



Pricing Proposal

For the financial year ending June 2024

March 2023

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1 ABOUT THIS PRICING PROPOSAL

1.1 Introduction

We submit this Pricing Proposal for 2023-24, the final year of the 2019-24 regulatory control period, to the Australian Energy Regulator (**AER**) in accordance with the requirements of the National Electricity Rules (**NER**).

On 30 April 2019, the AER released its final decision on Ausgrid's electricity distribution determination for the 2019-24 regulatory control period (referred to as 'the AER's final determination' or 'the AER's final decision').¹ This includes the AER's decision on our Tariff Structure Statement (**TSS**) for the 2019-24 control period.² Our approved TSS is published on the AER's website³ and is also available on our website.⁴

On 30 September 2019, Ausgrid submitted a proposal to the AER to approve an amendment to our TSS to include new network tariffs to apply to certain embedded network customers.⁵ We lodged this request in accordance with clause 6.18.1B of the NER.

On 28 February 2020, the AER released its decision to not approve our proposal to amend the TSS. The AER was not satisfied that the threshold to amend the TSS under clause 6.18.1B of the NER had been met.⁶

As a result of the AER's decision, our current TSS released on 30 April 2019 ('the TSS') continues to apply.

Our Pricing Proposal for standard control services is based on the TSS. It also provides schedule of charges for alternative control services (**ACS**) (public lighting, ancillary network services (**ANS**) and metering services) based on the AER's final determination.

On 28 February 2023 Ausgrid submitted a sub-threshold notification to the AER for trial tariffs to apply in the 2023-24 year. Under clause 6.18.1C of the NER the pricing principles do not apply to sub-threshold tariffs and are deemed to comply with the current TSS. Ausgrid's sub-threshold tariff submission is available on the AER's website at [aer.gov.au/networks-pipelines/network-tariff-reform/tariff-trials](https://www.aer.gov.au/networks-pipelines/network-tariff-reform/tariff-trials).

¹ AER, *Final Decision – Ausgrid Distribution Determination 2019 to 2024*, April 2019. Available at <https://www.aer.gov.au/networks-pipelines/determinations-access-arrangements/ausgrid-determination-2019-24/final-decision>.

² AER, *Final Decision – Ausgrid Distribution Determination 2019 to 2024, Attachment 18 Tariff Structure Statement*, April 2019. Available at <https://www.aer.gov.au/system/files/AER%20-%20Final%20decision%20-%20Ausgrid%20distribution%20determination%202019-24%20-%20Attachment%2018%20-%20Tariff%20structure%20statement%20-%20April%202019.pdf>.

³ AER, *Final Decision – Ausgrid Distribution Determination 2019 to 2024, Amended Tariff Structure Statement*, April 2019 – Clean. Available at <https://www.aer.gov.au/system/files/AER%20-%20Final%20Decision%20-%20Ausgrid%20distribution%20determination%202019-24%20-%20Amended%20Tariff%20Structure%20Statement%20-%20April%202019%20-%20Clean.pdf>.

⁴ Ausgrid, *Attachment 10.1 – Tariff Structure Statement*, April 2019. Available at <https://www.ausgrid.com.au/-/media/Documents/Regulation/Reports-plans/Ausgrid-approved-TSS-2019-24.pdf>.

⁵ Ausgrid, *Tariff Structure Statement Amendment*, September 2019. Available at https://www.aer.gov.au/system/files/Ausgrid%20-%20Clean%20version%20-%20Tariff%20Structure%20Statement%20amendment%20-%2030%20September%202019_0.pdf.

⁶ AER, *Determination Ausgrid Tariff Structure Statement 2019-24 Amendment Proposal*, February 2020. Available at <https://www.aer.gov.au/system/files/AER%20decision%20-%20Ausgrid%20TSS%20amendment%20proposal%20-%2028%20February%202020.pdf>.

1.2 Structure of this Pricing Proposal

This Pricing Proposal has the following structure:

- Chapter 2 presents an overview of our Pricing Proposal
- Chapter 3 presents our tariff classes
- Chapter 4 presents our tariffs and charging parameters
- Chapter 5 summarises the weighted average revenue
- Chapter 6 summarises variations to tariffs
- Chapter 7 summarises designated pricing proposal charges
- Chapter 8 summarises the jurisdictional scheme charges
- Chapter 9 summarises the distribution use of system unders and overs account
- Chapter 10 summarises changes from the previous regulatory year
- Chapter 11 summarises customer impacts
- Chapter 12 demonstrates consistency with the TSS
- Chapter 13 demonstrates compliance with NER
- Chapter 14 summarises the annual system of assessment and review of tariffs
- Chapter 15 covers public lighting services
- Chapter 16 covers ANS
- Chapter 17 covers metering services.

The accompanying Explanatory Notes in Appendix A provide more detail on this Pricing Proposal including our customer impacts analysis (Appendix A.1) and supporting information. Appendix B provides a schedule of charges for ACS.

1.3 Feedback

We welcome feedback from our customers and stakeholders on this Pricing Proposal, our recent trial tariff sub-threshold submission, or as part of our ongoing engagement on the proposed Tariff Structure Statement for the 2024-29 period. Please provide feedback to:

pricing@ausgrid.com.au or

Network Pricing Manager
Ausgrid
GPO Box 4009
Sydney NSW 2001

Customers may also comment via Ausgrid's LinkedIn page at [linkedin.com/company/ausgrid/](https://www.linkedin.com/company/ausgrid/) or via twitter.com/Ausgrid.

