

## **Inflation Modelling in Regulatory Models**

**Technical Workshop** 

9 August 2017

#### **Common Framework**

Use replica of LTAS to undertake inflation scenario modelling in the PTRM and RFM

Isolate inflation impacts on Return of Capital and Return on Capital over multiple regulatory periods

### **Common Inputs**

Opening RAB is \$1000

CAPEX is \$100 in years 1–10 inclusive and zero afterwards

CAPEX has a standard asset life of 30 years with straight line depreciation applied

#### **Scenarios**

Nominal WACC	Est. Expected Inflation	Imp. Real WACC	Actual Inflation	Actual Inflation	Actual Inflation
7.62 %	2.50 %	5.00 %	2.50 %	1.50 %	3.50 %

## Input

					REGU	ILATORY PERI	OD 1			REGUI	LATORY PERIO	D 2	
Real year	FY15			FY16	FY17	FY18	FY19	FY20	FY21	FY22	FY23	FY24	FY25
Total	\$1,000.00			\$100.00	\$100.00	\$100.00	\$100.00	\$100.00	\$100.00	\$100.00	\$100.00	\$100.00	\$100.00
Actual													
CPI (actual)				2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%
CPI Index Base (actual) = r	real FY15		100%	102.5%	105.1%	107.7%	110.4%	113.1%	102.5%	105.1%	107.7%	110.4%	113.1%
Nominal Vanilla WACC (ac	ctual)	Constant		7.62%	7.62%	7.62%	7.62%	7.62%	7.62%	7.62%	7.62%	7.62%	7.62%
Real WACC (actual)		Real		5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%
Nominal WACC (actual) us	sed in model			7.62%	7.62%	7.62%	7.62%	7.62%	7.62%	7.62%	7.62%	7.62%	7.62%
WACC Index (actual)			100%	92.9%	86.3%	80.2%	74.5%	69.3%	64.3%	59.8%	55.6%	51.6%	48.0%
Forecasts													
CPI (forecast)				2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%
CPI Index Base (forecast) :	= real FY15		100%	102.5%	105.1%	107.7%	110.4%	113.1%	102.5%	105.1%	107.7%	110.4%	113.1%
Nominal Vanilla WACC (fo	recast)	Constant		7.62%	7.62%	7.62%	7.62%	7.62%	7.62%	7.62%	7.62%	7.62%	7.62%
Real WACC (forecast)		Real		5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%
Nominal WACC (forecast)	used in model			7.62%	7.62%	7.62%	7.62%	7.62%	7.62%	7.62%	7.62%	7.62%	7.62%
WACC Index (forecast)			100%	92.9%	86.3%	80.2%	74.5%	69.3%	64.3%	59.8%	55.6%	51.6%	48.0%

# Output 2.50 % Actual

NPV of Capex, RAB and Revenue actually recovered under tariffs	\$0
NPV of actual RAB, actual capex and revenue that should have been recovered	\$0

