evoenergy

Appendix D: Addressing capital expenditure uncertainty

Regulatory proposal for the ACT electricity distribution network 2024–29

Contents

List of tables

List of figures

1. Overview

This Appendix sets out Evoenergy's proposal for how material uncertainty around required future capital expenditure (capex) should be addressed during the 2024–29 regulatory period.

Evoenergy's electricity distribution network is facing transformational change, as the energy sector transitions to electrification to deliver on the ACT Government's policy of net zero by 2045. However, the speed of the transition is uncertain, and will be driven by government policies and consumer behaviour.

To address uncertainty around the speed of the energy transition and its impact on demand on our network during the 2024–29 period, the Australian Energy Regulator's (AER) determination will need to facilitate the ability for Evoenergy to submit an additional proposal to vary our capex during the regulatory period, where we are able to provide compelling evidence that this is required.

Evoenergy has proposed a contingent project that would be triggered where evidence emerges that the speed of the energy transition, and in particular the uptake of EVs and electrification, is greater than assumed in the capex forecasts put forward in this regulatory proposal, where this consequently requires us to undertake a material program of works during the regulatory period.

Evoenergy considers that a contingent project is the most appropriate mechanism available under the National Electricity Rules (NER) to address the inherent uncertainty we face. The alternative would be for Evoenergy to seek a capex re-opener during the 2024–29 period.

This Appendix explains the basis for Evoenergy's proposed approach to addressing capex uncertainty.

2. Evoenergy's electricity distribution network is facing transformational change

Evoenergy's capex forecast for the 2024–29 period is set out in Attachment 1 of this regulatory proposal.

As described in that section, Evoenergy's electricity distribution network is facing transformational change, as the energy sector transitions to greater electrification to deliver on the ACT Government's policy of net zero by 2045.

Transport (over 60 per cent) and stationary natural gas (about 20 per cent) account for most of the ACT's greenhouse gas emissions. Evoenergy's electricity network has a key role to play in enabling the decarbonisation of both these sectors as transport in the ACT moves to zero emission vehicles (ZEV) and there is a transition away from fossil-fuel gas use.

The transformation of our network in the years ahead is expected to be driven, in particular, by ongoing and increasing electric vehicle (EV) uptake, with the ACT government target of 80–90 per cent of new light vehicles sales in the ACT being ZEVs by 2030, and the gradual phasing-out of light internal combustion engine vehicles from 2035, the date at which the ACT Government will cease the registration of new non-ZEVs[1]

A further driver is the expected increase in the substitution of electricity for gas for the vast majority of residential and commercial use, including the electrification of current gas appliances for heating and cooking. The ACT Government has released a 'pathway to electrification' strategy,[2] which

[1] ACT Government, *2022–30 Zero Emissions Vehicles (ZEVs) Strategy*, July 2022.
[2] ACT Government, *Powering Canberra: Our Pathway to Electrification*, August 2022.

contemplates actions to transition the ACT away from fossil-fuel gas use. This transition is expected to have a signification, transformational impact on electricity demand.

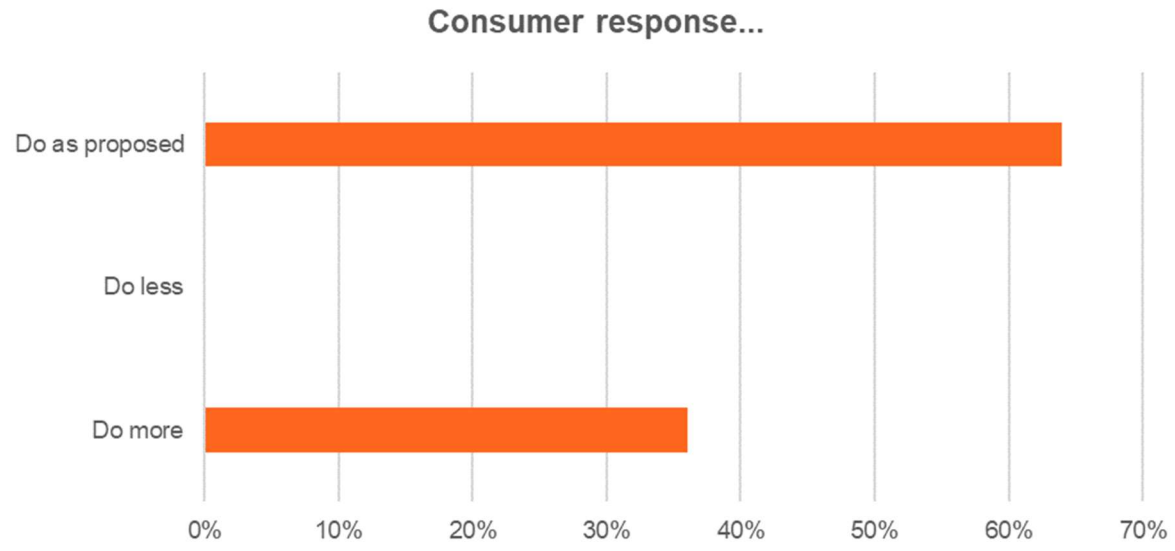
Evoenergy's long-term modelling of the energy transition pathway for the ACT to net zero highlights the scale of the task. Our modelling indicates that winter peak demand in 2045 is expected to reach almost 1000 megawatts (MW) above the 2021 peak, representing a more than 100 per cent increase. An estimated $3-3.4 billion ($2023/24) in network capital expenditure will be required by 2045 to support this growth.

