



# Fully regulated gas distribution networks in 2020

The cost of providing core regulated services and network expenditures

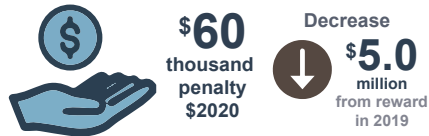
**Network Revenue** **\$1.5**  
billion  
\$2020



Network revenues are regulated under price caps.

Forecast revenue is made up of costs we expect an efficient network would require to provide core regulated services to consumers.

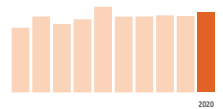
**Incentive scheme rewards/penalties**



In the regulatory regime we apply a series of incentive schemes. The schemes currently applied to gas distribution networks are designed to encourage networks to balance capital and operating expenditure efficiency.

**Capital Expenditure**

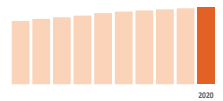
**\$617**  
million  
\$2020



Networks are given a capital allowance to expand, replace or improve its network assets to meet their capital expenditure objectives.

**Capital Asset Base**

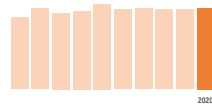
**\$10.1**  
billion  
\$2020



The total value of networks assets that are used in providing its core regulated assets

**Network Expenditure**

**\$1.1**  
billion  
\$2020



With the revenue collected from customers, networks undertake operating and capital expenditure in order to provide a safe and reliable supply of electricity to consumers.

**Operating Expenditure** **\$469**  
million  
\$2020

Operating expenditure  
decrease

↓ **0.8%**  
since 2019



Networks must undertake operating and maintenance activities to operate and maintain their network assets. Their price caps include a forecast operating expenditure amount



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## Network characteristics and service outputs

### Customer Numbers



The number of customers connected to the distribution network during the regulatory year

**4.3**  
million customers

Customer numbers increase

↑ **2.0%**  
since 2019

### Gas Delivered



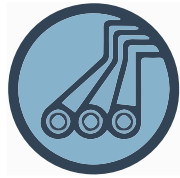
The amount of gas delivered to customers during the regulatory year.

**302**  
PJ

Consumption increase

↑ **0.3%**  
since 2019

### Pipeline Length



The total length of pipe in the gas distribution networks at the end of the regulatory year

**72,979**  
km

Pipeline length increase

↑ **1.3%**  
since 2019

### Unaccounted for Gas



The difference between the measured quantity of gas entering the gas distribution system from various supply points and the gas delivered to customers.

**10.8**  
TJ

Unaccounted for Gas increase

↑ **3.6%**  
since 2019

### Outages



An outage occurs when there is a loss of gas supply in the gas distribution network.

**68,136**  
planned outages

**13,361**  
unplanned outages

Planned outages decrease

↓ **14.5%**  
since 2019

Unplanned outages increase

↑ **5.2%**  
since 2019



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## Network Profitability

### Return on Assets

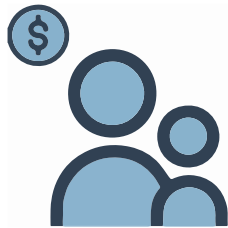


The return of assets is a regulatory profitability measure.

We calculate it by dividing the network's earnings before interest and tax (EBIT) by its opening Regulatory Asset Base.

This measure should be compared against forecast rates of return included in our decisions.

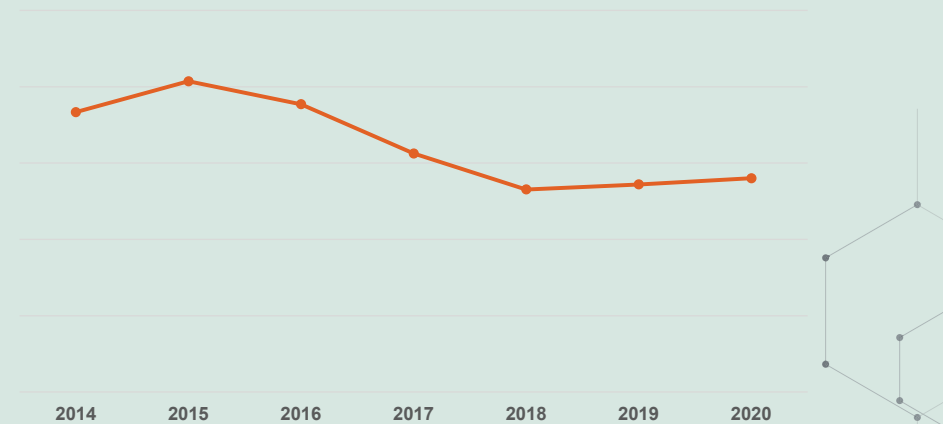
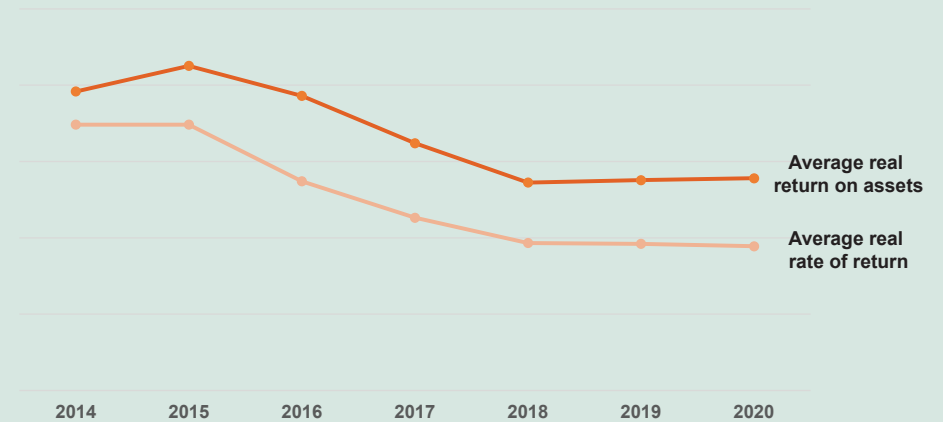
### EBIT per customer



The EBIT per customer is a regulatory profitability measure.