NPV Difference

				REGULA	TORY PERIO	) 1			REGU	ILATORY PERIO	OD 2	
Real year	FY15		FY16	FY17	FY18	FY19	FY20	FY21	FY22	FY23	FY24	FY25
PTRM Outputs (\$ nom	inal)											
Opening RAB (not indexed)			\$1,000.00	\$1,097.17	\$1,194.94	\$1,293.19	\$1,391.78	\$1,490.59	\$1,589.46	\$1,688.22	\$1,786.72	\$1,884.77
Indexation			\$25.00	\$27.43	\$29.87	\$32.33	\$34.79	\$37.26	\$39.74	\$42.21	\$44.67	\$47.12
Opening RAB (Indexed)			\$1,025.00	\$1,124.60	\$1,224.81	\$1,325.52	\$1,426.58	\$1,527.86	\$1,629.19	\$1,730.43	\$1,831.39	\$1,931.89
Nominal Depreciation			-\$34.17	-\$38.65	-\$43.34	-\$48.24	-\$53.36	-\$58.71	-\$64.29	-\$70.11	-\$76.18	-\$82.51
Nominal Capex			\$106.34	\$108.99	\$111.72	\$114.51	\$117.38	\$120.31	\$123.32	\$126.40	\$129.56	\$132.80
Closing RAB		<u> </u>	\$1,097.17	\$1,194.94	\$1,293.19	\$1,391.78	\$1,490.59	\$1,589.46	\$1,688.22	\$1,786.72	\$1,884.77	\$1,982.18
Return on capital			\$76.25	\$83.66	\$91.11	\$98.61	\$106.12	\$113.66	\$121.20	\$128.73	\$136.24	\$143.71
Return of capital			\$9.17	\$11.22	\$13.47	\$15.92	\$18.57	\$21.44	\$24.55	\$27.90	\$31.51	\$35.39
Revenue requirement			\$85.42	\$94.88	\$104.58	\$114.52	\$124.69	\$135.10	\$145.75	\$156.63	\$167.75	\$179.10
Expected Revenue (Smooth)	)		\$85.42	\$94.88	\$104.58	\$114.52	\$124.69	\$135.10	\$145.75	\$156.63	\$167.75	\$179.10
NPV Revenue Requirement		\$1,801.07										
NPV Expected Revenue (Smo	ootnj	\$1,801.07 \$0.00										
NFV DIII		\$0.00										
NPV Actual Revenue		\$1,801.07	Represents	NPV of reve	nue recov	ered from	actual tari	ffs based o	n x-factors	set with fo	orecast CPI	
			4									
n 1	5145				ATORY PERIO					ULATORY PERI		
-	FY15		FY16	FY17	FY18	FY19	FY20	FY21	FY22	FY23	FY24	FY2
RFM Outputs (\$ nomin	nal)											
Opening RAB (not indexed)			\$1,000.00	\$1,097.17	\$1,194.94	\$1,293.19	\$1,391.78	\$1,490.59	\$1,589.46	\$1,688.22	\$1,786.72	\$1,884.7
Indexation			\$25.00	\$27.43	\$29.87	\$32.33	\$34.79	\$37.26	\$39.74	\$42.21	\$44.67	\$47.12
Opening RAB (Indexed)			\$1,025.00	04 404 60	** ** **	4						7
Nominal Depreciation			\$1,025.00	\$1,124.60	\$1,224.81	\$1,325.52	\$1,426.58	\$1,527.86	\$1,629.19	\$1,730.43	\$1,831.39	
			-\$34.17	-\$38.65	\$1,224.81 -\$43.34	\$1,325.52 -\$48.24	\$1,426.58 -\$53.36	\$1,527.86 -\$58.71	\$1,629.19 -\$64.29		\$1,831.39 -\$76.18	\$1,931.89
Nominal Capex										-\$70.11		\$1,931.89 -\$82.5
Nominal Capex Closing RAB			-\$34.17	-\$38.65	-\$43.34 \$111.72	-\$48.24	-\$53.36 \$117.38	-\$58.71	-\$64.29	-\$70.11 \$126.40	-\$76.18	\$1,931.89 -\$82.5
Closing RAB			-\$34.17 \$106.34 \$1,097.17	-\$38.65 \$108.99	-\$43.34 \$111.72	-\$48.24 \$114.51	-\$53.36 \$117.38	-\$58.71 \$120.31	-\$64.29 \$123.32	-\$70.11 \$126.40	-\$76.18 \$129.56	\$1,931.89 -\$82.55 \$132.80
			-\$34.17 \$106.34	-\$38.65 \$108.99	-\$43.34 \$111.72	-\$48.24 \$114.51	-\$53.36 \$117.38	-\$58.71 \$120.31	-\$64.29 \$123.32	-\$70.11 \$126.40 \$1,786.72	-\$76.18 \$129.56	\$1,931.89 -\$82.55 \$132.80
Closing RAB			-\$34.17 \$106.34 \$1,097.17	-\$38.65 \$108.99 \$1,194.94	-\$43.34 \$111.72 \$1,293.19	-\$48.24 \$114.51 \$1,391.78	-\$53.36 \$117.38 \$1,490.59	-\$58.71 \$120.31 \$1,589.46	-\$64.29 \$123.32 \$1,688.22	-\$70.11 \$126.40 \$1,786.72 \$128.73	-\$76.18 \$129.56 \$1,884.77	\$1,931.8 -\$82.5 \$132.8 \$1,982.1
Closing RAB  Return on capital			-\$34.17 \$106.34 \$1,097.17 \$76.25	-\$38.65 \$108.99 \$1,194.94 \$83.66	-\$43.34 \$111.72 \$1,293.19 \$91.11 \$13.47	-\$48.24 \$114.51 \$1,391.78 \$98.61	-\$53.36 \$117.38 \$1,490.59 \$106.12	-\$58.71 \$120.31 \$1,589.46 \$113.66	-\$64.29 \$123.32 \$1,688.22 \$121.20	-\$70.11 \$126.40 \$1,786.72 \$128.73 \$27.90	-\$76.18 \$129.56 \$1,884.77 \$136.24 \$31.51	\$1,931.8 -\$82.5 \$132.8 \$1,982.1 \$143.7 \$35.3
Closing RAB  Return on capital  Return of capital	)		-\$34.17 \$106.34 \$1,097.17 \$76.25 \$9.17	-\$38.65 \$108.99 \$1,194.94 \$83.66 \$11.22	-\$43.34 \$111.72 \$1,293.19 \$91.11 \$13.47 \$104.58	-\$48.24 \$114.51 \$1,391.78 \$98.61 \$15.92	-\$53.36 \$117.38 \$1,490.59 \$106.12 \$18.57 \$124.69	-\$58.71 \$120.31 \$1,589.46 \$113.66 \$21.44	-\$64.29 \$123.32 \$1,688.22 \$121.20 \$24.55 \$145.75	-\$70.11 \$126.40 \$1,786.72 \$128.73 \$27.90 \$156.63	-\$76.18 \$129.56 \$1,884.77 \$136.24 \$31.51 <b>\$167.75</b>	\$1,931.8 -\$82.5 \$132.8 \$1,982.1 \$143.7 \$35.3 \$179.1
Closing RAB  Return on capital  Return of capital  Revenue requirement  Expected Revenue (Smooth)		\$1.801.07	-\$34.17 \$106.34 \$1,097.17 \$76.25 \$9.17 \$85.42	-\$38.65 \$108.99 \$1,194.94 \$83.66 \$11.22 \$94.88	-\$43.34 \$111.72 \$1,293.19 \$91.11 \$13.47 \$104.58	-\$48.24 \$114.51 \$1,391.78 \$98.61 \$15.92 \$114.52	-\$53.36 \$117.38 \$1,490.59 \$106.12 \$18.57 \$124.69	-\$58.71 \$120.31 \$1,589.46 \$113.66 \$21.44 \$135.10	-\$64.29 \$123.32 \$1,688.22 \$121.20 \$24.55 \$145.75	-\$70.11 \$126.40 \$1,786.72 \$128.73 \$27.90 \$156.63	-\$76.18 \$129.56 \$1,884.77 \$136.24 \$31.51 <b>\$167.75</b>	\$1,931.8 -\$82.5 \$132.8 \$1,982.1 \$143.7 \$35.3 \$179.1
Closing RAB  Return on capital  Return of capital  Revenue requirement		\$1,801.07 \$1,801.07	-\$34.17 \$106.34 \$1,097.17 \$76.25 \$9.17 \$85.42 \$85.42	-\$38.65 \$108.99 \$1,194.94 \$83.66 \$11.22 \$94.88	-\$43.34 \$111.72 \$1,293.19 \$91.11 \$13.47 \$104.58 \$104.58	-\$48.24 \$114.51 \$1,391.78 \$98.61 \$15.92 \$114.52	-\$53.36 \$117.38 \$1,490.59 \$106.12 \$18.57 \$124.69 \$124.69	-\$58.71 \$120.31 \$1,589.46 \$113.66 \$21.44 \$135.10 \$135.10	-\$64.29 \$123.32 \$1,688.22 \$121.20 \$24.55 \$145.75	-\$70.11 \$126.40 \$1,786.72 \$128.73 \$27.90 \$156.63	-\$76.18 \$129.56 \$1,884.77 \$136.24 \$31.51 \$167.75	\$1,931.8 -\$82.5 \$132.8 \$1,982.1 \$143.7 \$35.3 \$179.1

### Output 1.50 % Actual

NPV of Capex, RAB and Revenue actually recovered	\$18
under tariffs	<b>\$10</b>
NPV of actual RAB, actual capex and revenue that	\$0
should have been recovered	\$0

