



Evoenergy 2019-24 electricity distribution determination

Public forum

Friday 13 April 2018

2:00-4:00pm

Canberra

aer.gov.au

Who are we

- The AER works to make Australian energy consumers better off by:
 - regulating electricity networks and covered gas pipelines, in all jurisdictions except WA
 - enforcing the laws for the NEM and spot gas markets in southern and eastern Australia
 - protecting the interests of household and small business consumers by enforcing the NERL

About this process

- Our determination for Evoenergy:
 - Will set the revenue it can recover from customers for the provision of electricity network services
 - Will approve a TSS and pricing structures for other services, which set out how that revenue is spread across its customer base.

What we want to hear from you

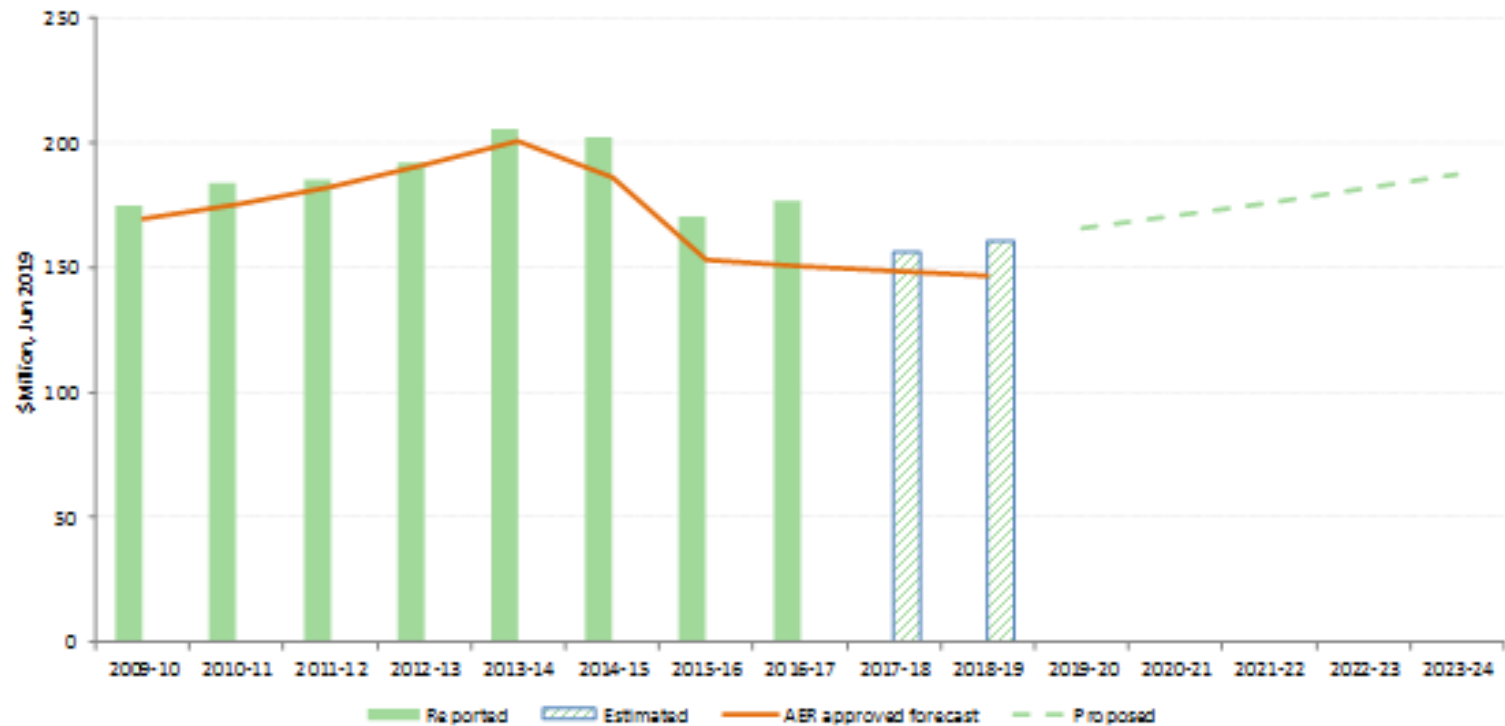
- Extent to which Evoenergy's proposal draws on feedback (key themes) it received from its consumer engagement.
 - Has this been adequately reflected?
 - Are these the right areas of focus for us?
- Issues paper highlights key areas of focus for us within the proposal:
 - Do you agree?
 - Have we missed anything?

