

ASX Announcement

30 June 2021

Transmission Revenue Review 2022-27 Draft Decision

The Australian Energy Regulator (**AER**) published its Draft Decision on AusNet's 2022-27 Transmission Revenue Review Initial Proposal earlier today. The following table summarises the AER's Draft Decision, relative to AusNet's Initial Proposal submitted on 29 October 2020.

	Initial Proposal* (\$M)	Draft Decision (\$M)	% Difference
Total Revenue	2,883	2,838	-2%
Total Capital Expenditure (real 2022\$)	796	752	-6%
Total Operating Expenditure** (real 2022\$)	1,423	1,319	-7%

* As amended in February 2021 to reflect updated Easement Land Tax forecast

** Including Easement Land Tax

The reduction in revenue is driven by two operating expenditure step changes (totalling \$99M) for which the AER has requested more information. These are for a future increase in council rates and to fund required increases in cyber security capabilities. AusNet will provide the AER with the information sought as part of its Revised Proposal.

The resulting revenue reduction from these step changes has been partly offset by the AER's new Inflation Forecasting approach along with recent increases in the 10-year bond rate.

AusNet will formally respond with a Revised Proposal in early September. A Final Decision is expected by 31 January 2022.

For a full copy of the Draft Decision, please refer to the AER's website, www.aer.gov.au.

Naomi Kelly
Company Secretary

.....
This announcement was authorised for release by the Disclosure Committee of AusNet Services Ltd

Investor Relations Enquiries

John Nicolopoulos
Head of Tax & Investor Relations
+61 3 9695 6301 or +61 409 672 912

Media Enquiries

Adrian Hill
Acting Executive General Manager
Regulation and External Affairs
+ 61 3 9483 0989