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# Electricity Distribution

## Annual Tariff Proposal 2019

1 January 2019

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## Table of Contents

<b>1 Introduction</b>	<b>5</b>
1.1 About AusNet Services	5
1.2 Network Charges and Other Charges	7
1.3 Structure of this document	7
<b>2 Regulatory Environment</b>	<b>9</b>
2.1 The Tariff Structure Statement	9
2.2 Electricity Distribution Price Review requirements	10
2.2.1 Total Annual Revenue	11
2.2.2 Revenue Cap Formulae	13
<b>3 Network Tariff Classes</b>	<b>17</b>
<b>4 Proposed Tariffs and Charging Parameters</b>	<b>18</b>
4.1 Background to Tariff Access	18
4.1.1 Legacy Tariffs	18
4.1.2 Flexible Tariffs	19
4.1.3 Cost Reflective Tariffs	19
4.1.4 Tariff Mergers	20
4.2 Tariff Reassignments for 40 – 160 MWh Customers	21
4.3 Opting in to Cost Reflective Tariffs	22
4.4 Solar Tariff Assignment	22
4.5 Backdating Tariffs	23
4.6 Closed to New Entrants Tariffs	23
4.7 Charging Parameters	23
4.8 Indicative Tariffs	24
4.9 Long run Marginal Cost	27
4.10 Stand Alone and Avoidable Costs	28
<b>5 Variations to Tariffs</b>	<b>29</b>
5.1 Small Residential	29
5.2 Small Industrial & Commercial	31
5.3 Medium Industrial & Commercial	32
5.4 Large LV Industrial & Commercial	33
5.5 Large HV Industrial & Commercial	34
5.6 Large ST Industrial & Commercial	35
5.7 Critical Peak Demand Tariffs	36
5.8 Power Factor Correction	39

<b>6 Designated Pricing Proposal Charges</b>	<b>40</b>
6.1 Overview	40
6.2 Charges for 2019	40
<b>7 Jurisdictional Pricing Proposal Charges</b>	<b>42</b>
7.1 Overview	42
7.2 Jurisdictional Charges for 2019	42
<b>8 Public Lighting</b>	<b>43</b>
8.1 Public Lighting Overview	43
8.2 Public Lighting Tariffs for 2019	44
<b>9 Ancillary Network Services</b>	<b>45</b>
9.1 Ancillary Network Services Overview	45
9.2 Price Changes for 2019	45
<b>10 Prescribed Metering Charges</b>	<b>46</b>
10.1 Electricity Distribution Price Review annual metering charges requirements	46
10.2 Metering Charges Unders and Overs Account	48
<b>11 Glossary</b>	<b>49</b>
<b>12 Attachments</b>	<b>52</b>
12.1 Network Tariff Schedule	53
12.2 Distribution Use of System Tariff Schedule	55
12.3 Transmission Use of System Tariff Schedule	57
12.4 Jurisdictional Tariff Schedule	59
12.5 Tariff Structure	61
12.6 Minimum Metering Requirements	62
12.7 Prescribed Metering Schedule	63
12.8 Ancillary Services Schedule	65
12.9 Public lighting Schedule	67

## 1 Introduction

This document, its appendices and attachments comprise of AusNet Services' 2019 Pricing Proposal. It covers our direct control (standard control and alternative control) services for 2019 in accordance with clause 6.18.2 of the National Electricity Rules and the AER's Final Distribution Determination for the 2016 to 2020 regulatory control period.

Clause 6.18 of the Rules sets out the requirements concerning distribution pricing. These requirements include the pricing principles which guide this Pricing Proposal, and the matters the pricing proposal must address including:

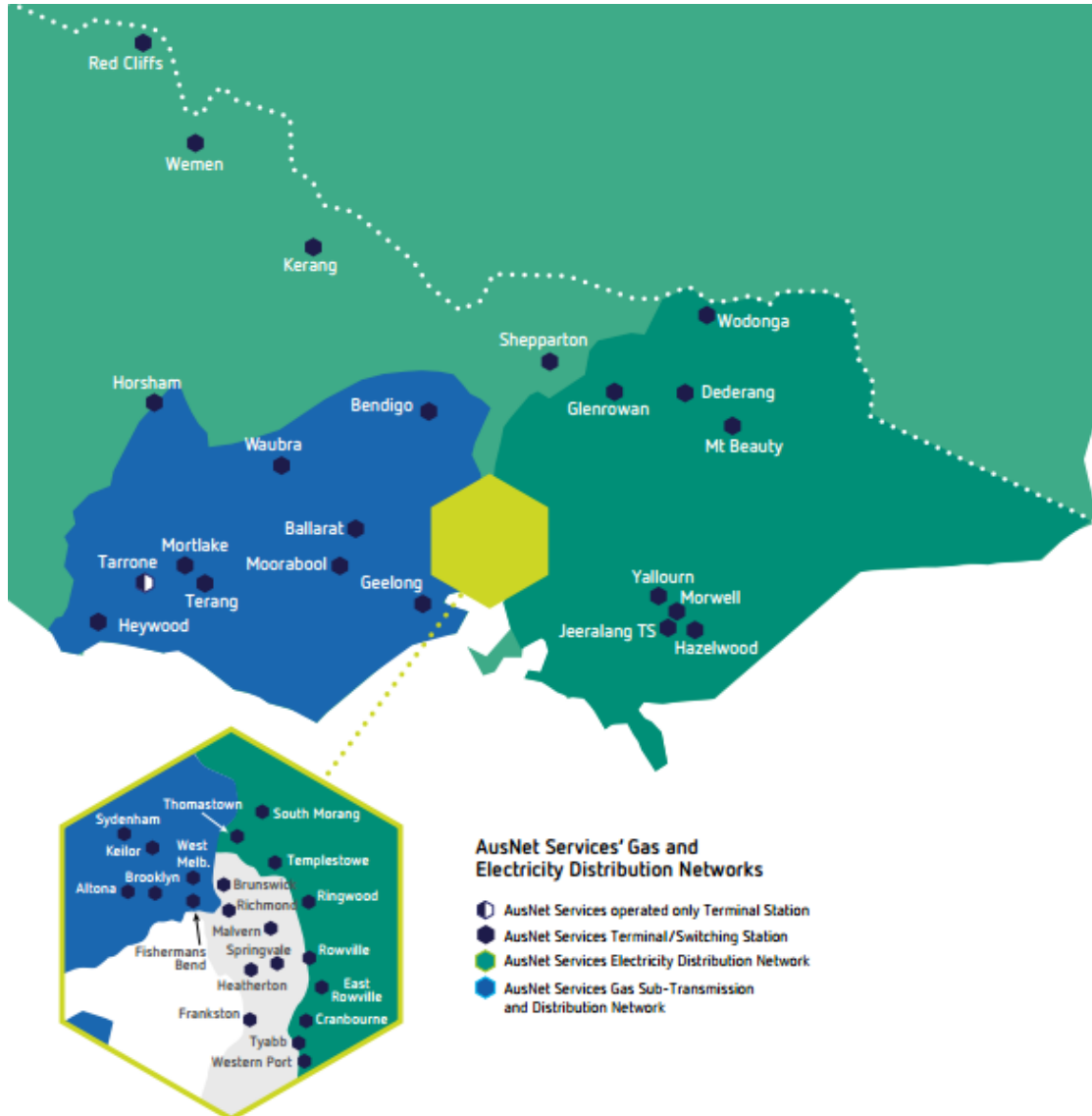
- classification of services;
- the pricing control mechanism;
- assigning and reassigning customers to tariff classes;
- recovery of transmission costs; and
- recovery of jurisdictional scheme amounts.

### 1.1 About AusNet Services

AusNet Services' electricity distribution network delivers electricity to 665,000 households and 70,000 businesses. The network is made up of 44,000 kilometres of electricity lines, predominantly overhead network traversing rural areas and built over the period from the 1950s to the present.

Split by the Great Dividing Range, the network covers heavily forested and mountainous areas, as well as the low lying and coastal regions of Gippsland. On the northern and eastern fringes of Melbourne, the network services highly populated suburbs including through the heavily vegetated Dandenong Ranges. AusNet Services' electricity distribution area is shown in Figure 1 below.

Figure 1: AusNet Services' Electricity and Gas regions



AusNet Services manages and maintains the electricity network in line with good industry practice to deliver electricity to customers safely and reliably. Our direct control services include:

- maintaining and operating the network;
- investing in network extensions and upgrades for future customer needs;
- connecting new customers to our network;
- providing and maintaining public lighting in our network area; and
- providing meter data to retailers.

The revenue obtained from tariffs and charges in this Pricing Proposal funds the above services.

## 1.2 Network Charges and Other Charges

Network tariffs (for standard control services) cover the cost of transporting electricity from the generator through the transmission and distribution networks to our customers' homes or businesses. Network charges also recover jurisdictional schemes costs which currently comprise the Victorian premium feed-in tariff scheme.

Charges for a variety of other services (referred to in the rules as Alternative Control Services) are also addressed in this Proposal. This includes:

- metering fees which cover the costs of the meter and meter data services;
- public lighting charges which relate to the provision and maintenance of public lighting services; and
- other distribution services that are provided in response to the request or specific needs of our customers. Typical examples of these services are Field Officer Visits, Truck Visits and Connection Services for new customers.

## 1.3 Structure of this document

The purpose of this proposal is to enable distribution customers to understand the basis for the tariff policies adopted by AusNet Services and to communicate changes in tariffs. The structure of this document is outlined in the table below, including how it addresses the informational requirements of Clause 6.18 of the Rules.

**Table 1.3 – Proposal Structure**

Section	Title	Intent	Rules Compliance
1	Introduction	AusNet Services role & services	
2	Regulatory Environment	Description of Price Regulation requirements	
2.2.1	Total Annual Revenue	Total revenue by tariff class	6.18.2(b)(4)
3	Network Tariff Classes	Tariff and Tariff Class descriptions	6.18.2(b)(2)
4	Proposed Tariffs And Charging Parameters	Tariff Rates for 2019 and how they are applied to customers	6.18.2(b)(3)
4.8	Indicative Tariffs		6.18.2 (d)(e)

Section	Title	Intent	Rules Compliance
5	Variations To Tariffs	Changes in rates from TSS and impact on future years	6.18.2(b)(5)
6	Designated Pricing Proposal Charges	How transmission charges are recovered	6.18.2(b)(6)
7	Jurisdictional Pricing Proposal Charges	How Jurisdictional costs are recovered	6.18.2(b)(7) & (8)
8	Public Lighting	Public Lighting services and charges	
9	Ancillary Network Services	Ancillary Services	6.2.2 (a)
10	Prescribed Metering Charges	How Prescribed metering costs are applied	
11	Glossary	Description of terms used in this document	
12	Attachments	Sets out pricing schedules	



## 2 Regulatory Environment

The AER regulates AusNet Services' electricity distribution revenues and tariffs in accordance with the National Electricity Rules. The primary instruments of its regulation are:

- the relevant Electricity Distribution Revenue Determination for AusNet Services;
- the relevant Tariff Structure Statement; and
- the annual Pricing Proposal decision.

In developing this Pricing Proposal, AusNet Services has therefore had regard for and ensured consistency with:

- the AER's Final Distribution Revenue Determination for the period 2016 to 2020 made on 26 May 2016;
- our Tariff Structure Statement (TSS) for the period 2017-2020 which was approved by the AER on 24 August 2016; and
- an addendum to the TSS (discussed further in Section 2.1) approved by the AER on 20 September 2017.

It is noted that the pricing arrangements in Victoria have evolved over time. AusNet Services considers the 2017-20 TSS as an important step towards a pricing landscape that will increasingly see prices reflecting costs.

### 2.1 The Tariff Structure Statement

On 30 October 2015 AusNet Services submitted its first Tariff Structure Statement (TSS) proposal to the AER. The AER approved the TSS and tariff structures applying for the 2017-20 period.

If any conflict exists between this document and the Approved TSS (and its September 2017 addendum), the TSS will prevail unless the contrary is explicitly stated.

AusNet Services notes that since 2002 AusNet Services has classified Small Industrial & Commercial (I&C) customers as those using up to 160MWh per annum and Medium sized customers as those using 160MWh to 400MWh per annum, consistent with National Market definitions. However, AusNet Services' TSS (at Table 3.3) identified Small I & C customers as those using up to 70MWh per annum and Medium I & C customers as those using between 70MWh and 400MWh per annum. To clarify, the TSS was incorrect in stating this, and this Pricing Proposal continues to use the existing classification.

For AusNet Services to comply with these settings further tariffs not proposed in the TSS and not included in the current proposal would be required to accommodate customers using between 70MWh and 160MWh that would also need to be assigned to a cost reflective tariff similar in structure to the proposed NASN19 and NASN21 tariffs but classified as Medium I&C. This would also result in a non-compliance with the approved TSS. Therefore AusNet Services preferred solution is to vary the Approved TSS by updating the relevant tables. This has no impact on customers in those tariff classes. The following table sets out the correct tariff classifications:

**Table 2.1 - AusNet Services' proposed tariff classes**

Tariff Class	Typical Customer	Tariffs
Residential	Small LV Residential Customers, 230V & 415V	NEE11, NGT11, NSP11, NEN11, NEE20, NSP20, NGT26, NEN20, NEE23, NSP23, NEE24, NEE30, NSP30, NEE31, NSP31, NEE32, NSP32, NASN11
Small Business	Small LV Industrial & commercial customers using up to 160MWh a year, 230V & 415V	NEE12, NSP12, NEN12, NEE21, NSP21, NSP27, NEN21, NEE25, NASN12, NASN19, NASN21
Medium	Medium LV Industrial & Commercial customers using between 160MWh and 400MWh a year, 230V & 415V	NEE40, NEE51, NEE52, NEE55, NSP55, NSP56, NEN56, NEE60
Large	Large LV Industrial & Commercial customers using over 400MWh a year, 415V	NEE74, NSP75, NSP76, NSP77, NSP78
High Voltage	Large HV Industrial & Commercial customers 6.6kV, 11kV & 22kV	NSP81, NSP82, NSP83
Sub Transmission	Large Extra HV Industrial & Commercial customers 66kV	NSP91, NSP94, NSP95

\* Additional tariffs in schedules are created by combining Dedicated Circuit tariffs with other tariffs where customers have two element metering installed or by including Premium Transitional and Standard Feed-In arrangements for small PV customers.

The TSS provides for the introduction of opt-in cost-reflective demand tariffs for residential and small commercial customers (<40MWh consumption per year) commencing in 2018. These tariffs are accordingly included in tariff schedules in this Tariff Proposal. We note that energy based seasonal time of use tariffs continue to be available as an alternative cost reflective tariff structure.

An amendment to the 2016 TSS was necessary to comply with Victorian government policy amendment which is given effect via orders in council gazetted on 14 September 2017. The policy requires that medium business customers, i.e. customers consuming between 40MWh and 160MWh per year, have the option to opt-out of the network tariff with a demand charge to which they have been assigned. The opt-out arrangement applied from 1 January 2018.

## 2.2 Electricity Distribution Price Review requirements

AusNet Services revenue and pricing must comply with its 2016 – 2020 Electricity Distribution Price Determination. Total revenues recovered through distribution prices and the relevant price formulae are explained in more detail below.

### 2.2.1 Total Annual Revenue

AusNet Services Total Annual Revenue for 2019 is determined by the AER taking account of the Annual Smoothed Revenue determined in the 2016 – 2020 Electricity Distribution Price Review and adjusted for:

- CPI;
- service target performance incentive scheme results<sup>1</sup>;
- f-factor scheme;
- approved revenue<sup>2</sup> to continue to deliver a legislated bushfire safety program (known as REFCLs);
- the recovery of Victorian Government license fee charges;
- the under or over recovery of revenue collected through DUoS charges in previous years;
- any AER approved pass through amounts, and;
- the X factor revised for the return on debt.

