

# Draft Decision on Proposed Revisions to the Access Arrangement for the South West Interconnected Network

Appendix A: Target Revenue Calculation (Revenue Model)

16 July 2009

Economic Regulation Authority



WESTERN AUSTRALIA

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## Western Power Revised Access Arrangement 2, DD2 Real Pre-tax Model

Ref	3	5	7	9	12	14	16	18	20
3	<b>All model inputs are entered into the inputs cells of this worksheet denoted as;</b>				<b>13.480</b>				
4					<b>PV of Net Cash Flow [m\$ 30/06/09]</b>		<b>Total WP</b>	<b>Distribution</b>	<b>Transmission</b>
5					Reference Service Revenue		2,065.099	1,293.449	771.651
6	<b>Internal Rate of Return</b>	<b>Pre-tax WACC</b>	<b>Distribution</b>	<b>Transmission</b>	Deferred Reference Service Revenue		407.166	348.345	58.821
7	Real	7.06%	7.06%	7.06%	Opex		-987.148	-778.815	-208.333
8	Nominal	9.61%	9.61%	9.61%	Capex		-2,597.471	-1,244.033	-1,353.438
9	<b>Check 1</b>		<b>OK</b>	<b>OK</b>	Non Reference Service Revenue		38.823	22.571	16.251
10	<b>Check 2</b>		<b>OK</b>	<b>OK</b>	Tariff Equalisation		-	-	-
11					Capital Contributions (In Kind & Cash)		-	-	-
12					Unforeseen Events Revenue Adjustment		-	-	-
13	<b>30/06/2009 Closing Asset Value [m\$ 30/06/09]</b>	<b>Total WP</b>	<b>Distribution</b>	<b>Transmission</b>	Technical Rule Change Revenue Adjustment		-	-	-
14	Asset Value	4,850.752	2,651.569	2,199.183	IAM Revenue Adjustment		-23.479	-16.842	-6.637
15	Working Capital	37.613	21.019	16.594	CCAM Revenue Adjustment		121.713	84.110	37.603
16	Regulatory Asset Base	4,888.365	2,672.588	2,215.778	Asset Opening Value		-4,850.752	-2,651.569	-2,199.183
17	<b>30/06/2012 Closing Asset Value [m\$ 30/06/09]</b>				Asset Residual Value		5,834.066	2,948.610	2,885.455
18	Asset Value	7,159.139	3,618.319	3,540.820	Opening Value of Working Capital		-37.613	-21.019	-16.594
19	Working Capital	49.375	42.339	7.036	Residual Value of Working Capital		40.236	34.503	5.734
20	Regulatory Asset Base	7,208.514	3,660.658	3,547.856	Working Capital Variation		-10.640	-19.310	8.671
21					Net Cash Flow		0.000	0.000	0.000
22					<b>Check 4</b>		<b>OK</b>	<b>OK</b>	<b>OK</b>
23	<b>PV of Gross Cost of Service [m\$ 30/06/09]</b>	<b>Total WP</b>	<b>Distribution</b>	<b>Transmission</b>	<b>Load Variation</b>		<b>Total WP</b>	<b>Distribution</b>	<b>Transmission</b>
24	Opex	987.148	778.815	208.333	2009/10 versus 2008/09		3.4%	2.2%	4.4%
25	Depreciation	598.199	396.588	201.611	AA2 Annual Average		2.4%	2.2%	2.5%
26	Redundant Assets (Accelerated Depreciation)	9.664	9.664	-	2011/12 versus 2008/09 Annual Average		2.7%	2.2%	3.2%
27	Return on Assets	1,006.293	540.739	465.554	<b>Revenue Variation</b>				
28	Return on Working Capital	8.017	5.827	2.190	2009/10 versus 2008/09		8.4%	6.1%	12.6%
29	Cost of Service	2,609.321	1,731.633	877.688	AA2 Annual Average		8.5%	6.1%	12.6%
30	<b>PV of Net Cost of Service [m\$ 30/06/09]</b>				2011/12 versus 2008/09 Annual Average		8.5%	6.1%	12.6%
31	Gross CoS	2,609.321	1,731.633	877.688	<b>Unit Cost [\$ per MWh]</b>				
32	Non Reference Service Revenue	-38.823	-22.571	-16.251	AA1 Actual DWAT		22.1	31.1	14.4
33	Tariff Equalisation	-	-	-	AA2 Forecast DWAT		24.5	35.3	16.2
34	Capital Contributions (In Kind & Cash)	-	-	-	AA2 versus AA1 DWAT Variation		10.8%	13.6%	12.0%
35	Unforeseen Events Revenue Adjustment	-	-	-					
36	Technical Rule Change Revenue Adjustment	-	-	-	<b>Annual Revenue Cap [m\$]</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>
37	IAM Revenue Adjustment	23.479	16.842	6.637	Distribution	439	466	494	525
38	CCAM Revenue Adjustment	-121.713	-84.110	-37.603	Transmission	232	262	295	332
39	Net Cost of Service	2,472.265	1,641.794	830.471	Total	671	727	789	856
40	<b>PV of Reference Service Revenue [m\$ 30/06/09]</b>				<b>Annual Revenue Variation</b>				
41	PV of Smoothed Reference Service Revenue	2,065.099	1,293.449	771.651	Distribution		6%	6%	6%
42	PV of Deferred Reference Service Revenue	-407.166	-348.345	-58.821	Transmission		13%	13%	13%
43	Total Smoothed and Deferred Revenue	2,472.265	1,641.794	830.471	Total		8%	8%	9%
44	<b>Check 3</b>	<b>OK</b>	<b>OK</b>	<b>OK</b>	<b>Accumulated Revenue Variation</b>				
45					Distribution		6%	13%	20%
46					Transmission		13%	27%	43%
47	<b>30/06/2012 Value of Deferred Revenue [m\$ 30/06/09]</b>	<b>Total WP</b>	<b>Distribution</b>	<b>Transmission</b>	Total		8%	18%	28%
48	Capitalised Deferred Revenue	499.644	427.464	72.180					
49	Period of Deferred revenue recovery		42	51					
50									

## Western Power Revised Access Arrangement 2, DD2 Real Pre-tax Model

Ref	2	3	5	6	7	8	9
<b>Regulatory Period</b>		1	1	1	1	1	1
4	<b>Determination of the Weighted Average Cost of Capital (WACC)</b>		<b>FA1</b>	<b>FA1</b>	<b>FA1</b>	<b>FA1</b>	<b>FA1</b>
5			<b>Lo</b>	<b>Hi</b>	<b>Lo + 10%</b>	<b>Hi - 10%</b>	<b>Proposed</b>
6	<b>Date of Risk Free Rates</b>		<b>31-Jan-07</b>	<b>31-Jan-07</b>	<b>31-Jan-07</b>	<b>31-Jan-07</b>	<b>31-Jan-07</b>
7	<b>Nominal Risk Free Rate (Rfn)</b>		<b>5.88%</b>	5.88%	5.88%	5.88%	5.88%
8	<b>Real Risk Free Rate (Rfr)</b>		<b>2.74%</b>	2.74%	2.74%	2.74%	2.74%
9	Inflation Rate (I)		3.06%	3.06%	3.06%	3.06%	3.06%
10	<b>Debt Proportion (D)</b>		<b>60%</b>	60%			
11	Equity Proportion (E)		40%	40%			
12	<b>Cost of Debt; Debt Risk Premium (Drp)</b>		<b>1.100%</b>	<b>1.300%</b>			
13	<b>Cost of Debt; Debt Issuing Cost (Disc)</b>		<b>0.125%</b>	<b>0.125%</b>			
14	Cost of Debt; Risk Margin (DRm)		1.225%	1.425%			
15	Australian Market Risk Premium (Rp)		<b>5.00%</b>	<b>6.00%</b>			
16	Debt Beta (Bd)		0.22	0.22			
17	<b>Equity Beta (Be)</b>		<b>0.80</b>	<b>1.00</b>			
18	Asset Beta (Ba)		0.45	0.53			
19	<b>Corporate Tax Rate (T)</b>		<b>30%</b>	30%	30%	30%	30%
20	<b>Franking Credit (g)</b>		<b>60%</b>	<b>30%</b>			
21	Imputation Adj (G)		79.5%	88.6%			
22	<b>Debt</b>						
23	Nominal Cost of Debt (DPn)		7.11%	7.31%			
24	Real Cost of Debt (DPr)		3.93%	4.12%			
25	<b>Equity</b>						
26	Nominal Pre Tax Cost of Equity (EPn)		11.23%	15.04%			
27	Real Pre Tax Cost of Equity (EPr)		7.93%	11.63%			
28	Nominal After Tax Cost of Equity (EAn)		9.88%	11.88%			
29	Real After Tax Cost of Equity (EAR)		6.62%	8.56%			
30	<b>WACC; Pre-tax Officer (Market Practise or Forward Transformation)</b>						
31	Nominal Pre Tax WACC (WPn)		8.75%	10.40%	8.92%	10.23%	10.02%
32	<b>Real Pre Tax WACC (WPr)</b>		<b>5.53%</b>	<b>7.12%</b>	<b>5.69%</b>	<b>6.96%</b>	<b>6.76%</b>
33	<b>WACC; After-tax Officer</b>						
34	Nominal After Tax WACC (WAn)		6.13%	7.28%	6.24%	7.16%	7.02%
35	Real After Tax WACC (WAr)		2.98%	4.10%	3.09%	3.99%	3.84%

## Western Power Revised Access Arrangement 2

Ref	2	3	11	12	13	14	15
	Regulatory Period		2	2	1	1	2
	WP	WP	WP	WP	WP	WP	WP
	Lo	Hi	Lo + 10%	Hi - 10%	Proposed		
4	Determination of the Weighted Average Cost of Capital (WACC)						
5	Date of Risk Free Rates						
6	6-Aug-08	6-Aug-08	6-Aug-08	6-Aug-08	6-Aug-08	6-Aug-08	6-Aug-08
7	Nominal Risk Free Rate (Rfn)	6.45%	6.45%	6.45%	6.45%	6.45%	6.45%
8	Real Risk Free Rate (Rfr)	3.62%	3.62%	3.62%	3.62%	3.62%	3.62%
9	Inflation Rate (I)	2.73%	2.73%	2.73%	2.73%	2.73%	2.73%
10	Debt Proportion (D)	60%	60%				
11	Equity Proportion (E)	40%	40%				
12	Cost of Debt; Debt Risk Premium (Drp)	3.240%	3.540%				
13	Cost of Debt; Debt Issuing Cost (Disc)	0.125%	0.125%				
14	Cost of Debt; Risk Margin (DRm)	3.365%	3.665%				
15	Australian Market Risk Premium (Rp)	6.00%	7.00%				
16	Debt Beta (Bd)	0.56	0.52				
17	Equity Beta (Be)	0.90	1.10				
18	Asset Beta (Ba)	0.70	0.75				
19	Corporate Tax Rate (T)	30%	30%	30%	30%	30%	30%
20	Franking Credit (g)	50%	0%				
21	Imputation Adj (G)	82.4%	100.0%				
22	<b>Debt</b>						
23	Nominal Cost of Debt (DPn)	9.82%	10.12%				
24	Real Cost of Debt (DPr)	6.90%	7.19%				
25	<b>Equity</b>						
26	Nominal Pre Tax Cost of Equity (EPn)	13.94%	20.21%				
27	Real Pre Tax Cost of Equity (EPr)	10.91%	17.02%				
28	Nominal After Tax Cost of Equity (EAn)	11.85%	14.15%				
29	Real After Tax Cost of Equity (EAR)	8.88%	11.12%				
30	<b>WACC; Pre-tax Officer (Market Practise or Forward)</b>						
31	Nominal Pre Tax WACC (WPn)	11.47%	14.15%	11.73%	13.89%	11.92%	
32	Real Pre Tax WACC (WPr)	8.50%	11.12%	8.77%	10.86%	8.95%	
33	<b>WACC; After-tax Officer</b>						
34	Nominal After Tax WACC (WAN)	8.03%	9.91%	8.21%	9.72%	8.35%	
35	Real After Tax WACC (WAR)	5.16%	6.99%	5.34%	6.80%	5.47%	

**Western Power Revised Access Arrangement 2**

Ref	2	3	17	18	19	20	21	23
	<b>Regulatory Period</b>		<b>2</b>	<b>2</b>	<b>2</b>	<b>2</b>	<b>2</b>	<b>2</b>
	<b>Determination of the Weighted Average Cost of Capital (WACC)</b>		<b>DD2</b>	<b>DD2</b>	<b>DD2</b>	<b>DD2</b>	<b>DD2</b>	<b>Selected</b>
			<b>Lo</b>	<b>Hi</b>	<b>Lo + 10%</b>	<b>Hi - 10%</b>	<b>Range</b>	<b>Decision</b>
	<b>Date of Risk Free Rates</b>		<b>30-Jun-08</b>	<b>30-Jun-08</b>	<b>30-Jun-08</b>	<b>30-Jun-08</b>	<b>30-Jun-08</b>	<b>30-Jun-08</b>
4	<b>Nominal Risk Free Rate (Rfn)</b>		5.60%	5.60%	5.60%	5.60%	5.60%	5.60%
5	<b>Real Risk Free Rate (Rfr)</b>		3.15%	3.15%	3.15%	3.15%	3.15%	3.15%
6	<b>Inflation Rate (I)</b>		2.38%	2.38%	2.38%	2.38%	2.38%	2.38%
7	<b>Debt Proportion (D)</b>		60%	60%	60%	60%	60%	60%
8	<b>Equity Proportion (E)</b>		40%	40%	40%	40%	40%	40%
9	<b>Cost of Debt; Debt Risk Premium (Drp)</b>		3.110%	3.170%				0.000%
10	<b>Cost of Debt; Debt Issuing Cost (Disc)</b>		0.125%	0.125%	0.125%	0.125%	0.125%	0.125%
11	<b>Cost of Debt; Risk Margin (DRm)</b>		3.235%	3.295%				0.000%
12	<b>Australian Market Risk Premium (Rp)</b>		5.00%	7.00%				0.00%
13	<b>Debt Beta (Bd)</b>		0.62	0.45				0.00
14	<b>Equity Beta (Be)</b>		0.50	0.80				0.00
15	<b>Asset Beta (Ba)</b>		0.57	0.59				0.00
16	<b>Corporate Tax Rate (T)</b>		30%	30%	30%	30%	30%	30%
17	<b>Franking Credit (g)</b>		81%	57%				0%
18	<b>Imputation Adj (G)</b>		74.2%	80.4%				0.0%
19	<b>Debt</b>							
20	<b>Nominal Cost of Debt (DPn)</b>		8.84%	8.90%				0.00%
21	<b>Real Cost of Debt (DPr)</b>		6.30%	6.36%				0.00%
22	<b>Equity</b>							
23	<b>Nominal Pre Tax Cost of Equity (EPn)</b>		8.59%	12.86%				0.00%
24	<b>Real Pre Tax Cost of Equity (EPr)</b>		6.07%	10.24%				0.00%
25	<b>Nominal After Tax Cost of Equity (EAn)</b>		8.10%	11.20%				0.00%
26	<b>Real After Tax Cost of Equity (EAR)</b>		5.59%	8.61%				0.00%
27	<b>WACC; Pre-tax Officer (Market Practise or Forward)</b>							
28	<b>Nominal Pre Tax WACC (WPn)</b>		8.74%	10.48%	8.91%	10.31%	9.61%	9.61%
29	<b>Real Pre Tax WACC (WPr)</b>		6.21%	7.91%	6.38%	7.74%	7.06%	7.06%
30	<b>WACC; After-tax Officer</b>							
31	<b>Nominal After Tax WACC (WAn)</b>		6.12%	7.34%	6.24%	7.21%	6.73%	6.73%
32	<b>Real After Tax WACC (WAR)</b>		3.65%	4.84%	3.77%	4.72%	4.25%	4.25%

Western Power Revised Access Arrangement 2, DD2 Real Pre-tax Model

Ref	3	4	5	6	7	8	9	10	11	12	13	14	15	16
<b>Year ending 30 June</b>								2006	2007	2008	2009	2010	2011	2012
<b>Project Year</b>								0	1	2	3	4	5	6
<b>Regulatory Period</b>									1	1	1	2	2	2
<b>6 WP's AA1 Inflation</b>														
7 June CPI						144.8	148.4	152.7	157.0	161.1	165.2			
8 Annual Inflation							2.49%	2.90%	2.80%	2.60%	2.60%			
9 Inflation Factor								1.000	1.028	1.055	1.082			
<b>10 Actual and WP's AA2 Inflation</b>														
11 June CPI						144.8	148.4	154.3	157.5	164.6	169.5	173.7	178.2	183.0
12 Actual & WPC Forecast Annual Inflation								3.98%	2.07%	4.51%	2.98%	2.47%	2.59%	2.70%
13 Inflation Factor								0.910	0.929	0.971	1.000	1.025	1.051	1.080

<b>ICB</b>															
<b>Year ending 30 June</b>															
<b>Project Year</b>															
<b>Regulatory Period</b>															
<b>ICB [m\$ 30/06/2009]</b>															
20	<b>Distribution</b>			<b>Life as at 30 June 2006</b>			<b>ICB [m\$ 30/06/2006]</b>								
21	Wooden Pole Lines	14.5		472.594			519.181								
22	Underground Cables	36.9		535.208			587.967								
23	Transformers	16.9		203.762			223.849								
24	Switchgear	13.5		108.608			119.314								
25	Street lighting	1.2		5.256			5.775								
26	Meters and Services	9.2		168.206			184.788								
27	IT&T	9.8		15.415			16.934								
28	SCADA & Communications	10.2		12.825			14.090								
29	Other Distribution Non-Network	11.3		51.221			56.270								
30	Distribution Land & Easements			21.419			23.530								
31	Total Distribution					1,594.515		1,751.697							

<b>Owner's Capex = Physical Capex Financed by WP (Irrespective of Financing Source). Physical Assets Intended to be Installed (Forecast AA1 &amp; AA2) and Actually Installed (AA1)</b>															
<b>Year ending 30 June</b>															
<b>Project Year</b>															
<b>Regulatory Period</b>															
<b>Owner's Capex [m\$ OD]</b>															
38	<b>Distribution</b>			<b>Life as at 30 June 2006 [Years]</b>			<b>Deemed (Forecast AA1)</b>			<b>Forecast</b>					
39	Wooden Pole Lines	41.000		53.300	74.736	86.849	154.686	206.885	247.084						
40	Underground Cables	60.000		96.138	114.192	114.809	184.730	202.254	229.260						
41	Transformers	35.000		25.524	32.704	35.795	64.513	68.334	76.143						
42	Switchgear	35.000		20.487	32.048	38.799	59.486	72.992	86.210						
43	Street lighting	20.000		10.549	12.498	13.442	20.282	22.202	25.614						
44	Meters and Services	25.000		4.540	9.085	10.178	12.030	14.000	15.000						
45	IT&T	10.160		19.244	17.000	15.400	13.500	23.000	14.400						
46	SCADA & Communications	10.160		2.180	1.800	1.900	5.762	6.643	7.095						
47	Other Distribution Non-Network	10.160		12.636	14.909	9.016	20.250	34.700	14.700						
48	Distribution Land & Easements	-		-	-	-	-	-	-						
49	Total Distribution						244.598	308.973	326.187	535.240	651.010	715.506			

**Western Power Revised Access Arrangement 2, DD2 Real**

Ref 3

**Year ending 30 June**

**Project Year**

**Regulatory Period**

6 **WP's AA1 Inflation**

7 June CPI

8 Annual Inflation

9 Inflation Factor

10 **Actual and WP's AA2 Inflation**

11 June CPI

12 Actual & WPC Forecast Annual Inflation

13 Inflation Factor

14

**ICB**

**Year ending 30 June**

**Project Year**

**Regulatory Period**

**ICB [m\$ 30/06/2009]**

20 **Distribution**

21 Wooden Pole Lines

22 Underground Cables

23 Transformers

24 Switchgear

25 Street lighting

26 Meters and Services

27 IT&T

28 SCADA & Communications

29 Other Distribution Non-Network

30 Distribution Land & Easements

31 Total Distribution

32

**Owner's Capex = Physical Capex Financed by WP (Irrespe**

**Year ending 30 June**

**Project Year**

**Regulatory Period**

**Owner's Capex [m\$ OD]**

38 Distribution	Original Forecast			Less Gifted Asset			Revised Owner's & Gifted Capex		
39 Wooden Pole Lines	183,398	216,287	290,255	154,686	206,885	247,084	155,504	208,918	249,677
40 Underground Cables	181,164	202,005	208,881	184,730	202,254	229,260	190,068	215,520	246,185
41 Transformers	56,583	62,712	71,012	64,513	68,334	76,143	66,505	73,284	82,459
42 Switchgear	65,918	75,696	94,312	59,486	72,992	86,210	60,702	76,015	90,067
43 Street lighting	19,038	20,985	22,335	20,282	22,202	25,614	20,918	23,784	27,632
44 Meters and Services	48,397	50,117	53,294	12,030	14,000	15,000	12,030	14,000	15,000
45 IT&T	27,975	23,025	14,400	13,500	23,000	14,400	13,500	23,000	14,400
46 SCADA & Communications	6,922	7,263	7,668	5,762	6,643	7,095	5,762	6,643	7,095
47 Other Distribution Non-Network	35,777	34,691	14,675	20,250	34,700	14,700	20,250	34,700	14,700
48 <u>Distribution Land &amp; Easements</u>	-	-	-	-	-	-	-	-	-
49 Total Distribution	625,172	692,781	776,832	535,240	651,010	715,506	545,240	675,864	747,216



		Actual					
50	<b>Distribution</b>						
51	Wooden Pole Lines	88.172	111.190	155.259			
52	Underground Cables	159.037	149.853	155.258			
53	Transformers	51.267	48.359	48.069			
54	Switchgear	40.328	46.780	54.030			
55	Street lighting	15.392	14.909	14.818			
56	Meters and Services	10.721	12.400	12.600			
57	IT&T	17.978	33.975	24.575			
58	SCADA & Communications	2.317	2.360	2.966			
59	Other Distribution Non-Network	9.075	9.075	21.032			
60	Distribution Land & Easements	-	-	-			
61	Total Distribution	394.286	428.900	488.607			
<b>Adjustment to Owner's Capex [m\$ 30/06/09]</b>							
63	<b>Adjustments</b>						
64	Proportional Adjustment	-22.313	-22.313	-22.313			
65	Percentage Adjustment	-15.0%	-15.0%	-15.0%			
66	<b>Correction</b>	Correction to Actuals			Forecast		
67	Wooden Pole Lines	-18.475	-22.092	-29.315	-	-	-
68	Underground Cables	-33.324	-29.774	-29.314	-	-	-
69	Transformers	-10.742	-9.608	-9.076	-	-	-
70	Switchgear	-8.450	-9.295	-10.201	-	-	-
71	Street lighting	-3.225	-2.962	-2.798	-	-	-
72	Meters and Services	-2.246	-2.464	-2.379	-	-	-
73	IT&T	-3.767	-6.750	-4.640	-	-	-
74	SCADA & Communications	-0.485	-0.469	-0.560	-	-	-
75	Other Distribution Non-Network	-1.902	-1.803	-3.971	-	-	-
76	Distribution Land & Easements	-	-	-	-	-	-
77	Total Distribution	-82.616	-85.218	-92.254	-	-	-
<b>Owner's Capex [m\$ 30/06/09]</b>							
79	<b>Distribution</b>	Deemed (AA1)			Forecast		
80	Wooden Pole Lines	56.959	77.843	88.167	150.951	196.790	228.853
81	Underground Cables	102.738	118.939	116.551	180.270	192.385	212.345
82	Transformers	27.276	34.063	36.338	62.956	65.000	70.525
83	Switchgear	21.893	33.381	39.388	58.049	69.430	79.849
84	Street lighting	11.273	13.018	13.646	19.792	21.119	23.724
85	Meters and Services	4.852	9.463	10.333	11.740	13.317	13.893
86	IT&T	20.565	17.707	15.634	13.174	21.878	13.338
87	SCADA & Communications	2.330	1.875	1.929	5.623	6.319	6.571
88	Other Distribution Non-Network	13.504	15.529	9.153	19.761	33.007	13.615
89	Distribution Land & Easements	-	-	-	-	-	-
90	Total Distribution	261.391	321.818	331.138	522.316	619.244	662.713
91	<b>Distribution</b>	Actual					
92	Wooden Pole Lines	76.421	92.414	125.944			
93	Underground Cables	137.841	124.549	125.944			
94	Transformers	44.434	40.193	38.993			
95	Switchgear	34.953	38.881	43.829			
96	Street lighting	13.341	12.391	12.020			
97	Meters and Services	9.292	10.306	10.221			
98	IT&T	15.581	28.238	19.935			
99	SCADA & Communications	2.008	1.962	2.406			
100	Other Distribution Non-Network	7.866	7.543	17.061			
101	Distribution Land & Easements	-	-	-			
102	Total Distribution	341.736	356.477	396.352			

