

DRAFT

Electricity Transmission Network Service Providers

Information Guidelines – Explanatory Statement

June 2007



© Commonwealth of Australia 2007

This work is copyright. Apart from any use permitted by the *Copyright Act 1968*, no part may be reproduced without permission of the Australian Competition and Consumer Commission. Requests and inquiries concerning reproduction and rights should be addressed to the Director Publishing, Australian Competition and Consumer Commission, PO Box 1199, Dickson ACT 2602.

DRAFT

EXPLANATORY STATEMENT

1 Introduction

The Australian Energy Regulator (AER) is responsible for regulating the revenues of transmission network service providers (TNSPs) in the National Electricity Market (NEM) in accordance with the National Electricity Rules (NER).

This Explanatory Statement accompanies the draft Information Guidelines (proposed guidelines) and provides the AER's reasons for the proposed guidelines. It has been prepared to satisfy the AER's consultation procedures obligations under clauses 6A.20(b)(2) and (3) of the NER.

The AER has also prepared an Issues Paper, which forms part of this Explanatory Statement, which provides additional information and requests written submissions on specific issues.

2 Rule requirements

Clause 6A.17.2(c) of the NER requires the AER to publish the Information Guidelines (the guidelines) by 28 September 2007.

3 Definitions

In this explanatory statement and issues paper, the words and phrases presented in italics *such as this* have the meaning, if any, given to them in the NER.

4 The nature and reasons for the proposed guidelines

The draft Information Guidelines set out the manner and form in which, and date by which, *TNSPs* should submit the following information to the AER:

- *certified annual statements*
- service performance information
- any additional information that the *AER* reasonably requires for a purpose set out under the NER.

The guidelines also detail the information that a *TNSP* must provide:

- when seeking the approval of the AER to pass through a *positive pass through amount* or a *negative pass through amount*
- a reduction in prices under clause 6A.26.2(b) of the NER and cost allocation among *TNSPs*.

The purpose of these information guidelines is to provide greater up-front certainty to regulated businesses on the types of information that will be relevant to a regulator's needs and to streamline this process as much as possible. As with the related Submission Guidelines (issued 31 January 2007), this will facilitate better informed and more timely decision-making which will promote the broader NEL/NEM objective.

Stakeholders should note that these guidelines share common historical cost templates with the AER's first proposed Submission Guidelines. In so doing, these information guidelines provide an important means by which the AER can monitor, report and enforce compliance with its transmission determinations on an annual basis.

Information provision by regulated businesses is fundamental to the regulatory process. Timely, robust regulatory decisions depend on the efficient provision of adequate information to the regulator. The AER considers that adopting a proactive approach, with much of the required information provided upfront and on an annual basis, will help to avoid costly delays and provide consistency and greater certainty to the market.

When determining what information is required, the regulator needs to take into account the fact that the collection and provision of information can impose costs on regulated businesses. It is important that the regulator balance the benefits to the market of the information requested against the costs incurred in providing it. The regulator should also seek to minimise the cost imposed by providing clear information to the businesses on what is required.

In developing these guidelines, the AER has sought to balance its needs for adequate, targeted information with the costs to a business associated with the collection and provision of this information. An additional benefit is that the annual collection of information on the financial, economic and operational performance of TNSPs, will reduce the information and collection burden on businesses as part of their five year resets. More generally, the AER will continue to monitor the need and relevance of the information sought as its experience with the use of these and related submission guidelines grows under the new chapter 6A Rules.

5 Consultation process

The AER anticipates that it will engage in the following consultation process:

- publish the proposed guidelines, this Explanatory Statement and additional material inviting written submissions

- consider any written submissions received during consultation
- if necessary, publish a further consultation draft and invite submissions and
- publish the final guidelines.

6 Invitation for written submissions

Interested parties are invited to make written submissions to the AER, having regard to the issues outlined in the attached issues paper on the proposed guidelines. The processes for consultation are also outlined therein.

DRAFT

ATTACHMENT 1

DRAFT

Electricity Transmission Network Service Providers

Information Guidelines – Issues Paper

May 2007

Contents

- 1 Summary 2**
- 2 Introduction 4**
 - 2.1 Nature and purpose of the Information Guidelines 4
 - 2.2 Purpose of this Issues Paper 4
 - 2.3 Structure of this Discussion Paper 4
 - 2.4 Related AER Projects 4
 - 2.5 Request for submissions 5
- 3 The Regulatory Framework 6**
 - 3.1 Existing Information Requirements Guidelines 6
 - 3.2 The National Electricity Rules 7
- 4 Draft Information Guidelines 9**
 - 4.1 Nature and authority 9
 - 4.2 General principles 10
 - 4.3 Annual reporting 11
 - 4.4 Guidance on completing pro forma statements 11
- 5 Pro forma Statements 13**
 - 5.1 Regulatory Financial Statements 13
 - 5.2 Disaggregation Statements 15
 - 5.3 Working Papers 17
 - 5.4 Asset schedules and supporting papers 20
 - 5.5 Provisions Schedules 21
 - 5.6 Information 22
 - 5.7 Non-financial Schedules 23
 - 5.8 Historic operating expenditure 23
 - 5.9 Historic capital expenditure 24
 - 5.10 Commentary (Comm Opex, Comm Hist Capex) 24
 - 5.11 Example of Directors’ Responsibility Statement 25
- 6 Service performance reporting templates 26**
- 7 List of Questions for Comment 27**

1 Summary

Clause 6A.17.2 of the National Electricity Rules (the NER) requires the Australian Energy Regulator (AER) to prepare and publish Information Guidelines by 28 September 2007. These guidelines detail the annual and other *ad hoc* information that Transmission Network Service Providers (TNSPs) must provide to the AER.

The AER has prepared draft Information Guidelines to meet the specific requirements of the NER. Once finalised, the AER intends that these Information Guidelines, and proposed Submission Guidelines and Cost Allocation Guidelines (the first proposed versions of which were released for public consultation on 31 January 2007), will replace its existing Information Requirements Guidelines, issued in June 2002.

The draft Information Guidelines are based on the AER's existing Information Requirements Guidelines, with amendments and additions made to take account of the AER's requirements under the NER. The Guidelines:

- identify the AER's authority under the NER to make Information Guidelines and detail the nature and purpose of the Guidelines, including the need to promote the National Electricity Market (NEM) objective under section 7 of the National Electricity Law (NEL)
- detail a series of principles relevant to a TNSP's preparation of historic and forecast information for the purposes of its annual and other *ad hoc* information reporting, as well as guidance on the preparation of the required information
- contain a series of *pro forma* statements that a TNSP must use in providing its information to the AER, including:
 - regulatory financial statements and disaggregation statements for the TNSP, comprising income statements, balance sheets, cash flow statements and associated working papers
 - asset and supporting information
 - information in relation to provisions, network support pass throughs and related party transactions
 - a one-year forecast demand and a current map of the network
 - historic operating and capital expenditure and
 - commentary on the operating and capital expenditure information.
- require TNSPs to report service target performance information on service performance reporting templates which will be issued to each TNSP annually (a sample template is included in the Guidelines).