It important to bear the scale of the investment ultimately expected to be required in mind, as a smoothed delivery path over several regulatory periods is likely to provide a more cost efficient and 'deliverable' pathway than seeking to defer the investment until late in transition period.

Our engagement with consumers has confirmed that they are supportive of us taking action towards a net zero future and recognise that additional infrastructure costs will be associated with this once-in-a-generation transformation. For more information, see Section 3. Consumer priorities and expectations.

In Community Panel 5[3] Evoenergy asked consumers 'Do you think the capex program is appropriate to support net zero by 2045? Should Evoenergy: Do more/less/as proposed?'. Results are shown in Figure 1, with the majority of consumers (64 per cent) supporting to do as proposed, with 36 per cent wanting a higher capex program. Importantly, no consumers thought Evoenergy should 'do less'. This indicates a cognisance from consumers of the importance of capital investment in light of the net zero by 2045 commitment, and our need to prepare for the future.

Figure 1 Consumer response to support for capex program to prepare for net zero



Consumers remained supportive of Evoenergy's revised higher capex program ($516 million) in Community Panel 7[4] with 100 per cent of participants supporting the change.

Some feedback on the revised capex forecast included:

[3] Held on 25 June 2022. At the time of the Draft Plan, Evoenergy's proposed (net) capex program ($2023/24) was $425 million.
[4] Held on 31 October 2022. This was the final Community Panel session held before the regulatory submission. Note the proposed capex program shifted marginally higher after the session to the proposal amount, by around $5 million. This did not reflect significant changes to the program but minor changes to assumptions and project scoping.

- There is still so much uncertainty in the future
- There needs to be an increase in funding in response to the demand challenges
- Evoenergy will need to ensure that there is enough contingency and flexibility in the modelling to be responsive given the fast-changing environment
- Some concern that the potential for technological transformation remains underestimated

When asked to identify any risks, should the forecast be different to the modelling, panel members noted the following:

- Potential for additional investment and the impact on energy bills if additional funding is required
- Insufficient action and investment in the short term could mean responding to issues in the future more expensive
- Significant underfunding will impact consumer confidence in changing to EVs and will lead to a lower uptake
- The risk is dependent on what people can afford, for example EVs, or solar or installing more efficient home appliances (heating, cooling).

3. The speed of this transition may exceed the assumptions underpinning our 2024–29 capex forecasts

Against this backdrop, Evoenergy's proposed net capex for the 2024–29 period of $521 million captures what we consider to be a conservative view of the additional expenditure required during the period. We have included projects and programs to upgrade feeders and zone substations, based on a detailed analysis of expected future areas of demand growth. We have focused on areas where we already have evidence of growing EV penetration rates. We have also been conservative in the assumptions we have made on the electrification of new suburbs and the speed of the conversion of the ACT bus fleet.

By focusing on those investment areas where we already have strong evidence of the change in demand, we consider that we have been able to provide a compelling case to our customers for our proposed investment over the 2024–29 period. Deliverability of our capex program and affordability for consumers both guided our conservative investment approach.

However, there inevitably remains substantial uncertainty around the speed of the transition. There is ACT Government policy in development to support the transition, including the Integrated Energy Plan expected to be released in 2024. New or amended government policies introduced over the regulatory period will lead to material changes in the speed of the transition, and the required network investment.

Much of the change will be also driven by our customers themselves, and the decisions they make around the vehicles they drive and, once they make the switch to EVs, how and when they expect to charge those vehicles. Consultation undertaken by Evoenergy indicates that 96 per cent of Canberrans intending to buy an EV will make their purchase within the next five years. This amounts to 31 per cent of the local population intending to purchase an EV within the next five years.

Similarly, in many cases it is consumers themselves who will ultimately determine the speed with which electric appliances will replace gas appliances in the ACT.

To address the uncertainty around demand during the 2024–29 period resulting from energy transition, we consider that the AER's determination for the period should facilitate the ability for Evoenergy to submit further proposals to the AER to vary the capex forecast during the regulatory period, where we are able to provide compelling evidence of the need for additional expenditure.