NPV Difference		\$18

Opening RAB (Indexed)			\$1,025.00	\$1,124.60	\$1,224.81	\$1,325.52	\$1,426.58	\$1,452.15	\$1,548.67	\$1,645.12	\$1,741.33	\$1,837.13
Nominal Depreciation			-\$34.17	-\$38.65	-\$43.34	-\$48.24	-\$53.36	-\$55.81	-\$61.10	-\$66.62	-\$72.37	-\$78.38
Nominal Capex			\$106.34	\$108.99	\$111.72	\$114.51	\$117.38	\$114.55	\$117.42	\$120.35	\$123.36	\$126.45
Closing RAB			\$1,097.17	\$1,194.94	\$1,293.19	\$1,391.78	\$1,490.59	\$1,510.90	\$1,604.99	\$1,698.86	\$1,792.32	\$1,885.19
Return on capital			\$76.25	\$83.66	\$91.11	\$98.61	\$106.12	\$108.03	\$115.21	\$122.38	\$129.54	\$136.66
Return of capital			\$9.17	\$11.22	\$13.47	\$15.92	\$18.57	\$20.39	\$23.32	\$26.49	\$29.90	\$33.57
Revenue requirement			\$85.42	\$94.88	\$104.58	\$114.52	\$124.69	\$128.41	\$138.53	\$148.87	\$159.44	\$170.23
Expected Revenue (Smoot	h)		\$85.42	\$94.88	\$104.58	\$114.52	\$124.69	\$128.41	\$138.53	\$148.87	\$159.44	\$170.23
NPV Revenue Requirment		\$1,641.69										
NPV Expected Revenue (Sn		\$1,641.69										
NPV Diff	,	\$0.00										
				_					_			
NPV Actual Revenue		\$1,815.37	Represents	NPV of reve	nue recov	ered from	actual tari	ffs based o	n x-factors	set with fo	orecast CPI	
Ĺ												
<u> </u>				REGULA	TORY PERIO	)1			REGL	LATORY PERIO	DD 2	
Real year	FY15		FY16	FY17	FY18	FY19	FY20	FY21	FY22	FY23	FY24	FY25
RFM Outputs (\$ nomi	nal)											
Opening RAB (not indexed)			\$1,000.00	\$1,085.95	\$1,170.71	\$1,254.17	\$1,336.21	\$1,416.73	\$1,495.60	\$1,572.70	\$1,647.90	\$1,721.07
Indexation			\$15.00	\$16.29	\$17.56	\$18.81	\$20.04	\$21.25	\$22.43	\$23.59	\$24.72	\$25.82
Opening RAB (Indexed)			\$1,015.00	\$1,102.24	\$1,188.27	\$1,272.98	\$1,356.26	\$1,437.98	\$1,518.04	\$1,596.29	\$1,672.62	\$1,746.89
Nominal Depreciation			-\$33.83	-\$37.89	-\$42.05	-\$46.34	-\$50.74	-\$55.26	-\$59.91	-\$64.68	-\$69.59	-\$74.63
Nominal Capex			\$104.78	\$106.36	\$107.95	\$109.57	\$111.21	\$112.88	\$114.58	\$116.29	\$118.04	\$119.81
Closing RAB			\$1,085.95	\$1,170.71	\$1,254.17	\$1,336.21	\$1,416.73	\$1,495.60	\$1,572.70	\$1,647.90	\$1,721.07	\$1,792.07
			4	4-4	4== 5=	***	4	***	***	****	*****	*****
Return on capital			\$65.75	\$71.40	\$76.97	\$82.46	\$87.86	\$93.15	\$98.34	\$103.41	\$108.35	\$113.16
Return of capital			\$18.83	\$21.60	\$24.49	\$27.52	\$30.69	\$34.01	\$37.48	\$41.09	\$44.87	\$48.81
Revenue requirement			\$84.58	\$93.00	\$101.47	\$109.98	\$118.55	\$127.16	\$135.81	\$144.50	\$153.22	\$161.97
				_								
Expected Revenue (Smooth	1)		\$84.58	\$93.00	\$101.47	\$109.98	\$118.55	\$127.16	\$135.81	\$144.50	\$153.22	\$161.97
Expected Revenue (Smooth		\$1,797.15	\$84.58	\$93.00	\$101.47	\$109.98	\$118.55	\$127.16	\$135.81	\$144.50	\$153.22	\$161.97

REGULATORY PERIOD 1

FY18

\$29.87

FY19

\$32.33

FY20

\$1,097.17 \$1,194.94 \$1,293.19 \$1,391.78 \$1,416.73 \$1,510.90 \$1,604.99

\$34.79

FY21

\$35.42

FY17

\$27.43

FY16

\$1,000.00

\$0.00

\$25.00

FY15

Real year

Indexation

**NPV Diff** 

PTRM Outputs (\$ nominal)
Opening RAB (not indexed)

REGULATORY PERIOD 2

FY23

\$40.12

FY24

\$42.47

\$1,698.86 \$1,792.32

FY25

\$44.81

FY22

\$37.77

# Output 3.50 % Actual

NPV of Capex, RAB and Reve under tariffs	-\$18		
NPV of actual RAB, actual ca	pex and reve	nue that	\$0
should have been recovered			ŞÜ