		<b>Amended Forecast Capex Level</b>		
		86%	94%	92%
50	<b>Distribution</b>			
51	Wooden Pole Lines			
52	Underground Cables			
53	Transformers			
54	Switchgear			
55	Street lighting			
56	Meters and Services			
57	IT&T			
58	SCADA & Communications			
59	Other Distribution Non-Network			
60	Distribution Land & Easements			
61	Total Distribution			
<b>Adjustment to Owner's Capex [m\$ 30/06/09]</b>		<b>Table</b>		
63	<b>Adjustments</b>	424.353	441.695	488.607
64	<b>Proportional Adjustment</b>	23.678	39.597	94.300
65	<b>Percentage Adjustment</b>	448.030	481.292	582.907
66	<b>Correction</b>	-22.310	-22.310	-22.310
67	Wooden Pole Lines	425.720	458.982	560.597
68	Underground Cables	-23.678	-39.597	-94.300
69	Transformers	402.043	419.385	466.297
70	Switchgear	-60.306	-62.908	-69.944
71	Street lighting	341.736	356.477	396.352
72	Meters and Services	23.678	39.597	94.300
73	IT&T	365.414	396.074	490.652
74	SCADA & Communications			
75	Other Distribution Non-Network	-22.310	-22.310	-22.310
76	Distribution Land & Easements	-60.306	-62.908	-69.944
77	Total Distribution	-82.616	-85.218	-92.254
<b>Owner's Capex [m\$ 30/06/09]</b>				
79	<b>Distribution</b>			
80	Wooden Pole Lines			
81	Underground Cables			
82	Transformers			
83	Switchgear			
84	Street lighting			
85	Meters and Services			
86	IT&T			
87	SCADA & Communications			
88	Other Distribution Non-Network			
89	Distribution Land & Easements			
90	Total Distribution			
91	<b>Distribution</b>			
92	Wooden Pole Lines			
93	Underground Cables			
94	Transformers			
95	Switchgear			
96	Street lighting			
97	Meters and Services			
98	IT&T			
99	SCADA & Communications			
100	Other Distribution Non-Network			
101	Distribution Land & Easements			
102	Total Distribution	-19.47%	-19.29%	-18.88%

Contributed (Gifted, In Kind) Assets (Asset Forecast to be received for AA1 & AA2 and Asset Actually Received for AA1)							
Year ending 30 June	2006	2007	2008	2009	2010	2011	2012
Project Year	0	1	2	3	4	5	6
Regulatory Period	1	1	1	1	2	2	2
<b>Contributed Capex [m\$ OD]</b>							
109 Distribution	Deemed (Forecast AA1)			Forecast			
110 Wooden Pole Lines	1.303	1.631	1.957	0.818	2.032	2.593	
111 Underground Cables	8.503	10.649	12.773	5.338	13.266	16.925	
112 Transformers	3.173	3.974	4.767	1.992	4.951	6.316	
113 Switchgear	1.938	2.427	2.911	1.216	3.023	3.857	
114 Street lighting	1.014	1.270	1.523	0.636	1.582	2.018	
115 Meters and Services	-	-	-	-	-	-	
116 IT&T	-	-	-	-	-	-	
117 SCADA & Communications	-	-	-	-	-	-	
118 Other Distribution Non-Network	-	-	-	-	-	-	
119 Distribution Land & Easements	-	-	-	-	-	-	
120 Total Distribution	15.930	19.950	23.930	10.000	24.854	31.709	
121 Distribution	Actual						
122 Wooden Pole Lines	1.799	3.144	7.711				
123 Underground Cables	11.743	20.523	50.334				
124 Transformers	4.382	7.659	18.784				
125 Switchgear	2.676	4.677	11.471				
126 Street lighting	1.400	2.447	6.001				
127 Meters and Services	-	-	-				
128 IT&T	-	-	-				
129 SCADA & Communications	-	-	-				
130 Other Distribution Non-Network	-	-	-				
131 Distribution Land & Easements	-	-	-				
132 Total Distribution	22.000	38.450	94.300	-	-	-	
<b>Adjustment to Contributed Capex [m\$ 30/06/09]</b>							
134 Distribution	Actual			Forecast			
135 Wooden Pole Lines	-	-	-	-	-	-	
136 Underground Cables	-	-	-	-	-	-	
137 Transformers	-	-	-	-	-	-	
138 Switchgear	-	-	-	-	-	-	
139 Street lighting	-	-	-	-	-	-	
140 Meters and Services	-	-	-	-	-	-	
141 IT&T	-	-	-	-	-	-	
142 SCADA & Communications	-	-	-	-	-	-	
143 Other Distribution Non-Network	-	-	-	-	-	-	
144 Distribution Land & Easements	-	-	-	-	-	-	
145 Total Distribution	-	-	-	-	-	-	
<b>Contributed Capex [m\$ 30/06/09]</b>							
147 Distribution	Deemed (AA1)			Forecast			
148 Wooden Pole Lines	1.392	1.699	1.986	0.798	1.933	2.402	
149 Underground Cables	9.087	11.091	12.967	5.209	12.619	15.676	
150 Transformers	3.391	4.139	4.839	1.944	4.709	5.850	
151 Switchgear	2.071	2.528	2.955	1.187	2.876	3.573	
152 Street lighting	1.083	1.322	1.546	0.621	1.504	1.869	
153 Meters and Services	-	-	-	-	-	-	
154 IT&T	-	-	-	-	-	-	
155 SCADA & Communications	-	-	-	-	-	-	
156 Other Distribution Non-Network	-	-	-	-	-	-	
157 Distribution Land & Easements	-	-	-	-	-	-	
158 Total Distribution	17.024	20.779	24.293	9.759	23.641	29.370	

**Contributed (Gifted, In Kind) Assets (Asset Forecast to be**

**Year ending 30 June**

**Project Year**

**Regulatory Period**

**Contributed Capex [m\$ OD]**

	Original Forecast			Revised Forecast		
109 <b>Distribution</b>						
110 Wooden Pole Lines	8.205	8.574	9.134	0.818	2.032	2.593
111 Underground Cables	53.556	55.967	59.626	5.338	13.266	16.925
112 Transformers	19.986	20.886	22.252	1.992	4.951	6.316
113 Switchgear	12.205	12.755	13.589	1.216	3.023	3.857
114 Street lighting	6.385	6.672	7.109	0.636	1.582	2.018
115 Meters and Services	-	-	-	-	-	-
116 IT&T	-	-	-	-	-	-
117 SCADA & Communications	-	-	-	-	-	-
118 Other Distribution Non-Network	-	-	-	-	-	-
119 Distribution Land & Easements	-	-	-	-	-	-
120 Total Distribution	100.337	104.854	111.709	10.000	24.854	31.709

**Distribution**

121 <b>Distribution</b>						
122 Wooden Pole Lines						
123 Underground Cables						
124 Transformers						
125 Switchgear						
126 Street lighting						
127 Meters and Services						
128 IT&T						
129 SCADA & Communications						
130 Other Distribution Non-Network						
131 Distribution Land & Easements						
132 Total Distribution						

**Adjustment to Contributed Capex [m\$ 30/06/09]**

134 <b>Distribution</b>						
135 Wooden Pole Lines						
136 Underground Cables						
137 Transformers						
138 Switchgear						
139 Street lighting						
140 Meters and Services						
141 IT&T						
142 SCADA & Communications						
143 Other Distribution Non-Network						
144 Distribution Land & Easements						
145 Total Distribution						

**Contributed Capex [m\$ 30/06/09]**

147 <b>Distribution</b>						
148 Wooden Pole Lines						
149 Underground Cables						
150 Transformers						
151 Switchgear						
152 Street lighting						
153 Meters and Services						
154 IT&T						
155 SCADA & Communications						
156 Other Distribution Non-Network						
157 Distribution Land & Easements						
158 Total Distribution						

159	<b>Distribution</b>						
160	Wooden Pole Lines	1.936	3.238	7.711			
161	Underground Cables	12.638	21.135	50.334			
162	Transformers	4.716	7.887	18.784			
163	Switchgear	2.880	4.817	11.471			
164	Street lighting	1.507	2.520	6.001			
165	Meters and Services	-	-	-			
166	IT&T	-	-	-			
167	SCADA & Communications	-	-	-			
168	Other Distribution Non-Network	-	-	-			
169	Distribution Land & Easements	-	-	-			
170	Total Distribution	23.678	39.597	94.300			
<b>Cash Contributions (Cash Contribution Forecast to be received for AA1 &amp; AA2 and Contributed Cash Actually Received for AA1)</b>							
<b>Year ending 30 June</b>		2006	2007	2008	2009	2010	2011
<b>Project Year</b>		0	1	2	3	4	5
<b>Regulatory Period</b>		1	1	1	1	2	2
<b>Contributed Cash [m\$ OD]</b>							
177	<b>Distribution</b>	<b>Deemed (Forecast AA1)</b>			<b>Forecast</b>		
178	Wooden Pole Lines	5.351	6.578	7.814	7.554	7.012	8.719
179	Underground Cables	44.787	52.331	60.868	79.314	75.492	77.964
180	Transformers	13.920	16.866	19.920	21.094	19.747	23.127
181	Switchgear	8.845	10.628	12.509	13.930	13.098	14.859
182	Street lighting	5.356	6.255	7.274	9.507	9.051	9.331
183	Meters and Services	-	-	-	-	-	-
184	IT&T	-	-	-	-	-	-
185	SCADA & Communications	-	-	-	-	-	-
186	Other Distribution Non-Network	-	-	-	-	-	-
187	Distribution Land & Easements	-	-	-	-	-	-
188	Total Distribution	78.259	92.658	108.384	131.400	124.400	134.000
189	<b>Distribution</b>	<b>Actual</b>					
190	Wooden Pole Lines	7.782	6.668	2.236			
191	Underground Cables	62.940	56.217	32.708			
192	Transformers	20.047	17.383	7.073			
193	Switchgear	12.666	11.059	4.952			
194	Street lighting	7.525	6.724	3.931			
195	Meters and Services	-	-	-			
196	IT&T	-	-	-			
197	SCADA & Communications	-	-	-			
198	Other Distribution Non-Network	-	-	-			
199	Distribution Land & Easements	-	-	-			
200	Total Distribution	110.960	98.050	50.900	-	-	-
<b>Adjustment to Contributed Cash [m\$ 30/06/09]</b>							
202	<b>Distribution</b>	<b>Actual</b>			<b>Forecast</b>		
203	Wooden Pole Lines	-	-	-	-	-	-
204	Underground Cables	-	-	-	-	-	-
205	Transformers	-	-	-	-	-	-
206	Switchgear	-	-	-	-	-	-
207	Street lighting	-	-	-	-	-	-
208	Meters and Services	-	-	-	-	-	-
209	IT&T	-	-	-	-	-	-
210	SCADA & Communications	-	-	-	-	-	-
211	Other Distribution Non-Network	-	-	-	-	-	-
212	Distribution Land & Easements	-	-	-	-	-	-
213	Total Distribution	-	-	-	-	-	-

159	<b>Distribution</b>
160	Wooden Pole Lines
161	Underground Cables
162	Transformers
163	Switchgear
164	Street lighting
165	Meters and Services
166	IT&T
167	SCADA & Communications
168	Other Distribution Non-Network
169	Distribution Land & Easements
170	Total Distribution

**Cash Contributions (Cash Contribution Forecast to be received)**  
**Year ending 30 June**  
**Project Year**  
**Regulatory Period**  
**Contributed Cash [m\$ OD]**

	Original Forecast			Revised Forecast			
177	<b>Distribution</b>						
178	Wooden Pole Lines	5.256	5.493	5.852	7.554	7.012	8.719
179	Underground Cables	55.181	59.146	52.329	79.314	75.492	77.964
180	Transformers	14.676	15.471	15.523	21.094	19.747	23.127
181	Switchgear	9.692	10.262	9.973	13.930	13.098	14.859
182	Street lighting	6.614	7.091	6.263	9.507	9.051	9.331
183	Meters and Services	-	-	-	-	-	-
184	IT&T	-	-	-	-	-	-
185	SCADA & Communications	-	-	-	-	-	-
186	Other Distribution Non-Network	-	-	-	-	-	-
187	Distribution Land & Easements	-	-	-	-	-	-
188	Total Distribution	91.419	97.464	89.939	131.400	124.400	134.000

189	<b>Distribution</b>
190	Wooden Pole Lines
191	Underground Cables
192	Transformers
193	Switchgear
194	Street lighting
195	Meters and Services
196	IT&T
197	SCADA & Communications
198	Other Distribution Non-Network
199	Distribution Land & Easements
200	Total Distribution

**Adjustment to Contributed Cash [m\$ 30/06/09]**

202	<b>Distribution</b>
203	Wooden Pole Lines
204	Underground Cables
205	Transformers
206	Switchgear
207	Street lighting
208	Meters and Services
209	IT&T
210	SCADA & Communications
211	Other Distribution Non-Network
212	Distribution Land & Easements
213	Total Distribution

Contributed Cash [m\$ 30/06/09]				Deemed (AA1)			Forecast		
215	Distribution								
216	Wooden Pole Lines		5.718	6.851	7.932	7.372	6.669	8.075	
217	Underground Cables		47.862	54.507	61.792	77.399	71.809	72.212	
218	Transformers		14.875	17.567	20.222	20.585	18.784	21.421	
219	Switchgear		9.452	11.070	12.699	13.594	12.459	13.763	
220	Street lighting		5.724	6.515	7.384	9.278	8.610	8.643	
221	Meters and Services		-	-	-	-	-	-	
222	IT&T		-	-	-	-	-	-	
223	SCADA & Communications		-	-	-	-	-	-	
224	Other Distribution Non-Network		-	-	-	-	-	-	
225	Distribution Land & Easements		-	-	-	-	-	-	
226	Total Distribution		83.632	96.510	110.029	128.227	118.330	124.113	
227	Distribution								
			Actual						
228	Wooden Pole Lines		8.375	6.867	2.236				
229	Underground Cables		67.740	57.894	32.708				
230	Transformers		21.575	17.901	7.073				
231	Switchgear		13.632	11.388	4.952				
232	Street lighting		8.098	6.924	3.931				
233	Meters and Services		-	-	-				
234	IT&T		-	-	-				
235	SCADA & Communications		-	-	-				
236	Other Distribution Non-Network		-	-	-				
237	Distribution Land & Easements		-	-	-				
238	Total Distribution		119.421	100.975	50.900				
<b>Approved AA1 Depreciation</b>									
<b>Year ending 30 June</b>									
Project Year		2006	2007	2008	2009	2010	2011	2012	
Regulatory Period		0	1	2	3	4	5	6	
ICB Depreciation [m\$ 31/06/2006]			1	1	1	2	2	2	
<b>ICB Depreciation [m\$ 30/06/09]</b>									
245	Distribution		Forecast AA1 [m\$ 30/06/2006]						
247	Wooden Pole Lines		-32.993	-32.381	-32.198				
248	Underground Cables		-14.584	-14.584	-14.584				
249	Transformers		-12.057	-12.009	-11.999				
250	Switchgear		-8.045	-8.030	-8.014				
251	Street lighting		-4.380	-0.076	-				
252	Meters and Services		-18.283	-18.283	-18.283				
253	IT&T		-1.573	-1.573	-1.573				
254	SCADA & Communications		-1.257	-1.257	-1.257				
255	Other Distribution Non-Network		-4.533	-4.533	-4.533				
256	Distribution Land & Easements		-	-	-				
257	Total		-97.226	-93.447	-92.282				
259	Distribution		Deemed (Forecast AA1)						
260	Wooden Pole Lines		-35.806	-35.573	-35.329				
261	Underground Cables		-15.934	-15.934	-15.934				
262	Transformers		-13.245	-13.193	-13.138				
263	Switchgear		-8.838	-8.821	-8.804				
264	Street lighting		-4.812	-0.962	-				
265	Meters and Services		-20.086	-20.086	-20.086				
266	IT&T		-1.728	-1.728	-1.728				
267	SCADA & Communications		-1.381	-1.381	-1.381				
268	Other Distribution Non-Network		-4.980	-4.980	-4.980				
269	Distribution Land & Easements		-	-	-				
270	Total		-106.810	-102.658	-101.379				

**Contributed Cash [m\$ 30/06/09]**

215	<b>Distribution</b>
216	Wooden Pole Lines
217	Underground Cables
218	Transformers
219	Switchgear
220	Street lighting
221	Meters and Services
222	IT&T
223	SCADA & Communications
224	Other Distribution Non-Network
225	Distribution Land & Easements
226	<hr/> Total Distribution
227	<b>Distribution</b>
228	Wooden Pole Lines
229	Underground Cables
230	Transformers
231	Switchgear
232	Street lighting
233	Meters and Services
234	IT&T
235	SCADA & Communications
236	Other Distribution Non-Network
237	Distribution Land & Easements
238	<hr/> Total Distribution

**Approved AA1 Depreciation**

Year ending 30 June

Project Year

Regulatory Period

**ICB Depreciation [m\$ 31/06/2006]**

245	
246	<b>Distribution</b>
247	Wooden Pole Lines
248	Underground Cables
249	Transformers
250	Switchgear
251	Street lighting
252	Meters and Services
253	IT&T
254	SCADA & Communications
255	Other Distribution Non-Network
256	Distribution Land & Easements
257	<hr/> Total

**ICB Depreciation [m\$ 30/06/09]**

259	<b>Distribution</b>
260	Wooden Pole Lines
261	Underground Cables
262	Transformers
263	Switchgear
264	Street lighting
265	Meters and Services
266	IT&T
267	SCADA & Communications
268	Other Distribution Non-Network
269	Distribution Land & Easements
270	<hr/> Total



<b>Capex Depreciation [m\$ 31/06/2006]</b>							
	Cx Year	1	2	3			
272							
273	<b>Distribution</b>	<b>Forecast AA1 [m\$ 30/06/2006]</b>					
274	Wooden Pole Lines	-	-1,296	-1,765			
275	Underground Cables	-	-1,697	-1,873			
276	Transformers	-	-8,795	-8,993			
277	Switchgear	-	-8,523	-8,534			
278	Street lighting	-	-8,592	-8,653			
279	Meters and Services	-	-8,177	-8,345			
280	IT&T	-	-1,843	-1,588			
281	SCADA & Communications	-	-8,208	-8,168			
282	Other Distribution Non-Network	-	-1,210	-1,391			
283	Distribution Land & Easements	-	-	-			
284	<b>Total</b>	-	-8,413	-9,809			
<b>Capex Depreciation [m\$ 30/06/09]</b>							
286	<b>Distribution</b>	<b>Deemed (Forecast AA1)</b>					
287	Wooden Pole Lines	-	-1,423	-1,940			
288	Underground Cables	-	-1,864	-2,167			
289	Transformers	-	-8,876	-1,091			
290	Switchgear	-	-8,685	-1,026			
291	Street lighting	-	-8,618	-8,717			
292	Meters and Services	-	-8,194	-8,379			
293	IT&T	-	-2,024	-1,743			
294	SCADA & Communications	-	-8,229	-8,185			
295	Other Distribution Non-Network	-	-1,329	-1,528			
296	Distribution Land & Easements	-	-	-			
297	<b>Total</b>	-	-9,242	-10,776			
298							
<b>Redundant Assets (Book Value)</b>							
<b>Year ending 30 June</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>
<b>Project Year</b>	<b>0</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>6</b>
<b>Regulatory Period</b>		<b>1</b>	<b>1</b>	<b>1</b>	<b>2</b>	<b>2</b>	<b>2</b>
<b>Redundant Assets (Book Value of Disposed or Redundant Assets) [m\$ OD]</b>							
304	<b>Distribution</b>	<b>Deemed (Forecast AA1)</b>			<b>Forecast</b>		
305	Wooden Pole Lines	2,936	2,936	2,936	2,904	2,904	2,904
306	Underground Cables	-	-	-	-	-	-
307	Transformers	0,783	0,783	0,783	0,774	0,774	0,774
308	Switchgear	0,196	0,196	0,196	0,194	0,194	0,194
309	Street lighting	-	-	-	-	-	-
310	Meters and Services	-	-	-	-	-	-
311	IT&T	-	-	-	-	-	-
312	SCADA & Communications	-	-	-	-	-	-
313	Other Distribution Non-Network	-	-	-	-	-	-
314	Distribution Land & Easements	-	-	-	-	-	-
315	<b>Total</b>	3,915	3,915	3,915	3,872	3,872	3,872
316	<b>Distribution</b>	<b>Actual</b>					
317	Wooden Pole Lines	2,936	2,936	2,936			
318	Underground Cables	-	-	-			
319	Transformers	0,783	0,783	0,783			
320	Switchgear	0,196	0,196	0,196			
321	Street lighting	-	-	-			
322	Meters and Services	-	-	-			
323	IT&T	-	-	-			
324	SCADA & Communications	-	-	-			
325	Other Distribution Non-Network	-	-	-			
326	Distribution Land & Easements	-	-	-			
327	<b>Total</b>	3,915	3,915	3,915			

**Capex Depreciation [m\$ 31/06/2006]**

272	
273	<b>Distribution</b>
274	Wooden Pole Lines
275	Underground Cables
276	Transformers
277	Switchgear
278	Street lighting
279	Meters and Services
280	IT&T
281	SCADA & Communications
282	Other Distribution Non-Network
283	Distribution Land & Easements
284	<hr/> Total

**Capex Depreciation [m\$ 30/06/09]**

286	<b>Distribution</b>
287	Wooden Pole Lines
288	Underground Cables
289	Transformers
290	Switchgear
291	Street lighting
292	Meters and Services
293	IT&T
294	SCADA & Communications
295	Other Distribution Non-Network
296	Distribution Land & Easements
297	<hr/> Total
298	

**Redundant Assets (Book Value)**

Year ending 30 June

Project Year

Regulatory Period

**Redundant Assets (Book Value of Disposed or Redundant)**

304	<b>Distribution</b>
305	Wooden Pole Lines
306	Underground Cables
307	Transformers
308	Switchgear
309	Street lighting
310	Meters and Services
311	IT&T
312	SCADA & Communications
313	Other Distribution Non-Network
314	Distribution Land & Easements
315	<hr/> Total
316	<b>Distribution</b>
317	Wooden Pole Lines
318	Underground Cables
319	Transformers
320	Switchgear
321	Street lighting
322	Meters and Services
323	IT&T
324	SCADA & Communications
325	Other Distribution Non-Network
326	Distribution Land & Easements
327	<hr/> Total

Redundant Assets [m\$ 30/06/09]								
	Deemed (Forecast AA1)			Forecast				
329	<b>Distribution</b>							
330	Wooden Pole Lines	3.138	3.058	2.981	2.834	2.762	2.690	
331	Underground Cables	-	-	-	-	-	-	
332	Transformers	0.837	0.816	0.795	0.756	0.737	0.717	
333	Switchgear	0.209	0.204	0.199	0.189	0.184	0.179	
334	Street lighting	-	-	-	-	-	-	
335	Meters and Services	-	-	-	-	-	-	
336	IT&T	-	-	-	-	-	-	
337	SCADA & Communications	-	-	-	-	-	-	
338	Other Distribution Non-Network	-	-	-	-	-	-	
339	Distribution Land & Easements	-	-	-	-	-	-	
340	Total	4.184	4.078	3.974	3.778	3.683	3.586	
341	<b>Distribution</b>	<b>Actual</b>						
342	Wooden Pole Lines	3.160	3.024	2.936				
343	Underground Cables	-	-	-				
344	Transformers	0.843	0.806	0.783				
345	Switchgear	0.211	0.202	0.196				
346	Street lighting	-	-	-				
347	Meters and Services	-	-	-				
348	IT&T	-	-	-				
349	SCADA & Communications	-	-	-				
350	Other Distribution Non-Network	-	-	-				
351	Distribution Land & Easements	-	-	-				
352	Total	4.214	4.032	3.915				
353								
<b>Forecast Capital Expenditure - IAM Categories</b>								
<b>Year ending 30 June</b>		<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>
<b>Project Year</b>		<b>0</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>6</b>
<b>Regulatory Period</b>		<b>1</b>	<b>1</b>	<b>1</b>		<b>2</b>	<b>2</b>	
<b>WP's Capex - IAM Categories</b>								
359	<b>Distribution [m\$ 30/06/2006]</b>	<b>Forecast AA1 [m\$ 30/06/2006]</b>			<b>Forecast [m\$ OD]</b>			
360	<b>DEMAND RELATED</b>							
361	Distribution Capacity	30.467	32.236	37.241	75.900	90.000	100.000	
362	Customer Driven	90.156	104.747	119.339	218.000	205.000	220.000	
363	Customer Driven - Vested Assets	15.496	18.915	22.113	10.000	24.854	31.709	
364	<b>OTHER</b>				0.000	0.000	0.000	
365	State Undergrounding Power Program (SUPP)	16.627	15.445	15.800	20.000	32.000	39.000	
366	Rural Power Improvement Program (RPIP)	9.976	10.051	11.089	8.000	8.000	3.000	
367	Total	162.721	181.394	205.583	331.900	359.854	393.709	
368	<b>Distribution [m\$ OD]</b>	<b>Actual</b>						
369	<b>DEMAND RELATED</b>							
370	Distribution Capacity	61.109	49.554	72.358				
371	Customer Driven	145.761	152.939	106.988				
372	Customer Driven - Vested Assets	17.711	16.383	76.495				
373	<b>OTHER</b>							
374	State Undergrounding Power Program (SUPP)	16.954	17.755	23.760				
375	Rural Power Improvement Program (RPIP)	7.746	19.047	17.846				
376	Total	249.281	255.679	297.447				
377								

**Redundant Assets [m\$ 30/06/09]**

329	<b>Distribution</b>
330	Wooden Pole Lines
331	Underground Cables
332	Transformers
333	Switchgear
334	Street lighting
335	Meters and Services
336	IT&T
337	SCADA & Communications
338	Other Distribution Non-Network
339	Distribution Land & Easements
340	<hr/> Total
341	<b>Distribution</b>
342	Wooden Pole Lines
343	Underground Cables
344	Transformers
345	Switchgear
346	Street lighting
347	Meters and Services
348	IT&T
349	SCADA & Communications
350	Other Distribution Non-Network
351	Distribution Land & Easements
352	<hr/> Total
353	