What would this proposal mean for customers?

- Average annual increase of 5.5% (\$nominal) to distribution network charges
- Residential customers:
 - Average annual increase of \$33/year
 - Total impact over 2019–24 \$163
- Small business customers:
 - Average annual increase of \$113/year
 - Total impact over 2019-24 of \$565

Initial impressions of the proposal

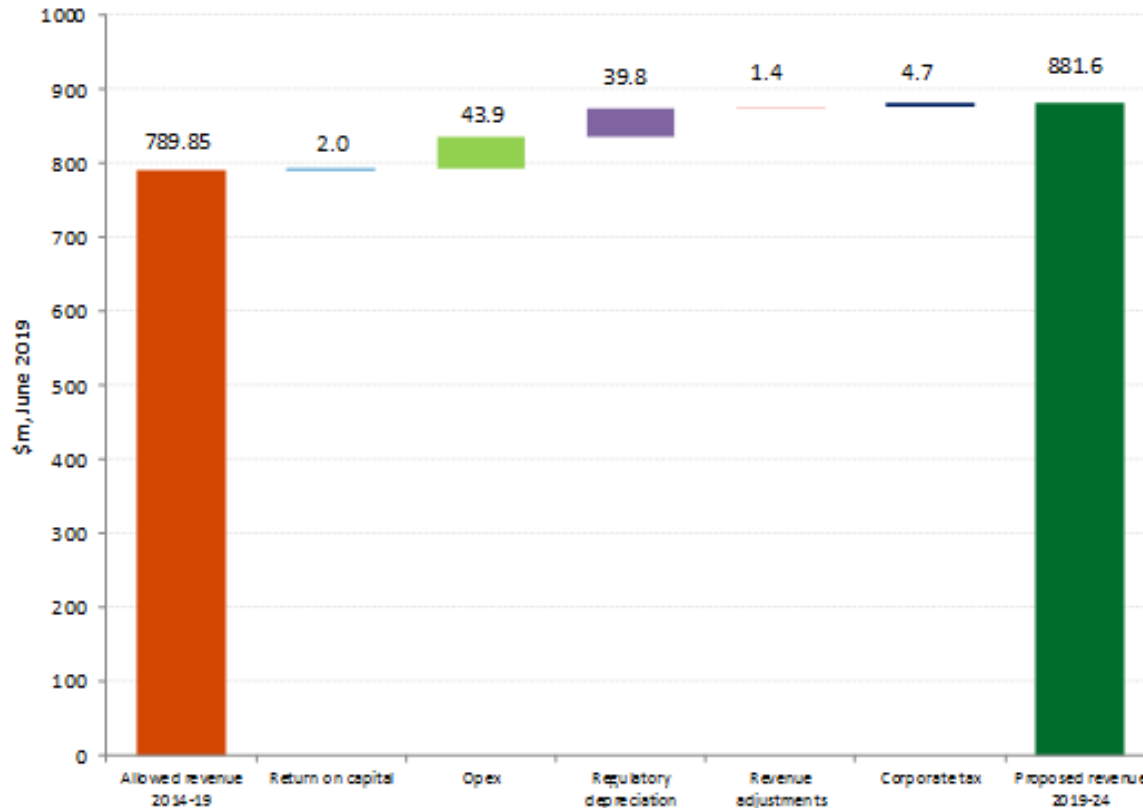
Evoenergy's revenue over time (\$m, 2018/19)



Source: AER analysis [Issues paper p. 12]

What seems to be changing?

