

Schedule 1: 11. Proposed Contingent Projects

11.1 For each contingent project proposed in the revenue proposal, provide:

(a) a description of the proposed contingent project, including reasons why TransGrid considers the project should be accepted as a contingent project for the forthcoming regulatory control period;

Refer to section 1.2 Project Description in the following RIN supporting documents:

- > TransGrid - NSW South Australia Interconnector Upgrade Contingent Project - 0117 – PUBLIC
- > TransGrid - Reinforcement of Southern Network Contingent Project - 0117 – PUBLIC
- > TransGrid - Reinforcement of Northern Network Contingent Project - 0117 – PUBLIC
- > TransGrid - Support South Western NSW for Renewables Contingent Project - 0117 – PUBLIC
- > TransGrid – Supply to Broken Hill Contingent Project - 0117 – PUBLIC.

(b) the proposed contingent capex which TransGrid considers is reasonably required for the purpose of undertaking the proposed contingent project;

Refer to section 1.5 Contingent Capital Expenditure in the following RIN supporting documents:

- > TransGrid - NSW South Australia Interconnector Upgrade Contingent Project - 0117 – PUBLIC
- > TransGrid - Reinforcement of Southern Network Contingent Project - 0117 – PUBLIC
- > TransGrid - Reinforcement of Northern Network Contingent Project - 0117 – PUBLIC
- > TransGrid - Support South Western NSW for Renewables Contingent Project - 0117 – PUBLIC
- > TransGrid – Supply to Broken Hill Contingent Project - 0117 – PUBLIC.

In addition, a detailed cost breakdown is provided in the following RIN supporting documents:

- > TransGrid - OFS 1570 NSW South Australia Interconnector Upgrade Contingent Project - 0117 - PUBLIC
- > TransGrid - OFS 1528 Reinforcement of Southern Network Contingent Project - 0117 - PUBLIC
- > TransGrid - OFS 1529 Reinforcement of Northern Network Contingent Project - 0117 - PUBLIC
- > TransGrid - OFS 1746 Support South Western NSW for Renewables Contingent Project - 0117 - PUBLIC
- > TransGrid - Supply to Broken Hill Contingent Project - 0117 - PUBLIC.

(c) the methodology used for developing that forecast and the key assumptions that underlie it;

Refer to section 1.5 Contingent Capital Expenditure in the following RIN supporting documents:

- > TransGrid - NSW South Australia Interconnector Upgrade Contingent Project - 0117 – PUBLIC
- > TransGrid - Reinforcement of Southern Network Contingent Project - 0117 – PUBLIC
- > TransGrid - Reinforcement of Northern Network Contingent Project - 0117 – PUBLIC
- > TransGrid - Support South Western NSW for Renewables Contingent Project - 0117 – PUBLIC
- > TransGrid – Supply to Broken Hill Contingent Project - 0117 – PUBLIC.

In addition, a detailed cost breakdown is provided in the following Revenue Proposal supporting documents:

- > TransGrid - OFS 1570 NSW South Australia Interconnector Upgrade Contingent Project - 0117 - PUBLIC
- > TransGrid - OFS 1528 Reinforcement of Southern Network Contingent Project - 0117 - PUBLIC
- > TransGrid - OFS 1529 Reinforcement of Northern Network Contingent Project - 0117 - PUBLIC
- > TransGrid - OFS 1746 Support South Western NSW for Renewables Contingent Project - 0117 - PUBLIC
- > TransGrid - Supply to Broken Hill Contingent Project - 0117 - PUBLIC.

(d) information that demonstrates that the undertaking of the proposed contingent project is reasonably required to meet one or more of the objectives referred to in clause 6A.8.1(b)(1) of the NER;

Refer to section 1.6 Demonstration of Rules of Compliance in the following RIN supporting documents:

- > TransGrid - NSW South Australia Interconnector Upgrade Contingent Project - 0117 – PUBLIC
- > TransGrid - Reinforcement of Southern Network Contingent Project - 0117 – PUBLIC
- > TransGrid - Reinforcement of Northern Network Contingent Project - 0117 – PUBLIC
- > TransGrid - Support South Western NSW for Renewables Contingent Project - 0117 – PUBLIC
- > TransGrid – Supply to Broken Hill Contingent Project - 0117 – PUBLIC.