2 OVERVIEW

This document is our Pricing Proposal for the fifth year of the 2019-24 regulatory control period. We submit it for review and approval by the AER as required by clause 6.18.2(a)(2) of the NER. It is structured to allow ready assessment of compliance by the AER.

2.1 Key reforms

The proposal is based on our TSS. The key pricing reforms proposed for the 2019-24 regulatory period and approved by the AER are:

- Introduction of demand tariffs as the default assignment for residential and small business new connections and customers on flat tariffs upgrading their meter by customer choice, from 1 July 2019;
- Our new TOU-demand and existing TOU tariffs are opt-out options for all customers assigned to a demand tariff;
- Transitional TOU tariffs for residential and small business customers are no longer transitioning and are set to the same level as legacy flat tariffs for the 2019-24 regulatory period. Together they are referred to as 'flat tariffs';
- Flat tariffs are closed to new customers as they are not cost reflective;
- Customers on flat tariffs replacing faulty meters are assigned to the introductory demand tariff for 12 months, and then reassigned to a demand tariff;
- TOU customers replacing a meter for any reason remain on TOU tariffs and can opt-in to demand tariffs;
- Transitional tariffs for medium and large business customers will transition to an appropriate capacity-based tariff over the 2019-24 regulatory period;
- No change to the seasonal TOU charging windows for energy for residential and small business customers; and
- Alignment of seasonal charging windows for peak energy with summer and winter seasonal demand charges. Residential and small business charging windows for 'low season' maximum demand are aligned with the capacity charging windows for larger businesses (2-8 pm working weekdays).

Our tariff classes are presented in Chapter 3. Proposed tariffs and charging parameters are presented in Chapter 4.

Our Pricing Proposal also includes assessment and reassignment of existing customers to an appropriate tariff based on the consumption threshold (see Chapter 14).

2.2 Target revenue

The AER's 2019-24 Determination for Ausgrid established our smoothed revenue allowance for 2023-24 and methodology to calculate the resulting revenue targets. Table 2.1 below shows the revenue targets for Distribution Use of System (**DUOS**), Transmission Use of System (**TUOS**), CCF, and the resulting Network Use of System (**NUOS**) revenue target. We have set our proposed network tariffs for 2023-24 to recover these revenue targets.

The target revenue includes the AER’s decision on revenue adjustments from Demand Management Innovation Scheme (**DMIS**) and the Service Target Performance Incentive Scheme (**STPIS**). These adjustments have been included in the AER’s determination for the 2019-24 period.⁷

The total NUOS 2023-24 target revenue has increased predominantly due to CPI and the introduction of two new jurisdictional schemes, the NSW Electricity Infrastructure Roadmap and its exemptions fund. Target revenue also has been reduced by a significant reduction in Transgrid’s forecast revenues, and minor changes to the closing balances of the unders and overs accounts at 30 June 2023.

Table 2.1. Ausgrid’s target revenues for 2023-24 (\$m)

Revenue component	Target revenue for 2023-24 (\$m)
Distribution use of system (DUOS)	\$1,466.20
Transmission use of system (TUOS)	\$308.71
Climate Change Fund (CCF)	\$135.38
NSW Electricity Infrastructure Roadmap Contribution Determination	\$61.45
NSW Electricity Infrastructure Roadmap Exemptions	\$0.09
Total Network use of system (NUOS)	\$1,971.83

Weighted average revenue for DUOS is discussed in Chapter 5.

2.3 Customer impacts

Our Pricing Proposal results in a 4.6% increase in average network charges (NUOS) from 2022-23 to 2023-24.

Our ‘typical’ residential customer on a legacy flat energy tariff with energy consumption of 5 MWh per year, has a \$25 (4.6%) increase in the network component of the annual bill from 2022-23 to 2023-24.

Our ‘typical’ small business customer on a legacy flat energy tariff with energy consumption of 10 MWh per year has an increase of \$57 (4.6%) in the network component of the annual bill from 2022-23 to 2023-24.

A ‘typical’ medium size business customer with energy consumption of 75 MWh pa will have their network bill increased by \$298 (4.6%) in 2023-24. A ‘typical’ medium sized business customer with energy consumption of 335 MWh per year will have an increase of \$1,319 (4.6%) in 2023-24.

Network charges for our large (>750 MWh per year) customers connected at low voltage are expected to increase by 4.6%. Customers supplied with high voltage and the sub-transmission tariffs will face network charge increases of 4.3%.

⁷ AER, *Final Decision – Ausgrid Distribution Determination 2019 to 2024, Attachment 1 – Annual revenue requirement*, April 2019, p 1-8. Available at <https://www.aer.gov.au/system/files/AER%20-%20Final%20decision%20-%20Ausgrid%20distribution%20determination%202019-24%20-%20Attachment%201%20-%20Annual%20revenue%20requirement%20-%20April%202019.pdf>.

2.4 Consistency with the approved TSS

Our Pricing Proposal is based on our approved TSS. There are no departures in proposed tariff classes, tariffs and charging parameters. Differences in indicative prices (as compared to proposed 2023-24 prices) are explained by the introduction of the NSW Government's Roadmap scheme and our updated forecasts of customer numbers, energy consumption and demand (see Chapter 12). Additionally, Transgrid's forecast 2023-24 revenue recovery has fallen by \$81 million as compared to the prior year. This has required some rebalancing across component charges to ensure the overall NUOS increases are shared across tariffs and tariff classes.

