VENCorp

Victorian Energy Networks Corporation

Dear Bulletin Board Participant,

Under section 10 of the National Gas Market Bulletin Board Procedures ("the Procedures") the BB Operator is required to publish projected costs and budget estimates. Section 10.3 states that no less than 30 days before the start of the invoice period (being 1 July) the BB operator will publish estimates of revenues and costs.

The Procedures require any carried forward surplus to be used to offset revenue required for the following year.

Budget details are set out below:

Proposed 2009/10 Budget – Summary

	Annual		
	Budget 2008/09 $'000	**Forecast 2008/09 $'000**	**Budget 2009/10 $'000**
Revenue	201	201	188
Expenditures	201	186	203
Operating Surplus/(Deficit)	**0**	**15**	**(15)**
Previous year's Accumulated Surplus/(Deficit)	-	-	15
Accumulated Surplus/(Deficit)	**-**	**15**	**0**

The forecast 2008/09 surplus is $15k greater than budget. This is primarily due to reduced computing costs.

The 2009/10 budget projects a deficit for the financial year of $15k that will result in a break-even accumulated position.

Total expenditure is budgeted to be $203k and mainly relates to the allocation of internal labour, computing and contractor costs.

The detailed expenditure is attached on the page following.

Before finalising the budget the BB operator will respond to queries from BB participants with submissions required no later than Friday, 3 April 2009. These can be sent to John Savage on (03) 8664 6563 or via email john.savage@vencorp.vic.gov.au.

Yours sincerely,

Jack Fitcher
Acting General Manager,
Corporate

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Proposed 2009/10 Budget – Expenditure break-down

	Budget 2008/09 $'000	Forecast 2008/09 $'000	Budget 2009/10 $'000
Direct Labour Expenses	-	110	60
Labour On-Costs	-	-	10
Computing	76	58	61
Consultancies	-	3	4
Contractors	125	15	60
OPERATING EXPENDITURE	**201**	**186**	**195**
Depreciation	-	-	8
TOTAL EXPENDITURE	**201**	**186**	**203**