Revenue Reset Reference Group

MONDAY, 13 APRIL 2026

electranet

Acknowledgement of Country

ElectraNet acknowledges the Traditional Owners of the land and waters on which we operate.

We pay our respects to their Elders past, present and emerging and extend that respect to all other Aboriginal and Torres Strait Islander people of Australia.

electranet

Agenda, Overview of session and Standing items

Leanne Muffet

electranet

Executive Summary

Date	24/03/2026
Meeting Name:	RRRG Meeting 6
Agenda Item:	Opex & Technology
Purpose:	PRP engagement
Division:	Various
Presenters:	Various

The below Executive Summary serves as a concise and comprehensive overview of the presentation that follows. The primary purpose of the Executive Summary is to provide the RRRG a quick and clear understanding of the key essential points and findings contained in the full presentation.

1. **Introduction:**
- This session will engage the RRRG early in our proposed approach to operating expenditure and expenditure on technology and test where consumer views can influence the proposal

2. Summary of Objectives:
- Inform the RRRG of our choice of base year and why it represents an efficient year and how the mechanics of the trend component influence the opex allowance
- Engage early on step changes ElectraNet is considering proposing, explaining the drivers and how they meet the criteria to be considered, test whether the RRRG believe that these drivers are valid and whether there are trade-offs or optionality
- Explain how our Technology portfolio is being developed and demonstrate how we make decisions , including where there is flexibility and where risks cannot be compromised.
- Engage early on framing, so trade-offs and optionality can be explored before positions are locked in.
- Ensure the PRP is shaped by consumers perspectives where there is opportunity to do so.

3. Key Findings / "So what?" messages:
- Next period opex mainly depends on actual spend in the base year, but *increase* is driven by step changes
- Increase in technology spend reflects the complexity of the renewable transition and the increasing digitisation of the network
- Not all expenditure is equally flexible where we have obligations for compliance.
- ElectraNet is considering optionality where feasible.

4. Recommendations or Conclusions:
- Insight on whether the 'right' risks and consumer issues are being explored.
- Identify where further evidence, explanation or framing could strengthen consumer understanding and confidence.
- Help shape a PRP that demonstrates engagement and responsiveness to consumer concerns, informing the RRRG's future independent report..

Meeting Agenda

Agenda Item	Engagement (IAP2)	Time	Presenter
Acknowledgement of Country		10:30 to 10:35	Leanne Muffet
Minutes & actions		10:35 to 10:45	Leanne + All
Opex 1 – Overview, Base Year and Trend	Inform	10.45 to 11:00	Ed Heaton, Sonya Battersby
Opex 1 – Step Changes • Operational Capability Uplift • High Impact outages • Live Substation Works • Synchronous Condenser Maintenance • Insurance • AEMO Participant Fees	Consult/Involve	11:00 to 11:45	Ed Heaton Hugo Klingenberg Senthil Arumugam Ryan Astley Ryan Astley Kymberley Lawrence Ed Heaton
Break		11:45 to 12:05	All
Technology 1	Consult/Involve	12:05 to 1:05	Brent Gimpel
Other			
Pulse check, meeting actions, AOB		1:05 to 1:30	Leanne Muffet

PRP Disclaimer

The contents of this presentation is the results of early working drafts shared to support open and early engagement, consistent with the Better Resets approach.

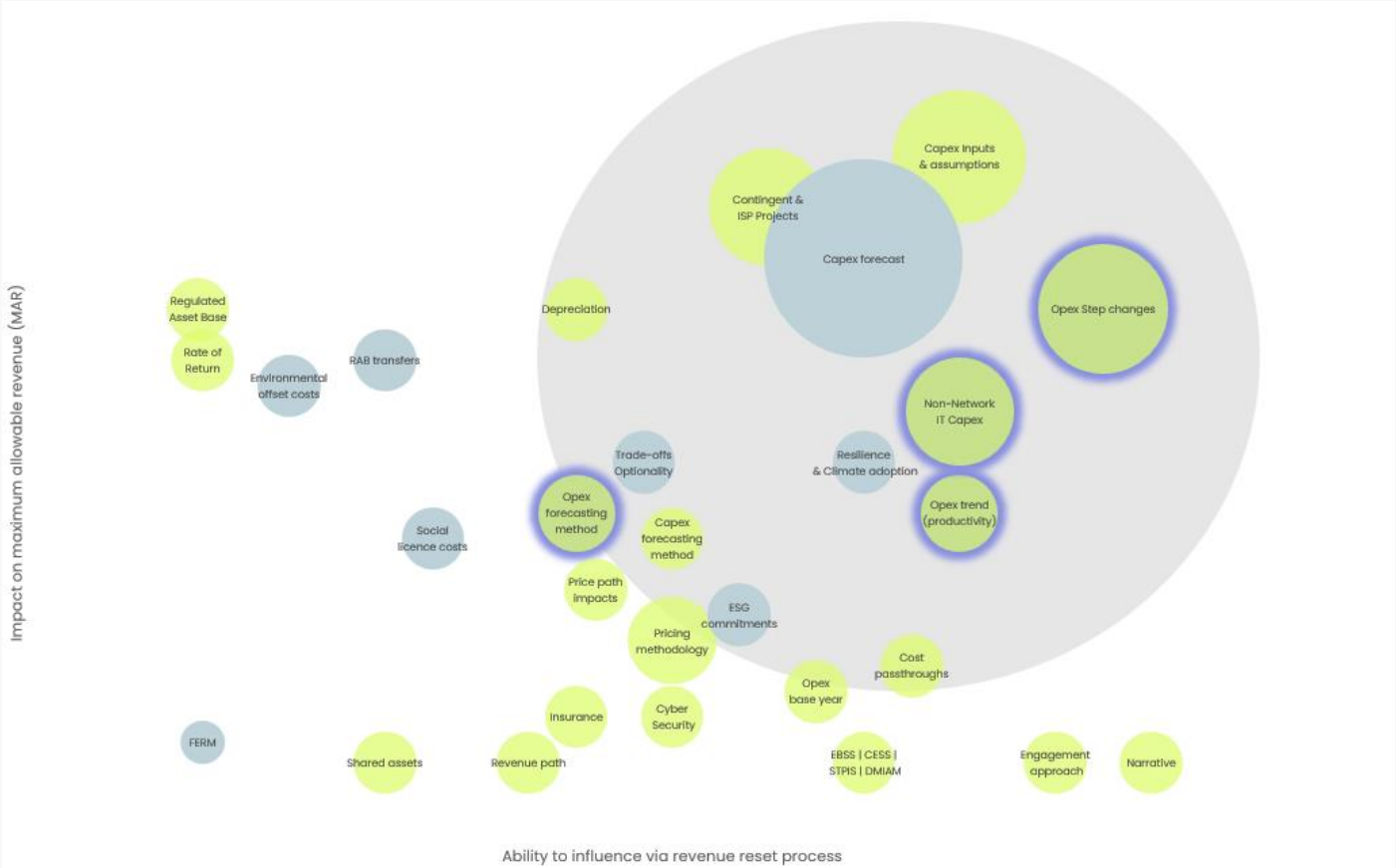
The information is indicative only. The analysis has been developed using high-level planning assumptions to inform an initial view of projects, expenditure and associated impacts on revenue. It does not represent modelling required for the revenue proposal including the full suite of individual AER models.

Many usual checks, assurance processes and refinements have not yet been completed. Projects are still being scoped, expenditure estimates are preliminary. Expenditure has not been phased in a detailed way and work in progress has been simplified at this stage. The proposal will be iteratively refined as analysis progresses and stakeholder feedback is considered.

PRP content at March Dashboard

	CURRENT PERIOD	PRELIMINARY REVENUE PROPOSAL	COMMENTARY
Capital Expenditure	$824m	$2.9b	Discussed in March, to be discussed in May, ongoing
Operating Expenditure ($real 2028)	**$745m**	**$926m (185m p.a).**	**To be discussed today**
Rate of Return	5.55%-5.92%	Expected 6.49% - 7.32%	For discussion Sep
Total Revenue ($nominal)	$2.2b	$3.3b	For discussion Sep
Opening RAB ($nominal)	$3.9b	$4.3b	This is an outcome of Capex excl NtX For review Sep
Closing RAB ($nominal)	$4.3b	$5.8b	As above
Transmission Pricing (p0)	13%	29%	For discussion Sep

Alignment to the bubble diagram



Opex Assessment

The AER's preferred way of assessing Opex is to use the Base, Step, Trend methodology

- Establish an efficient 'base' year from the current period (dark blue)
  - Efficient due to the application of the Efficiency Benefit Sharing Scheme (EBSS)
- Mechanistically 'Trend' it forward using; (black)
  - Productivity change from a productivity adjustment,
  - Price growth from labour growth forecasts, and
  - Output growth from the Opex output metrics,
- Apply 'step changes'* for upcoming external drivers where they; (pale blue)
  - Are material,
  - Are not included in the base year,
  - Have a high likelihood of being realised, and
  - Are driven by new obligations, externalities or a trade-off between capital and operating expenditure

*Includes Network Support Allowance and Category Specific Forecasts
**for colour references please refer to slide 16

Opex Deep Dive
Session 1 Assessment, Base Year, Trend

Ed Heaton & Sonya Battersby

electranet

How the RRRG Can Influence Operating Expenditure

Not all opex decisions are the same – this session focuses your input on where it matters most.

