

Market Tariff Trial Notification

January 2023



Part of Energy Queensland

Energy Queensland, through its Distributor Network Service Providers Energex and Ergon Energy Network, will undertake trials of Time of Use Tariffs for High Voltage and Sub-Transmission Voltage customers for the purpose of gaining empirical insights and evidence to inform our 2025-30 Tariff Structure Statements, which are required to be lodged with the Australian Energy Regulator (AER) in January 2024. This trial seeks primarily new customers with primary focus of energy storage but may consider other analogous usage.

Distributor	Ergon Energy Network
Total cumulative revenue of all sub-threshold tariffs (\$ and % AAR)	Estimate is \$6.73 million, equivalent to 0.55% of AAR, across all sub-threshold tariffs.
Confirmation for publication	We confirm that this document contains no commercial or private information and we provide permission for the AER to publish this notification on the AER website.

For each sub-threshold tariff:

Name of trial	ST Time of Use Tariff Export 33/66kV (NTC: TBA)
Objectives of trial	The network tariff trial primarily assesses the ability of energy storage customers to respond to cost reflective price signals to support the electricity network in periods of low system demand and peak periods when the electricity network is more likely to be constrained. The trial further seeks to identify large customer segments that may respond to time of use windows linked with export services.
Retailer engagement	Retailer notification to be issued via Market Participant Notification of trial commencement from 1 July 2023 with additional individual Retailer engagement sessions to be provided.

<p>Consumer engagement</p>	<p>Initial Consumer engagement undertaken with energy storage proponents noting 1 July 2023 commencement, with formal engagement to progress for all customers throughout pre-trial processes.</p>
<p>Proposed tariff (structure and pricing)</p>	<p>Import Charges (applied to energy imported by the customer from the grid):</p> <ul style="list-style-type: none"> • Off-Peak Capacity Import Charge: Off-peak Capacity import charge calculation uses the maximum of the customer’s authorised kVA demand or the monthly actual kVA maximum demand during the off-peak window. Authorised demand is the maximum demand permitted to be imported from the network by a customer as specified in the customer’s connection agreement. Off Peak Capacity import window: 9pm to 10am weekdays and weekends. • Trough Demand Import Charge: A monthly charge calculated as \$/kVA/month, based on the maximum kVA demand measured as a single peak over a 30-minute period during the trough demand charging window/timeframe. Trough demand import window: 10am to 4pm weekdays and weekends. • Peak Demand Import Charge: A monthly charge calculated as \$/kVA/month, based on the maximum kVA demand measured as a single peak over a 30-minute period during the peak demand charging window/timeframe. Peak demand import window: 4pm to 9pm weekdays and weekends. <p>Export charges (applied to energy exported by the customer to the grid):</p> <ul style="list-style-type: none"> • Off-Peak Capacity Export Charge: Off-peak Capacity export charge calculation uses the maximum of the customer’s monthly actual kVA maximum export demand during the off-peak window. Off Peak Capacity export window: 9pm to 10am weekdays and weekends. • Trough Demand Export Charge: A monthly charge calculated as \$/kVA/month, based on the maximum kVA export demand measured as a single peak over a 30-minute period during the trough demand charging window/timeframe. Trough demand export window: 10am to 4pm weekdays and weekends • Peak Demand Export Charge: A monthly charge calculated as \$/kVA/month, based on the maximum kVA export demand measured as a single peak over a 30-minute period during the peak demand charging window/timeframe. Peak demand export window: 4pm to 9pm weekdays and weekends. <p>Indicative Rates include:</p> <p>Prices are provided as Network Use of System</p>



Tariff	NUOS		Network Demand Import			Network Demand Export		
	Region	Transmission	Off-peak Capacity Import Charge	Trough Demand Import Charge	Peak Demand Import Charge	Off-peak Capacity Export Charge	Trough Demand Export Charge	Peak Demand Export Charge
	Sub Transmission		\$/kVA/month	\$/kVA/month	\$/kVA/month	\$/kVA/month	\$/kVA/month	\$/kVA/month
CAC 33/66kV Storage	East	T1	9.340	0.000	6.596	0.000	0.824	-1.649
		T2	8.975	0.000	6.596	0.000	0.824	-1.649
		T3	5.886	0.000	6.596	0.000	0.824	-1.649
	West	T1	21.045	0.000	14.005	0.000	1.751	-3.501
		T2	20.680	0.000	14.005	0.000	1.751	-3.501
		T3	17.591	0.000	14.005	0.000	1.751	-3.501
Links to TSS strategy and Export tariff transition strategy (if applicable)	Insights and learnings from this tariff trial will help inform the design of Time of Use signals for our HV Customers which we intend to offer in the next regulatory period as part of the TSS.							
Forecast revenue (\$ and % AAR)	Estimate for 33/66kV is \$4.105 million, equivalent to ~0.34% of AAR.							
Trial start date	1 July 2023							
Duration of trial	2023-2024 regulatory year with option to extend for another regulatory year depending on business need.							
Potential changes and triggers	These tariffs are primarily for new customers with a network coupling point at 33/66kV with a purpose of energy storage. We may expand the eligibility criteria for participation in the tariff trial to include other at voltage customers with additional elements linked to customer assets in consultation with the AER.							
Notification date	28 February 2023							
Optional information								
Potential additions	Integration of Dynamic Operating Envelopes (DOE)							
Location of trial	Sub-Transmission customers across the Network with installed capacity below 10MVA							
Other								



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Distributor	Ergon Energy Network
Total cumulative revenue of all sub-threshold tariffs (\$ and % AAR)	Estimate is \$6.73 million, equivalent to 0.55% of AAR, across all sub-threshold tariffs.
Confirmation for publication	We confirm that this document contains no commercial or private information and we provide permission for the AER to publish this notification on the AER website.