3.1. Interaction with Evoenergy's tariff policy

Evoenergy recognises the role tariffs play in providing incentives for our customers to make the best use of our network and minimise the need for investment in new capacity.

As discussed in the Regulatory Proposal, in developing our Tariff Structure Statement (TSS), Evoenergy has been actively considering its tariff policies and engaging with customers on alternative tariff structures.

During the 2024–29 period, Evoenergy's tariffs will include a demand charge, an inclining block tariff and a solar soak, which are targeted at providing incentives for EV charging load to be spread across the day to make use of available network capacity, and to provide incentives to charge EVs outside of the main evening peak period. Evoenergy is also proposing to modify its time of use charges to provide incentives to utilise the network during the middle of the day, when demand is lower.

These tariffs provide strong price signals to customers to charge their EVs during times at which there is spare capacity in our network. However there inevitably remains uncertainty around the extent to which customers will respond to these signals, and their preferences around the convenience of being able to recharge their EV whenever they choose to. Engagement by Evoenergy with our customers has indicated that 42% of those engaged would have some regard to network charges and price signals but may also just plug in to recharge their EVs 'when it's convenient', whilst 9% indicated that they would just plug in whenever it suited them, regardless of the time of day or associated charges.[5]

As part of our TSS, we have included triggers for revising our tariffs during the regulatory period, if they do not result in the behavioural response we are targeting. However, whilst we expect this flexibility to be important to enable us to refine our price signals, any changes are only likely to be effective in affecting demand (and therefore investment) in the medium to long term. It is likely that higher than forecast EV uptake in the near term, even with these tariffs in place, will result in 'pinch points' on our network that will require a program of network upgrades.

4. Key drivers that could increase the need to invest in our network

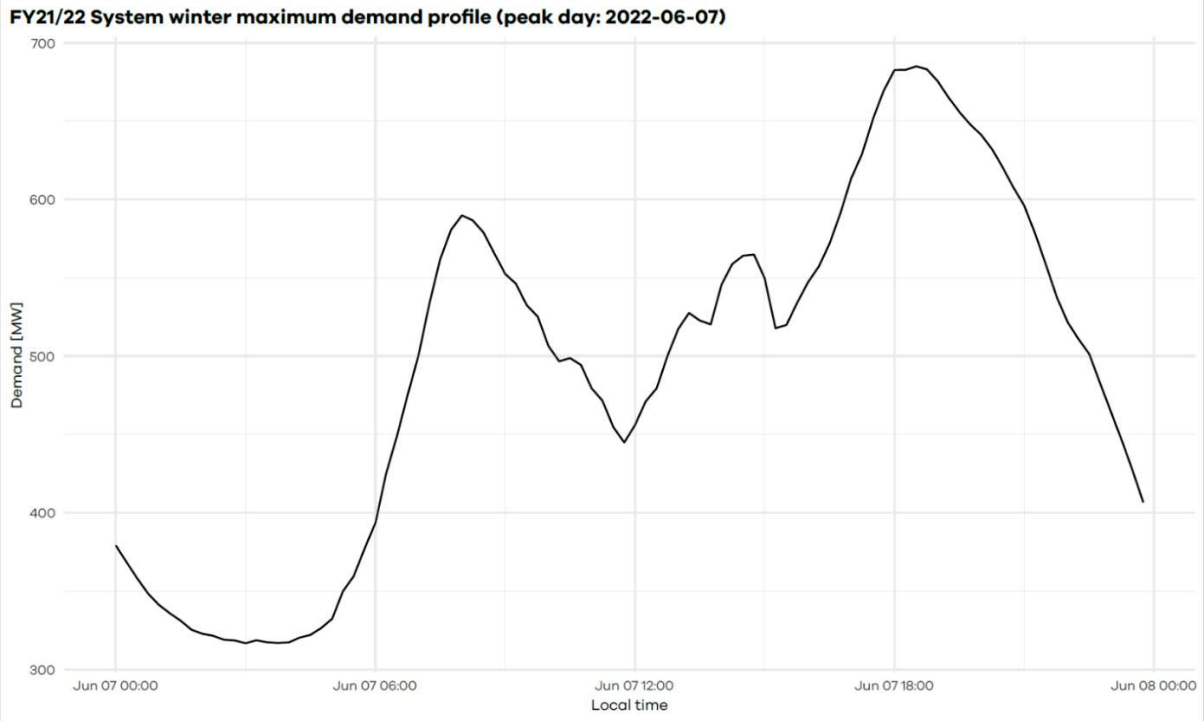
The key driver of augmentation investment in our network is peak demand. In the future, Evoenergy expects that peak demand on our network will occur during winter, following consecutive days of cloudy and cold weather. Under these conditions, there is likely to be limited output from solar PV panels or battery support, and high demand due to increased need for heating. Together, this will mean high levels of electricity required from the network.

