

Draft Long-Term Plan 2024-34 Further Deliberations

30 May 2024

Funding Options – 10 Year View

Option	No debt reduction	1 17.19%/7%	2 17.19%/6%	3 12.25%/6%	4 12.25%/7%	5 12.25%/8%
Change in rates revenue for years 1 to 10 compared to option 1	N/A	N/A	\$72 million reduction	\$135 million reduction	\$65 million reduction	\$8 million increase
Rates affordability (at year 10)	N/A	7.5%	6.9%	6.6%	7.2%	7.8%
Debt headroom (at year 10)	\$170 million	\$422 million	\$298 million	\$210 million	\$329 million	\$455 million
Net debt (at year 10)	\$415 million	\$262 million	\$338 million	\$402 million	\$330 million	\$255 million
Net interest (at year 10)	\$23 million	\$16 million	\$20 million	\$23 million	\$19 million	\$16 million
Total debt movement (years 1 to10)	Nil	\$153 million reduction	\$78 million reduction	\$13 million reduction	\$85 million reduction	\$161 million reduction
Net debt/ Operating revenue (at year 10)	199%	107%	149%	184%	140%	100%
Time taken for debt reduction of \$10 million plus per annum	N/A	6 years	8 years	9 years	7 years	6 years

Comparison to Base View – 10 Years

Option	2 17.19%/6%	3 12.25%/6%	4 12.25%/7%	5 12.25%/8%
Change in rates revenue for years 1 to 10 compared to option 1	\$72 million reduction	\$135 million reduction	\$65 million reduction	\$8 million increase
Rates affordability (at year 10)	0.6 % more affordable	0.9 % more affordable	0.3% more affordable	0.3 % less affordable
Debt headroom (at year 10)	\$124 million less	\$212 million less	\$93 million less	\$33 million less
Net debt (at year 10)	Increased by \$75 million	Increased by \$140 million	Increased by \$68 million	\$8 million less
Net interest (at year 10)	\$4 million increase \$77k more/week	\$7 million increase \$135k more /week	\$3 million increase \$58k more/week	-
Total debt movement (years 1 to10)	\$75 million less debt reduction	\$140 million less debt reduction	\$68 million less debt reduction	\$8 million more debt reduction
Net debt/ Operating revenue (at year 10)	38% increase	71% increase	31% increase	6% reduction
Time taken for debt reduction of \$10 million plus per annum	2 years longer	3 years longer	1 year longer	-

Rates (Deficit) / Surplus & Debt Movement

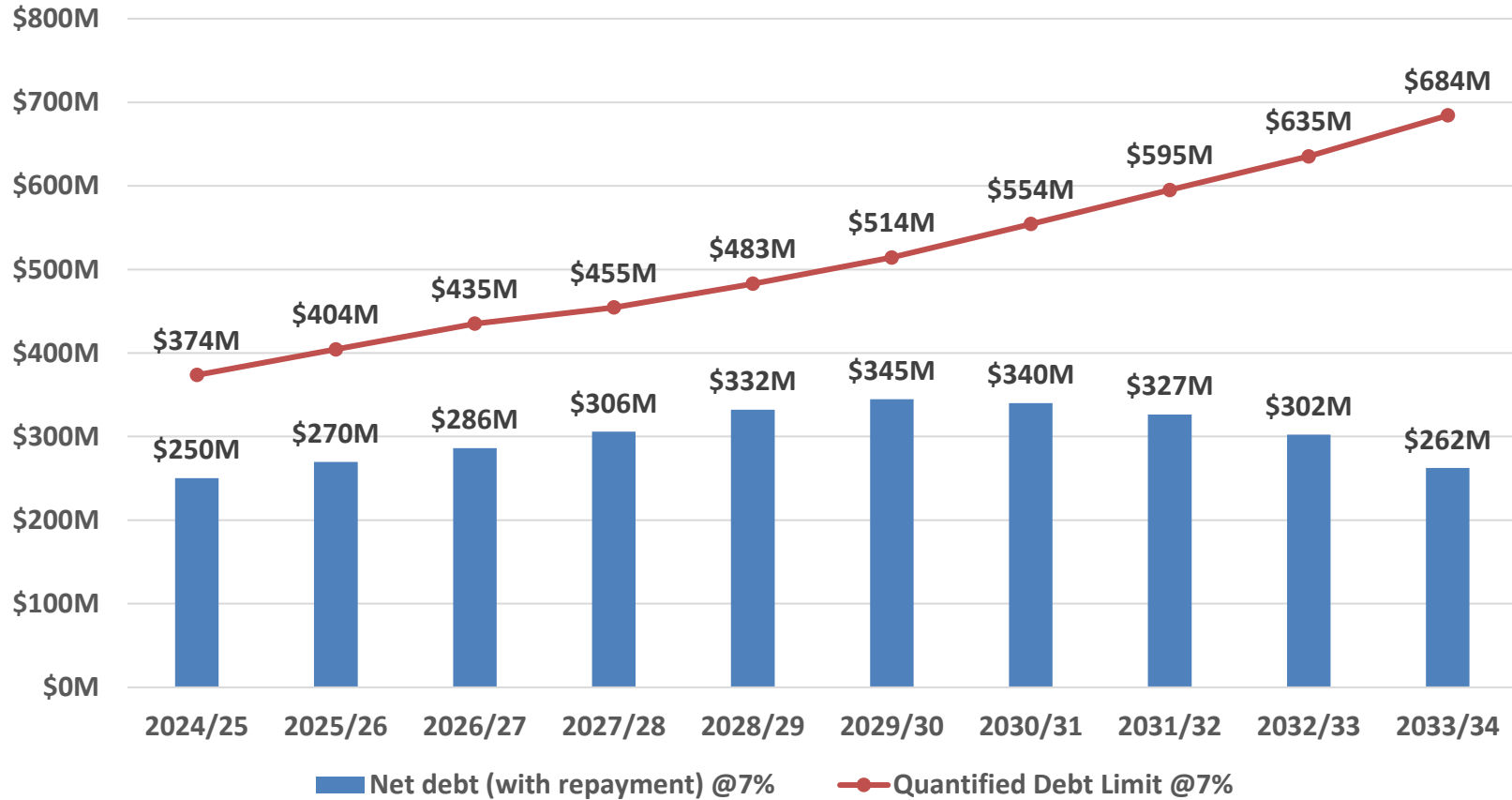
Rates Funding (Deficit)/Surplus												Debt Movement		
Option	Y1 \$m	Y2 \$m	Y3 \$m	Y4 \$m	Y5 \$m	Y6 \$m	Y7 \$m	Y8 \$m	Y9 \$m	Y10 \$m	Total \$m	Debt + Incl. int. \$m	Debt - Incl. int. \$m	Total \$m
17.19%/7%	-	1	-	4	6	10	18	26	35	47	148	-	153	153 red
17.19%/6%	-	-	(2)	-	1	3	9	14	21	30	75	2	80	78 red
12.25%/6%	(4)	(5)	(7)	(6)	(5)	(3)	(2)	7	13	21	13	32	45	13 red
12.25%/7%	(4)	(4)	(5)	(2)	-	4	11	18	27	38	82	16	101	85 red
12.25%/8%	(4)	(3)	(3)	2	5	11	21	30	42	56	156	10	171	161 red