**Forecast Capital Expenditure - IAM Categories**

Year ending 30 June

Project Year

Regulatory Period

**WF's Capex - IAM Categories**

	Original Forecast [m\$ OD]			Revised Forecast [m\$ OD]			
359	<b>Distribution [m\$ 30/06/2006]</b>						
360	<b>DEMAND RELATED</b>						
361	Distribution Capacity	79.704	95.233	105.049	75.900	90.000	100.000
362	Customer Driven	152.853	159.723	170.167	218.000	205.000	220.000
363	Customer Driven - Vested Assets	100.337	104.854	111.709	10.000	24.854	31.709
364	<b>OTHER</b>						
365	State Undergrounding Power Program (SUPP)	36.191	40.377	24.500	20.000	32.000	39.000
366	Rural Power Improvement Program (RPIP)	8.615	5.676	3.375	8.000	8.000	3.000
367	<hr/> Total	377.701	405.863	414.800	331.900	359.854	393.709
368	<b>Distribution [m\$ OD]</b>						
369	<b>DEMAND RELATED</b>						
370	Distribution Capacity	75.882	61.400	89.200	61.109	49.554	72.358
371	Customer Driven	181.000	189.500	131.890	145.761	152.939	106.988
372	Customer Driven - Vested Assets	21.993	20.300	94.300	17.711	16.383	76.495
373	<b>OTHER</b>						
374	State Undergrounding Power Program (SUPP)	21.052	22.000	29.290	16.954	17.755	23.760
375	Rural Power Improvement Program (RPIP)	9.619	23.600	22.000	7.746	19.047	17.846
376	<hr/> Total	309.546	316.800	366.680	249.281	255.679	297.447
377							

Capex [m\$ 30/06/09]								
379	Distribution	Deemed (Forecast AA1)			Forecast			
380	<b>DEMAND RELATED</b>							
381	Distribution Capacity	33.470	35.413	40.912	74.067	85.608	92.622	
382	Customer Driven	99.043	115.073	131.103	212.736	194.997	203.767	
383	Customer Driven - Vested Assets	17.024	20.779	24.293	9.759	23.641	29.370	
384	<b>OTHER</b>							
385	State Undergrounding Power Program (SUPP)	18.266	16.967	17.358	19.517	30.439	36.122	
386	Rural Power Improvement Program (RPIP)	10.959	11.042	12.182	7.807	7.610	2.779	
387	Total	178.762	199.275	225.848	323.886	342.295	364.660	
388	Distribution	Actual						
389	<b>DEMAND RELATED</b>							
390	Distribution Capacity	65.768	51.032	72.358				
391	Customer Driven	156.877	157.502	106.988				
392	Customer Driven - Vested Assets	19.062	16.872	76.495				
393	<b>OTHER</b>							
394	State Undergrounding Power Program (SUPP)	18.247	18.285	23.760				
395	Rural Power Improvement Program (RPIP)	8.337	19.615	17.846				
396	Total	268.291	263.306	297.447				
397								
Operating Expenditure								
Year ending 30 June		2006	2007	2008	2009	2010	2011	2012
Project Year		0	1	2	3	4	5	6
Regulatory Period		1	1	1	1	2	2	2
WP's Opex [m\$ OD]								
403	Distribution	Deemed (Forecast AA1)			Forecast			
404	Reliability	3.100	3.100	3.100	2.900	1.100	1.200	
405	SCADA & Communications	0.900	0.900	0.900	1.800	1.500	1.700	
406	Non-reference services	2.000	2.000	2.100	7.700	9.100	10.600	
407	Network Operations	8.800	9.300	9.700	17.500	19.300	21.200	
408	Maintenance Strategy	6.271	7.068	7.147	-	-	-	
409	Preventive Condition	22.972	23.310	22.767	41.600	75.000	103.600	
410	Preventive Routine	30.281	31.294	32.130	33.700	50.000	64.100	
411	Corrective Deferred	12.401	11.636	11.389	15.900	27.000	30.700	
412	Corrective Emergency	27.371	25.890	25.431	59.500	72.000	84.700	
413	Call Centre	6.600	6.900	7.200	5.500	5.800	6.000	
414	Metering	14.400	14.400	15.900	20.700	25.700	31.400	
415	Business Support	45.800	50.100	53.500	87.500	82.700	87.200	
416	Non-recurring opex	14.700	16.300	20.200	0.200	16.000	18.000	
417	Total	195.596	202.198	211.464	294.500	385.200	460.400	
418	Distribution	Actual						
419	Reliability	3.500	1.500	1.950				
420	SCADA & Communications	1.300	1.200	1.080				
421	Non-reference services	4.500	5.920	5.300				
422	Network Operations	12.385	10.500	13.577				
423	Maintenance Strategy	8.900	8.600	-				
424	Preventive Condition	33.100	30.900	49.522				
425	Preventive Routine	26.900	30.000	31.730				
426	Corrective Deferred	25.700	27.300	22.820				
427	Corrective Emergency	52.500	58.700	48.830				
428	Call Centre	4.886	4.974	6.400				
429	Metering	19.525	18.675	15.900				
430	Business Support	43.622	53.750	65.823				
431	Non-recurring opex			0.034				
432	Total	236.818	252.018	262.966				

**Capex [m\$ 30/06/09]**

379	<b>Distribution</b>
380	<b>DEMAND RELATED</b>
381	Distribution Capacity
382	Customer Driven
383	Customer Driven - Vested Assets
384	<b>OTHER</b>
385	State Undergrounding Power Program (SUPP)
386	Rural Power Improvement Program (RPIP)
387	Total
388	<b>Distribution</b>
389	<b>DEMAND RELATED</b>
390	Distribution Capacity
391	Customer Driven
392	Customer Driven - Vested Assets
393	<b>OTHER</b>
394	State Undergrounding Power Program (SUPP)
395	Rural Power Improvement Program (RPIP)
396	Total
397	

**Operating Expenditure**

<b>Year ending 30 June</b>	
<b>Project Year</b>	
<b>Regulatory Period</b>	
<b>WP's Opex [m\$ OD]</b>	

	Original Forecast			Amended Forecast			
403	<b>Distribution</b>						
404	Reliability	1,090	1,136	1,197	2,900	1,100	1,200
405	SCADA & Communications	1,420	1,505	1,745	1,800	1,500	1,700
406	Non-reference services	7,607	9,050	10,596	7,700	9,100	10,600
407	Network Operations	20,528	22,948	25,045	17,500	19,300	21,200
408	Maintenance Strategy	-	-	-	-	-	-
409	Preventive Condition	93,475	97,848	103,551	41,600	75,000	103,600
410	Preventive Routine	55,450	59,217	64,093	33,700	50,000	64,100
411	Corrective Deferred	23,903	27,031	30,712	15,900	27,000	30,700
412	Corrective Emergency	72,788	78,120	84,696	59,500	72,000	84,700
413	Call Centre	5,498	5,750	5,987	5,500	5,800	6,000
414	Metering	17,134	18,261	19,596	20,700	25,700	31,400
415	Business Support	78,472	82,741	87,234	87,500	82,700	87,200
416	Non-recurring opex	22,791	26,779	24,890	0,200	16,000	18,000
417	Total	400,155	430,387	459,343	294,500	385,200	460,400
418	<b>Distribution</b>						
419	Reliability						
420	SCADA & Communications						
421	Non-reference services						
422	Network Operations						
423	Maintenance Strategy						
424	Preventive Condition						
425	Preventive Routine						
426	Corrective Deferred						
427	Corrective Emergency						
428	Call Centre						
429	Metering						
430	Business Support						
431	Non-recurring opex						
432	Total						

Opex Adjustment [m\$ 30/06/09]							
434 Distribution							
	Actual			Forecast			
435	Reliability	-	-	-	-	-	
436	SCADA & Communications	-	-	-	-	-	
437	Non-reference services	-	-	-	-	-	
438	Network Operations	-	-	-	-	-	
439	Maintenance Strategy	-	-	-	-	-	
440	Preventive Condition	-	-	-	-24.896	-42.248	
441	Preventive Routine	-	-	-	-8.741	-15.878	
442	Corrective Deferred	-	-	-	-7.839	-7.915	
443	Corrective Emergency	-	-	-	-1.714	-1.662	
444	Call Centre	-	-	-	-0.118	-0.254	
445	Metering	-	-	-	-3.935	-8.003	
446	Business Support	-	-	-	-18.598	-12.813	
447	Non-recurring opex	-	-	-	-	-	
448	Total	-	-	-	-23.651	-65.020	
						-95.684	
Opex [m\$ 30/06/09]							
450 Distribution							
	Deemed (Forecast AA1)			Forecast			
451	Reliability	3.313	3.229	3.147	2.830	1.046	1.111
452	SCADA & Communications	0.962	0.937	0.914	1.757	1.427	1.575
453	Non-reference services	2.137	2.083	2.132	7.514	8.656	9.818
454	Network Operations	9.404	9.687	9.847	17.077	18.358	19.636
455	Maintenance Strategy	6.702	7.362	7.255	-	-	-
456	Preventive Condition	24.549	24.279	23.113	40.596	46.685	53.688
457	Preventive Routine	32.360	32.595	32.618	32.886	37.819	43.492
458	Corrective Deferred	13.252	12.120	11.562	15.516	17.843	20.520
459	Corrective Emergency	29.250	26.966	25.817	58.063	66.773	76.789
460	Call Centre	7.053	7.187	7.309	5.249	5.263	5.204
461	Metering	15.389	14.999	16.141	16.265	16.443	16.337
462	Business Support	48.944	52.183	54.312	65.789	65.851	65.904
463	Non-recurring opex	15.709	16.978	20.507	0.195	15.219	16.672
464	Total	209.025	210.604	214.674	263.738	301.384	330.745
465 Distribution							
	Actual			Forecast			
466	Reliability	3.767	1.545	1.950			
467	SCADA & Communications	1.399	1.236	1.080			
468	Non-reference services	4.843	6.097	5.300			
469	Network Operations	13.330	10.813	13.577			
470	Maintenance Strategy	9.579	8.857	-			
471	Preventive Condition	35.624	31.822	49.522			
472	Preventive Routine	28.951	30.895	31.730			
473	Corrective Deferred	27.660	28.114	22.820			
474	Corrective Emergency	56.503	60.451	48.830			
475	Call Centre	5.258	5.122	6.400			
476	Metering	21.014	19.232	15.900			
477	Business Support	46.948	55.353	65.823			
478	Non-recurring opex	-	-	0.034			
479	Total	254.877	259.537	262.966			
480							

**Opex Adjustment [m\$ 30/06/09]**

434	<b>Distribution</b>
435	Reliability
436	SCADA & Communications
437	Non-reference services
438	Network Operations
439	Maintenance Strategy
440	Preventive Condition
441	Preventive Routine
442	Corrective Deferred
443	Corrective Emergency
444	Call Centre
445	Metering
446	Business Support
447	Non-recurring opex
448	Total

**Opex [m\$ 30/06/09]**

450	<b>Distribution</b>
451	Reliability
452	SCADA & Communications
453	Non-reference services
454	Network Operations
455	Maintenance Strategy
456	Preventive Condition
457	Preventive Routine
458	Corrective Deferred
459	Corrective Emergency
460	Call Centre
461	Metering
462	Business Support
463	Non-recurring opex
464	Total
465	<b>Distribution</b>
466	Reliability
467	SCADA & Communications
468	Non-reference services
469	Network Operations
470	Maintenance Strategy
471	Preventive Condition
472	Preventive Routine
473	Corrective Deferred
474	Corrective Emergency
475	Call Centre
476	Metering
477	Business Support
478	Non-recurring opex
479	Total
480	



Other Inputs							
Year ending 30 June	2006	2007	2008	2009	2010	2011	2012
Project Year	0	1	2	3	4	5	6
Regulatory Period	1	1	1	1	2	2	2
<b>Tariff Equalisation</b>		Deemed (Forecast AA1)			Forecast		
486	Nominal Value [m\$ OD]	69.700	71.600	72.000	115.398	140.869	146.381
487		Actual					
488	Nominal Value [m\$ OD]	69.700	71.600	72.000			
489		Deemed (Forecast AA1)			Forecast		
490	Real Value [m\$ 30/06/09]	76.571	78.658	79.098	112.612	133.995	135.580
491		Actual					
492	Real Value [m\$ 30/06/09]	75.015	73.736	72.000			
<b>Non Reference Service Revenue</b>		Deemed (Forecast AA1)			Forecast		
494	Nominal Value [m\$ OD]	15.138	15.531	15.935	4.801	5.845	6.923
495		Actual					
496	Nominal Value [m\$ OD]	11.494	14.750	15.935			
497		Deemed (Forecast AA1)			Forecast		
498	Real Value [m\$ 30/06/09]	16.292	15.995	15.935	4.686	5.560	6.412
499		Actual					
500	Real Value [m\$ 30/06/09]	12.370	15.190	15.935			
501					Modelled		
502	Real Value [m\$ 30/06/09]				7.514	8.656	9.818
503							
<b>Working Capital</b>		Days					
505	Receivables		45.0				
506	TEC		-				
507	Inventory		-				
508	Prepayments		-				
509	Creditors		-20.0				
510	<b>Working Capital Closing Value</b>	Deemed (Forecast AA1)					
511	Working Capital Closing Value [m\$ 30/06/06]	21.954	18.773	19.133			
512		Actual					
513	Real Value [m\$ 30/06/09]	24.118	20.623	21.019			
514							
Revenue and Load							
Year ending 30 June	2006	2007	2008	2009	2010	2011	2012
Project Year	0	1	2	3	4	5	6
Regulatory Period	1	1	1	1	2	2	2
<b>Revenue Cap [m\$ OD]</b>		Price List Information					
520		374.600	405.100	434.700			
521	Smoothed Service Revenue Cap	3.600	3.800	3.900			
522	Transition Revenue for pricing purposes						
523	Revenue for pricing purposes	378.200	408.900	438.600			
524		Actual					
525	Smoothed Service Revenue Cap	331.331	411.947	434.700			
526	Transition Revenue for pricing purposes	3.199	3.680	3.900			
527	Revenue for pricing purposes	334.530	415.627	438.600			
<b>Revenue Cap [m\$ 30/06/09]</b>		Price List Information					
529		403.166	417.185	434.700			
530	Smoothed Service Revenue Cap	3.875	3.913	3.900			
531	Transition Revenue for pricing purposes						
532	Revenue for pricing purposes	407.040	421.098	438.600			
533		Actual					
534	Smoothed Service Revenue Cap	356.597	424.236	434.700			
535	Transition Revenue for pricing purposes	3.443	3.790	3.900			
536	Revenue for pricing purposes	360.040	428.026	438.600			
<b>Energy Transported Through the Network [GWh]</b>		Deemed (Forecast AA1)			Forecast		
538	Energy	12,276	12,546	12,822	13,104	13,670	14,278
539		Actual					
540	Energy	12,279	12,815	13,087	13,375		

Other Inputs	
Year ending 30 June	
Project Year	
Regulatory Period	
Tariff Equalisation	
486	Nominal Value [m\$ OD]
487	
488	Nominal Value [m\$ OD]
489	
490	Real Value [m\$ 30/06/09]
491	
492	Real Value [m\$ 30/06/09]
Non Reference Service Revenue	
494	Nominal Value [m\$ OD]
495	
496	Nominal Value [m\$ OD]
497	
498	Real Value [m\$ 30/06/09]
499	
500	Real Value [m\$ 30/06/09]
501	
502	Real Value [m\$ 30/06/09]
503	
Working Capital	
505	Receivables
506	TEC
507	Inventory
508	Prepayments
509	Creditors
510	Working Capital Closing Value
511	Working Capital Closing Value [m\$ 30/06/06]
512	
513	Real Value [m\$ 30/06/09]
514	
Revenue and Load	
Year ending 30 June	
Project Year	
Regulatory Period	
Revenue Cap [m\$ OD]	
520	
521	Smoothed Service Revenue Cap
522	Transition Revenue for pricing purposes
523	Revenue for pricing purposes
524	
525	Smoothed Service Revenue Cap
526	Transition Revenue for pricing purposes
527	Revenue for pricing purposes
Revenue Cap [m\$ 30/06/09]	
529	
530	Smoothed Service Revenue Cap
531	Transition Revenue for pricing purposes
532	Revenue for pricing purposes
533	
534	Smoothed Service Revenue Cap
535	Transition Revenue for pricing purposes
536	Revenue for pricing purposes
Energy Transported Through the Network [GWh]	
538	Energy
539	
540	Energy

## Western Power Revised Access Arrangement 2, DD2 Real Pre-tax Model

Ref	2	3	4	5	8	9	10	11	12	13	14	15	16
<b>Distribution, Real Calculations [m\$ 30/06/09]</b>													
<b>Year ending 30 June</b>							<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>
<b>Project Year</b>							<b>0</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>6</b>
<b>Regulatory Period</b>								<b>1</b>	<b>1</b>	<b>1</b>	<b>2</b>	<b>2</b>	<b>2</b>
<b>Asset Value [m\$ 30/06/09]</b>													
<b>8</b>	<b>Asset Value</b>												
<b>9</b>	Opening Asset Value							1,751.697	2,006.087	2,286.229	2,651.569	2,903.504	3,250.222
<b>10</b>	Capex (including Capitalised Deferred Revenue)							365.414	396.074	490.652	394.089	500.914	538.600
<b>11</b>	Redundant Assets							-4.214	-4.032	-3.915	-3.778	-3.683	-3.586
<b>12</b>	Depreciation							-106.810	-111.901	-121.397	-138.375	-150.514	-166.917
<b>13</b>	Closing Asset Value						1,751.697	2,006.087	2,286.229	2,651.569	2,903.504	3,250.222	3,618.319
<b>14</b>	<b>Check</b>												<b>OK</b>
<b>15</b>													
<b>Year ending 30 June</b>							<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>
<b>Project Year</b>							<b>0</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>6</b>
<b>Regulatory Period</b>								<b>1</b>	<b>1</b>	<b>1</b>	<b>2</b>	<b>2</b>	<b>2</b>
<b>Total [m\$ 30/06/09]</b>													
<b>20</b>	<b>Opening Value</b>												
<b>21</b>	Wooden Pole Lines							519.181	558.572	614.204	706.232	804.364	945.878
<b>22</b>	Underground Cables							587.967	722.512	850.399	1,006.711	1,085.747	1,180.774
<b>23</b>	Transformers							223.849	258.911	292.116	334.004	358.068	384.844
<b>24</b>	Switchgear							119.314	148.098	182.087	226.677	258.219	301.031
<b>25</b>	Street lighting							5.775	15.810	29.140	45.826	53.937	63.516
<b>26</b>	Meters and Services							184.788	173.994	164.021	153.583	144.028	135.580
<b>27</b>	IT&T							16.934	30.788	55.274	69.714	74.892	87.477
<b>28</b>	SCADA & Communications							14.090	14.716	15.067	15.678	19.299	23.063
<b>29</b>	Other Distribution Non-Network							56.270	59.156	60.390	69.613	81.421	104.529
<b>30</b>	Distribution Land & Easements							23.530	23.530	23.530	23.530	23.530	23.530
<b>31</b>	Total						1,751.697	2,006.087	2,286.229	2,651.569	2,903.504	3,250.222	
<b>32</b>	<b>Capex (Actual AA1 &amp; Forecast AA2)</b>												
<b>33</b>	Wooden Pole Lines							78.357	95.652	133.655	143.579	190.121	220.778
<b>34</b>	Underground Cables							150.479	145.684	176.277	102.871	120.576	140.133
<b>35</b>	Transformers							49.151	48.081	57.777	42.370	46.216	49.104
<b>36</b>	Switchgear							37.833	43.697	55.300	44.456	56.972	66.086
<b>37</b>	Street lighting							14.847	14.911	18.021	10.515	12.509	15.082
<b>38</b>	Meters and Services							9.292	10.306	10.221	11.740	13.317	13.893
<b>39</b>	IT&T							15.581	28.238	19.935	13.174	21.878	13.338
<b>40</b>	SCADA & Communications							2.008	1.962	2.406	5.623	6.319	6.571
<b>41</b>	Other Distribution Non-Network							7.866	7.543	17.061	19.761	33.007	13.615
<b>42</b>	Distribution Land & Easements							-	-	-	-	-	-
<b>43</b>	Total						365.414	396.074	490.652	394.089	500.914	538.600	

44	<b>Depreciation</b>							
45	Wooden Pole Lines		-35.806	-36.996	-38.692	-42.613	-45.845	-50.192
46	Underground Cables		-15.934	-17.798	-19.965	-23.835	-25.549	-27.559
47	Transformers		-13.245	-14.069	-15.106	-17.551	-18.703	-19.962
48	Switchgear		-8.838	-9.506	-10.514	-12.725	-13.975	-15.581
49	Street lighting		-4.812	-1.580	-1.335	-2.404	-2.930	-3.555
50	Meters and Services		-20.086	-20.280	-20.658	-21.295	-21.765	-22.297
51	IT&T		-1.728	-3.752	-5.495	-7.996	-9.293	-11.446
52	SCADA & Communications		-1.381	-1.611	-1.795	-2.002	-2.556	-3.177
53	Other Distribution Non-Network		-4.980	-6.309	-7.837	-7.954	-9.899	-13.147
54	Distribution Land & Easements		-	-	-	-	-	-
55	Total		-106.810	-111.901	-121.397	-138.375	-150.514	-166.917
56	<b>Redundant Assets (Accelerated Depreciation)</b>							
57	Wooden Pole Lines		-3.160	-3.024	-2.936	-2.834	-2.762	-2.690
58	Underground Cables		-	-	-	-	-	-
59	Transformers		-0.843	-0.806	-0.783	-0.756	-0.737	-0.717
60	Switchgear		-0.211	-0.202	-0.196	-0.189	-0.184	-0.179
61	Street lighting		-	-	-	-	-	-
62	Meters and Services		-	-	-	-	-	-
63	IT&T		-	-	-	-	-	-
64	SCADA & Communications		-	-	-	-	-	-
65	Other Distribution Non-Network		-	-	-	-	-	-
66	Distribution Land & Easements		-	-	-	-	-	-
67	Total		-4.214	-4.032	-3.915	-3.778	-3.683	-3.586
68	<b>Closing Value</b>							
69	Wooden Pole Lines	519.181	558.572	614.204	706.232	804.364	945.878	1,113.775
70	Underground Cables	587.967	722.512	850.399	1,006.711	1,085.747	1,180.774	1,293.349
71	Transformers	223.849	258.911	292.116	334.004	358.068	384.844	413.269
72	Switchgear	119.314	148.098	182.087	226.677	258.219	301.031	351.357
73	Street lighting	5.775	15.810	29.140	45.826	53.937	63.516	75.042
74	Meters and Services	184.788	173.994	164.021	153.583	144.028	135.580	127.175
75	IT&T	16.934	30.788	55.274	69.714	74.892	87.477	89.369
76	SCADA & Communications	14.090	14.716	15.067	15.678	19.299	23.063	26.457
77	Other Distribution Non-Network	56.270	59.156	60.390	69.613	81.421	104.529	104.997
78	Distribution Land & Easements	23.530	23.530	23.530	23.530	23.530	23.530	23.530
79	Total	1,751.697	2,006.087	2,286.229	2,651.569	2,903.504	3,250.222	3,618.319
80								

Year ending 30 June	2006	2007	2008	2009	2010	2011	2012
Project Year	0	1	2	3	4	5	6
Regulatory Period		1	1	1	2	2	2
ICB [m\$ 30/06/09]							
<b>85 Opening Value</b>							
86 Wooden Pole Lines		519.181	480.215	441.619	403.354	365.446	327.880
87 Underground Cables		587.967	572.033	556.099	540.165	524.231	508.297
88 Transformers		223.849	209.760	195.761	181.840	168.002	154.242
89 Switchgear		119.314	110.265	101.242	92.242	83.268	74.319
90 Street lighting		5.775	0.962	-	-	-	-
91 Meters and Services		184.788	164.702	144.616	124.531	104.445	84.360
92 IT&T		16.934	15.206	13.478	11.750	10.022	8.294
93 SCADA & Communications		14.090	12.708	11.327	9.946	8.564	7.183
94 Other Distribution Non-Network		56.270	51.291	46.311	41.331	36.352	31.372
95 Distribution Land & Easements		23.530	23.530	23.530	23.530	23.530	23.530
96 Total		1,751.697	1,640.673	1,533.983	1,428.689	1,323.861	1,219.477
<b>97 Depreciation</b>	<b>Sum</b>	<b>Life</b>					
98 Wooden Pole Lines	-211.100	14.500	-35.806	-35.573	-35.329	-35.074	-34.514
99 Underground Cables	-95.604	36.900	-15.934	-15.934	-15.934	-15.934	-15.934
100 Transformers	-78.643	16.900	-13.245	-13.193	-13.138	-13.082	-12.962
101 Switchgear	-52.756	13.500	-8.838	-8.821	-8.804	-8.785	-8.743
102 Street lighting	-5.775	1.200	-4.812	-0.962	-	-	-
103 Meters and Services	-120.514	9.200	-20.086	-20.086	-20.086	-20.086	-20.086
104 IT&T	-10.368	9.800	-1.728	-1.728	-1.728	-1.728	-1.728
105 SCADA & Communications	-8.288	10.200	-1.381	-1.381	-1.381	-1.381	-1.381
106 Other Distribution Non-Network	-29.878	11.300	-4.980	-4.980	-4.980	-4.980	-4.980
107 Distribution Land & Easements	-	-	-	-	-	-	-
108 Total	-612.926		-106.810	-102.658	-101.379	-101.050	-100.702
<b>109 Redundant Assets (Accelerated Depreciation)</b>	<b>Sum</b>						
110 Wooden Pole Lines	-17.405		-3.160	-3.024	-2.936	-2.834	-2.762
111 Underground Cables	-		-	-	-	-	-
112 Transformers	-4.641		-0.843	-0.806	-0.783	-0.756	-0.717
113 Switchgear	-1.161		-0.211	-0.202	-0.196	-0.189	-0.179
114 Street lighting	-		-	-	-	-	-
115 Meters and Services	-		-	-	-	-	-
116 IT&T	-		-	-	-	-	-
117 SCADA & Communications	-		-	-	-	-	-
118 Other Distribution Non-Network	-		-	-	-	-	-
119 Distribution Land & Easements	-		-	-	-	-	-
120 Total	-23.207		-4.214	-4.032	-3.915	-3.778	-3.683