We are already seeing this pattern of demand emerging. Figure 2 shows the system winter maximum demand peak profile experienced in 2022 (on 7 June). The weather leading up to and on that peak demand day was three days of light rain, cloud and wind. It was not extremely cold on that morning, but it was much colder in the evening than on previous days and the temperature did not rise significantly during the day. The observed peak demand of nearly 700 MW on this day was much higher than our P10 forecast and represented a record high for our network.

We expect more frequent experience of such peak days, driven by the increase in the take-up of EVs and increased electrification.

[5] EN24 "Have your say" online survey launched in June 2022 on www.engagewithenergy.com.au

Figure 2 System winter maximum demand profile



The previous section highlighted several uncertainties regarding the peak demand our network will be required to meet over the next 10 or so years. In summary, the key drivers of this uncertainty are:

- potential uptake of EVs and electrification of gas appliances; and
- price responsiveness of consumers to tariffs to be rolled out during the next regulatory period.

The ACT government's modelling of passenger EV uptake and the actual uptake highlights the significant uncertainty around the number of EVs expected both during the 2024–29 regulatory period and into the future – shown in Figure 3 below. The ACT government's modelling estimates that the number of EVs by 2030 could be between 10,000 (pessimistic scenario) and 40,000 (optimistic scenario). The ACT government has a target of 80-90% of new vehicle sales by 2030. Evoenergy's analysis suggests that EV numbers would need to be 170,000[6] by 2030 to achieve the ACT government's target of net zero by 2045.

Up to 2019, the growth in EV uptake in the ACT was slow, however, since 2020, EV registrations have grown significantly and are expected to accelerate in the coming years. In calendar year 2021, the number of registered EVs in the ACT was 1,300 and has rapidly grown to 3,002 as of the end of December 2022, as per Figure 4. Current registration rates of EV are currently above the optimistic scenario forecast with over 230 added each month.

[6] The latest Australian Bureau of Statistics (2021) motor vehicle census showed 318,000 motor vehicle registrations in the ACT. Available here: https://www.abs.gov.au/statistics/industry/tourism-and-transport/motor-vehicle-census-australia/31-jan-2021

Figure 3 Projections of EV uptake show substantively different paths

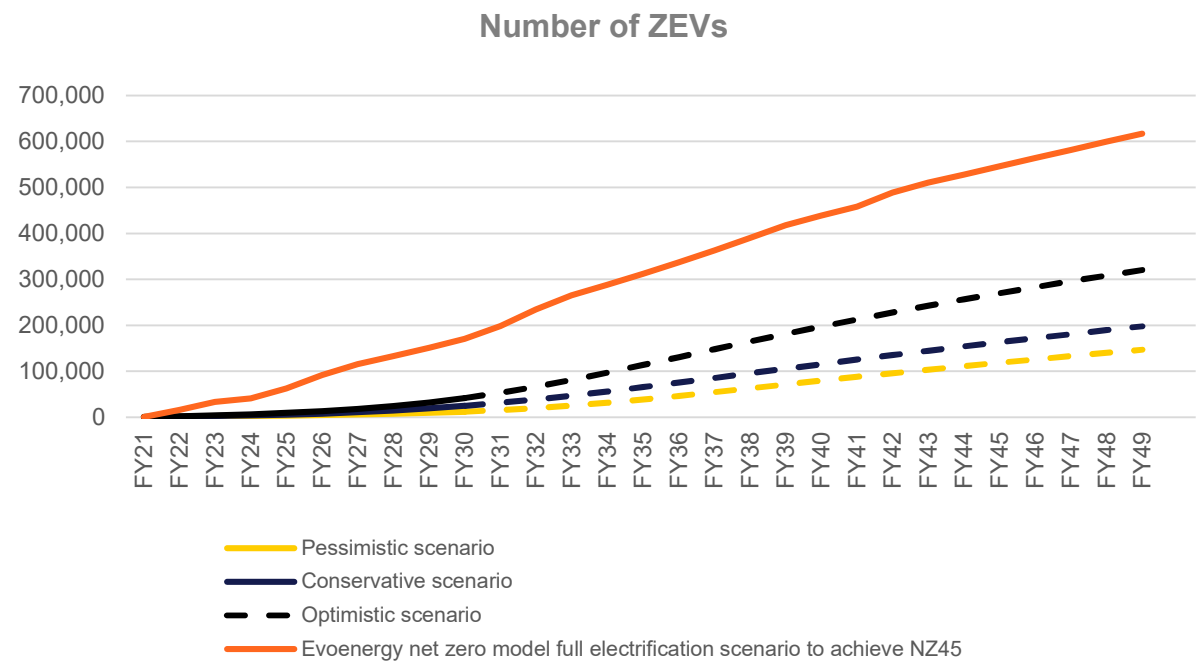
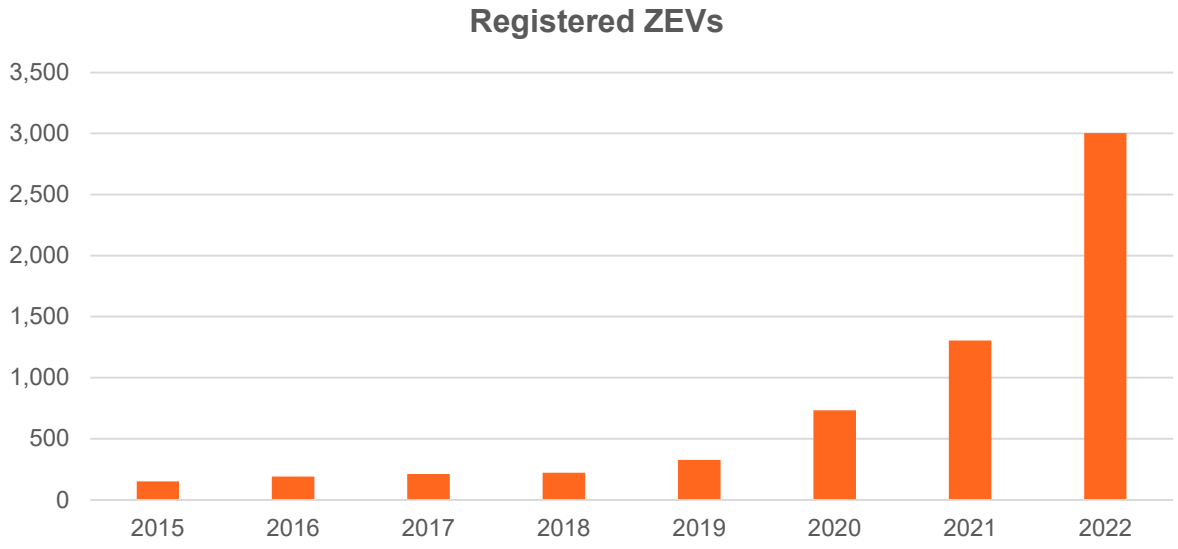


