



Murraylink Transmission
Company Pty Ltd

Murraylink Revenue
Proposal

Effective
July 2018 to June 2023

January 2017

20170113 Murraylink Revenue Proposal

Compliance Checklist

Requirement	Basis for requirement	Location
Such a Revenue Proposal must comply with the requirements of this Chapter 6A, and in particular must: (1) be prepared using the post-tax revenue model referred to in rule 6A.5; (2) comply with the requirements of, and contain or be accompanied by the information required by, any relevant regulatory information instrument; and (3) contain the information and matters specified in Schedule 6A.1.	6A.4.1(b)(1)	PTRM
Provide the building blocks; indexation of the RAB, return on capital; depreciation; cost of corporate income tax; incentives; revenue reduction for shared assets; forecast opex; X factor; revenue cap; MAR	6A.5.4(a)	PTRM
Roll forward model	6A.6.1	RFM
Explanation and derivation of return on capital	6A.6.2	Submission Chapter 6
Explanation and derivation of Depreciation	6A.6.3	Submission Chapter 9
Cost of Corporate income tax	6A.6.4	Submission Section 6.5
Efficiency Benefit Sharing Scheme	6A.6.5	Submission Chapter 13
Capital Efficiency Sharing Scheme	6A.6.5A	Submission section 4.2
Forecast Operating Expenditure	6A.6.6	Submission Chapter 8
Forecast Capital Expenditure (including contingent projects)	6A.6.7	Submission Chapter 7
X factor	6A.6.8	Submission Section 10.4
Cost pass through events	6A.6.9	Submission Section 10.6
STPIS	6A.7.4	Submission Chapter 11
Small-scale incentive scheme	6A.7.5	Submission section 4.3.2
Proposal	6A.10.1(a)	Submission
Negotiating Framework	6A.10.1(b)	Attachment 12.1
Pricing methodology	6A.10.1(e)	Attachment 12.2
Statement of consistency with NTNDP	6A.10.1(f)	Submission 7.2.2
Confidentiality claims	6A.10.1(f)	Murraylink-SD- Confidential material

		claims-20170127
Plain english overview	6A.10.1(g)	Attachment 1.5
Identifies forecast capital expenditure - asset class; driver; location; cost; transmission services	S6A.1.1 (1)	Submission Chapter 7
the methodology used for developing the capex forecast	S6A.1.1 (2)	Submission section 7.4
Forecast of load growth relied upon to derive capex forecast	S6A.1.1 (3)	Submission section 7.3
Key assumptions underlying capital expenditure forecast	S6A.1.1 (4)	Submission section 7.5
Certification of the reasonableness of the key assumptions for capex by directors	S6A.1.1 (5)	Attachment 1.4
capex for each of the past regulatory years of the previous and current regulatory control period (categorised same way as the forecast) (Asset Class and Asset Driver [drivers are Augmentation, Replacement and Non network])	S6A.1.1 (6)	Capital Expenditure Model
expected capital expenditure for each of the last years of the current regulatory control period (categorised into asset class and asset driver [asset drivers are Augmentation, replacement and non-network])	S6A.1.1 (6)	Capital Expenditure Model
Margins paid where margins are not at arms length	S6A.1.1 (6)	Submission section 3.6
Explanation of variation of forecast capex from historic capex	S6A.1.1 (7)	Submission Section 7.2.3
Capitalisation policy in capitalising operating expenditure	S6A.1.1 (8)	Submission section 3.5
forecast of operating expenditure - by category, fixed and variable costs; transmission services	S6A.1.2 (1)	Operating Expenditure model
methodology used to develop the operating expenditure forecast	S6A.1.2 (2)	Submission section 8.6
forecast of key variables relied upon to derive the opex forecast; methodology used to derive variables	S6A.1.2 (3)	Submission Chapter 8
Methodology used for determining costs associated with maintenance to improve the performance for the purposes of STPIS	S6A.1.2 (4)	Submission section 8.3.5
Key assumptions underlying opex forecast	S6A.1.2 (5)	Submission Section 8.3
Certification of the reasonableness of the key assumptions for opex by directors	S6A.1.2 (6)	Attachment 1.4
historic opex for each of the first 3 years of the current regulatory control period	S6A.1.2 (7)	RIN
explanation of variation in the forecast opex to historic opex	S6A.1.2 (8)	Opex Model
interaction between forecast capex and forecast opex	S6A.1.3(1)	Submission section 3.4
Proposed STPIS targets	S6A.1.3(2)	Submission chapter 11
EBSS forecast opex	S6A.1.3(3)	Submission section 13.2
CESS proposal	S6A.1.3(3A)	Submission section 4.2
Small scale incentive scheme	S6A.1.3(3B)	Submission section 4.3.2
total revenue and MAR	S6A.1.3(4)	Submission section 10.3