Taking account of each of these adjustments AusNet Services annual distribution revenue for 2019 is \$647.4M. The following table shows how the above components make up the Total Annual Revenue for 2019.

Annual Revenue Item	\$M
Adjusted annual smoothed revenue for year t	653.484
l factor for year t (f factor scheme)	1.485
DUoS revenue under/over recovery approved	-7.716
License fee recovery amount for year t	0.185
Approved pass through amount for year t	0
<b>Total Annual Revenue</b>	<b>647.438</b>

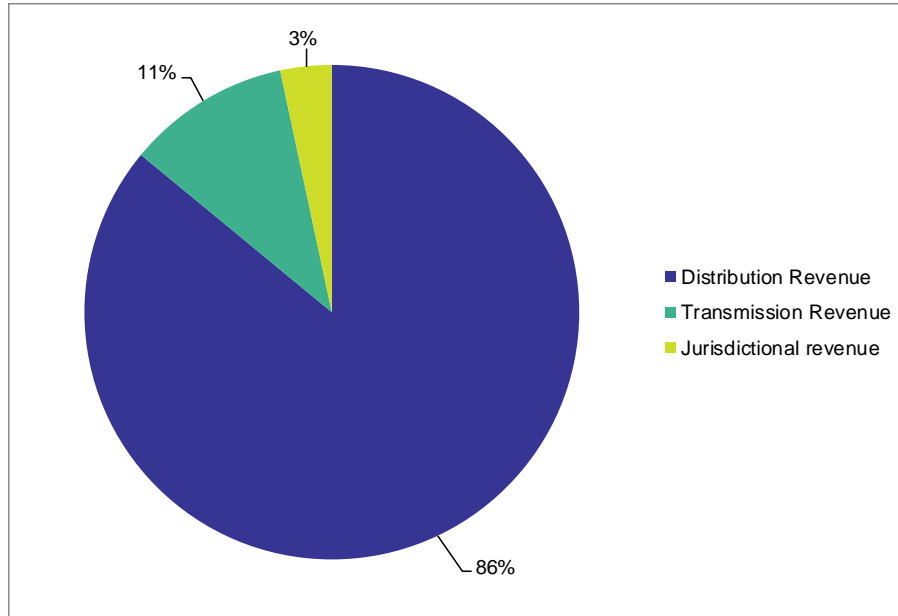
Network Revenue also include the recovery of Transmission Costs and Jurisdictional amounts. For 2019 the recovery of these components are \$80.4M and \$25.2M, and the Total Annual Revenue is \$753.1M. The proportions are shown in the figure below.

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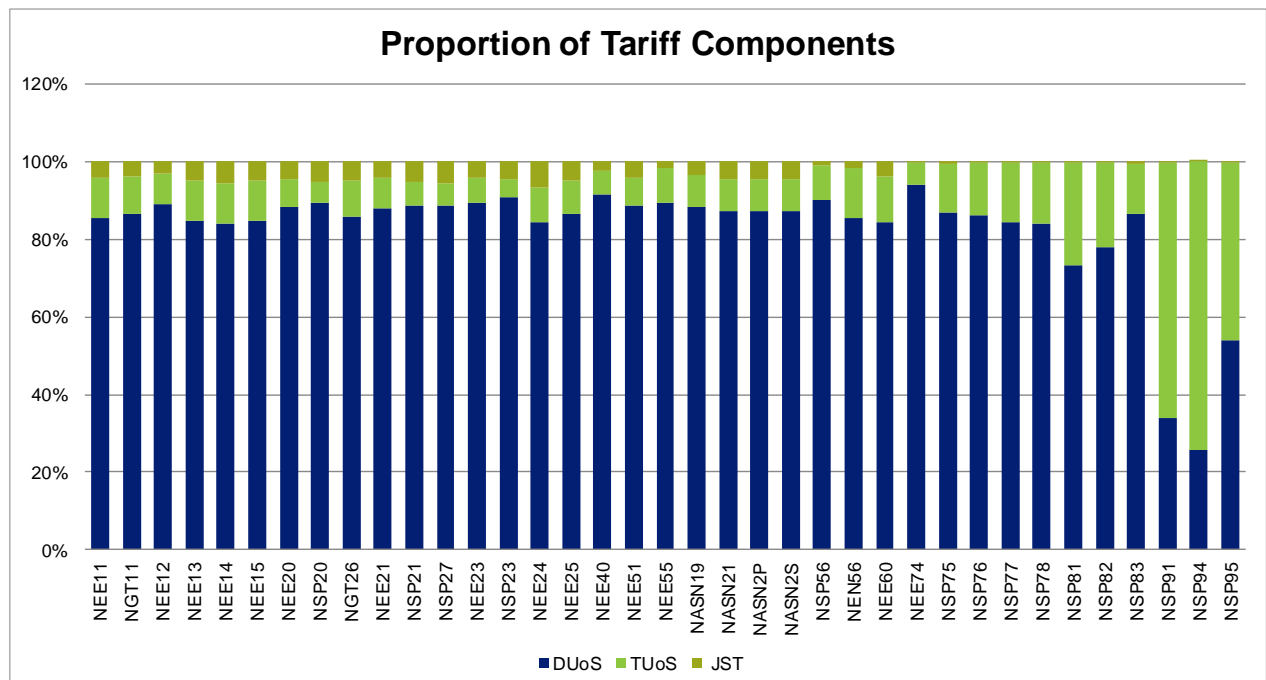
<sup>1</sup> Note the s bank provisions have been applied to defer 50% of the s factor until 2020, to smooth pricing outcomes.

<sup>2</sup> See AusNet Services – Contingent Project – installation of Rapid Earth Fault Current Limiters – tranche 2; *Australian Energy Regulator* (<https://www.aer.gov.au/networks-pipelines/determinations-access-arrangements/contingent-projects/ausnet-services-contingent-project-installation-of-rapid-earth-fault-current-limiters-tranche-2>)

Figure 2.2.1: Components of Total Annual Revenue



The chart below shows the proportion of Distribution, Transmission and Jurisdictional charges in each network tariff.



Transmission charges are discussed in section 6, and Jurisdictional charges are addressed in further detail in section 7.

## 2.2.2 Revenue Cap Formulae

As of 1 January 2016 AusNet Services' is subject to a Revenue Cap form of regulation.

For 2016 under the Revenue Cap regulation distribution prices were set in accordance with the formula set out in Attachment 14 of the AER Preliminary Decision which is as follows:

### Price Control Formula

- $TAR_t \geq \sum_{i=1}^n \sum_{j=1}^m p_t^{ij} q_t^{ij}$   $i=1,\dots,n$  and  $j=1,\dots,m$  and  $t=1,\dots,5$
- $TAR_t = AAR_t + I_t + T_t + B_t$   $t = 1,2,\dots,5$
- $AAR_t = AR_t(1 + S_t)$   $t = 1$
- $AAR_t = AAR_{t-1}(1 + \Delta CPI_t)(1 - X_t)(1 + S_t)$   $t = 2,\dots,5$

where;

$TAR_t$  is the total annual revenue in year t.

$p_t^{ij}$  is the price of component j of tariff i in year t.

$q_t^{ij}$  is the forecast quantity of component j of tariff i in year t.

$AAR_t$  is the adjusted annual smoothed revenue requirement for year t.

$I_t$  is the annual adjustment f-factor scheme amount in year t. This amount will be calculated as per the method set out in the relevant f-factor scheme.

$T_t$  is the final carryover amount from the application of the DMIS from the 2011–15 regulatory control period. This amount will be calculated using the method set out in the DMIS and will be deducted from/added to allowed revenue in the 2019 pricing proposal.

$B_t$  is the sum of:

- the recovery of license fee charges by the Victorian Essential Services Commission indexed by one and a half years of interest, calculated using the following method:

$$L_{t-1}(1 + WACC_{t-1})(1 + WACC_{t-2})^{1/2}$$

where:

$L_{t-1}$  are the licence fees paid by AusNet Services to the Victorian Essential Services Commission in the financial year ending in June of regulatory year t-1,

$WACC$  is the approved nominal weighted average cost of capital (WACC) for the relevant regulatory year using the following method,

$$\text{Nominal vanilla WACC}_t = ((1 + \text{real Vanilla WACC}_t) \times (1 + \Delta\text{CPI}_t)) - 1$$

where the *real Vanilla WACC<sub>t</sub>* is as set out in our final decision PTRM and updated annually

- any under or over recovery of actual revenue collected through DUoS charges in regulatory year t–2 as calculated using the method in appendix A of Attachment 14 of the AER Preliminary Decision 2016-20;
  - the AER approved pass through amounts (positive or negative) with respect to regulatory year t.

$AR_t$  is the annual smoothed revenue requirement as stated in the Post Tax Revenue Model (PTRM) for year t (when year t is the first year of the 2016–20 regulatory control period).

$S_t$  is the s-factor determined in accordance with the service target performance incentive scheme (STPIS) for regulatory year t.

$\Delta\text{CPI}_t$  is the annual percentage change in the ABS CPI All Groups, Weighted Average of Eight Capital Cities from the June quarter in year t–2 to the June quarter in year t–1, calculated using the following method:

The ABS CPI All Groups, Weighted Average of Eight Capital Cities for the June quarter in regulatory year t–1

divided by

The ABS CPI All Groups, Weighted Average of Eight Capital Cities for the June quarter in regulatory year t–2

minus one.

For example, for the 2018 regulatory year, t–2 is June quarter 2016 and t–1 is June quarter 2017 and for the 2019 regulatory year, t–2 is June quarter 2017 and t–1 is June quarter 2018 and so on.

$X_t$  is the X factor for each year of the 2016–20 regulatory control period as determined in the PTRM, and annually revised for the return on debt update in accordance with the formula specified in attachment 3 of the AER Final Decision—rate of return—calculated for the relevant year.

For each year within a regulatory control period the prices are also subject to a Side Constraint formula that limits the amount by which a tariff class can be increased. The AER’s final decision sets out the Side Constraint formula to apply to Standard Control services:

**Side Constraint Formula**

$$\frac{\left(\sum_{i=1}^n \sum_{j=1}^m d_t^{ij} q_t^{ij}\right)}{\left(\sum_{i=1}^n \sum_{j=1}^m d_{t-1}^{ij} q_t^{ij}\right)} \leq (1 + \Delta CPI_t) \times (1 - X_t) \times (1 + 2\%) \times (1 + S_t) + I_t' + T_t' + B_t'$$

where each tariff class has "n" tariffs, with each up to "m" components, and where:

$d_t^{ij}$  is the proposed price for component 'j' of tariff 'i' for year t.

$d_{t-1}^{ij}$  is the price charged for component 'j' of tariff 'i' in year t-1.

$q_t^{ij}$  is the forecast quantity of component 'j' of the tariff class in year t.

$\Delta CPI_t$  is the annual percentage change in the ABS CPI All Groups, Weighted Average of Eight Capital Cities from the June quarter in year t-2 to the June quarter in year t-1, calculated using the following method:

The ABS CPI All Groups, Weighted Average of Eight Capital Cities for the June quarter in regulatory year t-1  
divided by  
The ABS CPI All Groups, Weighted Average of Eight Capital Cities for the June quarter in regulatory year t-2  
minus one.

For example, for the 2018 regulatory year, t-2 is June quarter 2016 and t-1 is June quarter 2017 and for the 2019 regulatory year, t-2 is June quarter 2017 and t-1 is June quarter 2018 and so on.

$X_t$  is the X factor for each year of the 2016-20 regulatory control period as determined in the PTRM, and annually revised for the return on debt update in accordance with the formula specified in attachment 3 of the AER Final Decision—rate of return—calculated for the relevant year. If  $X > 0$ , then X will be set equal to zero for the purposes of the side constraint formula.

$S_t$  is the s-factor determined in accordance with the STPIS for regulatory year t.

$I_t'$  is the annual percentage change from the f-factor scheme amount in year t. This amount will be calculated as per the method set out in the relevant f-factor scheme.

$T_t'$  is the annual percentage change from the final carryover amount from the application of the DMIS from the 2011-15 regulatory control period. This amount will be calculated using the method set out in the DMIS and will be deducted from/added to allowed revenue in the 2017 pricing proposal.

$B_t'$  is annual percentage change from the sum of:

- the recovery of license fee charges by the Victorian Essential Services Commission indexed by one and a half years of interest, calculated using the following method:

$$L_{t-1}(1+WACC_{t-1})(1+WACC_{t-2})^{1/2}$$

where:

$L_{t-1}$  are the licence fees paid by AusNet Services to the Victorian Essential Services Commission in the financial year ending in June of regulatory year t- 1

$WACC$  is the approved nominal weighted average cost of capital (WACC) for the relevant regulatory year, using the following method:

$$Nominal\ vanilla\ WACC_t = ((1 + real\ Vanilla\ WACC_t) \times (1 + \Delta CPI_t)) - 1$$

where the *real Vanilla WACC<sub>t</sub>* is as set out in our final decision PTRM and updated annually

- any under or over recovery of actual revenue collected through DUoS charges in regulatory year t-2 as calculated using the method in appendix A of Attachment 14 of the AER Preliminary Decision 2016-20;
- the AER approved pass through amounts (positive or negative) with respect to regulatory year t.

With the exception of the CPI, X factor and S factor, the percentage for each of the other factors above can be calculated by dividing the incremental revenues (as used in the total annual revenue formula) for each factor by the expected revenues for regulatory year t-1 (based on the prices in year t-1 multiplied by the forecast quantities for year t).



### 3 Network Tariff Classes

This section sets out AusNet Services tariffs within each network tariff class. AusNet Services tariff classes have been based on grouping customers that have a common connection and energy use profile.

For 2019 AusNet Services tariff classes and the tariffs within each class are shown in the table below.

