

Attachment 1.4

Pro forma Forecast Statements

Revised proposed access arrangement
information

15 November 2022



Access Arrangement (AA) for the period
1 July 2023 to 30 June 2027

EDM 61939975

Contents

- 1. Historic capital expenditure by asset class2
- 2. Historic capital expenditure by reason4
- 3. Forecast capital expenditure by asset class6
- 4. Forecast capital expenditure by reason7
- 5. Historic non-capital costs by activity category9
- 6. Forecast non-capital costs by activity category11

Electricity Networks Pro Forma Forecast Statements

Index

1. Historic capital expenditure by asset class
2. Historic capital expenditure by reason
3. Forecast capital expenditure by asset class
4. Forecast capital expenditure by reason
5. Historic non-capital costs by activity category
6. Forecast non-capital costs by activity category

NOTE: This excel workbook corresponds to Appendix B of the following publication:
"Economic Regulation Authority, Electricity Networks Access Code 2004: Guidelines for Access Arrangement Information"

© Economic Regulation Authority 2010

AMENDMENT RECORD

Version	Date	Pages	Excel workbook
1	26 June 2008	38	7 worksheets
2 (this version)	06 December 2010	49	7 worksheets

Year ending 30 June	16/17	17/18	18/19	19/20	20/21	21/22
June CPI	110.7	113.0	114.8	114.4	118.8	121.0
Index	1.000	1.021	1.037	1.033	1.073	1.093

1. Historic capital expenditure by asset class

Expenditure for period

2017/18 to 2021/22

Description	\$million nominal						\$million real at 30 June 2022					
	Year 1	Year 2	Year 3	Year 4	Year 5	Total	Year 1	Year 2	Year 3	Year 4	Year 5	Total
Covered transmission services												
<i>Transmission cables</i>	8.51	15.28	30.66	16.75	19.47	90.67	9.11	16.11	32.43	17.05	19.47	94.16
<i>Transmission steel towers</i>	0.04	0.10	0.19	0.07	0.09	0.48	0.04	0.10	0.20	0.07	0.09	0.50
<i>Transmission wood poles</i>	14.21	12.06	17.37	16.52	19.31	79.48	15.22	12.71	18.37	16.82	19.31	82.44
<i>Transmission Metering</i>	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<i>Transmission transformers</i>	20.74	26.07	44.81	42.05	38.67	172.35	22.20	27.48	47.39	42.82	38.67	178.57
<i>Transmission reactors</i>	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<i>Transmission capacitors</i>	4.09	7.25	8.95	8.82	6.29	35.40	4.38	7.64	9.47	8.98	6.29	36.76
<i>Transmission circuit breakers</i>	7.44	15.96	26.30	14.75	14.84	79.29	7.96	16.82	27.82	15.02	14.84	82.46
<i>SCADA and Communications</i>	13.12	22.68	23.57	35.44	28.77	123.59	14.05	23.90	24.92	36.09	28.77	127.74
<i>IT</i>	14.17	14.97	18.79	13.28	16.68	77.89	15.17	15.78	19.87	13.52	16.68	81.02
<i>Other Non-Network Assets</i>	26.28	54.59	88.63	51.83	65.04	286.37	28.14	57.53	93.74	52.78	65.04	297.23
<i>Land & Easements</i>	-0.53	5.28	7.15	3.77	10.69	26.35	-0.57	5.56	7.56	3.84	10.69	27.08
<i>Transmission Secondary systems</i>	4.74	8.02	9.98	9.90	7.25	39.90	5.08	8.45	10.56	10.09	7.25	41.42
Total	112.81	182.26	276.41	213.17	227.11	1,011.76	120.78	192.08	292.32	217.09	227.11	1,049.39
Excluded transmission services												
<i>N/A</i>												
Total												
Covered distribution services												
<i>Wooden Pole Lines</i>	189.47	205.38	213.85	244.10	212.37	1,065.16	202.86	216.44	226.17	248.59	212.37	1,106.42
<i>Underground Cables</i>	79.61	96.84	80.16	82.87	80.72	420.20	85.24	102.06	84.78	84.39	80.72	437.18
<i>Transformers</i>	47.11	50.98	41.11	42.15	44.42	225.77	50.43	53.73	43.48	42.93	44.42	234.99
<i>Switchgear</i>	29.12	33.23	26.88	27.72	27.60	144.55	31.18	35.03	28.43	28.23	27.60	150.46
<i>Street lighting</i>	25.58	29.87	24.02	25.34	28.16	132.98	27.39	31.48	25.41	25.81	28.16	138.24
<i>Meters and Services</i>	18.29	27.90	32.12	23.26	18.24	119.82	19.59	29.41	33.97	23.69	18.24	124.89
<i>IT</i>	26.46	29.95	32.44	32.42	39.49	160.75	28.33	31.56	34.31	33.01	39.49	166.70
<i>SCADA & Communications</i>	6.06	6.46	16.21	19.04	16.62	64.39	6.49	6.81	17.14	19.39	16.62	66.45
<i>Other Distribution Non-Network</i>	56.44	50.08	60.37	35.67	82.85	285.42	60.43	52.78	63.84	36.33	82.85	296.24

