

# **Draft Annual Information Order - Transmission network service providers**

## **Appendix A – Data workbook instructions**

**December 2023**

© Commonwealth of Australia 2023

This work is copyright. In addition to any use permitted under the *Copyright Act 1968* all material contained within this work is provided under a Creative Commons Attributions 3.0 Australia licence with the exception of:

- the Commonwealth Coat of Arms
- the ACCC and AER logos
- any illustration diagram, photograph or graphic over which the Australian Competition and Consumer Commission does not hold copyright but which may be part of or contained within this publication.

The details of the relevant licence conditions are available on the Creative Commons website as is the full legal code for the CC BY 3.0 AU licence.

Inquiries about this publication should be addressed to:

Australian Energy Regulator  
GPO Box 3131  
Canberra ACT 2601  
Tel: 1300 585 165

Email: [networksinformation@aer.gov.au](mailto:networksinformation@ aer.gov.au)

AER reference: AER213511

# Contents

<b>1</b>	<b>General instructions</b>	<b>1</b>
1.1	Data requirements	1
1.2	Reporting framework	1
1.3	Cost allocation	2
1.4	Customer and government contributions	2
1.5	Asset base	2
1.6	Regulatory accounting principles and policies	3
<b>2</b>	<b>Workbook 02 - Operational outputs</b>	<b>4</b>
2.1	Energy delivered	4
2.2	Demand	4
2.3	Connections	6
2.4	Asset replacements	6
2.5	Other outputs	7
<b>3</b>	<b>Workbook 03 – Network metrics</b>	<b>8</b>
3.1	Network assets – volume	8
3.2	Non-network assets – volume	8
3.3	Length	8
3.4	Capacity	9
3.5	Asset age	10
3.6	Terrain	11
<b>4</b>	<b>Workbook 05 – Service performance</b>	<b>13</b>
4.1	Market impact component	13
4.2	System losses	13
4.3	Energy delivered	13
4.4	Service component	13
<b>5</b>	<b>Workbook 06 – Operating expenditure</b>	<b>14</b>
5.1	Audited Statutory accounts	14
5.2	Regulatory accounts (PTS)	14
5.3	Large projects	16
<b>6</b>	<b>Workbook 07 – Capital expenditure</b>	<b>17</b>
6.1	Audited Statutory accounts	17
6.2	Regulatory accounts	17
6.3	Capex by purpose	18
6.4	Capex by asset class	19
6.5	Augex - Lines	19
<b>7</b>	<b>Workbook 08 – Asset base values</b>	<b>21</b>
7.1	Regulatory accounts (PTS)	21
<b>8</b>	<b>Workbook 09 – Revenue and financial statements</b>	<b>24</b>
8.1	Audited Statutory accounts	24

8.2	Regulatory accounts - PTS.....	24
8.3	Provisions.....	27
8.4	Other financial information.....	27

# 1 General instructions

## 1.1 Data requirements

- 1.1.1 General instructions relevant to the completion of the *data workbooks* are contained in each of the *data workbooks* attached at this *Appendix A*.
- 1.1.2 Data requirements are identified by reference to table headings, row descriptors and column headings. They are represented as input cells - shaded green in the *data workbooks*.
- 1.1.3 Reported data (inputs) must meet validation rules and consistency cross checks, as specified in the *data workbooks*.
- 1.1.4 Where a NULL response is specified as valid a response to the data requirement is not mandatory.
- 1.1.5 The *TNSP* must identify and explain each NULL response in its *basis of preparation*.
- 1.1.6 Where a NULL response is specified as not valid (that is, a response to the data requirement is mandatory) and the data requirement is not relevant to the *TNSP* in the *reporting period*, it must report '0'.

## 1.2 Reporting framework

- 1.2.1 *TNSPs* must prepare and report the data in the *data workbooks* in accordance with:
  - (a) the service classifications that apply or applied in the *reporting period*; and
  - (b) the *cost allocation method* approved by the AER for the *reporting period*.
- 1.2.2 The *TNSP* must report *financial information* in the *data workbooks* that:
  - (a) is derived from the *audited statutory accounts*;
  - (b) is verifiable by reference to the *audited statutory accounts*;
  - (c) is generally prepared using the accrual basis of accounting;
  - (d) is presented on a fair and consistent basis, from the *accounting records* that underlie the costs, revenue, assets and liabilities that may be reasonably attributed to the *TNSP*;
  - (e) in so far as is reasonably practicable, is prepared in accordance with the general rules and format of the *audited statutory accounts*, and use the accounting principles and policies applicable to the *audited statutory accounts* except as otherwise required by this *Order*;
  - (f) is presented in an understandable manner, without sacrificing relevance or reliability; and
  - (g) states fairly the financial performance of the *TNSP*.

## 1.3 Cost allocation

- 1.3.1 The *TNSP* must allocate all costs that relate to or are incurred in the provision of *prescribed transmission services* in the *audited statutory accounts*, to the *TNSP* in accordance with section 1.3.3.
- 1.3.2 All costs allocated to the *TNSP* in the response to section 1.3.1 must in turn be allocated in accordance with section 1.3.3 to:
- (a) a *prescribed transmission service*;
  - (b) a *negotiated service*; or
  - (c) an *unclassified or unregulated service*.
- 1.3.3 A cost allocated to the *TNSP* that is:
- (a) *directly attributable* to the *TNSP* must be allocated to the *TNSP*;
  - (b) not *directly attributable* to the *TNSP* must be allocated to the *TNSP* on a causation basis using an appropriate allocator, determined in accordance with section 4.5 of the *Order*, unless the *item* is not *material*;
  - (c) *directly attributable* to the *TNSP* but not *directly attributable* to a *prescribed transmission service*, a *negotiated service* or an *unclassified or unregulated service*, must be allocated in accordance with the approved *cost allocation method*;
  - (d) *capital expenditure* must be allocated to an *asset class* on a *directly attributable* basis or a causation basis using an appropriate allocator; and
  - (e) *operating expenditure* must be allocated to an *operating expenditure category* on a *directly attributable* basis or a causation basis using an appropriate allocator.

**Note:** See section 4.5 of the *Order*.

## 1.4 Customer and government contributions

- 1.4.1 The *TNSP* must not carry forward into the asset base *Capital contributions* treated as revenues in *audited statutory accounts* and included in the value of assets in those accounts.
- 1.4.2 The *TNSP* must treat *Capital contributions* in accordance with the method approved in the *TNSP's* current *revenue determination*.

## 1.5 Asset base

- 1.5.1 Asset revaluations or adjustments for impairment are not permitted unless agreed to or required by the *AER*.
- 1.5.2 The *TNSP* must report revaluations or adjustments for impairment made in the *audited statutory accounts* in the *Adjustments* column in *Workbook 09 – Revenue and financial information*.

1.5.3 The *TNSP* must allocate *capital expenditure* to an *asset class* and not show it under a work in progress heading.

1.5.4 The *TNSP* must not include goodwill and any related impairments in the *financial information*.

## 1.6 Regulatory accounting principles and policies

1.6.1 The *regulatory accounting principles and policies* applied by the *TNSP* must:

- (a) be based on a recognisable and rational economic basis;
- (b) ensure that the resultant *financial information* satisfies the concepts of relevance and reliability;
- (c) ensure that the substance of the underlying transactions and events is reported in the *financial information*;
- (d) ensure that the *financial information* can be understood;
- (e) allow for comparisons to be made over time; and
- (f) conform to the recognition and measurement principles of the Australian Accounting Standards.