Most opex is mechanistic

- The majority of opex is recurrent and dependent on the revealed 'base year'
- The 'rate of change' is an output of the opex model

Your role:

- Test whether reasoning is clear, credible and understandable from a consumer perspective.
- Advise whether the explanation would feel fair and reasonable to consumers

Non-discretionary step changes

- Many step changes are a result of changes in the regulatory landscape, imposing new or amended obligations on ElectraNet

Your role:

- Sense-check whether the response to these obligations feels proportionate.

Discretionary step changes - Where genuine optionality exists (consumer influence is strongest)

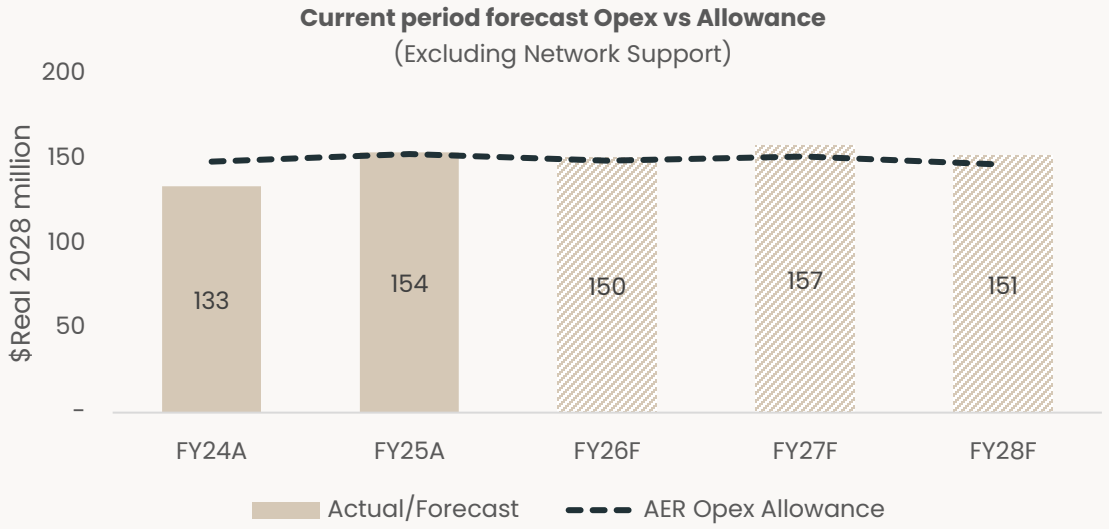
- Some step changes revolve around external market changes
- These choices involve trade offs between these pressures and costs to mitigate or respond to them.

Your role:

- Provide views on acceptable trade-offs from a consumer perspective.
- Help identify where flexibility should or should not be exercised.

FY24-28 Opex Update

- Opex remains within the overall AER 5-year allowance with an updated profile aligning to operational requirements
- Cost pressures are being actively managed through internal efficiencies and reprioritisation
- Increase from FY24 to FY25 mainly reflects:
  - Filling long-standing vacancies after post-COVID recruitment constraints
  - Ramp up of the Technology XaaS program (key step change in current reset)
- Forecast will be refined through the March-June Business Planning Process for the Preliminary Revenue Proposal



Opex Base Year – FY27

FY27 represents an efficient, steady-state operating year, reflecting a mature operating model rather than transition or catch-up activity

- Workforce levels are right-sized and stable, with recruitment catch-up largely complete
- The Enterprise Agreement signed in October 2025 is fully annualised, avoiding partial-year distortions
- The Capability Division is established, supporting a more efficient way of delivering work at scale through people, process and systems
- FY27 reflects the sustainable level of investment required to meet current compliance obligations and sustainability directives, while embedding these requirements into core business processes

FY27 avoids the inefficiencies associated with recovery, transition and partial-year impacts, providing a representative view of prudent and efficient ongoing expenditure.

We will discuss the correct treatment of expenditure in the base year in detail with the AER.

Trend component – Productivity and Price Change

Productivity change

- Based on Powerlink's recent regulatory proposal: -0.42%
- Will be updated based on the latest AER benchmarking report for our proposal

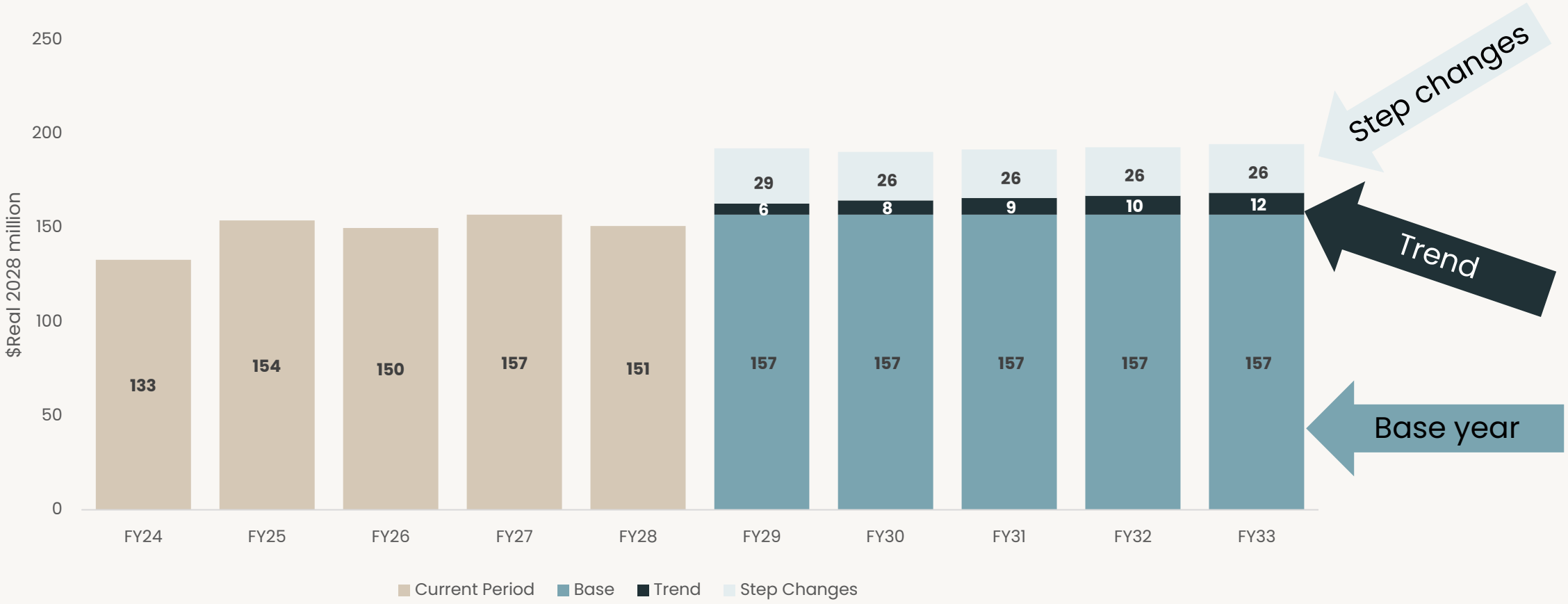
Price Change

- Currently utilising Powerlink's forecasts on wage growth from their proposal – 0.7%
- We have engaged a specialist consultant – BIS Oxford Economics - to provide an expert opinion for our regulatory proposal
- Last period this also factored Superannuation Guarantee changes, at the current time we don't expect similar for 2028-33

Trend Component – Output Growth

Parameter	Weighting	Expected Change	Approximate impact of a 1% change	Comments
Circuit Length	52.5%	<0.15%	0.50% opex	• Minor changes relating to some projects. • A potential reduction dependant on outcome of Leigh Creek line. • More material changes possible with NTx and other contingent projects.
Ratcheted maximum demand	28.7%	0%	0.30% opex	• Has not varied since 2009, current expectations are that this is consistent.
Energy Throughput	9.4%	~70%	0.10% opex	• Utilises forecast included in recent TAPR. Our current forecast expect step increases in FY28 and FY29
End-user (customer) numbers	9.3%	2.5-5%	0.10% opex	• Proposal will be based on SAPN's forecasts, we believe approximately 0.5-1.0% growth per annum
Overall	**100%**	**-**	**~4-7% opex per annum**	• **Primarily driven by Energy Throughput**

Overall opex outlook



Opex outcomes

We have shared slides covering the following topics:

- Our base year opex, and
- Rate of change, including:
  - Productivity
  - Price changes
  - Output growth

Is the RRRG satisfied with the results presented in these slides to focus on discussing step changes?