121 Closing Value		Check							
122	Wooden Pole Lines	OK	519.181	480.215	441.619	403.354	365.446	327.880	290.676
123	Underground Cables	OK	587.967	572.033	556.099	540.165	524.231	508.297	492.363
124	Transformers	OK	223.849	209.760	195.761	181.840	168.002	154.242	140.564
125	Switchgear	OK	119.314	110.265	101.242	92.242	83.268	74.319	65.396
126	Street lighting	OK	5.775	0.962	0.000	-	-	-	-
127	Meters and Services	OK	184.788	164.702	144.616	124.531	104.445	84.360	64.274
128	IT&T	OK	16.934	15.206	13.478	11.750	10.022	8.294	6.566
129	SCADA & Communications	OK	14.090	12.708	11.327	9.946	8.564	7.183	5.802
130	Other Distribution Non-Network	OK	56.270	51.291	46.311	41.331	36.352	31.372	26.392
131	Distribution Land & Easements	OK	23.530	23.530	23.530	23.530	23.530	23.530	23.530
132	Total	OK	1,751.697	1,640.673	1,533.983	1,428.689	1,323.861	1,219.477	1,115.563
133									
<b>Year ending 30 June</b>			<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>
<b>Project Year</b>			<b>0</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>6</b>
<b>Regulatory Period</b>				<b>1</b>	<b>1</b>	<b>1</b>	<b>2</b>	<b>2</b>	<b>2</b>
<b>Capex [m\$ 30/06/09]</b>									
138	<b>Opening Value</b>								
139	Wooden Pole Lines			-	78.357	172.586	302.878	438.918	617.998
140	Underground Cables			-	150.479	294.300	466.546	561.516	672.478
141	Transformers			-	49.151	96.355	152.164	190.065	230.602
142	Switchgear			-	37.833	80.846	134.435	174.950	226.712
143	Street lighting			-	14.847	29.140	45.826	53.937	63.516
144	Meters and Services			-	9.292	19.404	29.053	39.582	51.220
145	IT&T			-	15.581	41.795	57.963	64.870	79.183
146	SCADA & Communications			-	2.008	3.740	5.733	10.735	15.880
147	Other Distribution Non-Network			-	7.866	14.079	28.282	45.069	73.157
148	Distribution Land & Easements			-	-	-	-	-	-
149	Total			-	365.414	752.246	1,222.880	1,579.644	2,030.745
150	<b>Capex (Actual AA1 &amp; Forecast AA2)</b>				<b>Actual</b>			<b>Forecast</b>	
151	Wooden Pole Lines				78.357	95.652	133.655	143.579	190.121
152	Underground Cables				150.479	145.684	176.277	102.871	120.576
153	Transformers				49.151	48.081	57.777	42.370	46.216
154	Switchgear				37.833	43.697	55.300	44.456	56.972
155	Street lighting				14.847	14.911	18.021	10.515	12.509
156	Meters and Services				9.292	10.306	10.221	11.740	13.317
157	IT&T				15.581	28.238	19.935	13.174	21.878
158	SCADA & Communications				2.008	1.962	2.406	5.623	6.319
159	Other Distribution Non-Network				7.866	7.543	17.061	19.761	33.007
160	Distribution Land & Easements				-	-	-	-	-
161	Total				365.414	396.074	490.652	394.089	500.914

<b>162</b>	<b>Depreciation 1</b>	<b>1</b>	<b>Sum</b>	<b>Life</b>						
163	Wooden Pole Lines	1	-8.655	41.000	-	-1.423	-1.423	-1.936	-1.936	-1.936
164	Underground Cables	1	-11.318	60.000	-	-1.864	-1.864	-2.530	-2.530	-2.530
165	Transformers	1	-6.061	35.000	-	-0.876	-0.876	-1.436	-1.436	-1.436
166	Switchgear	1	-4.684	35.000	-	-0.685	-0.685	-1.105	-1.105	-1.105
167	Street lighting	1	-3.504	20.000	-	-0.618	-0.618	-0.756	-0.756	-0.756
168	Meters and Services	1	-1.550	25.000	-	-0.194	-0.194	-0.387	-0.387	-0.387
169	IT&T	1	-8.288	10.160	-	-2.024	-2.024	-1.413	-1.413	-1.413
170	SCADA & Communications	1	-1.028	10.160	-	-0.229	-0.229	-0.190	-0.190	-0.190
171	Other Distribution Non-Network	1	-4.573	10.160	-	-1.329	-1.329	-0.638	-0.638	-0.638
172	Distribution Land & Easements	1	-	-	-	-	-	-	-	-
173	Total		-49.662		-	-9.242	-9.242	-10.392	-10.392	-10.392
<b>174</b>	<b>Depreciation 2</b>	<b>2</b>	<b>Sum</b>	<b>Life</b>						
175	Wooden Pole Lines	2	-8.968	41.000	-	-	-1.940	-2.343	-2.343	-2.343
176	Underground Cables	2	-9.465	60.000	-	-	-2.167	-2.432	-2.432	-2.432
177	Transformers	2	-5.238	35.000	-	-	-1.091	-1.382	-1.382	-1.382
178	Switchgear	2	-4.791	35.000	-	-	-1.026	-1.255	-1.255	-1.255
179	Street lighting	2	-2.958	20.000	-	-	-0.717	-0.747	-0.747	-0.747
180	Meters and Services	2	-1.619	25.000	-	-	-0.379	-0.414	-0.414	-0.414
181	IT&T	2	-10.420	10.160	-	-	-1.743	-2.892	-2.892	-2.892
182	SCADA & Communications	2	-0.767	10.160	-	-	-0.185	-0.194	-0.194	-0.194
183	Other Distribution Non-Network	2	-3.498	10.160	-	-	-1.528	-0.657	-0.657	-0.657
184	Distribution Land & Easements	2	-	-	-	-	-	-	-	-
185	Total		-47.724		-	-	-10.776	-12.316	-12.316	-12.316
<b>186</b>	<b>Depreciation 3</b>	<b>3</b>	<b>Sum</b>	<b>Life</b>						
187	Wooden Pole Lines	3	-9.780	41.000	-	-	-	-3.260	-3.260	-3.260
188	Underground Cables	3	-8.814	60.000	-	-	-	-2.938	-2.938	-2.938
189	Transformers	3	-4.952	35.000	-	-	-	-1.651	-1.651	-1.651
190	Switchgear	3	-4.740	35.000	-	-	-	-1.580	-1.580	-1.580
191	Street lighting	3	-2.703	20.000	-	-	-	-0.901	-0.901	-0.901
192	Meters and Services	3	-1.227	25.000	-	-	-	-0.409	-0.409	-0.409
193	IT&T	3	-5.886	10.160	-	-	-	-1.962	-1.962	-1.962
194	SCADA & Communications	3	-0.711	10.160	-	-	-	-0.237	-0.237	-0.237
195	Other Distribution Non-Network	3	-5.038	10.160	-	-	-	-1.679	-1.679	-1.679
196	Distribution Land & Easements	3	-	-	-	-	-	-	-	-
197	Total		-43.850		-	-	-	-14.617	-14.617	-14.617

<b>198</b>	<b>Depreciation 4</b>	<b>4</b>	<b>Sum</b>	<b>Life</b>			
199	Wooden Pole Lines	4	-7.004	41.000	-	-3.502	-3.502
200	Underground Cables	4	-3.429	60.000	-	-1.715	-1.715
201	Transformers	4	-2.421	35.000	-	-1.211	-1.211
202	Switchgear	4	-2.540	35.000	-	-1.270	-1.270
203	Street lighting	4	-1.051	20.000	-	-0.526	-0.526
204	Meters and Services	4	-0.939	25.000	-	-0.470	-0.470
205	IT&T	4	-2.593	10.160	-	-1.297	-1.297
206	SCADA & Communications	4	-1.107	10.160	-	-0.553	-0.553
207	Other Distribution Non-Network	4	-3.890	10.160	-	-1.945	-1.945
208	Distribution Land & Easements	4	-	-	-	-	-
209	Total		-24.975		-	-12.488	-12.488
<b>210</b>	<b>Depreciation 5</b>	<b>5</b>	<b>Sum</b>	<b>Life</b>			
211	Wooden Pole Lines	5	-4.637	41.000	-	-	-4.637
212	Underground Cables	5	-2.010	60.000	-	-	-2.010
213	Transformers	5	-1.320	35.000	-	-	-1.320
214	Switchgear	5	-1.628	35.000	-	-	-1.628
215	Street lighting	5	-0.625	20.000	-	-	-0.625
216	Meters and Services	5	-0.533	25.000	-	-	-0.533
217	IT&T	5	-2.153	10.160	-	-	-2.153
218	SCADA & Communications	5	-0.622	10.160	-	-	-0.622
219	Other Distribution Non-Network	5	-3.249	10.160	-	-	-3.249
220	Distribution Land & Easements	5	-	-	-	-	-
221	Total		-16.777		-	-	-16.777
<b>222</b>	<b>Depreciation 6</b>	<b>6</b>	<b>Sum</b>	<b>Life</b>			
223	Wooden Pole Lines	6	-	41.000	-	-	-
224	Underground Cables	6	-	60.000	-	-	-
225	Transformers	6	-	35.000	-	-	-
226	Switchgear	6	-	35.000	-	-	-
227	Street lighting	6	-	20.000	-	-	-
228	Meters and Services	6	-	25.000	-	-	-
229	IT&T	6	-	10.160	-	-	-
230	SCADA & Communications	6	-	10.160	-	-	-
231	Other Distribution Non-Network	6	-	10.160	-	-	-
232	Distribution Land & Easements	6	-	-	-	-	-
233	Total		-		-	-	-



<b>234</b>	<b>Depreciation</b>	<b>Sum</b>						
235	Wooden Pole Lines	-39.044	-	-1.423	-3.363	-7.539	-11.041	-15.678
236	Underground Cables	-35.035	-	-1.864	-4.031	-7.901	-9.615	-11.625
237	Transformers	-19.993	-	-0.876	-1.968	-4.469	-5.680	-7.000
238	Switchgear	-18.383	-	-0.685	-1.711	-3.940	-5.210	-6.838
239	Street lighting	-10.842	-	-0.618	-1.335	-2.404	-2.930	-3.555
240	Meters and Services	-5.867	-	-0.194	-0.573	-1.210	-1.679	-2.212
241	IT&T	-29.342	-	-2.024	-3.767	-6.268	-7.565	-9.718
242	SCADA & Communications	-4.234	-	-0.229	-0.414	-0.621	-1.174	-1.796
243	Other Distribution Non-Network	-20.247	-	-1.329	-2.858	-2.974	-4.919	-8.168
244	Distribution Land & Easements	-	-	-	-	-	-	-
245	Total	-182.988	-	-9.242	-20.018	-37.325	-49.813	-66.590
<b>246</b>	<b>Closing Value</b>							
247	Wooden Pole Lines	-	78.357	172.586	302.878	438.918	617.998	823.099
248	Underground Cables	-	150.479	294.300	466.546	561.516	672.478	800.986
249	Transformers	-	49.151	96.355	152.164	190.065	230.602	272.705
250	Switchgear	-	37.833	80.846	134.435	174.950	226.712	285.960
251	Street lighting	-	14.847	29.140	45.826	53.937	63.516	75.042
252	Meters and Services	-	9.292	19.404	29.053	39.582	51.220	62.902
253	IT&T	-	15.581	41.795	57.963	64.870	79.183	82.802
254	SCADA & Communications	-	2.008	3.740	5.733	10.735	15.880	20.655
255	Other Distribution Non-Network	-	7.866	14.079	28.282	45.069	73.157	78.605
256	Distribution Land & Easements	-	-	-	-	-	-	-
257	Total	-	365.414	752.246	1,222.880	1,579.644	2,030.745	2,502.756

**Western Power Revised Access Arrangement 2, DD2 Real Pre-tax Model**

Ref	2	3	4	5	6	7	8	9	10	11	12	13	14
	<b>Year ending 30 June</b>								<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>
	<b>Project Year</b>								<b>0</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>
	<b>Regulatory Period</b>									<b>1</b>	<b>1</b>	<b>1</b>	<b>2</b>
6	<b>Pre-tax WACC</b>												
7	Real								6.76%	6.76%	6.76%	6.76%	7.06%
8													

<b>Asset Category Allocation</b>													
<b>Asset Allocation</b>													
11	Distribution	Wooden Pole	Lrground	Cransforme	Switchgear	street	lightinrs	and Serv	IT&T	& Commu	ribution	Non	Land & Easements
12	<b>DEMAND RELATED</b>												
13	Distribution Capacity	27%	54%	13%	6%	0%	0%	0%	0%	0%	0%	0%	100%
14	Customer Driven	8%	53%	20%	12%	6%	0%	0%	0%	0%	0%	0%	100%
15	Customer Driven - Vested Assets	8%	53%	20%	12%	6%	0%	0%	0%	0%	0%	0%	100%
16	<b>OTHER</b>												
17	State Undergrounding Power Program (SUPP)	0%	77%	7%	7%	9%	0%	0%	0%	0%	0%	0%	100%
18	Rural Power Improvement Program (RPIP)	80%	0%	0%	20%	0%	0%	0%	0%	0%	0%	0%	100%
19													

<b>IAM Asset Base</b>													
										2006	2007	2008	2009
<b>Year ending 30 June</b>													
<b>Project Year</b>										<b>0</b>	<b>1</b>	<b>2</b>	<b>3</b>
<b>Regulatory Period</b>											<b>1</b>	<b>1</b>	<b>1</b>
<b>AA1 Forecast Asset Account [m\$ 30/06/09]</b>													
25	<b>Opening Value</b>												
26	Wooden Pole Lines										-	27.448	56.445
27	Underground Cables										-	94.090	197.224
28	Transformers										-	28.650	60.581
29	Switchgear										-	19.489	40.866
30	Street lighting										-	9.085	18.853
31	Meters and Services										-	-	-
32	IT&T										-	-	-
33	SCADA & Communications										-	-	-
34	Other Distribution Non-Network										-	-	-
35	Distribution Land & Easements										-	-	-
36	<b>Total</b>										-	178.762	373.970

37	<b>Capex</b>			
38	Wooden Pole Lines		27.448	29.666
39	Underground Cables		94.090	104.702
40	Transformers		28.650	32.750
41	Switchgear		19.489	21.934
42	Street lighting		9.085	10.223
43	Meters and Services		-	-
44	IT&T		-	-
45	SCADA & Communications		-	-
46	Other Distribution Non-Network		-	-
47	Distribution Land & Easements		-	-
48	Total		178.762	199.275
49	<b>Depreciation</b>	<b>Life</b>		
50	Wooden Pole Lines	41.000	-	-0.669
51	Underground Cables	60.000	-	-1.568
52	Transformers	35.000	-	-0.819
53	Switchgear	35.000	-	-0.557
54	Street lighting	20.000	-	-0.454
55	Meters and Services	25.000	-	-
56	IT&T	10.160	-	-
57	SCADA & Communications	10.160	-	-
58	Other Distribution Non-Network	10.160	-	-
59	Distribution Land & Easements	-	-	-
60	Total		-	-4.067
61	<b>Closing Value</b>			
62	Wooden Pole Lines		27.448	56.445
63	Underground Cables		94.090	197.224
64	Transformers		28.650	60.581
65	Switchgear		19.489	40.866
66	Street lighting		9.085	18.853
67	Meters and Services		-	-
68	IT&T		-	-
69	SCADA & Communications		-	-
70	Other Distribution Non-Network		-	-
71	Distribution Land & Easements		-	-
72	Total		178.762	373.970
73				591.208

<b>Actual Asset Account [m\$ 30/06/09]</b>			
<b>75</b>	<b>Opening Value</b>		
76	Wooden Pole Lines	39.114	82.408
77	Underground Cables	143.490	276.642
78	Transformers	44.696	86.384
79	Switchgear	28.097	56.861
80	Street lighting	12.893	25.235
81	Meters and Services	-	-
82	IT&T	-	-
83	SCADA & Communications	-	-
84	Other Distribution Non-Network	-	-
85	Distribution Land & Easements	-	-
86	Total	- 268.291	527.529
<b>87</b>	<b>Capex</b>		
88	Wooden Pole Lines	39.114	43.963
89	Underground Cables	143.490	134.719
90	Transformers	44.696	42.506
91	Switchgear	28.097	29.321
92	Street lighting	12.893	12.797
93	Meters and Services	-	-
94	IT&T	-	-
95	SCADA & Communications	-	-
96	Other Distribution Non-Network	-	-
97	Distribution Land & Easements	-	-
98	Total	268.291	263.306
<b>99</b>	<b>AA1 Forecast Depreciation</b>		
100	Wooden Pole Lines	-	-0.669
101	Underground Cables	-	-1.568
102	Transformers	-	-0.819
103	Switchgear	-	-0.557
104	Street lighting	-	-0.454
105	Meters and Services	-	-
106	IT&T	-	-
107	SCADA & Communications	-	-
108	Other Distribution Non-Network	-	-
109	Distribution Land & Easements	-	-
110	Total	-	-4.067

111	<b>Closing Value</b>				
112	Wooden Pole Lines		39.114	82.408	130.163
113	Underground Cables		143.490	276.642	428.647
114	Transformers		44.696	86.384	132.049
115	Switchgear		28.097	56.861	87.353
116	Street lighting		12.893	25.235	38.155
117	Meters and Services		-	-	-
118	IT&T		-	-	-
119	SCADA & Communications		-	-	-
120	Other Distribution Non-Network		-	-	-
121	Distribution Land & Easements		-	-	-
122	<b>Total</b>		<b>268.291</b>	<b>527.529</b>	<b>816.367</b>
123					

<b>IAM Adjustment</b>						
<b>Year ending 30 June</b>			<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>
<b>Project Year</b>			<b>0</b>	<b>1</b>	<b>2</b>	<b>3</b>
<b>Regulatory Period</b>				<b>1</b>	<b>1</b>	<b>1</b>
<b>Forecast Asset Account [m\$ 30/06/09]</b>						
		<b>PV<sub>30/06/2006</sub></b>	<b>PV<sub>30/06/2009</sub></b>			
129	<b>Forecast</b>					
130	Return on Assets	31.378	38.182	-	12.084	25.280
131	Depreciation	10.644	12.952	-	4.067	8.609
132	<b>Cost of Service</b>	<b>42.022</b>	<b>51.133</b>	-	16.152	33.890
133	<b>Actual</b>					
134	Return on Assets	45.219	55.023	-	18.136	35.661
135	Depreciation	10.644	12.952	-	4.067	8.609
136	<b>Cost of Service</b>	<b>55.863</b>	<b>67.975</b>	-	22.204	44.270
137	<b>Actual less Forecast</b>					
138	Forecast less Actual	13.841	16.842	-	6.052	10.381
139	<b>Cash flow analysis to confirm amount of IAM adjustment</b>					
140	IAM Actual Capex	-726.766	-884.342	-268.291	-263.306	-297.447
141	Actual Asset Opening Value	-	-	-	-	-
142	Actual Asset Residual Value	670.903	816.367	-	-	816.367
143	CoS Forecast (Received)	42.022	51.133	-	16.152	33.890
144	<b>Total Cash flow</b>	<b>-13.841</b>	<b>-16.842</b>	<b>-268.291</b>	<b>-247.155</b>	<b>552.810</b>
145	<b>Check</b>	<b>OK</b>	<b>OK</b>			

146	<b>Investment Adjustment Mechanism</b>					
147	Value of Investment Adjustment Mechanism			-	6.052	10.381
148	Value at Year 3	16.842		-	6.461	10.381
149	Value at Year 4	18.031		-	6.917	11.114
150						

<b>Other Adjustments</b>						
<b>Year ending 30 June</b>						
		2006	2007	2008	2009	
<b>Project Year</b>		0	1	2	3	
<b>Regulatory Period</b>			1	1	1	
155	<b>Unforeseen Events Revenue Adjustment</b>					
156	Unforeseen Events Revenue Adjustment		<b>Total Correction</b>	-	-	-
157	Value at Year 3	-	-	-	-	-
158	Value at Year 4	-	-	-	-	-
159	<b>Technical Rule Change Revenue Adjustment</b>					
160	Technical Rule Change Revenue Adjustment		<b>Total Correction</b>	-	-	-
161	Value at Year 3	-	-	-	-	-
162	Value at Year 4	-	-	-	-	-
163	<b>Capital Contribution Adjustment Mechanism</b>					
164	Forecast less Actual Capital Contribution		<b>Total Correction</b>	-42.444	-23.283	-10.878
165	Value at Year 3	-84.110	-48.376	-24.856	-10.878	
166	Value at Year 4	-90.049	-51.792	-26.612	-11.646	
167						

<b>Total Adjustments</b>						
<b>Year ending 30 June</b>						
		2006	2007	2008	2009	
<b>Project Year</b>		0	1	2	3	
<b>Regulatory Period</b>			1	1	1	
172	<b>Adjustments</b>					
173	Unforeseen Events Revenue Adjustment		-	-	-	
174	Technical Rule Change Revenue Adjustment		-	-	-	
175	Investment Adjustment Mechanism		-	6.052	10.381	
176	Capital Contribution Adjustment Mechanism		-42.444	-23.283	-10.878	
177	Total Adjustment		<b>Total Correction</b>	-42.444	-17.230	-0.497
178	Value at Year 3	-67.268	-48.376	-18.395	-0.497	
179	Value at Year 4	-72.018	-51.792	-19.694	-0.532	

Western Power Revised Access Arrangement 2, DD2 Real Pre-tax Model

Ref	2	3	8	9	10	11	12	13	14	15	16	
Year ending 30 June			2006	2007	2008	2009			2010	2011	2012	2013
Project Year			0	1	2	3			4	5	6	7
Regulatory Period				1	1	1			2	2	2	3
7 Modelled Inflation												
8 Annual Inflation									2.38%	2.38%	2.38%	
9 Inflation Factor								1.000	1.024	1.048	1.073	
10 Pre-tax WACC												
11 Real				6.76%	6.76%	6.76%			7.06%	7.06%	7.06%	7.06%
12 Nominal				10.02%	10.02%	10.02%			9.61%	9.61%	9.61%	9.61%
13												
<b>Distribution, Real Calculations [m\$ 30/06/09]</b>												
Year ending 30 June			2006	2007	2008	2009			2010	2011	2012	
Project Year			0	1	2	3			4	5	6	
Days				365	366	365			365	365	366	
Regulatory Period				1	1	1			2	2	2	
<b>Asset Value [m\$ 30/06/09]</b>												
20 Asset Value												
21 Opening Asset Value				1,751.697	2,006.087	2,286.229			2,651.569	2,903.504	3,250.222	
22 Capex (Including Capitalised Deferred Revenue)				365.414	396.074	490.652			394.089	500.914	538.600	
23 Redundant Assets (Accelerated Depreciation)				-4.214	-4.032	-3.915			-3.778	-3.683	-3.586	
24 Depreciation				-106.810	-111.901	-121.397			-138.375	-150.514	-166.917	
25 Closing Asset Value			1,751.697	2,006.087	2,286.229	2,651.569			2,903.504	3,250.222	3,618.319	
26 Working Capital												
27 Opening Value									21.019	37.078	37.481	
28 Variation									16.059	0.403	4.859	
29 Closing Value				-24.118	20.623	21.019			37.078	37.481	42.339	
30												
Year ending 30 June			2006	2007	2008	2009			2010	2011	2012	
Project Year			0	1	2	3			4	5	6	
Regulatory Period				1	1	1			2	2	2	
<b>Deferred Revenue Account [m\$ 30/06/09]</b>												
35 Deferred Revenue Account												
36 Opening Value		Life										427.464
37 Payment to Principal		42										-10.178
38 Closing Asset Value											427.464	417.286
39 Deferred Revenue Recovery												
40 Payment to Principal												10.178
41 Return on Opening Value												30.182
42 Additional CoS												40.359
43												
<b>Working Capital [m\$ 30/06/09]</b>												
45 Gross Cost of Service (excluding Working Capital)		PV 2					Actual			Forecast		
46 Opex		778.815							263.738	301.384	330.745	
47 Depreciation		396.588							138.375	150.514	166.917	
48 Redundant Assets (Accelerated Depreciation)		9.664							3.778	3.683	3.586	
49 Deferred Revenue Recovery		-							-	-	-	
50 Return on Assets		540.739							187.218	205.006	229.486	
51 Cost of Service		1,725.806							593.108	660.587	730.735	
52 Net Covered Service Revenue = NCoS		PV 2										
53 Gross CoS		1,725.806							593.108	660.587	730.735	
54 Capital Contributions (In Kind & Cash)		-							-	-	-	
55 Net Covered Service Revenue		1,725.806							593.108	660.587	730.735	
56 Expenses		PV 2										
57 Opex		778.815							263.738	301.384	330.745	
58 Capex		1,244.033							394.089	500.914	538.600	
59 Total Expenses		2,022.848							657.826	802.298	869.346	