We calculate it by dividing the network's EBIT by the number of customers connected to the distribution network during the regulatory year

Alongside the return of assets, it shows another perspective on drivers of operational profit

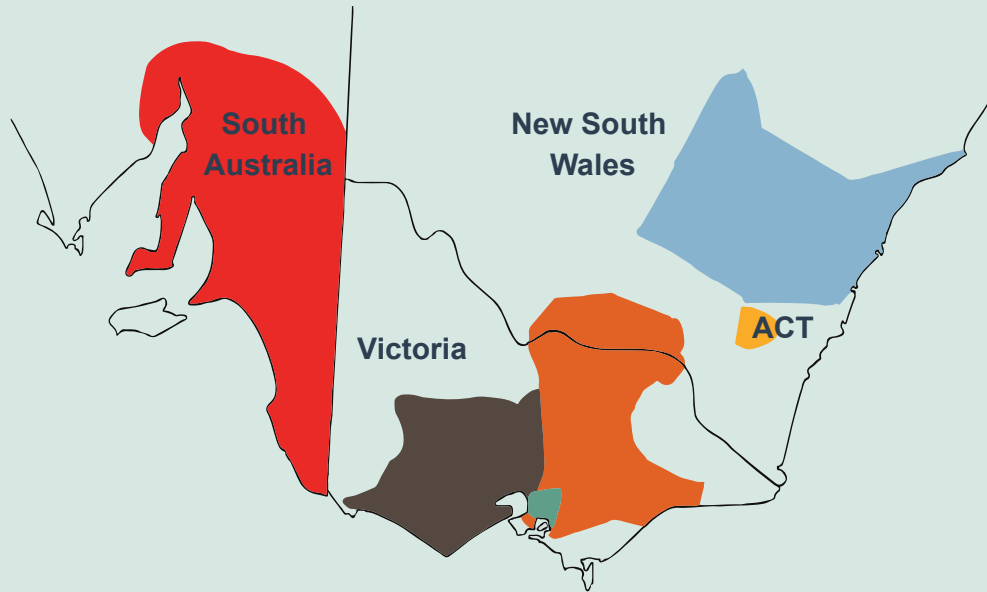




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### AGN (SA)

	Revenue	<b>\$234m</b> \$2020
	Expenditure	<b>\$163m</b> \$2020
	Capital Base	<b>\$1.7b</b> \$2020
	Customer Numbers	<b>461</b> thousand
	Pipeline Length	<b>8,420</b> km
	Gas Delivered	<b>21</b> PJ
	Unaccounted for Gas	<b>2.8%</b>



### JGN

	Revenue	<b>\$534m</b> \$2020
	Expenditure	<b>\$380m</b> \$2020
	Capital Base	<b>\$3.3b</b> \$2020
	Customer Numbers	<b>1.47</b> million
	Pipeline Length	<b>25,481</b> km
	Gas Delivered	<b>87</b> PJ
	Unaccounted for Gas	<b>3.3%</b>

### AusNet Gas

	Revenue	<b>\$210m</b> \$2020
	Expenditure	<b>\$153m</b> \$2020
	Capital Base	<b>\$1.7b</b> \$2020
	Customer Numbers	<b>759</b> thousand
	Pipeline Length	<b>10,143</b> km
	Gas Delivered	<b>70</b> PJ
	Unaccounted for Gas	<b>2.7%</b>

### Multinet Gas

	Revenue	<b>\$217m</b> \$2020
	Expenditure	<b>\$147m</b> \$2020
	Capital Base	<b>\$1.3b</b> \$2020
	Customer Numbers	<b>718</b> thousand
	Pipeline Length	<b>12,337</b> km
	Gas Delivered	<b>57</b> PJ
	Unaccounted for Gas	<b>5.1%</b>

### AGN (Albury & Vic)

	Revenue	<b>\$258m</b> \$2020
	Expenditure	<b>\$198m</b> \$2020
	Capital Base	<b>\$1.7b</b> \$2020
	Customer Numbers	<b>725</b> thousand
	Pipeline Length	<b>11,984</b> km
	Gas Delivered	<b>58</b> PJ
	Unaccounted for Gas	<b>3.9%</b>

### Evoenergy Gas

	Revenue	<b>\$64m</b> \$2020
	Expenditure	<b>\$45m</b> \$2020
	Capital Base	<b>\$376m</b> \$2020
	Customer Numbers	<b>156</b> thousand
	Pipeline Length	<b>4,614</b> km
	Gas Delivered	<b>8</b> PJ
	Unaccounted for Gas	<b>3.0%</b>