Final Decision

Endeavour Energy Electricity Distribution Determination 2024 to 2029

(1 July 2024 to 30 June 2029)

Attachment 1
Annual revenue requirement

April 2024

AUSTRALIAN ENERGY REGULATOR

Inquiries about this publication should be addressed to:

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

AER reference: AER212494

Amendment record

Version	Date	Pages
1	30 April 2024	16

List of attachments

This attachment forms part of the AER's final decision on the distribution determination that will apply to Endeavour Energy for the 2024–29 period. It should be read with all other parts of the final decision.

As a number of issues were settled at the draft decision stage or required only minor updates, we have not prepared all attachments. The final decision attachments have been numbered consistently with the equivalent attachments to our draft decision. In these circumstances, our draft decision reasons form part of this final decision.

The final decision includes the following documents:

Overview

Attachment 1 – Annual revenue requirement

Attachment 2 – Regulatory asset base

Attachment 4 – Regulatory depreciation

Attachment 7 – Corporate income tax

Attachment 13 – Classification of services

Attachment 14 – Control mechanisms

Attachment 15 – Pass through events

Attachment 16 – Alternative control services

Attachment 18 – Connection policy

Attachment 19 – Tariff structure statement

Attachment 20 – Metering services

Contents

1 Annual revenue requirement

This attachment sets out our final decision on Endeavour Energy's (Endeavour) annual revenue requirement (ARR) and expected revenues for the provision of standard control services (SCS) over the 2024–29 regulatory control period (period). Specifically, it sets out our final decision on:[1]

- the ARRs (unsmoothed), which are the sum of the annual building block costs
- the total revenue requirement, which is the sum of the ARRs
- the annual expected revenues (smoothed)
- the X factors.

We determine Endeavour's ARRs using a building block approach. We determine the X factors by smoothing the ARRs over the period. The X factor is used in the CPI–X methodology to determine the annual expected revenue (smoothed).

1.1 Final decision

We determine a total ARR for Endeavour of $5,678.4 million ($ nominal, unsmoothed) for the 2024–29 period. This is an increase of $45.3 million ($ nominal) or 0.8% to Endeavour's revised proposal. This is largely driven by our final decision approving a higher regulatory depreciation building block, which is $53.2 million higher than Endeavour's revised proposal. The regulatory depreciation amount is the net total of the straight-line depreciation, less the inflation indexation of the regulatory asset base (RAB). Our final decision straight-line depreciation and indexation component are both lower than the revised proposal by $10.4 million and $63.6 million respectively. The lower indexation has more than offset the reduction in straight-line depreciation due to a lower expected inflation rate applied in our final decision compared to the revised proposal. This results in a net impact of a higher regulatory depreciation amount compared to the revised proposal. See Attachment 4 for further details.

We determine the annual expected revenue (smoothed) and X factor for each regulatory year of the 2024–29 period by smoothing the ARRs. Our final decision is to approve total expected revenues of $5,710.4 million ($ nominal) for Endeavour for the 2024–29 period. Our approved X factors are –7.38% per annum for 2025–26 and 2026–27, followed by 3.86% per annum for the remaining years of 2027–28 and 2028–29.[2]

Table 1.1 sets out our final decision on the building block costs, the ARR, annual expected revenue and X factors for Endeavour over the 2024–29 period.

[1] NER, cll. 6.3.2(a)(1), 6.5.9(a) and 6.5.9(b)(1)–(2).

[2] Endeavour is not required to apply an X factor for 2024–25 because we set the 2024–25 expected revenue in this decision.

Table 1.1 AER's final decision on Endeavour's ARR, annual expected revenue and X factor for the 2024–29 period ($ million, nominal)

	2024–25	2025–26	2026–27	2027–28	2028–29	Total
Return on capital	486.6	497.4	511.8	525.4	541.5	2,562.8
Regulatory depreciation[a]	301.4	259.1	246.3	224.4	210.4	1,241.6
Operating expenditure[b]	295.3	310.3	322.4	338.5	355.6	1,622.0
Revenue adjustments[c]	55.9	21.2	44.5	9.3	0.8	131.7
Cost of corporate income tax	30.0	23.7	23.4	22.4	20.7	120.2
Annual revenue requirement (unsmoothed)	1,169.2	1,111.8	1,148.4	1,120.0	1,129.0	5,678.4
Annual expected revenue (smoothed)	**1,001.7**	**1,104.2**	**1,217.3**	**1,201.4**	**1,185.8**	**5,710.4**
X factor[d]	n/a	–7.38%	–7.38%	3.86%	3.86%	n/a

Source: AER analysis.