NPV Difference -\$18

				REGUL	ATORY PERIO	01			REGU	JLATORY PERI	OD 2	
	Real year	FY15	FY16	FY17	FY18	FY19	FY20	FY21	FY22	FY23	FY24	FY25
	PTRM Outputs (\$ nom	ninal)										
	Opening RAB (not indexed)		\$1,000.00	\$1,097.17	\$1,194.94	\$1,293.19	\$1,391.78	\$1,567.53	\$1,671.28	\$1,774.91	\$1,878.22	\$1,981.04
	Indexation		\$25.00	\$27.43	\$29.87	\$32.33	\$34.79	\$39.19	\$41.78	\$44.37	\$46.96	\$49.53
	Opening RAB (Indexed)		\$1,025.00	\$1,124.60	\$1,224.81	\$1,325.52	\$1,426.58	\$1,606.72	\$1,713.07	\$1,819.28	\$1,925.18	\$2,030.57
	Nominal Depreciation		-\$34.17	-\$38.65	-\$43.34	-\$48.24	-\$53.36	-\$61.73	-\$67.61	-\$73.74	-\$80.14	-\$86.82
	Nominal Capex		\$106.34	\$108.99	\$111.72	\$114.51	\$117.38	\$126.29	\$129.45	\$132.69	\$136.00	\$139.40
	Closing RAB		\$1,097.17	\$1,194.94	\$1,293.19	\$1,391.78	\$1,490.59	\$1,671.28	\$1,774.91	\$1,878.22	\$1,981.04	\$2,083.15
	Return on capital		\$76.25	\$83.66	\$91.11	\$98.61	\$106.12	\$119.52	\$127.44	\$135.34	\$143.21	\$151.05
	Return of capital		\$9.17	\$11.22	\$13.47	\$15.92	\$18.57	\$22.54	\$25.83	\$29.37	\$33.19	\$37.29
	Revenue requirement		\$85.42	\$94.88	\$104.58	\$114.52	\$124.69	\$142.07	\$153.26	\$164.71	\$176.40	\$188.35
	Expected Revenue (Smooth	1)	\$85.42	\$94.88	\$104.58	\$114.52	\$124.69	\$142.07	\$153.26	\$164.71	\$176.40	\$188.35
_												
	NPV Revenue Requirement		987.05									
-	NPV Expected Revenue (Sm		987.05									
	NPV Diff		\$0.00									
8	NOW A dead Description		787.03 Represent	- NIDV of some				#- based a				
-	NPV Actual Revenue	\$1,1	87.03 Represent	S NEV of reve	inue recov	erea from	actual tall	ms pased o	n x-ractors	set with it	orecast Cri	
0					ATORY PERIOD				REGU	JLATORY PERI		
- 11	Real year	FY15	FY16	FY17	FY18	FY19	FY20	FY21	FY22	FY23	FY24	FY25
8	RFM Outputs (\$ nomin	ıal)										
<b>-</b>	Opening RAB (not indexed)		\$1,000.00	\$1,108.40								
	Indexation		7-7	72,200.10	\$1,219.43	\$1,333.03	\$1,449.10	\$1,567.53	\$1,688.21	\$1,810.99	\$1,935.73	\$2,062.24
	IIIdexactori		\$35.00		\$1,219.43 \$42.68	<b>\$1,333.03</b> \$46.66	\$ <b>1,449.10</b> \$50.72	<b>\$1,567.53</b> \$54.86	<b>\$1,688.21</b> \$59.09	\$1,810.99 \$63.38	<b>\$1,935.73</b> \$67.75	\$2,062.24 \$72.18
	Opening RAB (Indexed)			\$38.79	\$42.68							
- 1			\$35.00	\$38.79 \$1,147.19	\$42.68	\$46.66	\$50.72	\$54.86	\$59.09	\$63.38	\$67.75	\$72.18
	Opening RAB (Indexed)		\$35.00 \$1,035.00	\$38.79 \$1,147.19 -\$39.43	\$42.68 \$1,262.11	\$46.66 \$1,379.69	\$50.72 \$1,499.82	\$54.86 \$1,622.40	\$59.09 \$1,747.30	\$63.38 \$1,874.38	\$67.75 \$2,003.48	\$72.18 \$2,134.42
	Opening RAB (Indexed) Nominal Depreciation		\$35.00 \$1,035.00 -\$34.50	\$38.79 \$1,147.19 -\$39.43 \$111.67	\$42.68 \$1,262.11 -\$44.66 \$115.58	\$46.66 \$1,379.69 -\$50.21	\$50.72 \$1,499.82 -\$56.10	\$54.86 \$1,622.40 -\$62.33	\$59.09 \$1,747.30 -\$68.94	\$63.38 \$1,874.38 -\$75.92	\$67.75 \$2,003.48 -\$83.32	\$72.18 \$2,134.42 -\$91.14
	Opening RAB (Indexed) Nominal Depreciation Nominal Capex		\$35.00 \$1,035.00 -\$34.50 \$107.90	\$38.79 \$1,147.19 -\$39.43 \$111.67	\$42.68 \$1,262.11 -\$44.66 \$115.58	\$46.66 \$1,379.69 -\$50.21 \$119.63	\$50.72 \$1,499.82 -\$56.10 \$123.81	\$54.86 \$1,622.40 -\$62.33 \$128.15	\$59.09 \$1,747.30 -\$68.94 \$132.63	\$63.38 \$1,874.38 -\$75.92 \$137.27	\$67.75 \$2,003.48 -\$83.32 \$142.08	\$72.18 \$2,134.42 -\$91.14 \$147.05
	Opening RAB (Indexed) Nominal Depreciation Nominal Capex		\$35.00 \$1,035.00 -\$34.50 \$107.90	\$38.79 \$1,147.19 -\$39.43 \$111.67 \$1,219.43	\$42.68 \$1,262.11 -\$44.66 \$115.58	\$46.66 \$1,379.69 -\$50.21 \$119.63	\$50.72 \$1,499.82 -\$56.10 \$123.81	\$54.86 \$1,622.40 -\$62.33 \$128.15	\$59.09 \$1,747.30 -\$68.94 \$132.63	\$63.38 \$1,874.38 -\$75.92 \$137.27	\$67.75 \$2,003.48 -\$83.32 \$142.08	\$72.18 \$2,134.42 -\$91.14 \$147.05
-	Opening RAB (Indexed) Nominal Depreciation Nominal Capex Closing RAB		\$35.00 \$1,035.00 -\$34.50 \$107.90 \$1,108.40	\$38.79 \$1,147.19 -\$39.43 \$111.67 \$1,219.43 \$96.15	\$42.68 \$1,262.11 -\$44.66 \$115.58 \$1,333.03	\$46.66 \$1,379.69 -\$50.21 \$119.63 \$1,449.10	\$50.72 \$1,499.82 -\$56.10 \$123.81 \$1,567.53	\$54.86 \$1,622.40 -\$62.33 \$128.15 \$1,688.21	\$59.09 \$1,747.30 -\$68.94 \$132.63 \$1,810.99	\$63.38 \$1,874.38 -\$75.92 \$137.27 \$1,935.73	\$67.75 \$2,003.48 -\$83.32 \$142.08 \$2,062.24	\$72.18 \$2,134.42 -\$91.14 \$147.05 \$2,190.33
	Opening RAB (Indexed) Nominal Depreciation Nominal Capex Closing RAB Return on capital		\$35.00 \$1,035.00 -\$34.50 \$107.90 \$1,108.40	\$38.79 \$1,147.19 -\$39.43 \$111.67 \$1,219.43 \$96.15 \$0.64	\$42.68 \$1,262.11 -\$44.66 \$115.58 \$1,333.03 \$105.79 \$1.98	\$46.66 \$1,379.69 -\$50.21 \$119.63 \$1,449.10 \$115.64	\$50.72 \$1,499.82 -\$56.10 \$123.81 \$1,567.53	\$54.86 \$1,622.40 -\$62.33 \$128.15 \$1,688.21 \$135.98	\$59.09 \$1,747.30 -\$68.94 \$132.63 \$1,810.99 \$146.45	\$63.38 \$1,874.38 -\$75.92 \$137.27 \$1,935.73 \$157.10	\$67.75 \$2,003.48 -\$83.32 \$142.08 \$2,062.24 \$167.92	\$72.18 \$2,134.42 -\$91.14 \$147.05 \$2,190.33 \$178.90
-	Opening RAB (Indexed) Nominal Depreciation Nominal Capex Closing RAB Return on capital Return of capital		\$35.00 \$1,035.00 -\$34.50 \$107.90 \$1,108.40 \$86.75 -\$0.50	\$38.79 \$1,147.19 -\$39.43 \$111.67 \$1,219.43 \$96.15 \$0.64 \$96.79	\$42.68 \$1,262.11 -\$44.66 \$115.58 \$1,333.03 \$105.79 \$1.98 \$107.77	\$46.66 \$1,379.69 -\$50.21 \$119.63 \$1,449.10 \$115.64 \$3.56	\$50.72 \$1,499.82 -\$56.10 \$123.81 \$1,567.53 \$125.71 \$5.38	\$54.86 \$1,622.40 -\$62.33 \$128.15 \$1,688.21 \$135.98 \$7.47	\$59.09 \$1,747.30 -\$68.94 \$132.63 \$1,810.99 \$146.45 \$9.85	\$63.38 \$1,874.38 -\$75.92 \$137.27 \$1,935.73 \$157.10 \$12.54	\$67.75 \$2,003.48 -\$83.32 \$142.08 \$2,062.24 \$167.92 \$15.57	\$72.18 \$2,134.42 -\$91.14 \$147.05 \$2,190.33 \$178.90 \$18.96
-	Opening RAB (Indexed) Nominal Depreciation Nominal Capex Closing RAB  Return on capital Return of capital Revenue requirement		\$35.00 \$1,035.00 -\$34.50 \$107.90 \$1,108.40 \$86.75 -\$0.50	\$38.79 \$1,147.19 -\$39.43 \$111.67 \$1,219.43 \$96.15 \$0.64 \$96.79	\$42.68 \$1,262.11 -\$44.66 \$115.58 \$1,333.03 \$105.79 \$1.98 \$107.77	\$46.66 \$1,379.69 -\$50.21 \$119.63 \$1,449.10 \$115.64 \$3.56 \$119.20	\$50.72 \$1,499.82 -\$56.10 \$123.81 \$1,567.53 \$125.71 \$5.38 \$131.09	\$54.86 \$1,622.40 -\$62.33 \$128.15 \$1,688.21 \$135.98 \$7.47 \$143.45	\$59.09 \$1,747.30 -\$68.94 \$132.63 \$1,810.99 \$146.45 \$9.85 \$156.30	\$63.38 \$1,874.38 -\$75.92 \$137.27 \$1,935.73 \$157.10 \$12.54 \$169.64	\$67.75 \$2,003.48 -\$83.32 \$142.08 \$2,062.24 \$167.92 \$15.57 \$183.49	\$72.18 \$2,134.42 -\$91.14 \$147.05 \$2,190.33 \$178.90 \$18.96 \$197.86
	Opening RAB (Indexed) Nominal Depreciation Nominal Capex Closing RAB  Return on capital Return of capital Revenue requirement Expected Revenue (Smooth		\$35.00 \$1,035.00 -\$34.50 \$107.90 \$1,108.40 \$86.75 -\$0.50	\$38.79 \$1,147.19 -\$39.43 \$111.67 \$1,219.43 \$96.15 \$0.64 \$96.79	\$42.68 \$1,262.11 -\$44.66 \$115.58 \$1,333.03 \$105.79 \$1.98 \$107.77	\$46.66 \$1,379.69 -\$50.21 \$119.63 \$1,449.10 \$115.64 \$3.56 \$119.20	\$50.72 \$1,499.82 -\$56.10 \$123.81 \$1,567.53 \$125.71 \$5.38 \$131.09	\$54.86 \$1,622.40 -\$62.33 \$128.15 \$1,688.21 \$135.98 \$7.47 \$143.45	\$59.09 \$1,747.30 -\$68.94 \$132.63 \$1,810.99 \$146.45 \$9.85 \$156.30	\$63.38 \$1,874.38 -\$75.92 \$137.27 \$1,935.73 \$157.10 \$12.54 \$169.64	\$67.75 \$2,003.48 -\$83.32 \$142.08 \$2,062.24 \$167.92 \$15.57 \$183.49	\$72.18 \$2,134.42 -\$91.14 \$147.05 \$2,190.33 \$178.90 \$18.96 \$197.86
-	Opening RAB (Indexed) Nominal Depreciation Nominal Capex Closing RAB  Return on capital Return of capital Revenue requirement	1) \$1,8	\$35.00 \$1,035.00 -\$34.50 \$107.90 \$1,108.40 \$86.75 -\$0.50 \$86.25	\$38.79 \$1,147.19 -\$39.43 \$111.67 \$1,219.43 \$96.15 \$0.64 \$96.79 \$96.79	\$42.68 \$1,262.11 -\$44.66 \$115.58 \$1,333.03 \$105.79 \$1.98 \$107.77 \$107.77	\$46.66 \$1,379.69 -\$50.21 \$119.63 \$1,449.10 \$115.64 \$3.56 \$119.20 \$119.20	\$50.72 \$1,499.82 -\$56.10 \$123.81 \$1,567.53 \$125.71 \$5.38 \$131.09 \$131.09	\$54.86 \$1,622.40 -\$62.33 \$128.15 \$1,688.21 \$135.98 \$7.47 \$143.45 \$143.45	\$59.09 \$1,747.30 -\$68.94 \$132.63 \$1,810.99 \$146.45 \$9.85 \$156.30 \$156.30	\$63.38 \$1,874.38 -\$75.92 \$137.27 \$1,935.73 \$157.10 \$12.54 \$169.64	\$67.75 \$2,003.48 -\$83.32 \$142.08 \$2,062.24 \$167.92 \$15.57 \$183.49 \$183.49	\$72.18 \$2,134.42 -\$91.14 \$147.05 \$2,190.33 \$178.90 \$18.96 \$197.86