The AER is seeking comment from interested parties on the considerations, and specific questions identified, in this Issues Paper, as well as on the draft Information Guidelines

themselves. In particular, interested parties' views are sought on whether the draft Information Guidelines are appropriate given the requirements of the NEL and the NER and whether they should contain any additional information requirements.

2 Introduction

2.1 Nature and purpose of the Information Guidelines

The AER has prepared draft Information Guidelines for the electricity transmission sector. The Guidelines are based on the AER's existing Information Requirements Guidelines, with amendments and additions made to take account of the AER's requirements under Chapter 6A of the NER.

The Guidelines detail the basis on which TNSPs must provide annual and other *ad hoc* information to the AER during the course of a regulatory control period. This information is separate from that which TNSPs must provide under the NER as part of their revenue proposals or negotiating framework. The latter requirements are separately dealt with in the AER's Submission Guidelines.

2.2 Purpose of this Issues Paper

The purpose of this discussion paper is to examine the key issues relevant to the AER's development of new Information Guidelines for the electricity transmission sector and to invite interested parties to comment on the proposed Guidelines.

2.3 Structure of this Discussion Paper

The remainder of this document is structured as follows:

- section 3 examines the regulatory framework for the development of new Information Guidelines
- section 4 discusses the contents of the AER's draft Information Guidelines under each of the main headings used in these Guidelines
- section 5 discusses the nature of, and rationale for, the AER's proposed *pro forma* statements that are included in these Guidelines
- section 6 provides an overview of the service performance reporting templates and
- section 7 lists the questions on which interested parties' specific comments have been sought in sections 4 to 6 of this Issues Paper.

2.4 Related AER Projects

Chapters 6A and 11 of the NER require the AER to publish the following new guidelines, models and schemes by 30 September 2007: Submission Guidelines, Cost Allocation Guidelines, a Post-Tax Revenue Model, a Roll Forward Model and arrangements for the Efficiency Benefits Sharing Scheme and the Service Target Performance Incentive Scheme. The AER must also prepare Ring Fencing Guidelines under the NER, although there is no date specified in the NER by which these Guidelines must be prepared.

On 31 January 2007, the AER issued the first proposed versions of each of the guidelines, models and schemes for comment. A copy of these first proposed guidelines, models and schemes is available on the AER's website at:

<http://www.aer.gov.au/content/index.phtml/itemId/659971/fromItemId/656059>.

The AER is also preparing Pricing Guidelines under the NER which must be developed by 31 October 2007.

While the draft Information Guidelines have been prepared separately from the other guidelines, models and schemes, the AER recognises that the arrangements for TNSPs providing annual and other *ad hoc* information to the AER will need to be coordinated with related elements of the AER's future regulatory framework.

2.5 Request for submissions

Comments are sought from interested parties on the scope of the AER's considerations, and on the specific questions identified, in this Issues Paper.

In addition, interested parties are invited to comment on the draft Information Guidelines themselves, which have been developed in conjunction with this Issues Paper.

Section 6 provides a consolidated list of the questions on which interested parties' specific comments have been sought in this Issues Paper.

Submissions can be sent electronically to AERInquiry@er.gov.au. Alternatively, written submissions can be sent to:

Information Guidelines Issues Paper
Australian Energy Regulator
GPO Box 520
Melbourne VIC 3001
Ph: (03) 9290 1444
Fax: (03) 9290 1457

Submissions should be received by 18 July 2007.

3 The Regulatory Framework

3.1 Existing Information Requirements Guidelines

The AER's existing Information Requirements Guidelines detail the information that the AER requires from TNSPs for the purposes of annual regulatory reporting, cost allocation and setting the TNSPs' revenue caps. A copy of these Guidelines is available on the AER's website at: <http://www.aer.gov.au/content/index.phtml/itemId/660060/fromItemId/660042>.

These Information Requirements Guidelines detail:

- the nature of, and authority for, the Guidelines
- general principles relevant to a TNSP's preparation of historic and forecast information
- specific principles relevant to a TNSP's preparation of historic and forecast information
- information that the AER needs from a TNSP in order to set a revenue cap
- the annual financial and non-financial information that the AER needs a TNSP to report
- guidance for TNSPs to complete the *pro forma statements* and
- defined terms used in the Guidelines.

The Guidelines also contain a series of appendices that contain:

- the *pro forma* statements that a TNSP must complete for the purposes of the AER setting the TNSP's revenue cap
- the *pro forma* statements that a TNSP must provide to the AER as part of its annual reporting and
- examples of regulatory audit reports and a *pro forma* of a directors' responsibility statement.

The AER believes that these Guidelines have provided an effective basis for managing information provision by the TNSPs to date and has broadly followed them in preparing the draft Information Guidelines, with necessary modifications to:

- focus the new Guidelines exclusively on TNSPs' annual, and *ad hoc*, information reporting requirements and
- meet the requirements of Chapter 6A of the NER.

In particular, as is discussed in the following section, the draft Information Guidelines retain, with some modifications, many of the *pro forma* statements in Appendix B of the Information Requirements Guidelines that are currently used for annual reporting.

3.2 The National Electricity Rules

Chapter 6A of the NER was promulgated on 16 November 2006. It sets out various requirements relevant to the AER's preparation of new Information Guidelines and to a TNSP's submission of annual reporting and other *ad hoc* information to the AER.

Clause 6A.17 of the NER details the information disclosure requirements for TNSPs.

Clauses 6A.17.1(b) and (c) require a TNSP to submit to the AER, in a manner and form specified by the AER in the Information Guidelines:

- certified annual statements and
- any additional information the AER reasonably requires under clause 6A.17.1(d).

Clause 6A.17.1(d) provides that the AER may only use the certified annual statements and additional information provided by a TNSP for the following purposes:

- (1) *to monitor, report on and enforce the compliance of the provider with the total revenue cap for the provider for a regulatory control period, the maximum allowed revenue for the provider for each regulatory year, and any requirements that are imposed on a provider under a transmission determination*
- (2) *to monitor, report and enforce compliance with the TNSP's cost allocation methodology*
- (3) *as an input regarding the financial, economic and operational performance of the provider, to inform the AER's decision-making for the making of revenue determinations or other regulatory controls to apply in future regulatory control period and*
- (4) *to monitor and report on the performance of the provider under any service target performance incentive scheme that applies to it.*

Clause 6A.17.2(e) requires that:

The information guidelines may only require the inclusion in the certified annual statements of:

- (1) *such information as the AER reasonably requires for a purpose set out in clause 6A.17.1(d)*

- (2) *information on the amount of each instance, during the relevant reporting period, of a reduction under clause 6A.26.1(c) in the prices payable by a Transmission Customer for prescribed TUOS services or prescribed common transmission services provided by the Transmission Network Service Provider*
- (3) *information on each instance, during the relevant reporting period, of a reduction in the prices payable by a Transmission Customer for prescribed TUOS service or prescribed common transmission services (or both) that were recovered under rule 6A.26 from other Transmission Customers for prescribed TUOS service or prescribed common transmission services and*
- (4) *information to substantiate any claim by the Transmission Network Service Provider that the information provided to the AER with respect to reductions in the prices payable by the Transmission Customer for the relevant prescribed transmission services under subparagraph (2) or (3) is confidential information.*

Clause 6A.17.2(f) states that:

The information guidelines may provide for the information that must accompany a written statement seeking approval of the AER to pass through a positive pass through amount of a negative pass through amount under clause 6A.7.3.