60 Working Capital		Days	Base for Calculation						
61	Receivables	45.0	Net Covered Service Revenue			73.123	81.442	89.844	
62	Tariff Equalisation	-	TEC Value			-	-	-	
63	Inventory	-	Total Expenses			-	-	-	
64	Prepayments	-	Total Expenses			-	-	-	
65	Creditors	-20.0	Total Expenses			-36.045	-43.962	-47.505	
66	End of the Year Working Capital				21.019	37.078	37.481	42.339	
67	Working Capital								
68	Opening Value					21.019	37.078	37.481	
69	Variation					16.059	0.403	4.859	
70	Closing Value				21.019	37.078	37.481	42.339	
71									
Year ending 30 June			2006	2007	2008	2009	2010	2011	2012
Project Year			0	1	2	3	4	5	6
Regulatory Period				1	1	1	2	2	2
Gross Cost of Service [m\$ 30/06/09]									
76	Gross Cost of Service	PV							
77	Opex	778.815					263.738	301.384	330.745
78	Depreciation	396.588					138.375	150.514	166.917
79	Redundant Assets (Accelerated Depreciation)	9.664					3.778	3.683	3.586
80	Deferred Revenue Recovery	-					-	-	-
81	Return on Assets	540.739					187.218	205.006	229.486
82	Return on Working Capital	5.827					1.484	2.618	2.646
83	Cost of Service	1,731.633					594.593	663.205	733.381
84	Gross Regulatory Revenue	PV							
85	Opex	778.815					263.738	301.384	330.745
86	Capex	1,244.033					394.089	500.914	538.600
87	Asset Opening Value	2,651.569			2,651.569		-	-	-
88	Asset Residual Value	-2,948.610					-	-	-3,618.319
89	Opening Value of Working Capital	21.019			21.019		-	-	-
90	Residual Value of Working Capital	-34.503					-	-	-42.339
91	Working Capital Closing Value Variation	19.310					16.059	0.403	4.859
92	Gross Regulatory Revenue = Gross Cost of Service	1,731.633			2,672.588		673.885	802.701	-2,786.454
93	Check	OK							
94									
Net Cost of Service [m\$ 30/06/09]									
96	Net Reference Service Revenue (Net CoS)	PV							
97	Gross CoS	1,731.633					594.593	663.205	733.381
98	Non Reference Service Revenue	-22.571					-7.514	-8.656	-9.818
99	Tariff Equalisation	-					-	-	-
100	Capital Contributions (In Kind & Cash)	-					-	-	-
101	Unforeseen Events Revenue Adjustment	-					-	-	-
102	Technical Rule Change Revenue Adjustment	-					-	-	-
103	IAM Revenue Adjustment	16.842					18.031	-	-
104	CCAM Revenue Adjustment	-84.110					-90.049	-	-
105	Net Reference Service Revenue = Net Cost of Service	1,641.794					515.061	654.549	723.563
106	Smoothed Net Reference Cost of Service	PV		S Factor					
107	Smoothed Net Reference Cost of Service	1,641.794		19.35%	438.600		523.490	624.810	745.740
108	Delta PV			-					
109									
Unit Cost									
111	Unit Cost	AA2 PV	AA1 PV		Actual		Forecast		
112	Smoothed Net Reference Cost of Service	1,641.8	1,067.1	360.040	428.026	438.600	523.490	624.810	745.740
113	Energy Transported [GWh]	36,591.9	34,287.0	12,815	13,087	13,375	13,670	13,970	14,278
114	DWAT [\$/MWh]	44.9	31.1	28.10	32.71	32.79	38.29	44.73	52.23
115		AA2 DWAT	AA1 DWAT						
116									



Year ending 30 June	2006	2007	2008	2009	2010	2011	2012
Project Year	0	1	2	3	4	5	6
Regulatory Period	0	1	1	1	2	2	2
<b>Smoothed Cost of Service [m\$ 30/06/09]</b>							
121 Net Reference Service Revenue Requirement (Net CoS)	PV						
122 Net Reference Service Revenue	1,641.794	P <sub>0</sub>	Y Factor		515.061	654.549	723.563
123 Smoothed Reference Service Revenue	1,293.449	6.15%	6.15%	438.600	465.557	494.171	524.543
124 Deferred Reference Service Revenue	-348.345	95.40%			-57.933	-130.639	-221.198
125 Delta PV	-				-70.580	-167.897	-300.004
126							
<b>Unit Cost</b>							
128 Unit Cost (Excluding Deferred Revenue)	AA2 PV	AA1 PV		Actual	Forecast		
129 Net Regulatory Smoothed Revenue	1,293.4	1,067.1	360.040	428.026	438.600	465.557	494.171
130 Energy Transported [GWh]	36,591.9	34,287.0	12,815	13,087	13,375	13,670	13,970
131 DWAT [\$/MWh]	35.348	31.124	28.095	32.706	32.793	34.057	35.374
132							
133							
Year ending 30 June	2006	2007	2008	2009	2010	2011	2012
Project Year	0	1	2	3	4	5	6
Regulatory Period	0	1	1	1	2	2	2
<b>Net Cash Flow Analysis [m\$ 30/06/09]</b>							
138 Net Cash Flow	PV						
139 Smoothed Reference Service Revenue (Revenue Cap)	1,293.449				465.557	494.171	524.543
140 Deferred Reference Service Revenue	348.345				57.933	130.639	221.198
141 Opex	-778.815				-263.738	-301.384	-330.745
142 Capex	-1,244.033				-394.089	-500.914	-538.600
143 Deferred Revenue Recovery	-				-	-	-
144 Non Reference Service Revenue	22.571				7.514	8.656	9.818
145 Tariff Equalisation	-				-	-	-
146 Capital Contributions (In Kind & Cash)	-				-	-	-
147 Unforeseen Events Revenue Adjustment	-				-	-	-
148 Technical Rule Change Revenue Adjustment	-				-	-	-
149 IAM Revenue Adjustment	-16.842				-18.031	-	-
150 CCAM Revenue Adjustment	84.110				90.049	-	-
151 Asset Opening Value	-2,651.569			-2,651.569	-	-	-
152 Asset Residual Value	2,948.610			-	-	-	3,618.319
153 Opening Value of Working Capital	-21.019			-21.019	-	-	-
154 Residual Value of Working Capital	34.503			-	-	-	42.339
155 Working Capital Variation	-19.310			-	-16.059	-0.403	-4.859
156 Net Cash Flow	-			-2,672.588	-70.863	-169.235	3,542.012
157 Check	OK						
158 Internal Rate of Return							
159 IRR	7.06%						
160 Check	OK						
161 Nominal from Real	PV						
162 Net Cash Flow	-			-2,672.588	-72.550	-177.387	3,800.979
163 Check	OK						
164 Internal Rate of Return							
165 IRR	9.61%						
166 Check	OK						
167							

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Western Power Revised Access Arrangement 2, DD2 Real Pre-tax Model

Ref	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	
<b>Year ending 30 June</b>									2006	2007	2008	2009	2010	2011	2012	
<b>Project Year</b>									0	1	2	3	4	5	6	
<b>Regulatory Period</b>										1	1	1	2	2	2	
6	<b>WP's AA1 Inflation</b>															
7	June CPI							144.8	148.4	152.7	157.0	161.1	165.2	-	-	-
8	Annual Inflation								2.49%	2.90%	2.80%	2.60%	2.60%	0.00%	0.00%	0.00%
9	Inflation Factor									1.000	1.028	1.055	1.082	-	-	-
10	<b>Actual and WP's AA2 Inflation</b>															
11	June CPI							144.8	148.4	154.3	157.5	164.6	169.5	173.7	178.2	183.0
12	Actual & WPC Forecast Annual Inflation									3.98%	2.07%	4.51%	2.98%	2.47%	2.59%	2.70%
13	Inflation Factor									0.910	0.929	0.971	1.000	1.025	1.051	1.080

<b>ICB</b>																
<b>Year ending 30 June</b>																
<b>Project Year</b>																
<b>ICB [m\$ 30/06/2009]</b>																
<b>Life as at 30 June 2006 [Years]</b>																
<b>ICB [m\$ 30/06/2006]</b>																
19	<b>Transmission</b>															
20	Transmission cables		38.100	12.087												13.278
21	Transmission steel towers		41.300	365.188												401.187
22	Transmission wood poles		20.900	172.741												189.769
23	Transmission Metering		26.100	2.127												2.336
24	Transmission transformers		25.500	154.910												170.180
25	Transmission reactors		27.000	3.933												4.321
26	Transmission capacitors		23.100	76.258												83.776
27	Transmission circuit breakers		28.200	455.265												500.144
28	SCADA and Communications		11.400	33.891												37.231
29	IT&T		4.200	2.680												2.944
30	Other Non-Network Assets		12.000	24.499												26.915
31	Land & Easements			82.986												91.166
32	Total				1,386.564											1,523.247

**Western Power Revised Access Arrangement 2, DI**

Ref	2	3
<b>Year ending 30 June</b>		
<b>Project Year</b>		
<b>Regulatory Period</b>		
6	<b>WP's AA1 Inflation</b>	
7	June CPI	
8	Annual Inflation	
9	Inflation Factor	
10	<b>Actual and WP's AA2 Inflation</b>	
11	June CPI	
12	Actual & WPC Forecast Annual Inflation	
13	Inflation Factor	
14		

<b>ICB</b>		
<b>Year ending 30 June</b>		
<b>Project Year</b>		
<b>ICB [m\$ 30/06/2009]</b>		
19	<b>Transmission</b>	
20	Transmission cables	
21	Transmission steel towers	
22	Transmission wood poles	
23	Transmission Metering	
24	Transmission transformers	
25	Transmission reactors	
26	Transmission capacitors	
27	Transmission circuit breakers	
28	SCADA and Communications	
29	IT&T	
30	Other Non-Network Assets	
31	Land & Easements	
32	<hr/> Total	
33		

Owner's Capex = Physical Capex Financed by WP (Irrespectively of Financing Source). Physical Assets Intended to be Installed (Forecast AA1 & AA2) and Actually Installed (AA1)									
Year ending 30 June	2004	2005	2006	2007	2008	2009	2010	2011	2012
Project Year	-2	-1	0	1	2	3	4	5	6
Regulatory Period				1	1	1	2	2	2
Owner's Capex [m\$ OD]	Life as at 30 June 2006 [Years]			Deemed (Forecast AA1)			Forecast		
39	<b>Transmission</b>								
40	Transmission cables	55.000		4.939	6.853	0.460	6.419	14.850	16.162
41	Transmission steel towers	60.000		81.174	82.569	50.087	113.441	210.463	223.894
42	Transmission wood poles	45.000		4.885	6.227	24.326	17.898	35.250	38.406
43	Transmission Metering	40.000		-	-	-	-	-	-
44	Transmission transformers	50.000		36.953	35.766	30.587	49.278	129.205	139.354
45	Transmission reactors	50.000		1.001	1.030	1.713	1.537	7.131	7.456
46	Transmission capacitors	40.000		4.882	15.146	10.056	12.022	49.402	51.966
47	Transmission circuit breakers	50.000		39.344	41.587	45.085	58.690	137.424	148.912
48	SCADA and Communications	34.150		5.722	1.500	3.401	11.626	17.390	20.642
49	IT&T	16.850		2.200	3.000	2.700	4.500	7.700	4.800
50	Other Non-Network Assets	16.850		14.280	17.343	10.610	6.750	12.100	5.300
51	Land & Easements	-		20.454	31.113	8.861	31.559	72.179	78.369
52	Total			215.835	242.133	187.886	313.720	693.094	735.261
53	<b>Transmission</b>			<b>Actual</b>					
54	Transmission cables			5.172	4.629	8.223			
55	Transmission steel towers			81.791	120.941	135.101			
56	Transmission wood poles		Average Capex Life	14.311	14.213	22.226			
57	Transmission Metering		51	-	-	-			
58	Transmission transformers			54.786	50.769	83.644			
59	Transmission reactors			4.127	3.242	5.238			
60	Transmission capacitors			26.711	21.331	34.370			
61	Transmission circuit breakers			56.583	49.155	91.831			
62	SCADA and Communications			6.997	5.031	6.810			
63	IT&T			5.993	11.325	8.525			
64	Other Non-Network Assets			3.025	3.025	7.011			
65	Land & Easements			25.624	24.160	40.660			
66	Total			285.121	307.820	443.640			
<b>Adjustment to Owner's Capex [m\$ 30/06/09]</b>									
68	<b>Adjustments</b>								
69	Proportional Adjustment								
70	Percentage Adjustment			-15.0%	-15.0%	-15.0%			
71	<b>Correction</b>			<b>Actual</b>			<b>Forecast</b>		
72	Transmission cables			-0.835	-0.715	-2.234	-	-	-
73	Transmission steel towers			-13.204	-18.682	-36.702	-	-	-
74	Transmission wood poles			-2.310	-2.196	-6.038	-	-	-
75	Transmission Metering			-	-	-	-	-	-
76	Transmission transformers			-8.845	-7.843	-22.723	-	-	-
77	Transmission reactors			-0.666	-0.501	-1.423	-	-	-
78	Transmission capacitors			-4.312	-3.295	-9.337	-	-	-
79	Transmission circuit breakers			-9.135	-7.593	-24.947	-	-	-
80	SCADA and Communications			-1.130	-0.777	-1.850	-	-	-
81	IT&T			-0.967	-1.749	-2.316	-	-	-
82	Other Non-Network Assets			-0.488	-0.467	-1.905	-	-	-
83	Land & Easements			-4.137	-3.732	-11.046	-	-	-
84	Total			-46.029	-47.550	-120.521	-	-	-

**Owner's Capex = Physical Capex Financed by WP**  
**Year ending 30 June**  
**Project Year**  
**Regulatory Period**  
**Owner's Capex [m\$ OD]**

	Original Forecast			Less Gifted Asset			Revised Owner's & Gifted Capex		
39 Transmission									
40 Transmission cables	21.323	21.349	14.301	6.419	14.850	16.162	6.419	14.850	16.162
41 Transmission steel towers	191.123	292.235	176.508	113.441	210.463	223.894	113.441	210.463	223.894
42 Transmission wood poles	57.946	60.238	47.115	17.898	35.250	38.406	17.898	35.250	38.406
43 Transmission Metering	-	-	-	-	-	-	-	-	-
44 Transmission transformers	139.399	165.682	118.630	49.278	129.205	139.354	49.278	129.205	139.354
45 Transmission reactors	3.846	6.737	5.296	1.537	7.131	7.456	1.537	7.131	7.456
46 Transmission capacitors	34.104	51.084	37.590	12.022	49.402	51.966	12.022	49.402	51.966
47 Transmission circuit breakers	161.623	175.735	142.532	58.690	137.424	148.912	58.690	137.424	148.912
48 SCADA and Communications	17.362	18.667	20.544	11.626	17.390	20.642	11.626	17.390	20.642
49 IT&T	9.325	7.675	4.800	4.500	7.700	4.800	4.500	7.700	4.800
50 Other Non-Network Assets	12.350	12.125	5.252	6.750	12.100	5.300	6.750	12.100	5.300
51 Land & Easements	99.643	102.954	68.529	31.559	72.179	78.369	31.559	72.179	78.369
52 Total	748.045	914.481	641.096	313.720	693.094	735.261	313.720	693.094	735.261
53 Transmission	<b>Amended Forecast Capex Level</b>			<b>42%</b>	<b>76%</b>	<b>115%</b>			

54 Transmission cables
55 Transmission steel towers
56 Transmission wood poles
57 Transmission Metering
58 Transmission transformers
59 Transmission reactors
60 Transmission capacitors
61 Transmission circuit breakers
62 SCADA and Communications
63 IT&T
64 Other Non-Network Assets
65 Land & Easements
66 Total

**Adjustment to Owner's Capex [m\$ 30/06/09]**

	Table			
68 Adjustments				
69 Proportional Adjustment				
70 Percentage Adjustment	306.863	317.003	443.640	Owner' Capex
71 Correction	-	-	-	Gifted Assets
72 Transmission cables	306.863	317.003	443.640	Total NFI
73 Transmission steel towers	-	-	-63.500	Reduction
74 Transmission wood poles	306.863	317.003	380.140	Total NFI after Reduction
75 Transmission Metering	-	-	-	Gifted Assets
76 Transmission transformers	306.863	317.003	380.140	Reduced Owner's Capex
77 Transmission reactors	-46.029	-47.550	-57.021	15% Reduction
78 Transmission capacitors	260.833	269.453	323.119	Owner's Capex After 15% Reduction
79 Transmission circuit breakers	-	-	-	Gifted Assets
80 SCADA and Communications	260.833	269.453	323.119	Addition to RAB
81 IT&T	-	-	-	
82 Other Non-Network Assets	-	-	-63.500	Reduction
83 Land & Easements	-46.029	-47.550	-57.021	15% Reduction
84 Total	-46.029	-47.550	-120.521	Total Reduction

Owner's Capex [m\$ 30/06/09]									
		Deemed (Forecast AA1)			Forecast				
86	<b>Transmission</b>								
87	Transmission cables	5.278	7.138	0.467	6.264	14.125	14.970		
88	Transmission steel towers	86.747	86.002	50.848	110.701	200.194	207.374		
89	Transmission wood poles	5.221	6.486	24.695	17.466	33.530	35.573		
90	Transmission Metering	-	-	-	-	-	-		
91	Transmission transformers	39.490	37.253	31.051	48.088	122.900	129.072		
92	Transmission reactors	1.070	1.072	1.739	1.500	6.783	6.905		
93	Transmission capacitors	5.217	15.776	10.209	11.732	46.991	48.132		
94	Transmission circuit breakers	42.045	43.316	45.769	57.273	130.718	137.924		
95	SCADA and Communications	6.115	1.562	3.453	11.345	16.542	19.119		
96	IT&T	2.351	3.125	2.741	4.391	7.324	4.446		
97	Other Non-Network Assets	15.261	18.064	10.771	6.587	11.510	4.909		
98	Land & Easements	21.858	32.406	8.995	30.797	68.657	72.587		
99	Total	230.653	252.199	190.738	306.145	659.275	681.011		
100	<b>Transmission</b>	<b>Actual</b>							
101	Transmission cables	4.731	4.052	5.989					
102	Transmission steel towers	74.823	105.866	98.399					
103	Transmission wood poles	13.092	12.441	16.188					
104	Transmission Metering	-	-	-					
105	Transmission transformers	50.119	44.441	60.921					
106	Transmission reactors	3.775	2.838	3.815					
107	Transmission capacitors	24.436	18.672	25.033					
108	Transmission circuit breakers	51.764	43.028	66.884					
109	SCADA and Communications	6.401	4.404	4.960					
110	IT&T	5.482	9.913	6.209					
111	Other Non-Network Assets	2.767	2.648	5.106					
112	Land & Easements	23.442	21.149	29.614					
113	Total	260.833	269.453	323.119					
114									
<b>Contributed (Gifted, In Kind) Assets (Asset Forecast to be received for AA1 &amp; AA2 and Asset Actually Received for AA1)</b>									
<b>Year ending 30 June</b>		<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	
<b>Project Year</b>		<b>0</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>6</b>	
<b>Regulatory Period</b>			<b>1</b>	<b>1</b>	<b>1</b>	<b>2</b>	<b>2</b>	<b>2</b>	
<b>Contributed Capex [m\$ OD]</b>		<b>Life as at 30 June 2006 [Years]</b>							
120	<b>Transmission</b>	<b>Deemed (Forecast AA1)</b>			<b>Forecast</b>				
121	Transmission cables	-	-	-	-	-	-	-	
122	Transmission steel towers	-	-	-	-	-	-	-	
123	Transmission wood poles	-	-	-	-	-	-	-	
124	Transmission Metering	-	-	-	-	-	-	-	
125	Transmission transformers	-	-	-	-	-	-	-	
126	Transmission reactors	-	-	-	-	-	-	-	
127	Transmission capacitors	-	-	-	-	-	-	-	
128	Transmission circuit breakers	-	-	-	-	-	-	-	
129	SCADA and Communications	-	-	-	-	-	-	-	
130	IT&T	-	-	-	-	-	-	-	
131	Other Non-Network Assets	-	-	-	-	-	-	-	
132	Land & Easements	-	-	-	-	-	-	-	
133	Total	-	-	-	-	-	-	-	

**Owner's Capex [m\$ 30/06/09]**

86	<b>Transmission</b>
87	Transmission cables
88	Transmission steel towers
89	Transmission wood poles
90	Transmission Metering
91	Transmission transformers
92	Transmission reactors
93	Transmission capacitors
94	Transmission circuit breakers
95	SCADA and Communications
96	IT&T
97	Other Non-Network Assets
98	Land & Easements
99	Total
100	<b>Transmission</b>
101	Transmission cables
102	Transmission steel towers
103	Transmission wood poles
104	Transmission Metering
105	Transmission transformers
106	Transmission reactors
107	Transmission capacitors
108	Transmission circuit breakers
109	SCADA and Communications
110	IT&T
111	Other Non-Network Assets
112	Land & Easements
113	Total

Actual Capex Reduction		
-15.00%	-15.00%	-27.17%

**Contributed (Gifted, In Kind) Assets (Asset Forecast)**

Year ending 30 June
Project Year
Regulatory Period

**Contributed Capex [m\$ OD]**

120	<b>Transmission</b>
121	Transmission cables
122	Transmission steel towers
123	Transmission wood poles
124	Transmission Metering
125	Transmission transformers
126	Transmission reactors
127	Transmission capacitors
128	Transmission circuit breakers
129	SCADA and Communications
130	IT&T
131	Other Non-Network Assets
132	Land & Easements
133	Total

	Original Forecast			Revised Forecast (Totals)		
121	-	-	-	-	-	-
122	-	-	-	-	-	-
123	-	-	-	-	-	-
124	-	-	-	-	-	-
125	-	-	-	-	-	-
126	-	-	-	-	-	-
127	-	-	-	-	-	-
128	-	-	-	-	-	-
129	-	-	-	-	-	-
130	-	-	-	-	-	-
131	-	-	-	-	-	-
132	-	-	-	-	-	-
133	-	-	-	-	-	-

134 Transmission		Actual		
135	Transmission cables	-	-	-
136	Transmission steel towers	-	-	-
137	Transmission wood poles	-	-	-
138	Transmission Metering	-	-	-
139	Transmission transformers	-	-	-
140	Transmission reactors	-	-	-
141	Transmission capacitors	-	-	-
142	Transmission circuit breakers	-	-	-
143	SCADA and Communications	-	-	-
144	IT&T	-	-	-
145	Other Non-Network Assets	-	-	-
146	Land & Easements	-	-	-
147	Total	-	-	-
<b>Adjustment to Contributed Capex [m\$ 30/06/09]</b>				
149 Transmission		Actual		Forecast
150	Transmission cables	-	-	-
151	Transmission steel towers	-	-	-
152	Transmission wood poles	-	-	-
153	Transmission Metering	-	-	-
154	Transmission transformers	-	-	-
155	Transmission reactors	-	-	-
156	Transmission capacitors	-	-	-
157	Transmission circuit breakers	-	-	-
158	SCADA and Communications	-	-	-
159	IT&T	-	-	-
160	Other Non-Network Assets	-	-	-
161	Land & Easements	-	-	-
162	Total	-	-	-
<b>Contributed Capex [m\$ 30/06/09]</b>				
164 Transmission		Deemed (Forecast AA1)		Forecast
165	Transmission cables	-	-	-
166	Transmission steel towers	-	-	-
167	Transmission wood poles	-	-	-
168	Transmission Metering	-	-	-
169	Transmission transformers	-	-	-
170	Transmission reactors	-	-	-
171	Transmission capacitors	-	-	-
172	Transmission circuit breakers	-	-	-
173	SCADA and Communications	-	-	-
174	IT&T	-	-	-
175	Other Non-Network Assets	-	-	-
176	Land & Easements	-	-	-
177	Total	-	-	-



**134 Transmission**

135	Transmission cables
136	Transmission steel towers
137	Transmission wood poles
138	Transmission Metering
139	Transmission transformers
140	Transmission reactors
141	Transmission capacitors
142	Transmission circuit breakers
143	SCADA and Communications
144	IT&T
145	Other Non-Network Assets
146	Land & Easements
147	Total

**Adjustment to Contributed Capex [m\$ 30/06/09]****149 Transmission**

150	Transmission cables
151	Transmission steel towers
152	Transmission wood poles
153	Transmission Metering
154	Transmission transformers
155	Transmission reactors
156	Transmission capacitors
157	Transmission circuit breakers
158	SCADA and Communications
159	IT&T
160	Other Non-Network Assets
161	Land & Easements
162	Total

**Contributed Capex [m\$ 30/06/09]****164 Transmission**

165	Transmission cables
166	Transmission steel towers
167	Transmission wood poles
168	Transmission Metering
169	Transmission transformers
170	Transmission reactors
171	Transmission capacitors
172	Transmission circuit breakers
173	SCADA and Communications
174	IT&T
175	Other Non-Network Assets
176	Land & Easements
177	Total

178 <b>Transmission</b>		<b>Actual</b>						
179	Transmission cables	-	-	-				
180	Transmission steel towers	-	-	-				
181	Transmission wood poles	-	-	-				
182	Transmission Metering	-	-	-				
183	Transmission transformers	-	-	-				
184	Transmission reactors	-	-	-				
185	Transmission capacitors	-	-	-				
186	Transmission circuit breakers	-	-	-				
187	SCADA and Communications	-	-	-				
188	IT&T	-	-	-				
189	Other Non-Network Assets	-	-	-				
190	Land & Easements	-	-	-				
191	Total	-	-	-				
192								
<b>Cash Contributions (Cash Contribution Forecast to be received for AA1 &amp; AA2 and Contributed Cash Actually Received for AA1)</b>								
Year ending 30 June		2006	2007	2008	2009	2010	2011	2012
Project Year		0	1	2	3	4	5	6
Regulatory Period			1	1	1	2	2	2
<b>Contributed Cash [m\$ OD]</b>		<b>Deemed (Forecast AA1)</b>			<b>Forecast</b>			
198	<b>Transmission</b>							
199	Transmission cables	-	-	-		-	-	-
200	Transmission steel towers	5.165	9.021	4.510		11.718	28.304	29.566
201	Transmission wood poles	-	-	-		-	-	-
202	Transmission Metering	-	-	-		-	-	-
203	Transmission transformers	4.357	7.610	3.805		0.949	2.292	2.394
204	Transmission reactors	0.583	1.019	0.510		-	-	-
205	Transmission capacitors	3.420	5.973	2.986		0.015	0.035	0.037
206	Transmission circuit breakers	2.674	4.670	2.335		-	-	-
207	SCADA and Communications	0.115	0.201	0.100		-	-	-
208	IT&T	-	-	-		-	-	-
209	Other Non-Network Assets	-	-	-		-	-	-
210	Land & Easements	0.232	0.406	0.203		0.318	0.769	0.803
211	Total		16.546	28.900	14.450	13.000	31.400	32.800
212	<b>Transmission</b>							
213	Transmission cables	-	-	-		-	-	-
214	Transmission steel towers	30.738	29.296	24.338		-	-	-
215	Transmission wood poles	-	-	-		-	-	-
216	Transmission Metering	-	-	-		-	-	-
217	Transmission transformers	2.489	2.372	1.970		-	-	-
218	Transmission reactors	-	-	-		-	-	-
219	Transmission capacitors	0.038	0.037	0.030		-	-	-
220	Transmission circuit breakers	-	-	-		-	-	-
221	SCADA and Communications	-	-	-		-	-	-
222	IT&T	-	-	-		-	-	-
223	Other Non-Network Assets	-	-	-		-	-	-
224	Land & Easements	0.835	0.796	0.661		-	-	-
225	Total		34.100	32.500	27.000			

