

**Notification template for a distributor intending to provide sub-threshold tariffs. All fields required unless otherwise specified.**

<b>Distributor</b>	SA Power Networks
<b>Total cumulative revenue of all sub-threshold tariffs (\$ and % AAR)</b>	The total cumulative revenue of all sub-threshold tariffs is \$0.2 million, equivalent to 0.02% Forecast AAR and 0.02% Forecast TAR for the 2025/26 regulatory year.
<b>Confirmation for publication</b>	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:**

<b>Name of trial</b>	Diversify 2.0
<b>Objectives of trial</b>	<p>The trial tariff Diversify 2.0 offers a daily rebate to incentivise residential customers with devices connected to a Home Energy Management System (HEMS). This will allow SA Power Networks to alter the customer import limit, which may result in the HEMS regulating the consumption of connected smart devices to comply with the import limit. This will enable SA Power Networks to increase the diversity of load, thereby avoiding inefficient distribution network investment. The participating HEMS must demonstrate the capability to receive SA Power Networks dynamic operating envelope signals.</p> <p>Diversify 2.0 will have a two tiered daily rebate for eligible smart devices:</p> <p>Tier 1   1 or 2 eligible smart devices</p> <p>Tier 2   3 or more eligible smart devices</p> <p>Eligible smart devices include hot water, air conditioning and electric vehicles. Batteries are not considered to be an eligible smart device in this trial.</p> <p>The objective of this trial tariff is to better understand how customers respond to financial rewards in exchange for offering flexibility.</p> <p>This trial is a continuation from 2024/25 with the addition of a second tier rebate in 2025/26.</p>
<b>Retailer engagement</b>	<p>SA Power Networks has consulted with several retailers with varying market shares.</p> <p>This consultation will continue as the technical specifications and processes are refined to ensure that retailers are able to develop and successfully implement retail offers for customers.</p>
<b>Consumer engagement</b>	SA Power Networks has consulted with a number of key stakeholders in the development of Diversify 2.0. This consultation has led to Diversify 2.0 in its current form. The retailers who are packaging the trial tariff into their retail offers are inviting all eligible customers to participate and are providing information on how they can engage with trial.
<b>Expected consumer and/or retailer response</b>	No customer response is expected as the HEMS will deliver demand response on their behalf. We expect the retailer to incorporate the trial tariff into a retail offer for customers.
<b>Proposed tariff (structure and pricing)</b>	<p>Daily rebate for Residential customers on a residential time of use tariff.</p> <p>Tier 1   \$0.33</p> <p>Tier 2   \$0.55</p>

<b>Links to TSS strategy and Export tariff transition strategy (if applicable)</b>	Learnings from this tariff trial will help inform the design of tariff incentives being considered in the next regulatory period as part of the TSS.
<b>Forecast revenue (\$ and % AAR)</b>	\$0.2 million, equivalent to 0.02% AAR for the upcoming 2025/26 regulatory year.
<b>Trial start date</b>	1 July 2025
<b>Duration of trial</b>	Two regulatory years.
<b>Potential changes and triggers</b>	The details of the trial, including forecast revenues, will be reviewed in collaboration with affected retailers before each subsequent year in February. Updates to the trial tariff will be advised through the trial tariff notification process with the AER.
<b>Notification date</b>	27 February 2025
<b>Optional information</b>	
<b>Forecast volumes</b>	500 Residential customers.
<b>Potential additions</b>	
<b>Location of trial</b>	Residential customers throughout South Australia.
<b>Other</b>	