Funding Options– 3 Year View

Option	No debt reduction	1 17.19%/7%	2 17.19%/6%	3 12.25%/6%	4 12.25%/7%	5 12.25%/8%
Change in rates revenue for years 1 to 3 compared to option 1	N/A	N/A	\$3 million reduction	\$18 million reduction	\$15 million reduction	\$11 million reduction
Rates affordability (at year 3)	N/A	5.7%	5.6%	5.4%	5.5%	5.6%
Debt headroom (at year 3)	\$162 million	\$149 million	\$139 million	\$110 million	\$119 million	\$129 million
Net debt (at year 3)	\$288 million	\$286 million	\$290 million	\$305 million	\$301 million	\$298 million
Net interest (at year 3)	\$14 million	\$13 million	\$14 million	\$15 million	\$14 million	\$14 million
Total debt movement (Years 1 to 3)	Nil	\$1 million reduction	\$2 million increase	\$17 million increase	\$13 million increase	\$10 million increase
Net debt/ Operating revenue (year 3)	179%	184%	189%	206%	201%	196%

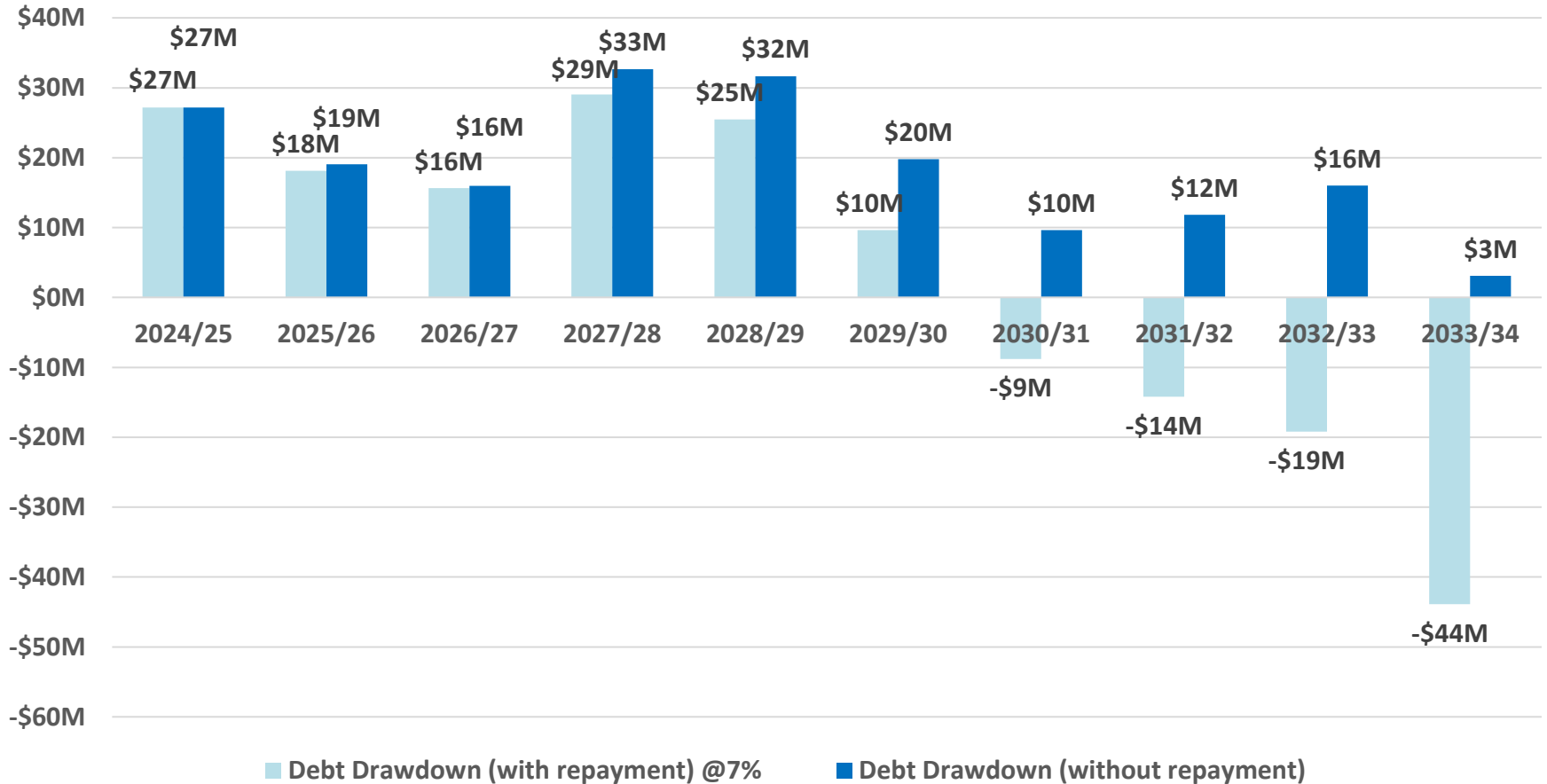
17/7 Debt Snapshot

NET DEBT VS. QUANTIFIED DEBT LIMIT



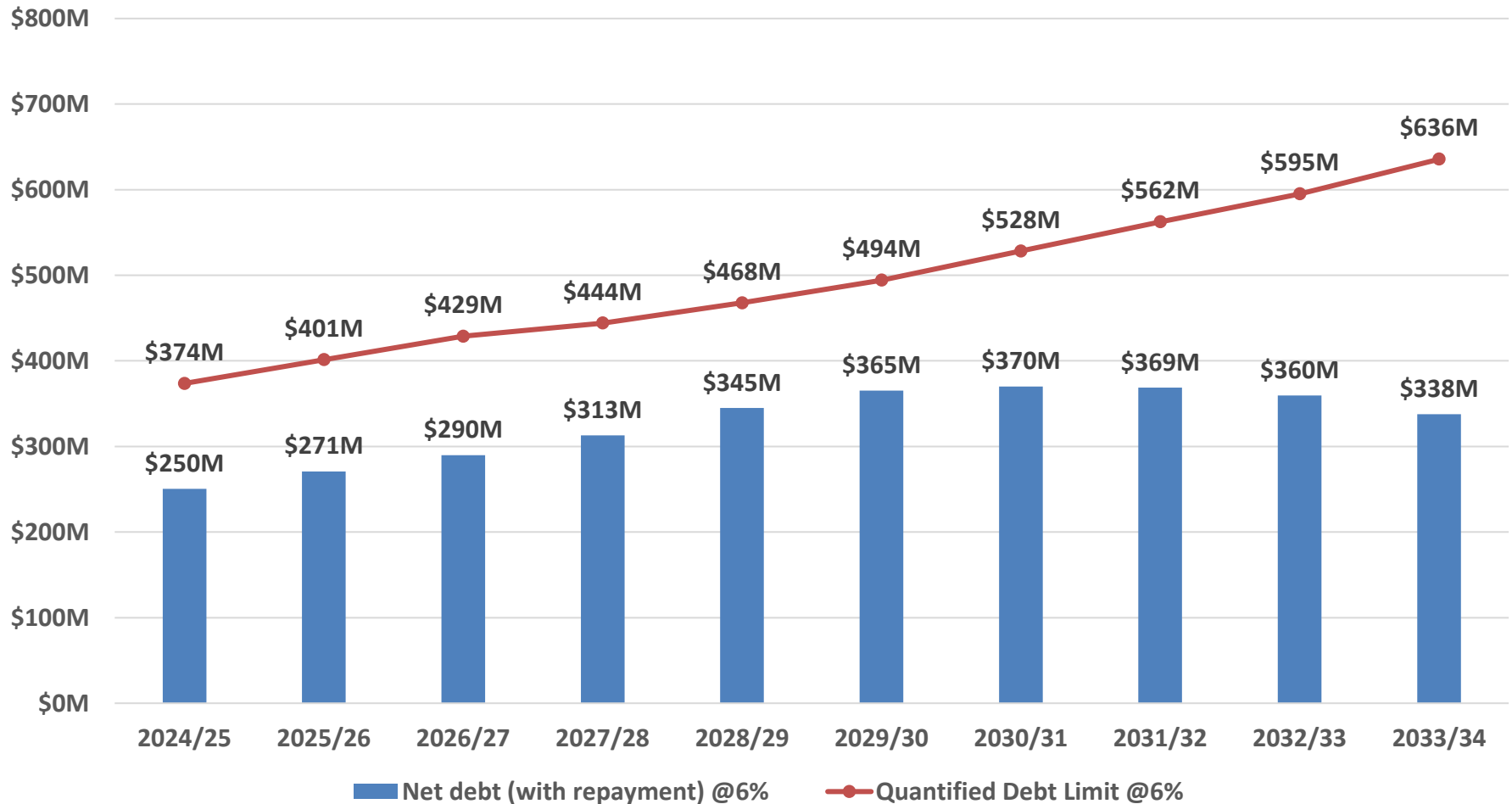
17/7 Debt Snapshot