(e) a demonstration that the proposed contingent capex for each proposed contingent project:

(i) is not included (either in part or in whole) in TransGrid’s proposed total forecast capex for the forthcoming regulatory control period;

Refer to section 1.6 Demonstration of Rules of Compliance in the following RIN supporting documents:

- > TransGrid - NSW South Australia Interconnector Upgrade Contingent Project - 0117 – PUBLIC
- > TransGrid - Reinforcement of Southern Network Contingent Project - 0117 – PUBLIC
- > TransGrid - Reinforcement of Northern Network Contingent Project - 0117 – PUBLIC
- > TransGrid - Support South Western NSW for Renewables Contingent Project - 0117 – PUBLIC
- > TransGrid – Supply to Broken Hill Contingent Project - 0117 – PUBLIC.

(ii) reasonably reflects the capex criteria, taking into account the capex factors, in the context of the proposed contingent project; and

Refer to section 1.1 Background and section 1.6 Demonstration of Rules of Compliance in the following RIN supporting documents:

- > TransGrid - NSW South Australia Interconnector Upgrade Contingent Project - 0117 – PUBLIC
- > TransGrid - Reinforcement of Southern Network Contingent Project - 0117 – PUBLIC
- > TransGrid - Reinforcement of Northern Network Contingent Project - 0117 – PUBLIC
- > TransGrid - Support South Western NSW for Renewables Contingent Project - 0117 – PUBLIC
- > TransGrid – Supply to Broken Hill Contingent Project - 0117 – PUBLIC.

(iii) exceeds either \$30 million (\$nominal) or 5 per cent of TransGrid’s proposed maximum allowed revenue for the first year of the forthcoming regulatory control period, whichever is larger amount.

Refer to section 1.5 Contingent Capital Expenditure in the following RIN supporting documents:

- > TransGrid - NSW South Australia Interconnector Upgrade Contingent Project - 0117 – PUBLIC
- > TransGrid - Reinforcement of Southern Network Contingent Project - 0117 – PUBLIC
- > TransGrid - Reinforcement of Northern Network Contingent Project - 0117 – PUBLIC
- > TransGrid - Support South Western NSW for Renewables Contingent Project - 0117 – PUBLIC
- > TransGrid – Supply to Broken Hill Contingent Project - 0117 – PUBLIC.

(f) the proposed trigger events relating to the proposed contingent project.

Refer to section 1.3 Trigger Event in the following RIN supporting documents:

- > TransGrid - NSW South Australia Interconnector Upgrade Contingent Project - 0117 – PUBLIC
- > TransGrid - Reinforcement of Southern Network Contingent Project - 0117 – PUBLIC
- > TransGrid - Reinforcement of Northern Network Contingent Project - 0117 – PUBLIC
- > TransGrid - Support South Western NSW for Renewables Contingent Project - 0117 – PUBLIC
- > TransGrid – Supply to Broken Hill Contingent Project - 0117 – PUBLIC.

11.2 For each proposed trigger event relating to the proposed contingent project referred to in paragraph 11.1(f), demonstrate:

(a) the proposed trigger event is reasonably specific and capable of objective verification;

Refer to section 1.3 Trigger Event in the following RIN supporting documents:

- > TransGrid - NSW South Australia Interconnector Upgrade Contingent Project - 0117 – PUBLIC
- > TransGrid - Reinforcement of Southern Network Contingent Project - 0117 – PUBLIC
- > TransGrid - Reinforcement of Northern Network Contingent Project - 0117 – PUBLIC
- > TransGrid - Support South Western NSW for Renewables Contingent Project - 0117 – PUBLIC
- > TransGrid – Supply to Broken Hill Contingent Project - 0117 – PUBLIC.

