



TransGrid

Project EnergyConnect | Contingent Project Application – Revised Capex Application

Confidentiality Claims

30 April 2020

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Confidentiality Claims

This document identifies confidential information in our Revised Capex Application for Project EnergyConnect (PEC or the Project).

The attachments and models that comprise our Revised Capex Application are listed in Table 1, which also identifies which documents and models contain confidential information.

Table 1 – Documents and models comprising this Application (excluding our other supporting documents)

Document / model number	Name	Confidential information
A.0	Revised Capex Application for PEC	Yes
A.1	JLL, Response to AER Preliminary Position, TransGrid Contingent Project Application, Project EnergyConnect, February 2021	Yes
A.2	WSP, Response to AER preliminary position TransGrid Contingent Project EnergyConnect – Environmental Offset Costs, March 2021	Yes
A.3	Contractor, PEC – L2&L3 Budget Proposal, 2 February 2021	Yes
A.4	WSP, PEC Route Option – Approach to Wagga Wagga Assessment , 23 February 2021	No
A.5	JLL, Land and Easement Acquisition Forecast Costs – 8km leg into Wagga Wagga, February 2021	Yes
A.6	HoustonKemp, Independent Assessment of Revised Capex Forecast	Yes
A.7	Modelling updates	No
A.8A	TransGrid, PEC Capex Forecast Model – Updated – With CESS	Yes
A.8B	TransGrid, PEC Capex Forecast Model – Updated – Without CESS	Yes
A.9A	TransGrid, Post-tax Revenue Model – Updated – With CESS	No
A.9B	TransGrid, Post-tax Revenue Model – Updated – Without CESS	No

Table 2 sets out the confidential information in the documents and models that comprise our Revised Capex Application together with the reasons why we consider this information to be commercial-in-confidence. This document has been prepared in accordance with the Australian Energy Regulator’s (AER) Confidentiality Guideline.

Table 2 – Confidential information in our PEC Application

Title page and paragraph number	Description of the confidential information	Topic of the confidential information	Confidentiality category	Why the confidential information falls into the selected category	How and why detriment would be caused from disclosing the confidentiality information	Why the identified detriment is not outweighed by the public benefit
A.0 – Revised Capex Application						
<ul style="list-style-type: none"> – P. 11, paragraph 1 – P.22, paragraphs 1, 2 (second bullet point) and 4 (bullet points) – P. 23-24, tables 7 to 9 and paragraph 1 (bullet points 1 to 3) – P. 24, paragraph 1, Section 6.2.3 paragraph 1 	Information regarding the negotiating margin on potential property and easement acquisitions	Sensitive commercial land acquisition information	Strategic Information	Commercial information related to value and strategy for land acquisitions.	Public release would compromise TransGrid’s position to negotiate a fair market price.	Releasing the information could result in market inflation for TransGrid and its customers
A.1 - JLL, Response to AER Preliminary Position, TransGrid Contingent Project Application						
<ul style="list-style-type: none"> – P.1 ‘Summary of Advice’ points 1 – 5 – P.2 ‘Summary of Advice’ point 1 and paragraph 2 – P.3 paragraphs 2 – 4 (point 1) and Tables 1.0 and 2.0 – P.4 paragraphs 1 – 3 and Tables 3.0 to 6.0 – P.5 paragraphs 1 – 3 and 5. Section ‘Status of Negotiation 	Information regarding the market value of properties considered for potential acquisition.	Sensitive commercial land acquisition information	Strategic Information	Commercial information related to value and strategy for land acquisitions. TransGrid is subject to a confidentiality clause within its property negotiation agreements.	Public release would compromise TransGrid’s position to negotiate a fair market price for properties identified in strategy as preferred acquisitions. Market will have information	Releasing the information could result in market inflation for TransGrid negotiations – Capex impacts.

Title page and paragraph number	Description of the confidential information	Topic of the confidential information	Confidentiality category	Why the confidential information falls into the selected category	How and why detriment would be caused from disclosing the confidentiality information	Why the identified detriment is not outweighed by the public benefit
<p>Outcomes' paragraph 2 and points 1-4</p> <ul style="list-style-type: none"> – P.6 paragraph 2 and points 1 – 4 and Chart 1.0 – P.7 paragraph 1 and points 1 – 4 (under Growing Trends) and Chart 2.0 – P.8 paragraph 1 (points 1 – 4) and paragraph 2 (points 1-4) and Chart 3.0 – P.9 paragraphs 1 and 2 and Table 7.0 – P.10 paragraphs 2, 4 and 6 – P.11 paragraphs 3 and 5 – P.13 paragraph 3 (points 1 and 2) – P.16 paragraphs 4 <p>Detail on Tables and Charts</p> <ul style="list-style-type: none"> – Table 1.0 'Summary of Agreements Made (current)' p.3 – Table 2.0 ' Summary of Agreements Not Made where 					<p>regarding TransGrid's expenditure estimates, commercial strategy and risks</p>	