1.6.2 Unless otherwise required by this *Order*, the *TNSP* must report the *capital expenditure* and associated data (such as asset volumes) against the *reporting period* on an as-incurred basis.

## 2 Workbook 02 - Operational outputs

### 2.1 Energy delivered

- 2.1.1 The *TNSP* must report 'energy delivered' in a *reporting period* as the energy metered or estimated at the downstream settlement location rather than the import location to the *TNSP*'s network.
- 2.1.2 The *TNSP* must report 'energy delivered' as the actual energy delivered unless actual data is not available. Where actual data is not available for the most recent *reporting period*, the *TNSP* may report energy delivered data for that period on an accrual basis.

#### Energy delivery by downstream connection type

- 2.1.3 The *TNSP* must include both imported and exported energy, when reporting energy delivered to 'Other connected transmission networks' (EB RIN reference: TOPED0101).

#### NOTE:

If the *TNSP* has less than 3 directly connected end users, the publicly available data must combine energy delivered to directly connected end users with energy delivered to distribution networks.

#### Energy delivered to directly connected end users by voltage

- 2.1.4 Data requirements are identified by reference to table headings, row descriptors and column headings. They are represented as input cells - shaded green in the *data workbook 02 – Operational outputs*. *There are no further instructions.*

### 2.2 Demand

#### System Maximum Demand

- 2.2.1 Where the *TNSP* has calculated and maintained data for historical Weather Adjusted Maximum Demand it must report that data.

#### Annual System Maximum Demand characteristics

- 2.2.2 The *TNSP* must report 'Embedded generation' where it has kept and maintained historical data for embedded generation downstream of connection points and where it accounts for such embedded generation in its maximum demand forecast.
- (a) The *TNSP* must describe the type of embedded generation data it has reported. For example, the *TNSP* may state it has included scheduled, semi-scheduled and non-scheduled embedded generation. In this example, we may calculate native demand by adding these figures to raw maximum demand.
- 2.2.3 The *TNSP* must report historical weather corrected maximum demand where it has maintained this data.
- (a) The *TNSP* must report weather corrected maximum demand in accordance with best regulatory practice weather correction methodologies.
- (b) The *TNSP* must describe its weather correction process in the *basis of preparation*. The *TNSP* must identify whether the reported weather corrected



maximum demand figures are based on raw adjusted maximum demand or raw unadjusted maximum demand or another type of maximum demand figure.

### Maximum demand characteristics

2.2.4 For the 'Winter/Summer peaking' line item, the *TNSP* must identify the season in which the raw maximum demand occurred by entering 'Winter' or 'Summer' as appropriate.

2.2.5 Where the seasonality of the *TNSP's maximum demand (MD)* does not correspond with the form of its reporting periods, the *TNSP* must explain its basis for reporting MD in its *basis of preparation*. For example, if the *TNSP* forecasts expenditure on a financial year basis but forecasts MD on a calendar year basis because MD occurs in winter, the *TNSP* would state that it reports MD on a calendar year basis and describe, for example, the months that it includes in any given *reporting period*.

### Coincident and non-coincident maximum demand by connection point

2.2.6 The *TNSP* must report maximum demand data for all network segments.

- (a) The *TNSP* must report data for each connection point separately and must identify in the *basis of preparation* instances where it has decommissioned connection points.

2.2.7 The *TNSP* must report the normal cyclic rating for all connection points.

- (a) The *TNSP* must report the seasonal rating that corresponds to the time of the raw adjusted maximum demand. For example, the *TNSP* must report the summer normal cyclic rating of the connection point if the raw adjusted maximum demand for that connection point occurred in summer.
- (b) Where the *TNSP* does not keep and maintain rating information (for example, where the *TNSP* does not own the assets to which such ratings apply), it may estimate this information or report a NULL response.

2.2.8 Where maximum demand in MVA and maximum demand in MW occurred at different times, the *TNSP* must report maximum demand figures for both measures at the time maximum demand in MW occurred. In such instances, the *TNSP* must identify in the *basis of preparation* the date the maximum demand in MVA occurred.

2.2.9 If either the MW or MVA measure is unavailable, the *TNSP* must approximate the power factor conversion based on best engineering estimates.

2.2.10 If the *TNSP* cannot use raw unadjusted maximum demand as the basis for reporting coincident and non-coincident maximum demand by connection point, it must describe the methods it employs to calculate the reported data in the *basis of preparation*.

2.2.11 The *TNSP* must report 'Adjustments - Embedded generation' where it has kept and maintained historical data for embedded generation downstream of the specified network segment and/or where it accounts for such embedded generation in its maximum demand forecast.

- (a) The *TNSP* must allocate embedded generation data to the appropriate connection point under system normal conditions (consistent with the definition of raw adjusted maximum demand).
- (b) The *TNSP* must describe the type of embedded generation data it has reported in the *basis of preparation*. For example, the *TNSP* may state it has included

scheduled, semi-scheduled and non-scheduled embedded generation. In this example, we can calculate native demand by adding these figures to the raw adjusted maximum demand figures.

2.2.12 If the *TNSP* has calculated and maintained historical weather corrected maximum demand data it must report that data.

- (a) The *TNSP* must describe its weather correction process in the *basis of preparation*. The *TNSP* must identify whether the reported weather corrected maximum demand data is based on raw adjusted maximum demand or raw unadjusted maximum demand or another type of maximum demand figure.
- (b) The *TNSP* must report weather corrected maximum demand in accordance with best regulatory practice weather correction methodologies.

2.2.13 System coincident data is the demand at that particular point on the network at the time of system (or network) peak.

2.2.14 The *TNSP* must report Non coincident maximum demand data for each connection point in each year. Such data may not necessarily coincide with demand at the time of system peak.

2.2.15 Where the *TNSP* does not record and/or maintain spatial maximum demand coincident to the system maximum demand, the *TNSP* must report spatial maximum demand coincident to a higher network segment. The *TNSP* must identify in the *basis of preparation* the higher network segment to which the lower network segment is coincident to. For example, if the *TNSP* does not maintain maximum demand data for zone substations coincident to the system maximum demand, the *TNSP* may report maximum demand data coincident to the connection point. In this example, the *TNSP* would identify the relevant connection point in the *basis of preparation*.

## 2.3 Connections

### Average number of entry connection points by voltage

### Average number of exit connection points by voltage

2.3.1 The *TNSP* must report connection point numbers as the average of connection point numbers in the *reporting period* under system normal conditions. The average is calculated as the average of the number of connection points on the first day of the *reporting period* and on the last day of the *reporting period*.

### Description of connections projects

2.3.2 Data requirements are identified by reference to table headings, row descriptors and column headings. They are represented as input cells - shaded green in the *data workbook 02 – Operational outputs*. *There are no further instructions*.

