b>	<b>2.4</b>	<b>0.8</b>	<b>1.7</b>	<b>3.6</b>	<b>0.6</b>	Total Yrs 1-5	Total
								<b>9.1</b>	<b>10.1</b>

Actual Gross Capital Expenditure – As Commissioned (\$m Nominal)									
Asset Class	Year	Year-1	Year 1	Year 2	Year 3	Year 4	Year 5		
Transmission Lines - Overhead		0.6	8.7	2.6	2.8	1.3	11.3		
Transmission Lines - Underground									
Transmission Lines - Refit		16.1	0.1	17.1	0.6	40.6	22.8		
Substations Primary Plant		36.4	37.6	86.6	15.1	18.6	72.0		
Substations Secondary Systems		63.7	31.4	68.0	21.9	22.5	54.2		
Communications Other Assets		6.1	1.3	3.1	0.9	6.5	2.3		
Comms - Civil Works		0.0	0.0	0.0		(0.0)			
Network Switching Centres									
Land		(0.8)	0.0	0.5			4.3		
Easements		11.4	3.5	0.4	1.6	(0.1)	0.0		
Commercial Buildings		5.7	2.3	0.6	0.3	2.4	0.0		
Computer Equipment		14.7	30.8	26.9	23.8	27.3	16.8		
Office Furniture & Miscellaneous			0.0		2.2	2.6	3.8		
Office Machines		3.0	0.4		0.1	0.0			
Vehicles		1.4	2.9	2.7	4.9	2.2	4.7		
Moveable Plant		1.1	1.9	0.6	1.3	1.1	1.1		
Insurance Spares									
<b>Sub total</b>		<b>159.4</b>	<b>120.9</b>	<b>209.2</b>	<b>75.5</b>	<b>125.0</b>	<b>193.3</b>	Total Yrs 1-5	Total
								<b>723.9</b>	<b>883.3</b>

Actual Asset Disposal – As De-Commissioned (\$m Nominal)									
Asset Class	Year	Year-1	Year 1	Year 2	Year 3	Year 4	Year 5		
Transmission Lines - Overhead									
Transmission Lines - Underground									
Transmission Lines - Refit									
Substations Primary Plant									
Substations Secondary Systems									
Communications Other Assets			1.5	0.4	0.7	0.1			
Comms - Civil Works							0.2		
Network Switching Centres									
Land		0.4	0.3	0.1	0.3	2.9	0.2		
Easements									
Commercial Buildings									
Computer Equipment									
Office Furniture & Miscellaneous									
Office Machines									
Vehicles		0.6	0.6	0.3	0.7	0.6	0.2		
Moveable Plant									
Insurance Spares									
<b>Sub total</b>		<b>1.0</b>	<b>2.4</b>	<b>0.8</b>	<b>1.7</b>	<b>3.6</b>	<b>0.6</b>	Total Yrs 1-5	Total
								<b>9.1</b>	<b>10.1</b>

