



Reset Financial Fact Sheets

2025-30 Regulatory Engagement

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About this document

SA Power Networks is the primary electricity distribution network service provider in South Australia, operating in a complex and changing electricity industry.

Being a monopoly business, our revenues are determined by an independent regulator, the Australian Energy Regulator (AER), in accordance with a legislated regulatory framework.

Our allowed revenues, and the tariff structures through which we recover these revenues from our customers, are determined, or “Reset”, by the AER every five years. Our allowed revenue for the current, 2020-25 regulatory period is \$3,914.6 million.

The first step in our Reset process is developing a “Regulatory Proposal” which sets out our proposed work plans, and the associated expenditure and revenue forecasts to deliver those plans over the next regulatory period (1 July 2025 – 30 June 2030). Our next Proposal is due to be submitted to the AER by January 2024. The AER will then review our Proposal and finalise our 2025-30 expenditure and revenue allowances by April 2025.

We are committed to ensuring our “2025-30 Regulatory Proposal” reflects our customers’ priorities and preferences so that we are investing appropriately to provide the services that our customers value now and in the future. Across 2022-23, we are engaging deeply with a wide range of customers, customer representatives and other stakeholders to ensure a ‘customer-centric’ 2025-30 Regulatory Proposal.

In doing so, we understand that the electricity industry is complex and can be confusing for many. Therefore, to help inform customers and stakeholders we have prepared this document to provide relatively brief, high-level background information on:

- the electricity industry in South Australia
- the state and national electricity regulatory framework that SA Power Networks and the AER operate within
- each of the revenue “building blocks” that the AER uses to determine our revenue



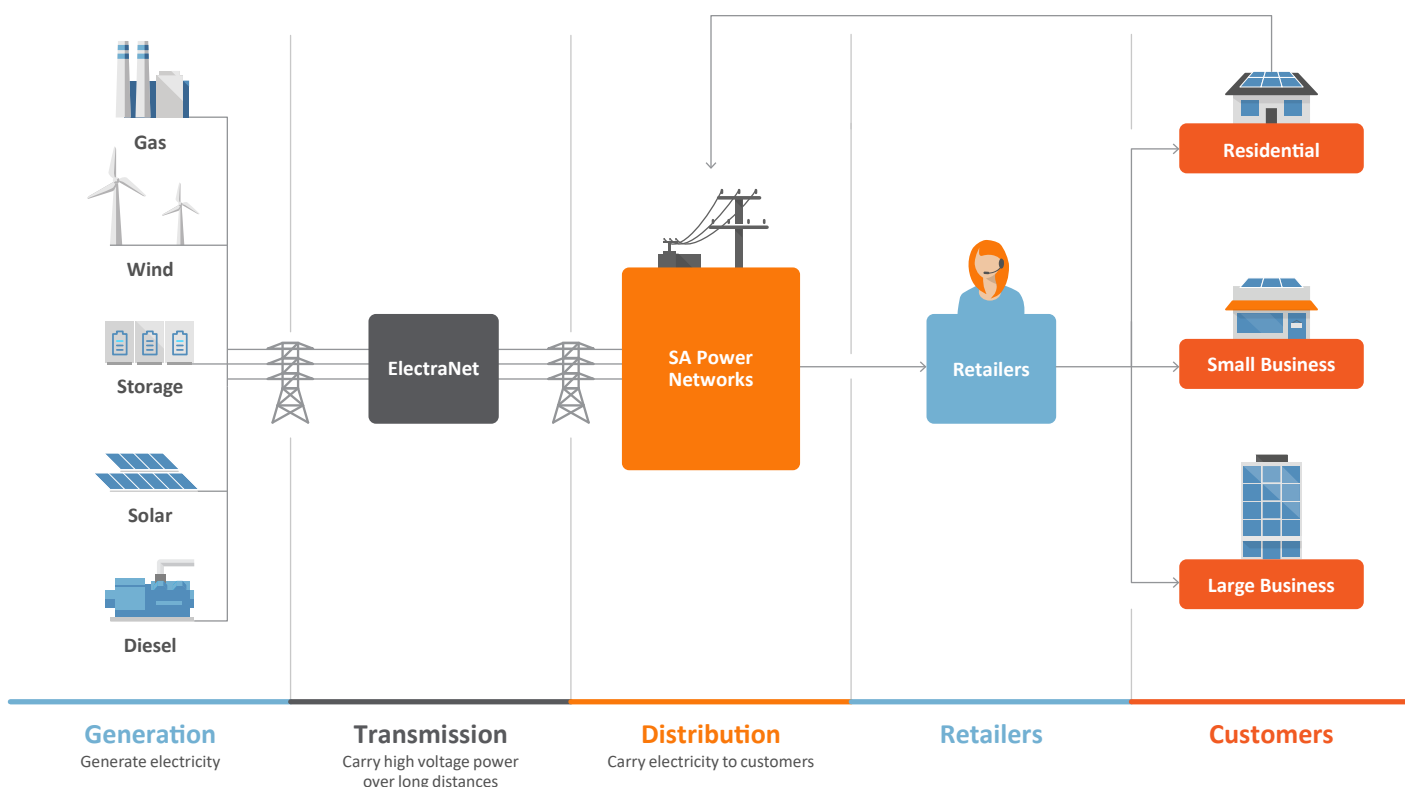
1. SA Power Networks 2025-30 Reset process

1.1 SA Power Networks and the electricity industry in South Australia

In South Australia, electricity is generated in bulk by large-scale gas and diesel-fired power stations, wind farms and solar systems connected to ElectraNet's high voltage transmission network.

South Australia is also part of the Australian National Electricity Market which operates between the interconnected states of Queensland, New South Wales, Victoria, Tasmania and the ACT. These states are connected by high voltage transmission lines and an undersea cable.