## 2.4 Asset replacements

### Asset replacement, failure, maintenance and inspection activities

2.4.1 The *TNSP* must report:

- a) data on asset replacement and failure by the prescribed asset class disaggregated into prescribed asset sub-categories
  - b) data on asset maintenance and inspection by the prescribed asset class.
- 2.4.2 Where the *TNSP* considers the prescribed asset classes do not account for an asset on the *TNSP*'s network, the *TNSP* must report the asset in the 'Other by business specified categories' and must provide an appropriate description for that asset.
- 2.4.3 Where the *TNSP* considers the prescribed asset class sub-categories do not account for an asset on the *TNSP*'s network, the *TNSP* must report the asset in the row 'other' under the relevant asset class. The *TNSP* must describe the assets included as 'other' for each asset class in the *basis of preparation*.
- 2.4.4 Where the *TNSP* reports replacement activities associated with asset refurbishments/ life extensions, the *TNSP* must report the activities against the asset class 'Other by business specified categories'. Each asset sub-category in this asset class must be described by the equivalent asset sub-category followed by the word 'refurbished'.
- 2.4.5 For each row descriptor added in the 'Other by business specified categories', the *TNSP* must report corresponding operational outputs and asset volumes, as per the requirements in Data workbook 07 – Capital expenditure and 03 – Network metrics.
- 2.4.6 For each asset category the *TNSP* must report:
- (a) For asset maintained – the number of maintenance activities in the reporting period
  - (b) For assets inspected – the number of inspection activities in the reporting period.

## 2.5 Other outputs

### Asset augmentation activities

- 2.5.1 The *TNSP* must include only projects and expenditure related to augmentation of the network – defined with reference to the primary purpose of the project or expenditure. Augmentation work related to connection is to be reported as a connection activity.
- 2.5.2 The *TNSP* must not include data for gifted assets.
- 2.5.3 For projects that span across reporting periods, the *TNSP* must report data for the units added or units upgraded in the final year in which expenditure was incurred for the project.

### Motor Vehicles

- 2.5.4 Data requirements are identified by reference to table headings, row descriptors and column headings. They are represented as input cells - shaded green in the *data workbook 02 – Operational outputs*. *There are no further instructions*.

### Unplanned vegetation events

- 2.5.5 The *TNSP* must report unplanned vegetation management events for its entire network.

## 3 Workbook 03 – Network metrics

### 3.1 Network assets – volume

3.1.1 All asset volumes are to be reported as at the end of the *reporting period*.

#### Installed assets – quantity currently in commission by year

3.1.2 The *TNSP* must report data on asset quantities by the prescribed asset class disaggregated into the prescribed asset sub-categories.

3.1.3 Where the *TNSP* considers the prescribed asset classes do not account for an asset on the *TNSP*'s network, the *TNSP* must report the asset in the 'Other by business specified categories' and must report an appropriate description for that asset.

3.1.4 Where the *TNSP* considers the prescribed asset class sub-categories do not account for an asset on the *TNSP*'s network, the *TNSP* must report the asset in the row "other" under the appropriate prescribed asset class. The *TNSP* must describe the assets reported as "other" for each asset class in the *basis of preparation*.

3.1.5 For each row descriptor added in the 'Other by business specified categories', the *TNSP* must report corresponding operational outputs and *capital expenditure*, as per the requirements in Data workbook 02 – Operational outputs and 07 – Capital expenditure.

### 3.2 Non-network assets – volume

#### IT & Communications

3.2.1 Data requirements are identified by reference to table headings, row descriptors and column headings. They are represented as input cells - shaded green in the *data workbook 03 – Network metrics*. *There are no further instructions*.

#### Motor Vehicles

3.2.2 Where a requested value is not constant across a reporting year, the *TNSP* must calculate a simple average based on the different values over the year and the period for which the different values applied. For example, if the *TNSP* had 12 vehicles for 8 months and 14 vehicles for 4 months, the average number of vehicles in the *reporting period* would be  $12 \times (8/12) + 14 \times (4/12) = 12.67$  vehicles

### 3.3 Length

#### Overhead network length of circuit at each voltage

#### Underground network length of circuit at each voltage

3.3.1 The network circuit length is the circuit length (measured in kilometres) of lines in service. Lines in service is the total length of lines including interconnectors, backbones and spurs. A double circuit line counts as twice the length. Length must not include vertical components such as sag.

3.3.2 For 'Other overhead voltages' and 'Other underground voltages' the *TNSP* must report the aggregate circuit length for all voltages that comprise 'Other'. The *TNSP* must identify the other voltages in its *basis of preparation*.

## Length data – selected asset characteristics

*Conductors by: conductor length material type*

3.3.3 Data requirements are identified by reference to table headings, row descriptors and column headings. They are represented as input cells - shaded green in the *data workbook 03 – Network metrics*. *There are no further instructions.*

## 3.4 Capacity

### Circuit capacity MVA

*Estimated overhead network weighted average MVA capacity by voltage class*

*Estimated underground network weighted average MVA capacity by voltage class*

3.4.1 The *TNSP* must report, for each of the listed voltage classes, estimated typical or weighted average capacities under normal circumstances taking account of limits imposed by thermal or by voltage drop considerations as relevant.

3.4.2 This information will be used to calculate an overall MVA x km 'carrying capacity' for each voltage class under normal circumstances. The *TNSP* is required to provide summer Maximum Demands for summer peaking assets and winter Maximum Demands for winter peaking assets. If the *TNSP*'s peak has changed from winter to summer (or vice versa) over the time period, winter ratings should be applied for those years where there was a winter peak and summer ratings for those years where there were summer peaks.

3.4.3 Where circuits travel both overhead and underground and the capacity of the overhead and underground components is not available separately, the *TNSP* may split the known circuit capacity by the ratio of its overhead network to its underground network and report estimated values for the overhead capacity and underground capacity components.

### Transformer capacities

*Installed transmission system transformer capacity*

*Cold spare capacity*

3.4.4 The *TNSP* must report transformer capacity for the entire transmission system. For the purposes of these measures the transmission system includes transformers, overhead and underground lines and cables in service that serve a transmission function. The transformer capacities must be reported inclusive of Cold Spare Capacity.

3.4.5 For each level, report the summation of normal assigned continuous capacity or rating (with forced cooling or other capacity improving factors included if relevant) including the capacity of tertiary windings as relevant. If available, the *TNSP* must report the assigned rating as determined from results of temperature rise calculations from testing or otherwise, the nameplate rating. Do not include step-up transformers at generation connection location.

### Selected asset characteristics – capacity data

3.4.6 The *TNSP* must report total (MVA) capacity of assets in commission at the end of the reporting period. The *TNSP* must also report the volume of transformer capacity replaced, and separately report total capacity disposed of during the *reporting period*.

3.4.7 The *TNSP* must report the power factor for each voltage to enable conversion between MVA and MW measures. If both MVA and MW demand for a network are available, then the power factor is the total MW divided by the total MVA. The *TNSP* must report a power factor for each voltage level and for the network as a whole. The average overall power factor conversion (EB RIN reference: TOPSD0301) is the total MW divided by the total MVA.

3.4.8 The *TNSP* must report an approximate average power factor conversion based on best engineering estimates, where either the MW or MVA measure is unavailable.

## 3.5 Asset age

### Asset lives

3.5.1 The *TNSP* must report asset lives for all asset categories.

#### *Estimated service life of new assets*

3.5.2 The *TNSP* must report, in this table, the expected service life of new assets. The expected service life of new assets is the period after installation during which the asset is expected to be capable of delivering the same effective service as at its installation date.

3.5.3 The expected service life may not align with the asset's financial or tax life.

#### *Estimated residual service life*

3.5.4 The *TNSP* must report the weighted average remaining time an asset class is expected to deliver the same effective service as at its installation date. The remaining time is to be calculated from the end of the *reporting period*.