178	<b>Transmission</b>
179	Transmission cables
180	Transmission steel towers
181	Transmission wood poles
182	Transmission Metering
183	Transmission transformers
184	Transmission reactors
185	Transmission capacitors
186	Transmission circuit breakers
187	SCADA and Communications
188	IT&T
189	Other Non-Network Assets
190	Land & Easements
191	<u>Total</u>

**Cash Contributions (Cash Contribution Forecast to**

<b>Year ending 30 June</b>
<b>Project Year</b>
<b>Regulatory Period</b>
<b>Contributed Cash [m\$ OD]</b>

	Original Forecast			Revised Forecast (Totals)			
198	<b>Transmission</b>						
199	Transmission cables	-	-	-	-	-	
200	Transmission steel towers	46.168	79.974	61.768	11.718	28.304	29.566
201	Transmission wood poles	-	-	-	-	-	-
202	Transmission Metering	-	-	-	-	-	-
203	Transmission transformers	3.738	6.475	5.001	0.949	2.292	2.394
204	Transmission reactors	-	-	-	-	-	-
205	Transmission capacitors	0.058	0.100	0.077	0.015	0.035	0.037
206	Transmission circuit breakers	-	-	-	-	-	-
207	SCADA and Communications	-	-	-	-	-	-
208	IT&T	-	-	-	-	-	-
209	Other Non-Network Assets	-	-	-	-	-	-
210	Land & Easements	1.254	2.172	1.678	0.318	0.769	0.803
211	<u>Total</u>	51.217	88.721	68.524	13.000	31.400	32.800

212	<b>Transmission</b>
213	Transmission cables
214	Transmission steel towers
215	Transmission wood poles
216	Transmission Metering
217	Transmission transformers
218	Transmission reactors
219	Transmission capacitors
220	Transmission circuit breakers
221	SCADA and Communications
222	IT&T
223	Other Non-Network Assets
224	Land & Easements
225	<u>Total</u>

Adjustment Contributed Cash [m\$ 30/06/09]						
	Actual			Forecast		
227	<b>Transmission</b>					
228	Transmission cables	-	-	-	-	-
229	Transmission steel towers	-	-	-	-	-
230	Transmission wood poles	-	-	-	-	-
231	Transmission Metering	-	-	-	-	-
232	Transmission transformers	-	-	-	-	-
233	Transmission reactors	-	-	-	-	-
234	Transmission capacitors	-	-	-	-	-
235	Transmission circuit breakers	-	-	-	-	-
236	SCADA and Communications	-	-	-	-	-
237	IT&T	-	-	-	-	-
238	Other Non-Network Assets	-	-	-	-	-
239	Land & Easements	-	-	-	-	-
240	Total	-	-	-	-	-
Contributed Cash [m\$ 30/06/09]						
	Deemed (Forecast AA1)			Forecast		
242	<b>Transmission</b>					
243	Transmission cables	-	-	-	-	-
244	Transmission steel towers	5.519	9.396	4.579	11.435	27.385
245	Transmission wood poles	-	-	-	-	-
246	Transmission Metering	-	-	-	-	-
247	Transmission transformers	4.656	7.927	3.863	0.926	2.217
248	Transmission reactors	0.623	1.061	0.517	-	-
249	Transmission capacitors	3.654	6.221	3.032	0.014	0.034
250	Transmission circuit breakers	2.857	4.865	2.371	-	-
251	SCADA and Communications	0.123	0.209	0.102	-	-
252	IT&T	-	-	-	-	-
253	Other Non-Network Assets	-	-	-	-	-
254	Land & Easements	0.248	0.422	0.206	0.311	0.744
255	Total	17.682	30.101	14.669	12.686	30.380
	Actual					
256	<b>Transmission</b>					
257	Transmission cables	-	-	-	-	-
258	Transmission steel towers	33.082	30.170	24.338	-	-
259	Transmission wood poles	-	-	-	-	-
260	Transmission Metering	-	-	-	-	-
261	Transmission transformers	2.678	2.443	1.970	-	-
262	Transmission reactors	-	-	-	-	-
263	Transmission capacitors	0.041	0.038	0.030	-	-
264	Transmission circuit breakers	-	-	-	-	-
265	SCADA and Communications	-	-	-	-	-
266	IT&T	-	-	-	-	-
267	Other Non-Network Assets	-	-	-	-	-
268	Land & Easements	0.899	0.819	0.661	-	-
269	Total	36.700	33.470	27.000	-	-
270						

**Adjustment Contributed Cash [m\$ 30/06/09]****227 Transmission**

228	Transmission cables
229	Transmission steel towers
230	Transmission wood poles
231	Transmission Metering
232	Transmission transformers
233	Transmission reactors
234	Transmission capacitors
235	Transmission circuit breakers
236	SCADA and Communications
237	IT&T
238	Other Non-Network Assets
239	Land & Easements
240	<u>Total</u>

**Contributed Cash [m\$ 30/06/09]****242 Transmission**

243	Transmission cables
244	Transmission steel towers
245	Transmission wood poles
246	Transmission Metering
247	Transmission transformers
248	Transmission reactors
249	Transmission capacitors
250	Transmission circuit breakers
251	SCADA and Communications
252	IT&T
253	Other Non-Network Assets
254	Land & Easements
255	<u>Total</u>

**256 Transmission**

257	Transmission cables
258	Transmission steel towers
259	Transmission wood poles
260	Transmission Metering
261	Transmission transformers
262	Transmission reactors
263	Transmission capacitors
264	Transmission circuit breakers
265	SCADA and Communications
266	IT&T
267	Other Non-Network Assets
268	Land & Easements
269	<u>Total</u>
270	

Approved AA1 Depreciation								
Year ending 30 June		2006	2007	2008	2009	2010	2011	2012
Project Year		0	1	2	3	4	5	6
Regulatory Period			1	1	1	2	2	2
<b>ICB Depreciation [m\$ 30/06/06]</b>								
276	<b>Transmission</b>	<b>Forecast AA1 [m\$ 30/06/2006]</b>						
277	Transmission cables		-0.317	-0.317	-0.317			
278	Transmission steel towers		-8.842	-8.842	-8.842			
279	Transmission wood poles		-8.265	-8.265	-8.265			
280	Transmission Metering		-0.081	-0.081	-0.081			
281	Transmission transformers		-6.075	-6.075	-6.075			
282	Transmission reactors		-0.146	-0.146	-0.146			
283	Transmission capacitors		-3.381	-3.381	-3.381			
284	Transmission circuit breakers (and Site)		-18.144	-18.144	-18.144			
285	SCADA and Communications		-2.973	-2.973	-2.973			
286	IT&T		-0.638	-0.638	-0.638			
287	Other Non-Network Assets		-2.042	-2.042	-2.042			
288	Land & Easements		-	-	-			
289	<b>Total</b>		-48.825	-48.825	-48.825			
<b>ICB Depreciation [m\$ 30/06/09]</b>								
291	<b>Transmission</b>	<b>Deemed (Forecast AA1)</b>						
292	Transmission cables		-0.349	-0.349	-0.349			
293	Transmission steel towers		-9.714	-9.714	-9.714			
294	Transmission wood poles		-9.080	-9.080	-9.080			
295	Transmission Metering		-0.090	-0.090	-0.090			
296	Transmission transformers		-6.674	-6.674	-6.674			
297	Transmission reactors		-0.160	-0.160	-0.160			
298	Transmission capacitors		-3.627	-3.627	-3.627			
299	Transmission circuit breakers (and Site)		-17.736	-17.736	-17.736			
300	SCADA and Communications		-3.266	-3.266	-3.266			
301	IT&T		-0.701	-0.701	-0.701			
302	Other Non-Network Assets		-2.243	-2.243	-2.243			
303	Land & Easements		-	-	-			
304	<b>Total</b>		-53.638	-53.638	-53.638			
Year ending 30 June		2006	2007	2008	2009	2010	2011	2012
Project Year		0	1	2	3	4	5	6
Regulatory Period			1	1	1	2	2	2
<b>Capex Depreciation [m\$ 30/06/06]</b>								
309	<b>Transmission</b>	<b>Forecast AA1 [m\$ 30/06/2006]</b>						
310	Transmission cables		-	-0.087	-0.118			
311	Transmission steel towers		-	-1.316	-1.305			
312	Transmission wood poles		-	-0.106	-0.131			
313	Transmission Metering		-	-	-			
314	Transmission transformers		-	-0.719	-0.678			
315	Transmission reactors		-	-0.019	-0.030			
316	Transmission capacitors		-	-0.119	-0.359			
317	Transmission circuit breakers (and Site)		-	-0.765	-0.789			
318	SCADA and Communications		-	-0.163	-0.042			
319	IT&T		-	-0.127	-0.199			
320	Other Non-Network Assets		-	-0.824	-0.976			
321	Land & Easements		-	-	-			
322	<b>Total</b>		-	-4.246	-4.586			

Approved AA1 Depreciation	
Year ending 30 June	
Project Year	
Regulatory Period	
ICB Depreciation [m\$ 30/06/06]	
276	Transmission
277	Transmission cables
278	Transmission steel towers
279	Transmission wood poles
280	Transmission Metering
281	Transmission transformers
282	Transmission reactors
283	Transmission capacitors
284	Transmission circuit breakers (and Site)
285	SCADA and Communications
286	IT&T
287	Other Non-Network Assets
288	Land & Easements
289	Total
ICB Depreciation [m\$ 30/06/09]	
291	Transmission
292	Transmission cables
293	Transmission steel towers
294	Transmission wood poles
295	Transmission Metering
296	Transmission transformers
297	Transmission reactors
298	Transmission capacitors
299	Transmission circuit breakers (and Site)
300	SCADA and Communications
301	IT&T
302	Other Non-Network Assets
303	Land & Easements
304	Total
Year ending 30 June	
Project Year	
Regulatory Period	
Capex Depreciation [m\$ 30/06/06]	
309	Transmission
310	Transmission cables
311	Transmission steel towers
312	Transmission wood poles
313	Transmission Metering
314	Transmission transformers
315	Transmission reactors
316	Transmission capacitors
317	Transmission circuit breakers (and Site)
318	SCADA and Communications
319	IT&T
320	Other Non-Network Assets
321	Land & Easements
322	Total

<b>Capex Depreciation [m\$ 30/06/09]</b>			
<b>324 Transmission</b>		<b>Deemed (Forecast AA1)</b>	
325	Transmission cables	-	-0.096 -0.130
326	Transmission steel towers	-	-1.446 -1.433
327	Transmission wood poles	-	-0.116 -0.144
328	Transmission Metering	-	- -
329	Transmission transformers	-	-0.790 -0.745
330	Transmission reactors	-	-0.021 -0.021
331	Transmission capacitors	-	-0.130 -0.394
332	Transmission circuit breakers	-	-0.841 -0.866
333	SCADA and Communications	-	-0.179 -0.046
334	IT&T	-	-0.140 -0.185
335	Other Non-Network Assets	-	-0.906 -1.072
336	Land & Easements	-	- -
337	Total	-	-4.665 -5.038
338			

<b>Redundant Assets</b>							
<b>Year ending 30 June</b>	2006	2007	2008	2009	2010	2011	2012
<b>Project Year</b>	0	1	2	3	4	5	6
<b>Regulatory Period</b>		1	1	1	2	2	2
<b>Redundant Assets (Book Value of Disposed or Redundant Assets) [m\$ OD]</b>							
<b>344 Transmission</b>		<b>Deemed (Forecast AA1)</b>			<b>Forecast</b>		
345	Transmission cables	-	-	-	-	-	-
346	Transmission steel towers	-	-	-	-	-	-
347	Transmission wood poles	-	-	-	-	-	-
348	Transmission Metering	-	-	-	-	-	-
349	Transmission transformers	-	-	-	-	-	-
350	Transmission reactors	-	-	-	-	-	-
351	Transmission capacitors	-	-	-	-	-	-
352	Transmission circuit breakers (and Site)	-	-	-	-	-	-
353	SCADA and Communications	-	-	-	-	-	-
354	IT&T	-	-	-	-	-	-
355	Other Non-Network Assets	-	-	-	-	-	-
356	Land & Easements	-	-	-	-	-	-
357	Total	-	-	-	-	-	-
<b>358 Transmission</b>		<b>Actual</b>					
359	Transmission cables	-	-	-			
360	Transmission steel towers	-	-	-			
361	Transmission wood poles	-	-	-			
362	Transmission Metering	-	-	-			
363	Transmission transformers	-	-	-			
364	Transmission reactors	-	-	-			
365	Transmission capacitors	-	-	-			
366	Transmission circuit breakers (and Site)	-	-	-			
367	SCADA and Communications	-	-	-			
368	IT&T	-	-	-			
369	Other Non-Network Assets	-	-	-			
370	Land & Easements	0.311	1.800	-			
371	Total	0.311	1.800	-			



**Capex Depreciation [m\$ 30/06/09]****324 Transmission**

325	Transmission cables
326	Transmission steel towers
327	Transmission wood poles
328	Transmission Metering
329	Transmission transformers
330	Transmission reactors
331	Transmission capacitors
332	Transmission circuit breakers
333	SCADA and Communications
334	IT&T
335	Other Non-Network Assets
336	Land & Easements

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 337 Total

338

**Redundant Assets****Year ending 30 June****Project Year****Regulatory Period****Redundant Assets (Book Value of Disposed or Rec****344 Transmission**

345	Transmission cables
346	Transmission steel towers
347	Transmission wood poles
348	Transmission Metering
349	Transmission transformers
350	Transmission reactors
351	Transmission capacitors
352	Transmission circuit breakers (and Site)
353	SCADA and Communications
354	IT&T
355	Other Non-Network Assets
356	Land & Easements

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 357 Total
**358 Transmission**

359	Transmission cables
360	Transmission steel towers
361	Transmission wood poles
362	Transmission Metering
363	Transmission transformers
364	Transmission reactors
365	Transmission capacitors
366	Transmission circuit breakers (and Site)
367	SCADA and Communications
368	IT&T
369	Other Non-Network Assets
370	Land & Easements

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 371 Total

Redundant Assets [m\$ 30/06/09]							
	Deemed (Forecast AA1)			Forecast			
373	<b>Transmission</b>						
374	Transmission cables	-	-	-	-	-	
375	Transmission steel towers	-	-	-	-	-	
376	Transmission wood poles	-	-	-	-	-	
377	Transmission Metering	-	-	-	-	-	
378	Transmission transformers	-	-	-	-	-	
379	Transmission reactors	-	-	-	-	-	
380	Transmission capacitors	-	-	-	-	-	
381	Transmission circuit breakers (and Site)	-	-	-	-	-	
382	SCADA and Communications	-	-	-	-	-	
383	IT&T	-	-	-	-	-	
384	Other Non-Network Assets	-	-	-	-	-	
385	Land & Easements	-	-	-	-	-	
386	Total	-	-	-	-	-	
387	<b>Transmission</b>						
		Actual					
388	Transmission cables	-	-	-			
389	Transmission steel towers	-	-	-			
390	Transmission wood poles	-	-	-			
391	Transmission Metering	-	-	-			
392	Transmission transformers	-	-	-			
393	Transmission reactors	-	-	-			
394	Transmission capacitors	-	-	-			
395	Transmission circuit breakers (and Site)	-	-	-			
396	SCADA and Communications	-	-	-			
397	IT&T	-	-	-			
398	Other Non-Network Assets	-	-	-			
399	Land & Easements	0.335	1.854	-			
400	Total	0.335	1.854	-			
401							
Forecast Capital Expenditure - IAM Categories							
Year ending 30 June	2006	2007	2008	2009	2010	2011	2012
Project Year	0	1	2	3	4	5	6
Regulatory Period		1	1	1	2	2	2
WP's Capex - IAM Categories							
407	Transmission [m\$ 30/06/06]			Forecast [m\$ OD]			
408	<b>DEMAND RELATED</b>						
409	System Capacity	79.008	101.922	98.877	146.960	339.955	370.000
410	Customer Driven - Bulk Loads	28.405	52.421	11.246	71.000	70.000	73.468
411	Customer Driven - Generation	66.430	38.683	22.779	37.200	191.764	200.000
412	Total	173.842	193.026	132.902	255.160	601.719	643.468
413	<b>Transmission [m\$ OD]</b>						
		Actual					
414	<b>DEMAND RELATED</b>						
415	System Capacity	100.640	90.075	137.117			
416	Customer Driven - Bulk Loads	15.215	62.390	34.814			
417	Customer Driven - Generation	95.795	74.885	101.627			
418	Total	211.650	227.350	273.558			
419							

**Redundant Assets [m\$ 30/06/09]**

373	<b>Transmission</b>
374	Transmission cables
375	Transmission steel towers
376	Transmission wood poles
377	Transmission Metering
378	Transmission transformers
379	Transmission reactors
380	Transmission capacitors
381	Transmission circuit breakers (and Site)
382	SCADA and Communications
383	IT&T
384	Other Non-Network Assets
385	Land & Easements
386	<hr/> Total
387	<b>Transmission</b>
388	Transmission cables
389	Transmission steel towers
390	Transmission wood poles
391	Transmission Metering
392	Transmission transformers
393	Transmission reactors
394	Transmission capacitors
395	Transmission circuit breakers (and Site)
396	SCADA and Communications
397	IT&T
398	Other Non-Network Assets
399	Land & Easements
400	<hr/> Total
401	

**Forecast Capital Expenditure - IAM Categories**

Year ending 30 June  
 Project Year  
 Regulatory Period

**WP's Capex - IAM Categories**

	Original Forecast [m\$ OD]			Revised Forecast [m\$ OD]		
407	<b>Transmission [m\$ 30/06/06]</b>					
408	<b>DEMAND RELATED</b>					
409	System Capacity	471.649	472.205	316.323	146.960	339.955
410	Customer Driven - Bulk Loads	37.328	118.259	53.468	71.000	70.000
411	Customer Driven - Generation	94.848	173.650	131.089	37.200	191.764
412	<hr/> Total	603.824	764.114	500.880	255.160	601.719
413	<b>Transmission [m\$ OD]</b>			<b>Proportional to Capex [m\$ OD]</b>		
414	<b>DEMAND RELATED</b>					
415	System Capacity	118.400	105.970	188.260	100.640	90.075
416	Customer Driven - Bulk Loads	17.900	73.400	47.800	15.215	62.390
417	Customer Driven - Generation	112.700	88.100	139.533	95.795	74.885
418	<hr/> Total	249.000	267.470	375.593	211.650	227.350
419					273.558	

<b>Capex [m\$ 30/06/09]</b>								
		<b>Deemed (Forecast AA1)</b>			<b>Forecast</b>			
421	<b>Transmission</b>							
422	<b>DEMAND RELATED</b>							
423	System Capacity	86.796	111.969	108.624	143.411	323.367	342.700	
424	Customer Driven - Bulk Loads	31.205	57.589	12.355	69.286	66.584	68.047	
425	Customer Driven - Generation	72.978	42.496	25.024	36.302	182.407	185.243	
426	Total	190.979	212.054	146.003	248.999	572.359	595.990	
427	<b>Transmission</b>							
428	<b>DEMAND RELATED</b>							
429	System Capacity	108.314	92.762	137.117				
430	Customer Driven - Bulk Loads	16.375	64.251	34.814				
431	Customer Driven - Generation	103.100	77.119	101.627				
432	Total	227.790	234.132	273.558				
433								
<b>Operating Expenditure</b>								
<b>Year ending 30 June</b>		<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>
<b>Project Year</b>		<b>0</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>6</b>
<b>Regulatory Period</b>		<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>2</b>	<b>2</b>	<b>2</b>
<b>WP's Opex [m\$ OD]</b>								
		<b>Deemed (Forecast AA1)</b>			<b>Forecast</b>			
439	<b>Transmission</b>							
440	SCADA & Communications	5.400	5.600	5.700	7.700	8.000	10.700	
441	Non-Reference Services	4.310	4.517	4.647	1.000	6.000	6.400	
442	Network Operations	10.000	11.000	10.900	9.400	10.300	11.400	
443	Maintenance Strategy	4.205	4.110	4.233	-	-	-	
444	Preventive Condition	7.139	7.273	7.439	8.600	14.000	18.600	
445	Preventive Routine	8.443	9.472	10.135	14.000	21.000	25.800	
446	Corrective Deferred	4.633	3.970	4.432	4.600	6.900	7.800	
447	Corrective Emergency	1.018	0.940	0.918	1.900	3.400	3.700	
448	Business Support (including IT&T)	21.142	23.397	24.250	31.900	29.500	31.000	
449	Non-recurring opex (Energy Safety Levy?)	2.830	2.904	2.979	-	2.000	1.800	
450	Total	69.120	73.183	75.634	79.100	101.100	117.200	
451	<b>Transmission</b>							
452	SCADA & Communications	6.500	6.960	6.000				
453	Non-Reference Services	10.013	5.300	4.450				
454	Network Operations	6.062	12.400	9.644				
455	Maintenance Strategy	5.600	4.200	-				
456	Preventive Condition	8.700	6.600	10.425				
457	Preventive Routine	11.000	11.400	12.094				
458	Corrective Deferred	3.200	4.700	4.450				
459	Corrective Emergency	1.600	1.800	1.860				
460	Business Support (including IT&T)	17.229	20.029	24.302				
461	Non-recurring opex (Energy Safety Levy?)			1.300				
462	Total	69.904	73.389	74.525				

**Capex [m\$ 30/06/09]**

421	<b>Transmission</b>
422	<b>DEMAND RELATED</b>
423	System Capacity
424	Customer Driven - Bulk Loads
425	Customer Driven - Generation
426	<hr/> Total
427	<b>Transmission</b>
428	<b>DEMAND RELATED</b>
429	System Capacity
430	Customer Driven - Bulk Loads
431	Customer Driven - Generation
432	<hr/> Total
433	

**Operating Expenditure**

Year ending 30 June

Project Year

Regulatory Period

**WP's Opex [m\$ OD]**

	Original Forecast			Amended Forecast			
439	<b>Transmission</b>						
440	SCADA & Communications	8.320	9.393	10.711	7.700	8.000	10.700
441	Non-Reference Services	6.142	5.957	6.415	1.000	6.000	6.400
442	Network Operations	13.243	14.715	15.875	9.400	10.300	11.400
443	Maintenance Strategy	-	-	-	-	-	-
444	Preventive Condition	14.523	15.703	18.636	8.600	14.000	18.600
445	Preventive Routine	21.950	23.814	25.810	14.000	21.000	25.800
446	Corrective Deferred	5.869	6.863	7.786	4.600	6.900	7.800
447	Corrective Emergency	3.052	3.439	3.697	1.900	3.400	3.700
448	Business Support (including IT&T)	28.067	29.479	30.990	31.900	29.500	31.000
449	Non-recurring opex (Energy Safety Levy?)	2.232	2.038	1.840	-	2.000	1.800
450	<hr/> Total	103.398	111.401	121.761	79.100	101.100	117.200
451	<b>Transmission</b>						
452	SCADA & Communications						
453	Non-Reference Services						
454	Network Operations						
455	Maintenance Strategy						
456	Preventive Condition						
457	Preventive Routine						
458	Corrective Deferred						
459	Corrective Emergency						
460	Business Support (including IT&T)						
461	Non-recurring opex (Energy Safety Levy?)						
462	<hr/> Total						

Adjustment to Opex [m\$ 30/06/09]							
			Actual		Forecast		
464	<b>Transmission</b>						
465	SCADA & Communications		-	-	-	-	
466	Non-Reference Services		-	-	-	-	
467	Network Operations		-	-	-	-	
468	Maintenance Strategy		-	-	-	-	
469	Preventive Condition		-	-	-3.865	-6.129	
470	Preventive Routine		-	-	-4.264	-5.828	
471	Corrective Deferred		-	-	-1.401	-1.288	
472	Corrective Emergency		-	-	-1.102	-0.975	
473	Business Support (including IT&T)		-	-	-7.805	-4.598	
474	Non-recurring opex (Energy Safety Levy?)		-	-	-	-	
475	Total		-	-	-7.605	-15.031	
<b>Modelled Opex [m\$ 30/06/09]</b>							
477	<b>Transmission</b>		Deemed (Forecast AA1)			Forecast	
478	SCADA & Communications		5.771	5.833	5.787	7.514	7.610
479	Non-Reference Services		4.605	4.705	4.718	0.976	5.707
480	Network Operations		10.687	11.457	11.065	9.173	9.797
481	Maintenance Strategy		4.494	4.281	4.297	-	-
482	Preventive Condition		7.629	7.575	7.552	8.392	9.651
483	Preventive Routine		9.023	9.866	10.289	13.662	15.711
484	Corrective Deferred		4.951	4.135	4.499	4.489	5.162
485	Corrective Emergency		1.088	0.979	0.932	1.854	2.132
486	Business Support		22.593	24.370	24.618	23.524	23.462
487	Non-recurring opex		3.024	3.024	3.024	-	1.902
488	Total		73.865	76.225	76.782	69.585	81.136
489	<b>Transmission</b>		Actual				
490	SCADA & Communications		6.996	7.168	6.000		
491	Non-Reference Services		10.776	5.458	4.450		
492	Network Operations		6.524	12.770	9.644		
493	Maintenance Strategy		6.027	4.325	-		
494	Preventive Condition		9.363	6.797	10.425		
495	Preventive Routine		11.839	11.740	12.094		
496	Corrective Deferred		3.444	4.840	4.450		
497	Corrective Emergency		1.722	1.854	1.860		
498	Business Support		18.543	20.626	24.302		
499	Non-recurring opex		-	-	1.300		
500	Total		75.235	75.578	74.525		
501							