<i>Distribution Land & Easements</i>	6.69	10.97	15.63	5.05	26.04	64.38	7.17	11.56	16.53	5.14	26.04	66.44
<i>Standalone Power Systems</i>	8.31	8.65	6.63	30.48	35.74	89.81	8.90	9.12	7.01	31.04	35.74	91.81
<i>Storage</i>	1.68	1.10	1.61	0.77	1.83	7.00	1.80	1.16	1.70	0.79	1.83	7.28
Total	494.82	551.42	551.04	568.86	614.09	2,780.23	529.79	581.14	582.76	579.33	614.09	2,887.10
Excluded distribution services												
<i>N/A</i>				N/A						N/A		
Total												
System Management services (i)												
<i>Total</i>				N/A						N/A		
Total												
Other non covered businesses and services (i)												
<i>Total</i>				N/A						N/A		
Total												

Notes

(i) System Management services and Other non covered businesses and services are not reported as these are not part of Western Power's AA5 submission

2. Historic capital expenditure by reason

Expenditure for period

2017/18 to 2021/22

Description	\$million nominal						\$million real at 30 June 2022					
	Year 1	Year 2	Year 3	Year 4	Year 5	Total	Year 1	Year 2	Year 3	Year 4	Year 5	Total
Covered transmission services												
Growth												
Capacity Expansion	15.09	8.51	20.04	33.97	29.58	107.20	16.16	8.97	21.20	34.59	29.58	110.50
Customer Driven	22.40	58.86	115.13	39.85	56.23	292.47	23.99	62.03	121.76	40.58	56.23	304.59
Generation Driven	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Gifted Assets	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Asset replacement and renewal												
Asset Replacement	27.28	48.32	59.68	58.80	41.97	236.05	29.21	50.93	63.11	59.88	41.97	245.10
Improvement in service												
Reliability Driven	0.86	4.10	-3.74	0.17	0.07	1.47	0.92	4.32	-3.95	0.18	0.07	1.54
SCADA & Communications	12.79	21.82	21.87	34.85	27.95	119.28	13.70	22.99	23.13	35.49	27.95	123.26
Compliance												
Regulatory Compliance	21.69	16.52	23.03	23.16	28.22	112.61	23.22	17.41	24.35	23.58	28.22	116.78
Corporate												
IT	14.17	14.97	18.79	13.28	16.68	77.89	15.17	15.78	19.87	13.52	16.68	81.02
Business Support	-1.48	13.10	17.67	9.10	26.42	64.81	-1.59	13.81	18.69	9.26	26.42	66.60
Total	112.81	186.21	272.48	213.17	227.11	1,011.77	120.78	196.24	288.16	217.09	227.11	1,049.39
Excluded transmission services												
N/A	N/A						N/A					
Total												
Covered distribution services												
Growth												
Capacity Expansion	27.97	6.79	14.17	4.46	18.24	71.63	29.94	7.15	14.99	4.54	18.24	74.87
Customer Driven	124.18	126.23	102.76	102.58	110.84	566.60	132.95	133.03	108.68	104.47	110.84	589.98
Gifted Assets	56.48	62.66	48.04	50.41	41.11	258.71	60.47	66.03	50.81	51.34	41.11	269.77
Asset replacement and renewal												
Asset Replacement	73.92	76.98	59.00	65.34	99.27	374.51	79.14	81.13	62.40	66.54	99.27	388.48
State Undergrounding Power Program (SUPP)	7.06	30.98	28.43	30.68	19.00	116.16	7.56	32.65	30.07	31.25	19.00	120.53