HISTORIC CAPEX - NON-NETWORK- by project



for the period ended

30 June 2022

\$M nominal

Project ID	Project Description	Commissioning Date	Category^	Yearly expenditure by project (exclusive of FDC)						REASON FOR PROJECT	Reg Test / Business Case (Y/N)	Reg Test / Business Case Cost Estimate	Reason for Variance from Cost Estimate / Expected Commissioning Date		
				Any Part Year	Year 1	Year 2	Year 3	Year 4	Year 5					TOTAL	
			IT	2.45	0.66	0.09	-	-	-	-	0.74	Obsolescence/Strategic	Bus Case		
			IT	1.59	1.14	0.08	-	-	-	-	1.22	Obsolescence/Strategic	Bus Case		
			IT	4.94	0.66	-	-	-	-	-	0.66	Operational	Bus Case		
			IT	0.95	0.64	-	-	-	-	-	0.64	Operational	Bus Case		
			IT	1.02	0.51	1.06	0.00	-	-	-	1.58	Operational	Bus Case		
			IT		0.25	0.00	-	-	-	-	0.26	Age/Condition/Obsolescence	Bus Case		
			IT		0.60	0.00	-	-	-	-	0.60	Operational	Bus Case		
			IT		0.30	-	-	-	-	-	0.30	Operational	Bus Case		
			IT		0.32	-	-	-	-	-	0.32	Obsolescence/Strategic	Bus Case		
			IT		0.90	(0.00)	-	-	-	-	0.90	Operational	Bus Case		
			IT		1.16	0.01	-	-	-	-	1.17	Age/Condition/Obsolescence	Bus Case		
			IT		1.10	0.31	0.38	0.06	-	-	1.85	Security	Bus Case		
			IT		0.63	0.33	-	-	-	-	0.95	Security	Bus Case		
			IT		0.53	0.00	-	-	-	-	0.54	Obsolescence/Strategic	Bus Case		
			IT	0.08	0.86	0.12	-	-	-	-	0.98	Obsolescence/Strategic	Bus Case		
			IT			0.19	1.54	0.01	-	-	1.73	Age/Condition/Obsolescence	Bus Case		
			IT			0.90	-	-	-	-	0.90	Operational	Bus Case		
			IT			0.14	0.87	-	-	-	1.01	Strategic	Bus Case		
			IT			0.28	1.17	(0.00)	-	-	1.44	Operational	Bus Case		
			IT			1.29	0.59	0.00	-	-	1.89	Age/Condition/Obsolescence	Bus Case		
			IT			0.31	0.01	-	-	-	0.32	Age/Condition/Obsolescence	Bus Case		
			IT			0.23	0.42	-	-	-	0.65	Strategic	Bus Case		
			IT			0.33	(0.33)	-	-	-	(0.00)	Operational	Bus Case		
			IT			0.28	0.09	-	-	-	0.37	Operational	Bus Case		
			IT			0.43	0.00	-	-	-	0.43	Operational	Bus Case		
			IT			0.21	0.92	0.00	-	-	1.14	Operational	Bus Case		
			IT			0.42	1.00	0.00	-	-	1.43	Strategic	Bus Case		
			IT			0.23	0.83	(0.01)	-	-	1.05	Age/Condition/Obsolescence	Bus Case		
			IT			0.27	-	-	-	-	0.27	Operational	Bus Case		
			IT			0.52	0.04	-	-	-	0.56	Strategic	Bus Case		
			IT			0.29	-	-	-	-	0.29	Operational	Bus Case		
			IT			0.25	-	-	-	-	0.25	Strategic	Bus Case		
			IT			1.27	-	-	-	-	1.27	Age/Condition/Obsolescence	Bus Case		
			IT		0.13	0.32	-	-	-	-	0.45	Operational	Bus Case		
			IT		0.19	0.73	0.43	-	-	-	1.35	Security	Bus Case		
			IT				0.76	-	-	-	0.76	Recurrent	Bus Case		
			IT				1.05	0.19	0.00	-	1.24	Recurrent	Bus Case		
			IT				1.25	0.04	-	-	1.29	New Capability	Bus Case		
			IT				0.10	0.10	-	-	0.20	Compliance and Risk	Bus Case		
			IT				0.56	0.00	-	-	0.56	Maintain Capability	Bus Case		
			IT				0.23	0.01	-	-	0.24	Recurrent	Bus Case		
			IT				0.26	1.93	0.01	-	2.20	New Capability	Bus Case		
			IT				0.53	1.42	0.02	-	1.96	New Capability	Bus Case		
			IT				1.61	-	-	-	1.61	New Capability	Bus Case		
			IT				0.07	0.00	0.65	-	0.71	New Capability	Bus Case		
			IT				1.07	2.25	1.05	-	4.37	Maintain Capability	Bus Case		
			IT				1.87	-	-	-	1.87	Compliance and Risk	Bus Case		
			IT				0.27	-	-	-	0.27	Maintain Capability	Bus Case		
			IT				0.34	-	-	-	0.34	New Capability	Bus Case		
			IT				0.41	-	-	-	0.41	New Capability	Bus Case		
			IT				-	0.22	0.21	-	0.42	Recurrent	Bus Case		
			IT					1.06	0.97	-	2.03	Maintain Capability	Bus Case		
			IT					0.43	0.11	-	0.54	Maintain Capability	Bus Case		
			IT					0.38	0.36	-	0.73	Maintain Capability	Bus Case		
			IT					0.12	0.30	-	0.42	Maintain Capability	Bus Case		
			IT					1.31	0.00	-	1.32	Maintain Capability	Bus Case		
			IT					0.27	0.44	-	0.71	Recurrent	Bus Case		
			IT					2.20	-	-	2.20	Maintain Capability	Bus Case		
			IT					0.40	0.13	-	0.53	Maintain Capability	Bus Case		
			IT					0.75	-	-	0.75	Maintain Capability	Bus Case		
			IT					0.56	0.42	-	0.98	Maintain Capability	Bus Case		
			IT					1.87	2.32	-	4.19	Maintain Capability	Bus Case		
			IT					1.16	0.09	-	1.24	Recurrent	Bus Case		
			IT						0.29	-	0.29	Maintain Capability	Bus Case		
			IT						1.86	-	1.86	Recurrent	Bus Case		
			IT						1.35	-	1.35	Recurrent	Bus Case		
			IT						5.42	-	5.42	Maintain Capability	Bus Case		
			IT								-				
			IT			0.34	0.97	1.19	0.62	0.01	3.13				
			IT			0.25	-	-	-	-	0.25				
			MV			2.92	5.04	3.16	2.96	8.48	22.56	Annual Cycle			
			Buildings			1.14	1.89	2.14	3.61	3.66	12.43	Age/Condition/Obsolescence			
			Land			-	-	-	-	-	-				
			Tools			0.87	1.06	0.99	1.00	1.72	5.64	Additional requirements			
<b>Subtotal</b>				<b>16.11</b>	<b>20.08</b>	<b>26.03</b>	<b>24.70</b>	<b>29.64</b>	<b>116.56</b>						