**Adjustment to Opex [m\$ 30/06/09]**

464	<b>Transmission</b>
465	SCADA & Communications
466	Non-Reference Services
467	Network Operations
468	Maintenance Strategy
469	Preventive Condition
470	Preventive Routine
471	Corrective Deferred
472	Corrective Emergency
473	Business Support (including IT&T)
474	Non-recurring opex (Energy Safety Levy?)
475	<u>Total</u>

**Modelled Opex [m\$ 30/06/09]**

477	<b>Transmission</b>
478	SCADA & Communications
479	Non-Reference Services
480	Network Operations
481	Maintenance Strategy
482	Preventive Condition
483	Preventive Routine
484	Corrective Deferred
485	Corrective Emergency
486	Business Support
487	<u>Non-recurring opex</u>
488	Total
489	<b>Transmission</b>
490	SCADA & Communications
491	Non-Reference Services
492	Network Operations
493	Maintenance Strategy
494	Preventive Condition
495	Preventive Routine
496	Corrective Deferred
497	Corrective Emergency
498	Business Support
499	<u>Non-recurring opex</u>
500	Total
501	

Other Inputs		2006	2007	2008	2009	2010	2011	2012
Year ending 30 June		0	1	2	3	4	5	6
Project Year			1	2	3	4	5	6
Regulatory Period			1	1	1	2	2	2
<b>Tariff Equalisation</b>			Deemed (Forecast AA1)			Forecast		
507	Nominal Value [m\$ OD]		-	-	-	-	-	-
508			Actual					
509	Nominal Value [m\$ OD]		-	-	-			
510			Deemed (Forecast AA1)			Forecast		
511	Real [m\$ 30/06/09]		-	-	-	-	-	-
512			Actual					
513	Real [m\$ 30/06/09]		-	-	-			
<b>Non Reference Service Revenue</b>			Deemed (Forecast AA1)			Forecast		
515	Nominal Value [m\$ OD]		18.902	19.393	19.897	6.480	6.304	6.775
516			Actual					
517	Nominal Value [m\$ OD]		15.199	15.585	19.897			
518			Deemed (Forecast AA1)			Forecast		
519	Real [m\$ 30/06/09]		20.343	19.972	19.897	6.323	5.996	6.276
520			Actual					
521	Real [m\$ 30/06/09]		16.358	16.050	19.897			
522						Modelled Forecast		
523						6.323	5.996	6.276
524								
<b>Working Capital</b>			Days					
526	Receivables		45.0					
527	TEC (n/a)		-					
528	Inventory		-					
529	Prepayments		-					
530	Creditors		-20.0					
531	<b>Working Capital Closing Value</b>		Deemed (Forecast AA1)					
532	Working Capital Closing Value [m\$ 30/06/06]		8.692	8.214	15.105			
533			Actual					
534	Real Value [m\$ 30/06/09]		9.549	9.024	16.594			



<b>Other Inputs</b>	
<b>Year ending 30 June</b>	
<b>Project Year</b>	
<b>Regulatory Period</b>	
<b>Tariff Equalisation</b>	
507	Nominal Value [m\$ OD]
508	
509	Nominal Value [m\$ OD]
510	
511	Real [m\$ 30/06/09]
512	
513	Real [m\$ 30/06/09]
<b>Non Reference Service Revenue</b>	
515	Nominal Value [m\$ OD]
516	
517	Nominal Value [m\$ OD]
518	
519	Real [m\$ 30/06/09]
520	
521	Real [m\$ 30/06/09]
522	
523	
524	
<b>Working Capital</b>	
526	Receivables
527	TEC (n/a)
528	Inventory
529	Prepayments
530	Creditors
531	<b>Working Capital Closing Value</b>
532	Working Capital Closing Value [m\$ 30/06/06]
533	
534	Real Value [m\$ 30/06/09]

<b>Revenue Cap [m\$ OD]</b>								
536		<b>Price List Information</b>						
537	Smoothed Service Revenue Cap	179.619	194.900	219.500				
538	Transition Revenue for pricing purposes	12.133	12.100	12.700				
539	Revenue for pricing purposes	191.752	207.000	232.200				
540		<b>Actual</b>						
541	Smoothed Service Revenue Cap	198.820	192.156	219.500				
542	Transition Revenue for pricing purposes	11.030	9.750	12.700				
543	Revenue for pricing purposes	209.851	201.906	232.200				
<b>Revenue Cap [m\$ 30/06/09]</b>								
545		<b>Price List Information</b>						
546	Smoothed Service Revenue Cap	193.316	200.714	219.500				
547	Transition Revenue for pricing purposes	13.058	12.461	12.700				
548	Revenue for pricing purposes	206.374	213.175	232.200				
549		<b>Actual</b>						
550	Smoothed Service Revenue Cap	213.982	197.888	219.500				
551	Transition Revenue for pricing purposes	11.872	10.041	12.700				
552	Revenue for pricing purposes	225.853	207.930	232.200				
<b>Energy Transported Through the Network</b>								
		<b>Deemed (Forecast AA1)</b>		<b>Forecast</b>				
554	Energy	14,777	15,400	15,775	16,913	17,822	18,173	18,741
555		<b>Actual</b>						
556	Energy	13,659	14,468	14,781	17,072			

**Revenue Cap [m\$ OD]**

536	
537	Smoothed Service Revenue Cap
538	<u>Transition Revenue for pricing purposes</u>
539	Revenue for pricing purposes
540	
541	Smoothed Service Revenue Cap
542	<u>Transition Revenue for pricing purposes</u>
543	Revenue for pricing purposes

**Revenue Cap [m\$ 30/06/09]**

545	
546	Smoothed Service Revenue Cap
547	<u>Transition Revenue for pricing purposes</u>
548	Revenue for pricing purposes
549	
550	Smoothed Service Revenue Cap
551	<u>Transition Revenue for pricing purposes</u>
552	Revenue for pricing purposes

**Energy Transported Through the Network**

554	Energy
555	
556	Energy

**Western Power Revised Access Arrangement 2, DD2 Real Pre-tax Model**

Ref	2	3	4	5	8	10	11	12	13	14	15	16
<b>Transmission, Real Calculations [m\$ 30/06/09]</b>												
<b>Year ending 30 June</b>												
<b>Project Year</b>												
<b>Regulatory Period</b>												
<b>Asset Value [m\$ 30/06/09]</b>												
8	<b>Asset Value</b>											
9	Opening Asset Value					1,523.247	1,730.108	1,939.404		2,199.183	2,422.579	2,976.933
10	Capex					260.833	269.453	323.119		293.459	629.407	650.631
11	Redundant Assets					-0.335	-1.854	-		-	-	-
12	Depreciation					-53.638	-58.302	-63.340		-70.062	-75.054	-86.744
13	Closing Asset Value					1,523.247	1,730.108	1,939.404	2,199.183	2,422.579	2,976.933	3,540.820
14	Check	OK										
15												
<b>Year ending 30 June</b>												
<b>Project Year</b>												
<b>Regulatory Period</b>												
<b>Asset Account [m\$ 30/06/09]</b>												
20	<b>Opening Value</b>											
21	Transmission cables						13.278	17.661	21.268	26.684	32.332	45.728
22	Transmission steel towers						401.187	466.296	561.003	646.809	731.711	888.963
23	Transmission wood poles						189.769	193.781	197.027	203.875	211.322	234.446
24	Transmission Metering						2.336	2.247	2.157	2.068	1.978	1.889
25	Transmission transformers						170.180	213.626	250.604	303.316	340.683	450.665
26	Transmission reactors						4.321	7.936	10.592	14.204	15.333	21.714
27	Transmission capacitors						83.776	104.585	119.500	140.382	146.742	188.050
28	Transmission circuit breakers						500.144	534.172	558.623	606.064	642.360	750.956
29	SCADA and Communications						37.231	40.367	41.325	42.795	50.409	62.888
30	IT&T						2.944	7.725	16.798	21.981	24.339	29.930
31	Other Non-Network Assets						26.915	27.439	26.938	27.824	31.701	40.110
32	Land & Easements						91.166	114.273	133.568	163.182	193.668	261.594
33	Total						1,523.247	1,730.108	1,939.404	2,199.183	2,422.579	2,976.933
34	<b>Capex</b>											
35	Transmission cables						4.731	4.052	5.989	6.264	14.125	14.970
36	Transmission steel towers						74.823	105.866	98.399	99.266	173.271	179.990
37	Transmission wood poles						13.092	12.441	16.188	17.466	33.530	35.573
38	Transmission Metering						-	-	-	-	-	-
39	Transmission transformers						50.119	44.441	60.921	47.162	120.720	126.855
40	Transmission reactors						3.775	2.838	3.815	1.500	6.783	6.905
41	Transmission capacitors						24.436	18.672	25.033	11.718	46.958	48.097
42	Transmission circuit breakers						51.764	43.028	66.884	57.273	130.718	137.924
43	SCADA and Communications						6.401	4.404	4.960	11.345	16.542	19.119
44	IT&T						5.482	9.913	6.209	4.391	7.324	4.446
45	Other Non-Network Assets						2.767	2.648	5.106	6.587	11.510	4.909
46	Land & Easements						23.442	21.149	29.614	30.486	67.926	71.843
47	Total						260.833	269.453	323.119	293.459	629.407	650.631

48	<b>Redundant Assets</b>							
49	Transmission cables							
50	Transmission steel towers							
51	Transmission wood poles							
52	Transmission Metering							
53	Transmission transformers							
54	Transmission reactors							
55	Transmission capacitors							
56	Transmission circuit breakers							
57	SCADA and Communications							
58	IT&T							
59	Other Non-Network Assets							
60	Land & Easements							
61	Total							
62	<b>Depreciation</b>							
63	Transmission cables							
64	Transmission steel towers							
65	Transmission wood poles							
66	Transmission Metering							
67	Transmission transformers							
68	Transmission reactors							
69	Transmission capacitors							
70	Transmission circuit breakers							
71	SCADA and Communications							
72	IT&T							
73	Other Non-Network Assets							
74	Land & Easements							
75	Total							
76	<b>Closing Value</b>							
77	Transmission cables	13.278	17.661	21.268	26.684	32.332	45.728	59.711
78	Transmission steel towers	401.187	466.296	561.003	646.809	731.711	888.963	1,050.046
79	Transmission wood poles	189.769	193.781	197.027	203.875	211.322	234.446	258.867
80	Transmission Metering	2.336	2.247	2.157	2.068	1.978	1.889	1.799
81	Transmission transformers	170.180	213.626	250.604	303.316	340.683	450.665	564.368
82	Transmission reactors	4.321	7.936	10.592	14.204	15.333	21.714	28.082
83	Transmission capacitors	83.776	104.585	119.500	140.382	146.742	188.050	229.323
84	Transmission circuit breakers	500.144	534.172	558.623	606.064	642.360	750.956	864.144
85	SCADA and Communications	37.231	40.367	41.325	42.795	50.409	62.888	77.459
86	IT&T	2.944	7.725	16.798	21.981	24.339	29.930	32.348
87	Other Non-Network Assets	26.915	27.439	26.938	27.824	31.701	40.110	41.235
88	Land & Easements	91.166	114.273	133.568	163.182	193.668	261.594	333.437
89	Total	1,523.247	1,730.108	1,939.404	2,199.183	2,422.579	2,976.933	3,540.820
90								

Year ending 30 June				2006	2007	2008	2009	2010	2011	2012
Project Year				0	1	2	3	4	5	6
Regulatory Period					1	1	1	2	2	2
ICB [m\$ 30/06/09]				Life as at 30 June 2006 [Years]						
95	<b>Opening Value</b>									
96	Transmission cables				13.278	12.930	12.581	12.233	11.884	11.536
97	Transmission steel towers				401.187	391.473	381.759	372.045	362.331	352.617
98	Transmission wood poles				189.769	180.689	171.609	162.529	153.450	144.370
99	Transmission Metering				2.336	2.247	2.157	2.068	1.978	1.889
100	Transmission transformers				170.180	163.507	156.833	150.159	143.485	136.812
101	Transmission reactors				4.321	4.161	4.001	3.841	3.680	3.520
102	Transmission capacitors				83.776	80.149	76.522	72.896	69.269	65.642
103	Transmission circuit breakers				500.144	482.408	464.672	446.937	429.201	411.466
104	SCADA and Communications				37.231	33.965	30.700	27.434	24.168	20.902
105	IT&T				2.944	2.243	1.542	0.841	0.140	-
106	Other Non-Network Assets				26.915	24.672	22.429	20.186	17.943	15.700
107	Land & Easements				91.166	90.831	88.978	88.978	88.978	88.978
108	Total				1,523.247	1,469.274	1,413.783	1,360.146	1,306.508	1,253.431
109	<b>Depreciation</b>	<b>Total</b>	<b>Check</b>	<b>Life</b>						
110	Transmission cables	-2.091	OK	38.100	-0.349	-0.349	-0.349	-0.349	-0.349	-0.349
111	Transmission steel towers	-58.284	OK	41.300	-9.714	-9.714	-9.714	-9.714	-9.714	-9.714
112	Transmission wood poles	-54.479	OK	20.900	-9.080	-9.080	-9.080	-9.080	-9.080	-9.080
113	Transmission Metering	-0.537	OK	26.100	-0.090	-0.090	-0.090	-0.090	-0.090	-0.090
114	Transmission transformers	-40.042	OK	25.500	-6.674	-6.674	-6.674	-6.674	-6.674	-6.674
115	Transmission reactors	-0.960	OK	27.000	-0.160	-0.160	-0.160	-0.160	-0.160	-0.160
116	Transmission capacitors	-21.760	OK	23.100	-3.627	-3.627	-3.627	-3.627	-3.627	-3.627
117	Transmission circuit breakers	-106.414	OK	28.200	-17.736	-17.736	-17.736	-17.736	-17.736	-17.736
118	SCADA and Communications	-19.595	OK	11.400	-3.266	-3.266	-3.266	-3.266	-3.266	-3.266
119	IT&T	-2.944	OK	4.200	-0.701	-0.701	-0.701	-0.701	-0.140	-
120	Other Non-Network Assets	-13.457	OK	12.000	-2.243	-2.243	-2.243	-2.243	-2.243	-2.243
121	Land & Easements	-	OK	-	-	-	-	-	-	-
122	Total	-320.564	OK		-53.638	-53.638	-53.638	-53.638	-53.077	-52.937
123	<b>Redundant Assets</b>									
124	Transmission cables				-	-	-	-	-	-
125	Transmission steel towers				-	-	-	-	-	-
126	Transmission wood poles				-	-	-	-	-	-
127	Transmission Metering				-	-	-	-	-	-
128	Transmission transformers				-	-	-	-	-	-
129	Transmission reactors				-	-	-	-	-	-
130	Transmission capacitors				-	-	-	-	-	-
131	Transmission circuit breakers				-	-	-	-	-	-
132	SCADA and Communications				-	-	-	-	-	-
133	IT&T				-	-	-	-	-	-
134	Other Non-Network Assets				-	-	-	-	-	-
135	Land & Easements				-0.335	-1.854	-	-	-	-
136	Total				-0.335	-1.854	-	-	-	-

<b>137</b>	<b>Closing Value</b>							
<b>138</b>	Transmission cables	13.278	12.930	12.581	12.233	11.884	11.536	11.187
<b>139</b>	Transmission steel towers	401.187	391.473	381.759	372.045	362.331	352.617	342.903
<b>140</b>	Transmission wood poles	189.769	180.689	171.609	162.529	153.450	144.370	135.290
<b>141</b>	Transmission Metering	2.336	2.247	2.157	2.068	1.978	1.889	1.799
<b>142</b>	Transmission transformers	170.180	163.507	156.833	150.159	143.485	136.812	130.138
<b>143</b>	Transmission reactors	4.321	4.161	4.001	3.841	3.680	3.520	3.360
<b>144</b>	Transmission capacitors	83.776	80.149	76.522	72.896	69.269	65.642	62.016
<b>145</b>	Transmission circuit breakers	500.144	482.408	464.672	446.937	429.201	411.466	393.730
<b>146</b>	SCADA and Communications	37.231	33.965	30.700	27.434	24.168	20.902	17.636
<b>147</b>	IT&T	2.944	2.243	1.542	0.841	0.140	-	-
<b>148</b>	Other Non-Network Assets	26.915	24.672	22.429	20.186	17.943	15.700	13.457
<b>149</b>	Land & Easements	91.166	90.831	88.978	88.978	88.978	88.978	88.978
<b>150</b>	<b>Total</b>	<b>1,523.247</b>	<b>1,469.274</b>	<b>1,413.783</b>	<b>1,360.146</b>	<b>1,306.508</b>	<b>1,253.431</b>	<b>1,200.495</b>
<b>151</b>								
	<b>Year ending 30 June</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>
	<b>Project Year</b>	<b>0</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>6</b>
	<b>Regulatory Period</b>		<b>1</b>	<b>1</b>	<b>1</b>	<b>2</b>	<b>2</b>	<b>2</b>
	<b>Modelled CAPEX [m\$ 30/06/09]</b>							
<b>156</b>	<b>Opening Value</b>							
<b>157</b>	Transmission cables		-	4.731	8.687	14.451	20.448	34.192
<b>158</b>	Transmission steel towers		-	74.823	179.244	274.764	369.380	536.346
<b>159</b>	Transmission wood poles		-	13.092	25.418	41.345	57.873	90.076
<b>160</b>	Transmission Metering		-	-	-	-	-	-
<b>161</b>	Transmission transformers		-	50.119	93.771	153.157	197.198	313.854
<b>162</b>	Transmission reactors		-	3.775	6.592	10.364	11.652	18.194
<b>163</b>	Transmission capacitors		-	24.436	42.978	67.486	77.473	122.407
<b>164</b>	Transmission circuit breakers		-	51.764	93.951	159.127	213.159	339.490
<b>165</b>	SCADA and Communications		-	6.401	10.626	15.361	26.241	41.986
<b>166</b>	IT&T		-	5.482	15.256	21.140	24.199	29.930
<b>167</b>	Other Non-Network Assets		-	2.767	4.510	7.638	13.758	24.410
<b>168</b>	Land & Easements		-	23.442	44.590	74.204	104.691	172.616
<b>169</b>	<b>Total</b>		-	<b>260.833</b>	<b>525.621</b>	<b>839.038</b>	<b>1,116.071</b>	<b>1,723.502</b>
<b>170</b>	<b>Capex</b>			<b>Actual</b>		<b>Forecast</b>		
<b>171</b>	Transmission cables			4.731	4.052	5.989	6.264	14.125
<b>172</b>	Transmission steel towers			74.823	105.866	98.399	99.266	173.271
<b>173</b>	Transmission wood poles			13.092	12.441	16.188	17.466	33.530
<b>174</b>	Transmission Metering			-	-	-	-	-
<b>175</b>	Transmission transformers			50.119	44.441	60.921	47.162	120.720
<b>176</b>	Transmission reactors			3.775	2.838	3.815	1.500	6.783
<b>177</b>	Transmission capacitors			24.436	18.672	25.033	11.718	46.958
<b>178</b>	Transmission circuit breakers			51.764	43.028	66.884	57.273	130.718
<b>179</b>	SCADA and Communications			6.401	4.404	4.960	11.345	16.542
<b>180</b>	IT&T			5.482	9.913	6.209	4.391	7.324
<b>181</b>	Other Non-Network Assets			2.767	2.648	5.106	6.587	11.510
<b>182</b>	Land & Easements			23.442	21.149	29.614	30.486	67.926
<b>183</b>	<b>Total</b>			<b>260.833</b>	<b>269.453</b>	<b>323.119</b>	<b>293.459</b>	<b>629.407</b>

184	<b>Year ending 30 June 2007 - 1</b>	<b>1</b>	<b>Life</b>						
185	Transmission cables	1	55.000	-	-0.096	-0.096	-0.086	-0.086	-0.086
186	Transmission steel towers	1	60.000	-	-1.446	-1.446	-1.240	-1.240	-1.240
187	Transmission wood poles	1	45.000	-	-0.116	-0.116	-0.299	-0.299	-0.299
188	Transmission Metering	1	40.000	-	-	-	-	-	-
189	Transmission transformers	1	50.000	-	-0.790	-0.790	-1.011	-1.011	-1.011
190	Transmission reactors	1	50.000	-	-0.021	-0.021	-0.078	-0.078	-0.078
191	Transmission capacitors	1	40.000	-	-0.130	-0.130	-0.636	-0.636	-0.636
192	Transmission circuit breakers	1	50.000	-	-0.841	-0.841	-1.043	-1.043	-1.043
193	SCADA and Communications	1	34.150	-	-0.179	-0.179	-0.188	-0.188	-0.188
194	IT&T	1	16.850	-	-0.140	-0.140	-0.350	-0.350	-0.350
195	Other Non-Network Assets	1	16.850	-	-0.906	-0.906	-0.064	-0.064	-0.064
196	Land & Easements	1	-	-	-	-	-	-	-
197	Total			-	-4.665	-4.665	-4.996	-4.996	-4.996
198	<b>Year ending 30 June 2008 - 2</b>	<b>2</b>	<b>Life</b>						
199	Transmission cables	2	55.000	-	-	-0.130	-0.073	-0.073	-0.073
200	Transmission steel towers	2	60.000	-	-	-1.433	-1.770	-1.770	-1.770
201	Transmission wood poles	2	45.000	-	-	-0.144	-0.279	-0.279	-0.279
202	Transmission Metering	2	40.000	-	-	-	-	-	-
203	Transmission transformers	2	50.000	-	-	-0.745	-0.892	-0.892	-0.892
204	Transmission reactors	2	50.000	-	-	-0.021	-0.057	-0.057	-0.057
205	Transmission capacitors	2	40.000	-	-	-0.394	-0.469	-0.469	-0.469
206	Transmission circuit breakers	2	50.000	-	-	-0.866	-0.860	-0.860	-0.860
207	SCADA and Communications	2	34.150	-	-	-0.046	-0.131	-0.131	-0.131
208	IT&T	2	16.850	-	-	-0.185	-0.614	-0.614	-0.614
209	Other Non-Network Assets	2	16.850	-	-	-1.072	-0.099	-0.099	-0.099
210	Land & Easements	2	-	-	-	-	-	-	-
211	Total			-	-	-5.038	-5.245	-5.245	-5.245
212	<b>Year ending 30 June 2009 - 3</b>	<b>3</b>	<b>Life</b>						
213	Transmission cables	3	55.000	-	-	-	-0.109	-0.109	-0.109
214	Transmission steel towers	3	60.000	-	-	-	-1.640	-1.640	-1.640
215	Transmission wood poles	3	45.000	-	-	-	-0.360	-0.360	-0.360
216	Transmission Metering	3	40.000	-	-	-	-	-	-
217	Transmission transformers	3	50.000	-	-	-	-1.218	-1.218	-1.218
218	Transmission reactors	3	50.000	-	-	-	-0.076	-0.076	-0.076
219	Transmission capacitors	3	40.000	-	-	-	-0.626	-0.626	-0.626
220	Transmission circuit breakers	3	50.000	-	-	-	-1.338	-1.338	-1.338
221	SCADA and Communications	3	34.150	-	-	-	-0.145	-0.145	-0.145
222	IT&T	3	16.850	-	-	-	-0.368	-0.368	-0.368
223	Other Non-Network Assets	3	16.850	-	-	-	-0.303	-0.303	-0.303
224	Land & Easements	3	-	-	-	-	-	-	-
225	Total			-	-	-	-6.184	-6.184	-6.184



226	<b>Year ending 30 June 2009 - 4</b>	<b>4</b>	<b>Life</b>			
227	Transmission cables	4	55.000	-	-0.114	-0.114
228	Transmission steel towers	4	60.000	-	-1.654	-1.654
229	Transmission wood poles	4	45.000	-	-0.388	-0.388
230	Transmission Metering	4	40.000	-	-	-
231	Transmission transformers	4	50.000	-	-0.943	-0.943
232	Transmission reactors	4	50.000	-	-0.030	-0.030
233	Transmission capacitors	4	40.000	-	-0.293	-0.293
234	Transmission circuit breakers	4	50.000	-	-1.145	-1.145
235	SCADA and Communications	4	34.150	-	-0.332	-0.332
236	IT&T	4	16.850	-	-0.261	-0.261
237	Other Non-Network Assets	4	16.850	-	-0.391	-0.391
238	Land & Easements	4	-	-	-	-
239	Total			-	-5.552	-5.552
240	<b>Year ending 30 June 2009 - 5</b>	<b>5</b>	<b>Life</b>			
241	Transmission cables	5	55.000	-	-	-0.257
242	Transmission steel towers	5	60.000	-	-	-2.888
243	Transmission wood poles	5	45.000	-	-	-0.745
244	Transmission Metering	5	40.000	-	-	-
245	Transmission transformers	5	50.000	-	-	-2.414
246	Transmission reactors	5	50.000	-	-	-0.136
247	Transmission capacitors	5	40.000	-	-	-1.174
248	Transmission circuit breakers	5	50.000	-	-	-2.614
249	SCADA and Communications	5	34.150	-	-	-0.484
250	IT&T	5	16.850	-	-	-0.435
251	Other Non-Network Assets	5	16.850	-	-	-0.683
252	Land & Easements	5	-	-	-	-
253	Total			-	-	-11.830
254	<b>Year ending 30 June 2009 - 6</b>	<b>6</b>	<b>Life</b>			
255	Transmission cables	6	55.000	-	-	-
256	Transmission steel towers	6	60.000	-	-	-
257	Transmission wood poles	6	45.000	-	-	-
258	Transmission Metering	6	40.000	-	-	-
259	Transmission transformers	6	50.000	-	-	-
260	Transmission reactors	6	50.000	-	-	-
261	Transmission capacitors	6	40.000	-	-	-
262	Transmission circuit breakers	6	50.000	-	-	-
263	SCADA and Communications	6	34.150	-	-	-
264	IT&T	6	16.850	-	-	-
265	Other Non-Network Assets	6	16.850	-	-	-
266	Land & Easements	6	-	-	-	-
267	Total			-	-	-