### **Extension Scenario – Constant Nominal**

Real WACC	Est. Expected Inflation	Imp. Nominal WACC	Actual Inflation	Actual Inflation	Actual Inflation
5.00 %	2.50 %	7.62 %	2.50 %	1.50 %	3.50 %

					REGULATORY PERIOD 1					REGULATORY PERIOD 2					
Real year	FY15			FY16	FY17	FY18	FY19	FY20	FY21	FY22	FY23	FY24	FY25		
Actual															
CPI (actual)				2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%		
CPI Index Base (actual) = rea	l FY15		100%	102.5%	105.1%	107.7%	110.4%	113.1%	102.5%	105.1%	107.7%	110.4%	113.1%		
Nominal Vanilla WACC (actu	al)	Constant		7.62%	7.62%	7.62%	7.62%	7.62%	7.62%	7.62%	7.62%	7.62%	7.62%		
Real WACC (actual)		Nominal		5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%		
Nominal WACC (actual) used	Nominal WACC (actual) used in model			7.62%	7.62%	7.62%	7.62%	7.62%	7.62%	7.62%	7.62%	7.62%	7.62%		
WACC Index (actual)			100%	92.9%	86.3%	80.2%	74.5%	69.3%	64.4%	59.8%	55.6%	51.6%	48.0%		
Forecasts															
CPI (forecast)				2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%		
CPI Index Base (forecast) = re	eal FY15		100%	102.5%	105.1%	107.7%	110.4%	113.1%	102.5%	105.1%	107.7%	110.4%	113.1%		
Nominal Vanilla WACC (fore	cast)	Constant		7.62%	7.62%	7.62%	7.62%	7.62%	7.62%	7.62%	7.62%	7.62%	7.62%		
Real WACC (forecast)		Nominal		5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%		
Nominal WACC (forecast) use	ed in model			7.62%	7.62%	7.62%	7.62%	7.62%	7.62%	7.62%	7.62%	7.62%	7.62%		
WACC Index (forecast)			100%	92.9%	86.3%	80.2%	74.5%	69.3%	64.4%	59.8%	55.6%	51.6%	48.0%		