Tariff Class	Tariffs	Existing (\$)	Proposed (\$)
Small Residential - < 160MWh	NEE11, NASN11, NASN11P, NEN11, NGT11, NSP11, NEE13, NEN13, NGT13, NSP13, NEE14, NEN14, NGT14, NSP14, NEE15, NEN15, NGT15, NSP15, NEE20, NEN20, NSP20, NEE23, NEE26, SUN23, NSP23, SSP23, NEE24, NGT26, NGT23, NGT24, NGT25, NEE30, NSP30, NEE31, NSP31, NEE32, NSP32	322,522,055	341,466,278
Small Industrial & Commercial - < 160MWh	NEE12, NASN12, NASN12P, NASN19, NEN12, NSP12, NEE16, NEN16, NSP16, NEE17, NEN17, NSP17, NEE18, NEN18, NSP18, NEE21, NEN21, NSP21, NASN21, NASN2P, NASN2S, SUN21, SSP21, SSP27, NEE27, NEE28, NSP27, NEE25	131,618,406	139,343,420
Medium Industrial Commercial - > 160MWh to 400MWh	NEE40, NEE41, NEE42, NEE43, NEE51, NEE52, NEE55, NSP55, NSP56, NEN56, NEE60	50,448,409	53,412,114
Large 1 Industrial Commercial - > 400MWh to 750MWh	NEE74, NSP75	28,227,315	29,885,268
Large 2 Industrial Commercial - > 750MWh to 2GWh and >280kVA	NSP76	34,819,369	36,863,740
Large 3 Industrial Commercial - > 2GWh to 4GWh and >550kVA	NSP77	14,458,311	15,307,609
Large 4 Industrial Commercial - > 4GWh and > 850kVA	NSP78	9,299,791	9,845,921
High Voltage 1 Industrial Commercial - 6.6kV, 11kV and 22kV	NSP81	12,841,249	13,594,790
High Voltage 2 Industrial Commercial - 6.6kV, 11kV and 22kV	NSP82	N/A	N/A
High Voltage 3 Industrial Commercial - 6.6kV, 11kV and 22kV	NSP83	693,104	733,792
Extra High Voltage 1 Industrial Commercial - 66kV	NSP91	N/A	N/A
Extra High Voltage 2 Industrial Commercial - LV Gen	NEE93	N/A	N/A
Extra High Voltage 3 Industrial Commercial - 66kV	NSP94	N/A	N/A
Extra High Voltage 4 Industrial Commercial - 66kV	NSP95	N/A	N/A

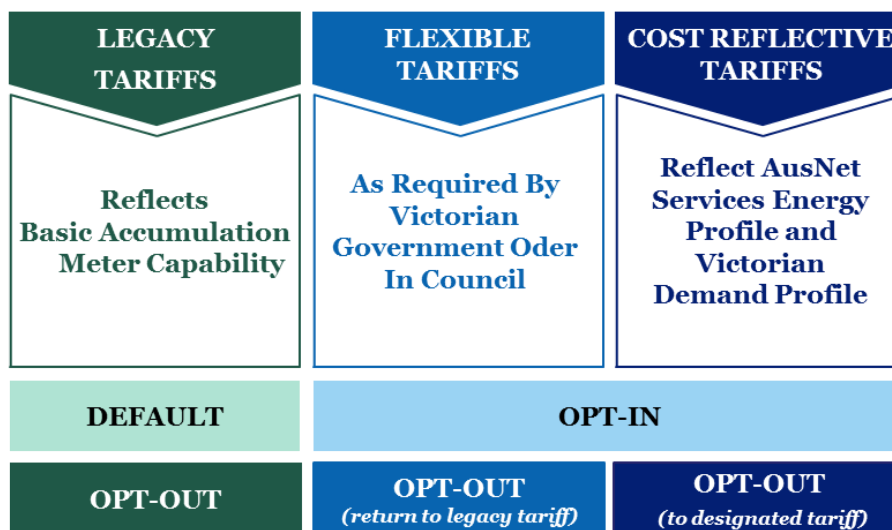
\* \$ not shown as these Tariff classes apply to individual or a small number of customers.

## 4 Proposed Tariffs and Charging Parameters

### 4.1 Background to Tariff Access

AusNet Services' customers are initially assigned to a Legacy tariff structure. From these tariffs customers may opt to change their tariff structure to either a Flexible tariff or a Cost Reflective tariff. Customers that elect to be assigned to a Flexible tariff may return to the Legacy tariff they were previously assigned to or may exercise their option to be assigned to a Cost reflective tariff. Once a customer has been assigned to a Cost Reflective tariff they must remain on a Cost Reflective tariff. As customers move away from Legacy tariffs and Flexible tariffs these tariffs will be closed and removed from the tariff options.

### Moving to More Cost Reflective Tariffs



#### 4.1.1 Legacy Tariffs

Legacy tariffs are also referred to as Flat Rate tariffs. The energy charges on these tariffs are either all time at a single rate or where two rate tariffs are applied, they are limited to either a two rate five day or two rate seven day structure. Legacy tariffs are the tariff structures that are established based on metering installations. These tariff structures are the only structures that can be delivered from an accumulation meter (Type 6) and are set in accordance with the meter installation. For other tariff structures to be applied, the customers meter must be either reconfigured on site or the meter must be changed. These tariffs are not cost reflective because they do not make provision for charging rates to align to network usage profiles. AusNet Services' legacy tariffs are:

Tariff Type	Residential Tariffs	Industrial & Commercial Tariffs
Single Rate	NEE11, NEN11	NEE12, NEN12, NEE40
Single Rate Plus Dedicated Circuit	NEE13, NEN13, NEE14, NEN14, NEE15, NEN15	NEE16, NEN16, NEE17, NEN17, NEE18, NEN18, NEE41, NEE42, NEE43
Two Rate Five Day	NEE20, NEN20, NEE24	NEE21, NEN21, NEE25, NEE51, NEE52, NEE74
Two Rate Five Day Solar	NEE23, SUN23, NEE26	NEE27, NEE28, SUN21
Two Rate Seven Day		NEE60
Dedicated Circuit	NEE30, NEE31, NEE32	NEE30, NEE31, NEE32

#### 4.1.2 Flexible Tariffs

Flexible tariffs provide customers with an option for a multi rate tariff, and the time periods are adjusted for daylight savings during summer months. Flexible tariffs give customers with an AMI (smart) meter the opportunity to take a more cost reflective tariff than a flat rate legacy tariff. These flexible tariffs have a common structure across all Victorian Distributors with only the rates between distributors being different. Customers must elect to take a flexible tariff and the Order requires distributors to allow customers to revert to their legacy tariff at any time. AusNet Services' flexible tariffs are:

Tariff Type	Residential Tariffs
Single Rate	NGT11
Single Rate Plus Dedicated Circuit	NGT13, NGT14, NGT15
Multi Rate	NGT26
Multi Rate Plus Dedicated Circuit	NGT23, NGT24, NGT25

#### 4.1.3 Cost Reflective Tariffs

Energy based cost reflective tariffs were introduced in 2010. These tariffs were multi rate tariffs that included high rates at the times demand on the network traditionally peaks, i.e. between 3:00PM and 7:00PM during the summer months. In 2014, the Australian Energy Market Commission included the requirement that a Distributor's tariffs "...must be based on the long run marginal cost of providing the service to which it relates..." thereby placing an obligation on Distributors' tariffs to be cost reflective.

In August 2016, the AER approved AusNet Services' Tariff Structures Statement which outlined cost reflective tariffs with a common structure to those being introduced by other Victorian Distributors. For customers using between 40 MWh and 160 MWh a year these tariffs commenced

on 1 January 2017, being NASN19 and NASN21 as well as two variants for solar customers. NASN2P for those with a Premium Feed-In agreement and NASN2S for those with a Standard Feed-In agreement.

In 2018 cost reflective tariffs with a full demand component for small residential and small commercial customers were introduced and are included in the tariff schedule. These tariffs are NASN11 and NASN12 with variants for solar customer NASN11P and NASN12P for those with a Premium Feed-In agreement.

NASN11 and NASN12 differ from the NASN19 and NASN21 tariffs in that customers must opt-in to these tariffs, and do not have a phased introduction of the demand component. The full demand component applies for these tariffs from 2018.

The maximum demand charge is significantly weighted to the summer months (December to March) when the network is most heavily loaded and likely to reach the limits of its capacity. This is not the case for the Victorian Alpine region however, where a winter peak load occurs and the new tariffs are therefore not available to Alpine village customers.

AusNet Services' cost reflective tariffs are:

Tariff Type	Residential Tariffs	Industrial & Commercial Tariffs
Single Rate	NASN11, NASN11P	NASN12, NASN12P, NASN19
Multi Rate	NSP20	NSP21, NASN21, NSP27, NEE55, NSP55, NSP56, NEN56, NSP75, NSP76, NSP77, NSP78, NSP81, NSP82, NSP83, NSP91, NSP94, NSP95
Multi Rate Solar	NSP23, SSP23	NASN2P, NASN2S, SSP21, SSP27
Dedicated Circuit	NSP30, NSP31, NSP32	NSP30, NSP31, NSP32

#### 4.1.4 Tariff Mergers

In accordance with the transition strategy in the TSS, AusNet Services will merge tariffs with similar pricing structures. In 2019, AusNet Services will merge NSP11 with NSP20 and NSP12 with NSP21. There are 10 customers on NSP11 and 6 customers on NSP12 and it is expected that there will be no change to their network costs as the components have been equalised. AusNet

Services will communicate the merger and subsequent tariff change to the customers' retailer before the commencement of 2019.

By merging NSP11 and NSP12, the below tariffs will also be closed as the primary tariff will not be available to customers. There are no customers on these tariffs, and as such no customers will be impacted by the closure.

- Residential - NSP13, NSP14, NSP15
- Small Business - NSP16, NSP17, NSP18

### 4.2 Tariff Reassignments for 40 – 160 MWh Customers

As set out in our TSS, existing customer that use between 40 MWh and 160 MWh a year will be reassigned to a cost reflective tariff at the start of each year.

In accordance with the TSS, AusNet Services set a zero demand component in 2017, and the transition plan provides for increments of 20% of the full demand component to be introduced annually from 2018. From 1 January 2019, 40% of the full demand component will be assigned to NASN19 and NASN21 and its solar derivatives.

The Advanced Metering Instructure (AMI Tariffs) Amendment Order 2017 requires DNSPs to make at least one cost reflective demand tariff with a zero demand usage charge or demand charging parameter available to customers. The order also established that such tariff is to be assigned to the customer on an opt-out basis, at the request of the customer from 1 January 2018.

Where the customer has requested to opt out, the tariff that AusNet Services will use for reversion is an existing tariff, NSP27. Whilst this tariff structure retains cost-reflective characteristics, it is made up of energy components and fixed charge only, and accordingly satisfies the requirements of this order.

The tariff assignment criteria for 40 to 160 MWh customers are:

- Existing customers using between 40 MWh and 160 MWh a year will be reassigned to NASN19, NASN21 and its solar derivatives.

Customers with	Existing Tariff	Reassigned Tariff
Single Rate Tariffs	NEE11, NEE12, NEE40	NASN19
Dedicated Circuits, Two Rate and Multi Rate Tariffs	NEE13, NEE14, NEE16, NEE17, NEE20, NEE21, NEE51, NEE60, NGT26, NSP27	NASN21
Small Generator (Solar) Tariffs	NEE26, NEE27, NEE28, NEE23	NASN2S
	SUN21, SUN23	NASN2P

- New customers using between 40 MWh and 160 MWh a year will be assigned to NASN19 and its solar derivative.

- To opt out, the request must be initiated by the customer.
- Where a small business customer has requested to opt-out of the default demand based tariff, the default tariff for reversion is NSP27. Small business solar customers will be able to revert to SSP21 whilst solar customers receiving the premium feed-in will revert to SSP27.
- Where a customer has consumption less than 40 MWh in the preceding 12 months, they can opt-out to any open tariff relevant to their customer type.
- If a customer chooses to opt-in or opt-out they are required to remain on the tariff for a minimum period of 12 months after which they can elect to be reassigned to another cost reflective tariff.

### 4.3 Opting in to Cost Reflective Tariffs

In 2018, cost reflective tariffs with a full demand component for small residential and small commercial customers (<40 MWh consumption per year) were introduced. These cost reflective tariffs are NASN11 and NASN12 and the variants for solar customer include NASN11P and NASN12P for customers with a Premium Feed-in arrangement.

These tariffs do not have a phased introduction of the demand component and the demand component applies in full from 2018. The tariff assignment criteria to opt in are:

- Customers using less than 40 MWh a year are eligible to opt-in.
- For residential customers, the default tariff is NASN11, and the solar variant is NASN11S for solar customers with a Standard Feed-in agreement and NASN11P for solar customers with a Premium Feed-In agreement.
- For small commercial customers, the default tariff is NASN12, and the solar variant is NASN12S for solar customers with a Standard Feed-in agreement and NASN12P with a Premium Feed-In agreement.
- Customer who opted-in are required to remain on the tariff for a minimum period of 12 months.

### 4.4 Solar Tariff Assignment

Customers with solar panels installed must have a bi-directional meter and will be assigned to tariffs that AusNet Services has allocated for these installations. For residential customers, the default tariff assigned will be NEE26 for customers with a Standard Feed-in agreement. Customers may request assignment to NSP23 if a logically converted AMI meter has been installed.

For small commercial customers, NEE28 is the default tariff for customers with a Standard Feed-in agreement. For commercial customers using more than 40 MWh a year, the default tariff assigned will be NASN2S.

#### 4.5 Backdating Tariffs

AusNet Services will not backdate the network tariff effective date as a result of a customer seeking a tariff reassignment. For a small customer, the reassignment will be made effective from the commencement date of the current billing period at the time of the retailer's notification of a tariff reassignment request. For medium and large customers, the reassignment will be made effective from the next billing period after the retailer's notification. AusNet Services may make exceptions to this requirement at its discretion.

#### 4.6 Closed to New Entrants Tariffs

AusNet Services will not assign new connection sites to a Closed to New Entrants tariffs. Only tariffs that are open will be considered for assignment. For existing sites, the assignment to a closed tariff may be allowed where the existing tariff has the same meter requirements and tariff structure as the tariff they are moving to.

#### 4.7 Charging Parameters

AusNet Services' tariffs have one or more of the following charging parameters:

- Standing charge - Unit
- All time energy use – Flat rate or inclining block - kWh
- Peak Energy - kWh
- Shoulder Energy - kWh
- Off Peak Energy - kWh
- Summer Peak Energy - kWh
- Summer Shoulder Energy - kWh
- Winter Peak Energy - kWh
- Monthly Peak Demand – kW
- Critical Peak Demand – Average of five kVA
- Capacity – kVA

These parameters are a key facet of our tariff offering and are detailed further below, with parameters for specific tariffs set out in the tariff schedules.

**4.8 Indicative Tariffs**

The table below compares indicative price levels for year 2019 as set out in the addendum to the Tariff Structure Statement with indicative prices for the remaining regulatory years of the regulatory control period to reflect this 2019 annual pricing proposal.