PTRM: inputs used; demonstration that consistent with requirements for revenue submission (Chapter 6A part C)	S6A.1.3(4)	PTRM
calculation of return on equity, return on debt and allowed rate of return	S6A.1.3(4A)	Submission Chapter 6
detail any departures from the AER rate of return guideline	S6A.1.3(4)	Submission chapter 6
formula for calculating annual cost of debt	S6A.1.3(4B)	Submission chapter 6
value of gamma	S6A.1.3(4C)	Submission chapter 6
RAB Rollforward for each year - including inputs, compliant with requirements for revenue submission (Chapter 6A part C)	S6A.1.3(5)	RAB RFM
Depreciation schedules - by asset class and category driver (location)	S6A.1.3(7)	RAB RFM
X factors	S6A.1.3(8)	PTRM
commencement and length of regulatory control period	S6A.1.3(9)	Submission section 1.2
Contingent projects	S6A.1.3(10)	Submission section 7.8
Provide the information required in each regulatory template in the Microsoft Excel Workbooks attached at Appendix A	RIN 1.1	Attachment 1.1
Provide in accordance with this notice and the instructions in Appendix E, a basis of preparation demonstrating Murraylink has complied with this notice	RIN 1.2	this document
Provide any proposed changes to Murraylink's approved cost allocation methodology.	RIN 1.3	Submission 3.3
Provide for the purposes of the preparation of the revenue proposal:	RIN 1.4	
(a) all consultants' reports commissioned and relied upon in whole or in part;	(a)	Attachments/Supporting material
(b) all material assumptions relied upon	(b)	Submission chapter 2; 7 and 8.
(c) a table that references, for the instances where Murraylink has responded to a paragraph in this Schedule 1, where it is provided in or as part of the revenue proposal, proposed pricing methodology and negotiating framework	(c)	This document
(d) a table or chart that references each document provided in or as part of the revenue proposal and its relationship to other documents provided, where	(d)	Murraylink - SD - Murraylink - Index of supporting documents - 20170130 - Public
Provide for each material assumption identified in the response to paragraph 1.4(b)	RIN 1.5	
(a) its source or basis;	(a)	Submission Chapter 7; 8
(b) if applicable, its quantum	(b)	Opex model and Capex

		model
(c) how the assumption has been applied and was taken into account; and	(c)	Submission Chapter 7; 8
(d) the effect or impact of the assumption on the capex and opex expenditure forecasts in the forthcoming regulatory control period taking into account: (i) the actual expenditure incurred during the current regulatory control period; and (ii) the sensitivity of the forecast expenditure to the assumption.	(d)	Submission Chapter 7; 8
Where historical information provided in the regulatory templates has previously been reported to the AER:	RIN 1.6	
(a) this information must reconcile with the previously provided information; or (b) Murraylink must explain why the information does not reconcile.	(b)	Submission section 4.1
For each change identified in the response to paragraph 1.6:	RIN 1.7	
(a) explain the nature of and the reasons for the change	(a)	Submission section 4.1
(b) quantify the effect of the change on the regulatory accounting statements for the relevant regulatory years	(b)	Submission section 4.1
Provide reconciliation of the capex and opex expenditure forecasts provided in the regulatory templates to the ex-ante capital and operating allowances in the post-tax revenue model for the forthcoming regulatory control period.	RIN 1.8	Submission Chapter 10
Where the revenue proposal varies or departs from the application of any component or parameter of the efficiency benefit sharing scheme, capital expenditure sharing scheme or service target performance incentive scheme set out in the framework and approach paper, for each variation or departure explain:	RIN 1.9	
(a) the reasons for the variation or departure, including why the departure is appropriate;	(a)	Section 4.5; 4.4; 4.2
(b) how the variation or departure aligns with the objectives contained in the relevant scheme; and	(b)	Section 4.5; 4.4; 4.2
(c) how the proposed variation or departure will impact the operation of the relevant scheme.	(c)	Section 4.5; 4.4; 4.2
Provide:	RIN 2.1	
(a) the name and a brief description of each category of prescribed transmission service provided by Murraylink that is the subject of the revenue proposal;	(a)	Submission section 1.3
(b) a brief description of the required quality, reliability and security of supply of each prescribed transmission service provided by Murraylink; and	(b)	Submission section 1.3
(c) a brief description of the required reliability, safety and security of the transmission system provided by Murraylink in the supply of prescribed transmission services.	(c)	Submission section 1.3
For all step changes in forecast expenditure (including those due to changes in regulatory obligations or requirements and those due to changes in Murraylink's own policies and strategies) provide:	RIN 3.1	