#### *Asset life estimation method*

3.5.5 In categories that comprise of several assets, the *TNSP* must report asset lives for the whole category by weighting the lives of individual assets within that category. Weightings must be calculated as follows, in order of preference:

1. On the basis of the asset's share of the asset base for the category and expected asset lives;
2. If 1 is not available, on the basis of replacement costs and expected asset lives;
3. If 1 and 2 cannot be applied, in accordance with the asset's contribution to the category's capacity (i.e. MVA-kms for lines and for cables and MVA for transformers).

The weighted average asset life of each category is as set out in Equation 1.

#### *Equation 1 Weighted average asset life calculation*

$$\text{Weighted average asset life for assets in category } j = \sum_{i=1}^n \frac{x_{i,j}}{RC_j} \cdot EL_{i,j} \uparrow$$

Where:

n is the number of assets in category j

x<sub>i,j</sub> is the value of asset i in category j

$EL_{i,j}$  is the expected life of asset  $i$  in category  $j$

$RC_j$  is the sum of the value of all assets in category  $j$

For example, where the weightings are based on asset base shares or replacement costs, the weighted average asset life of each category must be calculated according to the following formula: If Category 1 contains 2 assets; Asset 1 has an expected life of 50 years and a value of \$3 million; and Asset 2 has an expected life of 20 years and a value of \$2 million, then the weighted average asset life of assets in this category is 38 years:  $[(3/5) \times 50] + [(2/5) \times 20] = 38$ .

## 3.6 Terrain

### Vegetation maintenance - Route line length

3.6.1 The *TNSP* must report the route line length as the distance of line segments and must not include vertical components such as line sag. The route line length does not necessarily equate to the circuit length as the circuit length may include multiple circuits.

### Vegetation maintenance by zone

3.6.2 The *TNSP* must identify and report on one or more vegetation management zones across the geographical area of *TNSP*'s network, by considering:

- a) areas where bushfire mitigation costs are imposed by legislation, regulation, or ministerial order; and
- b) areas of the network where other recognised drivers affect the costs of performing vegetation management work.

3.6.3 Each contiguous area nominated by the *TNSP* is a vegetation management zone. Accordingly, any part of the network will be covered by only one vegetation management zone.

3.6.4 If the *TNSP* records poles and towers rather than spans, the *TNSP* must report the number of maintenance spans as the number of poles and towers less one.

3.6.5 If the *TNSP* does not have *actual information* for the 'average number of trees per maintenance span' it must, estimate this variable using one or a combination of the following data sources:

- Encroachment Defects (e.g. ground or aerial Inspections, LiDAR) and/or records of vegetation works scoping, or GIS vegetation density data;
- Field surveys using a sample of maintenance spans within each vegetation management zone to assess the number of mature trees within the maintenance corridor. Sampling must report a reasonable estimate and consider the nature of maintenance spans in urban versus rural environments in determining reasonable sample sizes.
- Vegetation data such as:
  - the Normalised Difference Vegetation Index (NDVI) grids and maps available from the Bureau of Meteorology (BOM);
  - data from the National Vegetation Information System (VIS data) overlaid on network GIS data to assess the density of vegetation in the direct vicinity of the Maintenance Spans; or



- similar data from other sources such as Geoscience Australia or commercial suppliers of satellite imagery overlaid on network GIS data records.
- Any other data source based on expert advice.

3.6.6 The *TNSP* must explain its estimation method in its *basis of preparation*.

3.6.7 The *TNSP* must report the average number of defects per maintenance span for the reporting period and identify in its *basis of preparation* whether it records the total number of defects for each vegetation maintenance span, or whether it records defects on a vegetation maintenance span as one, regardless of the number of defects on the span.

3.6.8 If the *TNSP* performs vegetation management work on multiple cutting cycles within its nominated vegetation management zones, the *TNSP* may report a simple average of the cutting cycles.

#### **Terrain factors**

3.6.9 Number of vegetation maintenance spans: Where the *TNSP* records poles rather than spans, the number of vegetation maintenance spans is the number of poles less one.

3.6.10 The *TNSP* may calculate the 'average frequency of cutting cycle' as a simple average of all cutting cycles.

3.6.11 The bushfire risk variable is the number of vegetation maintenance spans in high bushfire risk areas as classified by a person or organisation with appropriate expertise on fire risk. This includes but is not limited to:

- the *TNSP's* jurisdictional fire authority
- local councils
- insurance companies
- the *TNSP's* consultants
- local fire experts.



## 4 Workbook 05 – Service performance

### 4.1 Market impact component

**Market impact parameter – calendar year: Planned outage count; Unplanned outage count**

4.1.1 This data requirement adopts the definitions specified in the service target performance incentive scheme (STPIS) that applies to the *TNSP* in the calendar year immediately preceding the end of the *reporting period*. (For example, if the reporting period ends on 30 June 2025, the data required is for the calendar year 2024.)

4.1.2 The *TNSP* must report unrounded data.

**Market impact component**

4.1.3 The *TNSP* must report service performance outcomes for the market impact component of the service target performance incentive scheme (STPIS) that applies to the *TNSP* in the calendar year immediately preceding the *reporting period*.

### 4.2 System losses

4.2.1 The *TNSP* must report system losses calculated as:

$$((\text{Electricity inflows} - \text{electricity outflows}) \times 100) / (\text{electricity inflows})$$

where:

**Electricity inflows** is the total electricity inflow into *TNSP*'s transmission network including from generation, other connected *TNSPs* at the connection point, and connected *DNSPs* as measured by revenue meters.

**Electricity outflows** is the total electricity outflow into the networks of connected distribution network service providers, other transmission networks and directly connected end-users as measured by revenue meters.

### 4.3 Energy delivered

4.3.1 The *TNSP* must report 'energy not supplied' where it matches the MWh of unsupplied energy used to calculate Service Parameter 2 – Loss of supply event frequency under the transmission STPIS for 2021-22. To avoid doubt, we request the unsupplied energy for all applicable outages after exclusions, not just those that exceed the x or y thresholds. .

### 4.4 Service component

**Service component current STPIS**

4.4.1 The *TNSP* must report service performance outcomes for all parameters that apply to the *TNSP* in the calendar year immediately preceding the *reporting period*, as specified in a revenue determination made by the *AER*.

4.4.2 This data requirement adopts the definitions specified in the service target performance incentive scheme (STPIS) that applies to the *TNSP* in the calendar year immediately preceding the *reporting period*.

4.4.3 The *TNSP* must report unrounded data.

## 5 Workbook 06 – Operating expenditure

### 5.1 Audited Statutory accounts

#### Income statement - expenditure

5.1.1 The *TNSP* must identify any expenditure category where the expense is more than five per cent of the total *operating expenditure*. The *TNSP* must identify debt raising cost as an expenditure category, regardless of the expenditure amount.

5.1.2 The reported sum of the individual operating expenditure categories must reconcile with the total operating expenditure included in the *Audited financial statements* of the *TNSP*.

#### Network Overheads expenditure; Corporate overheads expenditure

5.1.3 The *TNSP* must report overheads expenditure allocated to operating expenditure and disaggregated into service categories.

5.1.4 The *TNSP* must disaggregate network overheads expenditure into the following three categories:

- Maintenance support (for example, field support, engineering services, works planning and coordination)
- Network monitoring and control (for example, network switching, network management system support, transmission operations)
- Asset management support (for example, grid planning, network support, customer support or management, property management, asset management, asset works programs)

5.1.5 The *TNSP* must identify any network overheads category where the expense is more than five per cent of the total network overheads expenditure.

