

Early Scoping Discussion



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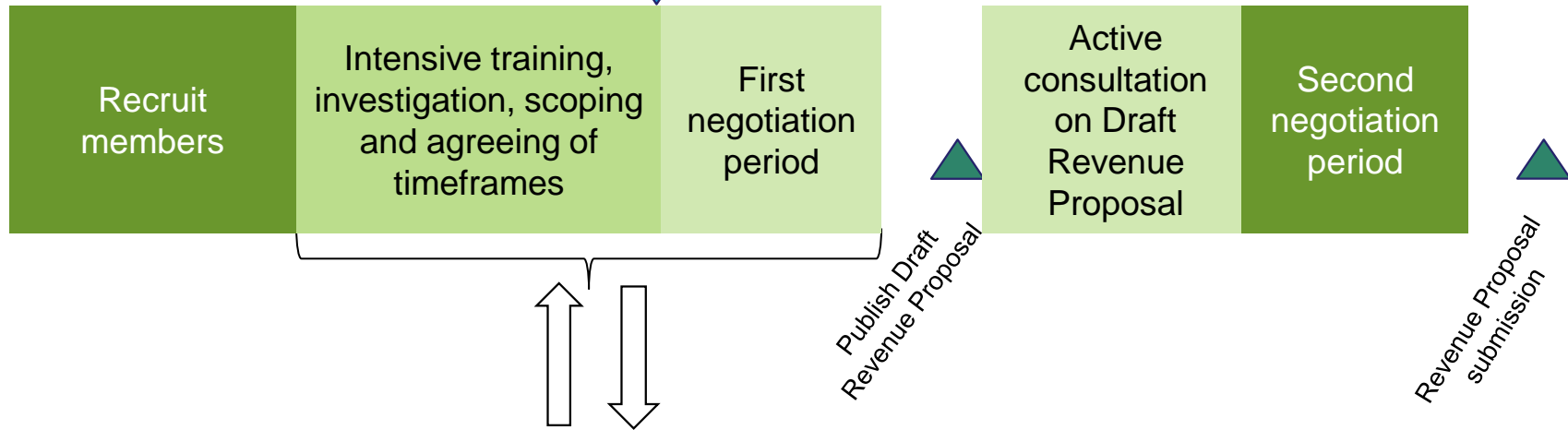
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Timelines

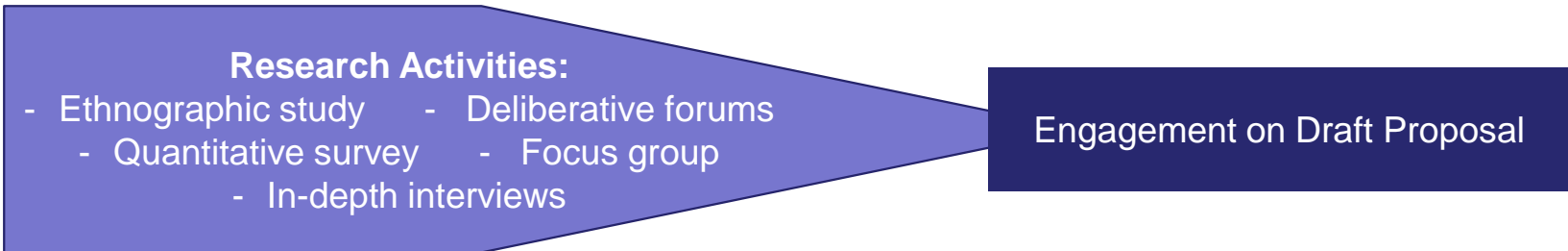


Timeframes agreed for all issues in scope

Customer Forum



Customer Research



Scope of negotiation

Materiality

How material is the expenditure or revenue impact?

Major expenditure items should be in scope (subject to the other criteria), e.g. replacement programs, major projects

Discretion

What level of discretion applies to the expenditure?

AER Guideline matters (i.e. rate of return, gamma) and safety obligations (e.g. REFCL) should be out of scope, but will be important context

Customer preferences

Do customers support and are willing to pay for new services or accept lower service levels?

For example, customer preferences should drive decisions around investing in, and recovering, DER integration expenditure

Trade-offs

Do genuine expenditure trade-offs exist?

If so, this should be amenable to negotiation (e.g. network vs non network solutions to addressing network constraints)

The scope will be agreed by AusNet Services, the AER and the Customer Forum during the period from April to July 2018

Early Thinking – ‘In Scope’ Topics



- Capital expenditure
 - Solar PV integration
 - Augmentation for demand growth
 - Customer Connections
 - Components of replacement program
- Operating expenditure

Welcome early views from the Customer Forum and the AER

Components of Proposal in 2016-20