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<p>Counter-offers received (current)' p.3</p> <ul style="list-style-type: none"> – Table 3.0 'Summary of Agreements outstanding where Counter-offer yet to be received (current)' p.4 – Table 4.0 'Summary of Agreements Made (current)' p.4 – Table 5.0 ' Summary of Agreements Not Made where Counter-offers received (current)' p.4 – Table 6.0 'Summary of Agreements outstanding where Counter-offer yet to be received (current)' p.4 – Table 7.0 'Summary of Expected Premiums, where agreements have been made or are expected to be agreed' p.9 – Chart 1.0 'Compensation amounts agreed as at August 2020' p.6 						

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<ul style="list-style-type: none"> – Chart 2.0 ‘Total compensation amounts agreed as at February 2021’ p.7 – Chart 3.0 ‘Total compensation amounts agreed and expected to be agreed as at February 2021’ p.8 – Chart 3.0 [sic] ‘Increase in land values in Wentworth district for Cropping/grazing lands’ p.14 – Chart 4.0 ‘Increase in land values in the Edward River district for cropping/grazing lands’ p.14 – Chart 5.0 ‘Increase in land values in Wagga Wagga district for cropping /grazing lands’ p.15 						
A.2 - WSP, Response to AER preliminary position TransGrid Contingent Project EnergyConnect – Environmental Offset Costs						
<ul style="list-style-type: none"> – Pp.17-18, Table 3.1 Summary of comparative project offsets in NSW - rows 2 and 3 – column 6, row 4 column 7 	Information regarding Biodiversity Conservation Fund (BCF) offset liability and Cost per ha	Sensitive commercial land acquisition information	Strategic Information	Commercial information related to value and strategy for land acquisitions.	Public release would compromise TransGrid’s position to negotiate a fair market price.	Releasing the information could result in market inflation for TransGrid and its customers

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A.3 Contractor, PEC – L2&L3 Budget Proposal, 2 February 2021						
<ul style="list-style-type: none"> – P.1, Figure ‘L2 Variation Outline’ – P.2, Figure ‘L3 Variation Outline’ 	Information regarding properties considered for potential acquisition	Sensitive commercial land acquisition information	Strategic Information	<p>Commercial information related to value and strategy for land acquisitions.</p> <p>TransGrid is subject to a confidentiality clause within its property negotiation agreements.</p>	<p>Public release would compromise TransGrid’s position to negotiate a fair market price for properties identified in strategy as preferred acquisitions.</p> <p>Market will have information regarding TransGrid’s expenditure estimates, commercial strategy and risks</p>	Releasing the information could result in market inflation for TransGrid negotiations – Capex impacts.
<ul style="list-style-type: none"> – P.2, Table – P.4, bullet points 1 and 2, and Table, noting total provided 	Capex	Tendered costs	Market sensitive cost inputs	Public disclosure could potentially harm TransGrid’s and third-party’s commercial interests	Revealing personal information and unit rates for procuring particular types of materials or services could set a floor in the	While the detriment of publishing the information is clear, we are not aware of any public benefit in publicly disclosing this information

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					market when procuring such services in the future	that could outweigh the detriment.
A.5 - JLL, Land and Easement Acquisition Forecast Costs – 8km leg into Wagga Wagga, February 2021						
<ul style="list-style-type: none"> – P.1, ‘Summary of Advice’ points 1 – 5 – P. 3, Table 2.0 ‘Estimates of Compensation per Head of Compensation’ – P4, Table 3.0 ‘Forecast Cost Estimates’ and Assumptions 	Capex	Sensitive commercial land acquisition information	Strategic Information	<p>Commercial information related to value and strategy for land acquisitions.</p> <p>TransGrid is subject to a confidentiality clause within its property negotiation agreements.</p>	<p>Public release would compromise TransGrid’s position to negotiate a fair market price for properties identified in strategy as preferred acquisitions.</p> <p>Market will have information regarding TransGrid’s expenditure estimates, commercial strategy and risks</p>	Releasing the information could result in market inflation for TransGrid negotiations – Capex impacts
– P.2, Section ‘Introduction’, paragraph 2	Private property and ownership identifiers	Privacy information	Personal Information	Information (property names, descriptors, and ownership names) would make	TransGrid does not have permission from these landowners	TransGrid does not have permission from these landowners

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<ul style="list-style-type: none"> – P2, Image 1.0 ‘Portion of Stage 4 being Study Area within 8km of Wagga Wagga’ – P3, Table 1.0 ‘Impacted landholders for Stage 4 Study Area’ 				<p>private landowners readily identifiable</p> <p>TransGrid is subject to a confidentiality clause within its property negotiation agreements. This currently applies to agreements negotiated for Tareena and Big Bend properties</p>	<p>to release privacy information.</p> <p>Revealing privacy data would compromise TransGrid’s position to negotiate a fair market price with identified landowners.</p>	<p>to release privacy information.</p> <p>Removal of privacy information has no material impact on understanding the forecast costs</p> <p>Releasing this information could result in property specific market inflation for TransGrid negotiations – Capex impacts.</p>