5.1.6 The *TNSP* must identify any corporate overheads category where the expense is more than five per cent of the total corporate overheads expenditure.

### 5.2 Regulatory accounts (PTS)

#### Income statement - expenditure

5.2.1 The *TNSP* must report all operating expenditure against all operating expenditure categories reported for the Audited Statutory accounts.

5.2.2 The *TNSP* must explain the regulatory adjustments in the *basis of preparation*, including a reconciliation with the *Audited financial statements* of the *TNSP*.

#### Opex by category

5.2.3 The *TNSP* must report operating expenditure on a mutually exclusive and collectively exhaustive basis.

## **Vegetation management expenditure**

5.2.4 The *TNSP* must report annual vegetation management expenditure across all categories and zones as the direct vegetation management expenditure for the *reporting period*.

5.2.5 Each zone must align with the zones reported in *data workbook 03 – network metrics*.

5.2.6 The *TNSP* must report only expenditure on inspections where the *TNSP* inspects solely for the purpose of assessing vegetation. Where the expenditure involves assessing both the *TNSP*'s assets and vegetation, the *TNSP* must allocate the expenditure to maintenance expenditure.

## **Maintenance**

*Routine maintenance*

*Non-routine maintenance*

5.2.7 Data requirements are identified by reference to table headings, row descriptors and column headings. They are represented as input cells - shaded green in the *data workbook 06 – Operating expenditure*. There are no further instructions.

## **Non-network**

*IT and communications*

*Motor vehicles*

*Buildings and property expenditure*

*Other*

5.2.8 The *TNSP* must report non-network operating expenditure as a direct cost, irrespective of whether any expenditure is also reported in corporate overheads, network overheads or other *operating expenditure* categories. To the extent this results in multiple reporting of expenditures, the *TNSP* must identify this in the *basis of preparation* and the reconciliation report required under section 4.15 of this Order.

## **Network Overheads expenditure; Corporate overheads expenditure**

5.2.9 The *TNSP* must report overheads expenditure allocated to operating expenditure and disaggregated into service categories.

5.2.10 The *TNSP* must disaggregate network overheads expenditure into the following three categories:

- Maintenance support (for example, field support, engineering services, works planning and coordination)
- Network monitoring and control (for example, network switching, network management system support, transmission operations)
- Asset management support (for example, grid planning, network support, customer support or management, property management, asset management, asset works programs)

5.2.11 The *TNSP* must identify any network overheads category where the expense is more than five per cent of the total network overheads expenditure.

5.2.12 The *TNSP* must identify any corporate overheads category where the expense is more than five per cent of the total corporate overheads expenditure.

#### **Input expenditure category**

5.2.13 Data requirements are identified by reference to table headings, row descriptors and column headings. They are represented as input cells - shaded green in the *data workbook 06 – Operating expenditure*. *There are no further instructions.*

## **5.3 Large projects**

#### **Large project expenditure**

5.3.1 Data requirements are identified by reference to table headings, row descriptors and column headings. They are represented as input cells - shaded green in the *data workbook 06 – Operating expenditure*. *There are no further instructions.*

## 6 Workbook 07 – Capital expenditure

### 6.1 Audited Statutory accounts

#### Network Overheads expenditure; Corporate overheads expenditure

6.1.1 The *TNSP* must report overheads expenditure allocated to operating expenditure and disaggregated into service categories.

6.1.2 The *TNSP* must disaggregate network overheads expenditure into the following three categories:

- Maintenance support (for example, field support, engineering services, works planning and coordination)
- Network monitoring and control (for example, network switching, network management system support, transmission operations)
- Asset management support (for example, grid planning, network support, customer support or management, property management, asset management, asset works programs)

6.1.3 The *TNSP* must identify any network overheads category where the expense is more than five per cent of the total network overheads expenditure.

6.1.4 The *TNSP* must identify any corporate overheads category where the expense is more than five per cent of the total corporate overheads expenditure.

### 6.2 Regulatory accounts

#### Network Overheads expenditure; Corporate overheads expenditure

6.2.1 The *TNSP* must report overheads expenditure allocated to operating expenditure and disaggregated into service categories.

6.2.2 The *TNSP* must disaggregate network overheads expenditure into the following three categories:

- Maintenance support (for example, field support, engineering services, works planning and coordination)
- Network monitoring and control (for example, network switching, network management system support, transmission operations)
- Asset management support (for example, grid planning, network support, customer support or management, property management, asset management, asset works programs)

6.2.3 The *TNSP* must identify any network overheads category where the expense is more than five per cent of the total network overheads expenditure.

6.2.4 The *TNSP* must identify any corporate overheads category where the expense is more than five per cent of the total corporate overheads expenditure.

## 6.3 Capex by purpose

6.3.1 The *TNSP* must report *capital expenditure* on an “as-incurred” basis.

### Total gross capex as incurred

6.3.2 The *capital expenditure* for each *AER* defined purpose must be mutually exclusive and collectively exhaustive.

6.3.3 The *TNSP* must provide a reconciliation between the total *capital expenditure* to the *capital expenditure* recorded in the *TNSP’s Data workbook 08 – asset base – indicative roll forward*.

### Replacement capex by asset category

6.3.4 The *TNSP* must report information asset replacement *capital expenditure* by the prescribed asset class disaggregated into the prescribed asset sub-categories.

6.3.5 Where the *TNSP* considers the prescribed asset classes do not account for an asset on the *TNSP’s* network, the *TNSP* must report the asset in the ‘Other by business specified categories’ and must report an appropriate description for that asset.

6.3.6 Where the *TNSP* considers that the prescribed asset class sub-categories do not account for an asset on the *TNSP’s* network, the *TNSP* must report the asset in the row “other” under the appropriate prescribed asset class. The *TNSP* must describe the assets reported as “other” for each asset class in the *basis of preparation*.

6.3.7 Where the *TNSP* reports replacement *capital expenditure* associated with asset refurbishments/ life extensions, the *TNSP* must report the expenditure against the asset class “Other by business specified categories”. Each asset sub-category in this asset class must be described by the equivalent asset sub-category followed by the word “refurbished”.

6.3.8 For each row descriptor added in the ‘Other by business specified categories’, the *TNSP* must report corresponding operational outputs and asset volumes, as per the requirements in Data workbook 02 – Operational outputs and 03 – Network metrics.

### Connection project expenditure

6.3.9 The *TNSP* must ensure the data reported for connection services reconciles with internal planning models used by the *TNSP*.

6.3.10 The *TNSP* must report expenditure data as a gross amount and must not subtract customer contributions from expenditure data.

6.3.11 The *TNSP* must report only non-contestable, regulated connection services data, including work performed by third parties on behalf of the *TNSP*.

6.3.12 The *TNSP* must report augmentation for connections relating to customer connection requests and only as per the definition of connection work. The *TNSP* must not double count augmentation work; it must be classified by primary purpose as either augmentation or connections works.

### Non-network

6.3.13 The *TNSP* must report non-network *capital expenditure* as a *direct cost*, irrespective of whether that expenditure is also classified as corporate overheads, network overheads or other *capital expenditure* categories. To the extent this results in multiple

reporting of expenditures, the *TNSP* must identify this in the *basis of preparation* and the reconciliation report required under section 4.15 of this Order.