Opex Deep Dive
Session 2 Potential Step changes

electranet

Identifying Step Changes for the Proposal

Business consultation

- Engaged the business to identify all areas with,
  - external challenges
  - new obligations
  - 23 ideas included

Regulatory Review

- Assessment against criteria
- Efficiency and prudency

Progressing required step changes - ongoing

- Further investigation
- Quantifying costs/benefits
- Currently progressing 6

Consultation with RRRG – this session

- Have we missed anything?
- Are these appropriate/Do they make sense?
- Do these reflect consumer preferences?

Opex step changes

	Idea	Description	Current assessment	Fits criteria
1	Syncon maintenance	Capture the drivers behind the cost to maintain the synchronous condensers over and above the allowance	Step Change - Discussed in detail in this presentation	
2	Licence fees for e.g., RAS	Build in the licensing cost to operate and maintain the software for various key devices	Included in Technology SaaS step change which is discussed in detail in this presentation	
3	Insource NGM management	Additional 2FTE in asset engineering to manage NGM in-house rather than outsourcing	No external driver and likely insufficiently material	
4	Human factors & training	Complexity of modern SCADA systems involves advanced technical skills. Insufficient training leads to errors & underutilisation of features.	No external change	
5	Recovery of initiatives funded in 2023-28	Recover costs funded through prioritisation rather than efficiency e.g., forego maintenance.	Reprioritised FY24-28 allowance	

Opex step changes

	Idea	Description	Current assessment	Fits criteria
6	Recovery of opex increases in 2023-28	Fund cost increases above CPI including labour, contractor, technology & maintenance.	Likely realised in the base year	🔴
7	Increasing social licence costs	Ensure increasing social licence costs that are non-capital in nature are captured	ElectraNet's decision to fund from existing allowance	🔴
8	Capability uplift in AI and data	Uplift to drive efficiencies, enable informed decision making.	Potentially a step change, possibly funded from efficiencies, included as a component of many proposals	🟡
9	Centralisation of operations	Mitigate delays in operation e.g., centralised co-ordination of field contractors to sites.	Likely realised in the base year	🔴
10	Live Substation works maintenance	Reflecting the change in circumstances to more restrictive outage options and associated costs/risk of doing proportionately more live line works than historic.	Step change - Discussed in detail in this presentation	🟢

Opex step changes

	Idea	Description	Current assessment	Fits criteria
11	Insurance	Potential for significant insurance cost increase, based on the insurance market cycle	Step change - Discussed in detail in this presentation	
12	Sustainability	Carbon offsets	ElectraNet's decision to fund from existing allowance	
13	Sustainability	Increasing ESG reporting requirements & changes to the Corporation Act (ASRS).	Likely insufficiently material	
14	Opex initiatives & trials	Funding to facilitate the use of new technology e.g. LIDAR scanning for vegetation management for auditing, transmission line scanning for mid span joint detection & condition assessments.	To be included as a potential use-case for an Innovation fund	
15	New technology & pilots	Trial of new pilot projects ahead of roll-out e.g., process bus, non-conventional instrument transformers, merging units, non SF6 circuit breakers.	To be included as a potential use-case for an Innovation fund	

Opex step changes

	Idea	Description	Current assessment	Fits criteria
16	Studies uplift function	Provide and plan for studies as part of the reset.	To be included as a potential use-case for an Innovation fund	
17	Scenario analysis	Use of scenarios for modelling e.g., load growth and demand forecasts, to mitigate uncertainty	To be included as a potential use-case for an Innovation fund	
18	Create space for innovation	Establish a process/function. Actively plan for innovation for the inclusion of innovation as part of our reset.	To be included as a potential use-case for an Innovation fund	
19	AEMO Fees Transition	AEMO Participant fees transitioning from passthrough to core opex	Step Change/Category Specific forecast - Discussed in detail in this presentation	
20	SaaS	Software as a Service Capex-opex trade-off	Step Change/Category Specific forecast - Discussed in detail in this presentation	

Opex step changes

	Idea	Description	Current assessment	Fits criteria
21	Control Room	Transition to two TSOs overnight	Currently under investigation	
22	High Impact outages	Requirement to pay generators when interconnector must be taken offline to maintain system security	Step change/Network Support Allowance - As discussed in presentation	
23	Transmission line clearance	Lidar scanning of network to identify where line ratings can be improved based on clearance	To be included as a potential use-case for an Innovation fund	

Operational Capability Uplift

Hugo Klingenberg, Manager
Network Transformation

Need – Responding to the urgent requirement to uplift capabilities to help AEMO manage the increasing complexities of the network through the energy transition

electranet

Operational capability uplift - Overview

Background

- There are no currently agreed capabilities for the future operation of the transmission system in the NEM.
- As we transition to a high renewable based environment this lack of clarity is posing risks to power system security.
- AEMO have identified a number of these in recent publications.
- AEMO is leading development of a capability framework to close a critical gap between these risks and system readiness.

Impact

- This framework will impose requirements on ElectraNet to meet these capabilities.
- In some areas we are already meeting likely criteria; others may need a significant uplift across systems, people and processes.
- These new obligations will be required to be funded through a step change in the next regulatory period.
- The costs of this uplift are currently contained within the Technology Portfolio – exploring a dedicated step change
- Current estimates suggest this uplift could be $60m TOTEX* in the next regulatory period – this is indicative and subject to change as the scope is defined by AEMO

**As a technology project we anticipate a split between capex and opex with an unknown breakdown. An estimate of 50% for each has been applied.*

Operational capability uplift – step change assessment

Are material

- Yes, ElectraNet will need to uplift multiple systems and capabilities

Are not included in the base year

- Yes, new obligations emerging

Have a high likelihood of being realised, and

- Yes, AEMO are actively developing this framework

Are driven by new obligations, externalities or a trade-off between capital and operating expenditure

- Yes, requirement from AEMO

High Impact outages

Senthil Arumugam, Head of Network Operations and Engineering Service

Need – As traditional generation exits the network, essential maintenance outages on important transmission elements threaten system security. This incurs an obligation to pay generators to be available.

electranet

High Impact Outages - Overview

Background

- High Impact Outages (HIOs) are those outages which affect critical transmission lines and have consequential effects on system security – such as interconnectors
- These will become more numerous when Project Energy Connect (PEC) Stage 2 energises and connects SA to NSW in late 2026
- TNSPs are required to take HIOs to maintain the network however these are increasingly difficult as the network transitions.

Impact

- AEMO seeking to have impact on system security mitigated by TNSPs through contracts with generators - conventional synchronous, batteries or consumer energy resources (CER).
- ElectraNet may be obligated to have these contracts with generators as part of regulated opex.
- We have not currently allocated an amount for HIOs in the reset, however expect that it will form part of the submission.

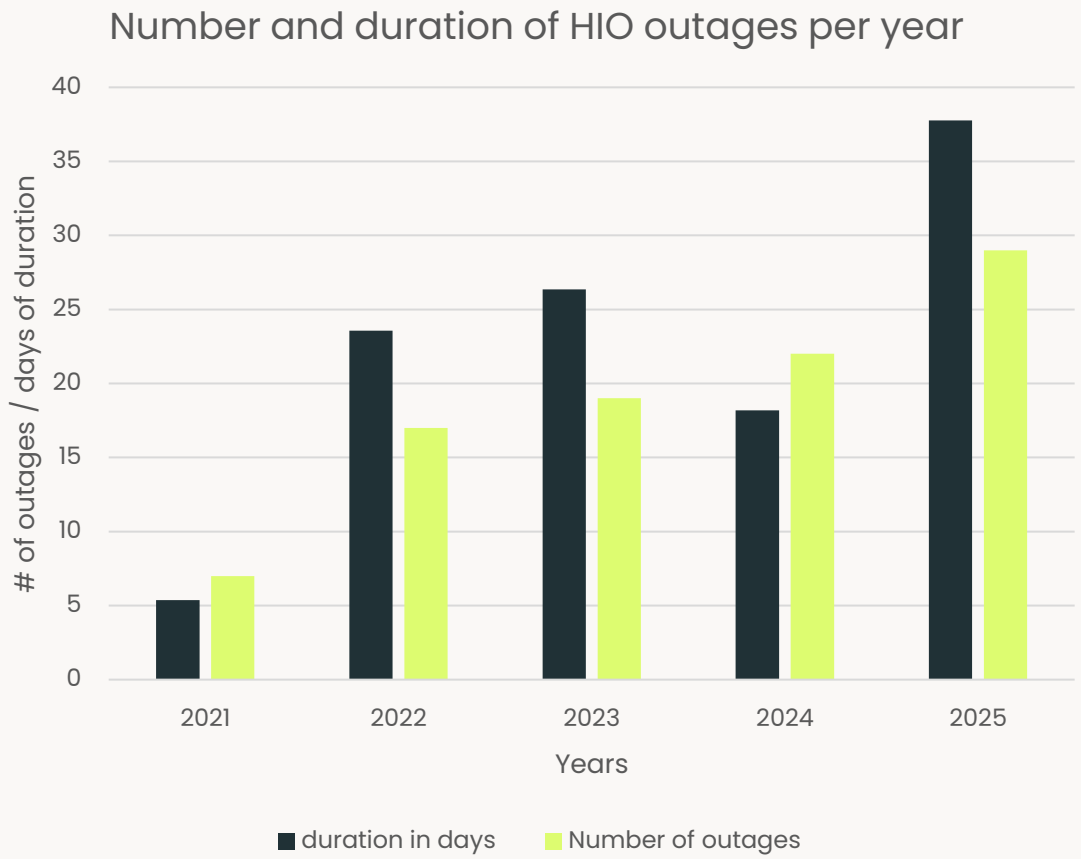
High Impact Outages - Impact

Regulatory Solution

- Either;
  - Step Change providing an opex allowance (unforecastable)
  - Network Support Allowance (true-up pass through)

