



CitiPower

Trial tariff notification

2022-23

CitiPower will introduce the following new trial network tariffs on 1 July 2022:

1. Residential Daytime Saver
2. Non-distributor owned community battery
3. Distributor owned community battery

1. Residential Daytime Saver

From 1 July 2022 to 30 June 2026 CitiPower will offer an optional residential Daytime Saver trial tariff with the following tariff structure and indicative rates.

Time band	Fixed (cents/day)	Usage rate (cents/kWh)
10am – 3pm	24.66	0.0
4pm – 9pm		15.7
All other times		5.6

All times are in local time

Same rates apply every day of the year

The Daytime Saver trial tariff is expected to particularly benefit customers who don't have rooftop solar and can:

- Charge their electric vehicle at home between 10am and 3pm
- Set their pool pump to operate between 10am and 3pm
- Set their air-conditioner to pre-cool their home before 3pm
- Shift some of their appliance usage, such as dishwashers and washing machines, to operate between 10am and 3pm

The following table covers the AER's sub-threshold tariff notification requirements.

Name of trial	Residential Daytime Saver
Objectives of trial	Incentivise residential customers to use more electricity around midday to increase solar hosting capacity on low voltage feeders
Retailer engagement	None yet
Consumer engagement	A program of engagement is planned once the tariff is announced to try and drum up demand for a retail product which leverages off this trial tariff
Proposed tariff (structure and pricing)	See above table
Forecast revenue (\$ and % AAR)	Trial will be capped at 1% of annual distribution revenue although the cap is not expected to be reached in the first year
Trial start date	1 July 2022
Duration of trial	Four years – the remainder of this regulatory period
Potential changes and triggers	Interest will be monitored and if deemed necessary tariff rates will be adjusted to provide a greater incentive for take up
Notification date	28 February 2022
Eligibility	Available to any residential customers with an AMI meter on the CitiPower network
Other rules	A retailer can opt a customer in and out of the trial tariff at any time

2. Non-distributor owned community battery

A non-distributor owned community battery will incur the following trial tariff network charges which exclude GST.

Time band	Fixed (cents/day)	Import rate (cents/kWh)	Export rate (cents/kWh)
10am – 3pm	45	-1.5	0
4pm – 9pm		25	-1.0 ¹
All other times		0	0

All times are in local time

Same rates apply every day of the year

A positive rate is a charge, and a negative rate is a rebate

A community battery that is assigned to this tariff will remain on this tariff until 30 June 2026.

If a revised community battery tariff is introduced, then this tariff will be closed to new community batteries.

The following table covers the AER's sub-threshold tariff notification requirements.

Name of trial	Non-distributor owned community battery
Objectives of trial	The trial tariff is intended to work in tandem with an operating envelop which will safeguard the network from potential harm. The trial tariff encourages network usage when there is generally low network demand and discourage network usage when there is generally high network demand. The trial tariff results in a net rebate to community batteries which generally flatten the local demand/export profile. The net rebate is effectively an option payment to negotiate a future network support agreement should the need arise.
Retailer engagement	Not yet
Consumer engagement	Some engagement with community battery proponents.
Proposed tariff (structure and pricing)	See above table
Forecast revenue (\$ and % AAR)	A \$1,400 rebate in FY2022-23 which is less than 0.001% of AAR
Trial start date	1 July 2022
Duration of trial	Potentially up to four years.
Potential changes and triggers	If stakeholders accept the trialling of an export charge then this would likely be included in a revised trial tariff.
Notification date	28 February 2022
Eligibility	Applies to any battery-only site with a capacity of no more than 240 kVA connected to the low voltage network where the battery is not owned by the distributor.

¹ Corrected on 7 March 2022

Other rules	None
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3. Distributor owned community battery

The retailer of a distributor owned community battery will incur a trial tariff access charge of 0.8 cents per kWh contract storage capacity per day excluding GST. The trial tariff includes no other tariff components.

As an example, a battery with 240 kWh contract storage capacity will incur an annual charge of:

$$0.8 \text{ cents/kWh/day} \times 240 \text{ kWh} \times 365 \text{ days/year} \times 0.01 \text{ \$/cent} = \$701 \text{ per year}$$

Any community battery that is assigned to this tariff will remain on this tariff until 30 June 2026.

The following table covers the AER's sub-threshold tariff notification requirements.

Name of trial	Distributor owned community battery
Objectives of trial	The battery operation will be controlled by the distributor and spare capacity will be provided to the battery retailer to earn unregulated profits. No time-of-use price signals are required since the battery retailer will only be using spare capacity made available by the distributor. The trial will test how the retailer uses spare battery capacity including offering any retail products.
Retailer engagement	None
Consumer engagement	None
Proposed tariff (structure and pricing)	As above
Forecast revenue (\$ and % AAR)	None
Trial start date	1 July 2022
Duration of trial	4 years – the remainder of this regulatory period
Potential changes and triggers	None anticipated
Notification date	28 February 2022
Eligibility	Applies to any new battery-only site with a capacity of no more than 240 kVA connected to the low voltage network where the battery is owned by CitiPower. Contract storage capacity is set out in a lease agreement with the battery retailer.
Other rules	None