(a) Regulatory depreciation is straight-line depreciation net of the inflation indexation on the opening regulatory asset base (RAB).

(b) Includes debt raising costs.

(c) Includes revenue adjustments from the efficiency benefit sharing scheme (EBSS), the capital expenditure sharing scheme (CESS), shared asset adjustment and the demand management innovation allowance mechanism (DMIAM).

(d) The X factors will be revised to reflect the annual return on debt update. Under the CPI–X framework, the X factor measures the real rate of change in annual expected revenue from one year to the next. A negative X factor represents a real increase in revenue. Conversely, a positive X factor represents a real decrease in revenue.

(e) Endeavour is not required to apply an X factor for 2024–25 because we set the 2024–25 expected revenue in this decision. The expected revenue for 2024–25 is around 7.4% higher than the approved total annual revenue for 2023–24 in real terms, or 10.2% higher in nominal terms.

1.2 Endeavour Energy's revised proposal

Endeavour's revised proposal included total expected revenues (smoothed) of $5,657.0 million ($ nominal) for the 2024–29 period.

Table 1.2 sets out Endeavour's revised proposed building block costs, the ARR, annual expected revenue and X factor for each year of the 2024–29 period.

Table 1.2 Endeavour's revised proposed ARR, annual expected revenue and X factor for the 2024–29 period ($ million, nominal)

	2024–25	2025–26	2026–27	2027–28	2028–29	Total
Return on capital	481.7	495.8	513.8	531.0	551.0	2,573.3
Regulatory depreciation[a]	290.7	248.5	235.7	213.8	199.7	1,188.4
Operating expenditure[b]	295.7	311.1	323.7	340.4	358.0	1,628.9
Revenue adjustments[c]	57.2	23.6	44.8	9.3	0.8	135.7
Cost of corporate income tax	27.3	21.0	20.7	19.7	18.0	106.8
Annual revenue requirement (unsmoothed)	1,152.6	1,100.1	1,138.6	1,114.2	1,127.6	5,633.1
Annual expected revenue (smoothed)	**1,016.3**	**1,136.7**	**1,152.2**	**1,167.9**	**1,183.8**	**5,657.0**
X factor	n/a[d]	–8.80%	1.40%	1.40%	1.40%	n/a

Source: Endeavour Energy, *0.07 Main SCS Post-Tax Revenue Model,* November 2023.
(a) Regulatory depreciation is straight-line depreciation net of the inflation indexation on the opening RAB.
(b) Includes debt raising costs.
(c) Includes revenue adjustments from EBSS, CESS, shared asset adjustment and DMIAM.
(d) Endeavour is not required to apply an X factor for 2024–25 because we set the 2024–25 expected revenue in this decision.

1.3 Assessment approach

We did not change the building block approach we use to determine the expected revenue from our draft decision. Attachment 1 (section 1.3) of our draft decision details that approach.[3]

1.4 Reasons for final decision

For this final decision, we determine a total ARR of $5,678.4 million ($ nominal, unsmoothed) for Endeavour for the 2024–29 period. This is an increase of $45.3 million ($ nominal) or 0.8% to Endeavour's revised proposed total ARR of $5,633.1 million ($ nominal) for this period. This reflects the impact of our final decision on the various building block costs.

Figure 1.1 shows the building block components in this final determination that comprise the ARR for Endeavour, and the corresponding components from its revised proposal and our draft decision.