The transition and rebalancing of certain tariffs envisaged in our TSS was paused in 2020-21 due to uncertainties associated with the COVID-19 pandemic. These price paths were resumed in the 2021-22 price proposal and continue in this year's proposal. We have also updated our energy consumption and tariff forecasts for the remainder of the regulatory period, reflecting an updated expectation about the outlook of the COVID-19 recovery.

2.5 Compliance with the NER

Our Pricing Proposal complies with the AER's determination and the NER (see Chapter 13).

2.6 Annual tariff review outcomes

Our Pricing Proposal includes reassignment of about 3,700 non-residential customers to an appropriate tariff based on their average consumption profiles supported by 24 months of historical data, subject to customer impacts assessment (see Chapter 14).

2.7 Alternative control services

Our Pricing Proposal provides a schedule of charges for ACS: public lighting (Chapter 15), ANS (Chapter 16) and metering services (Chapter 17).

3 TARIFF CLASSES

This section sets out the tariff classes for standard control services that are specified in our approved TSS for 2019-24 (NER clause 6.18.2(b)(2)). Our TSS contains policies and procedures we will apply to assign customers to tariff classes. It also sets out the policies and procedures for assigning customers to tariffs within each class. Additional explanation is provided in our ES7 Network Price Guide.

Table 3.1 below summarises our five network tariff classes, and the individual tariffs in each tariff class, including a set of demand tariffs for residential customers and for non-residential customers with less than 40 MWh energy consumption a year, introduced on 1 July 2019 (see Section 2.1 of the TSS).

Assignment of customers to tariff classes are presented in Section 2.2 of the TSS.

Assignment of customers to a tariff within the tariff class are presented in Section 2.3 of the TSS.

Table 3.1. Ausgrid's tariff class descriptions from 1 July 2019

Tariff Class	Definition	Primary Network Tariffs	Other Network Tariffs
Low Voltage	Applicable to separately metered low voltage (415V or 240V) connections, as measured at the metering point.	EA025 – Residential TOU EA111 – Residential demand (introductory) EA115 – Residential TOU demand EA116 – Residential demand EA225 – Small business TOU EA251 – Small business demand (introductory) EA255 – Small business TOU demand EA256 – Small business demand EA302 – LV 40-160 MWh EA305 – LV 160-750 MWh EA310 – LV >750 MWh	<i>Secondary</i> EA030 – Controlled load 1 EA040 – Controlled load 2 <i>Closed*</i> EA010 – Residential non-TOU <i>closed</i> EA011 – Residential transitional TOU <i>closed</i> EA050 – Small business non-TOU <i>closed</i> EA051 – Small business transitional TOU <i>closed</i> EA316 – Transitional 40-160 MWh <i>closed</i> EA317 – Transitional 160-750 MWh <i>closed</i> EA325 – LV Connection (standby) <i>closed</i>
High Voltage	Applicable to any connection at high voltage (11kV) level, as measured at the metering point.	EA370 – HV Connection (system) EA380 – HV Connection (substation)	EA360 – HV Connection (standby) <i>closed</i> Individually calculated tariffs
Sub-transmission	Applicable to any connection at a sub-transmission voltage (132/66/33kV), as measured at the metering point.	EA390 – ST Connection (system) EA391 – ST Connection (substation)	Individually calculated tariffs
Unmetered	Applicable to any LV connection that is defined as an unmetered supply by Ausgrid in consultation with AEMO as per clause S7.2.3 (Item 5) of the Rules.	EA401 – Public lighting EA402 – Constant unmetered EA403 – EnergyLight	
Transmission	Applicable to any site that is connected to the electricity transmission network.	EA501 – Transmission tariff	Individually calculated tariffs

Note: * *Closed* means only available for customers already assigned to the tariff. Transitional tariffs EA316 and EA317 closed during 2019-20 after the reassignments of existing customers reviewed for consumption thresholds was completed, to mitigate customer impacts. Once there are no more customers assigned to the closed tariff, we may remove this tariff from the pricing table at the annual pricing proposal. If there are no customers assigned to a tariff, we may also exclude it from the tariff table for the annual pricing proposal.

4 PROPOSED TARIFFS AND CHARGING PARAMETERS

This section sets out, for each proposed tariff, the charging parameters and the elements of service to which each charging parameter relates (NER clause 6.18.2(b)(3)).

Tables 4.1 - 4.4 below set out our proposed prices for NUOS and its components (DUOS, TUOS and CCF) for 2023-24. The four types of charging parameters are:

- network access charge;
- energy consumption charge;
- demand charge; and
- capacity charge.⁸

The energy consumption and demand charges may vary by time of day and/or by season, with different time periods applied to residential and non-residential customers.

Seasonal definitions of time periods used in the charging parameters for the Time of Use (TOU) energy consumption charge, demand charge and capacity charge for different customer categories are provided in our TSS⁹ and are further explained in our ES7 Network Price Guide.¹⁰

⁸ Ausgrid's TSS, Section 3.1, p 15.

⁹ Ausgrid's TSS, Section 3.1, pp 16-24.