Figure 4 Total ZEVs registered in the ACT by year



Source: https://www.climatechoices.act.gov.au/transport-and-travel/cars-and-vehicles

Evoenergy has assessed the augmentation capex required to supply 170,000 EVs by 2030, to reach the ACT government's net zero target. The estimated network investment required to support this level of EV uptake, set out in the Business Case 'Augmentation to achieve Net Zero 2045'[7] totals $226.3 million and includes the following:

- Construction of 20 11kV feeders ($72.4 million)

[7] Appendix 1.17 of Evoenergy's 2024-29 Regulatory Proposal. The proposed augmentation capex considers both EV uptake and electrification of gas appliances.

- Accelerate construction of Curtin zone substation ($57.6 million) including 132kV transmission and 11kV feeder works
- Accelerate construction of Mitchell zone substation ($34.1 million) including associated feeder works
- Zone substation reactive plant ($4.7 million)
- Upgrade of distribution substations ($16.3 million)
- Upgrade of network LV circuits ($9.9 million)
- Customer initiated upgrades ($29.8 million)
- Covered HV conductor ($1.6 million)

To ensure that our consumers do not pay more than they need to while maintaining the safety and reliability of the services we provide, our capital expenditure proposals use conservative assumptions on electricity demand and EV uptake. In our draft proposal, our capex forecast of $425 million was based on a conservative EV uptake of 25,000 vehicles by 2030, using an estimate for EV uptake by 2030 between the ACT Government pessimistic and optimistic scenarios.