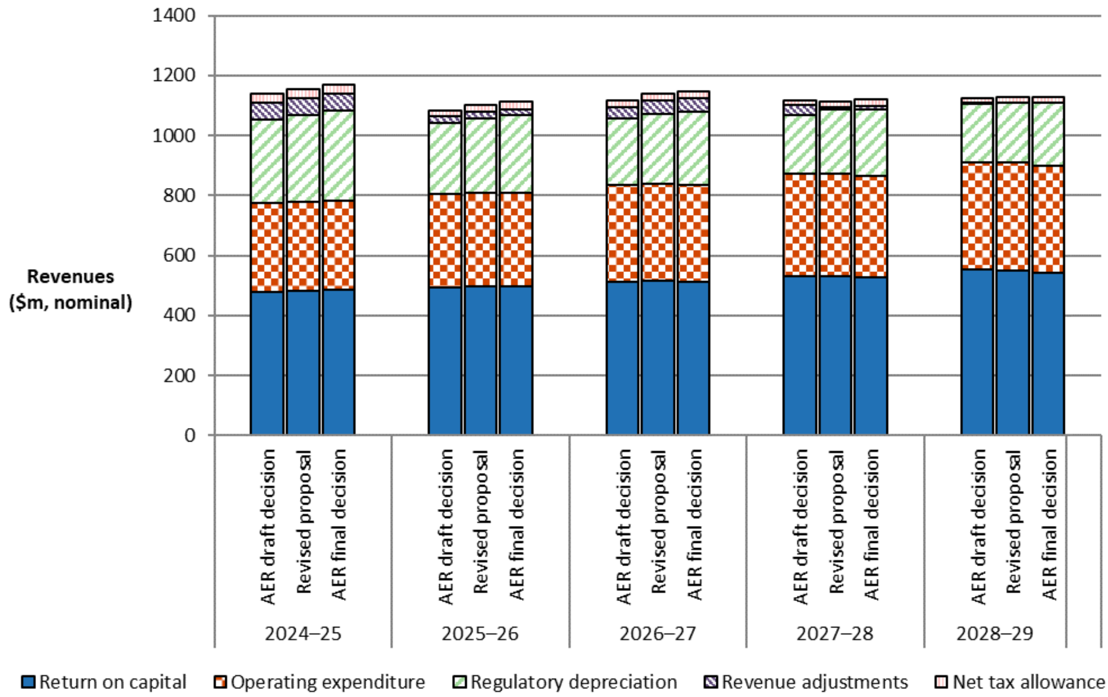
The changes we made to Endeavour's revised proposal include (in nominal terms):

- a reduction in the return on capital of $10.5 million (0.4%) (Attachment 2, and sections 2.2 and 2.4 of the Overview). This is driven primarily by lower nominal opening RAB values over the 2024–29 period due to a lower expected inflation rate in our final decision than at the time of Endeavour's revised proposal

3 AER, *Draft Decision: Endeavour Energy distribution determination 2024–29 – Attachment 1 – Annual revenue requirement*, September 2023, pp. 3–6.

- an increase in the regulatory depreciation of $53.2 million (4.5%) (Attachment 4). This is driven primarily by the lower expected inflation rate in our final decision than at the time of Endeavour's revised proposal, which reduces the indexation adjustment to regulatory depreciation
- a reduction in the operating expenditure (opex) forecast of $6.9 million (0.4%). This is due to the lower expected inflation rate applied in this final decision compared to Endeavour's revised proposal. Our final decision has accepted Endeavour's revised proposed total opex in real 2023–24 dollar terms (section 2.5 of the Overview)
- an increase in the cost of corporate income tax of $13.5 million (12.6%) (Attachment 7). This is driven primarily by a higher regulatory depreciation amount and a higher return on equity amount determined in this final decision compared to Endeavour's revised proposal
- a reduction in the revenue adjustments of $4.0 million (3.0%) (section 2.7 of the Overview). This is due a lower revenue adjustment from CESS in this final decision compared to Endeavour's revised proposal.

Figure 1.1 AER's draft and final decisions, and Endeavour's revised proposed ARR ($ million, nominal)



Source: AER analysis; Endeavour Energy, *0.07 Main SCS Post-Tax Revenue Model,* November 2023.
Note: Revenue adjustments include EBSS, CESS, shared asset adjustment, and DMIAM amounts. Opex includes debt raising costs.

