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# Annexure G

## COST PAYMENT SCHEDULE

(Clauses 1.1 and 9.5(a))

### Part 1

The Quarterly Instalments to be paid to RMS (under clauses 9.5(c) and 9.5(d)) are specified in item 3 of the Model Outputs Schedule. The instalments specified in that item are in nominal terms (i.e. out-turn dollars).

The process for applying the payment profile for the instalments link to the RMS Default Step-In Costs (under clause 9.5(a)).

### Part 2

#### Calculation of Step-in Costs Owed to RMS

At any given time, the debt owed by the Company for RMS Default Step-In Costs is calculated as:

$$SI_N = (SI_{N-1} * (1+i)) + RC_N - (I_N * CC_N)$$

Where:

$SI_N$  = The RMS Default Step-In costs owed to RMS in Quarter N. This process calculates the Quarter N Step-In Costs owed to RMS at a given point in time.

$(SI_{N-1} * (1+i))$  = With the exception of Quarter 0, the RMS Default Step-In Costs owed to RMS in Quarter N-1 (i.e. previous quarter) multiplied by (1 + Deferred Interest Rate on a quarterly basis). Note that the Deferred Interest Rate on the quarterly basis is set out in item 4 of the Model Outputs Schedule (based on the M5 West Widening Base Case Project Return).

$RC_N$  = If applicable to Quarter N, a RMS Default Step-In Cost incurred by RMS during Quarter N.

$I_N$  =  $\min[AF_N, QI_N, SI_{N-1} * (1 + i)] + DS_N$

$I_N$  is an Instalment or repayment in Quarter N for part of the debt due and payable from the Company to RMS and payable to RMS.  
The Instalment paid to RMS is dependent on the Available Funds in Quarter N.

If there are sufficient Available Funds  $AF_N$ , the Instalment will be the Quarterly Instalment  $QI_N$  referred to in Part 1 of this annexure.

The Instalment can never be greater than the outstanding balance of the RMS Default Step-In Costs owed to RMS, including accrued interest.

In addition, the Company can pay to RMS a discretionary sum  $DS_N$  over and above the Quarterly Instalment to reduce the debt owed to RMS.

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If there are insufficient Available Funds, this can have two implications on the calculation of RMS Default Step-In Costs in Quarter N and Quarter N + 1:

- The Quarterly Instalment that can be paid in Quarter N will be reflected as a part-payment received by RMS in Quarter N. The amount not paid to RMS is recorded as an Unpaid Quarterly Instalment and is not reflected within this calculation. The absence of this portion of the payment during Quarter N impacts on the debt balance used in Quarter N + 1 (i.e. RMS Default Step-In Costs owed to RMS) and the level of interest expense in Quarter N + 1.
- If no part-payment is made towards the Quarterly Instalment the full amount of the Quarterly Instalment (in Part 1 of this annexure) is recorded as an Unpaid Quarterly Instalment and not reflected in this calculation. The absence of any form of payment during Quarter N impacts on the debt balance in Quarter N + 1 (i.e. the RMS Default Step-In Costs owed to RMS) and the level of interest expense in Quarter N + 1.

CC<sub>N</sub> =

Refers to Construction Completion. If Construction Completion has been achieved during Quarter N, this flag is set at 1 and an Instalment is payable from the Company to RMS in Quarter N. If Construction Completion has not yet been achieved by Quarter N, the flag is set at 0 and an Instalment is not applicable in Quarter N. In this case, the Instalment refers to either a Quarterly Instalment or an Unpaid Quarterly Instalment in Quarter N.