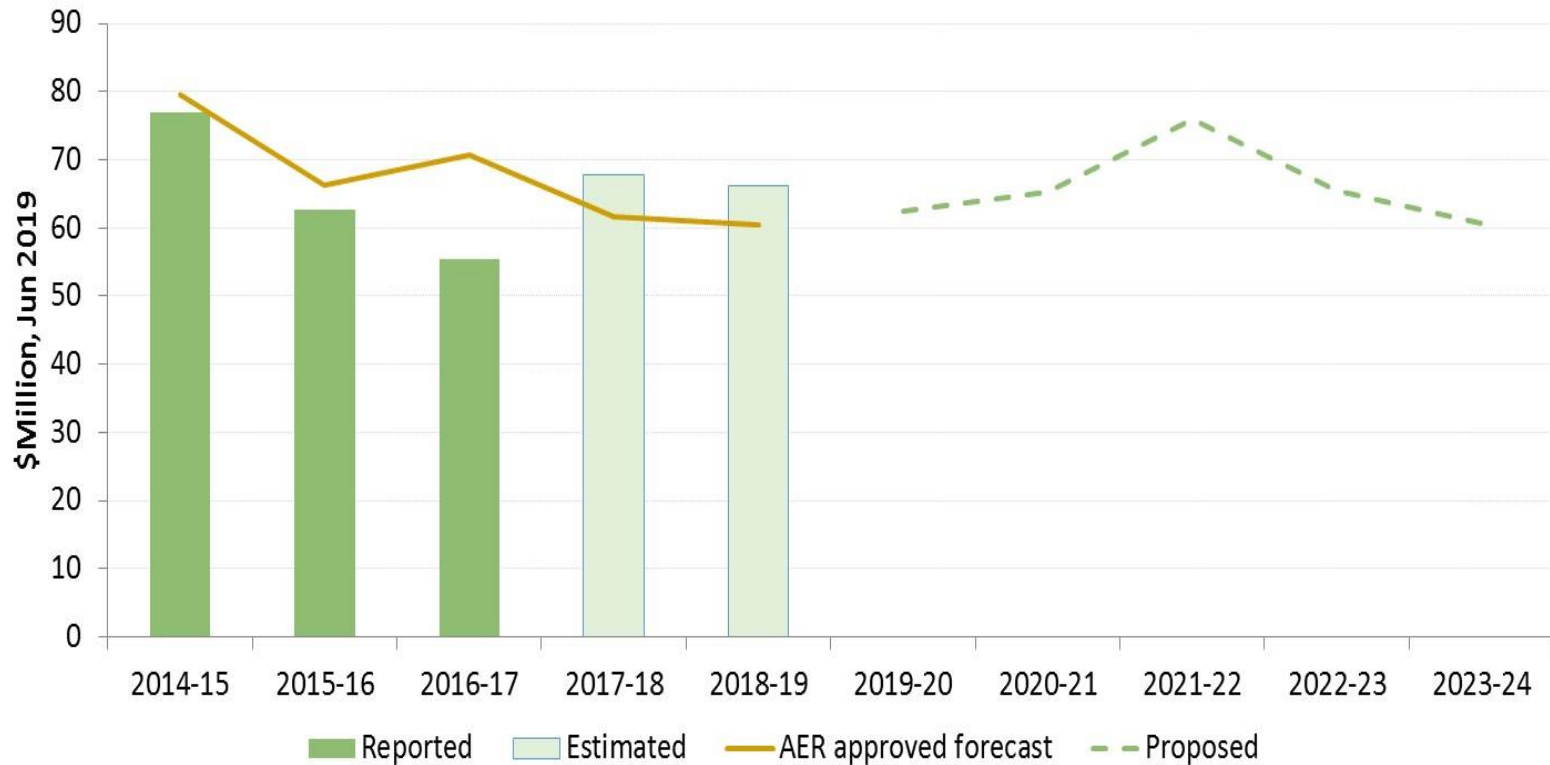
Change in revenue 2014-19 to 2019-24 (\$m, 2018/19)



Source: AER analysis [Issues paper p. 13]

