

APA DIRECT LINK REVENUE PROPOSAL 2025-30

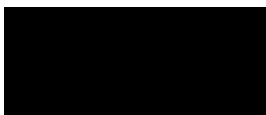
17 JANUARY 2025

The Energy Users' Association of Australia (EUAA) is the peak body representing Australian commercial and industrial energy users. Our membership covers a broad cross section of the Australian economy including significant retail, manufacturing, building materials and food processing industries. Combined our members employ over 1 million Australians, pay billions in energy bills every year and in many cases are exposed to the fluctuations and challenges of international trade.

The EUAA has participated at all stages of APA's development of its 2025-30 revenue proposal and we make the following brief comments on the AER's Draft Decision and APA's Revised Revenue Proposal:

- Subsequent to the publication of the Draft Decision, APA's consumer engagement continued at a high standard in line with expectations in the Better Resets Handbook; we also commend APA for the readability and clarity of both the engagement materials and the Revised Proposal
- We support the Draft Decision on opex to not include the proposed end of life costs and the apprentice step change
 - On the former, APA accepted the Draft Decision; we look forward to engaging with APA on the best way of recovering those costs that is equitable to current and future consumers of these costs for a standalone asset
 - On the latter, we do not think the additional information provided in the revised proposal e.g. a locally sourced electrician justified the step change; as we have previously submitted, these costs are a normal part of ongoing business activities and do not meet the requirements for a step change
- We understand that APA will need to complete a RiT-T before deciding on the proposed spares capex; however, we could not understand what cost delayed completion of the RiT-T within the reset timetable given it will have to be completed anyway; it will be interesting discussion if the RiT-T does not show net benefits.

We are happy for this submission to be published.



Andrew Richards
Chief Executive Officer