¹⁰ Ausgrid, *ES7 - Network Price Guide*, February 2023. Available at <https://www.ausgrid.com.au/Industry/Regulation/Network-prices>.

Table 4.1. Ausgrid’s network use of system (NUOS) tariffs by charging parameter from 1 July 2023 (exclusive of GST)

Tariff Class	Tariff Code	Tariff Name	Network Access Charge c/day	Energy consumption charge				Demand charge		Capacity charge	
				Non-TOU c/kWh	Peak c/kWh	Shoulder c/kWh	Off-peak c/kWh	High season c/kW/day	Low season c/kW/day	Peak c/kW/day	Peak c/kVA/day
Low Voltage	EA010	Residential non-TOU <i>closed</i>	34.5871	9.1709							
	EA011	Residential transitional TOU <i>closed</i>	34.5871		9.1709	9.1709	9.1709				
	EA025	Residential TOU	49.1497		27.2634	5.5002	3.8676				
	EA111	Residential demand (introductory)	35.8290		8.7829	8.7829	8.7829	1.0820	1.0820		
	EA115	Residential TOU demand	50.3369		24.7136	3.8465	3.0712	4.4617	4.4617		
	EA116	Residential demand	41.6874		1.8724	1.8724	1.8724	26.2662	15.5209		
	EA030	Controlled load 1	1.0320	2.0170							
	EA040	Controlled load 2	7.3274	4.2777							
	EA050	Small business non-TOU <i>closed</i>	139.9064	7.9157							
	EA051	Small business transitional TOU <i>closed</i>	139.9064		7.9157	7.9157	7.9157				
	EA225	Small business TOU	140.0531		25.4940	5.9869	2.9517				
	EA251	Small business demand (introductory)	126.0881		7.9673	7.9673	7.9673	1.0639	1.0639		
	EA255	Small business TOU demand	155.1363		20.0874	5.9712	2.3864	5.2379	5.2379		
	EA256	Small business demand	143.0936		1.7663	1.7663	1.7663	30.1950	22.6462		
	EA302	LV 40-160 MWh	470.7190		5.8100	1.9945	0.9489				33.7404
	EA305	LV 160-750 MWh	1669.8393		5.7213	1.3161	0.9489				41.0048
	EA310	LV >750 MWh	3361.8757		4.5004	1.3161	0.9489				44.2779
	EA316	Transitional 40-160 MWh <i>closed</i>	470.7190		5.8100	1.9945	0.9489				33.7404
EA317	Transitional 160-750 MWh <i>closed</i>	1669.8393		5.7213	1.3161	0.9489				41.0048	
EA325	LV Connection (standby) <i>closed</i>	2836.7725		9.3659	7.0604	2.0962				5.1586	
High Voltage	EA360	HV Connection (standby) <i>closed</i>	2159.1063		8.1824	3.9884	2.4368				0.8577
	EA370	HV Connection (system)	5200.9411		2.8427	1.8437	1.2504				22.5454
	EA380	HV Connection (substation)	5200.9411		2.6395	1.7372	1.2079				18.8159
Sub-transmission	EA390	ST Connection (system)	5646.0171		2.2894	1.8065	1.2244				5.9848
	EA391	ST Connection (substation)	5646.0171		2.1925	1.6394	1.1710				5.6580
Unmetered	EA401	Public lighting		7.8228							
	EA402	Constant unmetered		9.4027							
	EA403	EnergyLight		7.1760							
Transmission	EA501	Transmission-connected	27249.2260								4.3759

Table 4.2. Ausgrid’s distribution use of system (DUOS) tariffs by charging parameter from 1 July 2023 (exclusive of GST)

Tariff Class	Tariff Code	Tariff Name	Network Access Charge c/day	Energy consumption charge				Demand charge		Capacity charge	
				Non-TOU c/kWh	Peak c/kWh	Shoulder c/kWh	Off-peak c/kWh	High season c/kW/day	Low season c/kW/day	Peak c/kW/day	Peak c/kVA/day
Low Voltage	EA010	Residential non-TOU <i>closed</i>	34.5871	5.6589							
	EA011	Residential transitional TOU <i>closed</i>	34.5871		5.6589	5.6589	5.6589				
	EA025	Residential TOU	48.1472		17.9285	4.8195	3.1869				
	EA111	Residential demand (introductory)	31.1972		6.8791	6.8791	6.8791	1.0820	1.0820		
	EA115	Residential TOU demand	45.6078		17.1774	2.2445	1.4692	4.4617	4.4617		
	EA116	Residential demand	37.8669		0.0000	0.0000	0.0000	26.2662	15.5209		
	EA030	Controlled load 1	1.0320	0.0000							
	EA040	Controlled load 2	7.3274	0.0000							
	EA050	Small business non-TOU <i>closed</i>	139.9064	4.8385							
	EA051	Small business transitional TOU <i>closed</i>	139.9064		4.8385	4.8385	4.8385				
	EA225	Small business TOU	138.4779		15.0902	5.0380	2.0028				
	EA251	Small business demand (introductory)	111.2239		5.2160	5.2160	5.2160	1.0639	1.0639		
	EA255	Small business TOU demand	136.8927		12.9446	5.0223	1.4375	5.2379	5.2379		
	EA256	Small business demand	131.5236		0.0000	0.0000	0.0000	30.1950	22.6462		
	EA302	LV 40-160 MWh	469.7021		4.0664	1.0456	0.0000				32.3596
	EA305	LV 160-750 MWh	1668.7391		3.7329	0.0000	0.0000				39.5387
	EA310	LV >750 MWh	3360.8548		1.8953	0.0000	0.0000				40.1808
	EA316	Transitional 40-160 MWh <i>closed</i>	469.7021		4.0664	1.0456	0.0000				32.3596
EA317	Transitional 160-750 MWh <i>closed</i>	1668.7391		3.7329	0.0000	0.0000				39.5387	
EA325	LV Connection (standby) <i>closed</i>	2835.9563		8.4170	6.1116	1.1473				0.8689	
High Voltage	EA360	HV Connection (standby) <i>closed</i>	2158.0042		4.6769	0.4965	0.3598				0.1108
	EA370	HV Connection (system)	5199.8294		1.7140	0.9386	0.3535				19.7000
	EA380	HV Connection (substation)	5199.8294		1.5278	0.8367	0.3151				16.5841
Sub-transmission	EA390	ST Connection (system)	5644.8752		1.2429	0.8777	0.3389				5.1158
	EA391	ST Connection (substation)	5644.8752		1.1460	0.7106	0.2855				4.7890
Unmetered	EA401	Public lighting		5.4821							
	EA402	Constant unmetered		6.6453							
	EA403	EnergyLight		4.6384							
Transmission	EA501	Transmission-connected	0.0000								0.0000