- 6.3.14 In relation to the Non-network Other expenditure category, if the *TNSP* has incurred \$1 million or more (nominal) in *capital expenditure* over the last five reporting periods for a given type or class of asset (e.g. mobile cranes), the *TNSP* must report that item separately.

### Large project expenditure

- 6.3.15 Data requirements are identified by reference to table headings, row descriptors and column headings. They are represented as input cells - shaded green in the *data workbook 07 – Capital expenditure*. *There are no further instructions.*

## 6.4 Capex by asset class

### Capex – as commissioned

#### Capex - as incurred

- 6.4.1 The *TNSP* must report against each *asset class* specified in its current determination as listed in the *AER's* final decision *post-tax revenue model*.
- 6.4.2 Where allocations are based on assumptions, the *TNSP* must explain the allocation method in the *basis of preparation*.
- 6.4.3 The *TNSP* must explain in its *basis of preparation* the basis upon which it has reported *movements in capitalised provisions*.
- 6.4.4 Reported provisions are those that have been included in the associated *capital expenditure*.
- 6.4.5 The *TNSP* must report *capital expenditure* funded by *capital contributions*. *Capital expenditure* for each asset class and must include the *capital contributions* as a positive value where relevant.

#### *Immediate expensing of capex*

- 6.4.6 The *TNSP* must report *immediate expensing capital expenditure* against each *asset class* specified in its current determination as listed in the *AER's* final decision in its *post-tax revenue model*.
- 6.4.7 Where allocations are based on assumptions, the *TNSP* must explain the allocation method in its *basis of preparation*.
- 6.4.8 The reported value of the *TNSP's* *immediate expensing capital expenditure* by *asset class* incurred within the *reporting period* must be consistent with the value of *immediate expensing capital expenditure* that has been or will be included in the income tax returns lodged by the *TNSP*, whether Federal or NTER, for the *reporting period*. Where, as a result of the *ATO's* decision-making process, these values change the *TNSP* must report the updated values to the *AER* through a *RIO* resubmission.

## 6.5 Augex - Lines

- 6.5.1 *TNSP* must not report augmentation data relating to connections in this worksheet.
- 6.5.2 *TNSP* must not report information for gifted assets.



## Project

- 6.5.3 The *TNSP* must report augmentation projects with a total cumulative expenditure over the life of the project of greater than or equal to \$5 million (nominal), including *augmentation* works on any *line* or *cable* in the *TNSP*'s network.
- 6.5.4 The *TNSP* must report each augmentation project on a line or cable owned and operated by the *TNSP* where *project close* occurred during the reporting period.
- 6.5.5 The *TNSP* must report a project identifier for the 'Project ID'. This may be the project name, location and/or code.
- 6.5.6 The *TNSP* must report a line identifier for the 'Line ID' for the circuit(s) subject to augmentation works under the project. This may be the circuit name(s), location and/or code. Multiple lines may be reported against a single Project ID.
- 6.5.7 The *TNSP* must report all expenditures in real dollars, where the real dollar terms are set to the last day of the *reporting period* (for example, for the *reporting period* 1 July 2023 to 30 June 2024, the expenditure is reported in \$*real*, 30 June 2024).
- 6.5.8 The *TNSP* must explain the conversion factors used to derive the real dollar expenditures in its *basis of preparation*.
- 6.5.9 Under expenditure for towers/poles, the *TNSP* must only report the procurement costs of the equipment and civil works. This must not include installation expenditure or expenditure relating to land and easements.
- 6.5.10 Under expenditure for lines, cables and 'other plant item', respectively, the *TNSP* must only report the procurement costs of the equipment. This must not include installation expenditure or expenditure relating to land and easements.
- 6.5.11 Under expenditure for civil works, the *TNSP* must not report civil works expenditure related to towers/poles. As a guide, expenditure the *TNSP* may report under 'Civil works expenditure' includes (but is not limited to) construction of access tracks, construction pads and vegetation clearance. This must not include installation expenditure or expenditure relating to land and easements.

## Non-material projects

- 6.5.12 The *TNSP* must report augmentation projects with a total cumulative expenditure over the life of the project of less than \$5 million (nominal), as non-material projects.
- 6.5.13 The *TNSP* must report each augmentation project on a line or cable owned and operated by *TNSP* where *project close* for the non-material projects occurred during the reporting period.
- 6.5.14 The *TNSP* must report all expenditures in real dollars, where the real dollars terms are set to the last day of the *reporting period* (for example, for the *reporting period* 1 July 2023 to 30 June 2024, the expenditure is reported in \$*real*, 30 June 2024).
- 6.5.15 The *TNSP* must explain the conversion factors used to derive the real dollar expenditures in the *basis of preparation*.



## 7 Workbook 08 – Asset base values

### 7.1 Regulatory accounts (PTS)

*Indicative total regulatory asset base roll forward (within period)*

*Indicative total tax asset base roll forward (within period)*

7.1.1 The *TNSP* must report the required data in accordance with the *AER's* Roll Forward Model, and the definitions in *Data workbook 08 - Asset base values*.

7.1.2 The *TNSP* must report the opening value in accordance with the following instructions:

- a) In the first year of a regulatory control period the Opening asset base value must equal the opening asset base value used by the *AER* to model revenue requirements in its final determination for the regulatory period (using the Post Tax revenue Model).
- b) In remaining years of a regulatory control period the opening asset base value should equal the closing value of the prior year.

7.1.3 The *TNSP* must report the inflation addition consistent with the inflation requirement as per the annual revenue adjustment process set out in the final determination.

7.1.4 The *TNSP* must report the forecast straightline depreciation based on the forecast real straight-line depreciation determined in the annual RoD updated PTRM, but converted to nominal terms.

7.1.5 The *TNSP* must report the gross capex and disposals consistent with expenditures reported in the income statements for prescribed transmission services - Regulatory Accounts

7.1.6 The *TNSP* must report the capex timing adjustment consistent with the 'half year WACC adjustment' described in the RFM, using the WACC value determined in the latest Return on debt annual update PTRM published by the *AER*.

*Benchmarking asset base by asset category*

7.1.7 The *TNSP* must report benchmarking asset base values in accordance with the standard approach and the Assets (RAB) Financial Reporting Framework set out in sections 7.1.8 - 7.1.11.

7.1.8 Standard approach

- a) Direct attribution to the *AER's* economic benchmarking RAB Asset classes
  - Where RAB Financial Information can be directly allocated to the RAB Assets (as per the definitions in Data Category 08: Asset base values) it should be directly allocated to those RAB Assets. Financial Information can be directly allocated to RAB Asset class where that Financial Information relates to assets that wholly fall within the definition of that RAB Asset class. For example, financial data associated with towers can be directly allocated to Overhead Transmission Assets.
- b) Where direct attribution to the economic benchmarking asset classes is not possible

- RAB Financial Information that cannot be directly allocated to a single RAB Asset category should be allocated in accordance with the RAB allocation approach in section 7.1.9.