Current view

- Given the variability in HIO delivery over the past five years, and the expected doubling of HIO circuits post-PEC, a fixed opex allowance would introduce material forecasting risk.
- Utilisation of the Network Support Allowance pass-through mechanism is preferable as;
  - Unused allowance returned to customers via pricing
  - Additional allowance recovered in prices



High Impact Outages - assessment

Are material

- Likely, ElectraNet will need multiple contracts with multiple generators to mitigate all HIO risks

Are not included in the base year

- Yes, currently not an obligation

Have a high likelihood of being realised, and

- Yes, with the energisation of PEC Stage 2 AEMO likely to impose requirement

Are driven by new obligations, externalities or a trade-off between capital and operating expenditure

- Yes, requirement from AEMO

Live substation work

Ryan Astley, Manager Maintenance

Need – We must undertake outages to maintain the network and all outages impose costs on consumers. Some outages could be avoided by performing the work whilst the network remains energised and this may be more beneficial.

electranet

Live substation works - Overview

Background

- It is increasingly difficult to get outages to maintain the network due to;
  - higher network utilisation,
  - system security requirements, and
  - customer and generator sensitivities.
- This is a result of the increasing complexity of the network from the renewable transition and the number of generators
- Each outage imposes costs however maintenance is essential.
- Live substation works (LSW) are being investigated as an alternative to outages to deliver maintenance whilst circuits remain energised.
- Comparable TNSPs (Powerlink) have performed LSW for over 20 years

Impact

- ElectraNet would need to scale up the capability to perform LSW
- Setup costs are expected to be ~$6-7.5m
- LSW workers must maintain accreditation and do a minimum annual volume of work
- Ongoing costs ~$1m per annum
- LSW are 2-4x more expensive than isolated and would not fully replace outages but may relieve the need for some outages and therefore deliver consumer benefits
- We have allowed $3m a year for these more expensive outages as the step change.
- We are continuing to investigate the feasibility and potential benefits.

Live substation works - assessment

Are material

- Yes, the setup costs alone are significant

Are not included in the base year

- Yes, ElectraNet do not currently have this capability

Have a high likelihood of being realised, and

- Yes, as outages become harder to get, the possibility of live substation works becomes more critical

Are driven by new obligations, externalities or a trade-off between capital and operating expenditure

- Yes, changes in the external market are requiring new ways of maintaining the network

Syncon maintenance

Ryan Astley, Manager Maintenance

Need – Syncons provide a vital system service and it is important that they are adequately maintained. As our understanding of the requirements has grown, this has increased the scope of our maintenance.

electranet

Syncon Maintenance – Overview

Background

- ElectraNet installed 4x synchronous condensers (syncons) in 2021 which were a first in Australia
- Early years of syncon operation required lower maintenance than upcoming years due to the age of the assets
- As ElectraNet's experience with rotating plant has increased, our ability to forecast maintenance has improved.
- Syncons are vital to South Australian network and require regular maintenance, but this is not reflected in the opex output metrics

Impact

- Syncon maintenance are forecast to be significantly increased in next period
  - Increased intervention frequency and scope
  - OEM pricing escalation at contract renewal
  - Ageing plant behaviour not reflected in original estimates
  - Broader maintenance scope now understood and unavoidable
- Step change forecast to be ~$1m per annum more than current spend

Syncon maintenance - assessment

Are material

- Yes, c.$1m per annum

Are not included in the base year

- Yes, costs are forecast to increase significantly now we are out of initial period

Have a high likelihood of being realised, and

- Yes, these maintenance schedules are vital to keep the equipment functioning

Are driven by new obligations, externalities or a trade-off between capital and operating expenditure

- Partially, changes in the external market are driving increased costs, but older assets have a higher maintenance cost.

Insurance

Kymberley Lawrence, Executive Board and Shareholder Relations

Need – ElectraNet must maintain adequate insurance over our network however the external insurance market continues to climb.

ElectraNet's insurance obligations

ElectraNet's risk management strategy recognises that we have legal obligations in relation to the type and level of insurance cover we are required to hold, including:

- Maintaining property, liability and construction works insurance is a requirement of the Business Sale Agreement which requires that the renewal of these policies must be on terms that are satisfactory to the Transmission Lessor Corporation;
- ElectraNet's Transmission Licence requires adequate and appropriate bushfire liability insurance to be maintained, given the nature of the operations conducted under the License and the risks associated with those operations;
- ElectraNet's financiers require appropriate insurance to be maintained, where a failure to do so would have a material cost and risk impact on the business;
- As a self-insured employer, ElectraNet is required to obtain and maintain an excess of loss insurance to the satisfaction of Return To Work (SA).

Key Insurance Market Drivers

Catastrophic Losses

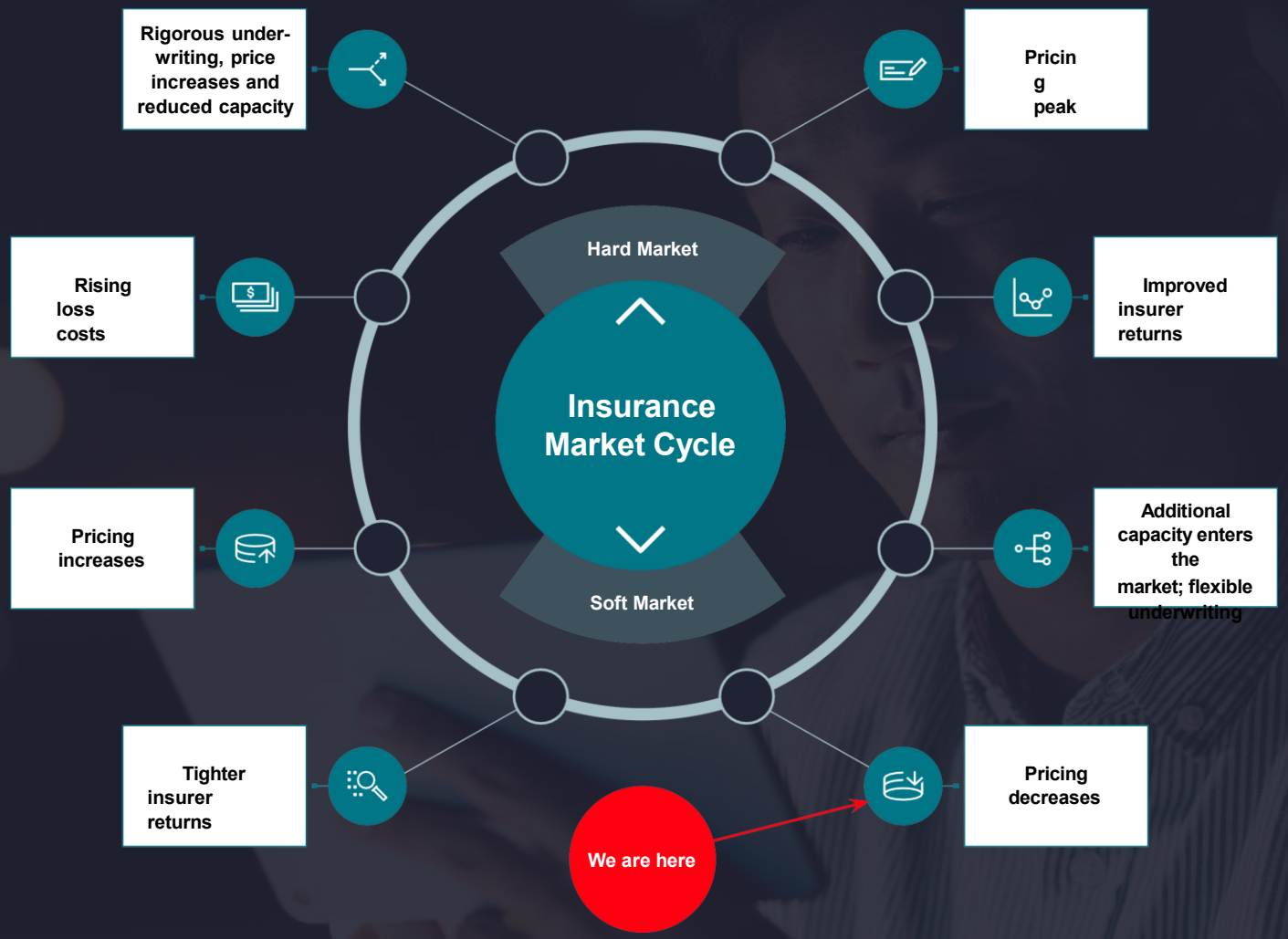
Interest Rates

Risk Forecast

Capital Fluidity
(Especially in the Reinsurance Market)

Over the past decade there has been a systemic change in loss severity in global risks

The Insurance Market Cycle



How ElectraNet satisfies its insurance obligations

ElectraNet utilises the expert insurance broking services of AON Risk Services Pty Ltd and Marsh to provide annual analytical and strategic advice in relation to the renewal options for the various classes of ElectraNet's insurance program.