SA Power Networks' electricity distribution network connects to ElectraNet's transmission network. We operate a sub-transmission network and more than 400 zone substations around the state, reducing the high voltage electricity to lower voltages. SA Power Networks then distributes the electricity from these substations to over 900,000 homes, businesses, and the wider community of 1.7 million people.



Over the last decade, many of our customers have invested in their own roof-top solar and battery systems. More than a third of our customers have now installed these systems. On mild sunny days when customer electricity demand is low and solar generation is high, electricity generated from these solar systems can flow back into the distribution network, reversing the direction of power flow. Collectively, these systems are now the largest generator of electricity in South Australia.

Due to the high costs of duplication of the transmission and distribution network assets, these elements of the industry are considered natural monopolies.

The generation and retail sectors of the electricity industry are highly competitive. Generators bid a price for the electricity they are prepared to supply to the National Electricity Market and the Australian Energy Market Operator then accepts sufficient offers, at the least cost, to meet demand every 5 minutes.

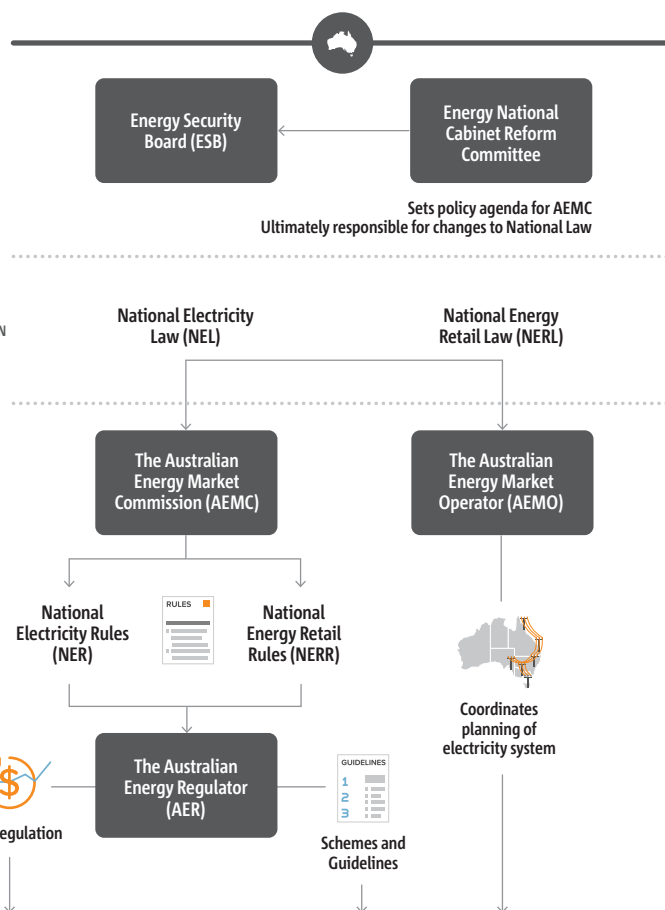
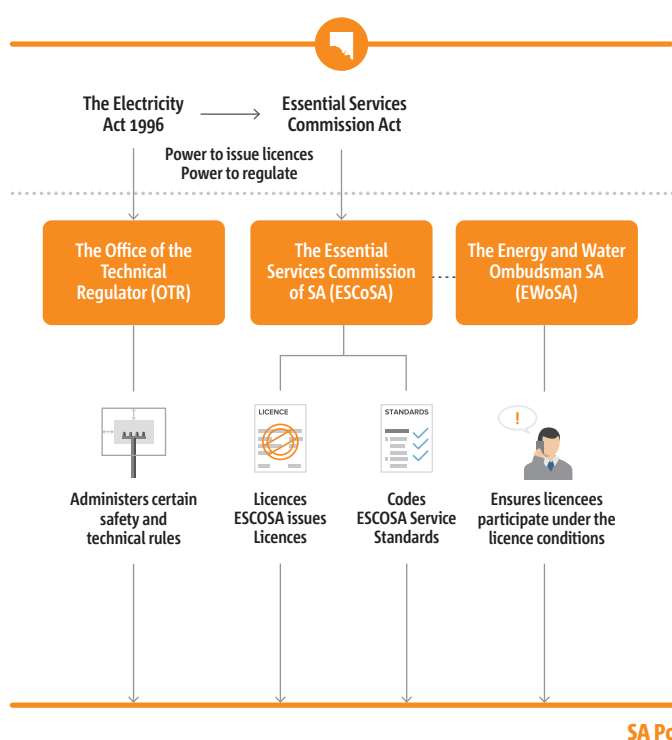
Retailers purchase wholesale electricity from the market and sell it to the customers. Retailers' bills to their customers also includes transmission and distribution network charges, recovering the costs of delivering the electricity, costs for government environmental schemes and a profit margin.

Customers with solar systems can 'export' excess electricity generated from their systems back into the grid, which is then purchased by their retailer. To encourage more solar electricity generation in the State, South Australian Government distributor feed-in tariff schemes have also been in operation since 2008, adding to the effective 'price' customers receive for electricity exported into the network. These schemes will cease operation in 2028.

1.2 The South Australian and national regulatory framework

As monopoly businesses, transmission and distribution network service providers are regulated under comprehensive and complex state and national legislated regulatory frameworks.