For each sub-threshold tariff:

Name of trial	HV Time of Use Tariff Export 11/22kV (NTC: TBA)
Objectives of trial	The network tariff trial primarily assesses the ability of energy storage customers to respond to cost reflective price signals to support the electricity network in periods of low system demand and peak periods when the electricity network is more likely to be constrained. The trial further seeks to identify large customer segments that may respond to time of use windows linked with export services.
Retailer engagement	Retailer notification to be issued via Market Participant Notification of trial commencement from 1 July 2023 with additional individual Retailer engagement sessions to be provided.

<p>Consumer engagement</p>	<p>Initial Consumer engagement undertaken with energy storage proponents noting 1 July 2023 commencement, with formal engagement to progress for all customers throughout pre-trial processes.</p>
<p>Proposed tariff (structure and pricing)</p>	<p>Import Charges (applied to energy imported by the customer from the grid):</p> <ul style="list-style-type: none"> • Off-Peak Capacity Import Charge: Off-peak Capacity import charge calculation uses the maximum of the customer’s authorised kVA demand or the monthly actual kVA maximum demand during the off-peak window. Authorised demand is the maximum demand permitted to be imported from the network by a customer as specified in the customer’s connection agreement. Off Peak Capacity import window: 9pm to 10am weekdays and weekends. • Trough Demand Import Charge: A monthly charge calculated as \$/kVA/month, based on the maximum kVA demand measured as a single peak over a 30-minute period during the trough demand charging window/timeframe. Trough demand import window: 10am to 4pm weekdays and weekends. • Peak Demand Import Charge: A monthly charge calculated as \$/kVA/month, based on the maximum kVA demand measured as a single peak over a 30-minute period during the peak demand charging window/timeframe. Peak demand import window: 4pm to 9pm weekdays and weekends. <p>Export charges (applied to energy exported by the customer to the grid):</p> <ul style="list-style-type: none"> • Off-Peak Capacity Export Charge: Off-peak Capacity export charge calculation uses the maximum of the customer’s monthly actual kVA maximum export demand during the off-peak window. Off Peak Capacity export window: 9pm to 10am weekdays and weekends. • Trough Demand Export Charge: A monthly charge calculated as \$/kVA/month, based on the maximum kVA export demand measured as a single peak over a 30-minute period during the trough demand charging window/timeframe. Trough demand export window: 10am to 4pm weekdays and weekends • Peak Demand Export Charge: A monthly charge calculated as \$/kVA/month, based on the maximum kVA export demand measured as a single peak over a 30-minute period during the peak demand charging window/timeframe. Peak demand export window: 4pm to 9pm weekdays and weekends. <p>Indicative Rates include:</p> <p>Prices are provided as Network Use of System</p>



NUOS			Network Demand Import			Network Demand Export		
Tariff	Region	Transmission	Off-peak Capacity Import Charge	Trough Demand Import Charge	Peak Demand Import Charge	Off-peak Capacity Export Charge	Trough Demand Export Charge	Peak Demand Export Charge
High Voltage			\$/kVA/month	\$/kVA/month	\$/kVA/month	\$/kVA/month	\$/kVA/month	\$/kVA/month
CAC 22/11kV Storage	East	T1	9.646	0.000	12.086	0.000	1.511	-3.021
		T2	10.625	0.000	12.086	0.000	1.511	-3.021
		T3	11.975	0.000	12.086	0.000	1.511	-3.021
	West	T1	22.165	0.000	38.948	0.000	4.868	-9.737
		T2	23.144	0.000	38.948	0.000	4.868	-9.737
		T3	24.494	0.000	38.948	0.000	4.868	-9.737

Links to TSS strategy and Export tariff transition strategy (if applicable)
 Insights and learnings from this tariff trial will help inform the design of Time of Use signals for our HV Customers which we intend to offer in the next regulatory period as part of the TSS.

Forecast revenue (\$ and % AAR)
 Estimate for 11/22kV is \$2.626 million, equivalent to ~0.22% of AAR.

Trial start date
 1 July 2023

Duration of trial
 2023-2024 regulatory year with option to extend for another regulatory year depending on business need.

Potential changes and triggers
 These tariffs are primarily for new customers with a network coupling point at 11/22kV with a purpose of energy storage. We may expand the eligibility criteria for participation in the tariff trial to include other at voltage customers with additional elements linked to customer assets in consultation with the AER.

Notification date
 28 February 2023

Optional information

Potential additions
 Integration of Dynamic Operating Envelopes (DOE)

Location of trial
 High Voltage customers across the Network with installed capacity below 10MVA

Other





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