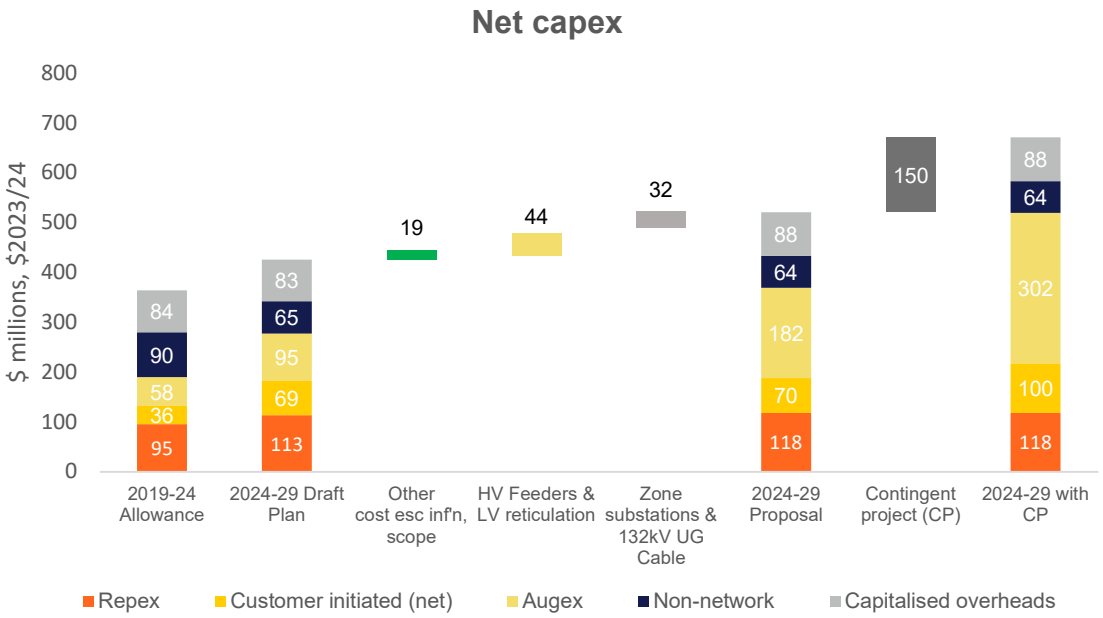
Following the publishing of our Draft Plan in August 2022, actual EV uptake was shown to have exceeded even the ACT Government's optimistic scenario. Given this, and the ACT Government announcement of *2022–30 Zero Emissions Vehicles (ZEVs) Strategy* published in July 2022, our regulatory proposal has adopted the ACT government's optimistic scenario, where passenger EV uptake is projected to be around 40,000 by 2030. This number of EVs is estimated to require the following direct cost investment (a component of the works set out in the Business case 'Augmentation to achieve Net Zero 2045') in the 2024-29 regulatory period:

- Construction of Curtin Zone Substation ($19.3 million)
- Woden to Curtin 132kV UG Cable ($8.5 million)
- Establishment of Mitchell Zone Substation – (early works $2.2 million)
- Zone substation reactive plant ($2.1 million)
- Construction of 10 11kV feeders ($34.7 million)
- Upgrade of distribution substations ($5.1 million)
- Upgrade of network LV circuits ($2.9 million)
- Covered HV conductor ($1.6 million)

In total, adopting the optimistic scenario for EV uptake rather than the conservative scenario adopted for the draft plan has resulted in associated direct capital expenditure increasing by over $76 million above our draft plan forecast.[8] Since actual uptake has outpaced even the ACT government's optimistic scenario, actual EV uptake could be substantially higher than the 40,000EVs we have assumed in our proposal. A material increase of EV uptake above 40,000EVs or an increase in the speed of electrification by 2030 will require us to upgrade additional substations and feeders and other work to maintain the reliability of our network during the 2024–29 period up to an estimated value of an additional $150m, representing the full value of the Business Case 'Augmentation to achieve Net Zero 2045'. Figure 5 shows the value of Evoenergy's capex allowance in the current regulatory period together with capex for the draft plan, the regulatory proposal and the full augmentation as set out in the Business Case 'Augmentation to achieve Net Zero 2045' (Appendix 1.17).

[8] The increase in the capex program between the Draft Plan ($425 million) and the regulatory proposal ($520.8 million) largely reflects the addition of net zero related projects to the program ($76.4 million). However, updated inflation assumptions and cost escalation factors and some other minor changes to projects also contributed to the increase, by approximately $19 million.

Figure 5 Net capex



5. The AER's determination for the 2024–29 period should facilitate Evoenergy submitting a further capex forecast if required

During the next regulatory period, additional evidence of the speed of the ACT energy transition will emerge. Such evidence may include observed customer take-up rates around EVs and the substitution of electric appliances for gas appliances, as well as evidence of the effectiveness of Evoenergy's network tariffs in influencing customer behaviour.

Where such evidence demonstrates that the speed of the transition is greater than reflected in the demand forecasts underlying our proposed capex in this regulatory proposal, this may provide a case for increasing our capex in the 2024–29 period. This increase could reflect additional investment during the period to:

- ensure the continued safe and reliable operation of the network, in light of the changes in the demand forecast and their implications for the capacity of current assets; and/or
- facilitate a smoother and more cost-efficient delivery path to the 2045 net zero outcome, where observable outcomes during the period continue to confirm the scale of investment that will ultimately be needed.

Evoenergy proposes that the AER make provision as part of its determination for Evoenergy to submit a supplementary capex proposal during the regulatory period, and for the revenue determination to be amended, if required. Any such proposal:

- would only relate to changes to capex to accommodate new information about demand directly related to changes in the uptake and usage of EVs and/or changes in the electrification of new suburbs and public transport, compared to those underpinning the capex forecast submitted as part of this regulatory proposal;
- would be accompanied by a RIT-D (or business case analysis, as appropriate), that also evaluates alternative options to address the change in demand, including non-network alternatives and (as relevant) alternatives that project a slower pace of investment to 2045;

- would be consulted on with our customers prior to being submitted to the AER, with evidence of customer support provided as part of the proposal; and
- would only be submitted if the associated materiality threshold was met.