SA Power Networks Regulatory Framework



The National Electricity Market operates within a complex national legislative framework with national rules and an overarching National Electricity Objective:

*To promote the efficient investment in, and efficient operation and use of, electricity services for the **long-term interests of consumers** of electricity with respect to **price, quality, safety, reliability, and security of supply** of electricity, and the reliability, safety and security of the national electricity system.*

Key institutions operating under this framework include:

- The Australian Energy Market Commission which administers the National Electricity Rules and National Energy Retail Rules, and changes to those rules
- The Australian Energy Market Operator which manages the day-to-day, real time operation of the electricity market.
- The Australian Energy Regulator which enforces industry participants' compliance with the rules and is the economic (price) regulator for transmission and distribution network service providers – setting revenue allowances and the prices these entities can charge for their services.
- In South Australia, the Government's Office of the Technical Regulator ensures that we always meet the safety and technical requirements.
- The Essential Services Commission of South Australia licenses electricity companies and sets customer supply reliability and other service standards that we must meet.
- The Energy and Water Ombudsman also plays an important role in promptly resolving disputes between energy and water consumers and the providers of those services.

1.3 The Reset process: five-year regulatory revenue determinations

Every 5 years, in accordance with the National Electricity Rules (NER), SA Power Networks must submit a Regulatory Proposal to the AER setting out our proposed plans and estimated expenditure required to manage the distribution network and maintain customer service levels during the next 5-year regulatory period.

SA Power Networks' next Regulatory Proposal will be for the regulatory period commencing 1 July 2025 and ending 30 June 2030. The Regulatory Proposal will set out the total revenue required to deliver our 2025-30 work plans and the

distribution tariff structures through which we propose to recover that revenue from customers. Extensive customer engagement on our work plans underpins and shapes the operating and capital expenditure proposals we put forward to the AER.

The AER considers our full Regulatory Proposal together with stakeholder feedback on our Proposal and ultimately makes a revenue determination, setting out the allowed revenue that SA Power Networks may recover from its customers over the next period – and the tariff structures which will apply for the period.



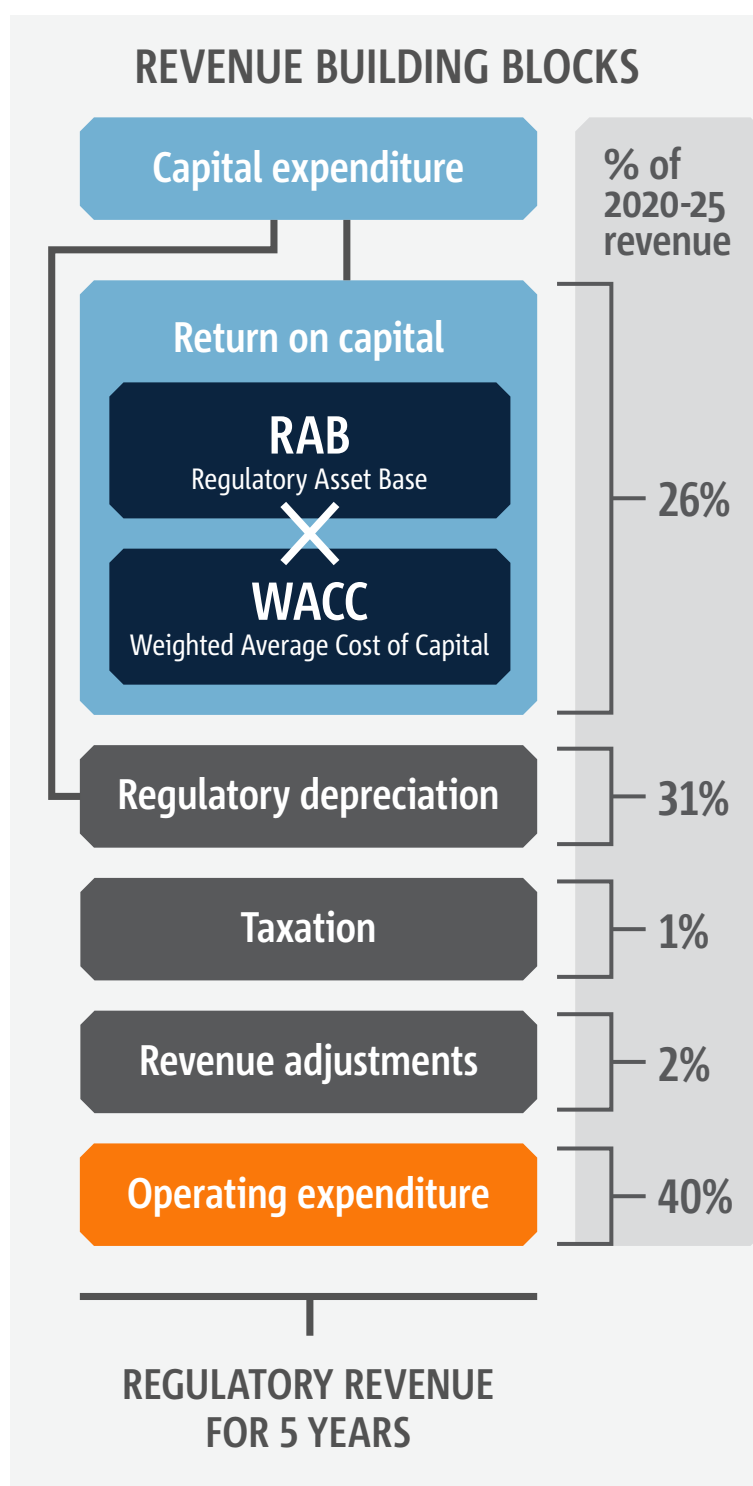
1.4 Revenue building blocks

The revenue allowed for each regulatory year is determined using a building block approach. The building blocks are stipulated in the NER (National Electricity Rules) as:

- indexation of the regulatory asset base (RAB)
- return on capital for that year
- the depreciation for that year
- the estimated cost of corporate income tax for that year
- the revenue increments or decrements (if any) for that year arising from the application of incentive schemes
- the other revenue increments or decrements (if any) for that year arising from the application of a control mechanism in the previous regulatory control period
- the revenue decrements (if any) for that year arising from the use of assets that provide standard control services to provide certain other services
- the forecast operating expenditure for that year.