1.4.1 X factor and annual expected revenue

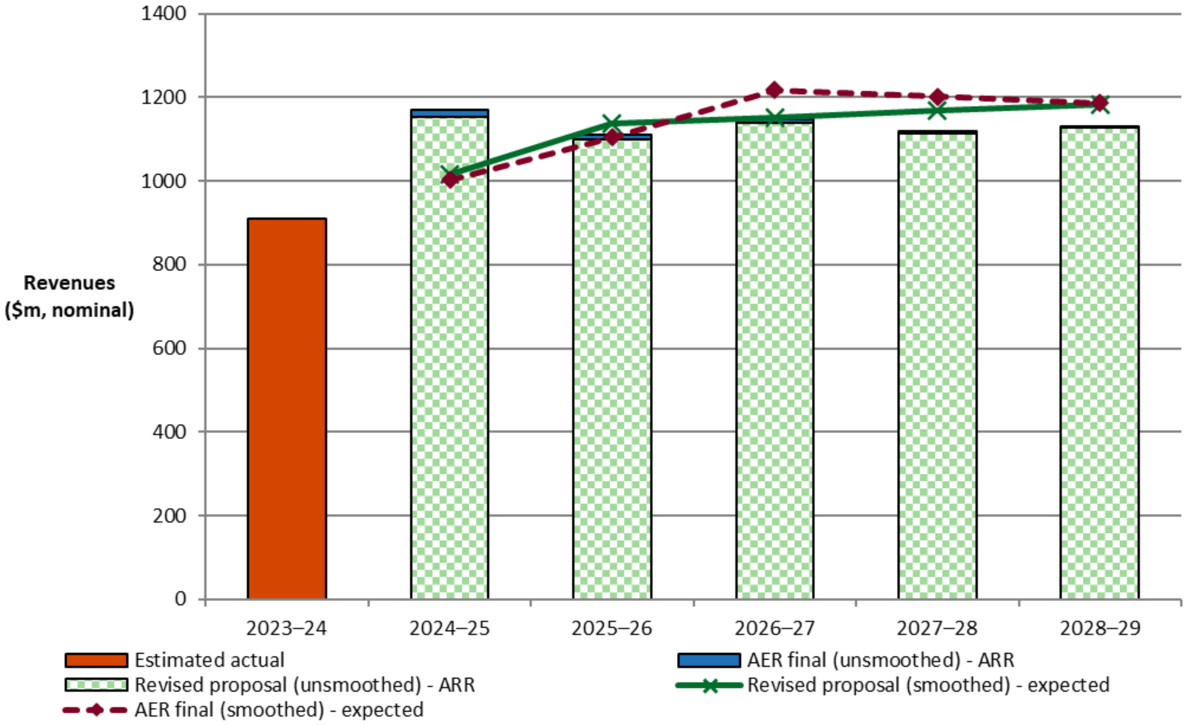
For this final decision, we determine an X factor for Endeavour of –7.38% per annum for 2025–26 and 2026–27, followed by an X factor of 3.86% per annum for 2027–28 and 2028–29.[4] The net present value (NPV) of the ARRs is $4,793.2 million ($2023–24) as at 1

[4] Endeavour is not required to apply an X factor for 2024–25 because we set the 2024–25 expected revenue in this decision.

July 2024. Based on this NPV and applying the CPI–X method, we determine that the annual expected revenue (smoothed) for Endeavour is $1,001.7 million in 2024–25 increasing to $1,185.8 million in 2028–29 ($ nominal). The resulting total expected revenue for Endeavour is $5,710.4 million for the 2024–29 period.

Figure 1.2 shows our final decision on Endeavour's annual expected revenue (smoothed revenue) and the ARR (unsmoothed revenue) for the 2024–29 period.

Figure 1.2 AER's final decision on Endeavour's revenue for the 2024–29 period ($ million, nominal)



Source: AER analysis; Endeavour Energy, *0.07 Main SCS Post-Tax Revenue Model,* November 2023.

To determine the profile of expected revenue for Endeavour over the 2024–29 period, we have set the expected revenue for the first regulatory year at $1,001.7 million ($ nominal) which is $167.6 million lower than the ARR for that year. We then apply an expected inflation rate of 2.66% per annum and a profile of X factors to determine the expected revenues in subsequent years.[5]

The X factors we set must be such as to minimise, as far as reasonably possible, the variance between the expected revenue (smoothed) and the ARR (unsmoothed) in the last year of the 2024–29 period.[6] This helps to minimise any potential large revenue variance (and thus price shocks) at the commencement of the 2029–34 period. Our standard approach has been to keep a divergence of up to +/–3% between the smoothed and unsmoothed revenues for the last year of the regulatory period, if this can achieve smoother price changes across the regulatory control periods.

5 NER, cl. 6.5.9(a).

6 NER, cl. 6.5.9(b)(2).

Our draft decision smoothing profile provided a final year revenue difference of 3%. However, Endeavour's revised proposed profile resulted in a final year revenue difference of 5%, which is outside our preferred +/–3% target range. Endeavour stated that its revised proposed target of 5% has resulted in lower revenue increases in the first two years of the 2024–29 period compared to the draft decision.[7] We did not receive any stakeholder submissions on revenue smoothing.

For this final decision, the approved higher revenues than in the draft decision and Endeavour's revised proposal are primarily driven by movement in a market parameter, namely the expected inflation rate. Consequently, to accommodate these higher revenues we have allowed the difference between the expected revenue and ARR in the last year of the 2024–29 period to diverge more than would be usual. This approach smooths the increase in expected revenues over the first three regulatory years (2024–25 to 2026–27). In the present circumstances, based on the X factors we have determined for Endeavour, the final year revenue difference is 5%.