There are a number of mechanisms in the NER that allow for the capex component of a revenue determination to be amended where currently uncertain or unanticipated events eventuate.

Evoenergy considers that a combination of these mechanisms may need to be contemplated to address the uncertainty surrounding the speed of the energy transition and seeks the AER's 'in principle' support in its draft determination that these mechanisms could be utilised by Evoenergy to address the circumstances outlined above.

Evoenergy considers that the following mechanisms may be relevant and triggered during the 2024-29 regulatory period:

- a cost pass through event;
- a contingent project; or
- reopening of the distribution determination for capital expenditure.

5.1. Cost pass through

A change in ACT or Federal government policy that has an impact on the energy transition, including where that materially affects the take-up of EVs or the speed of electrification, would fall within the scope of a '*regulatory change event*', as it would reflect a change in a *regulatory obligation or requirement*:[9]

If this occurs, Evoenergy would be able to lodge an application with the AER for a positive pass through amount.[10] Any such application would need to be lodged within 90 business days of the relevant event occurring and is subject to a materiality threshold of one per cent of the annual revenue requirement.

Evoenergy does not consider that it is necessary to propose any additional nominated pass through events as part of this proposal to cover this policy uncertainty, but seeks the AER's in principle support for this cost pass through provisions to be utilised in this circumstance.

5.2. Contingent project for a program of works to address network constraints resulting from EV uptake and electrification

The NER allow for the inclusion of one of more 'contingent projects' as part of a distribution determination.[11]

A contingent project is expenditure which is:

- reasonably required to meet any of the capital expenditure obligations;
- is not otherwise provided for (in part of in whole) in the forecast capital expenditure for the regulatory period;

[9] This is a defined term in the National Electricity Law (section 2D), which includes an Act of a participating jurisdiction, or any instrument made or issued under or for the purposes of that Act that materially affects the provision, by a regulated network service provider, of electricity network services that are the subject of a distribution determination.
[10] The provisions for pass through events, including the process and the considerations required by the AER, are set out in clause 6.6.1 of the NER.
[11] NER 6.6A.

- can be related to a trigger event which is probable during the regulatory control period, but where the inclusion of capex within the capex forecast is not appropriate, either because it is not sufficiently certain that the event or condition will occur during the regulatory control period, or that the costs associated with the event are not sufficiently certain; and
- exceeds the larger of either $30 million or 5% of the value of the annual revenue requirement for the relevant DNSP for the first year of the relevant regulatory control period.

Evoenergy considers that an increase in forecast peak demand due to a higher than currently projected uptake of EVs and/or faster electrification would fall within the scope of a contingent project, as it is probable during the regulatory control period, but not currently sufficiently certain.

Evoenergy therefore proposes the following contingent project for the 2024–29 regulatory period:

Table 1 Proposed contingent project for the 2024–29 regulatory period

Project	Estimated cost ($ m)	Trigger event
Program of substation and feeder works	100-150	1. Observed EV take-up, independent projections of future sales and observed garaging locations differ substantially from those assumed in Evoenergy's demand forecasts; and/or 2. Recorded demand at one or more of Evoenergy's substations is within 90 per cent of the peak demand (N-1) capability of that/those substations for at least four consecutive half hour periods, or peak demand forecast to exceed the emergency rating within the next five years; and 3. Successful completion of a RIT-D that identifies network expenditure as the option or part of the option that maximises net market benefits to consumers

Evoenergy notes that the specific definition of '*contingent project'* under the NER is a '*proposed contingent project*' that is determined by the AER, in accordance with clause 6.6A.1(b), to be a contingent project for the purposes of that distribution determination. The definition of proposed contingent project in turn refers to:

> *A proposal by a Distribution Network Service Provider as part of a regulatory proposal for a project to be determined by the AER as a contingent project for the purposes of a distribution determination accordance with clause 6.6A.1(b)(1).*

The term 'project' is not itself a defined term under the NER. Evoenergy considers that it is open to the AER to allow a program of works to address demand growth from EVs and/or faster than expected electrification to be considered as a 'project' for the purposes of a contingent project. This is what Evoenergy is proposing in this regulatory proposal. Evoenergy notes that this is consistent with the approach taken in applying the RIT-D, where a program of works is considered to be a RIT-D project.