In the following chapters we discuss further each of the five revenue blocks which summate to the total revenue allowance:

- Return on capital (incorporating the rate of return and regulatory asset base)
- Regulatory depreciation
- Regulatory taxation
- Revenue adjustments (incorporating incentive schemes and use of assets to provide other (unregulated) services)
- Forecast operating expenditure.



1.5 Scope of customer engagement

Our 2025 – 2030 Reset engagement program will ensure customers and stakeholders are central to determining the future capital and operating expenditure blocks. This will involve consideration of alternative work plans and expenditure options and deliberating over the different price-service trade-offs of various options.

Other revenue building blocks will be determined by already-agreed methods and parameters.

We will include customers in our deliberations and actively engage with them as we develop our Regulatory Proposal. Customers will be provided with appropriate background information such as the effects of our total revenue on their distribution bills. This information will include the latest financial market forecasts and other factors influencing our total revenue.

Note: while there is a 'one-for-one' relationship between additional operating expenditure and revenue allowances, the relationship between capital expenditure and revenue allowance is more complex.

Network businesses have regulatory asset bases (RABs) which increase in value for new capital expenditure invested and decrease in value for depreciation of those assets over the economic life of those assets. We have a range of asset classes with regulatory lives varying from as short as 5 years for IT and light vehicle assets to as long

as 55 years for poles and wires assets. We are allowed a regulated rate of return (the weighted average cost of capital (WACC)) on our regulatory asset base and this 'Return on Capital' is one revenue item associated with capital expenditure.

We also are allowed to recover the costs of our capital investments through a depreciation allowance, over the life of the assets created. This return of capital is the Regulatory Depreciation building block and is the second revenue item associated with capital expenditure.

To reiterate, the operating expenditure allowance adds directly to the revenue allowance, but capital expenditure allowances add to the revenue allowances over the economic life of those assets by:

- increasing the RAB and thereby the allowed return on capital revenue building block
- increasing the depreciation allowance.

The impact on revenue from capital expenditure will vary by:

- the amount of CAPEX (Capital Expenditure) invested
- the type of asset created (dictating the life over which the asset will be depreciated)
- the regulated rate of return (WACC).

These matters and the other components of our total revenue allowance are discussed further in the following chapters.

2. Return on Capital

2.1 Background

The electricity distribution sector is a capital-intensive industry with long-lived assets, and the return on capital building block currently accounts for 26% of SA Power Networks' total allowed revenue.

The AER calculates the return on capital allowance by applying a regulated rate of return to the value of the RAB. For 2020-25, SA Power Networks' allowed rate of return is approximately 4.6% post-tax nominal. This figure is updated annually over 2020-25 for the actual cost of debt.

The Return on Capital revenue building block is calculated within the AER's Post Tax Revenue Model (PTRM).

The allowed rate of return objective is stated in the National Electricity Rules (NER). The objective states that the rate of return for a Distribution Network Service Provider is to be commensurate with the financing costs of a 'benchmark efficient entity'.

The AER estimates the rate of return by combining the returns of equity and debt. The allowed rate of return provides the business with a return on capital to service the interest on its loans and give a return on equity to investors.

Estimating the rate of return is important to promote efficient prices in the long-term interests of customers. If the rate of return is too low, the network business may not be able to attract sufficient funds to make the required investments in the network and ensure supply reliability. On the other hand, if the rate of return is set too high, the network business may spend more than is efficiently needed, leading to customers paying a higher tariff.

The AER determines the effective real rate provided to investors over time by estimating the rate of nominal return and the inflation expected over the next 5 years.

REVENUE BUILDING BLOCKS

Return on capital

Regulatory
depreciation

Taxation

Revenue
adjustments

Operating
expenditure

What does it mean?

The return on capital reflects the debt and equity financing costs of an efficient stand alone electricity distribution business, with an allowed rate of return periodically determined by the AER. SA Power Networks is currently allowed a 4.6% return on the value of its regulated asset base.

2.2 Rate of Return Instrument

The AER publishes a Rate of Return Instrument (RORI) every four years.

This instrument is binding for all AER-regulated gas and electricity transmission and distribution network businesses. SA Power Networks' 2020-25 Revenue Determination was made under the provisions specified in the 2018 RORI. Our 2025-30 Determination will be made under the provisions specified in the 2022 RORI, to be published by the AER in December 2022.

The RORI specifies how the AER will estimate the return on debt, the return on equity, and the overall rate of return. These are each complex matters in themselves and are beyond the scope of this document.

SA Power Networks will apply the binding 2022 RORI to calculate the allowed rate of return for the 2025-30 Reset period.

2.3 Rate of Return Parameters

The NER (National Electricity Rules) provides that the cost of capital must be calculated as a 'nominal vanilla' weighted average cost of capital (WACC). The AER calculates the WACC in accordance with the formula set out below.

$$WACC = 40\% \times \text{Return on equity} + 60\% \times \text{Return on debt}$$

The table below summarises key parameters specified in the 2018 RORI and our 2020 Determination and compares these with the expected 2022 RORI*.

	AER final decision (2020-25)	AER 2022 RORI*	Allowed return over regulatory control period
Return on equity (nominal post-tax)	4.56%	7.84%	Constant for period
Return on debt (nominal pre-tax)	4.87%	4.56%	Updated annually with reference to current corporate bond rates
Nominal vanilla WACC	4.75%	5.87%	Updated annually for return on debt

*2022 RORI figures shown are based on the AER's June 2022 Draft RORI and forward rates as of 10 May 2022. The AER will settle the Final 2022 RORI in December 2022.