Capex

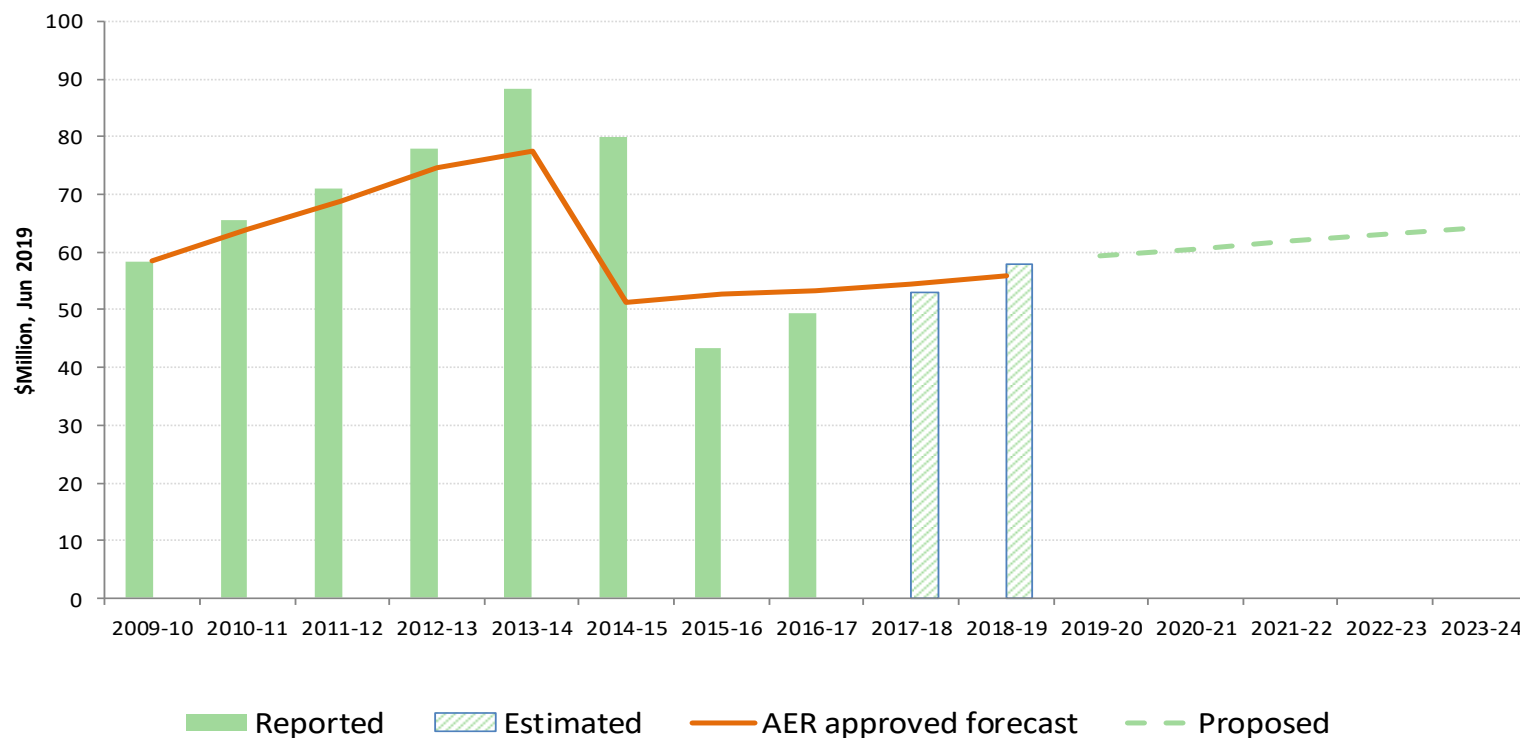
Change in capex 2014-19 to 2019-24 (\$m, 2018/19)



Source: AER analysis [Issues paper p. 19]

Opex

Change in opex 2009-14 to 2019-24 (\$m, 2018/19)



Source: AER analysis [Issues paper p. 14]

Cost reflective tariffs

- New TSSs introduced from 2017
- Evoenergy relatively advanced: a unique opportunity to learn from this experience
 - Small customer experience?
 - Large user experience?
 - Changes in behaviour?
 - Thoughts on where to go next?

What happens next?

Milestone	Date
Evoenergy submits its proposal	31 January 2018
AER issues paper published	29 March 2018
Public forum on Evoenergy's proposal	13 April 2018
Submissions on Evoenergy's proposal due	16 May 2018
AER draft decision published	September 2018
Public forum on draft decision	October 2018
Evoenergy submits its revised proposal	November 2018
Submissions on draft decision and revised proposal due	January 2019
AER final decision published	April 2019

How you can get involved

- Written submissions 16 May 2018
- Subscribe to our website for updates:
<https://www.aer.gov.au/newsletter/subscribe>
- Contact us:
[evoenergy2019-24@aer.gov.au](mailto:evoenergy2019-24@ aer.gov.au)