The proposed trigger meets the requirements of the NER,[12] i.e., it is:

- reasonably specific and capable of objective verification:
  - In particular, the trigger event is defined in terms of observed EV take-up rate and garaging locations, actual recorded demand levels at substations, as well as the successful

[12] NER 6.6A.1 (c).

completion of the RIT-D process (which can be applied to programs of work as well as individual investments);

- a condition or event, which, if it occurs, makes the undertaking of the proposed contingent project reasonably necessary in order to achieve any of the capital expenditure objectives;
- a condition or event that generates increased costs or categories of costs that relate to a specific location rather than a condition or event that affects the distribution network as a whole.
  - In particular, whilst the precise feeders and substations that may form part of the program are not able to be identified ahead of time, as they will necessarily depend on the nature and location of demand growth, these locations will necessarily be identified as part of the occurrence of the trigger event itself; and
- described in such terms that the occurrence of that event or condition is all that is required for the distribution determination to be amended.

Further, the proposed trigger is consistent with the considerations that Evoenergy is proposing as part of its TSS, which would underpin a re-evaluation of Evoenergy's tariff settings.

In considering the appropriate program of works to put forward, if this contingent project were triggered, Evoenergy would take into account not only the near-term peak demand pressures, but also the potential for the overall investment program out to 2045 to be smoothed. As part of the supporting RIT-D assessment, Evoenergy would expect to consider options that brought forward investment, to identify whether this could result in a more efficient outcome for customers.

5.3. Re-opening of a distribution determination for capital expenditure

Under clause 6.6.5 of the NER, Evoenergy is able to apply to the AER to revoke and substitute its capex program included in a distribution determination, in circumstances where:

- an event that is beyond the reasonable control of Evoenergy has occurred during that regulatory control and could not reasonably have been foreseen by Evoenergy at the time of the making of the distribution determination ('the event');
- no forecast capital expenditure was accepted or substituted by the AER for that period in relation to the event that has occurred;
- Evoenergy proposes to undertake capital expenditure to rectify the adverse consequences of the event;
- the total capital expenditure required during the regulatory period to rectify the adverse consequences of the event exceeds five per cent of the value of the Regulatory Asset Base for the first year of the regulatory period;
- Evoenergy can demonstrate to the AER that it is not able to reduce capital expenditure in other areas to accommodate the additional expenditure required, without materially adversely affecting the reliability and security of the relevant distribution system;
- a failure to rectify the adverse consequences of the event would be likely to materially adversely affect the reliability and security of the relevant distribution system; and
- the event is not a pass through event or a contingent project.

Relevantly, the NER explicitly contemplates that an 'event' under the reopening provisions may include a series of events or a state of affairs, which may include a greater than anticipated increase in demand.[13]

As noted above, Evoenergy considers that the contingent project provisions may be the most appropriate mechanism in the current NER to accommodate the demand uncertainty we face over the upcoming regulatory period. This is consistent with the Australian Energy Market Commissions' (AEMC's) intent when it was developing the Chapter 6A Rules (which are the precedent on which the current Chapter 6 Rules for DNSPs are set):

> *in light of its decision to incorporate contingent projects into the capital expenditure regime (combined with the retention of pass-throughs [..]), the Commission believes it is inappropriate to provide for re-opening of the revenue cap in anything other than extreme circumstances.*[14]

An alternative if the AER decides not to approve a contingent project is for Evoenergy to utilise the reopening provisions as the closest mechanism in the current NER to enable our capex forecast to be revisited if needed. Although the increase in demand from more rapid uptake of EVs is an event that can arguably be foreseen now, it is nevertheless one that we have considered is not sufficiently certain to justify inclusion of additional expenditure in our current capex forecasts.

As noted above, Evoenergy's current best estimate of the scale of the additional capex that may be required in the 2024–29 regulatory period is $100-150 million. Expenditure of this scale would satisfy the materiality threshold for a capex reopener.[15]

Evoenergy notes that under the NER, the AER would have 40 business days to make its decision on an application for a reopener (which can be extended by a further 60 days if required). Further, a substituted determination can only vary from the original determination to adjust the forecast capital expenditure, and to reflect the effect of the resultant increase on other relevant aspects of the determination.[16] That is, the scope of the capex reopener would be essentially the same as the scope of a contingent project determination.

[13] NER 6.6.5(a) – end of paragraph.
[14] AEMC, *Draft Rule determination, Draft National Electricity Amendment (Economic Regulation of Transmission Services) Rule 2006*, July 2006, p. 84.
[15] Evoenergy's opening RAB is projected to be $1,163.5 million for the 2024-29 period.
[16] NER 6.6.5(f).

6. Abbreviations

Abbreviation	Meaning
AEMC	Australian Energy Market Commission
AER	Australian Energy Regulator
DER	Distributed Energy Resources
EV	Electric Vehicles
MW	Megawatts
NER	National Electricity Rules
TSS	Tariff Structure Statement
ZEVs	Zero Emission Electric Vehicles