Tariff	Charging Parameter	Amended TSS 2019	2019	2020
<b>NEE11</b>	Fixed (\$)	114.45	115.00	121.00
	Energy Block 1(\$/kWh)	0.1002	0.1006	0.1051
	Energy Block 2 (\$/kWh)	0.1243	0.1306	0.1368
<b>NEN11</b>	Fixed (\$)	114.45	115.00	121.00
	Energy Block 1(\$/kWh)	0.0697	0.0679	0.0706
	Energy Block 2 (\$/kWh)	0.0744	0.0724	0.0753
<b>NASN11</b>	Fixed (\$)	114.45	115.00	121.00
	Energy - All Time (\$/kWh)	0.0744	0.0755	0.0786
	Demand peak season (\$/kW/mth)	9.3540	9.4000	9.9300
	Demand off-peak season (\$/kW/mth)	2.3430	2.3500	2.4800
<b>NEE12</b>	Fixed (\$)	114.45	115.00	121.00
	Energy Block 1(\$/kWh)	0.1361	0.1402	0.1469
	Energy Block 2 (\$/kWh)	0.1776	0.1788	0.1877
<b>NASN12</b>	Fixed (\$)	114.45	115.00	121.00
	Energy - All Time (\$/kWh)	0.1310	0.1340	0.1404
	Demand peak season (\$/kW/mth)	9.3540	9.4000	9.9300
	Demand off-peak season (\$/kW/mth)	2.3430	2.3500	2.4800
<b>NASN19</b>	Fixed (\$)	114.45	115.00	121.00
	Energy - All Time (\$/kWh)	0.1641	0.1592	0.1670
	Demand peak season (\$/kW/mth)	3.6717	3.7600	5.9600
	Demand off-peak season (\$/kW/mth)	0.9179	0.9400	1.4900
<b>NEE20</b>	Fixed (\$)	114.45	115.00	121.00
	Energy - peak (\$/kWh)	0.1731	0.1837	0.1929
	Energy - off-peak (\$/kWh)	0.0435	0.0389	0.0406
<b>NEN20</b>	Fixed (\$)	114.45	115.00	121.00
	Energy - peak (\$/kWh)	0.1135	0.1094	0.1144
	Energy - off-peak (\$/kWh)	0.0435	0.0370	0.0386
<b>NSP20</b>	Fixed (\$)	114.45	115.00	121.00
	Energy - summer peak (\$/kWh)	0.4212	0.4005	0.4218
	Energy - summer shoulder (\$/kWh)	0.3709	0.3530	0.3716
	Energy - winter peak (\$/kWh)	0.3270	0.3114	0.3277
	Energy - off peak (\$/kWh)	0.0483	0.0413	0.0431



<b>NEE21</b>	Fixed (\$)	114.45	115.00	121.00
	Energy - peak (\$/kWh)	0.1753	0.1784	0.1872
	Energy - off-peak (\$/kWh)	0.0435	0.0416	0.0435
<b>NEN21</b>	Fixed (\$)	114.45	115.00	121.00
	Energy - peak (\$/kWh)	0.1352	0.1299	0.1360
	Energy - off-peak (\$/kWh)	0.0526	0.0589	0.0617
<b>NASN21</b>	Fixed (\$)	114.45	115.00	121.00
	Energy - peak (\$/kWh)	0.1687	0.1630	0.1710
	Energy - off peak (\$/kWh)	0.0435	0.0397	0.0415
	Demand peak season (\$/kW/mth)	3.6717	3.7600	5.9600
	Demand off-peak season (\$/kW/mth)	0.9179	0.9400	1.4900
<b>NEE23</b>	Fixed (\$)	119.00	127.00	134.00
	Energy - peak (\$/kWh)	0.1771	0.1837	0.1929
	Energy - off-peak (\$/kWh)	0.0435	0.0389	0.0406
	Energy - Summer Export (\$/kWh)	0.0104	0.0119	-
<b>NEE24</b>	Fixed (\$)	114.45	115.00	121.00
	Energy - peak (\$/kWh)	0.0847	0.0845	0.0881
	Energy - off-peak (\$/kWh)	0.0376	0.0366	0.0382
<b>NGT26</b>	Fixed (\$)	114.45	115.00	121.00
	Energy - summer peak (\$/kWh)	0.1351	0.1391	0.1457
	Energy - winter peak (\$/kWh)	0.1351	0.1391	0.1457
	Energy - shoulder (\$/kWh)	0.1091	0.1074	0.1123
	Energy - off-peak (\$/kWh)	0.0435	0.0390	0.0407
<b>NSP27</b>	Fixed (\$)	114.45	115.00	121.00
	Energy - summer peak (\$/kWh)	0.2551	0.2361	0.2482
	Energy - summer shoulder (\$/kWh)	0.2259	0.2094	0.2200
	Energy - winter peak (\$/kWh)	0.2006	0.1861	0.1954
	Energy - off peak (\$/kWh)	0.0730	0.0681	0.0715
<b>NEE30</b>	Fixed (\$)	-	-	-
	Energy - off-peak (\$/kWh)	0.0435	0.0372	0.0388
<b>NEE31</b>	Fixed (\$)	-	-	-
	Energy - off-peak (\$/kWh)	0.0435	0.0371	0.0387
<b>NEE32</b>	Fixed (\$)	-	-	-
	Energy - off-peak (\$/kWh)	0.0376	0.0366	0.0382
<b>NEE55</b>	Fixed (\$)	304.45	349.00	355.00
	Energy - peak (\$/kWh)	0.1638	0.1567	0.1647
	Energy - off-peak (\$/kWh)	0.0458	0.0438	0.0461
<b>NEE52</b>	Fixed (\$)	-	-	-
	Energy - peak (\$/kWh)	0.1845	0.1845	0.1937
	Energy - off-peak (\$/kWh)	0.0887	0.0922	0.0969

<b>NSP56</b>	Fixed (\$)	2,659.60	2,754.00	2,893.00
	Energy - peak (\$/kWh)	0.1230	0.1227	0.1288
	Energy - shoulder (\$/kWh)	0.0937	0.0933	0.0977
	Energy - off-peak (\$/kWh)	0.0411	0.0411	0.0431
	Demand capacity (\$/kVa/year)	18.7721	18.8700	19.9200
	Demand critical peak (\$/kVa/year)	31.2935	31.4500	33.2100
<b>NSP75</b>	Fixed (\$)	5,566.00	5,820.00	6,130.00
	Energy - peak (\$/kWh)	0.0456	0.0451	0.0469
	Energy - shoulder (\$/kWh)	0.0357	0.0352	0.0364
	Energy - off-peak (\$/kWh)	0.0160	0.0159	0.0166
	Demand capacity (\$/kVa/year)	45.6201	45.8500	48.4100
	Demand critical peak (\$/kVa/year)	76.5123	76.8900	81.1900
<b>NSP76</b>	Fixed (\$)	5,566.00	5,820.00	6,130.00
	Energy - peak (\$/kWh)	0.0431	0.0427	0.0443
	Energy - shoulder (\$/kWh)	0.0334	0.0329	0.0339
	Energy - off-peak (\$/kWh)	0.0146	0.0145	0.0151
	Demand capacity (\$/kVa/year)	47.5614	47.8000	50.4700
	Demand critical peak (\$/kVa/year)	80.4360	80.8400	85.3600
<b>NSP77</b>	Fixed (\$)	5,566.00	5,820.00	6,130.00
	Energy - peak (\$/kWh)	0.0426	0.0422	0.0438
	Energy - shoulder (\$/kWh)	0.0332	0.0327	0.0337
	Energy - off-peak (\$/kWh)	0.0140	0.0140	0.0145
	Demand capacity (\$/kVa/year)	52.1526	52.4100	55.3400
	Demand critical peak (\$/kVa/year)	86.5618	86.9900	91.8500
<b>NSP78</b>	Fixed (\$)	5,566.00	5,820.00	6,130.00
	Energy - peak (\$/kWh)	0.0396	0.0392	0.0406
	Energy - shoulder (\$/kWh)	0.0312	0.0307	0.0316
	Energy - off-peak (\$/kWh)	0.0127	0.0126	0.0131
	Demand capacity (\$/kVa/year)	57.3649	57.6500	60.8700
	Demand critical peak (\$/kVa/year)	94.9095	95.3800	100.7100
<b>NSP81</b>	Fixed (\$)	5,566.00	5,820.00	6,130.00
	Energy - peak (\$/kWh)	0.0202	0.0195	0.0198
	Energy - off-peak (\$/kWh)	0.0063	0.0061	0.0062
	Demand capacity (\$/kVa/year)	37.5444	37.7300	39.8400
	Demand critical peak (\$/kVa/year)	61.5386	61.8400	65.3000
<b>NSP82</b>	Fixed (\$)	5,566.00	5,820.00	6,130.00
	Energy - peak (\$/kWh)	0.0196	0.0189	0.0192
	Energy - shoulder (\$/kWh)	0.0196	0.0189	0.0192
	Energy - off-peak (\$/kWh)	0.0081	0.0080	0.0082
	Demand capacity (\$/kVa/year)	34.4190	34.5900	36.5200
	Demand critical peak (\$/kVa/year)	56.3165	56.6000	59.7600

<b>NSP83</b>	Fixed (\$)	5,566.00	5,820.00	6,130.00
	Energy - peak (\$/kWh)	0.1071	0.1070	0.1122
	Energy - shoulder (\$/kWh)	0.0473	0.0467	0.0485
	Energy - off-peak (\$/kWh)	0.0142	0.0141	0.0147
	Demand capacity (\$/kVa/year)	4.0088	4.0300	4.2600
	Demand critical peak (\$/kVa/year)	6.6295	6.6600	7.0300
<b>NSP91</b>	Fixed (\$)	20,300.00	19,983.00	21,085.00
	Energy - peak (\$/kWh)	0.0200	0.0193	0.0195
	Energy - off-peak (\$/kWh)	0.0047	0.0044	0.0045
	Demand capacity (\$/kVa/year)	2.5043	2.5200	2.6600
	Demand critical peak (\$/kVa/year)	4.1349	4.1600	4.3900
<b>NEE93</b>	Fixed (\$)	-	-	-
	Energy - peak (\$/kWh)	0.0194	0.0190	0.0195
	Energy - off-peak (\$/kWh)	0.0194	0.0190	0.0195
<b>NSP94</b>	Fixed (\$)	20,300.00	19,983.00	21,085.00
	Energy - peak (\$/kWh)	0.0197	0.0189	0.0192
	Energy - off-peak (\$/kWh)	0.0045	0.0043	0.0043
	Demand capacity (\$/kVa/year)	1.8733	1.8800	1.9900
	Demand critical peak (\$/kVa/year)	3.1061	3.1200	3.2900
<b>NSP95</b>	Fixed (\$)	20,300.00	19,983.00	21,085.00
	Energy - peak (\$/kWh)	0.0203	0.0196	0.0199
	Energy - off-peak (\$/kWh)	0.0049	0.0046	0.0047
	Demand capacity (\$/kVa/year)	3.8825	3.9000	4.1200
	Demand critical peak (\$/kVa/year)	6.4450	6.4800	6.8400

#### 4.9 Long run Marginal Cost

A detailed explanation of AusNet Services' compliance with the requirement that tariffs be based on the long run marginal cost is set out in section B.2 of its approved TSS. AusNet Services has used the Average Incremental Cost (AIC) approach in calculating the LRMC and the following table shows the results of this calculation.

**Table 4.9 - Results of AusNet Services' LRMC analysis**

Voltage Level	LRMC (\$/kVA)
Low Voltage	\$88.70
High Voltage	\$24.58
Sub Transmission	\$16.08

**4.10 Stand Alone and Avoidable Costs**

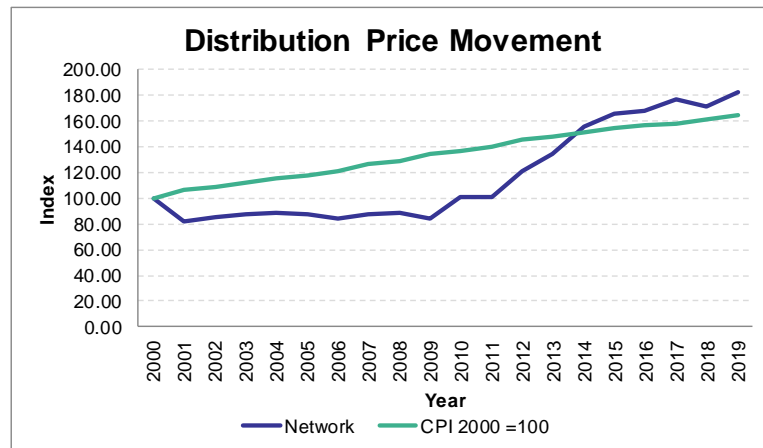
Section B.3 of the AusNet Services approved TSS sets out how AusNet Services tariffs comply with the requirement that tariffs be set between the stand alone cost and the avoidable costs of supply to a tariff class. The following table shows how the 2019 tariffs meet this objective.

**Table 4.10 - Stand Alone & Avoidable Costs**

Tariff Class	Stand alone Cost (\$/kWh)	Average All-in Retail Bill Avoided (\$/kWh)	Avoided Distribution Costs	Average DUoS Bill
Residential	\$0.84	\$0.27	\$0.0210	\$0.1100
Small I & C	\$0.60	\$0.25	\$0.0510	\$0.1150
Large I & C	\$1.13	Not applicable	\$0.0150	\$0.0630
High Voltage	\$0.39	Not applicable	\$0.0030	\$0.0280
Sub Transmission	\$0.02	Not applicable	\$0.0004	\$0.0070

## 5 Variations to Tariffs

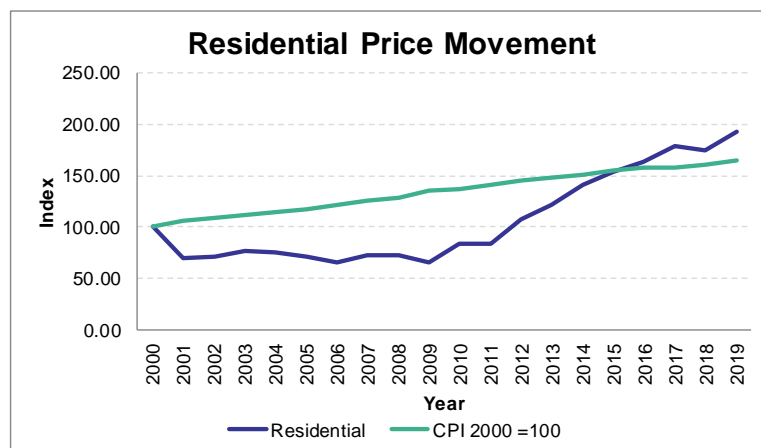
It is proposed that Distribution tariffs will increase at an overall rate of 5.87% from 2018 levels. Historic change is shown in the figure below.



### 5.1 Small Residential

AusNet Services' residential tariffs apply to customers using less than 160MWh a year for predominantly private domestic purposes. These customers are connected to the low voltage network, 240/415 volts and with a maximum load less than 50kVA. The following chart shows how Distribution Use of System Charges have varied for this group of customers since 2000 compared to the CPI over the same period. The overall increase in distribution tariffs for this customer group between 2018 to 2019 is 5.87%.

The increase for 70% of residential customers on the two most common tariffs will be below 5%.



The following tables show the 2019 tariff changes for the most common residential tariff types.