(a) In Workbook 1 – regulatory determination, regulatory template 2.17, the quantum of the step change: (i) forecast in each year of the forthcoming regulatory control period; and, (ii) expected to be incurred, in the current regulatory control period;	(a)	RIN
(b) a description of the step change.	(b)	Submission section 8.6.4
For each step change listed in response to paragraph 3.1 provide an explanation of:	RIN 3.2	
(a) when the change occurred, or is expected to occur;	(a)	Submission section 8.6.4
(b) what the driver of the step change is;	(b)	Submission section 8.6.4
(c) how the driver has changed or will change (for example, revised legislation may lead to a change in a regulatory obligation or requirement); and	(c)	Submission section 8.6.4
(d) whether the step change is recurrent in nature.	(d)	Submission section 8.6.4
For each step change listed in response to paragraph 3.1 provide justification for when, and how, the step change affected, or is expected to affect:	RIN 3.3	
(a) any relevant opex category;	(a)	Submission section 8.6.4
(b) any relevant capex category;	(b)	Submission section 7.2.5
(c) total opex; and	(c)	Submission section 8.6.4
(d) total capex.	(d)	Submission section 7.2.5
For each step change listed in response to paragraph 3.1 provide the process undertaken by Murraylink to identify and quantify the step change; provide cost benefit analysis that demonstrates Murraylink proposes to address the step change in a prudent and efficient manner, including	RIN 3.4	
(a) the timing of the step change; and	(a)	Submission section 8.6.4
(b) if Murraylink considered a ‘do nothing’ option, evidence of how Murraylink assessed the risks of this option compared with other options.	(b)	Submission section 8.6.4
For each step change listed in response to paragraph 3.1 where the step change is due to a change in a regulatory obligation or requirement, provide:	RIN 3.5	Submission section 8.6.4
(a) relevant variations or exemptions granted to Murraylink during the previous regulatory control period or the current regulatory control period;	(a)	Submission section 8.6.4
(b) relevant compliance audits Murraylink conducted during the previous regulatory control period or the current regulatory control period.	(b)	Submission section 8.6.4
For each step change listed in response to paragraph 3.5 provide, with reference to specific clauses of the relevant legislative instrument(s), the:	RIN 3.6	
(a) previous regulatory obligation or requirement; and	(a)	Submission section 8.6.4

(b) changed regulatory obligation or requirement that is driving the step change.	(b)	Submission section 8.6.4
Provide justification for Murraylink's total forecast capex, including:	RIN 4.1	
(a) why the total forecast capex is required for Murraylink to achieve each of the objectives in clause 6A.6.7(a) of the NER;	(a)	Attachment 7.2
(b) how Murraylink's total forecast capex reasonably reflects each of the criteria in clause 6A.6.7(c) of the NER;	(b)	Attachment 7.2
(c) how Murraylink's forecast capex accounts for the factors in clause 6A.6.7(e) of the NER;	(c)	Attachment 7.2
(d) an explanation of how the plans, policies, procedures and regulatory obligations or requirements identified in regulatory templates 7.1 and 7.3 in Workbook 1 - regulatory determination, consultants reports and assumptions identified in paragraph 1.4 have been incorporated;	(d)	Attachment 7.2
(e) an explanation of how each response provided to paragraph 4.1(a) to (d) above is reflected in any increase or decrease in expenditures or volumes, particularly between the current and forthcoming regulatory control periods, provided in regulatory templates 2.1 and 2.6 in Workbook 1 – regulatory determination.	(e)	Attachment 7.2
Provide the model(s) and methodology Murraylink used to develop its total forecast capex, including:	RIN 4.2	
(a) A description of how Murraylink prepared the forecast capex, including: (i) how its preparation differed or related to budgetary, planning and governance processes used in the normal running of Murraylink's business; (ii) the processes for ensuring amounts are free of error and other quality assurance steps; and (iii) if and how Murraylink considered the resulting amounts, when translated into price impacts, were in the long term interest of consumers;	(a)	Submission section 7.4
(b) any source material used (including models, documentation or any other items containing quantitative data); and	(b)	Attachment 7.2
(c) all calculations that demonstrate how data from the source material has been manipulated or transformed to generate data provided in the regulatory templates in Workbook 1 – regulatory determination.	(c)	Capital Expenditure Model
Identify which items of Murraylink's forecast capex have been:	RIN 4.3	

(a) derived directly from competitive tender processes; (b) based upon competitive tender processes for similar projects; (c) based upon estimates obtained from contractors or manufacturers; (d) based upon independent benchmarks; (e) based upon actual historical costs for similar projects; and (f) reflective amounts for risk, uncertainty or other unspecified contingency factors, and if so, how these amounts were calculated and deemed reasonable.	(a) - (f)	Attachment 7.2
Provide all documents which were materially relied upon and relate to the deliverability of forecast capex and explain the proposed deliverability.	RIN 4.4	Attachment 7.2
Provide:	RIN 5.1	
(a) the model(s) and the methodology Murraylink used to develop its total forecast opex;	(a)	Operating Expenditure Model
(b) justification for Murraylink's total forecast opex, including: (i) why the proposed total forecast opex is required for Murraylink to achieve each of the objectives in clause 6A.6.6(a) of the NER; (ii) how Murraylink's proposed total forecast opex reasonably reflects each of the criteria in clause 6A.6.6(c) of the NER; and (iii) how Murraylink's total forecast opex accounts for the factors in clause 6A.6.6(e) of the NER.	(b)	Submission Section 8.2.1
Provide actual historical opex by category for each year of the current regulatory control period and forthcoming regulatory control period in table 2.16.2 for prescribed transmission services opex.	RIN 5.2	RIN
Provide actual forecast opex by category for each year of the current regulatory control period and forthcoming regulatory control period in table 2.16.2 for prescribed transmission services opex.	RIN 5.2	Submission section 8.7
Provide:	RIN 5.3	
(a) the quantum of non-recurrent costs for each year of the forthcoming regulatory control period; and	(a)	Operating Expenditure Model
(b) an explanation of each non-recurrent cost.	(b)	Submission section 8.6.6
If Murraylink used a revealed cost base year approach to develop its total forecast opex proposal, provide:	RIN 5.4	
(a) in Microsoft Excel format, reconciliation (including all calculations and formulae) of Murraylink's forecast total opex proposal to forecast prescribed transmission services opex by opex driver in table 2.16.1;	(a)	Attachment 8.2
(b) the base year Murraylink used; and	(b)	Submission section 8.6.6
(c) explanation and justification for why that base year represents efficient and recurrent costs.	(c)	Submission section 8.6.6