On balance, we consider that our profile of X factors for this final decision results in an expected revenue in the last year of the 2024–29 period that is as close as reasonably possible to the ARR for that year.[8] We are satisfied that our revenue smoothing approach balances the need of promoting smoother price changes for customers across the 2024–29 period and minimising a large revenue variance at the commencement of the subsequent regulatory control period (2029–34).

Our final decision results in an average increase of 5.5% per annum ($ nominal) in the expected revenue over the 2024–29 period.[9] This consists of initial increases of 10.2% per annum over 2024–25 to 2026–27, followed by average annual decreases of 1.3% during the remainder of the 2024–29 period.[10]

Our final decision also results in the total ARR to be 12.5% higher than that allowed in the 2019–24 period, in real terms ($2023–24). This is because we have determined higher return on capital, regulatory depreciation and revenue adjustments in this final decision for the 2024–29 period than those approved in the 2019–24 determination.

Figure 1.3 compares our final and draft decision building blocks for Endeavour's 2024–29 period with its proposed and revised proposed revenue requirements for the same period, and the approved unsmoothed revenue for the 2019–24 period.

---

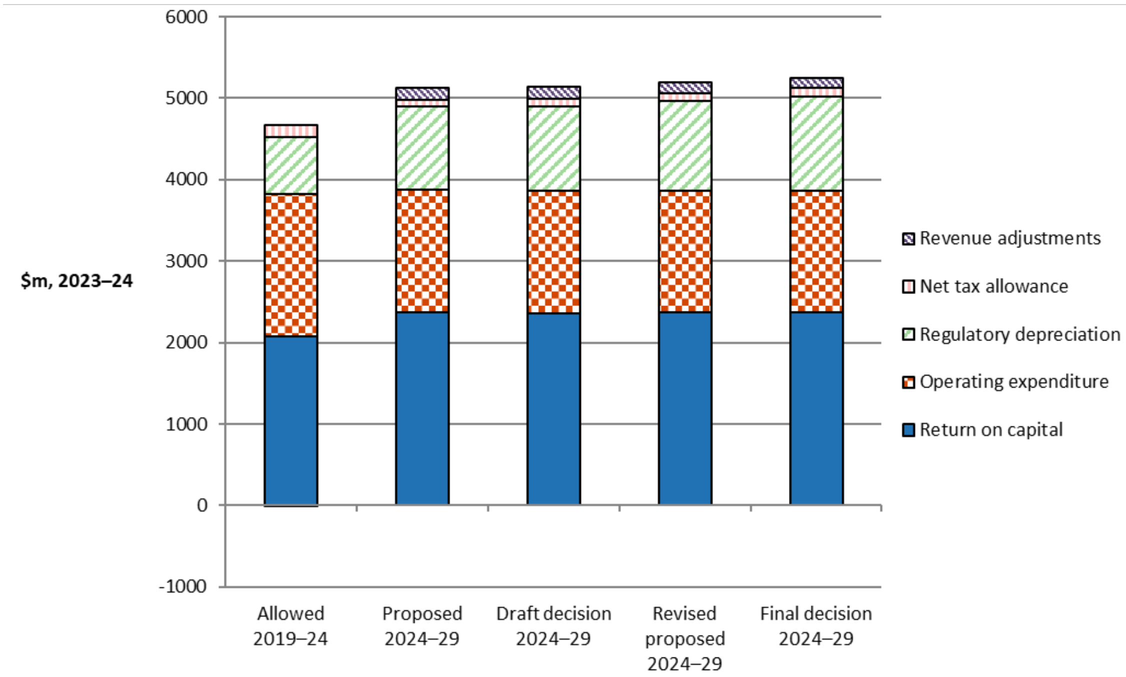
7 Endeavour Energy, *0.01 Revised Regulatory Proposal*, November 2023, pp. 40–41.

8 NER, cl. 6.5.9(b)(2).

9 In real 2023–24 dollar terms, our approved expected revenue for Endeavour results in an average increase of 2.7% per annum over the 2024–29 period.

10 In real 2023–24 dollar terms, this consists of initial increases of 7.4% per annum over 2024–25 to 2026–27, followed by annual average decreases of 3.9% in during the remainder of the 2024–29 period.

Figure 1.3 Total revenue by building block components ($ million, 2023–24)



Source: AER analysis.

1.4.2 Shared assets

Our final decision is to apply a shared asset revenue adjustment to Endeavour's total expected revenue for the 2024–29 period.

In our draft decision, we accepted Endeavour's proposal to apply a shared asset revenue adjustment to its revenues using the method from our shared asset guideline.[11] Our draft decision shared asset adjustment was consistent with the amounts Endeavour calculated in its initial proposal.