A.6 - HoustonKemp, Independent Assessment of Revised Capex Forecast

<ul style="list-style-type: none"> – P.3, table 1 – row 5, – P. 4, paragraph 2, bullet point 4 – P. 15 paragraphs 3 and 5 – P.16, second bullet point, paragraph 1, paragraph 2 second bullet point and paragraph 3 	<p>Information regarding the negotiating margin on potential property and easement acquisitions</p>	<p>Sensitive commercial land acquisition information</p>	<p>Strategic Information</p>	<p>Commercial information related to value and strategy for land acquisitions.</p>	<p>Public release would compromise TransGrid’s position to negotiate a fair market price.</p>	<p>Releasing the information could result in market inflation for TransGrid and its customers</p>
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– P17, table 4 – row 7						
A.8A - TransGrid - PEC - Capex Forecast Model - Updated - With CESS						
<ul style="list-style-type: none"> – Cells K34:Q38, S40, K42:Q42, G83:H83, J83:K83, M82:M83, K100, K102, K108:K109, N108,N109, K111, N111, and K116 of the <i>Inputs</i> sheet – Cells D249:D253 and D273 of the <i>Outputs</i> sheet 	Capex	Tendered costs	Market sensitive cost inputs	Public disclosure could potentially harm TransGrid's and the third-party's commercial interests.	Revealing personal information and unit rates for procuring particular types of materials or services could set a floor in the market when procuring such services in the future	While the detriment of publishing the information is clear, we are not aware of any public benefit in publicly disclosing this information that could outweigh the detriment.
<ul style="list-style-type: none"> – Cells G64:H67 of the <i>Inputs</i> sheet – Cells D79:E79, G79, D82:E84, G82:G84, and G87 of the <i>Outputs</i> sheet 	Information regarding the length and value of deviations to various line segments	Sensitive commercial land acquisition information	Strategic Information	<p>Commercial information related to value and strategy for land acquisitions.</p> <p>TransGrid is subject to a confidentiality clause within its property negotiation agreements. This currently applies to agreements</p>	<p>Public release would compromise TransGrid's position to negotiate a fair market price for properties identified in strategy as preferred acquisitions.</p> <p>Market will have information</p>	<p>Releasing the information could result in market inflation for TransGrid negotiations – Capex impacts.</p> <p>Appendix A which outlines an earlier estimate, and Appendix B which identifies offset values for specific properties, is not</p>

Title page and paragraph number	Description of the confidential information	Topic of the confidential information	Confidentiality category	Why the confidential information falls into the selected category	How and why detriment would be caused from disclosing the confidentiality information	Why the identified detriment is not outweighed by the public benefit
				negotiated for Tareena and Big Bend properties	regarding TransGrid's expenditure estimates, commercial strategy and risks	essential for current estimate explanation.
A.8B - TransGrid - PEC - Capex Forecast Model - Updated - Without CESS						
<ul style="list-style-type: none"> Cells K34:Q38, S40, K42:Q42, G83:H83, J83:K83, M82:M83, K100, K102, K108:K109, N108,N109, K111, N111, and K116 of the <i>Inputs</i> sheet Cells D249:D253 and D273 of the <i>Outputs</i> sheet 	Capex	Tendered costs	Market sensitive cost inputs	Public disclosure could potentially harm TransGrid's and the third-party's commercial interests.	Revealing personal information and unit rates for procuring particular types of materials or services could set a floor in the market when procuring such services in the future	While the detriment of publishing the information is clear, we are not aware of any public benefit in publicly disclosing this information that could outweigh the detriment.
<ul style="list-style-type: none"> Cells G64:H67 of the <i>Inputs</i> sheet Cells D79:E79, G79, D82:E84, G82:G84, and G87 of the <i>Outputs</i> sheet 	Information regarding the length and value of deviations to various line segments	Sensitive commercial land acquisition information	Strategic Information	Commercial information related to value and strategy for land acquisitions. TransGrid is subject to a confidentiality clause within its property	Public release would compromise TransGrid's position to negotiate a fair market price for properties identified in strategy as	Releasing the information could result in market inflation for TransGrid negotiations – Capex impacts. Appendix A which outlines an earlier estimate, and

Title page and paragraph number	Description of the confidential information	Topic of the confidential information	Confidentiality category	Why the confidential information falls into the selected category	How and why detriment would be caused from disclosing the confidentiality information	Why the identified detriment is not outweighed by the public benefit
				negotiation agreements. This currently applies to agreements negotiated for Tareena and Big Bend properties	preferred acquisitions. Market will have information regarding TransGrid's expenditure estimates, commercial strategy and risks	Appendix B which identifies offset values for specific properties, is not essential for current estimate explanation.