If Murraylink does not use the revealed costs base year approach to forecasting opex, provide in Workbook 1 – regulatory determination:	RIN 5.5	
(a) forecast expenditure by opex category for each year of the forthcoming regulatory control period in table 2.16.2 for prescribed transmission services opex;	(a)	Submission section 8.6
(b) in Microsoft Excel format, reconciliation (including all calculations and formulae) of Murraylink’s total forecast opex proposal to forecast prescribed transmission services opex by opex category in table 2.16.2;	(b)	Submission section 8.6
(c) explanation of major drivers for the increases and decreases in expenditure by opex category in the forthcoming regulatory control period compared to actual historical expenditure.	(c)	Submission section 8.6
Provide the amount of total forecast opex attributable to changes in output growth for each year of the forthcoming regulatory control period in table 2.16.1 for prescribed transmission services opex.	RIN 5.6	Submission section 8.6
Provide an explanation of:	RIN 5.7	
(a) how, in developing the amount of total forecast opex attributable to changes in output growth, Murraylink applied the output growth change measure in paragraph 5.6; and	(a)	Submission section 8.6
(b) whether Murraylink’s output growth change measure compensates for any form of productivity change or forecast price change.	(b)	Submission section 8.6
Provide the amount of total forecast opex attributable to changes in the price of labour and materials for each year of the forthcoming regulatory control period in table 2.16.1 for prescribed transmission services opex.	RIN 5.8	Submission section 8.6
Provide an explanation of:	RIN 5.9	
(a) how, in developing the amount of total forecast opex attributable to changes in the price of labour and materials, Murraylink applied the real price measures in paragraph 5.8; and	(a)	Submission section 8.6.3
(b) whether Murraylink’s labour price measure compensates for any form of labour productivity change.	(b)	Submission section 8.6.3
Provide the amount of total forecast opex attributable to changes in productivity for each year of the forthcoming regulatory control period in Workbook 1 – regulatory determination, table 2.16.1 for prescribed transmission services opex.	RIN 5.10	Submission section 8.6.3
Provide, in percentage year on year terms, the productivity measure that Murraylink used to develop the amount of total forecast opex attributable to changes in productivity;	RIN 5.11	Submission section 8.6.3
Provide an explanation of:	RIN 5.12	
(a) how, in developing the amount of total forecast opex attributable to changes in productivity, Murraylink applied the productivity measure in paragraph 5.11;	(a)	Submission section 8.6.3
(b) whether Murraylink’s forecast productivity changes capture the historic trend of cost increases due to changes in regulatory obligations or requirements and industry best practice; and	(b)	Submission section 8.6.3

(c) whether Murraylink's productivity measure includes productivity change compensated for by the labour price measure used by Murraylink to forecast the change in the price of labour.	(c)	Submission section 8.6.3
Provide the amount of total forecast opex attributable to opex step changes for each year of the forthcoming regulatory control period in Workbook 1 – regulatory determination, table 2.17.1 for prescribed transmission services opex.	RIN 5.13	Submission section 8.6.4
Provide an explanation of why Murraylink considers:	RIN 5.14	
(a) the efficient costs of the step change are not provided by other components of Murraylink's total forecast opex such as base opex, output growth changes, real price changes or productivity change;	(a)	Submission section 8.6.4
(b) the total forecast opex will not allow Murraylink to achieve the objectives in clause 6A.6.6(a) of the NER unless the step change is included; and	(b)	Submission section 8.6.4
(c) the total forecast opex will not reasonably reflect the criteria in clause 6A.6.6(c) of the NER unless the step change is included.	(c)	Submission section 8.6.4
For each opex category specific forecast, that is forecast on a stand-alone basis and not included in base year opex or step changes, provide:	RIN 5.15	
(a) In Workbook 1 – regulatory determination, regulatory template 2.17, the quantum of the category specific forecast:	(a)	
(i) forecast in each year of the forthcoming regulatory control period; and, if applicable;	(i)	RIN
(ii) incurred, or expected to be incurred, in the current regulatory control period;	(ii)	RIN
(b) a description of the category specific forecast and why it is appropriate to treat this expenditure as a category specific forecast.	(b)	Submission section 8.6.6
Provide	RIN 6.1	
For each of Murraylink's provisions, provide the information required in regulatory template 3.2.3 in accordance with the Australian Accounting Standard AASB 137 Provisions, Contingent Liabilities and Contingent Assets.	(a)	RIN
(b) in a given year, there is an increase in the amount of a provision, provide reasons for this increase, including:	(b)	N/A
(i) the expected timing of any resulting outflows of economic benefits;	(i)	N/A
(ii) an explanation of the uncertainties about the amounts or timing of the outflows;	(ii)	N/A
(iii) supporting consultant's advice, including actuarial reports; and	(iii)	N/A
(iv) if there is no supporting consultant's advice, the process and assumptions Murraylink used in determining the increase in the provision.	(iv)	N/A
(c) Provide the allocation of the movement in total provisions in regulatory template 3.2.3 to:	(c)	N/A
(i) opex;	(i)	N/A