Clause 6A.17.2(g) provides that the information guidelines may specify the information that a TNSP must submit with any application for approval to recover a “proposed recovery amount” in accordance with clause 6A.26.2 of the NER.

Clause 6A.17.2(h) provides that the Information Guidelines may contain specific information relevant to TNSP’s billing and prudential requirements as well as dealings between multiple TNSPs within a region.

4 Draft Information Guidelines

This section discusses the contents of the AER's draft Information Guidelines under each of the main headings used in these Guidelines. It does not address the *pro forma* statements that are included in Appendices A and B of the Guidelines. These are dealt with in section 5 of this Issues Paper.

4.1 Nature and authority

Section 1 of the draft Information Guidelines identifies the AER's authority under clause 6A.17 of the NER for making the Guidelines.

This section also details the nature and role of the Guidelines, which have been designed to promote the National Electricity Market (NEM) Objective under section 7 of the NEL, which provides that:

The national electricity market objective is to promote efficient investment in, and efficient use of, electricity services for the long term interests of consumers of electricity with respect to price, quality, reliability and security of supply of electricity and the reliability, safety and security of the national electricity system.

The draft Information Guidelines promote the NEM Objective by setting out the manner and form in which, and date by which, a TNSP should submit to the AER, annual and other *ad hoc* information in relation to its prescribed transmission services, negotiated transmission services, non-regulated transmission services and non allocated items. The information will only be used for the purposes allowed in clause 6A.17 of the NER.

The information covered by the draft Information Guidelines relates to:

- certified annual statements
- any additional information that the AER reasonably requires for a purpose set out in clause 6A.17.1(d) of the NER
- information concerning a pass through a positive or negative pass through amount
- information concerning a reduction in prices
- information concerning cost allocation among TNSPs and
- information on service performance.

In giving effect to the NEM Objective through the new Information Guidelines, the AER will be seeking to:

- promote transparency in:
 - the information provided by TNSPs so that the AER can adequately understand each business that it is regulating

- the decisions made by the AER
- monitor, report on and enforce TNSPs' compliance with the AER's regulatory decisions
- set efficient capital and operating expenditure allowances in its revenue cap determinations.

4.2 General principles

Section 2 of the draft Information Guidelines details a series of general principles relevant to a TNSP providing information to the AER. In particular, this section:

- requires a TNSP to comply with the requirements of the Information Guidelines
- requires a TNSP to provide full and detailed documentation of its regulatory accounting principles and policies
- requires a TNSP to allocate its costs in accordance with the Cost Allocation Methodology that is approved by the AER under the Cost Allocation Guidelines
- requires that, in providing regulatory information to the AER, a TNSP must report the commercial substance of transactions and events, apply a defined standard of materiality and ensure that information is verifiable
- requires a TNSP to comply with any written request by the AER for *ad hoc* information
- details the basis on which the AER may require any information provided to it to be audited and the responsibilities of both the TNSP and the auditor in relation to the conduct of any such audit
- details the basis on which regulatory financial statements are to be prepared by disaggregating the TNSP's base accounts
- details the basis on which the TNSP will apply regulatory adjustments to the preparation of the regulatory financial statements
- requires records to be maintained in support of the regulatory financial statements
- details the basis on which a TNSP shall apply discretionary headings in its regulatory financial statements
- requires a TNSP's regulatory accounting periods to correspond to those of its base accounts unless the AER specifies otherwise
- requires information provided by a TNSP to be accompanied by a directors' responsibility statement and
- details the format in which a TNSP must submit information to the AER.

Q1. Are the proposed general principles for the provision of information appropriate? Should any other general principles be reflected into the Information Guidelines?

4.3 Annual reporting

Section 3 of the draft Information Guidelines outlines the scope of information that the AER requires from TNSPs. In particular, this section:

- confirms that the AER will only use the certified annual statements and other information required of a TNSP for the purposes allowed by clause 6A.17
- requires a TNSP to prepare and submit to the AER a range of historical information by completing the *pro forma* statements at Appendices A and B of the Information Guidelines. These *pro forma* statements are discussed in detail in section 5 of this report
- requires a TNSP to provide the AER with a one-year demand forecast for the forthcoming year, together with the assumptions on which the forecast is based
- requires a TNSP to give the AER a map of the current network as at the regulatory accounting date and
- requires a TNSP to report service target performance information using a service performance reporting template which will be issued to each TNSP annually. A sample of this template is included in the Guidelines at Appendix B.

Q2. Are the proposed annual information reporting requirements appropriate? Should any other requirements be reflected into the Information Guidelines?

4.4 Guidance on completing pro forma statements

Section 4 of the draft Information Guidelines provides guidance to the TNSPs on completing the *pro forma* statements at Appendices A and B of the document. In particular, this section:

- specifies the basis for disaggregating income in the base accounts between business segments
- specifies how transactions between business segments should be accounted for by account heading and business segment
- requires the TNSP to explain in a note to its regulatory financial statements, and justify, how its operating and maintenance costs have been disaggregated
- requires the TNSP to include a note to its regulatory financial statements explaining how each operating expenditure cost account heading has been attributed to, or allocated between, business segments
- specifies how depreciation is to be treated in accordance with a model nominated by the AER

- specifies how other expenditure arising in the profit and loss account not specifically addressed elsewhere in the Information Guidelines is to be treated
- specifies how extraordinary items, interest payable, dividends payable and dividends receivable are to be treated
- specifies the basis on which non-current assets are to be disaggregated
- specifies how mandatory and discretionary headings may be used for categorising assets
- specifies the treatment of, and disclosure requirements for, capital contributions
- details the disclosure requirements in relation to provisions
- specifies the information that a TNSP must provide to the AER in relation to related party transactions and third party benefits and the nature of the affirmations required from directors regarding this information
- details the disclosure requirements in relation to specific financing transactions
- details the nature of the information that the AER may require a TNSP to provide to it when seeking approval to a positive or negative cost pass through amount or once such an amount has been approved by the AER
- notes that the AER is currently preparing a new *pro forma* statement in relation to pricing, which will be included in Appendix A when it has been completed
- requires the extension of statement of cash flow such that the regulatory financial statements balance sheet and cash flow statement can be reconciled.