268	Depreciation	Total	Check	Life						
269	Transmission cables	-1.608	OK	55.000	-	-0.096	-0.226	-0.267	-0.381	-0.638
270	Transmission steel towers	-24.472	OK	60.000	-	-1.446	-2.879	-4.650	-6.305	-9.193
271	Transmission wood poles	-4.712	OK	45.000	-	-0.116	-0.260	-0.938	-1.326	-2.072
272	Transmission Metering	-	OK	40.000	-	-	-	-	-	-
273	Transmission transformers	-15.990	OK	50.000	-	-0.790	-1.535	-3.121	-4.065	-6.479
274	Transmission reactors	-0.895	OK	50.000	-	-0.021	-0.043	-0.212	-0.242	-0.377
275	Transmission capacitors	-7.607	OK	40.000	-	-0.130	-0.525	-1.731	-2.024	-3.198
276	Transmission circuit breakers	-17.178	OK	50.000	-	-0.841	-1.707	-3.241	-4.387	-7.001
277	SCADA and Communications	-2.947	OK	34.150	-	-0.179	-0.225	-0.465	-0.797	-1.281
278	IT&T	-5.418	OK	16.850	-	-0.140	-0.325	-1.333	-1.593	-2.028
279	Other Non-Network Assets	-5.749	OK	16.850	-	-0.906	-1.978	-0.467	-0.858	-1.541
280	Land & Easements	-	OK	-	-	-	-	-	-	-
281	Total	-86.576	OK	-	-	-4.665	-9.702	-16.425	-21.977	-33.807
282	<b>Closing Value</b>									
283	Transmission cables	-			4.731	8.687	14.451	20.448	34.192	48.524
284	Transmission steel towers	-			74.823	179.244	274.764	369.380	536.346	707.143
285	Transmission wood poles	-			13.092	25.418	41.345	57.873	90.076	123.577
286	Transmission Metering	-			-	-	-	-	-	-
287	Transmission transformers	-			50.119	93.771	153.157	197.198	313.854	434.230
288	Transmission reactors	-			3.775	6.592	10.364	11.652	18.194	24.722
289	Transmission capacitors	-			24.436	42.978	67.486	77.473	122.407	167.307
290	Transmission circuit breakers	-			51.764	93.951	159.127	213.159	339.490	470.414
291	SCADA and Communications	-			6.401	10.626	15.361	26.241	41.986	59.823
292	IT&T	-			5.482	15.256	21.140	24.199	29.930	32.348
293	Other Non-Network Assets	-			2.767	4.510	7.638	13.758	24.410	27.778
294	Land & Easements	-			23.442	44.590	74.204	104.691	172.616	244.460
295	Total	-			260.833	525.621	839.038	1,116.071	1,723.502	2,340.325

Year ending 30 June	2006	2007	2008	2009	2010	2011	2012
Project Year	0	1	2	3	4	5	6
Regulatory Period		1	1	1	2	2	2
<b>Capitalised Deferred Revenue [m\$ 30/06/09]</b>							
301	Capitalised Deferred Revenue	Life					
302	Opening Value		-	-	-	-	-
303	Capitalised Deferred Revenue		-	-	-	-	-
304	Depreciation		-	-	-	-	-
305	Closing Value		-	-	-	-	-

**Western Power Revised Access Arrangement 2, DD2 Real Pre-tax Model**

Ref	2	3	4	5	6	7	8	9	10	11	12	13	14
	<b>Year ending 30 June</b>								<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>
	<b>Project Year</b>								<b>0</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>
	<b>Regulatory Period</b>									<b>1</b>	<b>1</b>	<b>1</b>	<b>2</b>
6	<b>Pre-tax WACC</b>												
7	Real								6.76%	6.76%	6.76%	6.76%	7.06%
8													

**Asset Category Allocation**

**Asset Allocation**

11	Transmission	Transmission cission steission woission	Mission transmission reission capsion circuitind	Commu	IT&T	on-Networl & Easements								
12	<b>DEMAND RELATED</b>													
13	System Capacity	4%	26%	7%	0%	18%	0%	3%	21%	1%	0%	0%	20%	100%
14	Customer Driven - Bulk Loads	0%	90%	0%	0%	7%	0%	0%	0%	0%	0%	0%	2%	100%
15	Customer Driven - Generation	0%	31%	0%	0%	26%	4%	21%	16%	1%	0%	0%	1%	100%
16														

**IAM Asset Base**

		2006	2007	2008	2009
	<b>Year ending 30 June</b>				
	<b>Project Year</b>				
	<b>Regulatory Period</b>				
	<b>IAM Forecast Asset Account [m\$ 30/06/09]</b>				
22	<b>Opening Value</b>				
23	Transmission cables			3.791	8.613
24	Transmission steel towers			73.250	166.027
25	Transmission wood poles			6.447	14.621
26	Transmission Metering			-	-
27	Transmission transformers			37.346	72.442
28	Transmission reactors			2.573	4.020
29	Transmission capacitors			17.499	28.980
30	Transmission circuit breakers			29.967	59.679
31	SCADA and Communications			1.014	1.932
32	IT&T			-	-
33	Other Non-Network Assets			-	-
34	Land & Easements			19.092	43.421
35	<b>Total</b>			-	190.979
					399.735

<b>36</b>	<b>Capex</b>			
<b>37</b>	Transmission cables		3.791	4.891
<b>38</b>	Transmission steel towers		73.250	93.998
<b>39</b>	Transmission wood poles		6.447	8.317
<b>40</b>	Transmission Metering		-	-
<b>41</b>	Transmission transformers		37.346	35.842
<b>42</b>	Transmission reactors		2.573	1.498
<b>43</b>	Transmission capacitors		17.499	11.919
<b>44</b>	Transmission circuit breakers		29.967	30.311
<b>45</b>	SCADA and Communications		1.014	0.948
<b>46</b>	IT&T		-	-
<b>47</b>	Other Non-Network Assets		-	-
<b>48</b>	Land & Easements		19.092	24.329
<b>49</b>	Total		190.979	212.054
<b>50</b>	<b>Depreciation</b>	<b>Life</b>		
<b>51</b>	Transmission cables	55.000	-	-0.069
<b>52</b>	Transmission steel towers	60.000	-	-1.221
<b>53</b>	Transmission wood poles	45.000	-	-0.143
<b>54</b>	Transmission Metering	40.000	-	-
<b>55</b>	Transmission transformers	50.000	-	-0.747
<b>56</b>	Transmission reactors	50.000	-	-0.051
<b>57</b>	Transmission capacitors	40.000	-	-0.437
<b>58</b>	Transmission circuit breakers	50.000	-	-0.599
<b>59</b>	SCADA and Communications	34.150	-	-0.030
<b>60</b>	IT&T	16.850	-	-
<b>61</b>	Other Non-Network Assets	16.850	-	-
<b>62</b>	Land & Easements	-	-	-
<b>63</b>	Total		-	-3.298

<b>64</b>	<b>Closing Value</b>			
<b>65</b>	Transmission cables	3.791	8.613	13.200
<b>66</b>	Transmission steel towers	73.250	166.027	210.148
<b>67</b>	Transmission wood poles	6.447	14.621	22.361
<b>68</b>	Transmission Metering	-	-	-
<b>69</b>	Transmission transformers	37.346	72.442	98.307
<b>70</b>	Transmission reactors	2.573	4.020	4.821
<b>71</b>	Transmission capacitors	17.499	28.980	36.410
<b>72</b>	Transmission circuit breakers	29.967	59.679	85.261
<b>73</b>	SCADA and Communications	1.014	1.932	2.682
<b>74</b>	IT&T	-	-	-
<b>75</b>	Other Non-Network Assets	-	-	-
<b>76</b>	Land & Easements	19.092	43.421	65.730
<b>77</b>	Total	190.979	399.735	538.921
<b>78</b>				
<b>IAM Actual Asset Account [m\$ 30/06/09]</b>				
<b>80</b>	<b>Opening Value</b>			
<b>81</b>	Transmission cables		4.731	8.714
<b>82</b>	Transmission steel towers		74.823	179.469
<b>83</b>	Transmission wood poles		8.046	14.793
<b>84</b>	Transmission Metering		-	-
<b>85</b>	Transmission transformers		48.126	89.317
<b>86</b>	Transmission reactors		3.635	6.303
<b>87</b>	Transmission capacitors		24.298	42.415
<b>88</b>	Transmission circuit breakers		39.340	70.626
<b>89</b>	SCADA and Communications		1.349	2.396
<b>90</b>	IT&T		-	-
<b>91</b>	Other Non-Network Assets		-	-
<b>92</b>	Land & Easements		23.442	44.590
<b>93</b>	Total	-	227.790	458.624

<b>94</b>	<b>Capex</b>			
<b>95</b>	Transmission cables	4.731	4.052	5.989
<b>96</b>	Transmission steel towers	74.823	105.866	98.399
<b>97</b>	Transmission wood poles	8.046	6.890	10.185
<b>98</b>	Transmission Metering	-	-	-
<b>99</b>	Transmission transformers	48.126	41.938	54.344
<b>100</b>	Transmission reactors	3.635	2.719	3.584
<b>101</b>	Transmission capacitors	24.298	18.555	24.804
<b>102</b>	Transmission circuit breakers	39.340	31.885	45.133
<b>103</b>	SCADA and Communications	1.349	1.077	1.506
<b>104</b>	IT&T	-	-	-
<b>105</b>	Other Non-Network Assets	-	-	-
<b>106</b>	Land & Easements	23.442	21.149	29.614
<b>107</b>	Total	227.790	234.132	273.558
<b>108</b>	<b>Depreciation</b>			
<b>109</b>	Transmission cables	-	-0.069	-0.158
<b>110</b>	Transmission steel towers	-	-1.221	-2.787
<b>111</b>	Transmission wood poles	-	-0.143	-0.328
<b>112</b>	Transmission Metering	-	-	-
<b>113</b>	Transmission transformers	-	-0.747	-1.464
<b>114</b>	Transmission reactors	-	-0.051	-0.081
<b>115</b>	Transmission capacitors	-	-0.437	-0.735
<b>116</b>	Transmission circuit breakers	-	-0.599	-1.206
<b>117</b>	SCADA and Communications	-	-0.030	-0.057
<b>118</b>	IT&T	-	-	-
<b>119</b>	Other Non-Network Assets	-	-	-
<b>120</b>	Land & Easements	-	-	-
<b>121</b>	Total	-	-3.298	-6.817

**122 Closing Value**

123	Transmission cables	4.731	8.714	14.546
124	Transmission steel towers	74.823	179.469	275.080
125	Transmission wood poles	8.046	14.793	24.649
126	Transmission Metering	-	-	-
127	Transmission transformers	48.126	89.317	142.197
128	Transmission reactors	3.635	6.303	9.805
129	Transmission capacitors	24.298	42.415	66.484
130	Transmission circuit breakers	39.340	70.626	114.553
131	SCADA and Communications	1.349	2.396	3.845
132	IT&T	-	-	-
133	Other Non-Network Assets	-	-	-
134	Land & Easements	23.442	44.590	74.204
135	Total	227.790	458.624	725.364

**IAM Adjustment**

Year ending 30 June		2006	2007	2008	2009
Project Year		0	1	2	3
Regulatory Period			1	1	1
<b>IAM Forecast Asset Account [m\$ 30/06/09]</b>					
142	<b>Forecast</b>	PV <sub>30/06/2006</sub>	PV <sub>30/06/2009</sub>		
143	Return on Assets	33.534	40.805	-	12.910
144	Depreciation	8.496	10.338	-	3.298
145	Cost of Service	42.030	51.143	-	16.208
146	<b>Actual</b>	PV <sub>30/06/2006</sub>	PV <sub>30/06/2009</sub>		
147	Return on Assets	38.989	47.442	-	15.399
148	Depreciation	8.496	10.338	-	3.298
149	Cost of Service	47.485	57.780	-	18.696
150	<b>Actual less Forecast</b>	PV <sub>30/06/2006</sub>	PV <sub>30/06/2009</sub>		
151	Forecast less Actual	5.455	6.637	-	2.488
152	<b>Cash flow analysis to confirm amount of IAM adjustment</b>	PV <sub>30/06/2006</sub>	PV <sub>30/06/2009</sub>		
153	IAM Actual Capex	-643.600	-783.145	-227.790	-234.132
154	Actual Asset Opening Value	-	-	-	-
155	Actual Asset Residual Value	596.116	725.364	-	725.364
156	CoS Forecast (Received)	42.030	51.143	-	16.208
157	Total Cash flow	-5.455	-6.637	-227.790	-217.924
158	<b>Check</b>	OK	OK		

<b>159</b>	<b>Investment Adjustment Mechanism</b>				
160	Value of Investment Adjustment Mechanism		-	2.488	3.981
161	Value at Year 3		-	2.657	3.981
162	Value at Year 4	6.637	-	2.844	4.262
163		7.106			

**Other Adjustments**

<b>Year ending 30 June</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>
<b>Project Year</b>	<b>0</b>	<b>1</b>	<b>2</b>	<b>3</b>
<b>Regulatory Period</b>		<b>1</b>	<b>1</b>	<b>1</b>

<b>168</b>	<b>Unforeseen Events Revenue Adjustment</b>				
169	Unforeseen Events Revenue Adjustment	<b>Total Correction</b>	-	-	-
170	Value at Year 3	-	-	-	-
171	Value at Year 4	-	-	-	-
<b>172</b>	<b>Technical Rule Change Revenue Adjustment</b>				
173	Technical Rule Change Revenue Adjustment	<b>Total Correction</b>	-	-	-
174	Value at Year 3	-	-	-	-
175	Value at Year 4	-	-	-	-
<b>176</b>	<b>Capital Contribution Adjustment Mechanism</b>				
177	Difference in Actual and Forecast Capital Contribution	<b>Total Correction</b>	-19.018	-3.368	-12.331
178	Value at Year 3	-37.603	-21.677	-3.596	-12.331
179	Value at Year 4	-40.258	-23.207	-3.850	-13.201
180					

**Total Adjustments**

<b>Year ending 30 June</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>
<b>Project Year</b>	<b>0</b>	<b>1</b>	<b>2</b>	<b>3</b>
<b>Regulatory Period</b>		<b>1</b>	<b>1</b>	<b>1</b>

<b>185</b>	<b>Adjustments</b>				
186	Unforeseen Events Revenue Adjustment		-	-	-
187	Technical Rule Change Revenue Adjustment		-	-	-
188	Investment Adjustment Mechanism		-	2.488	3.981
189	Capital Contribution Adjustment Mechanism		-19.018	-3.368	-12.331
190	Total Adjustment	<b>Total Correction</b>	-19.018	-0.880	-8.350
191	Value at Year 3	-30.966	-21.677	-0.939	-8.350
192	Value at Year 4	-33.152	-23.207	-1.005	-8.939



Western Power Revised Access Arrangement 2, DD2 Real Pre-tax Model

Ref	2	3	8	9	10	11	12	13	14	15	16	
<b>Year ending 30 June</b>					2006	2007	2008	2009	2010	2011	2012	2013
<b>Project Year</b>					0	1	2	3	4	5	6	7
<b>Regulatory Period</b>						1	1	1	2	2	2	3
7 <b>Modelled Inflation</b>												
8 Annual Inflation									2.38%	2.38%	2.38%	
9 Inflation Factor								1.000	1.024	1.048	1.073	
10 <b>Pre-tax WACC</b>												
11 Real					6.76%	6.76%	6.76%	6.76%	7.06%	7.06%	7.06%	7.06%
12 Nominal					10.02%	10.02%	10.02%	10.02%	9.61%	9.61%	9.61%	9.61%
13												
<b>Transmission, Real Calculations [m\$ 30/06/09]</b>												
<b>Year ending 30 June</b>					2006	2007	2008	2009	2010	2011	2012	
<b>Project Year</b>					0	1	2	3	4	5	6	
<b>Days</b>						365	366	365	365	365	366	
<b>Regulatory Period</b>						1	1	1	2	2	2	
<b>Asset Value [m\$ 30/06/09]</b>												
20 <b>Asset Value</b>												
21 A Opening Asset Value						1,523.247	1,730.108	1,939.404	2,199.183	2,422.579	2,976.933	
22 A Capex						260.833	269.453	323.119	293.459	629.407	650.631	
23 A Redundant Assets (Accelerated Depreciation)						-0.335	-1.854	-	-	-	-	
24 D Depreciation						-53.638	-58.302	-63.340	-70.062	-75.054	-86.744	
25 A Closing Asset Value					1,523.247	1,730.108	1,939.404	2,199.183	2,422.579	2,976.933	3,540.820	
26 <b>Working Capital</b>												
27 Opening Value									16.594	16.468	1.411	
28 Variation									-0.127	-15.057	5.625	
29 Closing Value						-	9.549	9.024	16.594	16.468	1.411	7.036
30												
<b>Year ending 30 June</b>					2006	2007	2008	2009	2010	2011	2012	
<b>Project Year</b>					0	1	2	3	4	5	6	
<b>Regulatory Period</b>						1	1	1	2	2	2	
<b>Deferred Revenue Account [m\$ 30/06/09]</b>												
35 <b>Deferred Revenue Account</b>												
36 Opening Value			Life									72.180
37 Payment to Principal			51									-1.415
38 Closing Asset Value											72.180	70.765
39 <b>Deferred Revenue Recovery</b>												
40 Payment to Principal												1.415
41 Return on Opening Value												5.096
42 Additional CoS												6.512
43												
<b>Working Capital [m\$ 30/06/09]</b>												
45 <b>Gross Cost of Service (excluding Working Capital)</b>												
46 Opex		PV				208.333	75.235	75.578	74.525	69.585	81.136	89.029
47 Depreciation						201.611	53.638	58.302	63.340	70.062	75.054	86.744
48 Redundant Assets (Accelerated Depreciation)						-	0.335	1.854	-	-	-	-
49 Deferred Revenue Recovery						-	-	-	-	-	-	-
50 Return on Assets						465.554	102.971	116.955	131.104	155.276	171.049	210.190
51 Cost of Service						875.498	232.178	252.689	268.968	294.923	327.239	385.963
52 <b>Net Covered Service Revenue = NCoS</b>												
53 Gross CoS		PV				875.498	232.178	252.689	268.968	294.923	327.239	385.963
54 Capital Contributions (In Kind & Cash)						-	-17.682	-30.101	-14.669	-	-	-
55 Net Covered Service Revenue						875.498	232.178	252.689	268.968	294.923	327.239	385.963

56	<b>Expenses</b>	<b>PV</b>							
57	Opex	208.333	75.235	75.578	74.525	69.585	81.136	89.029	
58	Capex	1,353.438	260.833	269.453	323.119	293.459	629.407	650.631	
59	Total Expenses	1,561.771	336.068	345.031	397.643	363.043	710.543	739.660	
60	<b>Working Capital</b>	<b>Days</b>	<b>Base for Calculation</b>						
61	Receivables	45.0	Net Covered Service Revenue			36.360	40.345	47.454	
62	TEC	-	TEC			-	-	-	
63	Inventory	-	Total Expenses			-	-	-	
64	Prepayments	-	Total Expenses			-	-	-	
65	Creditors	-20.0	Total Expenses			-19.893	-38.934	-40.419	
66	End of the Year Working Capital				16.594	16.468	1.411	7.036	
67	<b>Working Capital</b>								
68	Opening Value					16.594	16.468	1.411	
69	Variation					-0.127	-15.057	5.625	
70	Closing Value				16.594	16.468	1.411	7.036	
71									
<b>Year ending 30 June</b>			<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>
<b>Project Year</b>			<b>0</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>6</b>
<b>Regulatory Period</b>				<b>1</b>	<b>1</b>	<b>1</b>	<b>2</b>	<b>2</b>	<b>2</b>
<b>Gross Cost of Service [m\$ 30/06/09]</b>									
76	<b>Gross Cost of Service</b>	<b>PV</b>							
77	Opex	208.333					69.585	81.136	89.029
78	Depreciation	201.611					70.062	75.054	86.744
79	Redundant Assets (Accelerated Depreciation)	-					-	-	-
80	Deferred Revenue Recovery	-					-	-	-
81	Return on Assets	465.554					155.276	171.049	210.190
82	Return on Working Capital	2.190					1.172	1.163	0.100
83	Cost of Service	877.688					296.095	328.402	386.063
84	<b>Gross Regulatory Revenue</b>	<b>PV</b>							
85	Opex	208.333					69.585	81.136	89.029
86	Capex	1,353.438					293.459	629.407	650.631
87	Asset Opening Value	2,199.183			2,199.183		-	-	-
88	Asset Residual Value	-2,885.455					-	-	-3,540.820
89	Opening Value of Working Capital	16.594			16.594		-	-	-
90	Residual Value of Working Capital	-5.734					-	-	-7.036
91	Working Capital Closing Value Variation	-8.671					-0.127	-15.057	5.625
92	Gross Regulatory Revenue = Gross Cost of Service	877.688			2,215.778		362.917	695.486	-2,802.571
93	<b>Check</b>	<b>OK</b>							
94									
<b>Net Cost of Service [m\$ 30/06/09]</b>									
96	<b>Net Reference Service Revenue (Net CoS)</b>	<b>PV</b>							
97	Gross CoS	877.688					296.095	328.402	386.063
98	Non Reference Service Revenue	-16.251					-6.323	-5.996	-6.276
99	Tariff Equalisation	-					-	-	-
100	Capital Contributions (In Kind & Cash)	-					-	-	-
101	Unforeseen Events Revenue Adjustment	-					-	-	-
102	Technical Rule Change Revenue Adjustment	-					-	-	-
103	IAM Revenue Adjustment	6.637					7.106	-	-
104	CCAM Revenue Adjustment	-37.603					-40.258	-	-
105	Net Reference Service Revenue = Net Cost of Service	830.471					256.620	322.405	379.787
106	<b>Smoothed Net Reference Cost of Service</b>	<b>PV</b>	<b>S Factor</b>						
107	Smoothed Net Reference Cost of Service	830.471	16.75%		232.200		271.094	316.502	369.517
108	Delta PV		-						
109									

Unit Cost										
111	Unit Cost	AA2 PV	AA1 PV	Actual			Forecast			
112	Smoothed Net Reference Cost of Service	830.5	581.6	225.853	207.930	232.200	271.094	316.502	369.517	
113	Energy Transported (GWh)	47,773.9	40,321.7	14,468	14,781	17,072	17,822	18,173	18,741	
114	DWAT [\$ /MWh]	17.4	14.4	15.61	14.07	13.60	15.21	17.42	19.72	
115		AA2 DWAT	AA1 DWAT							
116										
Year ending 30 June				2006	2007	2008	2009	2010	2011	2012
Project Year				0	1	2	3	4	5	6
Regulatory Period					1	1	1	2	2	2
Smoothed Cost of Service [m\$ 30/06/09]										
121	Net Reference Service Revenue Requirements	PV								
122	Net Reference Service Revenue	830.471	P <sub>0</sub>	Y Factor				256.620	322.405	379.787
123	Smoothed Reference Service Revenue	771.651	12.63%		232.200			261.532	294.569	331.779
124	Deferred Reference Service Revenue	-58.821		98.66%				-9.562	-21.934	-37.738
125	Delta PV	-0.000			-0.000			-14.474	5.903	10.270
126										
Unit Cost										
128	Unit Cost (Excluding Deferred Revenue)	AA2 PV	AA1 PV	Actual			Forecast			
129	Net Regulatory Smoothed Revenue	771.7	581.6	225.853	207.930	232.200	261.532	294.569	331.779	
130	Energy Transported (GWh)	47,773.9	40,321.7	14,468	14,781	17,072	17,822	18,173	18,741	
131	DWAT [\$ /MWh]	16.152	14.424	15.611	14.067	13.601	14.675	16.209	17.703	
132										
133										
Year ending 30 June				2006	2007	2008	2009	2010	2011	2012
Project Year				0	1	2	3	4	5	6
Regulatory Period					1	1	1	2	2	2
Net Cash Flow Analysis [m\$ 30/06/09]										
138	Net Cash Flow	PV								
139	Smoothed Reference Service Revenue (Revenue Cap)	771.651						261.532	294.569	331.779
140	Deferred Reference Service Revenue	58.821						9.562	21.934	37.738
141	Opex	-208.333						-69.585	-81.136	-89.029
142	Capex	-1,353.438						-293.459	-629.407	-650.631
143	Deferred Revenue Recovery	-						-	-	-
144	Non Reference Service Revenue	16.251						6.323	5.996	6.276
145	Tariff Equalisation	-						-	-	-
146	Capital Contributions (In Kind & Cash)	-						-	-	-
147	Unforeseen Events Revenue Adjustment	-						-	-	-
148	Technical Rule Change Revenue Adjustment	-						-	-	-
149	IAM Revenue Adjustment	-6.637						-7.106	-	-
150	CCAM Revenue Adjustment	37.603						40.258	-	-
151	Asset Opening Value	-2,199.183			-2,199.183			-	-	-
152	Asset Residual Value	2,885.455						-	-	3,540.820
153	Opening Value of Working Capital	-16.594			-16.594			-	-	-
154	Residual Value of Working Capital	5.734						-	-	7.036
155	Working Capital Variation	8.671						0.127	15.057	-5.625
156	Net Cash Flow	-			-2,215.778			-52.348	-372.987	3,178.363
157	Check	OK								
Internal Rate of Return										
159	IRR	7.06%								
160	Check	OK								
Nominal from Real										
161	Net Cash Flow	PV								
162	Net Cash Flow	-			-2,215.778			-53.594	-390.953	3,410.742
163	Check	OK								
Internal Rate of Return										
165	IRR	9.61%								
166	Check	OK								
167										