#### 7.1.9 RAB allocation approach

- a) RAB Financial Information that can be directly allocated to a group of RAB Assets, but cannot be directly allocated to an individual RAB Asset category, should be directly allocated to that group of RAB Assets, and then allocated across the individual categories in the group in accordance with this RAB allocation approach.
- b) To allocate RAB Financial Information across RAB Assets, the RAB Financial Information must be allocated in direct proportion to the relevant RAB Asset's share of the total estimated depreciated replacement cost for that year (estimated in accordance with sections 7.1.9(c) and (d)).
  - In the event that the sum of the estimated disaggregated asset values for the RAB Assets for each year that are formed using sections 8.1.4(c) and (d) do not equal the total value of the RAB for that year, the disaggregated RAB series must be calculated by multiplying the total value of the RAB by each RAB Asset's share of the sum of all asset values for that year formed using section 7.1.9 (c) and (d).
- c) TNSP must estimate the depreciated replacement cost of their assets for each RAB Asset for which RAB Financial Information cannot be directly allocated. This estimation must be made for the most recent year for which the RAB Financial Information cannot be directly allocated.
  - This depreciated replacement cost estimate should be based on the data requirements for length and capacity data provided for lines, cables and transformers as outlined in Data Category 03: Network Metrics (for the relevant RAB Asset category); unit rate replacement costs applicable to TNSP for each of the physical asset categories and the weighted average asset age relative to the corresponding weighted average service life.
  - Estimation of the depreciated replacement costs can be undertaken for aggregate asset categories using best endeavours rather than a very detailed exercise. All assumptions, however, should be made clear.
  - Book values may be used for Easements, other long life assets and other short life assets.
- d) To estimate the depreciated replacement cost for years prior to the estimated depreciated replacement cost developed under section 7.1.9(c), the depreciated replacement cost estimate developed under section 7.1.9 (c) must be rolled back to 2006 using disaggregated capex data and depreciation in accordance with the RAB Framework.

7.1.10 The allocated values for the 2013 Regulatory Year are to be used as the basis for rolling forward the RAB for Regulatory Years subsequent to the 2013 Regulatory Year.

#### 7.1.11 Operational additional approach

- a) Where TNSP believes it has sufficient information to provide a consistent RAB disaggregation into the categories in the 'Data Workbook 08: Asset base values' that better reflects the values of those assets in addition to the specified standard approach, this must be provided in a separate Excel worksheet, together with details of the calculations undertaken. For clarity, TNSP must still provide disaggregated RAB values using the standard approach if it chooses to also provide optional additional approach values.
- b) The optional approach must be prepared in accordance with Assets (RAB) Financial Reporting Framework. Further, the TNSP must have the optional approach audited.

#### 7.1.12 Benchmarking asset base financial information must reconcile with:

- For years where the AER has made a decision on values for the RAB, the values in that decision, unless that decision incorporates forecasts (for example, additions for the last year of the previous regulatory period).
- For years where the AER has made a decision on values for the RAB that incorporates forecasts, the forecast values must be replaced with actual values where possible. Actual values must reconcile with amounts reported in the *Indicative asset base roll forward* information; or
- For years where the AER has not made a decision on values for the RAB, RAB values must be prepared in accordance with the Assets (RAB) Financial Reporting Framework. In this circumstance, actual additions (recognised in the RAB) and disposals must reconcile with amounts reported in the *Indicative asset base roll forward* information.

#### *Benchmarking asset base by asset category – Group 3 assets adjustment*

##### 7.1.13 The TNSP must only report the data required if:

- it operates in the State of Victoria
- the AER has approved the inclusion of Group 3 assets in the TNSP's asset base, as part of a revenue determination
- the reporting period coincides with the final year of a regulatory control period.

##### 7.1.14 The instructions at 7.1.8 and 7.1.9 apply to *Benchmarking asset base by asset category – Group 3 assets adjustment* information.

##### 7.1.15 If the TNSP reports information in response to *Benchmarking asset base by asset category – Group 3 assets adjustment*, it is not required to report data in response to *Benchmarking asset base by asset category*.

## 8 Workbook 09 – Revenue and financial statements

### 8.1 Audited Statutory accounts

#### Income statement

- 8.1.1 The data requirements are set out in *Data workbook 09 – Revenue and financial statements*, with additional context provided by the general instructions in this document.
- 8.1.2 The *TNSP* must disaggregate Other Revenue where the revenue represents greater than 5 per cent of the total revenue reported for Prescribed transmission services.
- 8.1.3 The *TNSP* must disaggregate Other expenditure where the expenditure is greater than 5 per cent of the total expenditure reported for Prescribed transmission services.

### 8.2 Regulatory accounts - PTS

#### Income statement

- 8.2.1 The data requirements are set out in *Data workbook 09 – Revenue and financial statements*, with additional context provided by the general instructions in this document.
- 8.2.2 The *TNSP* must disaggregate Other Revenue using the same categories as reported under Audited statutory accounts.
- 8.2.3 The *TNSP* must disaggregate Other expenditure using the same categories as reported under Audited statutory accounts.

#### Profitability – Tax data

##### *Ownership structure*

- 8.2.4 The *TNSP* must report their 'Ownership structure' as being a:
- Private sector entity which is taxed as a company; or
  - NTER entity; or
  - government owned entity not reporting under the NTER; or
  - flow-through entity.
- 8.2.5 If the *TNSP* is a flow-through entity in which a NTER entity or a government entity not reporting under the NTER holds an interest in the *TNSP*'s assets, the *TNSP* should identify as a flow-through entity.

Note: If the ownership structure of the *TNSP* has changed during the *reporting period* (due to a privatisation, acquisition or restructure), the *TNSP* must identify the structure which was applicable for the majority of the *reporting period*. The *TNSP* must note the change of ownership structure in its *basis of preparation*.

- 8.2.6 If the *TNSP*'s ownership structure is a flow-through entity for the reporting period, the *TNSP* must calculate a blended tax rate.

Note: To determine the appropriate tax rate for a *TNSP* as a flow-through entity, we request the determination of a blended tax rate that represents the applicable Australian income tax rates for the initial recipients of the *TNSP*'s profits. The blended tax rate calculation must not include any foreign taxes which may apply to distributions

received by the *TNSP*'s investors (e.g. dividends, return on tax equity instruments, partnership distributions and trust distributions).

8.2.7 The *TNSP* must report the *TNSP*'s tax rate as determined by the *TNSP*'s ownership structure. The applicable tax rate/s are:

- a) for privately owned corporate structures – 30%;
- b) for NTER entities – 0% and 30%;
- c) for government entities not reporting under the NTER – 0% and 30%;
- d) for flow-through entities – the blended tax rate reported in paragraph 8.2.7(b);
- e) for flow-through entities in which a NTER entity or a government entity not reporting under the NTER hold an interest in the *TNSP*'s assets – the blended tax rate calculated in accordance with section 8.2.7.

#### *Tax related information*

8.2.8 The *TNSP* must report the tax depreciation of the *TNSP*'s TAB. This must reconcile with:

- a) the applicable final decision that the *AER* has made in relation to the historical tax depreciation of the *TNSP*'s TAB; or
- b) where the *AER* has not made a final decision in relation to the historical tax depreciation of the *TNSP*'s TAB:
  - i. any historical depreciation of the *TNSP*'s TAB provided by the network service provider in a revised regulatory proposal for a regulatory determination; or if not available
  - ii. any draft decision that the *AER* has made in relation to the historical tax depreciation of the *TNSP*'s TAB; or if not available
  - iii. any historical depreciation of the *TNSP*'s TAB provided by the network service provider in an initial regulatory proposal for a regulatory determination; or if not available
  - iv. an estimate of the *TNSP*'s actual TAB depreciation based on a TAB from the most recent applicable final decision PTRM updated for actual *capital expenditure* and CPI.

