

From: Colin Nicolson [REDACTED]
Sent: Tuesday, 28 August 2012 3:09 PM
To: George Passmore
Cc: Les Godfrey; Angus MacDonald; Mary Ann Franco-Dixon; Damian Scholz
Subject: RE: Seqwater opex

George

We can confirm that the exclusions related to relevance.

QCA Question 1

We note that the following cost categories in the **Asset Delivery Group** have been excluded from the cost pools used to allocate non-direct costs to irrigation schemes (your spreadsheet 'Copy of corporate cost data 070312' refers) : Concept & Feasibility, Direction, Asset Policy & Strategy, Management in Use, Validation & Planning, Integrated Asset Planning, and Program Management Office. From the descriptions of team summaries in Attachment 1 of your core submission, it would appear that the main reason for these exclusions is that these costs are mainly associated with master planning, policy and strategy for major capital projects, which are not considered relevant to the irrigation review. Could you please confirm, or otherwise provide reasons for the exclusions.

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