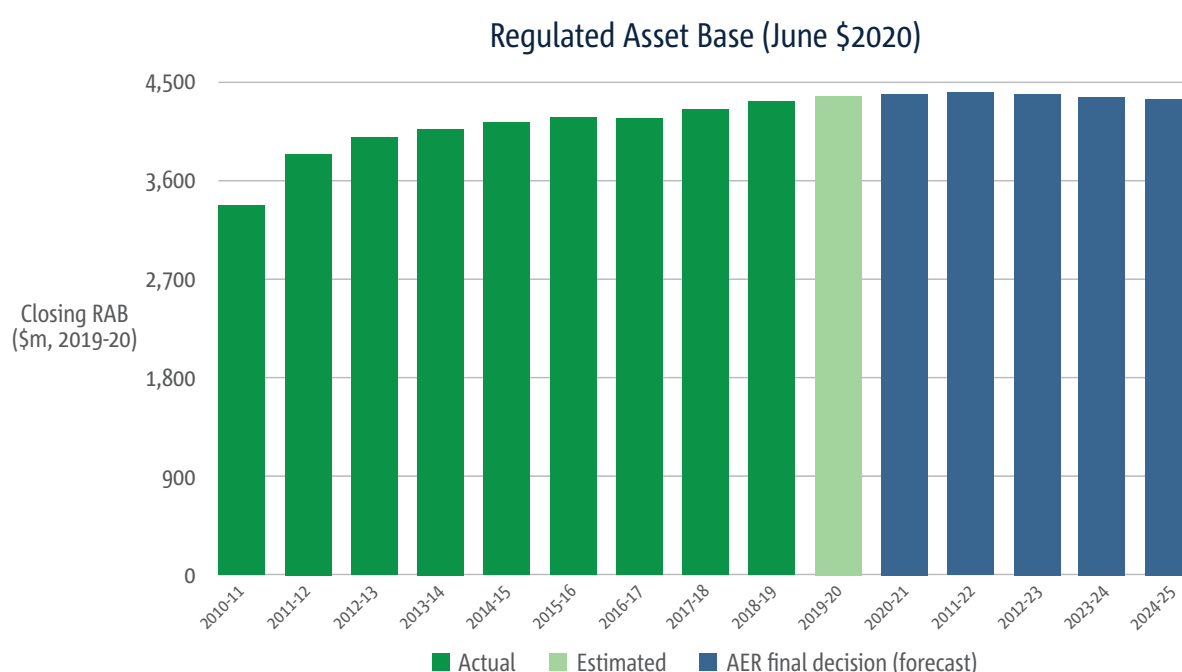
2.4 Regulated Asset Base

The Return on Capital revenue allowance is calculated as the Rate of Return multiplied by the forecast opening regulated asset base (RAB) as of 1 July each year.

Each year there are increases to the RAB value for new capital expenditure incurred in that year and decreases to the RAB value for depreciation of existing (and new) assets. The forecast opening

RAB value for the 2025-30 period (i.e., on 1 July 2025) will be calculated in the AER's Post Tax Revenue Model.

The chart below illustrates SA Power Networks' RAB, based on the AER's 2020 determination. In real terms (after allowing for inflation) SA Power Networks' RAB is forecast to decrease by 0.5% over the 2020-25 period.



2.5 Expected Inflation

The AER published its current methodology for the regulatory treatment of inflation in December 2020. The AER's forecast inflation and the nominal estimate of the rate of return, together determine the effective real return that will be provided to investors over the next regulatory period.

The AER's inflation forecast is determined over a term that matches the regulatory period (typically 5 years). It comprises:

- the Reserve Bank of Australia (RBA) forecast for years 1 and 2
- a linear glide-path over years 3 to 5, calculated from the RBA's year 2 forecast to the mid-point for the RBA's inflation target band (2.5%) in year 5.

SA Power Networks will apply this methodology to calculate expected inflation over 2025-30 for the 2025 Reset.

3. Regulatory Depreciation

3.1 Background

Regulatory Depreciation is the allowance provided for capital investors to recover their investment over the asset’s economic life.

Currently, 31% of SA Power Networks’ total allowed revenue comes from Regulatory Depreciation. The Regulatory Depreciation Building Block is calculated by the AER’s Post Tax Revenue Model (PTRM). The PTRM uses AER-determined asset lives, ranging between 5 years and 55 years.



REVENUE BUILDING BLOCKS

Return on capital

Regulatory
depreciation

Taxation

Revenue
adjustments

Operating
expenditure

3.2 SA Power Networks' approach

For the 2025 Reset, we do not propose any changes to asset categories or regulatory lives as previously agreed with the AER. The table below lists the standard asset categories and lives for the 2020-25 period.

Asset class	Standard asset life (years)
Sub-transmission lines	55
Distribution lines	55
Substations	45
Distribution transformers	45
Low voltage service lines	55
Communications equipment	15
Contributions from customers	n/a
Land	n/a
Substation land	n/a
Easements	n/a
Buildings	40

Asset class	Standard asset life (years)
Heavy vehicles - 15 year	15
Heavy vehicles - 10 year	10
Light vehicles	5
IT assets	5
Plant & tools/office furniture	10
Sub-transmission and distribution lines - short life	25
Substations and transformers - short life	20
Electronic network assets	15
In-house software	5
Equity raising costs	n/a

RAB roll forward – use of forecast depreciation

The opening regulated asset base (RAB) at each revenue determination is based on a roll forward of the RAB from the previous regulatory period. This roll forward is calculated in the AER's Roll Forward Model (RFM).