(ii) as-incurred capex by roll forward model asset class;	(ii)	N/A
(iii) as-commissioned capex by roll forward model asset class; and	(iii)	N/A
(iv) other, where the movement in the provision is neither capex nor opex.	(iv)	N/A
(d) Identify and explain any assumptions used for the allocation of asset class provided under paragraph 6.1(c)(ii) and (iii).	(d)	N/A
In Workbook 1 – regulatory determination, regulatory template 2.14, provide the labour and material price changes assumed by Murraylink in estimating Murraylink's forecast capex proposal and the forecast opex proposal. All price changes must be expressed in percentage year on year real terms.	RIN 7.1	RIN
Provide:	RIN 7.2	
(a) the model(s) used to derive and apply the materials price changes, including model(s) developed by a third party;	(a)	Operating Expenditure Model
(b) in relation to labour escalators, a copy of the current Enterprise Bargaining Agreement or equivalent agreement; and	(b)	Submission section 8.6.3
(c) documents supporting or relied upon that accurately explain the change in the price of goods and services purchased by Murraylink, including evidence that any materials price forecasting method explains the price of materials previously purchased by Murraylink.	(c)	Submission section 8.6.3
Provide also an explanation of:	RIN 7.3	
(a) the methodology underlying the calculation of each price change, including:	(a)	
(i) sources;	(i)	Submission section 8.6.3
(ii) data conversions;	(ii)	Submission section 8.6.3
(ii) the operation of any model(s) provided under paragraph 7.2 (a); and	(iii)	Operating Expenditure Model
(iv) the use of any assumptions, such as lags or productivity gains.	(iv)	Submission section 8.6.3
(b) whether the same price changes have been used in developing both the forecast capex proposal and forecast opex proposal; and	(b)	Submission section 8.6.3
(c) If the response to paragraph 7.2(b) is negative, why it is appropriate for different expenditure escalators to apply.	(c)	Submission section 8.6.3
If an agreement provided in response to paragraph 7.2(b) is due to expire during the forthcoming regulatory control period, explain the progress and outcomes of any negotiations to date to review and replace the current agreement.	RIN 7.4	Submission section 8.6.3
Identify and describe all other entities which:	RIN 8.1	
(a) are a related party to Murraylink and contribute to the provision of transmission services; or	(a)	Submission section 3.6

(b) have the capacity to determine the outcome of decisions about the Murraylink's financial and operating policies.	(b)	Submission section 3.6
Provide a diagram of the organisational structure depicting the relationships between all the entities identified in the response to paragraph 8.1.	RIN 8.2	Submission section 3.6
Identify:	RIN 8.3	
(a) all arrangements or contracts between Murraylink and any of the other entities identified in the response to paragraph 8.1 in place during the period 2016-17 to 2022-23 which relate directly or indirectly to the provision of transmission services; and	(a)	Submission section 3.6
(b) the service or services that are the subject of each arrangement or contract.	(b)	Submission section 3.6
For each service identified in the response to paragraph 8.3(b):	RIN 8.4	
(a) provide:	(a)	
(i) a description of the process used to procure the service; and	(i)	Submission section 3.6
(ii) supporting documentation, including but not limited to requests for tender, tender submissions, internal committee papers evaluating the tenders, contracts between Murraylink and relevant provider;	(ii)	Submission section 3.6
(b) explain:	(b)	
(i) why that service is the subject of an arrangement or contract (i.e. why it is outsourced) instead of being undertaken by Murraylink itself;	(i)	Submission section 3.6
(ii) whether the services procured were provided under a standalone contract or provided as part of a broader operational agreement (or similar);	(ii)	Submission section 3.6
(iii) whether the services were procured on a genuinely competitive basis and if not, why; and	(iii)	Submission section 3.6
(iv) whether the service (or any component thereof) was further outsourced to another provider.	(iv)	Submission section 3.6
For each proposed contingent project in the revenue proposal, provide:	RIN 9.1	
(a) a description of the proposed contingent project, including reasons why Murraylink considers the project should be accepted as a contingent project for the forthcoming regulatory control period;	(a)	Submission section 7.8
(b) the proposed contingent capital expenditure which Murraylink considers is reasonably required for the purpose of undertaking the proposed contingent project;	(b)	Submission section 7.8
(c) the methodology used for developing that forecast and the key assumptions that underlie it;	(c)	Submission section 7.8
(d) information that demonstrates that the undertaking of the proposed contingent project is reasonably required to meet one or more of the objectives referred to in clause 6A.8.1(b)(1) of the NER;	(d)	Submission section 7.8
(e) a demonstration that the proposed contingent capital expenditure for each proposed contingent project:	(e)	