Q3. Is the guidance provided in the Information Guidelines for completing the pro forma statements appropriate? Should any additional guidance be provided in the Information Guidelines in relation to any other matters?

5 Pro forma Statements

This section discusses the *pro forma* statements included in Appendices A and B of the Information Guidelines. It considers the nature of each *pro forma* statement, addresses whether the statements are new or carried over from the existing Information Requirements Guidelines (and, if so, what changes, if any, have been made to them) and outlines the indicative purposes for which the statements will be used by the AER having regard for the requirements of the NER.

In receiving information from a TNSP relating to its financial, economic and operational performance under clause 6A.17.1(d) the AER will also, amongst other things, be in a better position to assess the TNSP's efficient costs and financial viability under the NEL.

5.1 Regulatory Financial Statements

It is proposed that TNSPs be required to provide the AER with three regulatory financial statements for their prescribed transmission services: an income statement, a balance sheet and a cash flow statement.

5.1.1 Income Statement – Prescribed Transmission Services (RFS Inc)

This *pro forma* statement requires a breakdown of the TNSP's total revenue, operating expenditure and earnings before interest and tax for its prescribed transmission services for the latest regulatory year. It is identical to the current "Statement of Financial Performance" *pro forma* (RFS FPerf) in the Information Requirements Guidelines.

This *pro forma* statement will assist to:

- provide the AER with a true and fair statement of the TNSP's financial performance for its prescribed transmission services for the latest regulatory year, as is provided for by clause 6A.17.1(b)(1) of the NER
- enable the AER to monitor compliance with the TNSP's approved total revenue cap and maximum allowed revenue for its prescribed transmission services, as is provided for by clause 6A.17.1(d)(1) of the NER
- enable the AER to assess how each revenue and expenditure item has been allocated to the TNSP's prescribed transmission services and whether these allocations have been made in accordance with the TNSP's approved cost allocation methodology, as is provided for by clause 6A.17.1(d)(2) of the NER and
- inform the AER's decision-making for revenue determinations or other regulatory controls to apply in future regulatory control periods as is provided for by clause 6A.17.1(d)(3) of the NER.

Q4. Is the information required in the proposed pro forma statement “RFS Inc” appropriate? Are the indicative purposes for which the information is to be used consistent with the requirements of the NER?

5.1.2 Balance Sheet – Prescribed Transmission Services (RFS Bal)

This *pro forma* statement requires a breakdown of the TNSP’s assets, liabilities and equity related to its prescribed transmission services as at the end of the latest regulatory year. It includes minor presentational changes to the current “Statement of Financial Performance” *pro forma* (RFS FPos) in the Information Requirements Guidelines.

This *pro forma* statement will assist to:

- provide the AER with a true and fair statement of the TNSP’s financial performance for its prescribed transmission services for the latest regulatory year, as is provided for by clause 6A.17.1(b)(1) of the NER
- enable the AER to assess how each asset and liability item has been allocated to prescribed services and whether the allocations have been made in accordance with the TNSP’s approved cost allocation methodology, as is provided for by clause 6A.17.1(d)(2) of the NER and
- inform the AER’s five yearly review of the weighted average cost of capital parameters by providing debt and equity information, as is provided for by clause 6A.6.2(g) of NER.

Q5. Is the information required in the proposed “RFS Bal” pro forma appropriate? Are the indicative purposes for which the information is to be used consistent with the requirements of the NER?

5.1.3 Cash Flow Statement – Prescribed Transmission Services (RFS CF)

This *pro forma* statement requires a breakdown of the TNSP’s cash flow for its prescribed transmission services for the latest regulatory year. It expands upon the current “Statement of Financial Performance” *pro forma* (RFS FPos) in the Information Requirements Guidelines by seeking information in relation to investing and financing activities, as well as operating activities.

This *pro forma* statement will assist to:

- enable the AER to assess how each cash item has been allocated to prescribed services and whether the allocations have been made in accordance with the TNSP’s approved cost allocation methodology, as is provided for by clause 6A.17.1(d)(2) of the NER
- provide the AER with a true and fair statement of the TNSP’s financial performance for its prescribed transmission services for the latest regulatory year, as is provided for by clause 6A.17.1(b)(1) of the NER and
- enable the AER to assess whether the TNSP is sufficiently financially robust to continue to deliver on the NEM Objective, as is provided for by sections 7 and 16(1)(a) of the NEL.

Q6. Is the information required in the proposed pro forma “RFS CF” appropriate? Are the indicative purposes for which the information is to be used consistent with the requirements of the NER?

5.2 Disaggregation Statements

It is proposed that TNSPs be required to provide the AER with three disaggregation statements: an income statement, a balance sheet and a cash flow statement.

5.2.1 Income Statement (DISAGG Inc)

This *pro forma* statement requires a breakdown of the TNSP’s total revenue, operating expenditure and earnings before interest and tax between its prescribed transmission services, negotiated transmission services, non-regulated transmission services and non allocated items for the latest regulatory year. It requires the same information to be provided as the current “Disaggregation Statement – Financial Performance” *pro forma* (DISAGG FPerf) in the Information Requirements Guidelines except that the split between services has been updated to reflect the categories provided for under Chapter 6A of the NER.

This *pro forma* statement will assist to:

- provide the AER with a true and fair statement of the TNSP’s financial performance for its prescribed transmission services for the latest regulatory year, as is provided for by clause 6A.17.1(b)(1) of the NER
- enable the AER to monitor compliance with the TNSP’s approved total revenue cap and maximum allowed revenue for its prescribed transmission services, as is provided for by clause 6A.17.1(d)(1) of the NER
- enable the AER to assess how each revenue and expenditure item has been allocated to the TNSP’s prescribed transmission services and whether these allocations have been made in accordance with the TNSP’s approved cost allocation methodology, as is provided for by clause 6A.17.1(d)(2) of the NER
- enable the AER to assess whether the TNSP has been able to “recover the efficient costs of complying with a regulatory obligation”, as is provided for by section 16(2)(a) of the NEL
- enable the AER to assess whether the TNSP is sufficiently financially robust to continue to deliver on the NEM Objective, as is provided for by sections 7 and 16(1)(a) of the NEL and
- inform the AER’s decision-making for revenue determinations or other regulatory controls to apply in future regulatory control periods as is provided for by clause 6A.17.1(d)(3) of the NER.

Q7. Is the information required in the proposed pro forma statement “DISAGG Inc” appropriate? Are the indicative purposes for which the information is to be used consistent with the requirements of the NER?

5.2.2 Balance Sheet (DISAGG Bal)

This *pro forma* statement requires a breakdown of the TNSP’s assets, liabilities and equity related to its prescribed transmission services, negotiated transmission services, non-regulated transmission services and non allocated items as at the end of the latest regulatory year. It requires the same information to be provided as the current “Disaggregation Statement – Financial Performance” *pro forma* (DISAGG FPerf) in the Information Requirements Guidelines other than that the split between services has been updated for the categories provided for under Chapter 6A of the NER.