Table 4.3. Ausgrid’s transmission use of system (TUOS) tariffs by charging parameter from 1 July 2023 (exclusive of GST)

Tariff Class	Tariff Code	Tariff Name	Network Access Charge c/day	Energy consumption charge			Demand charge		Capacity charge		
				Non-TOU c/kWh	Peak c/kWh	Shoulder c/kWh	Off-peak c/kWh	High season c/kW/day	Low season c/kW/day	Peak c/kW/day	Peak c/kVA/day
Low Voltage	EA010	Residential non-TOU <i>closed</i>	0.0000	2.8314							
	EA011	Residential transitional TOU <i>closed</i>	0.0000		2.8314	2.8314	2.8314				
	EA025	Residential TOU	1.0025		8.6544	0.0000	0.0000				
	EA111	Residential demand (introductory)	4.6318		1.2231	1.2231	1.2231	0.0000	0.0000		
	EA115	Residential TOU demand	4.7291		6.8556	0.9214	0.9214	0.0000	0.0000		
	EA116	Residential demand	3.8205		1.1918	1.1918	1.1918	0.0000	0.0000		
	EA030	Controlled load 1	0.0000	1.3364							
	EA040	Controlled load 2	0.0000	3.5971							
	EA050	Small business non-TOU <i>closed</i>	0.0000	2.1283							
	EA051	Small business transitional TOU <i>closed</i>	0.0000		2.1283	2.1283	2.1283				
	EA225	Small business TOU	1.5752		9.4549	0.0000	0.0000				
	EA251	Small business demand (introductory)	14.8642		1.8024	1.8024	1.8024	0.0000	0.0000		
	EA255	Small business TOU demand	18.2436		6.1939	0.0000	0.0000	0.0000	0.0000		
	EA256	Small business demand	11.5700		0.8174	0.8174	0.8174	0.0000	0.0000		
	EA302	LV 40-160 MWh	1.0169		0.7947	0.0000	0.0000				1.3809
	EA305	LV 160-750 MWh	1.1002		1.0395	0.3672	0.0000				1.4660
	EA310	LV >750 MWh	1.0209		1.6563	0.3672	0.0000				4.0971
	EA316	Transitional 40-160 MWh <i>closed</i>	1.0169		0.7947	0.0000	0.0000				1.3809
EA317	Transitional 160-750 MWh <i>closed</i>	1.1002		1.0395	0.3672	0.0000				1.4660	
EA325	LV Connection (standby) <i>closed</i>	0.8162		0.0000	0.0000	0.0000				4.2896	
High Voltage	EA360	HV Connection (standby) <i>closed</i>	1.1022		2.6819	2.6683	1.2534				0.7469
	EA370	HV Connection (system)	1.1117		0.3051	0.0815	0.0733				2.8455
	EA380	HV Connection (substation)	1.1117		0.2881	0.0769	0.0692				2.2319
Sub-transmission	EA390	ST Connection (system)	1.1419		0.2034	0.0857	0.0424				0.8691
	EA391	ST Connection (substation)	1.1419		0.2034	0.0857	0.0424				0.8691
Unmetered	EA401	Public lighting		1.4077							
	EA402	Constant unmetered		1.8245							
	EA403	EnergyLight		1.6047							
Transmission	EA501	Transmission-connected	27249.2260								4.3759

Table 4.4. Ausgrid’s jurisdictional scheme components by charging parameter from 1 July 2023 (exclusive of GST)