### NEE11

	Base Case	Very Low	Low	Average	High	Very High
Energy	4.14 MWh	1.24 MWh	2.90 MWh	4.14 MWh	5.38 MWh	7.04 MWh
Existing	\$ 470.85	\$ 217.56	\$ 362.30	\$ 470.85	\$ 579.41	\$ 724.15
Proposed	\$ 492.96	\$ 228.39	\$ 379.57	\$ 492.96	\$ 606.35	\$ 757.54
Change	4.70%	4.98%	4.77%	4.70%	4.65%	4.61%

### NEE20

	Base Case	Very Low	Low	Average	High	Very High
Energy	6.45 MWh	1.93 MWh	4.51 MWh	6.45 MWh	8.38 MWh	10.96 MWh
Existing	\$ 643.53	\$ 269.36	\$ 483.17	\$ 643.53	\$ 803.89	\$ 1,017.70
Proposed	\$ 674.61	\$ 282.88	\$ 506.73	\$ 674.61	\$ 842.49	\$ 1,066.34
Change	4.83%	5.02%	4.88%	4.83%	4.80%	4.78%

### NGT26

	Base Case	Very Low	Low	Average	High	Very High
Energy	4.80 MWh	1.44 MWh	3.36 MWh	4.80 MWh	6.24 MWh	8.16 MWh
Existing	\$ 432.92	\$ 206.18	\$ 335.74	\$ 432.92	\$ 530.10	\$ 659.67
Proposed	\$ 466.65	\$ 220.50	\$ 361.16	\$ 466.65	\$ 572.15	\$ 712.81
Change	7.79%	6.95%	7.57%	7.79%	7.93%	8.06%

### NEE23

	Base Case	Very Low	Low	Average	High	Very High
Energy	2.76 MWh	0.83 MWh	1.93 MWh	2.76 MWh	3.59 MWh	4.69 MWh
Existing	\$ 449.21	\$ 218.76	\$ 350.45	\$ 449.21	\$ 547.97	\$ 679.66
Proposed	\$ 491.16	\$ 236.25	\$ 381.91	\$ 491.16	\$ 600.41	\$ 746.08
Change	9.34%	7.99%	8.98%	9.34%	9.57%	9.77%

### NEE30

	Base Case	Very Low	Low	Average	High	Very High
Energy	1.35 MWh	0.41 MWh	0.95 MWh	1.35 MWh	1.76 MWh	2.30 MWh
Existing	\$ 28.94	\$ 8.68	\$ 20.26	\$ 28.94	\$ 37.62	\$ 49.20
Proposed	\$ 38.35	\$ 11.51	\$ 26.85	\$ 38.35	\$ 49.86	\$ 65.20
Change	32.52%	32.52%	32.52%	32.52%	32.52%	32.52%

### NEE31

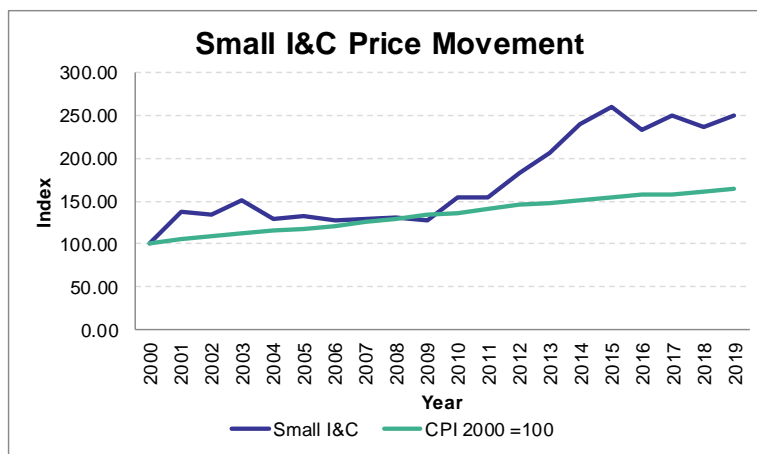
	Base Case	Very Low	Low	Average	High	Very High
Energy	3.22 MWh	0.97 MWh	2.25 MWh	3.22 MWh	4.18 MWh	5.47 MWh
Existing	\$ 55.65	\$ 16.70	\$ 38.96	\$ 55.65	\$ 72.35	\$ 94.61
Proposed	\$ 91.00	\$ 27.30	\$ 63.70	\$ 91.00	\$ 118.30	\$ 154.70
Change	63.52%	63.52%	63.52%	63.52%	63.52%	63.52%

### NEE32

	Base Case	Very Low	Low	Average	High	Very High
Energy	1.30 MWh	0.39 MWh	0.91 MWh	1.30 MWh	1.68 MWh	2.20 MWh
Existing	\$ 28.69	\$ 8.61	\$ 20.08	\$ 28.69	\$ 37.29	\$ 48.77
Proposed	\$ 35.98	\$ 10.79	\$ 25.19	\$ 35.98	\$ 46.77	\$ 61.16
Change	25.42%	25.42%	25.42%	25.42%	25.42%	25.42%

**5.2 Small Industrial & Commercial**

The Victorian Government has explicitly excluded Small Business tariffs from the Flexible Pricing arrangements and from the opt in arrangements for Cost reflective tariffs where annual use is in excess of 40MWh per annum. AusNet Services has not included any Flexible tariffs for Small Businesses and has included new cost reflective tariffs for customers using more than 40MWh. The following chart shows how Distribution Use of System Charges have varied for this group of customers since 2000 compared to the CPI over the same period. The overall increase in distribution tariffs for this customer group between 2018 and 2019 is 5.87%.



The following tables show the 2019 tariff changes for the most common Small Industrial & Commercial tariff types.

**NEE12**

	Base Case	Very Low	Low	Average	High	Very High
Energy	5.79 MWh	1.74 MWh	4.05 MWh	5.79 MWh	7.52 MWh	9.84 MWh
Existing	\$ 904.23	\$ 347.57	\$ 665.66	\$ 904.23	\$ 1,142.80	\$ 1,460.89
Proposed	\$ 961.38	\$ 368.91	\$ 707.46	\$ 961.38	\$ 1,215.29	\$ 1,553.84
Change	6.32%	6.14%	6.28%	6.32%	6.34%	6.36%

**NEE21**

	Base Case	Very Low	Low	Average	High	Very High
Energy	13.76 MWh	4.13 MWh	9.63 MWh	13.76 MWh	17.89 MWh	23.40 MWh
Existing	\$ 1,483.65	\$ 521.39	\$ 1,071.25	\$ 1,483.65	\$ 1,896.04	\$ 2,445.90
Proposed	\$ 1,578.65	\$ 554.10	\$ 1,139.56	\$ 1,578.65	\$ 2,017.75	\$ 2,603.21
Change	6.40%	6.27%	6.38%	6.40%	6.42%	6.43%

**NASN19**

	Base Case	Very Low	Low	Average	High	Very High
Energy	55.05 MWh	16.51 MWh	38.53 MWh	55.05 MWh	71.56 MWh	93.58 MWh
Existing	\$ 7,860.83	\$ 2,434.55	\$ 5,535.28	\$ 7,860.83	\$ 10,186.38	\$ 13,287.11
Proposed	\$ 8,281.33	\$ 2,564.90	\$ 5,831.43	\$ 8,281.33	\$ 10,731.23	\$ 13,997.76
Change	5.35%	5.35%	5.35%	5.35%	5.35%	5.35%

**NASN21**

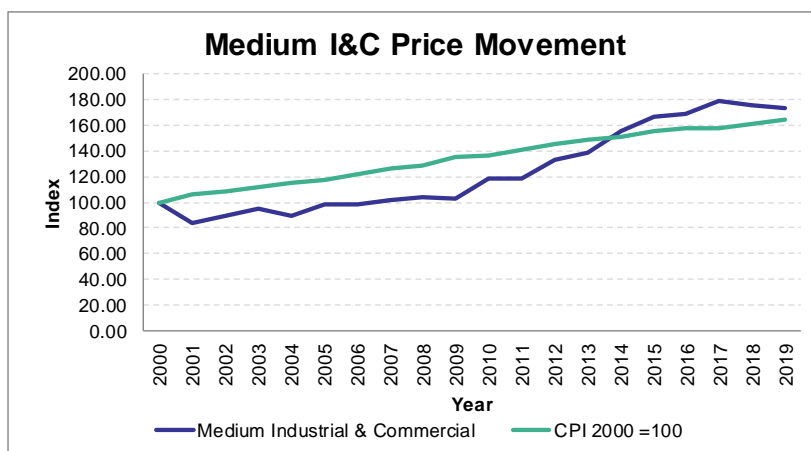
	Base Case	Very Low	Low	Average	High	Very High
Energy	69.69 MWh	20.91 MWh	48.78 MWh	69.69 MWh	90.60 MWh	118.48 MWh
Existing	\$ 6,832.52	\$ 2,126.06	\$ 4,815.47	\$ 6,832.52	\$ 8,849.58	\$ 11,538.99
Proposed	\$ 7,192.69	\$ 2,238.31	\$ 5,069.39	\$ 7,192.69	\$ 9,316.00	\$ 12,147.08
Change	5.27%	5.28%	5.27%	5.27%	5.27%	5.27%

**NSP27**

	Base Case	Very Low	Low	Average	High	Very High
Energy	32.11 MWh	9.63 MWh	22.47 MWh	32.11 MWh	41.74 MWh	54.58 MWh
Existing	\$ 2,430.26	\$ 805.38	\$ 1,733.88	\$ 2,430.26	\$ 3,126.64	\$ 4,055.15
Proposed	\$ 2,544.93	\$ 843.98	\$ 1,815.95	\$ 2,544.93	\$ 3,273.91	\$ 4,245.88
Change	4.72%	4.79%	4.73%	4.72%	4.71%	4.70%

**5.3 Medium Industrial & Commercial**

Medium customers are customers that consume between 160MWh and 400MWh per annum. Examples of this customer class are medium sized commercial and light industrial businesses. The following chart shows how Distribution Use of System Charges have varied for this group of customers since 2000 compared to the CPI over the same period. The overall increase in distribution tariffs for this customer group between 2018 and 2019 is 5.87%.



The following tables show the 2019 tariff changes for the most common Medium Industrial & Commercial tariff types.

**NEE40**

	Base Case	Very Low	Low	Average	High	Very High
Energy	185.33 MWh	55.60 MWh	129.73 MWh	185.33 MWh	240.93 MWh	315.07 MWh
Existing	\$ 37,533.98	\$ 11,336.49	\$ 26,306.49	\$ 37,533.98	\$ 48,761.48	\$ 63,731.47
Proposed	\$ 40,074.41	\$ 12,102.82	\$ 28,086.59	\$ 40,074.41	\$ 52,062.23	\$ 68,045.99
Change	6.77%	6.76%	6.77%	6.77%	6.77%	6.77%



### NEE51

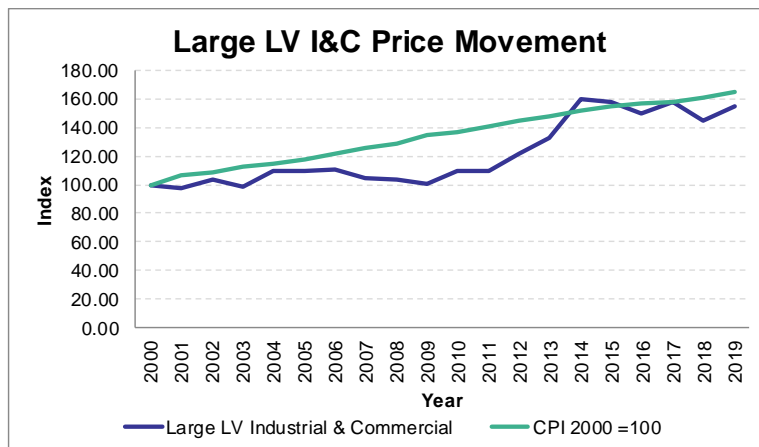
	Base Case	Very Low	Low	Average	High	Very High
Energy	164.97 MWh	49.49 MWh	115.48 MWh	164.97 MWh	214.46 MWh	280.45 MWh
Existing	\$ 18,030.47	\$ 5,485.44	\$ 12,654.03	\$ 18,030.47	\$ 23,406.92	\$ 30,575.51
Proposed	\$ 19,250.17	\$ 5,855.55	\$ 13,509.62	\$ 19,250.17	\$ 24,990.72	\$ 32,644.79
Change	6.76%	6.75%	6.76%	6.76%	6.77%	6.77%

### NSP56

	Base Case	Very Low	Low	Average	High	Very High
Energy	250.84 MWh	75.25 MWh	175.59 MWh	250.84 MWh	326.09 MWh	426.42 MWh
Existing	\$ 24,164.80	\$ 8,895.84	\$ 17,620.96	\$ 24,164.80	\$ 30,708.64	\$ 39,433.77
Proposed	\$ 25,500.10	\$ 9,387.43	\$ 18,594.67	\$ 25,500.10	\$ 32,405.53	\$ 41,612.77
Change	5.53%	5.53%	5.53%	5.53%	5.53%	5.53%

## 5.4 Large LV Industrial & Commercial

Large customers are those customers who consume more than 400 MWh per annum. Examples of large customers are large industrial sites, commercial buildings, embedded networks, and large public owned enterprises. The following chart shows how Distribution Use of System Charges have varied for this group of customers since 2000 compared to the CPI over the same period. The overall increase in distribution tariffs for this customer group between 2018 and 2019 is 5.87%



The following tables show the 2019 tariff changes for Large Industrial & Commercial tariff types.

### NSP75

	Base Case	Very Low	Low	Average	High	Very High
Energy	537.33 MWh	161.20 MWh	376.13 MWh	537.33 MWh	698.53 MWh	913.46 MWh
Existing	\$ 35,137.21	\$ 14,186.76	\$ 26,158.45	\$ 35,137.21	\$ 44,115.98	\$ 56,087.66
Proposed	\$ 37,197.07	\$ 15,042.72	\$ 27,702.35	\$ 37,197.07	\$ 46,691.79	\$ 59,351.42
Change	5.86%	6.03%	5.90%	5.86%	5.84%	5.82%

### NSP76

	Base Case	Very Low	Low	Average	High	Very High
Energy	1,118.20 MWh	335.46 MWh	782.74 MWh	1,118.20 MWh	1,453.66 MWh	1,900.95 MWh
Existing	\$ 67,479.40	\$ 23,889.42	\$ 48,797.98	\$ 67,479.40	\$ 86,160.82	\$ 111,069.37
Proposed	\$ 71,441.36	\$ 25,316.01	\$ 51,673.35	\$ 71,441.36	\$ 91,209.36	\$ 117,566.71
Change	5.87%	5.97%	5.89%	5.87%	5.86%	5.85%

### NSP77

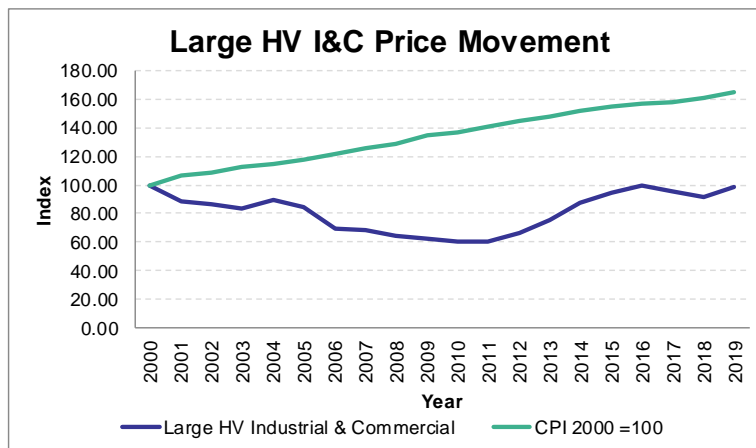
	Base Case	Very Low	Low	Average	High	Very High
Energy	2,436.38 MWh	730.91 MWh	1,705.46 MWh	2,436.38 MWh	3,167.29 MWh	4,141.84 MWh
Existing	\$ 123,839.92	\$ 40,797.58	\$ 88,250.35	\$ 123,839.92	\$ 159,429.50	\$ 206,882.27
Proposed	\$ 131,114.42	\$ 43,217.93	\$ 93,444.50	\$ 131,114.42	\$ 168,784.35	\$ 219,010.92
Change	5.87%	5.93%	5.89%	5.87%	5.87%	5.86%

### NSP78

	Base Case	Very Low	Low	Average	High	Very High
Energy	4,507.14 MWh	1,352.14 MWh	3,155.00 MWh	4,507.14 MWh	5,859.29 MWh	7,662.14 MWh
Existing	\$ 225,948.81	\$ 71,430.24	\$ 159,726.57	\$ 225,948.81	\$ 292,171.05	\$ 380,467.37
Proposed	\$ 239,217.63	\$ 75,648.89	\$ 169,116.74	\$ 239,217.63	\$ 309,318.52	\$ 402,786.38
Change	5.87%	5.91%	5.88%	5.87%	5.87%	5.87%

## 5.5 Large HV Industrial & Commercial

Customers connected to the AusNet Services High Voltage 22kV, 11kV or 6.6kV networks are assigned to a High Voltage network tariff. The following chart shows how Distribution Use of System Charges have varied for this group of customers since 2000 compared to the CPI over the same period. The overall change in distribution tariffs for this customer group between 2018 and 2019 is 5.87%.



The following tables show the 2019 tariff changes for High Voltage Industrial & Commercial tariff types.