DEBT DRAWDOWN WITH AND WITHOUT DEBT REPAYMENT



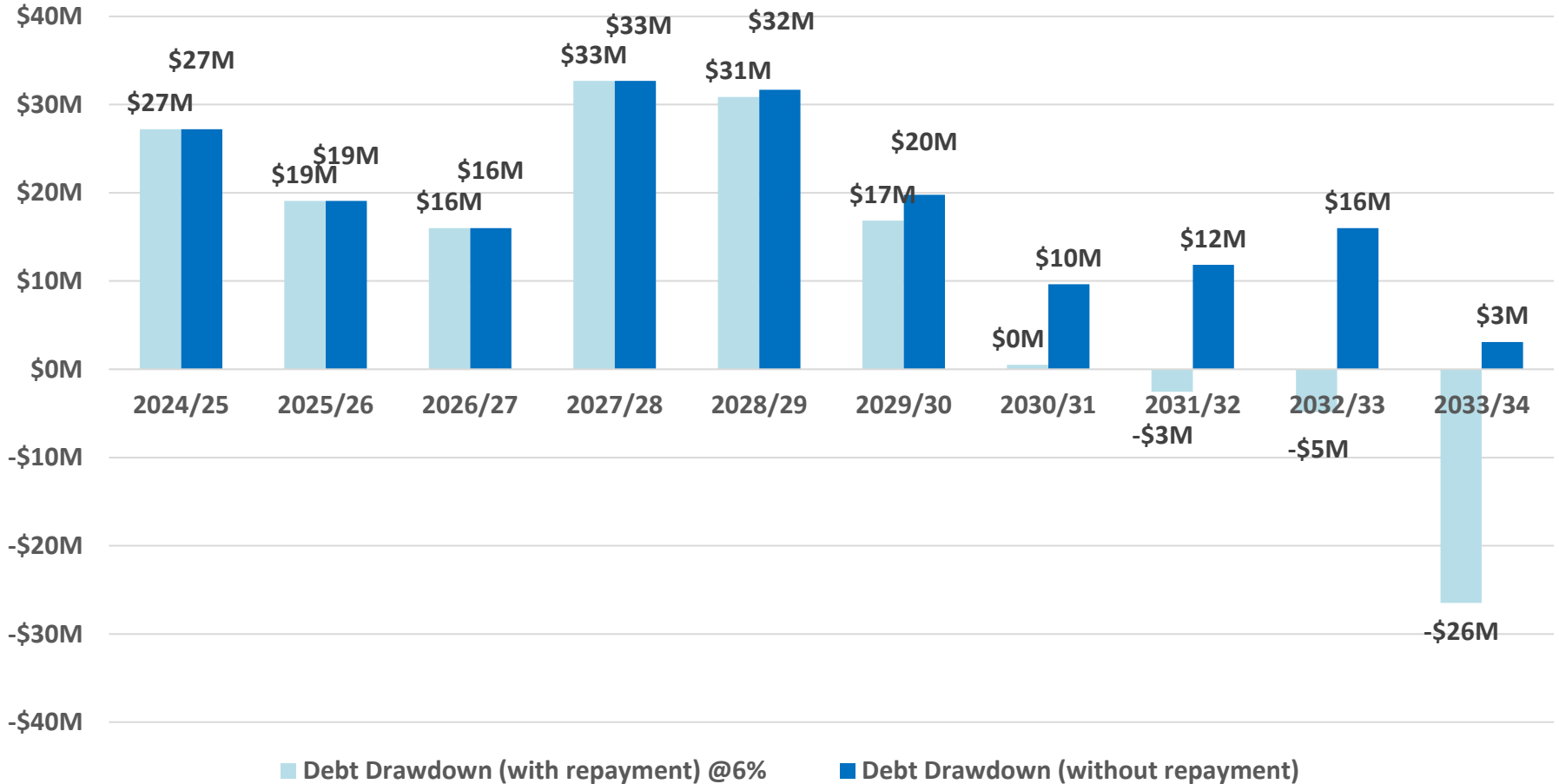
17/6 Debt Snapshot

NET DEBT VS. QUANTIFIED DEBT LIMIT



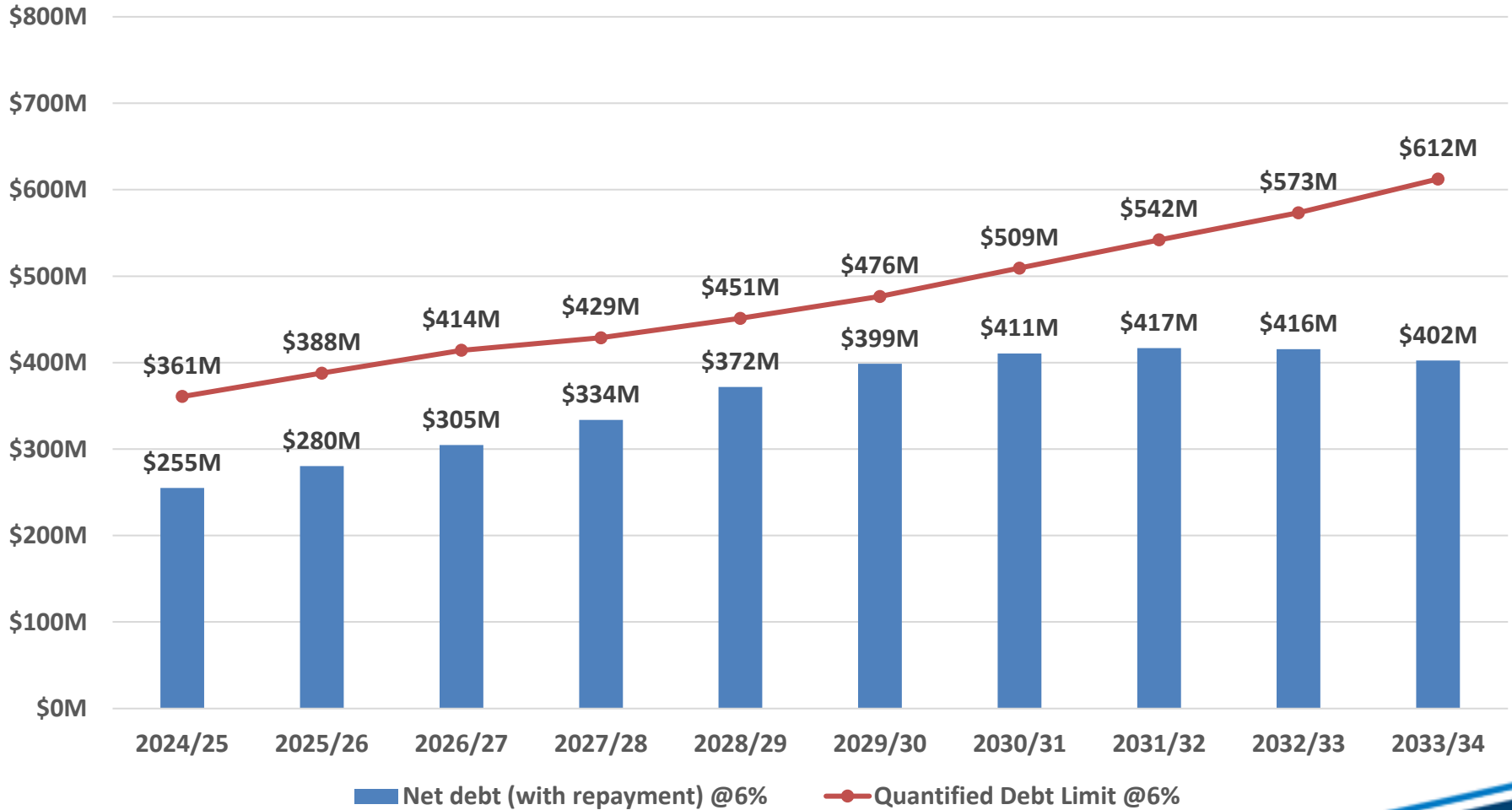
17/6 Debt Snapshot

DEBT DRAWDOWN WITH AND WITHOUT DEBT REPAYMENT