This *pro forma* statement will assist to:

- provide the AER with a true and fair statement of the TNSP’s financial performance for its prescribed transmission services for the latest regulatory year, as is provided for by clause 6A.17.1(b)(1) of the NER
- enable the AER to assess how each asset and liability item has been allocated to prescribed services and whether the allocations have been made in accordance with the TNSP’s approved cost allocation methodology, as is provided for by clause 6A.17.1(d)(2) of the NER
- enable the AER to assess whether the TNSP is sufficiently financially robust to continue to deliver on the NEM Objective, as is provided for by sections 7 and 16(1)(a) of the NEL and
- inform the AER’s five yearly review of the weighted average cost of capital parameters by providing debt and equity information, as is provided for by clause 6A.6.2(g) of NER.

Q8. Is the information required in the proposed pro forma statement “DISAGG Bal” appropriate? Are the indicative purposes for which the information is to be used consistent with the requirements of the NER?

5.2.3 Cash Flows Statement (DISAGG CF)

This *pro forma* statement requires a breakdown of the TNSP’s cash flow for its prescribed transmission services, negotiated transmission services, non-regulated transmission services and non allocated items for the latest regulatory year. It expands upon the current “Disaggregation Statement – Cash Flows” *pro forma* (DISAGG CF) in the Information Requirements Guidelines by seeking information in relation to investing and financing activities, as well as operating activities.

This *pro forma* statement will assist to:

- enable the AER to assess how each cash item has been allocated to prescribed services and whether the allocations have been made in accordance with the TNSP’s approved cost allocation methodology, as is provided for by clause 6A.17.1(d)(2) of the NER

- provide the AER with a true and fair statement of the TNSP’s financial performance for its prescribed transmission services for the latest regulatory year, as is provided for by clause 6A.17.1(b)(1) of the NER and
- enable the AER to assess whether the TNSP is sufficiently financially robust to continue to deliver on the NEM Objective, as is provided for by sections 7 and 16(1)(a) of the NEL.

Q9. Is the information required in the proposed pro forma statement “DISAGG CF” appropriate? Are the indicative purposes for which the information is to be used consistent with the requirements of the NER?

5.3 Working Papers

It is proposed that TNSPs be required to provide the AER with working papers supporting the disaggregation statements and the statements relating to the prescribed transmission services.

5.3.1 Operations and Maintenance Expenditure (DISAGG Opex)

This *pro forma* statement requires details of the TNSP’s directly attributed and allocated operating and maintenance costs for its prescribed transmission services, negotiated transmission services, non-regulated transmission services and non allocated items for the latest regulatory year. It requires the same information to be provided to the AER as the current “Operations and maintenance expenditure” *pro forma* (DISAGG Opex) in the Information Requirements Guidelines other than that the split between services has been updated for the categories provided for under Chapter 6A of the NER.

This *pro forma* statement will assist the AER to assess how each cost item for each account heading has been either directly attributed or allocated between the TNSP’s different service categories and not allocated items in accordance with the TNSP’s approved cost allocation methodology, as is provided for by clause 6A.17.1(d)(2) of the NER.

The AER will also be able to use this *pro forma* statement to check that the TNSP’s costs reconcile to the operating expenditure detailed in the income statement (DISAGG Inc).

Q10. Is the information required in the proposed pro forma “DISAGG Opex” appropriate? Are the indicative purposes for which the information is to be used consistent with the requirements of the NER?

5.3.2 Causal allocations (DISAGG Alloc 1)

This *pro forma* statement requires details of how each cost item for each account heading that has been the subject of a causal allocation has been allocated in accordance with the TNSP’s approved cost allocation methodology. The *pro forma* statement therefore needs to be completed as a work paper for each cost that has been allocated between business segments using a causal allocator. It requires the same information to be provided to the AER as the current “Causal Allocation” *pro forma* (DISAGG Alloc 1) in the Information Requirements Guidelines other than that the split between services has been updated for the categories provided for under Chapter 6A of the NER.

This *pro forma* statement will assist the AER to monitor, report on and enforce compliance with the TNSP’s cost allocation methodology, as is provided for under clause 6A.17.1(d)(2) of the NER.

Q11. Is the information required in the proposed pro forma “DISAGG Alloc 1” appropriate? Are the indicative purposes for which the information is to be used consistent with the requirements of the NER?

5.3.3 Non-causal allocations (DISAGG Alloc 2)

This *pro forma* statement requires details of how each cost item for each account heading that has been the subject of a non-causal allocation has been attributed in accordance with the TNSP’s approved cost allocation methodology. The *pro forma* statement therefore needs to be completed as a working paper for each cost that has been attributed between business segments using a causal allocator. It requires the same information to be provided to the AER as the current “Causal Allocation” *pro forma* (DISAGG Alloc 2) in the Information Requirements Guidelines other than that the split between services has been updated for the categories provided for under Chapter 6A of the NER.

This *pro forma* statement will assist the AER to monitor, report on and enforce compliance with the TNSP’s cost allocation methodology, as is provided for under clause 6A.17.1(d)(2) of the NER.

Q12. Is the information required in the proposed pro forma “DISAGG Alloc 2” appropriate? Are the indicative purposes for which the information is to be used consistent with the requirements of the NER?

5.3.4 Regulatory adjustment journals (PTS ADJ)

This *pro forma* statement requires a reconciliation of the TNSP’s statutory and regulatory accounts for the last regulatory year by detailing the regulatory adjustments that have been made on the Income Statement *pro forma* (RFS Inc) and the Balance Sheet *pro forma* (RFS Bal). It is identical to the current “Regulatory adjustment journal” *pro forma* (RFS ADJ) in the Information Requirements Guidelines.

This *pro forma* statement will assist the AER to:

- assess whether the certified annual statements give a true and fair statement of the TNSP’s financial performance, as is provided for under clause 6A.17.1(b)(1) of the NER
- enable the AER to assess how each revenue and expenditure item has been allocated to the TNSP’s prescribed transmission services and whether these allocations have been made in accordance with the TNSP’s approved cost allocation methodology, as is provided for by clause 6A.17.1(d)(2) of the NER, and
- inform the AER’s decision-making for revenue determinations or other regulatory controls to apply in future regulatory control periods as is provided for by clause 6A.17.1(d)(3) of the NER.

Q13. Is the information required in the proposed pro forma “PTS ADJ” appropriate? Are the indicative purposes for which the information is to be used consistent with the requirements of the NER?

5.3.5 Price reduction / recovery (PTS PriceRedn)

This *pro forma* statement requires details of the reductions in prices payable by transmission customers, and the recovery of these reductions in prices from other transmission customers, for the latest regulatory year. The *pro forma* statement requires details of each instance of a price reduction and recovery. It modifies the existing “Price reduction / recovery” *pro forma* (RFS Redn) in the Information Requirements Guidelines by drawing a distinction between the reductions and recoveries attributable to “customer TUOS general charges” and those attributable to “Common service charges” (a change reflected in the NER).