Endeavour's revised proposal reduced the amount of shared asset revenue adjustment to $4.3 million ($2023–24) from the $5.3 million approved in our draft decision to reflect its revised proposal expected revenues. Endeavour's forecast annual average unregulated revenue received from shared assets is less than 1% of its revised proposed expected revenue in 2025–26. As such, Endeavour's revised proposal did not apply the shared asset adjustment to this year.[12] It applied shared asset revenue adjustments to 2024–25 and 2026–27 to 2028–29 as the 1% materiality threshold has been met for those years based on its revised proposed expected revenues.

For this final decision, we determine a shared asset revenue adjustment of $2.1 million ($2023–24) for Endeavour's 2024–29 period. We have compared Endeavour's forecast annual average unregulated revenue with the expected revenues we determined in this final decision, rather than those proposed by Endeavour in its revised proposal. Our final decision sets higher expected revenues than Endeavour's revised proposal. We estimate that the forecast unregulated revenues from shared assets will be greater than 1% of the expected

11 AER, *Draft Decision: Endeavour Energy distribution determination 2024–29 – Attachment 1 – Annual revenue requirement,* September 2023, pp. 9–10.

12 Endeavour Energy, *0.01 Revised Regulatory Proposal*, November 2023, p. 40.

revenue in 2024–25 and 2025–26, but will be less than 1% of its expected revenues over the remaining years of the 2024–29 period. Therefore, the materiality threshold is only met in 2024–25 and 2025–26. As such, we apply a shared asset revenue adjustment to these years only in the final decision.

Table 1.3 compares the shared asset revenue adjustment in Endeavour's revised proposal and our final decision.

Table 1.3 AER's final decision on Endeavour's shared asset revenue adjustment ($ million, 2023–24)

	2024–25	2025–26	2026–27	2027–28	2028–29	Total
Endeavour's revised proposal	–1.1	0.0	–1.1	–1.1	–1.1	**–4.3**
AER final decision	**–1.1**	**–1.1**	**0.0**	**0.0**	**0.0**	**–2.1**

Source: AER analysis; Endeavour Energy, *0.07 Main SCS Post-Tax Revenue Model*, November 2023.

1.4.3 Indicative average distribution price impact

Our final decision on Endeavour's expected revenues ultimately affects the prices customers pay for electricity. There are several steps required in translating our revenue decision into indicative distribution price impacts.

We regulate Endeavour's SCS under a revenue cap form of control. This means our final decision on Endeavour's expected revenues does not directly translate to price impacts. This is because Endeavour's revenue is fixed under the revenue cap form of control, so changes in the consumption of electricity will affect the prices ultimately charged to customers.

For these reasons, we are not required to establish the distribution prices for Endeavour as part of this determination. However, we will assess Endeavour's annual pricing proposals before the commencement of each regulatory year within the 2024–29 period. In each assessment we will administer the pricing requirements set in this distribution determination.

For this final decision, we have estimated some indicative average distribution price impacts flowing from our final determination on the expected revenues for Endeavour over the 2024–29 period. In this section, our estimates only relate to the core SCS (that is, the core electricity distribution charges),[13] not alternative control services (such as public lighting). These indicative price impacts assume that actual energy consumption across the 2024–29 period matches Endeavour's forecast energy consumption, which we have adopted for this final decision. We also have not factored in any changes arising from incentive scheme amounts, cost pass throughs or unders/overs reconciliation that usually occur in the annual pricing process to come up with the total allowed revenue.