Tariff Class	Tariff Code	Tariff Name	Network Access Charge c/day	Energy consumption charge			Demand charge		Capacity charge		
				Non-TOU c/kWh	Peak c/kWh	Shoulder c/kWh	Off-peak c/kWh	High season c/kW/day	Low season c/kW/day	Peak c/kW/day	Peak c/kVA/day
Low Voltage	EA010	Residential non-TOU <i>closed</i>	0.0000	0.6806							
	EA011	Residential transitional TOU <i>closed</i>	0.0000		0.6806	0.6806	0.6806				
	EA025	Residential TOU	0.0000		0.6806	0.6806	0.6806				
	EA111	Residential demand (introductory)	0.0000		0.6806	0.6806	0.6806	0.0000	0.0000		
	EA115	Residential TOU demand	0.0000		0.6806	0.6806	0.6806	0.0000	0.0000		
	EA116	Residential demand	0.0000		0.6806	0.6806	0.6806	0.0000	0.0000		
	EA030	Controlled load 1	0.0000	0.6806							
	EA040	Controlled load 2	0.0000	0.6806							
	EA050	Small business non-TOU <i>closed</i>	0.0000	0.9489							
	EA051	Small business transitional TOU <i>closed</i>	0.0000		0.9489	0.9489	0.9489				
	EA225	Small business TOU	0.0000		0.9489	0.9489	0.9489				
	EA251	Small business demand (introductory)	0.0000		0.9489	0.9489	0.9489	0.0000	0.0000		
	EA255	Small business TOU demand	0.0000		0.9489	0.9489	0.9489	0.0000	0.0000		
	EA256	Small business demand	0.0000		0.9489	0.9489	0.9489	0.0000	0.0000		
	EA302	LV 40-160 MWh	0.0000		0.9489	0.9489	0.9489			0.0000	
	EA305	LV 160-750 MWh	0.0000		0.9489	0.9489	0.9489				0.0000
	EA310	LV >750 MWh	0.0000		0.9489	0.9489	0.9489				0.0000
	EA316	Transitional 40-160 MWh <i>closed</i>	0.0000		0.9489	0.9489	0.9489			0.0000	
EA317	Transitional 160-750 MWh <i>closed</i>	0.0000		0.9489	0.9489	0.9489				0.0000	
EA325	LV Connection (standby) <i>closed</i>	0.0000		0.9489	0.9489	0.9489				0.0000	
High Voltage	EA360	HV Connection (standby) <i>closed</i>	0.0000		0.8236	0.8236	0.8236				0.0000
	EA370	HV Connection (system)	0.0000		0.8236	0.8236	0.8236				0.0000
	EA380	HV Connection (substation)	0.0000		0.8236	0.8236	0.8236				0.0000
Sub-transmission	EA390	ST Connection (system)	0.0000		0.8431	0.8431	0.8431				0.0000
	EA391	ST Connection (substation)	0.0000		0.8431	0.8431	0.8431				0.0000
Unmetered	EA401	Public lighting		0.9329							
	EA402	Constant unmetered		0.9329							
	EA403	EnergyLight		0.9329							
Transmission	EA501	Transmission-connected	0.0000								0.0000

5 WEIGHTED AVERAGE REVENUE

This chapter sets out the weighted average revenue from tariffs within each tariff class for standard control services proposed for the fifth year of the 2019-24 regulatory control period (NER clause 6.18.2(b)(4)).

Table 5.1 below demonstrates that there is no economic cross-subsidy between tariff classes because expected DUOS revenue is between avoidable and standalone costs for each tariff class. As a result, this pricing proposal meets the requirements of clause 6.18.5(e)(1) of the NER.

Table 5.1. Comparison of 2023-24 DUOS tariffs vs standalone and avoidable costs (\$m)

Tariff Class	2023-24, \$m		
	Avoidable costs	Expected DUOS revenue	Standalone costs
Low Voltage	\$315.41	\$1,374.20	\$1,382.28
High Voltage	\$18.98	\$45.64	\$825.09
Sub-transmission	\$38.11	\$38.11	\$322.71
Unmetered	\$1.49	\$8.26	\$1,068.36

Note: Excludes GST.

6 VARIATIONS TO TARIFFS

Clause 6.18.2(b)(5) of the NER requires that a pricing proposal set out the nature of any variation or adjustment to the tariff that could occur during the regulatory year and the basis on which it could occur.

We do not propose to vary or adjust our existing network tariffs during 2023-24. However, we note the introduction of the NSW Electricity Infrastructure Roadmap has resulted in additional energy charge components being included in the final NUOS rates.

7 DESIGNATED PRICING PROPOSAL CHARGES

Clause 6.18.2(b)(6) of the NER requires that a pricing proposal must set out how designated pricing proposal charges (previously known as transmission use of system services and related 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.

In addition, clause 6.18.7(b) states that recovery of designated pricing proposal charges should not exceed the estimated amount of these charges for the relevant regulatory year, once the overs and unders account has been taken into account.

Ausgrid's TUOS tariffs¹¹ are designed to recover the allowed revenue for our electricity transmission (dual function) network, to pass through the prescribed transmission costs of Transgrid, inter-distributor transfers and avoided TUOS, and to recover/return any under/over recovery of designated transmission revenues in the previous period. We set TUOS prices that satisfy the revenue cap compliance formula.¹²

In our Pricing Proposal, we have updated the forecast of Transgrid charges for 2023-24, as well as the estimate of inter-distributor transfers and avoided TUOS, to calculate the 2023-24 prices. We note that the FY24 forecast revenue recovered on behalf of Transgrid has fallen by 30% compared to the prior year. Transgrid has advised that this is due to the pass through of intraregional settlement residues from the National Electricity Market.