This *pro forma* statement will assist the AER to monitor compliance with the TNSP’s approved total revenue cap and maximum allowed revenue for prescribed transmission services in accordance with clause 6A.17.1(d)(1) of the NER.

Q14. Is the information required in the proposed pro forma “PTS PriceRedn” appropriate? Are the indicative purposes for which the information is to be used consistent with the requirements of the NER?

5.3.6 Discount (Pdisc)

This *pro forma* statement requires a TNSP to provide the AER with information relevant to the discounts that it has provided to customers for the latest regulatory year. No such *pro forma* statement currently exists in the Information Requirements Guidelines.

This *pro forma* statement will assist the AER to:

- understand the circumstances in which a discount amount has arisen and the calculation of the proposed recovery mechanism in accordance with clause 6A.17.2(g)(1) of the NER and
- monitor compliance with the TNSP’s approved total revenue cap and maximum required revenue for prescribed transmission services, in accordance with clause 6A.17.1(d)(1) of the NER.

Q15. Is the information required in the proposed pro forma “Pdisc” appropriate? Are the indicative purposes for which the information is to be used consistent with the requirements of the NER?

5.3.7 Revenue analysis (PTS Rev)

This *pro forma* statement requires a breakdown of the TNSP’s prescribed transmission revenue by tariff category for the latest regulatory year. It is identical to the current “Revenue Analysis” *pro forma* (RFS FPerf) in the Information Requirements Guidelines.

This *pro forma* statement will assist the AER to understand the sources of the TNSP’s prescribed transmission revenue, and to reconcile the total revenue amount, for the purposes of monitoring compliance with the TNSP’s approved total revenue cap and maximum allowed revenue, in accordance with clause 6A.17.1(d)(1) of the NER.

Q16. Is the information required in the proposed pro forma “PTS Rev” appropriate? Are the indicative purposes for which the information is to be used consistent with the requirements of the NER?

5.3.8 Network Support Pass Throughs (Pthrough)

This *pro forma* statement requires a TNSP to provide information to the AER in relation to any pass through that has been approved by the AER under clause 6A.17.2(f) of the NER relevant to the latest regulatory year.

This *pro forma* statement will assist the AER to assess the TNSP's on-going compliance with any network support pass through approved by the AER under clause 6A.17.2(f) of the NER.

Q17. Is the information required in the proposed pro forma "Pthrough" appropriate? Are the indicative purposes for which the information is to be used consistent with the requirements of the NER?

5.4 Asset schedules and supporting papers

It is proposed that TNSPs be required to provide the AER with asset schedules and supporting papers relevant to the disaggregation statements and the prescribed transmission services.

5.4.1 Summary of Disaggregation Statement Assets (DISAGG Assets)

This *pro forma* statement requires a summary of gross book value, accumulated depreciation and net book value for a TNSP's property plant and equipment relevant to prescribed transmission services, negotiated transmission services, non-regulated transmission services and not allocated items as at the end of the latest regulatory year. It requires the same information to be provided as the current "Summary of Disaggregation Statement Assets" *pro forma* (DISAGG Assets) in the Information Requirements Guidelines other than that the split between services has been updated for the categories provided for under Chapter 6A of the NER.

This *pro forma* statement will assist the AER to assess the TNSP's regulatory asset base for the purposes of making revenue determinations or other regulatory controls for future regulatory periods, in accordance with clause 6A.17.1(d)(3) of the NER.

Q18. Is the information required in the proposed pro forma "DISAGG Assets" appropriate? Are the indicative purposes for which the information is to be used consistent with the requirements of the NER?

5.4.2 Reconciliation of Property Plant and Equipment (PTS Rec Assets)

This *pro forma* statement requires a reconciliation of the opening and closing values of the TNSP's property, plant and equipment relevant to its prescribed transmission services as at the end of the latest regulatory year. It is identical to the current "Reconciliation of Property, Plant and Equipment – Prescribed Transmission Services" *pro forma* (RFS Rec Assets) in the Information Requirements Guidelines.

This *pro forma* statement will assist the AER to assess the TNSP's regulatory asset base for the purposes of making revenue determinations or other regulatory controls for future regulatory periods, in accordance with clause 6A.17.1(d)(3) of the NER.

Q19. Is the information required in the proposed pro forma "PTS Rec Assets" appropriate? Are the indicative purposes for which the information is to be used consistent with the requirements of the NER?

5.4.3 Asset Aging Schedule (PTS Asset Aging)

This *pro forma* statement requires a breakdown of the value of the TNSP’s assets relevant to prescribed transmission services, broken down by asset class and remaining useful asset life periods, as at the end of the latest regulatory year. It is identical to the current “Asset Aging Schedule – Prescribed Transmission Services” *pro forma* (RFS Asset Aging) in the Information Requirements Guidelines.

This *pro forma* statement will assist the AER to assess the TNSP’s regulatory asset base for the purposes of making revenue determinations or other regulatory controls for future regulatory periods, in accordance with clause 6A.17.1(d)(3) of the NER.

Q20.. Is the information required in the proposed pro forma “RFS Asset Aging” appropriate? Are the indicative purposes for which the information is to be used consistent with the requirements of the NER?

5.5 Provisions Schedules

5.5.1 Provisions Summary (DISAGG Prov Sum)

This *pro forma* statement requires a TNSP to provide details of the movements in its provisions for the latest regulatory year across each of its services. It requires the same information to be provided as the current “Summary of provisions” *pro forma* (DISAGG Prov Summ) in the Information Requirements Guidelines other than that the split between services has been updated for the categories provided for under Chapter 6A of the NER.

This *pro forma* statement will:

- assist to provide the AER with a true and fair statement of the TNSP’s financial performance for its prescribed transmission services for the latest regulatory year, as is provided for by clause 6A.17.1(b)(1) of the NER
- enable the AER to assess whether the allocations have been made in accordance with the TNSP’s approved cost allocation methodology, as is provided for by clause 6A.17.1(d)(2) of the NER and
- inform the AER’s decision-making for revenue determinations or other regulatory controls to apply in future regulatory control periods as is provided for by clause 6A.17.1(d)(3) of the NER.

Q21.. Is the information required in the proposed pro forma “DISAGG Prov Summ” appropriate? Are the indicative purposes for which the information is to be used consistent with the requirements of the NER?

5.5.2 Provisions Reconciliation (PTS Prov Rec)

This *pro forma* statement requires a TNSP to provide details of the movements in its provisions for the latest regulatory year relevant to its prescribed transmission services. It is identical to the current “Provision Reconciliation – Prescribed Transmission Services” *pro forma* (RFS Prov Rec) in the Information Requirements Guidelines.

