



**TransGrid**

# VNI Minor Upgrade Project | Contingent Project Application – Confidentiality claims

November 2020



# Confidentiality Claims

This document identifies confidential information in our Contingent Project Application (Application) for the Victoria to New South Wales (NSW) Interconnector Minor Upgrade Project (the Project or VNI) for the 2018-19 to 2022-23 (2018-23) regulatory period.

Table 1 sets out the confidential information in the documents and models that comprise our 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 1 – Confidential information in our VNI Project 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.1. VNI Minor Upgrade Project - Contingent Project Application						
No confidential information						
A.2. Capex forecasting methodology for VNI Minor Upgrade Project						
p.17, paragraphs 2-3 and 11-12, p.18 paragraph 4, p.20 paragraphs 6 and 9 p. 21 paragraph 2 p. 23 paragraphs 3, 6 and 8	Capex	Tenderer – capex – tenderer details	Market sensitive cost inputs	Public disclosure could potentially harm TransGrid's and the third-party's commercial interests.	TransGrid's relationship with the vendor could be impaired  Public disclosure could potentially harm TransGrid's and the third-party's commercial interests.	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.
A.3. TransGrid's labour and corporate and network overhead forecast for VNI						
Section 5.3.3.1, p. 16	Capex	Property – location of preferred new office space	Strategic information	Public disclosure could potentially harm TransGrid's commercial interests	Revealing this information could inhibit procuring the new office space at competitive rates	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.

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Section 5.3.3.2, Table 5.4, pp. 17-18	Capex	Project Development – IT costs	Strategic information	Public disclosure could potentially harm TransGrid's commercial interests	Public disclosure of contractor costs for particular types of materials or services could harm TransGrid's business interests	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.
Section 5.4.1, Table 5.7, p. 20	Capex	Consulting fees for preparing VNI Application	Market sensitive cost inputs	TransGrid's relationship with the vendor could be impaired  Revealing cost breakdowns of project elements may provide potential bidders an advantage during tendering.	Revealing this information could inhibit procuring these services at competitive rates 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.
Section 6.3, Table 6.1, p.21 and 22	Capex	Insurance during construction	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.

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Chapter 8, Reference Material, p. 29	Capex	Insurance during construction	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.
A.4. Capex Model for VNI						
Input tab, cells B49:B54, B57:B61	Capex	Tenderer – capex – tenderer details	Market sensitive cost inputs	Public disclosure could potentially harm TransGrid's and the third-party's commercial interests.	TransGrid's relationship with the vendor could be impaired  Public disclosure could potentially harm TransGrid's and the third-party's commercial interests.	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.
A.5 Labour and Overhead Costs for VNI						
s6.3. insurance – Cells F4:G4	Capex	Insurance during construction	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	While the detriment of publishing the information is clear, we are not aware of any public benefit in publicly disclosing this information that

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					procuring such services in the future	could outweigh the detriment.
<p>The following tabs in the model:</p> <ul style="list-style-type: none"> <li>• Works Delivery Res Cost</li> <li>• Works Delivery Labour FTEs</li> <li>• Works Delivery Labour Hrs</li> <li>• PD-Labour(&amp;related)</li> <li>• PD-LabourHours</li> <li>• PD-NonLabour</li> <li>• L&amp;E-NonLabour</li> <li>• SHC-Labour(&amp;related)</li> </ul>	This has staff names, contractor or consultant details, salary information and consultant fee estimates	Works Delivery, Project Development, Land and Environment, and Stakeholder and Community Engagement – labour and non-labour costs	Personal information Market sensitive cost inputs	Information that is related to the individual staff members, contractors or consultants can be identified	<p>Compliance with Privacy Law</p> <p>Revealing this information could inhibit procuring these services at competitive rates</p> <p>Public disclosure of this information could undermine the request for quote, request for tender and negotiating strategies to achieve efficient costs.</p>	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.
A.6 Capex Forecast Inputs for VNI						
<p>All tabs except for:</p> <ul style="list-style-type: none"> <li>• Summary</li> <li>• Detail</li> </ul>	Capex	Tendered works	Market sensitive cost inputs and personal information	Publishing the material may prejudice future tender and commercial negotiation processes between	<p>Revealing this information could inhibit procuring these services at competitive rates</p> <p>Public disclosure of this information could</p>	While the detriment of publishing the information is clear, we are not aware of any public benefit in publicly disclosing this information that