### NSP81

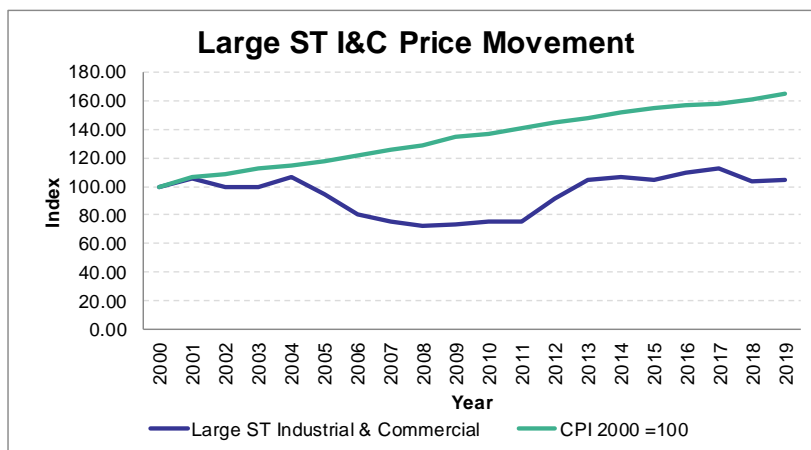
	Base Case	Very Low	Low	Average	High	Very High
Energy	9,730.44 MWh	2,919.13 MWh	6,811.30 MWh	9,730.44 MWh	12,649.57 MWh	16,541.74 MWh
Existing	\$ 243,887.48	\$ 76,811.85	\$ 172,283.64	\$ 243,887.48	\$ 315,491.33	\$ 410,963.12
Proposed	\$ 258,199.13	\$ 81,343.34	\$ 182,403.79	\$ 258,199.13	\$ 333,994.47	\$ 435,054.92
Change	5.87%	5.90%	5.87%	5.87%	5.86%	5.86%

**NSP83**

	Base Case	Very Low	Low	Average	High	Very High
Energy	522.56 MWh	156.77 MWh	365.79 MWh	522.56 MWh	679.32 MWh	888.35 MWh
Existing	\$ 31,504.72	\$ 13,097.02	\$ 23,615.71	\$ 31,504.72	\$ 39,393.74	\$ 49,912.43
Proposed	\$ 33,354.16	\$ 13,889.85	\$ 25,012.31	\$ 33,354.16	\$ 41,696.01	\$ 52,818.48
Change	5.87%	6.05%	5.91%	5.87%	5.84%	5.82%

**5.6 Large ST Industrial & Commercial**

AusNet Services has only a small number of customers taking supply directly from the sub-transmission system. These customers are very diverse in terms of their location, the size of their load and their annual energy use. In recognition of this diversity, AusNet Services has developed a pricing methodology that is based on customer’s size and distance from Terminal Stations. The following chart shows how Distribution Use of System Charges have varied for this group of customers since 2000 compared to the CPI over the same period. The overall change in distribution tariffs for this customer group between 2018 and 2019 is 5.87%.



The following tables show the 2019 tariff changes for Sub Transmission Industrial & Commercial tariff types.

**All 90s (Excludes NEE93)**

	Base Case	Very Low	Low	Average	High	Very High
Energy	55,713.74 MWh	16,714.12 MWh	38,999.62 MWh	55,713.74 MWh	72,427.86 MWh	94,713.36 MWh
Existing	\$ 226,386.43	\$ 80,868.73	\$ 164,021.70	\$ 226,386.43	\$ 288,751.16	\$ 371,904.14
Proposed	\$ 239,667.15	\$ 85,697.85	\$ 173,680.31	\$ 239,667.15	\$ 305,654.00	\$ 393,636.46
Change	5.87%	5.97%	5.89%	5.87%	5.85%	5.84%

## 5.7 Critical Peak Demand Tariffs

AusNet Services have Critical Peak Demand tariffs for medium and large commercial customers. Customers that seek a reassignment to these tariffs during the 2019 year will be subject to the table below for the first time.

**Table 5.7.1 - Critical Peak Demand tariff assignment criteria**

Tariff Code	Description	Applies to
NSP56	Medium Critical Peak Demand multirate >50 kVA & < 400 MWh	> 50 kVA & >160MWh pa
NSP75	Large Critical Peak Demand multirate >150 kVA & < 750 MWh	> 150 kVA & < 750 MWh pa
NSP76	Large Critical Peak Demand multirate > 280 kVA & > 750 MWh	> 280 kVA & < 2 GWh pa
NSP77	Large Critical Peak Demand multirate > 550 kVA & >2 GWh	> 550 kVA & < 4 GWh pa
NSP78	Large Critical Peak Demand multirate > 850 kVA & 4 GWh	> 850 kVA & > 4 GWh pa
NSP81	High Voltage Critical Peak Demand	6.6 kV, 11kV & 22 kV supplies
NSP83	High Voltage Critical Peak Demand low energy use	6.6 kV, 11kV & 22 kV supplies
NSP91	Sub Transmission Critical Peak Demand <25 MVA & <20 km from TS	66 kV supplies, <25 MVA & <20 km from TS
NSP94	Sub Transmission Critical Peak Demand >25 MVA & <20 km from TS	66 kV supplies, >25 MVA & <20 km from TS
NSP95	Sub Transmission Critical Peak Demand <25 MVA & >20 km from TS	66 kV supplies, <25 MVA & >20 km from TS

Details on the structure and operation of the Critical Peak Demand tariff are set out below.

**Table 5.7.2 - AusNet Services' Critical Peak Demand Tariff**

Tariff Component	Description
Capacity Charge	<p>1. Low Voltage Capacity charge based on the nameplate rating of the transformer supplying the customer's installation. For sites where the transformer is not dedicated to the customer installation the charge will be established as the portion of the transformer that is allocated to the customer's requirements.</p> <p>2. High Voltage &amp; Sub transmission Capacity based on the rating of the cabling and switchgear that makes the customer connection point.</p>
Critical Peak Demand Charge	The demand charge is based on the average of customer's maximum kVA recorded on the 5 nominated peak demand weekdays during the Defined Critical Peak Demand Period.
Defined Critical Peak Demand Period	<p>Days must be during the period of December to March, and the days will be nominated and communicated to customers with a minimum of one business day's notice.</p> <p>The period during which the demand is to be measured is between 2pm-6pm AEST (or 3:00pm-7:00pm AEDT) on the nominated day.</p> <p>The 5 maximum's are averaged and used as the basis for the demand charge for the 12 month period from April to March.</p>
Energy Charge	Peak, Off Peak or Peak, Shoulder & Off Peak similar to existing charges.
Standing Charge	Fixed annual charge, similar to existing charges.

The network benefits of a Critical Peak Demand charge are that it:

- better targets the demand that is driving system capacity constraints, as it focuses only on Demand during peak times of the peak day;
- overcomes the inequities whereby a customer is charged a 'Demand' tariff on their peak 'demand', even though that demand is not contributing to the overall system peak, and therefore, is not contributing to AusNet Services' future augmentation costs;
- is easier for customers to respond to, as they only have to alter their consumption for between 1 to 5 days, and for 4 hours within those days, to get a benefit, whereas the traditional demand tariff requires a permanent step down in electricity consumption, which provides more scope for customers to change their consumption in response to the price signal; and
- is clearly tied to 'past' peak demand, therefore there are less costs associated with administering this tariff as demand adjustments for existing customers are not required.

AusNet Services will advise the nominated days to customers and their respective Retailers concurrently, at least one business day in advance. In addition, AusNet Services will use a longer range weather forecast to flag with customers the possible nomination of a day up to a week in advance. This will not represent a firm commitment; rather, it would provide customers with advance notice of the possible nomination of a certain day, which in turn will allow them to make some

preparations in advance. The final nomination would still occur at least 1 business day prior to the nominated day. AusNet Services notes that this 'advance notification' stems from a suggestion that was made by a Retailer at one of the one-on-one retailer forums that AusNet Services held with all key Retailers to discuss the introduction of these tariffs.

AusNet Services will communicate this nominated day via any electronic form of notification such as SMS, email and by posting to the AusNet Services website.

For supply points not previously supplied under a contract demand tariff, for the initial period from connection until a Critical Peak demand is able to be established for that customer the critical peak demand shall be 60% of the Capacity.

Conditions for the review of the Capacity Value:

- (a) Increase to capacity - Where a customer requires increased capacity, an application may be made to AusNet Services for the network to be augmented to cater for the new requirements. Any variation will be made in accordance with AusNet Services' supply extension policy.
- (b) Reduction to capacity - Capacity values are not reviewable except in circumstances where a customer's requirement has changed significantly and the current level of capacity will no longer be required. In these circumstances the following Conditions for a review will apply.

### Conditions for the review of the Capacity Value

#### Low Voltage

1. All obligations under any previous supply extension contract have been met.
2. Agree to install load limiting devices on the customer's main switch board in accordance with **Victorian Service & Installation Rules** to limit the load on the substation.
3. Allow AusNet Services to exchange the transformer with a smaller unit.
4. Allow AusNet Services to replace the transformer with a smaller unit if the existing unit is still in place at the end of its physical life.
5. If the transformer is on the customer's premise, allow AusNet Services to take "street" circuits from the substation to supply other customers.
6. Acknowledge that if they ever require a supply upgrade to the site a customer contribution may be required (even if the transformer has not been changed).

#### High Voltage

1. All obligations under previous supply extension contract have been met.
2. The customer installs a Capacity control device in accordance with **Victorian Service & Installation Rules** Supply Protection & Supply Capacity Limitation – Guidelines Section 1.1 as follows:
  - a. The customers 22 kV main switch protection relay providing the following settings to trip the main switch circuit breaker:
    - i. MVA setting 102% of the Demand Capacity (if amps are used for the setting then the max setting in amps needs to accommodate the voltage conditions at the connection point);

- ii. Time delay 10 seconds.
- b. The relay settings are to be locked by the provision of a sealing facility to secure the adjustable settings by the use of distributor seals or equivalent means;
- 3. If the Demand Capacity is exceeded and the relay setting results in any loss of supply to the installation AusNet Services accepts no liability.
- 4. Any site attendance by AusNet Services will incur an appropriate approved charge.
- 5. Restoration to the site following an operation will depend upon the security provided at 2b above and can be undertaken by the customer or by the attendance of AusNet Services personnel.

A copy of the Victorian Service & Installation Rules can be downloaded from the following site <http://www.victoriansir.org.au/>.

## 5.8 Power Factor Correction

When a customer takes action in order to correct their power factor the benefits will occur in a lower Critical Peak Demand the following summer. This will result in lower Critical Peak demand charges in following years with no need for AusNet Services to reduce demand charges in the current year.

In some circumstances where the customer is able to release the capacity for AusNet Services to supply other customers, AusNet Services may be able to give consideration to a reduction in the Capacity to what is expected with the new power factor correction. This allows AusNet Services to more efficiently use the network. In these circumstances, a Capacity control device might be required to be installed.

## 6 Designated Pricing Proposal Charges

### 6.1 Overview

A Distribution Business's Annual Pricing Proposal is required to show how Designated Pricing Proposal Charges are applied to customers and what adjustments relate to previous years. Clause 6.18.2 (b) (6) specifically requires that "A *pricing proposal* must: set out how *designated pricing proposal charges* are to be passed on to customers and any adjustments to tariffs resulting from over or under recovery of those charges in the previous *regulatory year*".

This section describes what designated pricing proposal charges are and how AusNet Services proposes to recover them in 2019. An explanation is provided of the mechanism that accounts for any year on year over or under recovery of these charges which has a final impact on 2019 prices.

Transmission service costs are recovered from Distribution customers through the Designated Pricing Proposal charges. AusNet Services makes payments for Transmission services to the following industry participants for the services noted:

Participant	Transmission/Network Service
AEMO	Transmission Use of System Services
AusNet Services Transmission	Transmission Connection Services
Embedded Generators	Avoided Transmission Use of System Services
Other Distributors	Transmission Use of System and Distribution Services

### 6.2 Charges for 2019

AusNet Services has estimated payments for the services covered by the Designated Pricing Proposal for 2019 to be:

Transmission Network Service Provider	\$M
AEMO	76.07
AusNet Services Transmission	9.70
Embedded Generators	0.73
Inter-Network	4.67
<b>Total (AEMO + Embedded Generators - Inter-Network)</b>	<b>81.84</b>



AusNet Services recovers the costs of the above services through an energy charge to customers. The energy charges are allocated to peak, shoulder and off peak periods for each network tariff.

For 2018 AusNet Services has estimated that the Designated Pricing proposal rates for the year will result in an over recovery of \$1,895,565. Under the 2016-20 Price Determination AusNet Services is required to adjust this by the Nominal Pre-tax WACC and add \$1,418,716 to the 2019 DPPC revenue. The following table sets out the DPPC recovery arrangements for 2019:

Total Designated Pricing Payment Recovery for 2019	\$M
Transmission Charges for 2019	81.840
DPPC revenue under recovery approved	-1.460
<b>Total DPPC related payments for 2019</b>	<b>80.379</b>

After including these adjustments AusNet Services DPPC recovery for 2019 is forecast to be \$80,379,447.

## 7 Jurisdictional Pricing Proposal Charges

### 7.1 Overview

Under Victorian legislation, AusNet Services is required to make payments to certain customers with small generation systems, mainly solar panel installations, for the energy that they feed in to the network. The Premium scheme is the only scheme that is in place and will continue to operate until 1 November 2024.

A Distribution Business's Annual Pricing Proposal is required to show how Jurisdictional Pricing Proposal Charges are applied to customers and what adjustments relate to previous years. Clause 6.18.2 (b) (6A) specifically requires that "A *pricing proposal* must: set out how jurisdictional scheme amounts for each approved jurisdictional scheme are to be passed on to customers and any adjustments to tariffs resulting from over or under recovery of those amounts;"

This section describes what Jurisdictional Pricing Proposal charges are and how AusNet Services proposes to recover them in 2019. An explanation is provided of the mechanism that accounts for any year on year over or under recovery of these charges which has a final impact on 2019 prices.

Amounts paid out for Jurisdictional schemes are recovered from Distribution Customers through the Jurisdictional Pricing Proposal charges. AusNet Services makes payments to retailers with qualifying customers on tariffs that have a Premium Feed-in Tariff component through network invoices on a monthly basis.

### 7.2 Jurisdictional Charges for 2019

Jurisdictional Charges for 2019 are made up of the residual under/over recovery from 2017 and the under/over recovery for 2018 and forecast Premium payments for 2019. The following table sets out the amounts to be recovered in 2019 tariffs:

**Table 7.2 - JSA Recovery Arrangements**

Jurisdictional Recovery Amounts		\$M
Premium Feed-In Charges for 2019		24.734
Approved over recovery		0.510
Total recovered by tariffs for 2019		25.244

The tariffs that have been set to recover an amount of \$25,243,816 are set out in Attachment 12.4. This is 37.6% more than is estimated to be recovered in 2018 mostly due to over recovered amounts in 2017 and expected to be under recovered in 2018.

## 8 Public Lighting

### 8.1 Public Lighting Overview

AusNet Services provides public lighting services to 30 local government councils, Vic Roads, the Alpine Resorts Commission and Gippsland Ports. The services provided include the installation, maintenance and repair of public lighting installations, the operation of a fault and emergency call centre, a GIS system to locate and identify light installations. Energy supplied to Public Lights is a contestable service. To facilitate market settlement AusNet Services derives the unmetered 30 minute energy data for the public lights. The data is then placed into the market and used for the retail billing of energy consumed by public lights.

Typically lighting installations includes poles, brackets, lanterns, wiring and control gear. Currently, the AusNet Services manages and maintains around 154,000 streetlights in our electricity distribution area. Energy efficient lights account for 48,000 of the total number of lights installed. AusNet Services provides two categories of lighting, standard and non-standard.