Metering	17.79	28.47	36.00	36.91	31.80	150.96	19.05	30.01	38.07	37.59	31.80	156.50
Smartgrid	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Wood Pole Management	120.41	122.45	145.26	160.11	102.78	651.01	128.92	129.05	153.62	163.06	102.78	677.43
Improvement in service												
Reliability Driven	2.00	1.23	10.00	2.34	5.11	20.68	2.15	1.30	10.57	2.38	5.11	21.51
SCADA & Communications	8.15	8.15	25.19	22.10	19.69	83.27	8.73	8.59	26.64	22.50	19.69	86.15
Compliance												
Regulatory Compliance	16.47	30.46	28.71	43.50	54.72	173.85	17.63	32.11	30.36	44.30	54.72	179.11
Corporate												
IT	36.95	39.65	49.06	34.82	44.12	204.61	39.56	41.79	51.89	35.46	44.12	212.82
Business Support	16.73	27.43	39.08	12.61	65.10	160.95	17.91	28.90	41.33	12.85	65.10	166.10
Total	508.11	561.49	585.71	565.86	611.77	2,832.94	544.02	591.74	619.43	576.28	611.77	2,943.24
Excluded distribution services												
N/A				N/A						N/A		
Total												
System Management services (i)												
Total				N/A						N/A		
Total												
Other non covered businesses and services (i)												
Total				N/A						N/A		
Total												

Notes

(i) System Management services and Other non covered businesses and services are not reported as these are not part of Western Power's AA5 submission