# Output 2.50 % Actual

			_	
NPV of Capex, RAB and Rever under tariffs	nue actually r	ecovered	\$0	N
NPV of actual RAB, actual ca should have been recovered		nue that	\$0	R
should have been recovered			_	R
				O
NPV Difference			\$0	9

				REGUL	ATORY PERIOD	<u>) 1</u>			REGI	ULATORY PERIO	OD 2	
Real year	FY15	/	FY16	FY17	FY18	FY19	FY20	FY21	FY22	FY23	FY24	FY25
PTRM Outputs (\$ nomi	inal)											
Opening RAB (not indexed)			\$1,000.00	\$1,097.17	\$1,194.93	\$1,293.18	\$1,391.77	\$1,490.58	\$1,589.44	\$1,688.21	\$1,786.70	\$1,884.75
Indexation			\$25.00	\$27.43	\$29.87	\$32.33	\$34.79	\$37.26	\$39.74	\$42.21	\$44.67	\$47.12
Opening RAB (Indexed)			\$1,025.00	\$1,124.60	\$1,224.81	\$1,325.51	\$1,426.57	\$1,527.84	\$1,629.18	\$1,730.41	\$1,831.37	\$1,931.87
Nominal Depreciation			-\$34.17	-\$38.65	-\$43.34	-\$48.24	-\$53.36	-\$58.71	-\$64.29	-\$70.11	-\$76.18	-\$82.51
Nominal Capex			\$106.33	\$108.99	\$111.72	\$114.51	\$117.37	\$120.31	\$123.31	\$126.40	\$129.56	\$132.80
Closing RAB			\$1,097.17	\$1,194.93	\$1,293.18	\$1,391.77	\$1,490.58	\$1,589.44	\$1,688.21	\$1,786.70	\$1,884.75	\$1,982.16
Return on capital			\$76.20	\$83.60	\$91.05	\$98.54	\$106.05	\$113.58	\$121.12	\$128.64	\$136.15	\$143.62
Return of capital			\$9.17	\$11.22	\$13.47	\$15.92	\$18.57	\$21.44	\$24.55	\$27.90	\$31.51	\$35.39
Revenue requirement			\$85.37	\$94.83	\$104.52	\$114.46	\$124.62	\$135.03	\$145.67	\$156.54	\$167.66	\$179.01
Expected Revenue (Smooth)	1)		\$85.37	\$94.83	\$104.52	\$114.46	\$124.62	\$135.03	\$145.67	\$156.54	\$167.66	\$179.01
			4			<u></u> J	1		1		ļJ	1
NPV Revenue Requirement		\$1,801.24	-			<u></u> J	1				ļI	1
NPV Expected Revenue (Smo	.ooth)	\$1,801.24						1				
NPV Diff		\$0.00										
same a stand Bergania		64 804 24	D	SIDM of your				tt- basad (	factor		CD'	
NPV Actual Revenue	+ + -	\$1,801.24	Represents N				actual tall	iffs baseu o				
					ATORY PERIOD					ULATORY PERIO		
•	FY15		FY16	FY17	FY18	FY19	FY20	FY21	FY22	FY23	FY24	FY25
RFM Outputs (\$ nomin												+
Opening RAB (not indexed)	+		\$1,000.00									
Indexation			\$25.00	\$27.43		\$32.33			-			
Opening RAB (Indexed)	1		\$1,025.00									
Nominal Depreciation			-\$34.17	-\$38.65								
Nominal Capex	+		\$106.33	\$108.99		\$114.51	\$117.37					
Closing RAB	+		\$1,097.17	\$1,194.93	\$1,293.18	\$1,391.77	\$1,490.58	\$1,589.44	\$1,688.21	\$1,786.70	\$1,884.75	\$1,982.16
D-taital			676.20	¢93 60	CO1 OF	\$00 E4	\$105.0E	6112 50	6121.12	£129.64	6126.15	0142.6
Return on capital			\$76.20	\$83.60								
Return of capital  Revenue requirement		+	\$9.17 <b>\$85.37</b>	\$11.22 \$94.83	· ·	\$15.92 <b>\$114.46</b>						
Expected Revenue (Smooth)	4		\$85.37 \$85.37	\$94.83							· ·	
Expected nevenue (omostil)			90505	ys-ms	\$101.52	- PILME	JIE THE	9105105	ÇITSIC.	Ģ1505.	9107100	9215.0
NPV Revenue Requirement		\$1,801.24					1				,	
			Represents N	NPV of reve	nue that i	s needed t	o cover ac	tual nomir	ial costs (p	erfect fore	cast of infla	ation)
NPV Expected Revenue (Smo	·ootiii											

### Output 1.50 % Actual

NPV of Capex, RAB and Revenue actually recovered under tariffs

NPV of actual RAB, actual capex and revenue that should have been recovered

Rea

NPV Difference -\$148

				REGUL	ATORY PERIOD	01						
Real year	FY15		FY16	FY17	FY18	FY19	FY20	FY21	FY22	FY23	FY24	FY25
PTRM Outputs (\$ nor	minal)											
Opening RAB (not indexed	1)		\$1,000.00	\$1,097.17	\$1,194.93	\$1,293.18	\$1,391.77	\$1,419.27	\$1,513.41	\$1,607.45	\$1,701.23	\$1,794.59
Indexation			\$25.00	\$27.43	\$29.87	\$32.33	\$34.79	\$35.48	\$37.84	\$40.19	\$42.53	\$44.86
Opening RAB (Indexed)			\$1,025.00	\$1,124.60	\$1,224.81	\$1,325.51	\$1,426.57	\$1,454.75	\$1,551.24	\$1,647.63	\$1,743.76	\$1,839.45
Nominal Depreciation			-\$34.17	-\$38.65	-\$43.34	-\$48.24	-\$53.36	-\$55.90	-\$61.21	-\$66.75	-\$72.53	-\$78.56
Nominal Capex			\$106.33	\$108.99	\$111.72	\$114.51	\$117.37	\$114.55	\$117.42	\$120.35	\$123.36	\$126.44
Closing RAB			\$1,097.17	\$1,194.93	\$1,293.18	\$1,391.77	\$1,490.58	\$1,513.41	\$1,607.45	\$1,701.23	\$1,794.59	\$1,887.33
Return on capital			\$76.20	\$83.60	\$91.05	\$98.54	\$106.05	\$108.15	\$115.32	\$122.49	\$129.63	\$136.75
Return of capital			\$9.17	\$11.22	\$13.47	\$15.92	\$18.57	\$20.42	\$23.38	\$26.57	\$30.00	\$33.70
Revenue requirement			\$85.37	\$94.83	\$104.52	\$114.46	\$124.62	\$128.57	\$138.70	\$149.05	\$159.64	\$170.44
Expected Revenue (Smoot	ih)		\$85.37	\$94.83	\$104.52	\$114.46	\$124.62	\$128.57	\$138.70	\$149.05	\$159.64	\$170.44
NPV Revenue Requiremen	nt	\$1,644.77										
NPV Expected Revenue (Si	mooth)	\$1,644.77										
NPV Diff		\$0.00										
NPV Actual Revenue		\$1,614.14	Represents	NPV of reve	nue recov	ered from	actual tari	ffs based o	n x-factors	s set with f	orecast CPI	