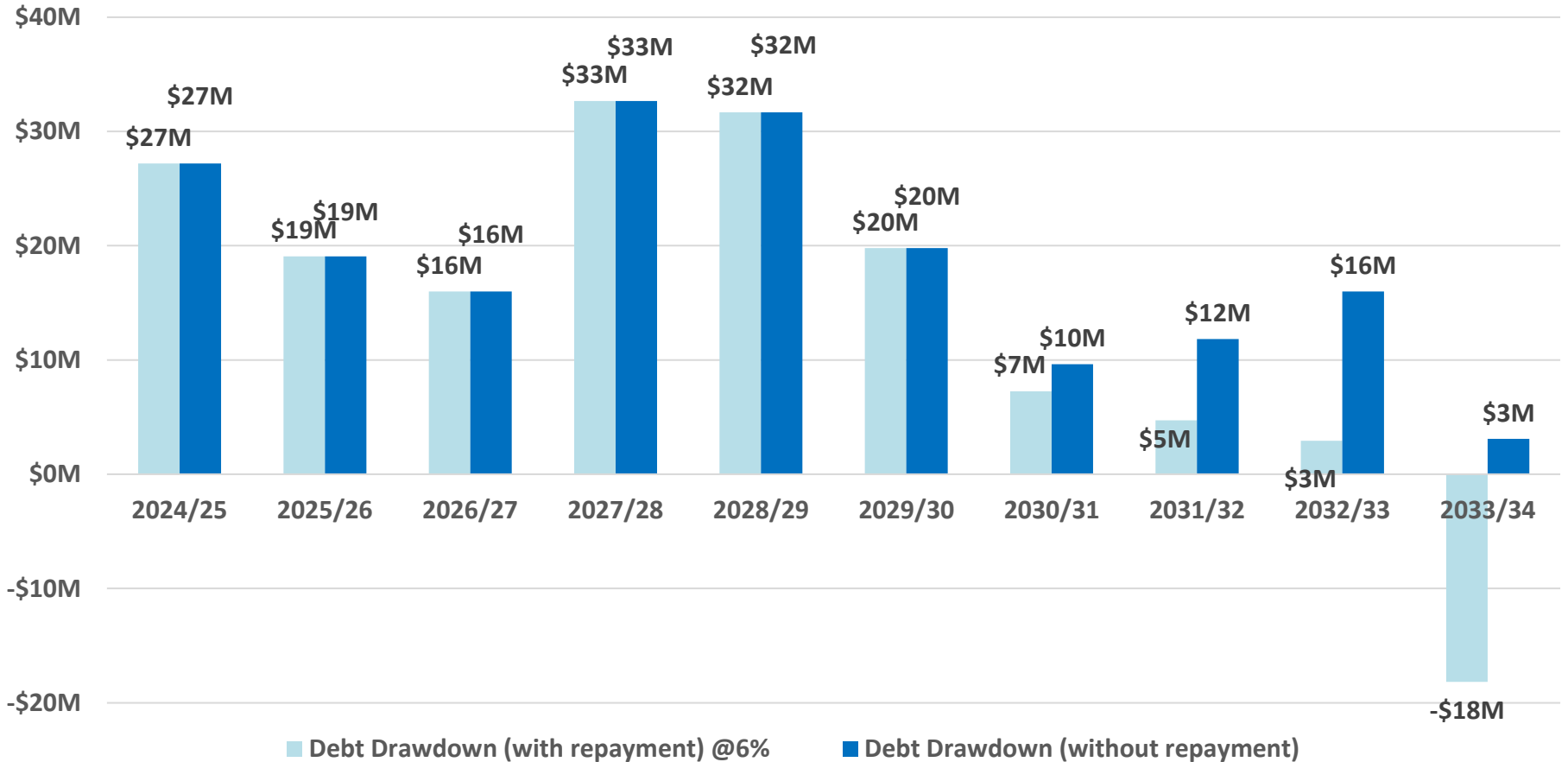
12/6 Debt Snapshot

NET DEBT VS. QUANTIFIED DEBT LIMIT



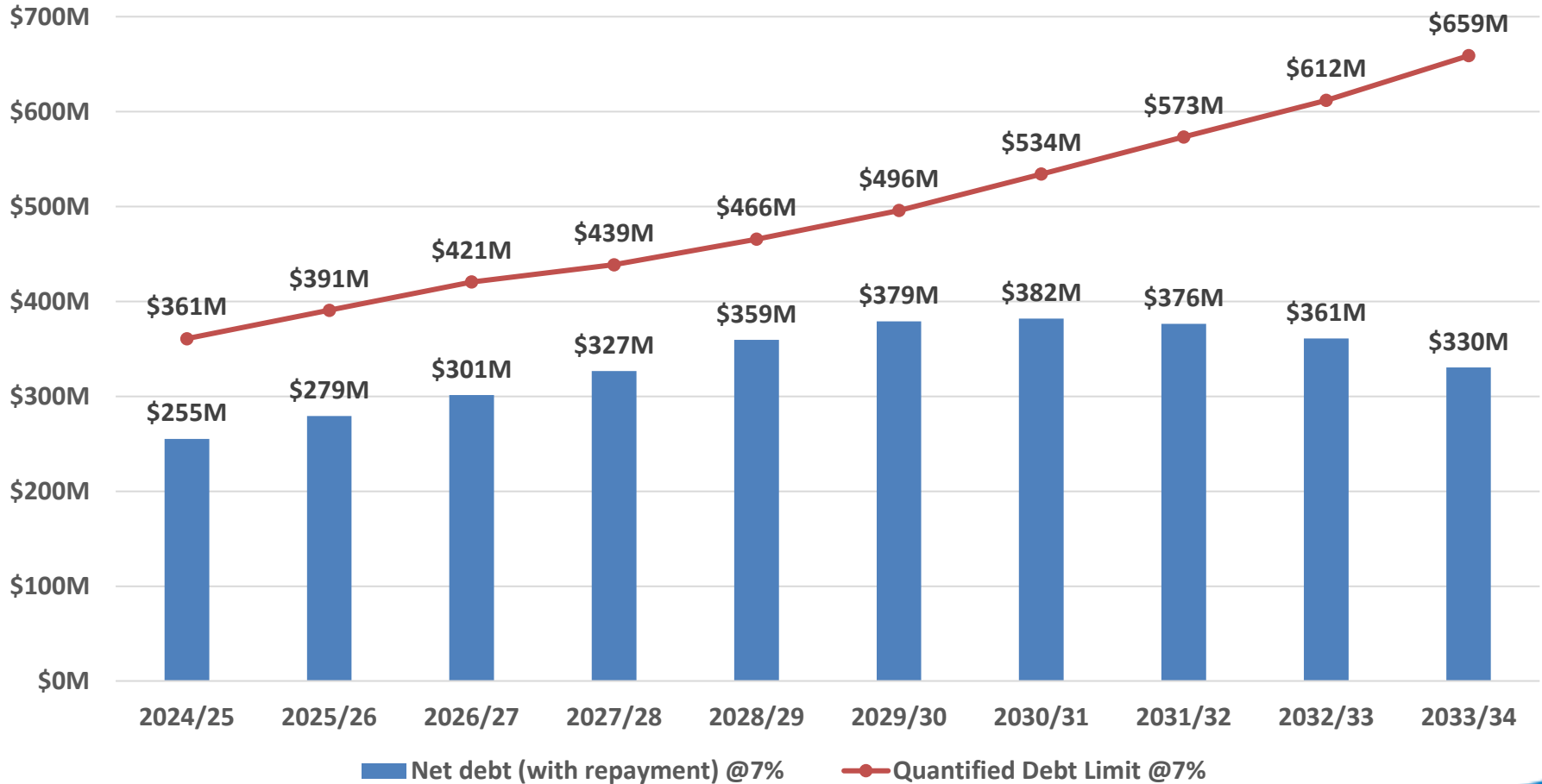
12/6 Debt Snapshot

DEBT DRAWDOWN WITH AND WITHOUT DEBT REPAYMENT



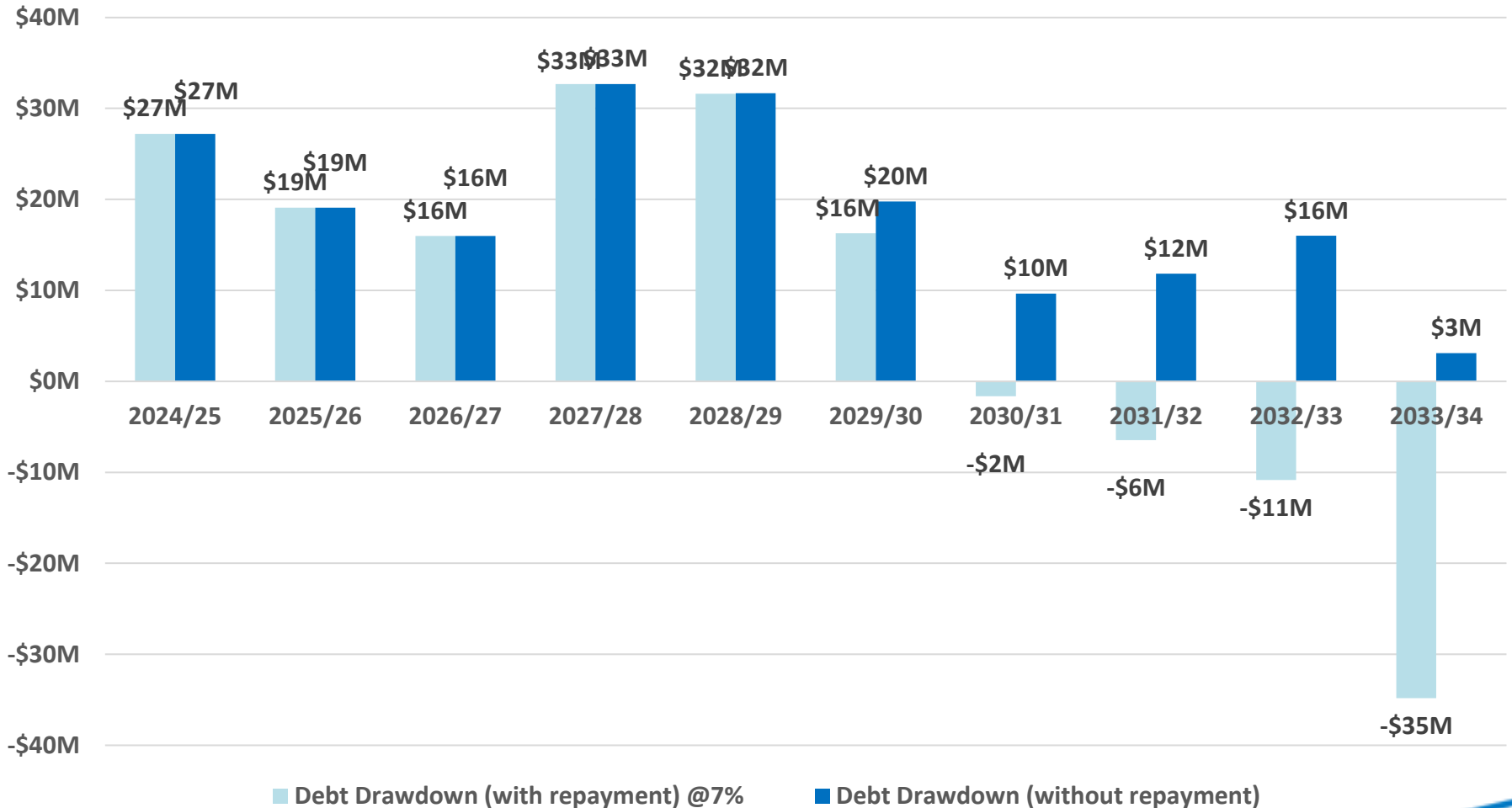
12/7 Debt Snapshot