In the AER's 2020 Determination, depreciation for the roll forward of the asset base to 2025 will be based on forecast depreciation over 2020-25, irrespective of the actual capital expenditure we spend over the 2020-25 period. This forecast depreciation approach encourages us to spend no more than our allowance for capital expenditures for 2020-25 (along with the Capital Expenditure Sharing Scheme, which is discussed further in section 5.3).

The AER is currently reviewing the Incentive Schemes to apply for the next round of revenue determinations. Subject to any changes to the Capital Expenditure Sharing Scheme (CESS), we will continue using forecast depreciation for the roll forward of the RAB from 2025-2030.

Year-by-year tracking approach

As per the AER's Standard Depreciation Model, SA Power Networks will propose to continue using the 'year-by-year tracking' approach to calculate the forecast straight-line depreciation amounts for its asset values as of 1 July 2025. This approach tracks the assets by asset classes and implements straight-line depreciation. This is consistent with the determinations for the 2015-20 and 2020-25 regulatory control periods.

3.3 Longer-term term Revenue Impacts from Depreciation

One of the consequences arising from the Year-by-Year Tracking approach is that the assets making up the RAB as of 2010 (when the AER became responsible for regulating SA Power Networks) are depreciated separately by asset class until they become fully depreciated.

Over the period 2025 to 2032, most of the existing network assets in the RAB in 2010 will become fully depreciated. The Low Voltage service lines asset class is the first major class

affected, becoming fully depreciated in 2024/25. Substations and Distribution Transformers follow in 2028/29 and Distribution lines in 2031/32. Assets constructed in these asset classes post-2010 remain in the RAB for the remainder of their agreed asset lives (see table above).

The expiry of 2010 Low voltage service line assets in 2024-25 reduced the 2020-25 allowed depreciation revenue by approximately \$9 million. The 2025-30 allowed depreciation revenue will reduce by more than \$200 million as other 2010 asset classes expire.

What does it mean?

Depreciation is the allowance provided to enable capital investors to recover their investment over the asset's economic life.



4. Regulatory Taxation

4.1 Background

The taxation revenue building block is an allowance for the estimated cost of corporate income tax for the 2025-30 regulatory period. Under the post-tax framework, this allowance is calculated using the AER's post-tax revenue model (PTRM).

In December 2018, the AER released a report on a review of this calculation. It resulted in significant amendments to the calculation of this allowance.

SA Power Networks will continue applying AER's 2018 regulatory tax methodology, with Imputation Credits to be applied per the 2022 Rate of Return Instrument.

For the 2020-25 period, the regulatory taxation allowance accounts for 0.6% of SA Power Networks' total revenue allowance.

SA Power Networks will continue to apply AER's 2018 regulatory tax methodology, with Imputation Credits to be applied as per the 2022 Rate of Return Instrument.

The 2025-30 taxation allowance will likely decrease, and it might even be zero if a significant amount of capital expenditure forecast for 2025-30 is immediately deductible for tax purposes, reducing the expected tax liability.

REVENUE BUILDING BLOCKS

Return on capital

Regulatory
depreciation

Taxation

Revenue
adjustments

Operating
expenditure

What does it mean?

The regulatory Taxation building block incorporates the adjustment for the projected cost of corporate income tax calculated using the AER's Post-tax Revenue Model (PTRM).

5. Revenue adjustments

5.1 Background

One of the 2025-30 revenue building blocks is an allowance for certain ‘Revenue Adjustments’. This comprises revenue adjustments for:

- rewards (or penalties) earned from the Efficiency Benefit Sharing Scheme (EBSS) and the Capital Expenditure Sharing Scheme (CESS) during the 2020-25 period
- a deduction of 10% of any unregulated revenue that is forecast to be earned through regulated assets during the 2025-30 period
- a demand management innovation allowance mechanism (DMIAM).

Together, these adjustments account for 2% of SA Power Networks’ total revenue allowed in 2025-30.

Each of these is discussed below.

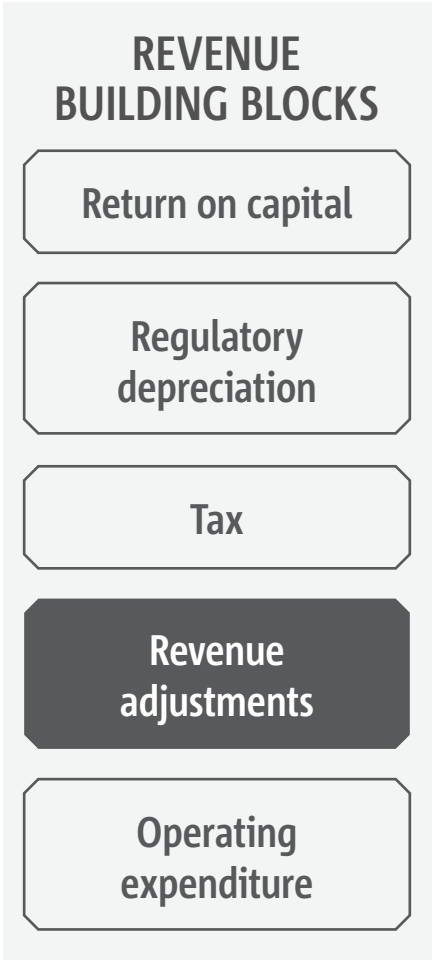
5.2 Efficiency Benefit Sharing Scheme (EBSS)

The Efficiency Benefit Sharing Scheme (EBSS) provides a continuous incentive for distributors to pursue efficiency improvements to lower actual operating expenditure (OPEX).

It provides for a sharing of any efficiency improvements benefits realised approximately 85% to customers and 15% to the distribution business.