3. Forecast capital expenditure by asset class

Expenditure for period	2022/23 - 2026/27					
	\$million real at 30 June 2022					
Description	Year 1	Year 2	Year 3	Year 4	Year 5	Total
Covered transmission services						
<i>Transmission cables</i>	19.9	12.7	13.0	11.7	6.0	63.3
<i>Transmission steel towers</i>	0.1	0.1	0.1	0.1	0.0	0.3
<i>Transmission wood poles</i>	17.8	17.5	18.4	13.2	10.8	77.7
<i>Transmission Metering</i>	0.0	0.0	0.0	0.0	0.0	0.0
<i>Transmission transformers</i>	41.2	44.2	37.0	45.1	25.6	193.1
<i>Transmission reactors</i>	1.4	1.4	1.2	1.2	1.2	6.4
<i>Transmission capacitors</i>	0.8	0.8	0.7	0.7	0.7	3.8
<i>Transmission circuit breakers</i>	25.2	19.9	18.4	18.3	15.2	97.0
<i>SCADA and Communications</i>	37.4	45.6	50.7	49.8	54.7	238.3
<i>IT</i>	15.5	15.5	14.9	16.8	15.7	78.4
<i>Other Non-Network Assets</i>	88.8	92.2	88.9	84.2	40.0	394.0
<i>Land & Easements</i>	0.0	0.0	0.0	0.0	0.0	0.0
<i>Transmission secondary systems</i>	14.0	13.7	12.3	12.0	12.3	64.3
Total	262.1	263.5	255.5	253.2	182.3	1,216.6
Excluded transmission services						
<i>N/A</i>						N/A
Total						
Covered distribution services						
<i>Wooden Pole Lines</i>	175.3	197.6	199.3	196.7	203.5	972.3
<i>Underground Cables</i>	195.2	204.5	221.1	233.0	245.6	1,099.4
<i>Transformers</i>	46.8	49.2	52.2	54.9	54.7	257.7
<i>Switchgear</i>	43.5	46.0	47.6	47.9	48.5	233.4
<i>Street lighting</i>	22.5	23.5	24.0	24.0	24.1	118.2
<i>Meters and Services</i>	65.7	63.0	70.4	62.0	56.8	317.9
<i>IT</i>	40.7	40.7	39.0	44.0	41.1	205.5
<i>SCADA & Communications</i>	26.3	33.5	35.2	37.9	40.4	173.3
<i>Other Distribution Non-Network</i>	60.2	69.0	90.9	58.0	61.4	339.6
<i>Distribution Land & Easements</i>	0.0	0.0	0.0	0.0	0.0	0.0
<i>Standalone Power Systems</i>	56.5	61.2	62.8	60.8	64.8	306.2
<i>Storage</i>	0.0	0.0	0.0	0.0	0.0	0.0
Total	732.8	788.0	842.5	819.2	841.0	4,023.5
Excluded distribution services						
<i>N/A</i>						N/A
Total						
System Management services (i)						
<i>Total</i>						N/A
Total						
Other non covered businesses and services (i)						
<i>Total</i>						N/A
Total						

Notes

(i) System Management services and Other non covered businesses and services are not reported as these are not part of Western Power's AA5 submission

4. Forecast capital expenditure by reason

Expenditure for period

2022/23 - 2026/27

Description	\$million real at 30 June 2022					
	Year 1	Year 2	Year 3	Year 4	Year 5	Total
Covered transmission services						
Growth						
Capacity Expansion	35.9	59.9	43.4	69.3	21.8	230.2
Customer Driven	71.4	39.6	39.5	39.6	17.0	207.1
Gifted Assets	0.0	0.0	0.0	0.0	0.0	0.0
Asset replacement and renewal						
Asset Replacement	52.8	51.4	46.0	45.5	46.7	242.4
Improvement in service						
Reliability Driven	0.0	0.0	0.0	0.0	0.0	0.0
SCADA & Communications	36.4	45.1	50.1	49.2	54.5	235.2
Compliance						
Regulatory Compliance	42.3	42.8	46.1	31.3	25.2	187.7
Corporate						
IT	15.5	15.5	14.9	16.8	15.7	78.4
Business Support	7.9	9.2	15.6	1.4	1.4	35.5
Total	262.1	263.5	255.5	253.2	182.3	1,216.6
Excluded transmission services						
N/A	N/A					
Total						
Covered distribution services						
Growth						
Capacity Expansion	49.1	41.7	49.2	60.9	70.6	271.4
Customer Driven	111.1	110.4	110.0	110.4	102.8	544.7
Gifted Assets	37.9	37.9	38.0	38.0	38.1	189.9
Asset replacement and renewal						
Asset Replacement	203.6	220.5	226.5	219.3	233.5	1,103.3
State Undergrounding Power Program (SUPP)	29.8	39.1	50.5	61.1	63.7	244.2
Metering	64.8	62.1	69.5	61.2	56.0	313.6
Smartgrid	0.0	0.0	0.0	0.0	0.0	0.0
Wood Pole Management	90.9	90.5	77.7	81.4	81.7	422.3
Improvement in service						
Reliability Driven	0.3	0.0	0.0	0.0	0.0	0.3
SCADA & Communications	26.2	33.3	35.0	37.7	40.3	172.6
Compliance						
Regulatory Compliance	59.9	90.0	110.0	101.9	109.7	471.5
Corporate						
IT	40.7	40.7	39.0	44.0	41.1	205.5
Business Support	18.7	21.7	37.0	3.3	3.4	84.1
Total	732.8	788.0	842.5	819.2	841.0	4,023.5
Excluded distribution services						
N/A	N/A					
Total						
System Management services (i)						
Total	N/A					