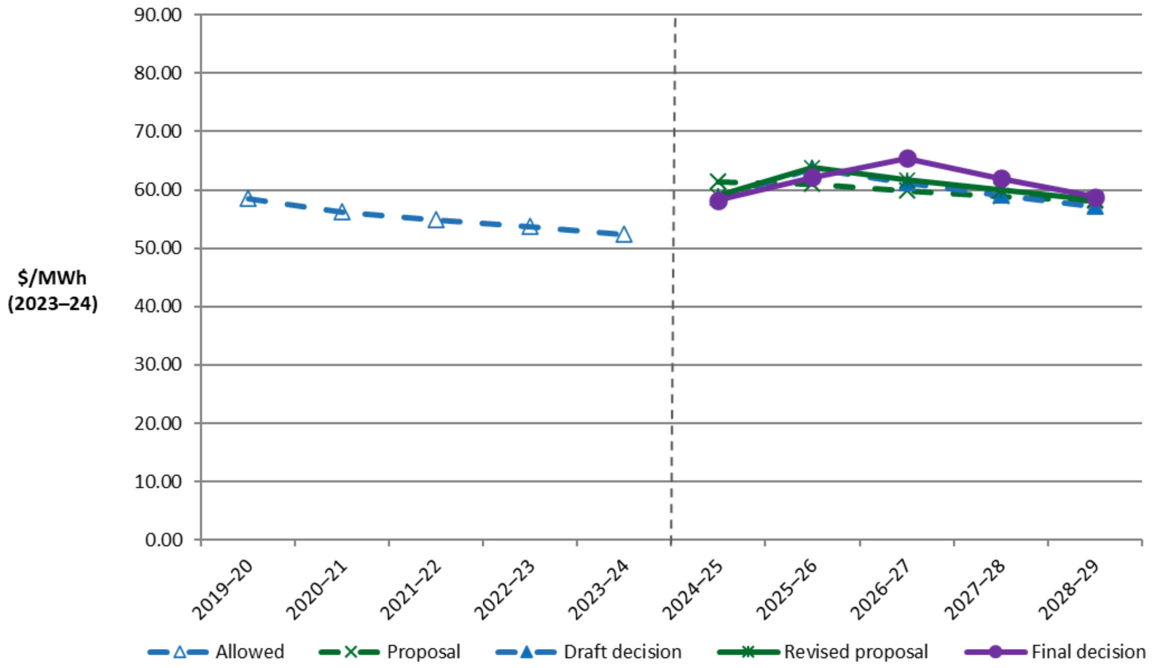
Figure 1.4 shows Endeavour's indicative average price path over the period 2019–20 to 2028–29 in real 2023–24 dollar terms based on the expected revenues established in our final decision, compared to Endeavour's revised proposed revenue requirement. The

---

[13] Endeavour has reclassified its legacy metering services from alternative control services (ACS) to SCS in its revised proposal based on the AEMC's review of the regulatory framework for metering services in August 2023 and our guidance on metering issued in November 2023. Endeavour Energy, *0.01 Revised Regulatory Proposal*, November 2023, p. 29; Our final decision on metering services is discussed in Attachment 20.

indicative price path is estimated using the approved expected revenue and dividing by forecast energy consumption for each year of the 2024–29 period.

Figure 1.4 Indicative distribution price path for Endeavour ($/MWh, 2023–24)



Source: AER analysis.

We estimate that our final decision on Endeavour's annual expected revenue will result in an increase to average distribution charges by about 1.7% per annum over the 2024–29 period in real 2023–24 dollar terms.[14] Endeavour's revised proposal provided for an average real increase of approximately 1.5% per annum over the 2024–29 period for its distribution charges.[15] These high-level estimates reflect the aggregate change across the entire network and do not reflect the particular tariff components for specific end users.

Table 1.4 shows in nominal terms the comparison of the revenue and price impacts of Endeavour's revised proposal and our final decision.

[14] In nominal terms, we estimate average distribution charges to increase by 4.4% per annum. This amount reflects an expected inflation rate of 2.66% per annum as determined in this final decision.

[15] In nominal terms, Endeavour's revised proposal would increase distribution charges by 4.4% per annum. This amount reflects an expected inflation rate of 2.80% per annum as proposed by Endeavour in its revised proposal.

Table 1.4 Comparison of revenue and price impacts of Endeavour's revised proposal and the AER's final decision ($ nominal)

	2023–24	2024–25	2025–26	2026–27	2027–28	2028–29
AER final decision						
Revenue ($ million)	908.7	1,001.7	1,104.2	1,217.3	1,201.4	1,185.8
Price path ($/MWh)[a]	54.10	59.80	65.53	70.83	68.86	67.07
Revenue (change %)	–	10.2%	10.2%	10.2%	–1.3%	–1.3%
Price path (change %)	–	10.5%	9.6%	8.1%	–2.8%	–2.6%
Endeavour revised proposal						
Revenue ($ million)	908.7	1,016.3	1,136.7	1,152.2	1,167.9	1,183.8
Price path ($/MWh)[a]	54.10	60.67	67.46	67.04	66.94	66.96
Revenue (change %)	–	11.8%	11.8%	1.4%	1.4%	1.4%
Price path (change %)	–	12.1%	11.2%	–0.6%	–0.2%	0.0%

Source: AER analysis; Endeavour Energy, *0.07 Main SCS Post-Tax Revenue Model,* November 2023.

(a) The price path is in nominal terms and is constructed by dividing nominal expected revenue for the core SCS by forecast energy consumption for each year of the period.