This advice includes:-

- Options and strategies to minimise the cost of premiums while maintaining appropriate levels of cover;
- Taking strategic measures such as shifting policy renewal dates to maximise ElectraNet's negotiating position.

ElectraNet's insurance program structure (in terms of the policies held and the limits of cover purchased) has not changed over the last three regulatory periods.

The measures ElectraNet takes to minimise its insurance costs

ElectraNet undertakes several important measures to ensure that it is best placed to achieve the most efficient and favorable renewal outcomes possible, as follows:

- ElectraNet places considerable organisational focus on its bushfire liability risk mitigation practices, including a comprehensive vegetation management program and inspection, patrol and maintenance programs to identify and rectify potential fire start defects.
- Significant resources are also dedicated to implementing ElectratNet's broader risk management practices and ensuring that the practices continue to reflect industry best practice.
- ElectraNet utilises the expert insurance broking services of AON.
- ElectraNet has, over several years, developed strong, strategic relationships with insurers across its entire insurance program through a consistent strategy of meeting with them regularly over the course of the year and then conducting formal face to face presentations to markets during the renewal negotiation process.
- This strategy is designed to provide ElectraNet with greater exposure to key decision makers within the various insurers over the course of the year and provide an opportunity for ElectraNet to differentiate its risk profile from its peers.

The measures ElectraNet takes to minimise its insurance costs

- A comprehensive Underwriting Submission document is prepared on an annual basis to highlight improvements in ElectraNet's risk profile, its low claims history, recent innovations in asset management and maintenance processes and its bushfire risk mitigation processes.
- ElectraNet has a history of strong engagement with risk engineers representing its key property insurers and has regularly facilitated risk engineering site inspections to various substations, switchyards and control room assets. This has enabled insurers to gain a thorough understanding of ElectraNet's risk management approach and its approach to asset condition and performance monitoring.

Insurance - assessment

Are material

- We are currently unsure and currently propose to include a placeholder in our regulatory proposal

Are not included in the base year

- If required, would be a step up from what has been realised in the base year

Have a high likelihood of being realised, and

- We are currently unsure and propose to include a placeholder in our regulatory proposal

Are driven by new obligations, externalities or a trade-off between capital and operating expenditure

- If required would be driven by changes in the dynamics of the external insurance market

AEMO Participant fees

Ed Heaton, Revenue Lead

Need – ElectraNet currently recovers the costs of AEMO's fees through transmission prices. Next period these become part of our regulated opex allowance so they aren't in the base.

electranet

AEMO Participant fees - overview

ElectraNet are required to pay two fees to AEMO

- Total of $3.4m in FY27
  - NEM Core – $3.2m
  - Cyber Security & Resilience - $0.2m

Currently passed through in transmission charges under a transitional provision which ends 1 July 2028. Fees then become part of regulated opex.

AEMO can add new fees as they receive new obligations

- Cyber Security & Resilience began in FY26

Potential regulatory treatment

- Step change
- Category Specific Forecast
  - As proposed by Powerlink and AusNet

AEMO Participant fees - assessment

Are material

- Yes, $3.4m in FY27 (~2.3% opex)

Are not included in the base year

- Yes, currently outside regulated opex

Have a high likelihood of being realised, and

- Yes, transitional provision ends 1 July 2028

Are driven by new obligations, externalities or a trade-off between capital and operating expenditure

- Yes, regulated requirement under the rules

Step changes discussion

We have presented six potential opex step changes in detail.

What are the RRRG's views about these step changes?

Break

10 minutes

electranet

Technology

Brent Gimpel

electranet

enetech

Powering Growth Through Technology

APRIL 2026

Technology Investments Revenue Reset 2029-2033

RRRG

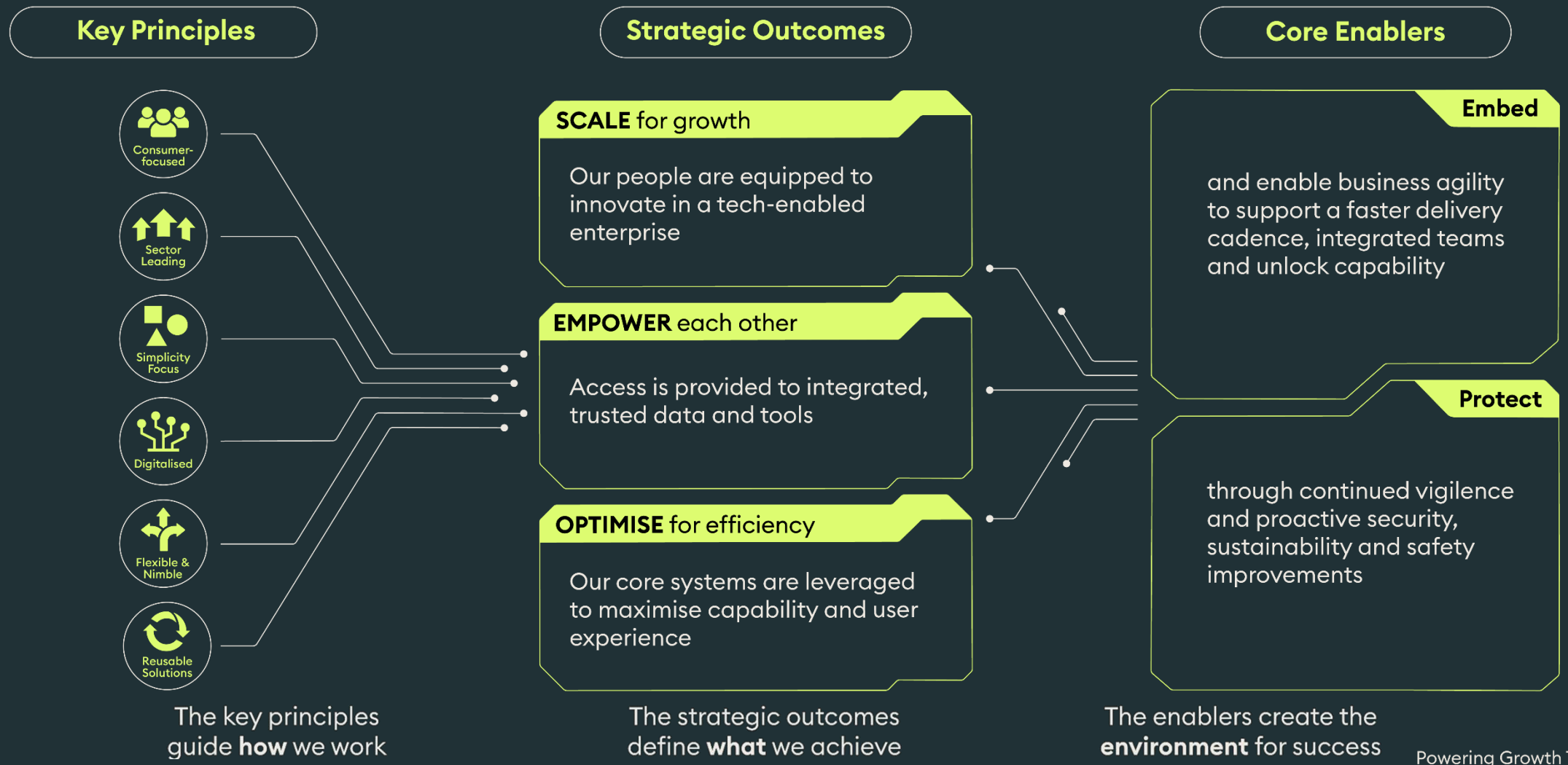
electranet

Agenda

1. Overview of the Technology Strategy
2. Data, AI & Automation across the Revenue Reset Portfolio
3. Technology Portfolio
4. Energy Management System (EMS)proposal - Supporting the Digital Grid
5. Q&A

electranet

Technology will power **scale for growth**, driven through accelerating **digitalisation** and **optimisation** of our operations.