(i) is not included (either in part or in whole) in Murraylink's proposed total forecast capex for the forthcoming regulatory control period;	(i)	Capital Expenditure Model
(ii) reasonably reflects the capex criteria, taking into account the capex factors, in the context of the proposed contingent project; and	(ii)	Submission section 7.8
(iii) exceeds either \$30 million or 5 per cent of Murraylink's proposed maximum allowed revenue for the first year of the forthcoming regulatory control period (whichever is larger).	(iii)	Submission section 7.8
(f) the proposed trigger events relating to the proposed contingent project.	(f)	Submission section 7.8
For each proposed trigger event relating to the proposed contingent project referred to in paragraph 9.1(f), demonstrate:	RIN 9.2	
(a) the proposed trigger event is reasonably specific and capable of objective verification;	(a)	Submission section 7.8
(b) the occurrence of the proposed trigger event makes the undertaking of the proposed contingent project reasonably necessary in order to achieve any of the capex objectives;	(b)	Submission section 7.8
(c) the proposed trigger event generates increased costs or categories of costs that relate to a specific location rather than a condition or event that affects the transmission network as a whole;	(c)	Submission section 7.8
(d) the proposed trigger event is described in such terms that the occurrence of that event or condition is all that is required for the transmission determination to be amended under clause 6A.8.2 of the NER;	(d)	Submission section 7.8
(e) the proposed trigger event is a condition or event, the occurrence of which is probable during the forthcoming regulatory control period, but the inclusion of capital expenditure in relation to the proposed trigger event under clause 6A.6.7 of the NER is not appropriate because:	(e)	Submission section 7.8
(i) it is not sufficiently certain that the event or condition will occur during the forthcoming regulatory control period or if it may occur after that regulatory control period or not at all; or	(i)	Submission section 7.8
(ii) the costs associated with the event or condition are not sufficiently certain.	(ii)	Submission section 7.8
Provide a summary of Murraylink's proposed contingent projects for the forthcoming regulatory control period including the proposed contingent capex and trigger events for each proposed contingent project in the Workbook 1 – regulatory determination, regulatory template 7.2.	RIN 9.3	RIN
Identify the policies and strategies and procedures provided in the response to Workbook 1 – regulatory determination, regulatory template 7.1 which relate to the selection of efficient non-network solutions.	RIN 10.1	RIN
Explain the extent to which the provision for efficient non-network alternatives has been considered in the development of the forecast capex proposal and the forecast opex proposal.	RIN 10.2	RIN
Identify each non-network alternative that Murraylink has:	RIN 10.3	
(a) commenced during the current regulatory control period;	(a)	Submission Section 2.4

(b) selected to commence during, or will continue into the forthcoming regulatory control period.	(b)	Submission Section 2.4
For each non-network alternative identified in the response to paragraph 10.3, provide a description, including cost and location.	RIN 10.4	Submission Section 2.4
Provide the data for Worksheet 1- regulatory determination, regulatory template 7.5 (tables 7.5.1 and 7.5.2).	RIN 11.1	RIN
Provide the data for Worksheet 1- regulatory determination, regulatory template 7.5 (tables 7.5.1 and 7.5.2).	RIN 11.1	RIN
For the service component of the STPIS, provide the values that Murraylink proposes are to be attributed to the performance incentive scheme parameters for the purposes of the application to Murraylink of the STPIS in the attached Workbook 1- regulatory determination, regulatory template 7.9, in two parts:	RIN 12.1	
(a) data for 2012 to 2016, and the proposed scheme parameters based on that data is to be provided by 31 January 2017;	(a)	RIN
(b) data for 2013 to 2017, and the proposed scheme parameters based on that data is to be provided by 31 January 2018;	(b)	N/A
(c) the data required in response to paragraph 12.1 (a) and (b) is to be submitted using the regulatory template 7.9 STPIS (table 7.9.1) in the attached Workbook 1 – regulatory determination;	(c)	RIN
(d) an explanation of how the proposed values to be attributed to those performance incentive scheme parameters comply with the requirements of the STPIS;	(d)	Submission section 4.5
(e) an explanation of the method used to calculate the proposed values to be attributed to those performance incentive scheme parameters and provide supporting calculations;	(e)	RIN
(f) performance data (including outage and exclusion data) used to calculated the proposed performance targets in Excel spreadsheet format;	(f)	RIN
(g) for each exclusion claim, please provide supporting evidence which shows how the proposed exclusion claim meets the requirement of the relevant exclusion clause. If such evidence has previously been provided to the AER, Murraylink may refer to its previous submission, and is not required to resubmit the evidence;	(g)	Supporting Documents
(h) an explanation that data provided in paragraph 12(f) are consistently recorded based on the parameter definitions that apply to Murraylink under the service component of the STPIS.	(h)	Submission section 4.5
For the Market Impact Component of the scheme, provide performance data in accordance with Appendix C of the STPIS for the seven calendar years: in two parts:	RIN 12.2	
(a) data for 2010 to 2016 is to be provided by 31 January 2017;	(a)	RIN
(b) data for 2011 to 2017 is to be provided by 31 January 2018;	(b)	N/A
(c) the data required in response to paragraphs 12.2(a) and (b) is to be submitted using regulatory template 7.9 STPIS (table 7.9.4) in the attached Workbook 1- regulatory determination and the Market Impact Component	(c)	