Table 7.1. Unders and overs account forecast closing balance – TUOS (\$'000)

Financial Year	Units	2021-22 (actual)	2022-23 (estimate)	2023-24 (forecast)
Interest rate applicable to balance	%	3.63%	6.15%	10.61%
Opening balance	\$'000	\$10,270	\$14,958	\$8,229
Interest on opening balance	\$'000	\$373	\$921	\$873
Under/over recovery for regulatory year	\$'000	\$4,239	-\$7,425	-\$8,654
Interest on under/over recovery for regulatory year	\$'000	\$76	-\$225	-\$448
Closing balance of TUOS unders and overs account	\$'000	\$14,958	\$8,229	\$0

System Strength Charges

Clause 6.18.2(b)(6C) of the NER also requires that a pricing proposal must set out how system strength charges for system strength connection points on its network are to be passed through as described in clause 6.20.3A. This proposal includes, as an attachment, Ausgrid's transmission pricing methodology for the 2019-24 period. This methodology includes a description of our approach to passing through system strength charges. Section 3.9 states that Ausgrid will replicate as far as reasonably practical, the amount, structure

¹¹ This document uses the terms Transmission Use of System (TUOS) and Designated pricing proposal charges interchangeably.

¹² AER, *Final Decision – Ausgrid Distribution Determination 2019 to 2024, Attachment 13 – Control mechanisms*, March 2021, p 13-9.

and timing of the annual system strength, in accordance with the charging information provided and billed by Transgrid.

Ausgrid will pass through the System Strength Charge for any eligible connecting parties who chose to not remediate their system strength impact on the network in the 2023-24 year. The charge consists of the system strength unit price, locational factor, and quantity. Transgrid's unit prices for 2023/24 are available on its website and are provided for each system strength node ([link](#)). The locational factors for each transmission substation are available on Transgrid's Transmission Annual Planning Report mapping tool ([link](#)). Transgrid will calculate the quantity System Strength Quantity as per AEMO's methodology outlined in their System Strength Impact Assessment Guidelines ([link](#))

8 JURISDICTIONAL SCHEMES

Clause 6.18.2(b)(6A) of the NER 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.

There are three jurisdictional schemes operating in NSW in 2023-24. These are the Climate Change Fund (CCF), the NSW Electricity Infrastructure Roadmap contribution determination, and the Roadmap exemptions. These recoveries are to be passed on to customers via energy charges, and where relevant will include any adjustments for the over or under recovery of these schemes in any previous regulatory year.

We have updated the forecast CCF contributions for 2023-24 as advised by NSW Government (see Appendix A.4). The interest rate applied to the balance uses the AER's final decision. We set CCF prices for 2023-24 to target a zero balance for the scheme's unders and overs account.

Table 8.1. Unders and overs account forecast closing balance – CCF (\$'000)

Financial Year	Units	2021-22 (actual)	2022-23 (estimate)	2023-24 (forecast)
Interest rate applicable to balance	%	3.63%	6.15%	10.61%
Opening balance	\$'000	-\$7,402	-\$5,895	\$1,228
Interest on opening balance	\$'000	-\$269	-\$363	\$130
Under/over recovery for regulatory year	\$'000	\$1,744	\$7,266	-\$1,292
Interest on under/over recovery for regulatory year	\$'000	\$31	\$220	-\$67
Closing balance of CCF unders and overs account	\$'000	-\$5,895	\$1,228	\$0

We set Roadmap prices for 2023-24 to target a zero balance for the scheme's unders and overs account. We have included the AER's 2023-24 Roadmap contributions order of \$61.45 million in price setting (see Appendix A.5) with a total exemptions amount¹³ of \$92,328.10. The interest rate applicable to the balance uses the AER's final decision.

Table 8.2. Unders and overs account forecast closing balance – Roadmap (\$'000)

Financial Year	Units	2021-22 (actual)	2022-23 (estimate)	2023-24 (forecast)
Interest rate applicable to balance	%	N/A	N/A	10.61%
Opening balance	\$'000	\$0	\$0	\$0
Interest on opening balance	\$'000	\$0	\$0	\$0
Under/over recovery for regulatory year	\$'000	\$0	\$0	\$0
Interest on under/over recovery for regulatory year	\$'000	\$0	\$0	\$0
Closing balance of Roadmap unders and overs account	\$'000	\$0	\$0	\$0

¹³ Calculated using a template provided by NSW Treasury (Office of Environment and Climate Change) on 1 February 2023.

9 DISTRIBUTION USE OF SYSTEM UNDERS AND OVERS ACCOUNT

Ausgrid must maintain a DUOS unders and overs account in its annual pricing proposal under clause 6.18.2(b)(7) of the NER.

We set DUOS prices for 2023-24 to target a zero balance for the DUOS unders and overs account, taking into account estimated revenue for 2022-23 (see Table 9.1).

The target revenue under the final decision includes the amount for STPIS as calculated under the STPIS 2.0 guideline and the revised control mechanism formula (see Table 9.2).¹⁴

To verify compliance, we applied the AER's decision on the side constraint which includes factors related to the incentive schemes (see Table 9.3).¹⁵

Compliance with the side constraint by each tariff class is demonstrated in Table 9.4.