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				TransGrid and its potential service providers.	undermine the request for quote, request for tender and negotiating strategies to achieve efficient costs.	could outweigh the detriment.
A.7 GHD Independent engineering capex verification and assessment						
p.28, table 10	Capex	Tenderer – capex – tenderer details	Market sensitive cost inputs	Public disclosure could potentially harm TransGrid's and the third-party's commercial interests.	TransGrid's relationship with the vendor could be impaired  Public disclosure could potentially harm TransGrid's and the third-party's commercial interests.	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.
A.8. Houston Kemp – Consistency of TransGrid's proposed capex for VNI with the NER requirements						
Section 4.5.1, p.24, paragraph 4	Capex	Insurance during construction	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.



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A.9 Opex forecasting methodology for VNI						
Section 3.3, page 5, footnote 6	Capex	Tendered works	Market sensitive cost inputs and personal information	Publishing the material may prejudice future tender and commercial negotiation processes between TransGrid and its potential service providers.	Revealing this information could inhibit procuring these services at competitive rates  Public disclosure of this information could undermine the request for quote, request for tender and negotiating strategies to achieve efficient costs.	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.
Section 3.4 page 7, Table 3.1 – 'Maintenance activity' column	Opex	Maintenance	Market intelligence	Details of maintenance plans for the assets	Public disclosure of this information could undermine TransGrid in future negotiations with suppliers.	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.
Section 3.4.2, Table 3.3, pp.9-10	Opex	Insurance	Market sensitive cost inputs	Revealing detailed build-up of estimated insurance premium costs for procuring particular types of materials or services	Revealing this information could inhibit procuring insurance at competitive rates	While the detriment of publishing the information is clear, we are not aware of any public benefit in publicly disclosing

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				<p>could set a floor in the market when procuring such services in the future. Disclosure could therefore harm TransGrid's commercial interests and ultimately increase costs passed onto customers</p> <p>TransGrid's relationship with the insurance broker could be impaired.</p>		<p>this information that could outweigh the detriment.</p>
A.10 Opex Model						
'Inputs' – Cells C37:C43, C46, C53:C54, F37:F43, F46, F53:F54, L37:M43, L46:M46, and L53:M54	Opex	Maintenance	Market intelligence	Details of maintenance plans for the assets	Public disclosure of this information could undermine TransGrid in future negotiations with suppliers.	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.
'Inputs' – Cells R37:S43, R46:S46, and R53:S54	Opex	Maintenance	Market sensitive cost inputs	Details of maintenance task unit rates	Revealing unit rates for procuring particular types of materials or services	While the detriment of publishing the information is clear, we are not aware of

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					could set a floor in the market when procuring such services in the future	any public benefit in publicly disclosing this information that could outweigh the detriment.
'Inputs' – Cells C62 and O62	Opex	Insurance	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.

A.11 – Insurance for VNI

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Page 1 of 1	Insurance	Insurance	Market sensitive cost inputs	<p>Revealing detailed build-up of estimated insurance premium costs for procuring particular types of materials or services could set a floor in the market when procuring such services in the future. Disclosure could therefore harm TransGrid's commercial interests and ultimately increase costs passed onto customers</p> <p>TransGrid's relationship with the insurance broker could be impaired.</p>	Revealing this information could inhibit procuring insurance at competitive rates	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.

A.12 VNI Post-Tax Revenue Model – (Financeability Rule change)

No confidential information

A.13 VNI Post-Tax Revenue Model – (Financeability Rule change)

No confidential information