Total

Other non covered businesses and services (i)

Total

N/A

Total

Notes

(i) System Management services and Other non covered businesses and services are not reported as these are not part of Western Power's AA5 submission

5. Historic non-capital costs by activity category

Expenditure for period

2017/18 to 2021/22

Description	\$million nominal						\$million real at 30 June 2022					
	Year 1	Year 2	Year 3	Year 4	Year 5	Total	Year 1	Year 2	Year 3	Year 4	Year 5	Total
Covered transmission services												
Operations												
SCADA & Communications	10.8	11.1	11.4	12.1	12.7	58.1	11.6	11.7	12.0	12.3	12.7	60.3
Non-revenue cap services	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Network Operations	4.4	4.6	4.7	5.0	5.2	23.9	4.7	4.8	5.0	5.1	5.2	24.8
Maintenance												
Preventive Condition	14.4	14.8	15.2	16.2	17.0	77.6	15.4	15.6	16.0	16.5	17.0	80.6
Preventive Routine	27.7	28.4	29.1	31.1	32.6	148.9	29.6	30.0	30.8	31.6	32.6	154.6
Corrective Deferred	10.7	11.0	11.3	12.1	12.7	57.8	11.5	11.6	12.0	12.3	12.7	60.1
Corrective Emergency	1.3	1.4	1.4	1.5	1.6	7.1	1.4	1.4	1.5	1.5	1.6	7.4
Corporate												
Business Support	30.7	33.1	34.9	38.3	40.5	177.5	32.8	34.9	36.9	39.0	40.5	184.2
Other												
Non-recurring opex	4.8	8.0	2.4	2.4	2.6	20.3	5.2	8.5	2.6	2.5	2.6	21.2
Total	104.8	112.5	110.3	118.7	124.9	571.2	112.2	118.5	116.7	120.9	124.9	593.2
Excluded transmission services												
N/A	N/A						N/A					
Total												
Covered distribution services												
Operations												
Reliability	1.3	1.7	1.9	1.8	1.3	8.0	1.4	1.8	2.0	1.8	1.3	8.4
SCADA & Communications	6.1	6.8	7.2	7.0	9.5	36.6	6.5	7.2	7.6	7.1	9.5	37.9
Non-revenue cap services	13.1	15.1	13.6	12.9	15.2	69.9	14.0	16.0	14.4	13.2	15.2	72.7
Network Operations	13.3	15.5	11.9	11.9	14.3	66.9	14.2	16.4	12.6	12.1	14.3	69.6
Smartgrid	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Maintenance												
Preventive Condition	28.3	27.9	29.8	40.4	37.7	164.2	30.3	29.4	31.6	41.2	37.7	170.1