The key principles guide **how** we work

The strategic outcomes define **what** we achieve

The enablers create the **environment** for success

enetech
Powering Growth Through Technology

Data, AI & Automation across the Revenue Reset Portfolio

Disciplined, targeted, and outcome-led, Technology investments, leveraging high-quality Data, using AI where it reduces risk or improves decisions, and Automation to sustainably scale regulated operations to reliably meet market growth.

Data & Insights

Trusted data that supports network stability, asset lifecycle decisions, and prudent investment.

Examples

- **Enterprise data integrity and governance** Single source of truth, data lineage and quality controls across SAP, Asset and Network systems
- **Enterprise analytics and reporting foundations** Standardised asset, network and safety reporting to support planning and assurance
- **Governed system integration** Reliable, auditable data flows replacing manual handling and bespoke interfaces

Benefits

- Supports **network stability** through better-informed operational and planning decisions
- Strengthens **asset lifecycle management** and investment timing
- Demonstrates **prudent, efficient decision-making** with clear auditability

Artificial Intelligence (AI)

Controlled use of AI to support risk-aware decisions that protect system reliability and safety.

Examples

- **AI-supported asset management insights** Failure forecasting and maintenance prioritisation to assist engineers
- **AI-assisted risk and compliance insights** Improved visibility of safety, incidents, hazards and obligations
- **Engineering and drawing validation** Automated comparison of design, approved and as-built drawings

Benefits

- Improves **network reliability and safety outcomes**
- Reduces asset and compliance risk across the lifecycle
- Enables **efficient growth** without weakening engineering or assurance controls

Automation

Removal of manual effort to scale regulated operations efficiently as demand and complexity increase.

Examples

- **Digitised end-to-end customer connections** Automated workflows to scale growing connection volumes
- **Enterprise workflow and service automation** Standardised request handling, approvals and document generation
- **Process optimisation and automation foundations** Preparing high-volume processes for governed automation

Benefits

- Enables **growth and market integration** without linear cost or headcount growth
- Lowers **unit cost to serve** while improving consistency and control
- Supports **efficient, prudent operation** of regulated services at scale

Technology Portfolio

electranet

How the RRRG can influence ElectraNet Technology portfolio

The following slides introduce the RRRG to the ElectraNet Technology Portfolio for 2029-2033. The portfolio is still in early stage of development and genuine opportunities exist to help shape ElectraNet Technology investments toward a prudent and efficient portfolio.

Non-negotiable

Where investments are required to sustain a resilient and secure environment.

Examples

- SOCI compliance
- Cyber Security posture
- Sustainment of critical systems

Your role

- Test whether reasoning is clear, credible and understandable from a consumer perspective
- Advise whether the explanation would feel fair and reasonable to consumers

Options Analysis

Where investments are required but risk versus cost options present themselves.

Examples

- Sustainability and Environmental management
- Enterprise Relationship and Pipeline Management

Your role

- Advise on consumer willingness to pay
- Test whether the balance between cost, risk, and long-term outcomes is clearly explained

Trade-offs

Where investments scope, priority, sequencing, and timing can be influenced.

Examples

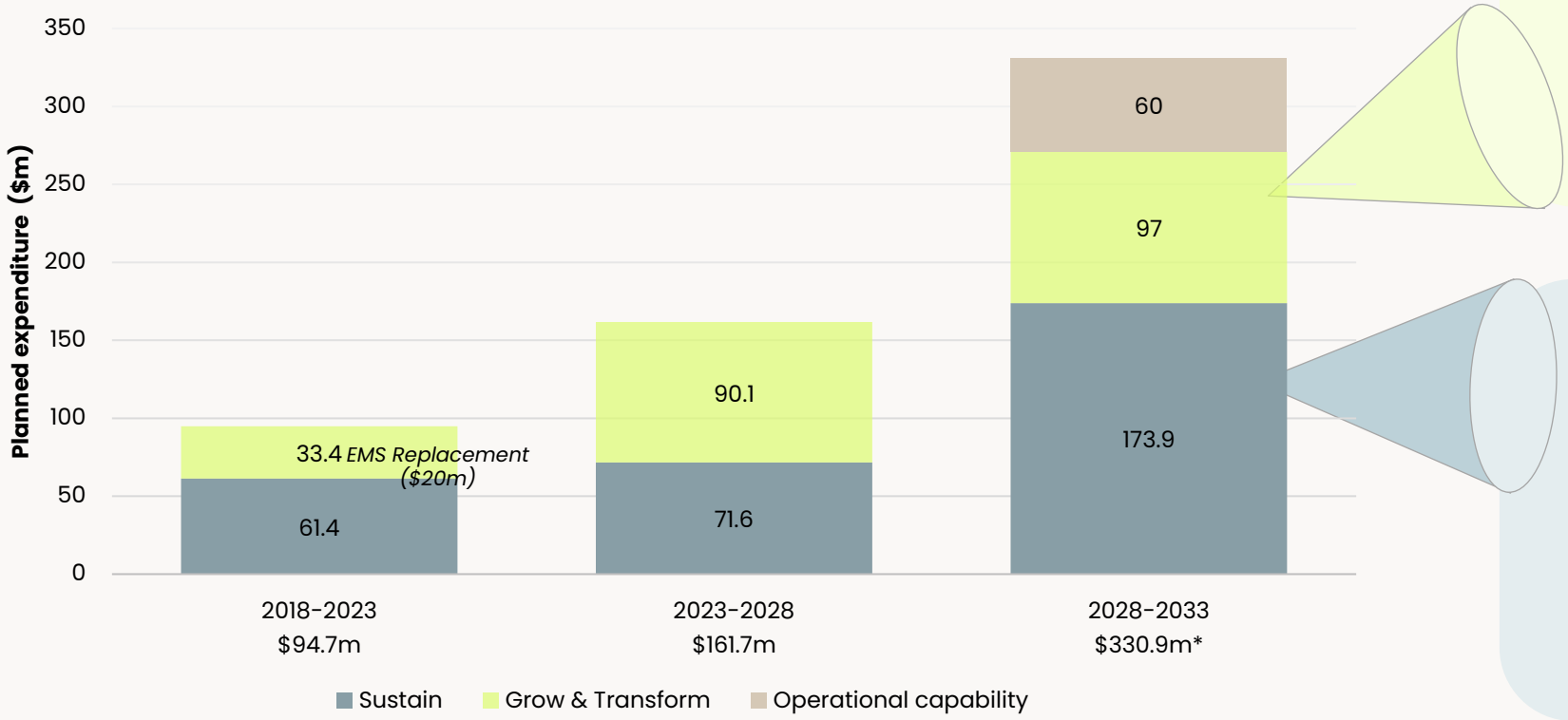
- Automation versus personnel growth
- Environmental cost of AI

Your role

- Advise on consumer sentiment
- Provide views on acceptable trade-offs from a consumer perspective
- Help identify where flexibility should or should not be exercised

Balance of Investments in Technology

The 2029–33 reset focuses on balancing platform maintenance, regulatory compliance, and targeted growth to support network stability and asset management. Improved investment governance ensures careful, risk-managed decisions, addressing aging systems, and rising operational complexity to avoid higher costs and risks.



Growing and Transforming

- Growing network complexity, connection volumes and data demands cannot be supported by existing tools and processes
- New capabilities is required to support network stability, asset lifecycle optimisation and market integration
- Failure to invest would constrain growth, increase manual effort and drive higher long-term operating costs
- Targeted investment enables efficiency gains and avoids carrying costs in future

Sustaining our capabilities

- Many core (network / asset) systems are ageing and global market pressures making them increasingly expensive to operate
- Cyber and shifting technology needs increase operational, cyber and reliability risk
- Sustaining investment is required to maintain safe, stable and compliant operation of regulated services
- Deferring maintenance would lead to higher unplanned outages, reactive spend and loss of operational resilience

*All figures are Preliminary ROM estimates for each proposal group and are refined progressively as individual proposals complete detailed estimation.