			REGULATORY PERIOD 1 REGULATORY PERIOD 2										
Real year	FY15		FY16	FY17	FY18	FY19	FY20	FY21	FY22	FY23	FY24	FY25	
RFM Outputs (\$ nomin	nal)												
Opening RAB (not indexed)			\$1,000.00	\$1,086.46	\$1,171.73	\$1,255.70	\$1,338.25	\$1,419.27	\$1,498.64	\$1,576.23	\$1,651.92	\$1,725.57	
Indexation			\$15.00	\$16.30	\$17.58	\$18.84	\$20.07	\$21.29	\$22.48	\$23.64	\$24.78	\$25.88	
Opening RAB (Indexed)			\$1,015.00	\$1,102.76	\$1,189.31	\$1,274.53	\$1,358.32	\$1,440.56	\$1,521.12	\$1,599.88	\$1,676.70	\$1,751.46	
Nominal Depreciation			-\$33.83	-\$37.90	-\$42.09	-\$46.39	-\$50.81	-\$55.35	-\$60.02	-\$64.82	-\$69.74	-\$74.80	
Nominal Capex			\$105.30	\$106.88	\$108.48	\$110.11	\$111.76	\$113.43	\$115.14	\$116.86	\$118.62	\$120.39	
Closing RAB			\$1,086.46	\$1,171.73	\$1,255.70	\$1,338.25	\$1,419.27	\$1,498.64	\$1,576.23	\$1,651.92	\$1,725.57	\$1,797.05	
Return on capital			\$76.20	\$82.79	\$89.29	\$95.68	\$101.97	\$108.15	\$114.20	\$120.11	\$125.88	\$131.49	
Return of capital			\$18.83	\$21.61	\$24.51	\$27.55	\$30.74	\$34.06	\$37.54	\$41.17	\$44.96	\$48.92	
Revenue requirement			\$95.03	\$104.39	\$113.80	\$123.24	\$132.71	\$142.21	\$151.74	\$161.28	\$170.84	\$180.41	
Expected Revenue (Smooth	)		\$95.03	\$104.39	\$113.80	\$123.24	\$132.71	\$142.21	\$151.74	\$161.28	\$170.84	\$180.41	
NPV Revenue Requirement		\$1,762.47											
NPV Expected Revenue (Sm	ooth)	\$1,762.47	Represents	NPV of reve	nue that is	s needed to	o cover ac	tual nomin	al costs (pr	erfect fore	cast of infla	tion)	
NPV Diff		\$0.00											

# Output 3.50 % Actual

NPV of Capex, RAB and Revenue actually recovered under tariffs	\$148
NPV of actual RAB, actual capex and revenue that should have been recovered	\$0
NPV Difference	\$148