(b) the occurrence of the proposed trigger event makes the undertaking of the proposed contingent project reasonably necessary in order to achieve any of the capex objectives;

Refer to section 1.3 Trigger Event in the following RIN supporting documents:

- > TransGrid - NSW South Australia Interconnector Upgrade Contingent Project - 0117 – PUBLIC
- > TransGrid - Reinforcement of Southern Network Contingent Project - 0117 – PUBLIC
- > TransGrid - Reinforcement of Northern Network Contingent Project - 0117 – PUBLIC
- > TransGrid - Support South Western NSW for Renewables Contingent Project - 0117 – PUBLIC
- > TransGrid – Supply to Broken Hill Contingent Project - 0117 – PUBLIC.

(c) the proposed trigger event generates increased costs or categories of costs that relate to a specific location rather than a condition or event that affects the transmission network as a whole;

Refer to section 1.3 Trigger Event in the following RIN supporting documents:

- > TransGrid - NSW South Australia Interconnector Upgrade Contingent Project - 0117 – PUBLIC
- > TransGrid - Reinforcement of Southern Network Contingent Project - 0117 – PUBLIC
- > TransGrid - Reinforcement of Northern Network Contingent Project - 0117 – PUBLIC
- > TransGrid - Support South Western NSW for Renewables Contingent Project - 0117 – PUBLIC
- > TransGrid – Supply to Broken Hill Contingent Project - 0117 – PUBLIC.

(d) the proposed trigger event is described in such terms that the occurrence of that event or condition is all that is required for the transmission determination to be amended under clause 6A.8.2 of the NER;

Refer to section 1.3 Trigger Event in the following RIN supporting documents:

- > TransGrid - NSW South Australia Interconnector Upgrade Contingent Project - 0117 – PUBLIC
- > TransGrid - Reinforcement of Southern Network Contingent Project - 0117 – PUBLIC
- > TransGrid - Reinforcement of Northern Network Contingent Project - 0117 – PUBLIC
- > TransGrid - Support South Western NSW for Renewables Contingent Project - 0117 – PUBLIC

- > TransGrid – Supply to Broken Hill Contingent Project - 0117 – PUBLIC.

(e) the proposed trigger event is a condition or event, the occurrence of which is probable during forthcoming regulatory control period, but the inclusion of capex in relation to the proposed trigger event under clause 6A.6.7 of the NER is not appropriate because:

- (i) it is not sufficiently certain that the event or condition will occur during the forthcoming regulatory control period or if it may occur after that regulatory control period or not at all; or**

Refer to section 1.3 Trigger Event in the following RIN supporting documents:

- > TransGrid - NSW South Australia Interconnector Upgrade Contingent Project - 0117 – PUBLIC
- > TransGrid - Reinforcement of Southern Network Contingent Project - 0117 – PUBLIC
- > TransGrid - Reinforcement of Northern Network Contingent Project - 0117 – PUBLIC
- > TransGrid - Support South Western NSW for Renewables Contingent Project - 0117 – PUBLIC
- > TransGrid – Supply to Broken Hill Contingent Project - 0117 – PUBLIC.

- (ii) the costs associated with the event or condition are not sufficiently certain.**

Refer to section 1.4 Project Requirement and section 1.5 Contingent Capital Expenditure in the following RIN supporting documents:

- > TransGrid - NSW South Australia Interconnector Upgrade Contingent Project - 0117 – PUBLIC
- > TransGrid - Reinforcement of Southern Network Contingent Project - 0117 – PUBLIC
- > TransGrid - Reinforcement of Northern Network Contingent Project - 0117 – PUBLIC
- > TransGrid - Support South Western NSW for Renewables Contingent Project - 0117 – PUBLIC
- > TransGrid – Supply to Broken Hill Contingent Project - 0117 – PUBLIC.

11.3 Provide a summary of TransGrid’s proposed contingent projects for the forthcoming regulatory control period including the proposed contingent capex and trigger events for each proposed contingent project in the Workbook 1 – regulatory determination, regulatory template 7.2.

Refer to template 7.2