The EBSS works in conjunction with the AER’s approach to setting future OPEX allowances: using efficient actual expenditure in a revealed year of the current period as a ‘base’ for estimating future allowances. Customers benefit in the future from improvements in OPEX efficiencies in the current period. Forecast OPEX in the subsequent period (and therefore the revenue allowance in the subsequent period) will be lower as it is founded on a lower revealed year base expenditure.

We will propose that the EBSS applies over the 2025-30 Regulatory Period, subject to the results of the AER’s Incentive Schemes Review.



5.3 Capital Expenditure Sharing Scheme (CESS)

The Capital Expenditure Sharing Scheme (CESS) provides financial rewards for distributors whose capital expenditure (CAPEX) becomes more efficient.

It imposes financial penalties for those that become less efficient. Customers benefit from improved CAPEX efficiency in the current period through lower regulated prices in subsequent periods, as the regulated asset base is lower than it would otherwise be, lowering the return on capital revenue allowance component of future revenue allowances.

The CESS approximates efficiency gains and efficiency losses by calculating the difference between forecast and actual CAPEX. The benefits of gains or losses are shared 70% with customers and 30% with the distribution business.

Subject to the outcomes of the AER's Incentive Scheme Review currently underway, we will propose that the CESS continue to apply over the 2025-30 regulatory period.

5.4 Shared Asset Adjustments

SA Power Networks must forecast any unregulated revenue it expects to earn from its regulated assets, known as shared asset unregulated revenue (SAUR).

If this exceeds 1% of the total forecast regulated revenue the AER may reduce the allowed regulated revenue by 10% of the SAUR.

SA Power Networks forecast \$63 million in unregulated revenue over 2020-25, which is part of the 'Shared Assets Category', primarily from renting its pole and ducts assets to NBN Broadband and other telecommunication providers. This led to a shared asset revenue reduction adjustment for 2020-25 of \$6.3 million (\$2020).

We intend to use the same methodology for the 2025-30 regulatory period.

5.5 Demand Management Innovation Allowance Mechanism (DMIAM)

The DMIAM allowance approved by the AER for 2020-25 totalled \$3.8 million (\$2020).

We are using the DMIAM to further our understanding of how to manage the changing nature of demand on our network and the ongoing transition to decentralised generation.

For the 2025-30 regulatory period, we expect to continue to make use of the DMIAM for targeted innovation and research projects. The amount of the DMIAM is calculated under a set AER mechanism and is expected to be approximately \$5 million over the 2025-30 regulatory period (\$2025).

What does it mean?

Revenue financial adjustments include modifications for rewards or penalties earned from the EBSS and CESS, along with a deduction of 10% of unregulated revenue forecast to be earned through regulated assets and a demand management innovation allowance mechanism (DMIAM).

6. Regulatory operating expenditure

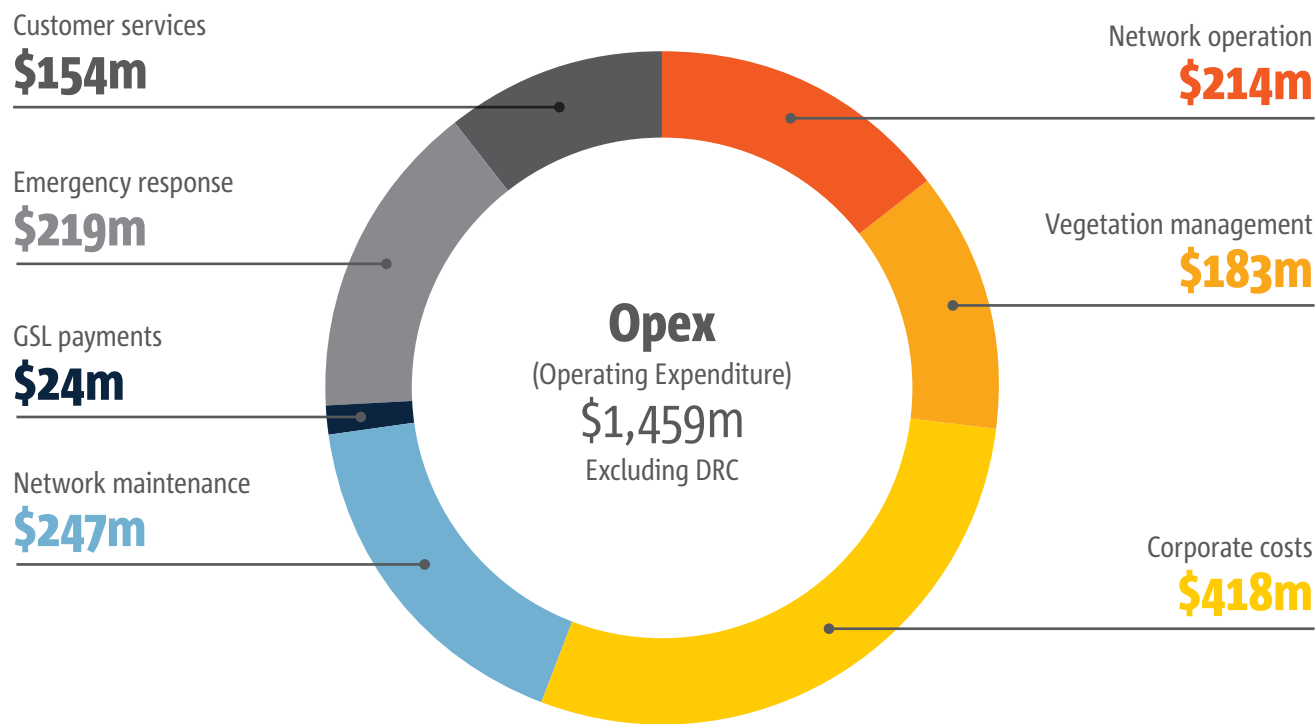
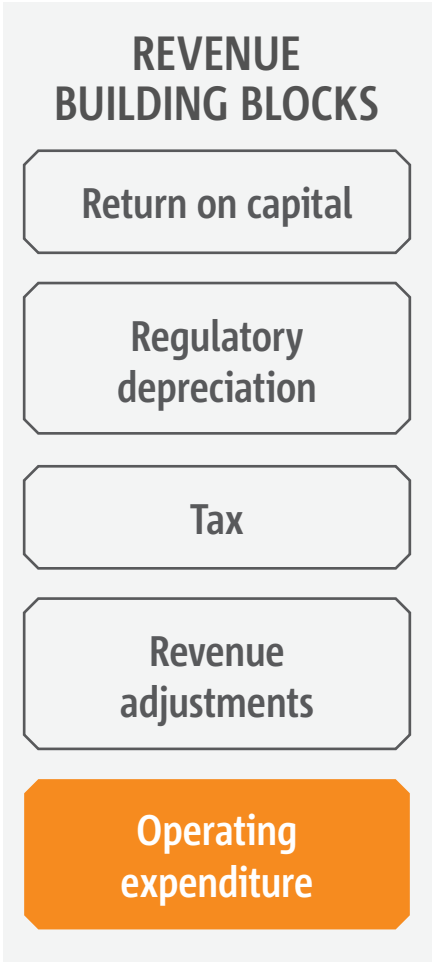
6.1 Background