			REGUL	ATORY PERIO	D 1			REGU	JLATORY PERI	OD 2		
FY15		FY16	FY17	FY18	FY19	FY20	FY21	FY22	FY23	FY24	FY2	
ninal)												
)		\$1,000.00	\$1,075.76	\$1,148.76	\$1,218.95	\$1,286.29	\$1,419.27	\$1,483.88	\$1,545.33	\$1,603.58	\$1,658.5	
		\$5.00	\$5.38	\$5.74	\$6.09	\$6.43	\$7.10	\$7.42	\$7.73	\$8.02	\$8.2	
		\$1,005.00	\$1,081.14	\$1,154.50	\$1,225.04	\$1,292.72	\$1,426.37	\$1,491.30	\$1,553.05	\$1,611.59	\$1,666.8	
		-\$33.50	-\$37.16	-\$40.86	-\$44.59	-\$48.36	-\$54.81	-\$58.85	-\$62.92	-\$67.04	-\$71.1	
		\$104.26	\$104.78	\$105.30	\$105.83	\$106.36	\$112.32	\$112.88	\$113.44	\$114.01	\$114.5	
		\$1,075.76	\$1,148.76	\$1,218.95	\$1,286.29	\$1,350.72	\$1,483.88	\$1,545.33	\$1,603.58	\$1,658.57	\$1,710.2	
		\$76.20	\$81.97	\$87.54	\$92.88	\$98.02	\$108.15	\$113.07	\$117.75	\$122.19	\$126.3	
		\$28.50	\$31.78	\$35.11	\$38.49	\$41.92	\$47.71	\$51.43	\$55.19	\$59.02	\$62.9	
		\$104.70	\$113.75	\$122.65	\$131.38	\$139.94	\$155.86	\$164.50	\$172.95	\$181.21	\$189.2	
h)		\$104.70	\$113.75	\$122.65	\$131.38	\$139.94	\$155.86	\$164.50	\$172.95	\$181.21	\$189.2	
nooth)												
	90.00	,										
	\$1,010.70	Poprocont	e NPV of rove	anue recev	ared from	actual tari	ffe based o	n v-factors	cat with f	-\$67.04 -\$71.1 \$114.01 \$114.5 \$1,658.57 \$1,710.2 \$122.19 \$126.3 \$59.02 \$62.9 \$181.21 \$189.2 \$181.21 \$189.2 \$181.21 \$189.2 \$1,651.92 \$1,725.5 \$24.78 \$25.8 \$1,676.70 \$1,751.4 \$118.62 \$120.3		
	\$1,510.75	Kepresein				actual tal	ns based o					
TV1E		FV16				EV20	EV21				EVO	
		LITO	FY1/	FY18	F119	FYZU	FYZI	FYZZ	FY25	FY24	FYZ	
aı)		4								4		
		\$105.30	\$106.88				\$113.43			\$118.62	\$120.3	
		\$1,086.46	\$1,171.73	\$1,255.70	\$1,338.25	\$1,419.27	\$1,498.64	\$1,576.23	\$1,651.92	\$1,725.57	\$1,797.0	
		\$76.20	\$82.79	\$89.29	\$95.68	\$101.97	\$108.15	\$114.20	\$120.11	\$125.88	\$131.4	
		\$18.83	\$21.61	\$24.51	\$27.55	\$30.74	\$34.06	\$37.54	\$41.17	\$44.96		
		\$18.83 <b>\$95.03</b>	\$21.61 <b>\$104.39</b>	\$113.80	\$123.24	\$132.71	\$142.21	\$151.74	\$161.28	\$170.84	\$48.9 <b>\$180.</b> 4	
		\$18.83	\$21.61									
		\$18.83 <b>\$95.03</b>	\$21.61 <b>\$104.39</b>	\$113.80	\$123.24	\$132.71	\$142.21	\$151.74	\$161.28	\$170.84	\$180.	
poth)	\$1,762.47	\$18.83 \$95.03 \$95.03	\$21.61 <b>\$104.39</b>	\$113.80 \$113.80	\$123.24 \$123.24	\$132.71 \$132.71	\$142.21 \$142.21	\$151.74 \$151.74	\$161.28 \$161.28	\$170.84 \$170.84	\$180. \$180.	
	FY15 minal)  (b)  FY15 al)	minal)  (h)  (th)  (th)	\$1,000.00   \$1,000.00   \$1,005.00   \$1,005.00   \$1,005.00   \$1,075.76   \$1,075.76   \$1,075.76   \$1,075.76   \$1,04.70   \$1,875.32   \$0.00   \$1,875.32   \$0.00   \$1,910.79   Represent   \$1,910.79   Represent   \$1,000.00   \$1,015.00   \$1,015.00   \$1,015.00   \$1,015.00   \$1,015.00   \$1,015.00   \$1,015.00   \$1,015.00   \$1,015.00   \$1,015.00   \$1,015.00   \$1,015.00   \$1,015.00   \$1,015.30   \$	FY15 FY16 FY17 minal)  (i) \$1,000.00 \$1,075.76 \$5.00 \$5.38 \$1,005.00 \$1,081.14 -\$33.50 -\$37.16 \$104.26 \$104.78 \$1,075.76 \$1,148.76  \$76.20 \$81.97 \$28.50 \$31.78 \$104.70 \$113.75  (ih) \$104.70 \$113.75  (ih) \$1,875.32 (ih) \$1,875.32 (ih) \$1,910.79 Represents NPV of reversions of the second of the se	FY15 FY16 FY17 FY18 minal)  () \$1,000.00 \$1,075.76 \$1,148.76 \$5.00 \$5.38 \$5.74 \$1,005.00 \$1,081.14 \$1,154.50 \$3.50 \$3.716 \$40.86 \$104.26 \$104.78 \$105.30 \$1,075.76 \$1,148.76 \$1,218.95  \$76.20 \$81.97 \$87.54 \$28.50 \$31.78 \$35.11 \$104.70 \$113.75 \$122.65  (h) \$104.70 \$113.75 \$122.65  (h) \$104.70 \$113.75 \$122.65  (h) \$1,875.32 \$0.00  \$1,910.79 Represents NPV of revenue recovers and series	\$1,000.00   \$1,075.76   \$1,148.76   \$1,218.95   \$5.00   \$5.38   \$5.74   \$6.09   \$1,005.00   \$1,081.14   \$1,154.50   \$1,225.04   \$104.26   \$104.78   \$105.30   \$105.83   \$1,075.76   \$1,148.76   \$1,218.95   \$1,286.29   \$1,075.76   \$1,148.76   \$1,218.95   \$1,286.29   \$76.20   \$81.97   \$87.54   \$92.88   \$28.50   \$31.78   \$35.11   \$38.49   \$104.70   \$113.75   \$122.65   \$131.38   \$104.70	FY15 FY16 FY17 FY18 FY19 FY20  minal)    \$1,000.00 \$1,075.76 \$1,148.76 \$1,218.95 \$1,286.29 \$5.00 \$5.38 \$5.74 \$6.09 \$6.43 \$1,005.00 \$1,081.14 \$1,154.50 \$1,225.04 \$1,292.72 \$1,286.29 \$1,350.72 \$1,075.76 \$1,148.76 \$1,218.95 \$1,286.29 \$1,350.72 \$1,075.76 \$1,148.76 \$1,218.95 \$1,286.29 \$1,350.72 \$1,075.76 \$1,148.76 \$1,218.95 \$1,286.29 \$1,350.72 \$1,075.76 \$1,148.76 \$1,218.95 \$1,286.29 \$1,350.72 \$1,075.76 \$1,148.76 \$1,218.95 \$1,286.29 \$1,350.72 \$1,075.76 \$1,148.76 \$1,218.95 \$1,286.29 \$1,350.72 \$1,075.76 \$1,148.76 \$1,218.95 \$1,286.29 \$1,350.72 \$1,075.76 \$1,148.76 \$1,218.95 \$1,286.29 \$1,350.72 \$1,04.70 \$113.75 \$122.65 \$131.38 \$139.94 \$1,04.70 \$113.75 \$122.65 \$131.38 \$139.94 \$1,04.70 \$113.75 \$122.65 \$131.38 \$139.94 \$1,04.70 \$113.75 \$122.65 \$131.38 \$139.94 \$1,04.70 \$113.75 \$122.65 \$131.38 \$139.94 \$1,04.70 \$113.75 \$122.65 \$131.38 \$139.94 \$1,04.70 \$113.75 \$122.65 \$131.38 \$139.94 \$1,04.70 \$113.75 \$122.65 \$131.38 \$139.94 \$1,04.70 \$113.75 \$122.65 \$131.38 \$139.94 \$1,04.70 \$113.75 \$122.65 \$134.38 \$139.94 \$1,04.70 \$113.75 \$122.65 \$134.38 \$139.94 \$1,04.70 \$113.75 \$122.65 \$134.38 \$139.94 \$1,04.70 \$113.75 \$122.65 \$134.38 \$139.94 \$1,04.70 \$14	FY15 FY16 FY17 FY18 FY19 FY20 FY21 minal)    \$1,000.00 \$1,075.76 \$1,148.76 \$1,218.95 \$1,286.29 \$1,419.27   \$5.00 \$5.38 \$5.74 \$6.09 \$6.43 \$7.10   \$1,005.00 \$1,081.14 \$1,154.50 \$1,225.04 \$1,292.72 \$1,426.37   \$-\$33.50 \$-\$37.16 \$-\$40.86 \$-\$44.59 \$4.836 \$-\$54.81   \$104.26 \$104.78 \$105.30 \$105.83 \$106.36 \$112.32   \$1,075.76 \$1,148.76 \$1,218.95 \$1,286.29 \$1,350.72 \$1,483.88   \$76.20 \$81.97 \$87.54 \$92.88 \$98.02 \$1.081.15   \$28.50 \$31.78 \$35.11 \$38.49 \$41.92 \$47.71   \$104.70 \$113.75 \$122.65 \$131.38 \$139.94 \$155.86   hh	FY15 FY16 FY17 FY18 FY19 FY20 FY21 FY22 minal)	FY15	FY15	

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