Technology Proposals across the ElectraNet Portfolio

$330.9m*

Capability

Enabling and improving our People, Processes, and Technologies

$123.4m

- Business Resilience Uplift Program
- Innovation Program
- Organisation and People Uplift Program
- Client Devices Refresh Program 2029-2033
- Cyber Security Refresh Program 2029-2033
- Data and Intelligent Systems Refresh Program 2029-2033
- Infrastructure Refresh Program 2029-2033
- Integration Platform Refresh 2029-2033
- Applications Refresh Program 2029-2033

Network

Managing, controlling and balancing the Grid

$93.8m

- Market Integration Uplift Program
- Network and Operations Management Uplift Program
- EMS Upgrade Program 2029-2033

Assurance

Risk, Legal, Compliance, Health Safety and Facilities

$22.7 m

- Knowledge Management Uplift Program
- Regulatory Compliance Uplift Program
- Safety Management Uplift Program
- Sustainability and Environment Uplift Program
- Governance, Risk, and Compliance Refresh

Assets

Planning, sustaining, replacing and improving performance

$58.1m

- Asset Management and Engineering Uplift Program
- Enterprise Portfolio Management Uplift Program
- Facilities Management Uplift Program
- Procurement and Warehouse Management Uplift Program
- Asset Management System Refresh

Strategy

Defining the future, connecting with partners, bringing opportunities

$9.0m

- Network Investment Planning Uplift Program
- Enterprise Relationship and Pipeline Management Uplift Program
- Communications System Refresh

Finance

Prudently supporting management of financial risks and opportunities

$22.4m

- Financial Management Uplift Program
- ERP System Refresh

Delivery

Capital projects to connect and interact with grid participants

$1.5m

- Program Management and Project Delivery Uplift Program

Grow & Transform ($157.0m)

Sustain ($173.9m)

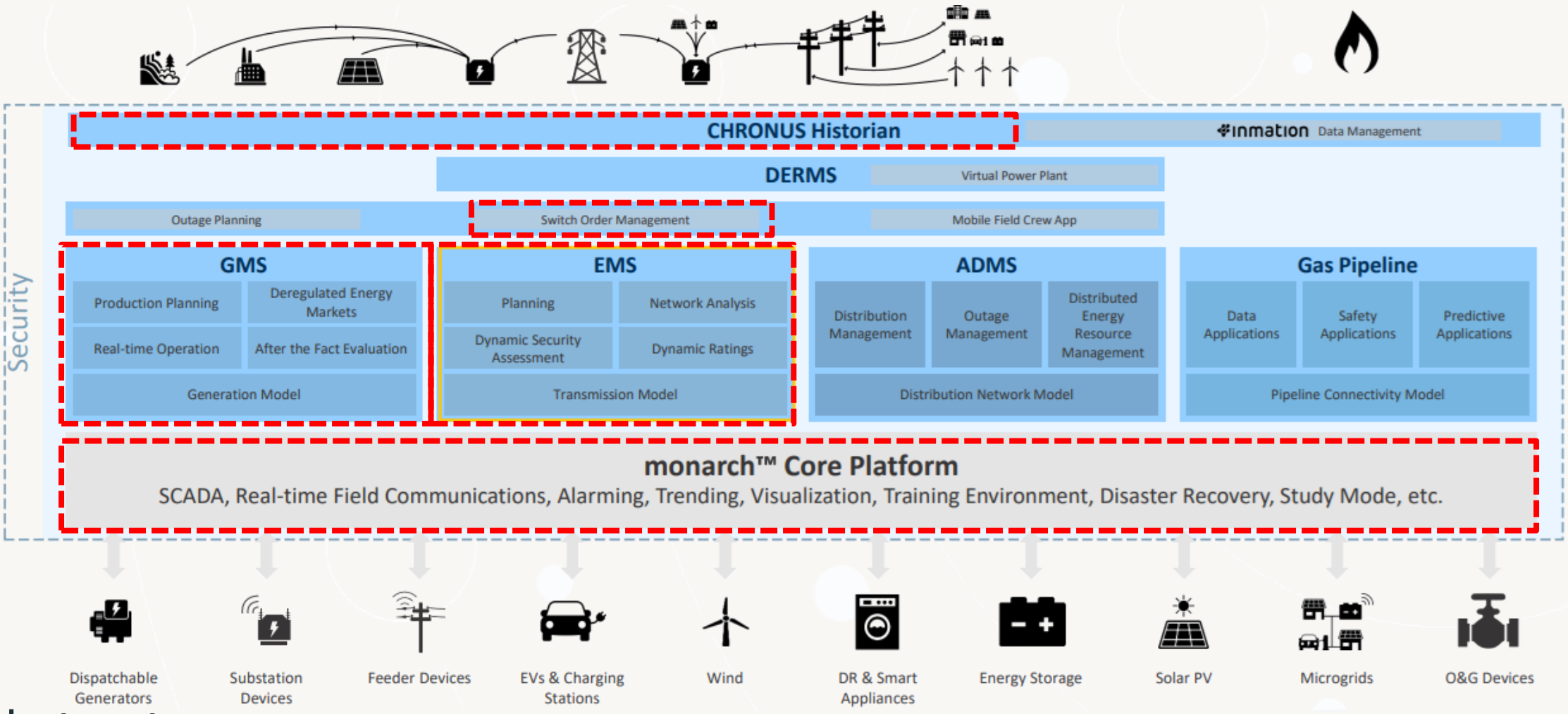
*All figures are preliminary ROM estimates for each proposal group and are refined progressively as individual proposals (shown with a green outline) complete detailed estimation.

Energy Management System (EMS) Upgrade

electranet

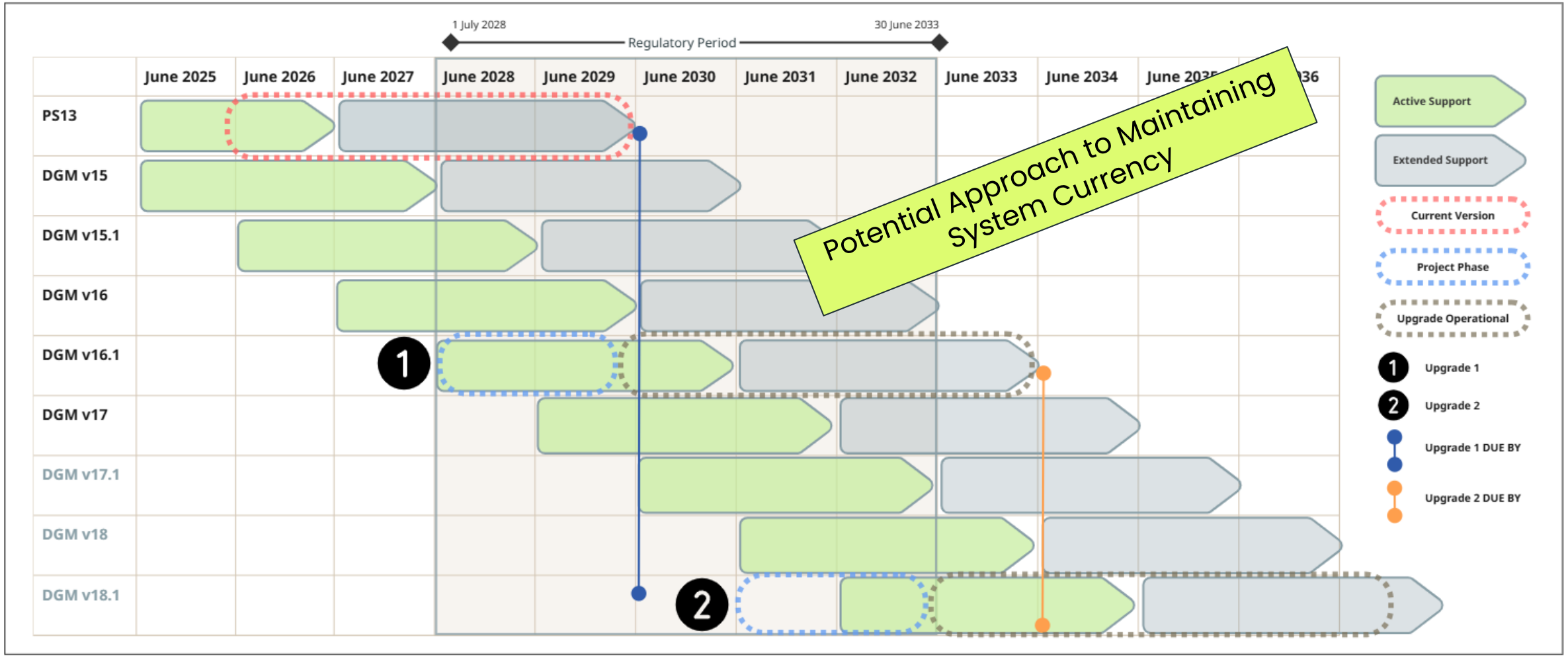
Energy Management System (EMS) proposal – Supporting the Digital Grid

As the power system becomes more dynamic and distributed, the EMS is no longer just a control room tool – it is a Digital Grid Management product suite



EMS upgrades are essential for a reliable network

Maintaining an up-to-date EMS is required to sustain a reliable network and stay in-line with AEMO requirements.
We are currently developing options to determine a prudent and efficient level of investment which balance risk and cost.



What does the RRRG want to say about our technology portfolio?