#### *Taxable income adjustments*

8.2.9 The *TNSP* must report the total taxable revenue and/or income for customer contributions and/or gifted assets.

8.2.10 The *TNSP* must report the permanent differences due to disallowed interest expenditure – these are self-assessed. This is interest expenditure, which is non-deductible for tax purposes pursuant to the Income Tax Assessment Act 1997.

8.2.11 The *TNSP* must report the permanent differences due to adjustments to prior year returns. This can occur when:

- a) a prior year's income tax assessments for the network service provider are amended following dispute with the Australian Tax Office or a change in legislation (such as court judgement);

- b) the revenues or expenditure relating to the amendment is within the regulatory ring-fence; and
- c) the adjustment resulting from the amendment is permanent in nature.

*Interest expense (Debt and equity)*

- 8.2.12 The *TNSP* must report the interest bearing liabilities held by the *TNSP* at the beginning of the reporting period to fund the operation of, and investment into, its core regulated services;
- 8.2.13 The *TNSP* must report the total interest expense incurred during the reporting period. The *TNSP* must calculate its actual interest expenditure arising from interest bearing liabilities used to fund the operation of, and investment into the core regulated services of the *TNSP*.
- 8.2.14 The *TNSP* must report the interest expense paid to a related party of the *TNSP*.

**Disaggregated Revenue**

- 8.2.15 The *TNSP* must report revenues split in accordance with the categories in the *data workbooks*.
- 8.2.16 The *data workbooks* require the *TNSP* to report revenues by chargeable quantity and by customer class. The total of revenues by chargeable quantity must equal the total of revenues by customer class. The *TNSP* must also separately report revenues received or deducted as a result of incentive schemes.
- 8.2.17 The *TNSP* must enter '0' into cells that have no effect on the revenues of the *TNSP*. For instance, if the *TNSP* does not use a shoulder period for Energy Delivery charges then the revenue reported must be '0'.
- 8.2.18 The *TNSP* must report revenues in accordance with the requirements of, and must reconcile with, the revenues reported in the Income statement.

*Revenue grouping by chargeable quantity*

- 8.2.19 The *TNSP* must report revenues allocated to the chargeable quantity that most closely reflects the basis upon which the revenue was charged by the *TNSP* to customers.
- 8.2.20 The *TNSP* must report revenues that cannot be allocated to the specific chargeable quantities specified by the *AER* against 'Revenue from other Sources' (EB RIN reference: TREV0110).
- 8.2.21 Revenues must be reported in accordance with the requirements of, and should reconcile to, the Prescribed Transmission Services revenues reported in the Income Statement. For instance if these statements include taxes or penalties or rewards of incentive schemes then revenues must also include of these amounts.
- 8.2.22 Total revenues by chargeable quantity should equal total revenue before interest and tax reported in the Income Statement.

*Revenue rewards and penalties – Incentive schemes*

- 8.2.23 The *TNSP* must report the penalties or rewards of incentive schemes in this table. The *TNSP* must report the penalties or rewards from the schemes applied by previous jurisdictional regulators that are equivalent to the service target performance incentive

scheme (STPIS) or efficiency benefit sharing scheme (EBSS) against the line items for those schemes.

8.2.24 Revenues reported must reflect the effect on revenues of incentive schemes in the year that the penalty or reward is applied (as opposed to when it was earned which depending on the scheme may be in earlier years). For instance, if the *TNSP* is rewarded extra revenues for performance under the STPIS in 2019 and gains these revenues in 2021 these revenues must be reported in the 2021 year only.

## 8.3 Provisions

8.3.1 The *TNSP* must report data on total provisions in accordance with the requirements of the Cost Allocation Approach and the Regulatory Accounting Statements that were in effect for the *reporting period*.

8.3.2 The *TNSP* must report data for each of its individual provisions. A provision is an account that records a specific present liability of the *TNSP* to another entity. Examples of provision accounts include employee entitlements, doubtful debts and uninsured losses.

8.3.3 The *TNSP* must report provisions in accordance with the principles and policies applying in the *reporting period*, and apply the following presentation standards:

- a) if the opening balance has a credit balance and represents a liability associated with the provision, it should be reported as a positive number
- b) if the opening balance has a debit balance and represents a 'negative' liability associated with the provision it should be reported as a negative number
- c) a movement in provisions that increases the liability should be reported as a positive number
- d) a movement in provisions that decreases the liability should be reported as a negative number.

## 8.4 Other financial information

### Balance sheet and other items

8.4.1 The *TNSP* must report the balance, as at the end of the *reporting period*, of the interest-bearing liabilities held by the *TNSP* to fund the operation of, and investment into, its core regulated services.

8.4.2 For each *reporting period*, the *TNSP* must report the tax depreciation of its tax asset base. This must reconcile with:

- (i) the applicable final decision that the *AER* has made in relation to the historical tax depreciation of the *TNSP*'s tax asset base; or
- (ii) for any *reporting period* where the *AER* has not made a final decision in relation to the historical tax depreciation of the *TNSP*'s tax asset base:
  - A. any historical depreciation of the *TNSP*'s tax asset base provided by the *TNSP* in a revised regulatory proposal for a regulatory determination; or if not available



- B. any draft decision that the *AER* has made in relation to the historical tax depreciation of the *TNSP's* tax asset base; or if not available
- C. any historical depreciation of the *TNSP's* tax asset base provided by the *TNSP* in an initial regulatory proposal for a regulatory determination; or if not available
- D. an estimate of the *TNSP's* actual a tax asset base depreciation based on a tax asset base from the most recent applicable final decision PTRM updated for actual *capital expenditure*.

### **Revenue Requirements**

#### *Adjusted allowed revenue*

8.4.3 The *TNSP* must report the allowed revenue and all adjustments that modify its revenue requirements for the *reporting period*. These amounts will match the information used to set prices in the *reporting period*.

#### *Revenue from prescribed service*

8.4.4 The *TNSP* must report how its revenue requirements were expected to be recovered by service classification. The revenue from prescribed services must be equal to the adjusted allowed revenue.

### **Revenue recoveries**

8.4.5 Data requirements are identified by reference to table headings, row descriptors and column headings. They are represented as input cells - shaded green in the *data workbook 09 – revenue and financial information*. *There are no further instructions*.

### **Revenue unders / overs**

8.4.6 Data requirements are identified by reference to table headings, row descriptors and column headings. They are represented as input cells - shaded green in the *data workbook 09 – revenue and financial information*. *There are no further instructions*.

### **Revenue reconciliation(t-2)**

8.4.7 The *TNSP* must report information reconciling its allowed revenues to its out-turn revenue recoveries in the *reporting period* ending two years (t-2) prior to the current *reporting period*. For example, if the *reporting period* is for the year ending 30 June 2025, the *TNSP* must reconcile its revenue allowance and recoveries for the year ending 30 June 2023.

8.4.8 The *TNSP* must report all expenditures in real dollars, where the real dollar terms are set to the last day of the (t-2) *reporting period* (for the *example in 8.4.6* the revenue is reported in \$*real*, 30 June 2023).

8.4.9 The *TNSP* must explain the conversion factors used to derive the real dollar expenditures in its *basis of preparation*.

### **Related party transactions**

8.4.10 The *TNSP* must report information relating to any material related party transactions attributed to, or allocated between, categories of transmission services provided by the *TNSP*.



### **Price reduction /recovery**

8.4.11 Data requirements are identified by reference to table headings, row descriptors and column headings. They are represented as input cells - shaded green in the *data workbook 09 – revenue and financial information*. *There are no further instructions.*