This *pro forma* statement will:

- assist to provide the AER with a true and fair statement of the TNSP’s financial performance for its prescribed transmission services for the latest regulatory year, as is provided for by clause 6A.17.1(b)(1) of the NER
- enable the AER to assess whether the allocations have been made in accordance with the TNSP’s approved cost allocation methodology, as is provided for by clause 6A.17.1(d)(2) of the NER and
- inform the AER’s decision-making for revenue determinations or other regulatory controls to apply in future regulatory control periods as is provided for by clause 6A.17.1(d)(3) of the NER.

Q22. Is the information required in the proposed pro forma “PTS Prov Rec” appropriate? Are the indicative purposes for which the information is to be used consistent with the requirements of the NER?

5.6 Information

It is proposed that TNSPs be required to provide the AER with information in relation to related party transactions and to reconcile the TNSP’s revenue cap.

5.6.1 Related party transactions (Inf Rel Part Trans)

This *pro forma* statement requires a TNSP to provide the AER with information in relation to transactions that it has with a related party during the latest regulatory year, including:

- details of the related party, the nature of the transaction, the type of service that the transaction relates to, the procurement process and the monetary value of the transaction and
- balances of assets and liabilities with the related party.

The *pro forma* statement also requires a TNSP to detail the value of any commitments with a related party that are expected to result in related party transactions in future accounting periods.

No such *pro forma* statement currently exists in the Information Requirements Guidelines.

This *pro forma* statement will assist the AER to understand the nature of a TNSP’s related party transactions for the purposes of making revenue determinations or other regulatory controls for future regulatory periods, in accordance with clause 6A.17.1(d)(3) of the NER.

Q23. Is the information required in the proposed pro forma “Inf Rel Part Trans” appropriate? Are the indicative purposes for which the information is to be used consistent with the requirements of the NER?

5.6.2 Revenue reconciliations (Inf Rev Rec)

This *pro forma* statement requires a TNSP to provide the AER with information to enable it to reconcile the TNSP’s revenue cap for the next regulatory year. No such *pro forma* statement currently exists in the Information Requirements Guidelines.

This *pro forma* statement will assist the AER to monitor compliance with the TNSP's approved total revenue cap and maximum required revenue for prescribed transmission services, in accordance with clause 6A.17.1(d)(1) of the NER.

Q24. Is the information required in the proposed pro forma "Inf Rev Rec" appropriate? Are the indicative purposes for which the information is to be used consistent with the requirements of the NER?

5.7 Non-financial Schedules (NFS Curr Map Netw and NFS Curr Demand)

It is proposed that TNSPs be required to provide the AER with a current map of the TNSP's network and a one-year demand forecast. It is proposed that there be a *pro forma* statement for the provision of this information.

This *pro forma* statement will assist the AER to inform the AER's decision-making for revenue determinations or other regulatory controls to apply in future regulatory control periods as is provided for by clause 6A.17.1(d)(3) of the NER.

These schedules currently exist in the Information Requirements Guidelines.

Q25. Is the information required in the proposed schedules "NFS Curr Map Netw and NFS Curr Demand" appropriate? Are the indicative purposes for which the information is to be used consistent with the requirements of the NER?

5.8 Historic operating expenditure (HOE Summ, HOE Base and HOE 1st FY to HOE 5th FY)

It is proposed that TNSPs be required to provide its annual historic operating expenditure to the AER over the course of the five years of the current regulatory control period. The required operating expenditure information is to be broken down by expenditure category. Seven *pro forma* statements will need to be completed:

- a single summary *pro forma* statement (HOE Summ) would be maintained, which will include information for the base year (being the last year of the previous regulatory control period) and each year of the current regulatory control period, as it became available
- a single *pro forma* statement (HOE Base) will be completed for the base year and
- five separate *pro forma* statements (HOE 1st FY to HOE 5th FY) will be completed for each year of the current regulatory control period, as it became available.

These *pro forma* statements will assist to:

- give the AER a true and fair understanding of the financial performance of the TNSP, as provided for under clause 6A.17.1(b)(1) of the NER and

- provide the AER with financial information for the purposes of making revenue determinations or other regulatory controls for future regulatory periods, in accordance with clause 6A.17.1(d)(3) of the NER.

Q26. Is the information required in the proposed pro forma “HOE Summ, HOE Base and HOE 1st FY to HOE 5th FY” appropriate? Are the indicative purposes for which the information is to be used consistent with the requirements of the NER?

5.9 Historic capital expenditure (HCE Cat, HCE Ass Cls, HCE Netw, HCE Non Netw)

It is proposed that TNSPs be required to provide its annual historic capital expenditure to the AER over the course of the five years of the current regulatory control period. The required operating expenditure information will be broken down by the following four *pro forma* statements:

- historic capital expenditure by category (HCE Cat)
- historic capital expenditure by asset class (HCE Ass Cls)
- historic network-related capital expenditure (HCE Netw) and
- historic non-network-related capital expenditure (HCE Non Netw).

Each *pro forma* statement will be updated for information for the next regulatory year as it becomes available.

These *pro forma* statements will assist to:

- give the AER a true and fair understanding of the financial performance of the TNSP, as provided for under clause 6A.17.1(b)(1) of the NER and
- provide the AER with financial information for the purposes of making revenue determinations or other regulatory controls for future regulatory periods, in accordance with clause 6A.17.1(d)(3) of the NER.

Q27. Is the information required in the proposed pro forma “HCE Cat, HCE Ass Cls, HCE Netw, HCE Non Netw” appropriate? Are the indicative purposes for which the information is to be used consistent with the requirements of the NER?

5.10 Commentary (Comm Opex, Comm Hist Capex)

It is proposed *pro forma* statements be included that provide an opportunity for the TNSP to provide context and background for the quantitative historic operating and capital expenditure *pro forma* statements (discussed in sections 5.8 and 5.9).

It is noted that both the historic opex *pro forma* statement and the historic capital expenditure *pro forma* statement provide a column where the key cost drivers for historic opex should be briefly listed. The commentary *pro forma* statements provide opportunities for more detailed

explanations regarding material changes in particular expenditure over the current regulatory period.

These *pro forma* statements will assist to:

- give the AER a true and fair understanding of the financial performance of the TNSP, as provided for under clause 6A.17.1(b)(1) of the NER and
- provide the AER with financial information for the purposes of making revenue determinations or other regulatory controls for future regulatory periods, in accordance with clause 6A.17.1(d)(3) of the NER.

Q28. Is the information required in the proposed pro forma “Comm Opex, Comm Hist Capex” appropriate? Are the indicative purposes for which the information is to be used consistent with the requirements of the NER?

5.11 Example of Directors’ Responsibility Statement

Appendix C of the draft Information Guidelines includes an example of a Directors’ Responsibility Statement.

Q29. Is the information required in the proposed Directors’ Responsibility Statement appropriate? Are the indicative purposes for which the information is to be used consistent with the requirements of the NER?

6 Service performance reporting templates

This section discusses the service performance information requirements included in the Information Guidelines at clause 3.5. The Guidelines:

- list the information that each TNSP subject to the Service Target Performance Incentive Scheme must report to the AER annually, and
- provide that each TNSP must report this information on a service performance reporting template which the AER will issue annually.