Standard Lights are lights erected on a distribution pole, a dedicated pole supplied by AusNet Services and light head supplied by AusNet Services. Non-standard lights are those lights on decorative poles and those with a decorative lantern. AusNet Services provides the labour and services associated with the maintenance of non-standard public lights, the public lighting customer must provide the replacement decorative pole or decorative lantern.

Local government councils and VicRoads are responsible for decisions regarding the location and types of lights installed.

**8.2 Public Lighting Tariffs for 2019**

Public Lighting prices are varied in accordance with the Public Lighting pricing model updated for the changes in the CPI. The following table sets out the price changes for 2019 for each light type.

**Table 8.2 – Public Lighting Price Changes**

Light Type	Central			North & East		
	2018 (\$)	2019 (\$)	%Δ	2018 (\$)	2019 (\$)	%Δ
LED 18W	16.59	16.75	0.9%	17.02	17.20	1.0%
Non Standard, Standard Output LED	16.59	16.75	0.9%	17.02	17.20	1.0%
High Output LED	16.59	16.75	0.9%	17.02	17.20	1.0%
T5 2X14W	34.81	35.57	2.2%	39.61	40.48	2.2%
T5 2X24W	41.15	41.99	2.0%	46.75	47.72	2.1%
Compact Fluorescent 32W	30.89	31.57	2.2%	35.25	36.03	2.2%
Compact Fluorescent 42W	30.89	31.57	2.2%	35.25	36.03	2.2%
Mercury Vapour 50W	62.44	65.76	5.3%	68.73	72.26	5.1%
Mercury Vapour 80W	40.81	42.98	5.3%	46.44	48.82	5.1%
Mercury Vapour 125W	59.99	63.19	5.3%	68.73	72.26	5.1%
HP Sodium 50W	43.68	45.25	3.6%	51.02	52.80	3.5%
Metal Halide 70W	178.15	187.63	5.3%	176.67	185.75	5.1%
LED L1	24.05	24.27	0.9%	24.50	24.75	1.0%
LED L2	24.78	25.01	0.9%	25.31	25.57	1.0%
LED L3	26.34	26.58	0.9%	26.81	27.09	1.0%
Mercury Vapour 250W	104.47	108.23	3.6%	115.39	119.45	3.5%
Mercury Vapour 400W	108.45	112.35	3.6%	118.72	122.89	3.5%
HP Sodium 100W	105.41	109.20	3.6%	120.05	124.24	3.5%
HP Sodium 150W	98.52	102.06	3.6%	112.20	116.12	3.5%
HP Sodium 250W	99.49	103.07	3.6%	110.95	114.85	3.5%
HP Sodium 400W	141.28	146.37	3.6%	157.55	163.09	3.5%
Metal Halide 100W	235.23	243.68	3.6%	237.64	245.94	3.5%
Metal Halide 150W	267.23	276.84	3.6%	269.98	279.41	3.5%

## 9 Ancillary Network Services

### 9.1 Ancillary Network Services Overview

Ancillary Network Services are network services provided to individual customers using the same resources as those used to provide other regulated network services. The costs of providing these services are recovered from the individual customer requesting the service and not from all other customers. The types of service include customer connections, energisation and de-energisation of customer installations, field officer visits, and service truck visits. Where the services are routine in nature and provided on a regular basis to a number of customers AusNet Services sets a fixed fee for the service. In those instances where the number of jobs is infrequent or the nature of the work varies significantly, charges are made on the basis of recovering the actual cost incurred at approved charge out rates.

### 9.2 Price Changes for 2019

Ancillary Network Service charges have been varied in accordance with the AER determination for the 2016-2020 period which is CPI – X, price cap formula as set out below:

$$\bar{p}_t^i \geq p_t^i \quad i=1,\dots,n \text{ and } t=2,3,4,5$$

$$\bar{p}_t^i = \bar{p}_{t-1}^i (1 + CPI_t) (1 - X_t^i)$$

Where:

$\bar{p}_t^i$  is the cap on the price of service i in year t

$p_t^i$  is the price of service i in year t

$\bar{p}_{t-1}^i$  is the cap on the price of service i in year t-1

t is the regulatory year

$CPI_t$  is the annual percentage change in the ABS consumer price index (CPI) All Groups

$X_t^i$  is the X factor for service i in year t

The application of the price cap formula for 2019 where the CPI change was 2.08% and the X factor - 0.96%, results in a price increase of 3.06%

## 10 Prescribed Metering Charges

### 10.1 Electricity Distribution Price Review annual metering charges requirements

Under the 2016-20 Electricity Distribution Price Review AusNet Services' metering charges are subject to a Revenue Cap form of regulation. For 2019 under the Revenue Cap regulation metering charges are varied in accordance with the formula set out in Attachment 16 of the AER Final Decision which is as follows:

The formula for the annual metering charges revenue cap is:

$$(1) \quad TARM_t \geq \sum_{i=1}^n \sum_{j=1}^m p_t^{ij} q_t^{ij} \quad i=1,\dots,n \text{ and } j=1,\dots,m \text{ and } t=1,\dots,5$$

$$(2) \quad TARM_t = AR_t + T_t + B_t \quad t=1,2,\dots,5$$

$$(3) \quad AR_t = AR_{t-1}(1 + \Delta CPI_t)(1 - X_t) \quad t=1,2,\dots,5$$

where:

$TARM_t$  is the total annual revenue for annual metering charges in year t.

$p_t^{ij}$  is the price of component 'j' of metering service 'i' in year t.

$q_t^{ij}$  is the forecast quantity of component 'j' of metering service 'i' in year t.

$AR_t$  is the annual revenue requirement for year t. When year t is the first year of the 2016–20 regulatory control period,  $AR_t$  is the annual revenue requirement in the annual metering charges Post Tax Revenue Model (PTRM) for year t.

$T_t$  is a once off adjustment to 2018 to 2020 charges for the unders and overs recoveries relating to Advanced Metering Infrastructure actual revenues and actual costs incurred in 2014 and 2015.<sup>3</sup>

$B_t$  is the sum of annual adjustment factors in year t as calculated in the unders and overs account.

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<sup>3</sup> AER, AMI Transition Charges Application Final Decision, p.5

$AR_{t-1}$  is the annual revenue requirement for year t-1.

$\Delta CPI_t$  is the annual percentage change in the ABS CPI All Groups, Weighted Average of Eight Capital Cities from the June quarter in year t-2 to the June quarter in year t-1, calculated using the following method:

The ABS CPI All Groups, Weighted Average of Eight Capital Cities for the June quarter in regulatory year t-1

divided by

The ABS CPI All Groups, Weighted Average of Eight Capital Cities for the June quarter in regulatory year t-2

minus one.

$X_t$  is the X-factor for each year of the 2016-20 regulatory control period as determined in the annual metering charges PTRM.

From 2017 to 2020, side constraints will apply, and the permissible percentage increase will be the greater of CPI-X plus 2 per cent or CPI plus 2 per cent. The side constraint formula is:

$$p_t^i \leq p_{t-1}^i (1 + \Delta CPI_t) (1 - X_t^i) (1 + 2\%) + T_t^i + B_t^i$$

where:

$p_t^i$  is the price of annual metering charges service 'i' in year t.

$p_{t-1}^i$  is the price of annual metering charges service 'i' in year t-1.

$\Delta CPI_t$  is the annual percentage change in the ABS CPI All Groups, Weighted Average of Eight Capital Cities from the June quarter in year t-2 to the June quarter in year t-1, calculated using the following method:

The ABS CPI All Groups, Weighted Average of Eight Capital Cities for the June quarter in regulatory year t-1

divided by  
 The ABS CPI All Groups, Weighted Average of Eight Capital Cities for the June quarter in regulatory year  $t-2$   
 minus one.

$X_t$  is the X-factor for each year of the 2016–20 regulatory control period as determined in the annual metering charges PTRM.

$T_t'$  is the annual percentage change from the unders and overs recoveries relating to Advanced Metering Infrastructure actual revenues and actual costs incurred in 2014 and 2015. It is a once off adjustment to 2018 to 2020 charges.<sup>4</sup>

$B_t'$  is the annual percentage change from the sum of annual adjustment factors in year  $t$  as calculated in the unders and overs account.

## 10.2 Metering Charges Unders and Overs Account

Prescribed metering charges in 2019 are forecast to be 3.85% less than 2018 rates and to recover \$49,688,008. In accordance with the 2016-20 Electricity Distribution Price Review, AusNet Services is expected to achieve a closing balance as close to zero as practicable in its annual metering charges unders and overs account when proposing variations to the amount and structure of annual metering charges. The carry forward amount for 2019 is -\$252.

**Table 10.2 – Metering Charges Unders and Overs**

Description	2019 Forecast
Opening Balance	-\$614,358
Interest on Opening Balance	-\$36,250
Under recovery for 2019	\$631,978
Interest on 2019 under recovery	\$18,377
Closing Balance	-\$252

<sup>4</sup> AER, AMI Transition Charges Application Final Decision, p.5



## 11 Glossary

Term	Definition
ABS	Australian Bureau of Statistics
AER	Australian Energy Regulator
AEDT	Australian Eastern Daylight Time (Daylight Saving Time) is 11 hours ahead of Coordinated Universal Time (UTC) and applies from the first Sunday in October until the first Sunday in April.
AEST	Australian Eastern Standard Time, AEST is 10 hours ahead of Coordinated Universal Time (UTC).
AIC	Average Incremental Cost, a method of calculating the LRMC.
AMI	Advanced Metering Infrastructure
ARR	Annual revenue requirement
Augmentation	New network assets constructed to meet increased demand.
Capacity	The amount of energy that a part of the network is able to carry.
CES	Certificate of Electrical Safety
Controlled Load	A customer's electricity circuit that the DNSP controls the hours in which the supply is made available.
CPI	Consumer price index
Demand	Energy consumption at a point in time
Demand Management	The modification of behaviour so as to constrain demand at critical times.
Distribution Network	The poles and wires assets that transport energy between the transmission network and customers.
Distributor (DNSP)	Distribution Network Service Provider, the owner/operator of a distribution network.
DMIS	Demand management incentive scheme
DPPC	Designated pricing proposal charges
DUoS	Distribution use of system
Eastern Standard Time (EST)	EST is 10 hours ahead of Coordinated Universal Time
Final Decision	The Australian Energy Regulator's final decision determination 2016 to 2020, May 2016.
FiT	Feed in Tariff
Flexible Pricing	Flexible pricing means different rates for electricity at different times of the day as defined by the Victorian Governments policy on ToU pricing.
High voltage (HV)	Equipment or supplies at voltages of 22kV 11kV or 6.6kV.
Inclining Block	A network tariff energy rate that increases as usage increases above defined thresholds.
JUoS	Jurisdictional scheme use of system

Term	Definition
kVA, MVA	Kilovolt amperes and Megavolt amperes, units of instantaneous total electrical power demand. Usually the peak demand is referenced. See also PF for the relationship between power demand quantities.
kVAr, MVAr	Kilovolt amperes (reactive) and Megavolt amperes (reactive) units of instantaneous reactive electrical power demand. Usually the peak demand is referenced. See also PF for the relationship between power demand quantities.
kW, MW	Kilowatt and Megawatt, units of instantaneous real electrical power demand. Usually the peak demand is referenced. See also PF for the relationship between power demand quantities.
kWh, MWh	Kilowatt hour and Megawatt hour, units of electrical energy consumption.
Local Time	Daylight savings time in accordance with the Victorian Government's requirements.
Logically Converted AMI meter	A meter that records energy use for 30 minute intervals and communicates the data to the energy supplier and is operating in the national energy market as an interval meter.
Low voltage (LV)	Equipment or supply at a voltage of 230 V single phase or 415 V, three phase.
LRMC	Long Run Marginal Costs
Marginal Cost	The cost of providing a small increment of service. The Long Run Marginal Cost (LRMC) includes future investment; Short Run Marginal Cost (SRMC) considers only the costs involved without extra investment
NMI	National Meter Identifier a unique code that identifies a connection point in the NEM.
NUoS	Network use of system. The utilisation of the total electricity network in the provision of electricity to consumers (NUoS = DUoS + TUoS + JUoS).
PFIT	Premium Feed-in tariff
Power factor (PF)	A measure of the ratio of real power to total power of a load. The relationship between real, reactive and total power is as follows: $PF = \text{Real Power (kW)} / \text{Total Power (kVA)}$ $\text{Total Power (kVA)} = \sqrt{\text{kW}^2 + \text{kVAr}^2}$
Price cap	A form of regulatory control that limits the amount by which a price can be increased.
Price structure	The components that make up a Price available to customers
Pricing proposal	AusNet Services' 2019 Pricing Proposal, submitted in accordance with the Rules (this document).
PTRM	Post tax revenue model
Retailer	A financially responsible market participant (FRMP) supplying electricity to customers.
Revenue cap	A form of regulatory control which limits the total revenue in a given period.
Rules	Australian Energy Market Commission, National Electricity Rules (NER), Version 65, 1 October 2014
STPIS	Service target performance incentive scheme
Sub-transmission (ST)	Equipment or supplies at voltage levels of 66kV.
Tariff	A grouping of network price components that are applied to customers network usage in accordance with their conditions of supply.

Term	Definition
Tariff class	A group of customers with similar connection and usage characteristics who are subject to a particular tariff or particular tariffs and a common price control.
TAR	Total Annual Revenue
TFIT	Transitional Feed-in tariff. Expired 31 December 2016.
ToU	Time of Use, a system of pricing where energy or demand charges are set at different rates dependent on the time the energy use is recorded.
Transmission Network	The assets and service that transport energy from generators to major load centres where it is transferred to the distribution network.
TSS	Tariff structure statement
TUoS	Transmission Use of System
Unmetered supply	A connection to the distribution system which is not equipped with a meter and has calculated consumption. Connections to public lights, phone boxes, minor traffic lights and the like may be supplied without a physical metering installation.
WACC	Weighted average cost of capital