<i>Preventive Routine</i>	32.3	35.7	30.5	33.0	35.2	166.9	34.6	37.7	32.3	33.7	35.2	173.5
<i>Corrective Deferred</i>	11.4	15.5	12.6	10.9	11.8	62.2	12.2	16.3	13.3	11.1	11.8	64.8
<i>Corrective Emergency</i>	83.8	55.6	68.7	67.7	78.6	354.5	89.8	58.6	72.7	69.0	78.6	368.6
Customer service and billing												
<i>Call Centre</i>	3.8	4.1	4.7	5.3	5.3	23.2	4.1	4.3	4.9	5.4	5.3	24.0
<i>Metering</i>	14.9	15.1	20.5	23.4	21.4	95.3	16.0	15.9	21.6	23.8	21.4	98.8
<i>Guaranteed service level payments</i>	1.5	0.9	2.9	3.4	4.3	13.0	1.6	1.0	3.1	3.4	4.3	13.3
<i>Distribution Quotations</i>	6.7	4.6	6.4	5.4	7.0	30.1	7.2	4.8	6.8	5.5	7.0	31.3
Corporate												
<i>Business Support</i>	73.1	57.4	77.2	70.3	88.9	366.9	78.3	60.5	81.6	71.6	88.9	380.9
Other												
<i>Non-recurring opex</i>	8.8	6.3	6.5	7.2	5.6	34.4	9.5	6.7	6.8	7.3	5.6	35.9
Total	298.4	262.4	294.3	300.6	336.2	1,492.0	319.5	276.6	311.3	306.1	336.2	1,549.7
Excluded distribution services												
<i>N/A</i>				N/A						N/A		
Total												
System Management services (i)												
<i>Total</i>				N/A						N/A		
Total												
Other non covered businesses and services (i)												
<i>Total</i>				N/A						N/A		
Total												

Notes

(i) System Management services and Other non covered businesses and services are not reported as these are not part of Western Power's AA5 submission

6. Forecast non-capital costs by activity category

Expenditure for period

2022/23 - 2026/27

Description	\$million real at 30 June 2022					
	Year 1	Year 2	Year 3	Year 4	Year 5	Total
Covered transmission services						
Operations						
SCADA & Communications	11.2	11.0	11.0	11.0	11.0	55.3
Non-revenue cap services (i)			N/A			
Network Operations	4.6	4.5	4.6	4.5	4.5	22.7
Maintenance						
Preventive Condition	15.0	14.7	14.7	14.7	14.7	73.8
Preventive Routine	28.8	28.3	28.2	28.1	28.2	141.6
Corrective Deferred	11.2	11.0	11.0	10.9	11.0	55.0
Corrective Emergency	1.4	1.3	1.3	1.3	1.3	6.8
Corporate						
Business Support	31.9	32.9	33.8	34.7	35.0	168.4
Other						
Non-recurring opex	5.0	8.0	2.3	2.2	2.2	19.8
Total	109.0	111.8	106.9	107.6	107.9	543.2
Excluded transmission services						
N/A			N/A			
Total						
Covered distribution services						
Operations						
Reliability	1.8	1.8	1.8	1.8	1.8	9.2
SCADA & Communications	11.7	11.6	11.6	11.6	11.7	58.2
Non-revenue cap services (i)	0.0	0.0	0.0	0.0	0.0	0.0
Network Operations	12.2	12.2	12.2	12.3	12.3	61.2
Smartgrid	0.0	0.0	0.0	0.0	0.0	0.0
Maintenance						
Preventive Condition	44.0	44.3	44.8	45.7	46.9	225.7
Preventive Routine	44.5	50.4	56.4	58.9	59.4	269.5
Corrective Deferred	11.5	11.4	11.4	11.5	11.6	57.3
Corrective Emergency	76.3	75.9	75.8	76.3	76.9	381.3
Customer service and billing						
Call Centre	5.8	5.8	5.8	5.8	5.9	29.1
Metering	24.8	23.6	22.9	22.3	21.4	115.0
Guaranteed service level payments	3.7	3.7	3.7	3.8	3.8	18.7
Distribution Quotations	5.3	5.3	5.3	5.3	5.4	26.5
Corporate						
Business Support	78.7	81.2	83.5	85.6	86.3	415.4
Other						
Non-recurring opex	8.8	8.2	7.7	7.7	7.8	40.1
Total	328.9	335.5	343.0	348.6	351.1	1,707.1
Excluded distribution services						
N/A			N/A			
Total						
System Management services (ii)						
Total			N/A			

Total	
Other non covered businesses and services (ii)	
<i>Total</i>	N/A
Total	

Notes

(i) Non-revenue cap services are not reported as these are excluded from Western Power's AA5 submission

(ii) System Management services and Other non covered businesses and services are not reported as these are not part of Western Power's AA5 submission