excel workbook (Workbook 2 – MIC) attached to Appendix A to this notice.		
(d) Murraylink is to:	(d)	
(i) make a copy of the Workbook 2 – MIC for each relevant year and label each copy as provided for in the Workbook 2 – MIC	(i)	N/A
(ii) complete each copy of the Workbook 2 – MIC as provided for in Workbook 2 – MIC	(ii)	N/A
(iii) submit to the AER completed copies of the Workbook 2 – MIC with its response to this notice.	(iii)	N/A
(e) For each exclusion claim, please provide supporting evidence which shows how the proposed exclusion claim meets the requirements of the relevant exclusion clause. If such evidence has previously been provided to the AER, Murraylink may refer to its previous submission, and is not required to resubmit the evidence;	(e)	N/A
(f) The Workbook 2 – MIC requests, but is not limited to, the information set out in RIN 12.2(f)	(f)	N/A
Provide Murraylink’s shared assets information in Worksheet 1- regulatory determination, regulatory template 7.4.	RIN 13.1	Submission section 1.3
Provide Murraylink’s calculation of the:	RIN 14.1	
(a) estimated total revenue cap for the forthcoming regulatory control period; and	(a)	Submission section 10.3
(b) maximum allowed revenue for each year of the forthcoming regulatory control period using the AER’s post-tax revenue model, which is to be submitted as part of Murraylink’s revenue proposal.	(b)	Submission section 10.3
Provide details of any departure from the AER’s post-tax revenue model for the calculations referred to in paragraph 14.1 and the reasons for that departure.	RIN 14.2	Submission section 10 intro
Provide Murraylink’s calculation of the RAB for the relevant transmission system for each regulatory year of the current regulatory control period using the AER’s roll forward model, which is to be submitted as part of Murraylink’s revenue proposal.	RIN 15.1	RAB RFM
Provide details of any departure from the underlying methods in the AER’s roll forward model for the calculation referred to in paragraph 15.1 and the reasons for that departure.	RIN 15.2	RAB RFM
If the value of the RAB as at the start of the forthcoming regulatory control period is proposed to be adjusted because of changes to asset service classification, provide details including relevant supporting information used to calculate that adjustment value.	RIN 15.3	RAB RFM
Provide Murraylink’s calculation of the depreciation amounts for the relevant transmission system for each regulatory year of:	RIN 16.1	RAB RFM
(a) the current regulatory control period using the AER’s roll forward model, which is to be submitted as part of the revenue proposal; and	(a)	RAB RFM

(b) the forthcoming regulatory control period using the AER's post-tax revenue model, which is to be submitted as part of the revenue proposal.	(b)	PTRM
Provide details of any departure from the underlying methods in the AER's roll forward model for the calculations referred to in paragraph 16.1 and the reasons for that departure.	RIN 16.2	RAB RFM
Provide details of any departure from the underlying methods in the AER's PTRM for the calculations referred to in paragraph 16.1 and the reasons for that departure.	RIN 16.2	PTRM
Identify any changes to standard asset lives for existing asset classes from the previous determination. Explain the reason/s for each change and provide relevant supporting information.	RIN 16.3	Submission section 5.3.1
Identify any changes to asset classes from the previous determination. Explain the reason/s for using these new asset classes and provide relevant supporting information on their proposed standard asset lives.	RIN 16.4	Submission section 5.3.1
If any existing asset classes from the previous determination are proposed to be removed and their residual values to be reallocated to other asset classes, explain the reason/s for the change and provide relevant supporting information. This should include a demonstration of the materiality of the change on the forecast depreciation allowance.	RIN 16.5	Submission section 5.3.1
Describe the method used to depreciate existing asset classes as at 1 July 2018 (the start of the forthcoming regulatory control period) and provide supporting calculations, if the approach differs from that in the roll forward model.	RIN 16.6	Submission section 10 intro
Provide Murraylink's calculation of the estimated cost of corporate income tax for the forthcoming regulatory control period using the AER's post-tax revenue model, which is to be submitted as part of the revenue proposal.	RIN 17.1	PTRM
Provide details of any departure from the AER's post-tax revenue model for the calculations referred to in paragraph 17.1 and the reasons for that departure.	RIN 17.2	N/A
Identify any changes to standard tax asset lives for existing asset classes from the previous determination. Explain the reason/s for the change and provide relevant supporting information, including Federal tax laws governing depreciation for tax purposes.	RIN 17.3	PTRM
Describe the method used to depreciate existing tax asset classes as at 1 July 2018 and provide supporting calculations, if the approach differs from that in the AER's roll forward model.	RIN 17.4	Submission section 10 intro
Provide Murraylink's calculation of the tax asset base for the relevant transmission system for each regulatory year of the current regulatory control period using the AER's roll forward model, which is to be submitted as part of the revenue proposal.	RIN 17.5	RAB RFM
Provide details of any departure from the underlying methods in the AER's roll forward model for the calculation referred to in paragraph 17.5 and the reasons for that departure.	RIN 17.6	N/A