**12 Attachments**

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### 12.5 Tariff Structure

Tariff Structure	Tariff component	Unit	Description
1	Standing Charge Inclining Block 1 Inclining Block 2	\$/yr c/kWh c/kWh	1020kWh/qtr kWh Balance
2	Standing Charge Peak Energy Off Peak Energy Demand	\$/yr c/kWh c/kWh \$/kW/mth	7:00AM to 11:00PM Monday to Friday All other times 3:00PM to 9:00PM ADST Monday to Friday. Peak Season - December to March, Off Peak - All other months
3	Standing Charge Peak Energy Off Peak Energy	\$/yr c/kWh c/kWh	7:00AM to 11:00PM Monday to Friday All other times
4	Standing Charge Peak Energy Off Peak Energy	\$/yr c/kWh c/kWh	8:00AM to 8:00PM Monday to Friday All other times
5	Standing Charge Peak Energy Off Peak Energy	\$/yr c/kWh c/kWh	7:00AM to 11:00PM Monday to Sunday All other times
6	Standing Charge Energy	\$/yr c/kWh	All energy
7	Standing Charge Summer Peak Summer Shoulder Winter Peak Off Peak	\$/yr c/kWh c/kWh c/kWh c/kWh	2:00PM to 6:00PM Monday to Friday, December to March 12:00PM to 2:00PM and 6:00PM to 8:00PM Monday to Friday, December to March 4:00PM to 8:00PM Monday to Friday, June to August All other times
8	Standing Charge Summer Peak Shoulder Off Peak	\$/yr c/kWh c/kWh c/kWh	2:00AM AEST First Sunday in October to 2:00AM AEST First Sunday in April 3:00PM to 9:00PM Monday to Friday 7:00AM to 3:00PM and 9:00PM to 10:00PM Monday to Friday, 7:00AM to 10:00PM Saturday to Sunday All other times AEDT in Summer, AEST all other times
9	Standing Charge Off Peak Energy	\$/yr c/kWh	11:00PM to 7:00AM Monday to Sunday
10	Standing Charge Off Peak Energy	\$/yr c/kWh	11:00PM to 7:00AM and 1:00PM to 4:00PM Monday to Sunday
11	Standing Charge Off Peak Energy	\$/yr c/kWh	6 or 8 Hrs between 8:00PM to 8:00AM Monday to Sunday
12	Standing Charge Peak Energy Off Peak Energy	\$/yr c/kWh c/kWh	1 May to 30 September All other times
13	Standing Charge Peak Energy Shoulder Energy Off Peak Energy Demand Capacity Demand Critical Peak	\$/yr c/kWh c/kWh c/kWh \$/kVA/yr \$/kVA/yr	7:00AM to 10:00AM and 4:00PM to 11:00PM Monday to Friday 10:00AM to 4:00PM Monday to Friday All other times Fixed value Average of five recorded between 3:00PM and 7:00PM ADEST on five days nominated in advance
14	Standing Charge Peak Energy Off Peak Energy Demand Capacity Demand Critical Peak	\$/yr c/kWh c/kWh \$/kVA/yr \$/kVA/yr	7:00AM to 11:00PM Monday to Friday All other times Fixed value Average of five recorded between 3:00PM and 7:00PM ADEST on five days nominated in advance
15	Standing Charge Inclining Block 1 Inclining Block 2 Demand	\$/yr c/kWh c/kWh \$/kW/mth	1020kWh/qtr kWh Balance 3:00PM to 9:00PM ADST Monday to Friday. Peak Season - December to March, Off Peak Season - All other months

## 12.6 Minimum Metering Requirements

Tariff Code	Minimum Metering Requirement
NEE11, NEN11, NEE12, NEN12, NGT11, NEE40	Basic type 6 single register accumulation meter.
NEE60	A basic type 6 dual register, with standard time switching capacity.
NEE20, NEN20, NEE21, NEN21, NEE24, NEE25, NEE30, NEE31, NEE32, NEE51, NEE52, NEE55, NEE74	A basic type 6 dual register with an electronic time switch, capable of switching all loads to off-peak overnight and at weekends.
NEE13, NEN13, NGT13, NEE14, NEN14, NGT14, NEE15, NEN15, NGT15, NEE16, NEN16, NEE17, NEN17, NEE18, NEN18, NEE41, NEE42, NEE43	Two basic type 6 single register accumulation meters, one switched by timing device, or a basic type 6 dual register accumulation meter with second register switched by timing device.
NASN11, NASN11P, NASN12, NASN12P, NASN19, NASN21, NSP55	An advanced interval single element meter, "smart meter".
NSP20, NSP21, NSP27, NGT26	An advanced interval single element meter, and an electronic time switch, capable of switching all loads to off-peak overnight and at weekends "smart meter".
NSP23, SSP21, SSP23	An advanced interval meter with export registers and an electronic time switch, capable of switching all loads to off-peak overnight and at weekends "smart meter".
NGT23, NGT24, NGT25	An advanced interval two element meter, "smart meter" where the second element applies to a dedicated circuit that is switched by AusNet Services and that is required to be separately measured to other off peak load.
SUN21, NEE23, SUN23, NEE26, NEE27, NEE28	An interval meter with export registers and an electronic time switch, capable of switching all loads to off-peak overnight and at weekends.
NSP56, NEN56, NSP75, NSP76, NSP77, NSP78, NSP81, NSP82, NSP83, NSP91, NSP94, NSP95	An interval meter, capable of measuring kWh and kVAR integrated over a 30-minute period.

**12.7 Prescribed Metering Schedule**

**Metering Data Services**

***Un Metered Supplies***

Fixed Charge	\$/NMI/pa	\$323.30
Fixed Charge	\$/Light/pa	\$1.6925

**Meter Provision**

<160 MWh a year

***Single Phase Single Element Meter***

Fixed Charge	\$/meter/pa	\$57.80
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***Single Phase Two Element Meter With Contactor***

Fixed Charge	\$/meter/pa	\$67.90
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***Multi Phase Meter***

Fixed Charge	\$/meter/pa	\$82.10
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***Multi Phase Direct Connected Meter With Contactor***

Fixed Charge	\$/meter/pa	\$90.20
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***Multi Phase Current Transformer Connected Meter***

Fixed Charge	\$/meter/pa	\$116.90
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The charges will be applied on a per meter basis in the following manner:

1. Where a site is > 160 MWh, a > 160 MWh Multi Phase CT Connected Meter Provisioning tariff will be applied on a per meter basis.
2. For < 160 MWh sites:
  - a. Which have Multi-phase connections with CT equipment, a Multi Phase CT Connected Meter Provisioning tariff will be applied on a per meter basis.
  - b. Which have Multi-phase connections with a Direct Connection, a Multi Phase, Direct Connected tariff will be applied on a per meter basis.
  - c. With only one meter, which is a Single-phase, single register connection a Single Phase Non Off Peak Meter Provisioning tariff will be applied.
  - d. With Single-phase connections that do not receive a Single Phase Non Off Peak Meter tariff, a Single Phase Off Peak Meter tariff will be applied.

Note that if a site fits the criteria for more than one of the < 160 MWh tariffs, all applicable tariffs may be applied.

The Meter Provisioning charges will be calculated by applying a daily rate to the time period covered in the related NUoS bill.

These charges will be visible in the detailed Billing file, provided on a monthly basis. The charges will be presented in the “600” line structure.

- The “Quantity” field in this structure will reflect the number of days being charged for. In a situation where there are multiple Multi-Phase meters being charged under the same tariff, the “quantity” will be the number of days multiplied by the number of meters.

The “EventDate” field will reflect the “EndDate” presented in the NUoS record

## Meter Exit fees

Date of Application - 1 January 2019

B2B Code	Meter Type	2019 \$
	Single Phase Single Element	391.50
	Single Phase Two Element with Contactor	398.92
	Multiphase	421.85
	Multiphase with Contactor	486.90
	Multiphase CT Connected	570.93



12.8 Ancillary Services Schedule



**FEE BASED ALTERNATIVE CONTROL SERVICES**

Date of Application - 1 January 2019

B2B Code	Code	AH/NH	Field officer visits	\$ GST Excl
020600	020600	0	Field officer visits—BH	19.53
020600AH	020600	1	Field officer visits—AH	351.74
020710	020710	0	Remote Re-energisation - Any Time	6.68
020720	020720	0	Remote De-energisation - Any Time	6.68
020800	020800	0	Remote Meter Re-configuration	29.78
020900	020900	0	Remote Special Read	1.43
			<b>Routine new connections – AusNet Services responsible for metering, customers &lt;100amps</b>	
010107	010107	0	Single Ø Overhead—BH	421.84
010107AH	010107	1	Single Ø Overhead—AH	508.70
010125	010125	0	Install 95mm overhead service from LVABC - BH	695.21
010125AH	010125	1	Install 95mm overhead service from LVABC - AH	870.90
010109	010109	0	Single Ø Underground—BH	219.09
010109AH	010109	1	Single Ø Underground—AH	280.24
010111	010111	0	Multi Ø Overhead—Direct Connected Meter—BH	450.85
010111AH	010111	1	Multi Ø Overhead—Direct Connected Meter—AH	543.68
010112	010112	0	Multi Ø Overhead—CT Connected Meter—BH	605.29
010112AH	010112	1	Multi Ø Overhead—CT Connected Meter—AH	729.93
010113	010113	0	Multi Ø Underground—Direct Connected Meter—BH	327.86
010113AH	010113	1	Multi Ø Underground—Direct Connected Meter—AH	406.05
010114	010114	0	Multi Ø Underground—CT Connected Meter—BH	473.02
010114AH	010114	1	Multi Ø Underground—CT Connected Meter—AH	585.83
010115	010115	0	Temporary Overhead Supply—Coincident Disconnection (Truck visit)—BH	354.94
010115AH	010115	1	Temporary Overhead Supply—Coincident Disconnection (Truck visit)—AH	450.80
			<b>Routine new connections – AusNet Services not responsible for metering, customers &lt;100amps</b>	
010116	010116	0	Single Ø Overhead—BH	421.84
010116AH	010116	1	Single Ø Overhead—AH	508.70
010126	010126	0	Install 95mm overhead service from LVABC - BH	695.21
010126AH	010126	1	Install 95mm overhead service from LVABC - AH	870.90
010118	010118	0	Single Ø Underground—BH	219.09
010118AH	010118	1	Single Ø Underground—AH	280.24
010120	010120	0	Multi Ø Overhead—Direct Connected Meter—BH	450.85
010120AH	010120	1	Multi Ø Overhead—Direct Connected Meter—AH	543.68
010121	010121	0	Multi Ø Overhead—CT Connected Meter—BH	605.29
010121AH	010121	1	Multi Ø Overhead—CT Connected Meter—AH	729.93
010122	010122	0	Multi Ø Underground—Direct Connected Meter—BH	327.86
010122AH	010122	1	Multi Ø Underground—Direct Connected Meter—AH	406.05
010123	010123	0	Multi Ø Underground—CT Connected Meter—BH	473.02
010123AH	010123	1	Multi Ø Underground—CT Connected Meter—AH	585.83
010124	010124	0	Temporary Overhead Supply—Coincident Disconnection (Truck visit)—BH	354.94
010124AH	010124	1	Temporary Overhead Supply—Coincident Disconnection (Truck visit)—AH	450.80
			<b>Service truck visits</b>	
030000	030000	0	Service Truck Visit—BH	354.94
030001	030001	0	Wasted Truck Visit—BH	201.97
030001AH	030001	1	Wasted Truck Visit—AH	292.00
030000AH	030000	1	Service Truck Visit—AH	450.80
030100AH	030100	1	Truck Appointment—AH	Quoted service
			<b>Meter equipment tests</b>	
060100	060100	0	Single phase	167.13
060200	060200	0	Single phase (each additional meter)	62.26
060300	060300	0	Multi Phase	198.28
060400	060400	0	Multi Phase (each additional meter)	93.39
			<b>Small Generator Installations (including PV)</b>	
100100	100100	0	Pre Approval of PV and small generator installation < 4.6kW - BH	
100101	100101	0	Pre Approval of PV and small generator installation 4.6kW to 15kW - BH	155.66
100102	100102	0	Pre Approval of PV and small generator installation 15kW to 30kW - BH	206.37
100103	100103	0	Meter Exchange for PV and small generator installation	Exit Fee + Service Truck Visit
100104	100104	0	Meter Reconfiguration for PV and small generator installation	29.48



**QUOTED ALTERNATIVE CONTROL SERVICES**

Date of Application - 1 January 2019

Labour category	Service description	2019	2019
		\$/hour rate - BH	\$/hour rate - AH
Labour—wages	Construction Overhead Install	108.96	132.34
Labour—wages	Construction Underground Install	106.42	129.25
Labour—wages	Construction Substation Install	106.42	129.25
Labour—wages	Electrical Tester Including Vehicle & Equipment	190.27	214.52
Labour—wages	Planner Including Vehicle	146.28	-
Labour—wages	Supervisor Including Vehicle	146.28	-
Labour—design	Design	124.90	151.68
Labour—design	Drafting	95.97	116.56
Labour—design	Survey	113.05	137.31
Labour—design	Tech Officer	113.05	137.31
Labour—design	Line Inspector	108.96	132.34
Labour—design	Contract Supervision	113.05	137.31
Labour—design	Protection Engineer	124.90	151.68
Labour—design	Maintenance Planner	113.05	137.31

## 12.9 Public lighting Schedule



### PUBLIC LIGHTING PRICES Effective 1 January 2019 NOTE: ALL PRICES EXCLUSIVE OF GST

#### PUBLIC LIGHTING OPERATION, REPAIR, REPLACEMENT AND MAINTENANCE CHARGES

The following prices apply to Standard and Non Standard public lights that are maintained by AusNet Services Electricity under the Public Lighting Code throughout its distribution area unless an alternative charge has been negotiated and agreed in writing with the public lighting customer.

##### Central is Local Government areas of:

- Banyule, Cardinia, Casey, Darebin, Frankston, Greater Dandenong, Hume, Knox, Manningham, Maroondah, Nillumbik, Whittlesea, Yarra Ranges.

##### North and East are Local Government areas of:

- Alpine, Bass Coast, Baw Baw, Benalla, Bogong Trading Company, East Gippsland, Falls Creek Resort, Indigo, La Trobe, Mansfield, Mitchell, Moira, Mount Buller Resort, Murrindindi, South Gippsland, Strathbogie, Towong, Wangaratta, Wellington, Wodonga.

#### Annual Charge

Charge Code	Service Description (LIGHT TYPE AND RATING)	Central \$	North & East \$
Category P lights			
17*114	Standard Output LED (Includes 18W LED)	16.75	17.20
17*115	Non Standard Luminaire, Standard Output LED	16.75	17.20
17*116	High Output LED	16.75	17.20
17*108	2 x 14W T5 Fluorescent	35.57	40.48
17*112	2 x 24W T5 Fluorescent	41.99	47.72
17*113	32W Compact Fluorescent	31.57	36.03
17*107	42W Compact Fluorescent	31.57	36.03
17*001	50W Colour Corrected Mercury Vapour	65.76	72.26
17*002	80W Colour Corrected Mercury Vapour	42.98	48.82
17*003	125W Colour Corrected Mercury Vapour	63.19	72.26
17*010	50W High Pressure Sodium	45.25	52.80
17*109	70W Metal Halide	187.63	185.75
Category V Lights			
17*117	L1 LED	24.27	24.75
17*118	L2 LED	25.01	25.57
17*119	L3 LED	26.58	27.09
17*004	250W Colour Corrected Mercury Vapour	108.23	119.45
17*005	400W Colour Corrected Mercury Vapour	112.35	122.89
17*009	100W High Pressure Sodium	109.20	124.24
17*100	150W High Pressure Sodium	102.06	116.12
17*101	250W High Pressure Sodium	103.07	114.85
17*102	400W High Pressure Sodium	146.37	163.09
17*110	100W Metal Halide	243.68	245.94
17*111	150W Metal Halide	276.84	279.41

The following obsolete light types have been deleted from AusNet Services' Standard and Non Standard Light offering.

17*006	700W Colour Corrected Mercury Vapour
17*007	90W Low Pressure Sodium
17*008	180W Low Pressure Sodium
17*103	2x20W Fluorescent
17*104	4x40W Fluorescent

The third character (\*) in the above charge Codes is variable dependent upon location and shared or full cost allocation.



**PUBLIC LIGHTING PRICES**  
 Effective 1 January 2019  
 NOTE: ALL PRICES EXCLUSIVE OF GST

**PUBLIC LIGHTING WRITTEN DOWN VALUE AND AVOIDED COSTS**

	<b>Central</b>	<b>North &amp; East</b>
	<b>\$</b>	<b>\$</b>
<b>WDV RAB - MV 80 Luminair</b>	55.57	61.07
WDV RAB - HP Sodium 150W	66.87	71.92
WDV RAB - HP Sodium 250W	68.21	72.45
WDV RAB - HP Sodium 400W	96.86	102.88
<b>Avoided Costs (Materials &amp; labour - bulk lamp change and repair of faults)</b>		
MV 80 O & M	-25.54	-30.87
HP Sodium 150W	-38.30	-47.00
HP Sodium 250W	-38.89	-46.13
HP Sodium 400W	-55.23	-65.50