A sample reporting template is provided in Appendix B of the Guidelines. The AER will customise this template to allow for differences in the performance incentive scheme parameters, values and weighting that apply to each TNSP. The AER will also update each TNSPs template annually to account for any changes to the Service Target Performance Incentive Scheme and update references to the correct reporting period and inputs such as CPI.

TNSPs will only be required to input service performance information on the “Inputs-Performance” and “Inputs-Exclusions” worksheets of the template. The remaining worksheets will update automatically and calculate the financial incentive that will apply to the TNSP.

On the “Inputs- Performance” worksheet TNSPs must enter their performance results for each performance incentive scheme parameter both with and without exclusions and the date that the template was populated. TNSPs use the “Inputs- Exclusions” worksheet to enter information on any outages they propose to exclude from their performance results.

Any service performance information that is required by the Guidelines but not provided for in the service performance reporting template must be provided by the TNSP in a separate performance report.

Q30. Are the information requirements in section 3.5 of the guidelines and the service performance reporting template appropriate? Could the usability of the template be improved?

During the 2006 compliance review the AER’s consultant advised that the compliance review process could be conducted more efficiently if the AER was provided with a list of all outage events included in the TNSP’s performance results upfront.

The AER is considering whether the Information Guidelines should require TNSPs to provide this information annually to the AER with the service performance reporting templates. Each TNSP could provide this information in the form of a printout from the TNSP’s outage recording systems. The AER would not publish this information.

Q31. Should the Information Guidelines include a requirement to provide the AER with a list of all outage events included in the performance results for a TNSP? Would this list be difficult or time consuming to provide?

7 List of Questions for Comment

The following is the list of questions on which interested parties' specific comments have been sought throughout this Discussion Paper.

- Q1. Are the proposed general principles for the provision of information appropriate? Should any other principles be reflected into the Information Guidelines?
- Q2. Are the proposed annual information reporting requirements appropriate? Should any other requirements be reflected into the Information Guidelines?
- Q3. Is the guidance provided in the Information Guidelines for completing the *pro forma* statements appropriate? Should any guidance be provided in relation to any other matters in the Information Guidelines?
- Q4. Is the information required in the proposed *pro forma* "RFS Inc" appropriate? Are the indicative purposes for which the information is to be used consistent with the requirements of the NER?
- Q5. Is the information required in the proposed *pro forma* "RFS Bal" appropriate? Are the indicative purposes for which the information is to be used consistent with the requirements of the NER?
- Q6. Is the information required in the proposed *pro forma* "RFS CF" appropriate? Are the indicative purposes for which the information is to be used consistent with the requirements of the NER?
- Q7. Is the information required in the proposed *pro forma* "DISAGG Inc" appropriate? Are the indicative purposes for which the information is to be used consistent with the requirements of the NER?
- Q8. Is the information required in the proposed *pro forma* "DISAGG Bal" appropriate? Are the indicative purposes for which the information is to be used consistent with the requirements of the NER?
- Q9. Is the information required in the proposed *pro forma* "DISAGG CF" appropriate? Are the indicative purposes for which the information is to be used consistent with the requirements of the NER?
- Q10. Is the information required in the proposed *pro forma* "DISAGG Opex" appropriate? Are the indicative purposes for which the information is to be used consistent with the requirements of the NER?
- Q11. Is the information required in the proposed *pro forma* "DISAGG Alloc 1" appropriate? Are the indicative purposes for which the information is to be used consistent with the requirements of the NER?
- Q12. Is the information required in the proposed *pro forma* "DISAGG Alloc 2" appropriate? Are the indicative purposes for which the information is to be used consistent with the requirements of the NER?
- Q13. Is the information required in the proposed *pro forma* "PTS ADJ" appropriate? Are the indicative purposes for which the information is to be used consistent with the requirements of the NER?

- Q14. Is the information required in the proposed *pro forma* “PTS PriceRedn” appropriate? Are the indicative purposes for which the information is to be used consistent with the requirements of the NER?
- Q15. Is the information required in the proposed *pro forma* “Pdisc” appropriate? Are the indicative purposes for which the information is to be used consistent with the requirements of the NER?
- Q16. Is the information required in the proposed *pro forma* “PTS Rev” appropriate? Are the indicative purposes for which the information is to be used consistent with the requirements of the NER?
- Q17. Is the information required in the proposed *pro forma* “Pthrough” appropriate? Are the indicative purposes for which the information is to be used consistent with the requirements of the NER?
- Q18. Is the information required in the proposed *pro forma* “DISAGG Assets” appropriate? Are the indicative purposes for which the information is to be used consistent with the requirements of the NER?
- Q19. Is the information required in the proposed *pro forma* “PTS Rec Assets” appropriate? Are the indicative purposes for which the information is to be used consistent with the requirements of the NER?
- Q20. Is the information required in the proposed *pro forma* “RFS Asset Aging” appropriate? Are the indicative purposes for which the information is to be used consistent with the requirements of the NER?
- Q21. Is the information required in the proposed *pro forma* “DISAGG Prov Summ” appropriate? Are the indicative purposes for which the information is to be used consistent with the requirements of the NER?
- Q22. Is the information required in the proposed *pro forma* “PTS Prov Rec” appropriate? Are the indicative purposes for which the information is to be used consistent with the requirements of the NER?
- Q23. Is the information required in the proposed *pro forma* “Inf Rel Part Trans” appropriate? Are the indicative purposes for which the information is to be used consistent with the requirements of the NER?
- Q24. Is the information required in the proposed *pro forma* “Inf Rev Rec” appropriate? Are the indicative purposes for which the information is to be used consistent with the requirements of the NER?
- Q25. Is the information required in the proposed schedules “NFS Curr Map Netw and NFS Curr Demand” appropriate? Are the indicative purposes for which the information is to be used consistent with the requirements of the NER?
- Q26. Is the information required in the proposed *pro forma* “HOE Summ, HOE Base and HOE 1st FY to HOE 5th FY” appropriate? Are the indicative purposes for which the information is to be used consistent with the requirements of the NER?
- Q27. Is the information required in the proposed *pro forma* “HCE Cat, HCE Ass Cls, HCE Netw, HCE Non Netw” appropriate? Are the indicative purposes for which the information is to be used consistent with the requirements of the NER?

- Q28. Is the information required in the proposed *pro forma* “Comm Opex, Comm Hist Capex” appropriate? Are the indicative purposes for which the information is to be used consistent with the requirements of the NER?
- Q29. Is the information required in the proposed Directors’ Responsibility Statement appropriate? Are the indicative purposes for which the information is to be used consistent with the requirements of the NER?
- Q30. Are the information requirements in section 3.5 of the guidelines and the service performance reporting template appropriate? Could the usability of the template be improved?
- Q31. Should the Information Guidelines include a requirement to provide the AER with a list of all outage events included in the performance results for a TNSP? Would this list be difficult or time consuming to provide?