Pulse Check, Meeting Actions, AOB

electranet

Thank You

For more information please contact:

Jeremy Tustin, Head of Regulation & Corporate Affairs
P +61 421 053 240
E tustin.jeremy@electranet.com.au

Bec Malhotra, Manager – Regulation
P +61 413 873 669
E Malhotra.bec@electranet.com.au

electranet

Appendix

electranet

Planning Considerations for High Impact Outages

HIO Planning Consideration	Trend	Cause	TNSP Controls	Post PEC 800MW
Roof top solar (DPV) Thresholds – largest generator in SA	DNSP installing approx. 150 to 200MW YoY	Incentive schemes	None	Initially diminishing
System Reserve – avoid Lack Of Reserve (LOR2 or 3) conditions	Osborne closure Dec 2027, Snuggery & Port Lincoln Jan 2028, TIPS B closure July 2028, PEC commission Nov 26	Weather/Wind dependant	None	More reserve available
System Strength – Synch Condenser available & correct generator combinations	Combinations diminishing with AEMO requirement of only 1 synchronous machine in SA soon to be 0.	AEMO	Ensure all EN dynamic reactive plant available	Initially diminishing Expect to re-emerge over time
System Demand - Operational demand > 250 MW in SA	Both forecast and actual MSL 2 & 3 conditions increasing	AEMO	None	Improve
HIO in other states – Avoid HIO that clash in other states	Increasing coordination effort	TNSP's/AEMO	Coordinate with other TNSP's	Outage opportunities reducing
Black start availability – SA Generators available including connectivity	Depends on generator availability	BIPS & DNSP connected Bolivar	Avoid/Coordinate with SRAS generators	No change
Fast Frequency Response availability – requiring BESS batteries to be available	Depends on BESS FFR capability/availability or VPP's	FFR market availability	Coordinate with BESS's	Increasing options as more connect
Black Range Series Caps In Service ie not Bypassed or OOS		ElectraNet		Reduced impact
AEMO guideline avoid HIO in the window mid-Nov to mid-March unless an emergency	Spring and Autumn are traditional Generator shutdown periods coupled with this only leaves approx. 3 to 4 months of access to be shared with Transgrid and Ausnet.	AEMO and generators	Avoid/Coordinate with generators	Reduced impact

Evolution of the Technology Strategy

A Deliberate Step Change

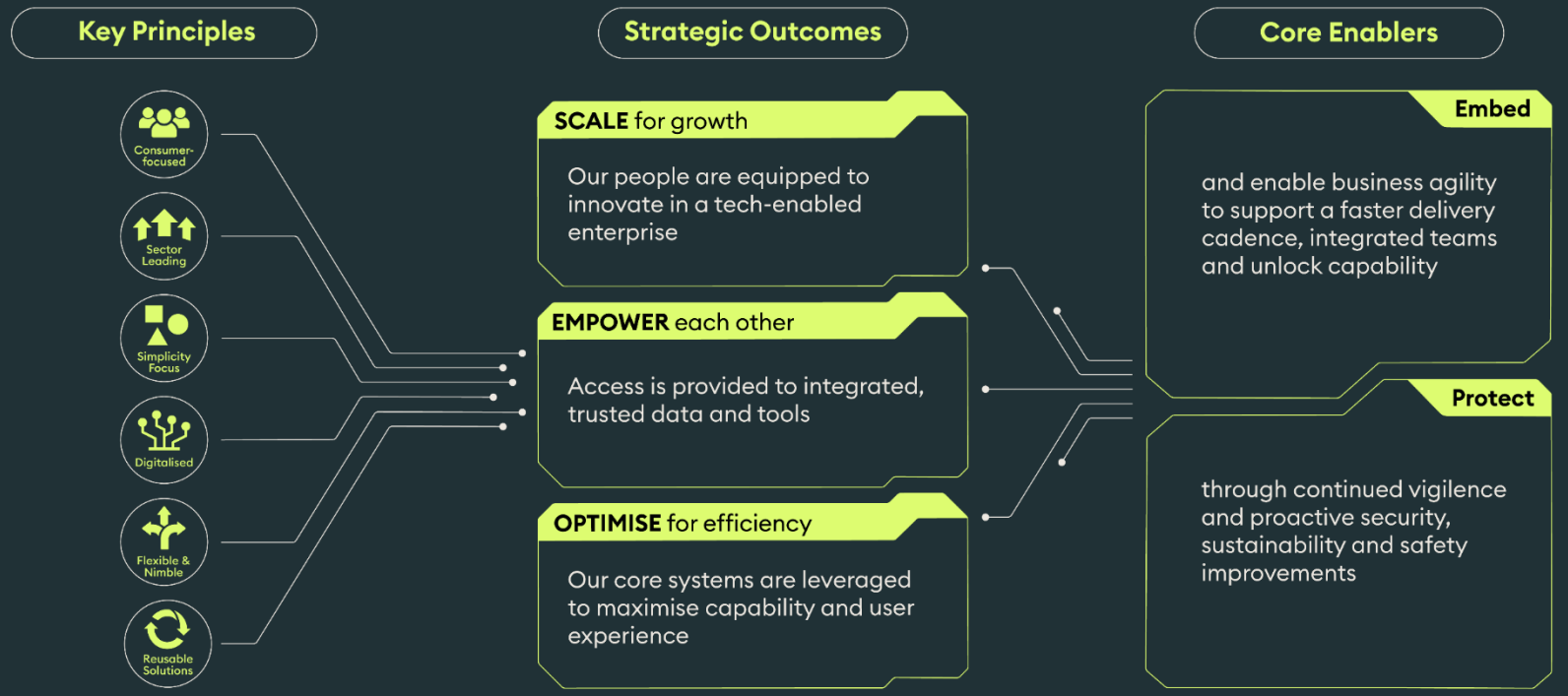
Enetech responds to ElectraNet's growth agenda, the increasing complexity of the energy transition, and the reality of constrained workforce capacity

Rising cyber and resilience risks, and heightened expectations on delivery speed and transparency demand a new approach

Reframing Technology

Enetech reframes Technology as execution capability

Not simply about modernising platforms, but enabling ElectraNet to deliver strategic objectives safely, repeatedly and at scale



Operating Model Uplift

From Strategy to Execution Discipline

We are in Horizon 1 where translating the strategy into an operating model addresses a critical risk: that good strategy fails through fragmented delivery, unclear decision rights, and insufficient governance

The operating model brings together:

- Stable technology foundations for reliability and risk management
- Product and capability-based delivery models for speed and relevance
- Clear architectural and portfolio governance to align decisions
- Shared ways of working that reduce reliance on individuals and silos

Strategy-to-Delivery Framework

- **Strategic Foundations**
- **Enhanced Enterprise Architecture**
- **Expanded Capability & Governance**
- **Modernised Operational Processes**
- **Accelerated Technical Delivery**
- **Embedded Data, Insights & AI Capabilities**

Governance That Enables

Better Governance, Not More Governance

A central theme of Enetech translation is establishing governance that enables speed while safeguarding risk

Layered Governance Model

The operating model establishes layered governance that enables timely decisions while managing risk through clear decision rights and architectural alignment

Enterprise Architecture

Aligns technology choices to business capability needs

Portfolio Governance

Prioritises work across competing demands

Delivery Assurance

Ensures quality and risk management through execution

Continuous Improvement

Captures learnings and refines processes

A focused transition over 3 time horizons

Technology plays a core role in protecting Central Case delivery while progressively building the capability required to support growth and future upside

FY26 – Horizon 1
Strengthen the core

- Establish Enetech operating model and ways of working
- Improve visibility, prioritisation and sequencing of all technology work
- Stabilise core platforms, cyber and resilience foundations
- Embed enterprise service management and portfolio governance
- Uplift data foundations and responsible AI guardrails

FY27–28 – Horizon 2
Scale capability & productivity

- Scale product and capability-based delivery models
- Expand automation, self-service and workflow integration
- Operationalise data, analytics and AI for decision support
- Mature network model management and asset scenario capability
- Integrate systems supporting customer, work and mobility outcomes

FY29+ – Horizon 3
Advance innovation & optionality

- Deploy advanced AI and machine learning for predictive use cases
- Enable real-time operational intelligence
- Establish digital twin capabilities for assets and planning
- Support smart and digital substations and advanced outage coordination
- Evolve the operating model to sustain innovation at scale

Enetech supporting Electranet's growth

Enetech positions ElectraNet to grow safely, predictably, and at scale.

Enabling growth through disciplined execution

Strengthens ElectraNet's ability to reliably deliver by improving execution discipline, prioritisation and transparency across technology-enabled initiatives

Sustaining operational performance

Ongoing investment in stable, resilient technology foundations that support asset performance, compliance and operational reliability, with automation and data capabilities to facilitate growth activities

Positioning the organisation for upside opportunities

The new operating model and data capabilities increase organisational capacity and adaptability, ensuring ElectraNet is better placed to respond to higher-growth scenarios as opportunities emerge

Prudent readiness where growth is uncertain

Enables measured preparation for potential future opportunities, ensuring ElectraNet can respond quickly if projects proceed, without committing ahead of need

Enetech is an enabling strategy, focused on reducing delivery risk, protecting performance, and creating the capability to support growth over time