1.4.4 Expected impact of final decision on electricity bills

The annual electricity bill for customers in Endeavour's network reflects the combined costs of all the electricity supply chain components—wholesale energy generation, transmission, distribution, metering, and retail costs. This final decision primarily relates to the distribution charges for Endeavour’s core SCS, which represent approximately 25% on average for residential customers' and 21% on average for small business customers' annual electricity bills in Endeavour's network area.[16]

We estimate the expected bill impact by varying the distribution charges in accordance with our final decision in this attachment, while holding all other components—including the metering component—constant.[17] This approach isolates the effect of our final decision on the core distribution charges only for Endeavour. However, this does not imply that other components will remain unchanged across the period.[18]

Based on this approach, we expect that our final decision on the distribution component will increase the average annual residential electricity bill in 2028–29 by about $131 ($ nominal) or 5.9% from the 2023–24 total bill level.

16 AER analysis; Endeavour Energy*, 2023–24 – Annual ACS pricing model*, April 2023; AER, *Default Market Offer Prices 2023–24: Final Determination,* May 2023, p. 6.

17 We also have not factored in any changes arising from incentive scheme amounts, cost pass throughs or unders/overs reconciliation that usually occur in the annual pricing process to come up with the total allowed revenue.

18 It also assumes that actual energy consumption will equal the forecast adopted in our final decision. Since Endeavour operates under a revenue cap, changes in energy consumption will also affect annual electricity bills across the 2024–29 period.

Similarly, we expect that our final decision will result in the distribution component of the average annual electricity bill for a small business customer in 2028–29 to increase by about $231 ($ nominal) or 5.0% from the 2023–24 total bill level.

Our estimated bill impact is based on the typical annual electricity usage of 4,913 kWh and 10,027 kWh for residential and small business customers in Endeavour's network, respectively.[19] Therefore, customers with different usage will experience different changes in their bills. We also note that there are other factors which we have not considered here, such as metering, wholesale and retail costs, which affect electricity bills.

Table 1.5 shows our estimated impact of our final decision and Endeavour's revised proposal on the average annual electricity bills for residential and small business customers in its network over the 2024–29 period.

Table 1.5 Estimated impact of Endeavour's revised proposal and AER's final decision on annual electricity bills for the 2024–29 period ($ nominal)

	2023–24	2024–25	2025–26	2026–27	2027–28	2028–29
AER final decision						
Residential annual electricity bill	2,228[a]	2,286	2,344	2,397	2,377	2,359
Annual change[b]		58 (2.6%)	58 (2.5%)	53 (2.3%)	–20 (–0.8%)	–18 (–0.8%)
Small business annual electricity bill	4,598[a]	4,699	4,801	4,895	4,860	4,829
Annual change[b]		101 (2.2%)	102 (2.2%)	94 (2.0%)	–35 (–0.7%)	–32 (–0.7%)
Endeavour revised proposal						
Residential annual electricity bill	2,228[a]	2,294	2,363	2,359	2,358	2,358
Annual change[b]	–	66 (3.0%)	69 (3.0%)	–4 (–0.2%)	–1 (–0.0%)	0 (0.0%)
Small business annual electricity bill	4,598[a]	4,715	4,835	4,828	4,826	4,827
Annual change[b]	–	117 (2.5%)	121 (2.6%)	–7 (–0.2%)	–2 (–0.0%)	0 (0.0%)

Source: AER analysis; AER, *Default market offer prices 2023–24: Final determination*, May 2023, p. 6; Endeavour Energy, *0.07 Main SCS Post-Tax Revenue Model,* November 2023.

(a) AER, *Default market offer prices 2023–24: Final determination*, May 2023, p. 6.

(b) Annual change amounts and percentages are indicative. They are derived by varying the distribution component of the 2023–24 bill amounts in proportion to yearly expected revenue divided by forecast energy as provided by Endeavour. Actual bill impacts will vary depending on electricity consumption and tariff class.

---

19 AER, *Default market offer prices 2023–24: Final determination*, May 2023, p. 6.

Shortened forms

Term	Definition
ACS	alternative control services
AEMC	Australian Energy Market Commission
AER	Australian Energy Regulator
ARR	annual revenue requirement
capex	capital expenditure
CESS	capital expenditure sharing scheme
CPI	consumer price index
DMIAM	demand management innovation allowance mechanism
DMO	default market offer
EBSS	efficiency benefit sharing scheme
kWh	kilowatt hour
MWh	megawatt hour
NER	National Electricity Rules
NPV	net present value
opex	operating expenditure
PTRM	post-tax revenue model
RAB	regulatory asset base
RFM	roll forward model
SCS	standard control services