Identify each difference in the capitalisation of expenditure for regulatory accounting purposes and tax accounting purposes. Provide reasons and supporting calculations to reconcile any differences between the two forms of accounts.	RIN 17.7	Submission section 3.5
Provide charts that set out:	RIN 18.1	
(a) the group corporate structure of which Murraylink is a part; and	(a)	Submission section 3.2
(b) the organisational structure of Murraylink.	(b)	Submission section 3.2
Provide a forecast map of Murraylink's transmission system for the forthcoming regulatory control period.	RIN 19.1	Submission section 1.4
Provide review reports as applicable, prepared in accordance with the requirements set out at Appendix C; and	RIN 20.1	Supporting Documents
Provide all reports from the auditor to Murraylink's management regarding the audit review and/or auditors' opinions or assessment.	RIN 20.2	Supporting Documents
Provide information on existing potential transitional issues (expressly identified in the NER or otherwise) which Murraylink expects will have a material impact on it and should be considered by the AER in making its transmission determination. For each issue, set out the following information:	RIN 21.1	N/A
(a) the transitional issue;	(a)	N/A
(b) what has caused the transitional issue;	(b)	N/A
(c) how the transitional issue impacts on Murraylink; and	(c)	N/A
(d) how Murraylink considers the transitional issue could be addressed.	(d)	N/A
22.1 This clause applies to any information Murraylink provides: (a) in response to Schedule 1; (b) in a regulatory proposal, revenue proposal, proposed negotiating framework, proposed pricing methodology, proposed tariff structure statement, access arrangement proposal or access arrangement for the forthcoming regulatory control period (a Proposal); (c) in a revisions or amendments to a Proposal; (d) in a submission it makes regarding a Proposal or a revised or amended Proposal; (together, Murraylink's information).	RIN 22.1	
If Murraylink wishes to make a claim for confidentiality over any of Murraylink's information, provide the details of that claim in accordance with the requirements of AER's Confidentiality guideline, as if it extended and applied to that claim for confidentiality.	RIN 22.2	Confidential material claims
Provide any details of a claim for confidentiality in response to clause 22.2 at the same time as making the claim for confidentiality.	RIN 22.3	Confidential material claims
Confirm, in writing, that Murraylink consents to the AER disclosing all non-confidential Murraylink information, including on the AER website.	RIN 23.1	Confidential material claims

For all information, other than forecast information, prepare a basis of preparation in accordance with the requirements specified in Schedule 1. The basis of preparation must:	RIN S1.2	RIN Methodology
(a) demonstrate how the information provided is consistent with the requirements of this notice;	(a)	RIN Methodology
(b) explain the source from which Murraylink obtained the information provided;	(b)	RIN Methodology
(c) explain the methodology Murraylink applied to provide the required information, including any assumptions Murraylink made;	(c)	RIN Methodology
(d) explain, in circumstances where Murraylink cannot provide actual information and therefore must provide input using estimated information:	(d)	RIN Methodology
(i) why an estimate was required, including why it was not possible for Murraylink to use actual information;	(i)	RIN Methodology
(ii) the basis for the estimate, including the approach used, assumptions made and reasons why the estimate is Murraylink's best estimate, given the information sought in this notice.	(ii)	RIN Methodology
Prepare all information required under this notice in a manner and form:	RIN s1.3	
(a) that is in accordance with the requirements specified at Schedule 1;	(a)	Proposal
(b) which: (i) is in an electronic format; (ii) includes (where applicable) any underlying calculations and formulae; (iii) does not include information that is hard-coded unless it is referenced to source documentation or information (especially for models provided in response to paragraph 1.1 of Schedule 1); (iv) ensures that information based on derived data or inputs, is linked to that derived data or inputs (especially for models provided in response to paragraph 1.1 of Schedule 1); (v) is not protected or password protected; (vi) allows for precedents and dependents to be traced; (vii) is fully searchable, in text readable format and is capable of text selection and a 'copy and paste' function being applied to it (we prefer that all documents be provided in Microsoft Word, Microsoft Excel, or PDF); and	(b)	Proposal
(c) that is readily available for inspection by, or submission to, the AER.	(c)	Done
1.4 Prepare, using a person(s) who satisfies the requirements of paragraph 2 of Appendix C, review report(s) (as applicable) in accordance with the requirements of this notice. - Auditor	RIN S1.4	Submission section 3.7