The final revenue-building block is the forecast operating expenditure required for us to efficiently achieve the following operating expenditure objectives set out in the National Electricity Rules:

- Meet or manage the demand for services over the 2025-30 period
- Comply with all relevant obligations
- Maintain the quality, reliability, and security of supply to customers
- Maintain the safety of the distribution system.

We have \$1459 million allowed operating expenditure for the current regulatory period, 2020-25.

This expenditure is notionally allocated to the categories listed in the diagram below:



6.2 Forecasting 2025-30 operating expenditure

The AER's preferred approach is to forecast total operating expenditure using a 'Base-Step-Trend' methodology.

1. Base: efficient base year operating expenditure

Audited actual costs in one year of the current regulatory period, which are not materially inefficient, make up the base for forecasting future period allowances. The AER may adjust the base year costs or substitute an appropriate base year if they identify material inefficiencies. The AER can also remove certain expenditures from the base year if it considers that these relate to 'one-off' or 'non-recurrent' items.

Historically, we have used Year 4 as our base year as that is the most recent year with audited actuals available before the AER's final decision being made. Year 4 of the current period will be the 2023/24 regulatory year.

2. Rate of change

The AER applies an annual rate of change for each year of the forecast period, adjusting for forecast output growth, real price growth and productivity growth:

$$\text{Rate of change} = \text{output growth} + \text{real price growth} - \text{productivity growth}$$

Output growth is based on growth in customer numbers, circuit length, maximum demand, and energy throughput, and is forecast using econometric models and weightings set out in the AER's latest benchmarking report.

In our 2020 determination, the AER determined the real price growth forecast by:

- adopting an average of two state-specific utilities industry wage price index growth forecasts for forecast real labour price growth
- forecasting zero real non-labour price growth
- applying weightings (approximately 60% labour/40% non-labour) set out in its latest benchmarking report.

For our 2020 determination, the AER determined a productivity adjustment of 0.5% per annum. We expect this 0.5% pa adjustment to continue again in 2025-30.

3. Step changes

The AER may add or subtract certain operating 'step changes' for costs not captured in the base year or the forecast rate of change. Typically, step changes in operating costs may be associated with:

- new regulatory obligations, both Commonwealth and State
- efficient substitution of expenditure between operating and capital expenditure categories
- external factors outside the control of the business
- category-specific forecasts – only where necessary to be consistent with other parts of the Proposal or where forecast costs are too volatile or otherwise inaccurate to include in the base year costs.

6.3 Customer and stakeholder consultation

We are planning to undertake extensive consultation with customers and stakeholders on all material operating and capital expenditures proposed for 2025-30.

We expect this will include a focus on exploring any operating expenditure step changes we propose for the 2025-30 period.

What is this?

The operating expenditure allowance reflects the efficient and prudent costs of SA Power Networks meeting future customer demand for its services while complying with all relevant obligations and maintaining customer service outcomes.



7. Glossary

7.1 Glossary of terms

Acronym	Full Name
ACT	Australian Capital Territory
AEMC	Australian Energy Market Commission
AEMO	Australian Energy Market Operator
AER	Australian Energy Regulator
CAPEX	Capital Expenditure
CESS	Capital Expenditure Sharing Scheme
DMIAM	Demand Management Incentive Allowance Mechanism
DRC	Debt Raising Costs
EBSS	Efficiency Benefit Sharing Scheme
ESB	Energy Security Board
ESCoSA	Essential Services Commission of South Australia
EWOSA	The Energy and Water Ombudsman SA
MW	Mega-Watts

Acronym	Full Name
NBN	National Broadband Network
NEM	National Electricity Market
NER	National Energy Rules
NERL	National Energy Retail Law
NERR	National Energy Retail Rules
RFM	Roll Forward Model
OPEX	Operating Expenditure
OTR	The Office of the Technical Regulator
PTRM	Post Tax Revenue Model
RAB	Regulatory Asset Base
RBA	Reserve Bank of Australia
RORI	Rate of Return Investment
SAUR	Shared Asset Unregulated Revenue
WACC	Weighted Average Cost of Capital

Further information

If you'd like additional information or further clarification on this document, please contact Richard Sibly at richard.sibly@sapowernetworks.com.au