NET DEBT VS. QUANTIFIED DEBT LIMIT



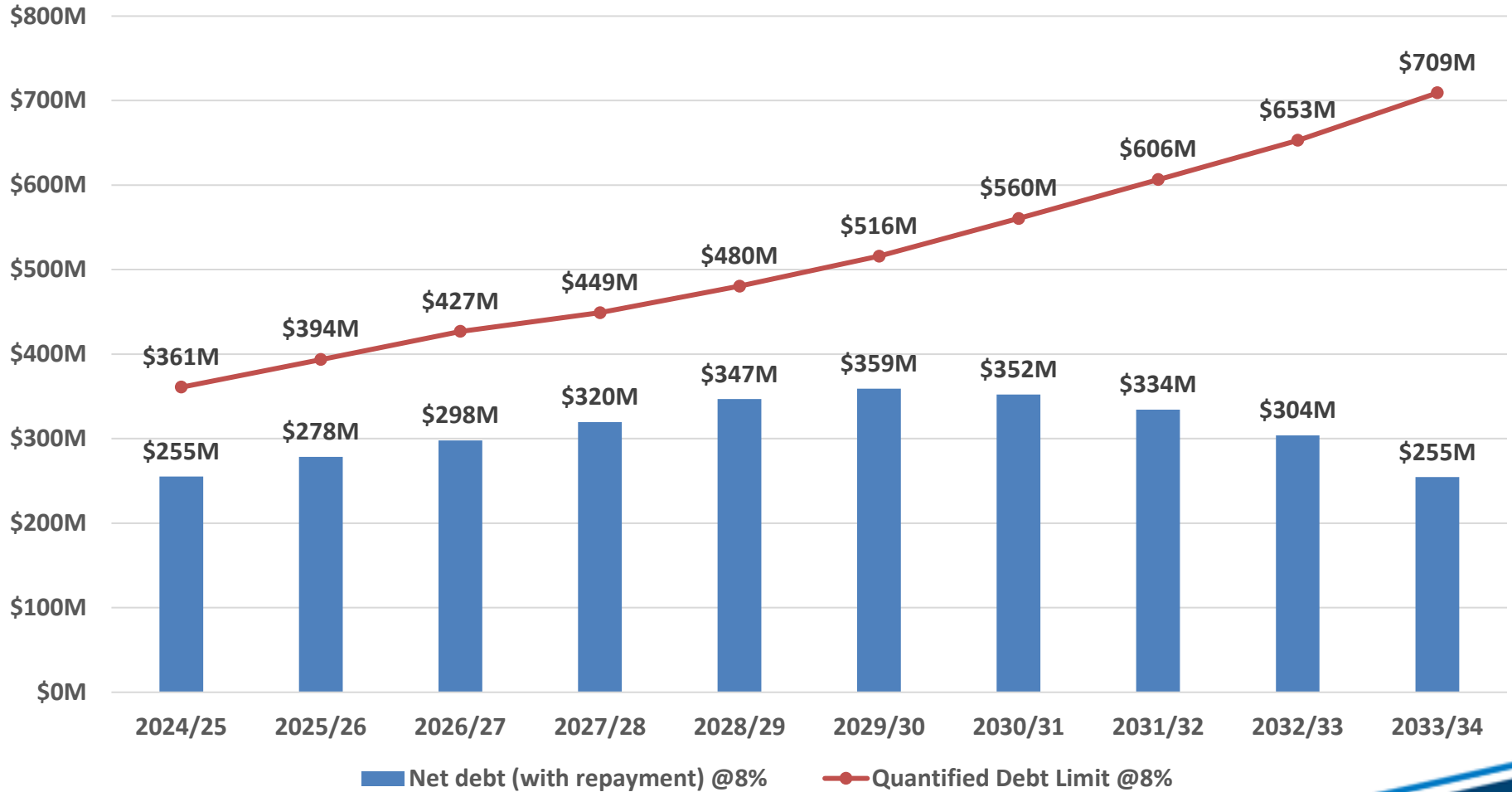
12/7 Debt Snapshot

DEBT DRAWDOWN WITH AND WITHOUT DEBT REPAYMENT



12/8 Debt Snapshot

NET DEBT VS. QUANTIFIED DEBT LIMIT



12/8 Debt Snapshot

DEBT DRAWDOWN WITH AND WITHOUT DEBT REPAYMENT