Table 9.1. Unders and overs account forecast closing balance – DUOS (\$'000)

Financial Year	Units	2021-22 (actual)	2022-23 (estimate)	2023-24 (forecast)
Interest rate applicable to balance	%	3.63%	6.15%	10.61%
Opening balance	\$'000	-\$18,132	\$37,768	-\$6,314
Interest on opening balance	\$'000	-\$659	\$2,325	-\$670
Under/over recovery for regulatory year	\$'000	\$55,559	-\$45,041	\$6,641
Interest on under/over recovery for regulatory year	\$'000	\$1,000	-\$1,365	\$344
Closing balance of DUOS unders and overs account	\$'000	\$37,768	-\$6,314	\$0

¹⁴ AER, *Final Decision – Ausgrid Distribution Determination 2019 to 2024, Attachment 13 – Control mechanisms*, March 2021, p 13-6.

¹⁵ AER, *Final Decision – Ausgrid Distribution Determination 2019 to 2024, Attachment 13 – Control mechanisms*, March 2021, p 13-9.

Table 9.2. DUOS control mechanism – compliance with revenue cap (\$'000)

Control Mechanism	Formula	Value
Adjusted annual smoothed revenue requirement (t-1)	ARR_{t-1}	1,406,535
CPI	ΔCPI_t	7.83%
X-factor	X_t	4.07%
Adjusted annual smoothed revenue requirement (t)	$ARR_t = ARR_{t-1} \times (1 + \Delta CPI_t) \times (1 - X_t)$	1,455,015
DMIS, DMIA and STPIS adjustments	I_t	4,546
Annual adjustment factors	B_t	6,641
Cost pass-through amounts ¹⁶	C_t	0
FY19 true-up (applicable to FY21 only)	RV_t	0
Total allowable revenue	$TAR_t = ARR_t + I_t + B_t + C_t + RV_t$	1,466,202
Proposed revenue	PR_t	1,466,202
Revenue cap compliance	$TAR_t \geq PR_t$	Yes

Table 9.3. DUOS - compliance with side constraint

Side constraint	Formula	Value
CPI	ΔCPI_t	7.83%
X-factor	X_t	4.07%
DMIS, DMIA and STPIS adjustments	I_t	0.33%
Annual adjustment factors	B_t	0.48%
Cost pass through amounts	C_t	0.00%
Side Constraint Limit	$(1 + \Delta CPI_t) \times (1 - X_t) \times (1 + 2\%) + I_t' + B_t' + C_t' - 1$	10.80%

Note: If $X_t > 0$ then X_t will be set equal to zero.

¹⁶ Note the pass through of the 2019-20 storm recovery costs is recovered via a revised X-factor.

Table 9.4. DUOS – average tariff class price change

Tariff class	Total revenue 2022-23* (\$ million)	Total revenue 2023-24* (\$ million)	% change
Low Voltage	\$1,284.05	\$1,374.23	7.02%
High Voltage	\$45.19	\$45.64	1.00%
Sub-transmission	\$39.42	\$38.11	-3.34%
Unmetered	\$8.06	\$8.26	2.49%

*Note: Excludes trial tariff revenue.

10 CHANGES FROM THE PREVIOUS REGULATORY YEAR

Clause 6.18.2(b)(8) of the NER requires that a pricing proposal describe the nature and extent of change from the previous regulatory year and demonstrate that the changes comply with the Rules and any applicable distribution determination.

10.1 Jurisdictional schemes

From 1 July 2023 NSW distribution network service providers are required to include two new jurisdictional schemes in their annual price proposals. This is in addition to the existing NSW Climate Change Fund. The new jurisdictional schemes are:

- NSW Electricity Infrastructure Roadmap Contribution Determination; and
- NSW Electricity Infrastructure Roadmap Exemptions.

As described in Chapter 8, Ausgrid has included these schemes in its 2023-24 proposed network use of system charges. The new charging components are applied to energy based charging components in cents per kWh.

10.2 Individually calculated tariffs

In this price proposal we have ensured that all customers on individually calculated tariffs have a capacity charge component included in their network charges. Our pricing methodology is applied consistently across these customers, it avoids exceptions, and aligns with the charging parameters set out in the current 2019-24 Tariff Structure Statement (section 3.2).

10.3 Tariffs and tariff structures

Our approved TSS for the 2019-24 regulatory control period further advances our tariff reform towards cost reflective tariffs.

From 1 July 2019, we introduced demand tariffs for residential and small business customers. Each demand tariff consists of a fixed daily charge (in cents per day), an energy consumption charge (in cents per kWh) with a seasonal TOU structure, and a seasonal demand charge (in cents per kW per day). The demand measure is the maximum energy consumption recorded over any 30-minute period within the defined seasonal demand window on a working weekday in each month (measured in kW). The resulting demand charge applies for each day in the month (before being reset for the next month) (see TSS Section 3.2).

The demand window for measuring the maximum demand is aligned with a corresponding TOU peak energy window. In seasons where there is no peak energy on working weekdays, a window of 2-8 pm applies for low season demand charging (see TSS Section 3.1 and ES7 Network Price Guide for detail).

We do not propose any changes in our existing tariffs or tariff structures from the previous regulatory year.

10.4 Tariff assignment policy

From 1 July 2019, demand tariffs became a default assignment for residential and small business new connections and customers on flat tariffs upgrading their meter by customer choice.

Tariff assignment policy and tariffs include a demand (introductory) tariff for 12 months for existing residential and small business customers on a flat tariff when they replace their meter due to meter failure. The demand (introductory) tariffs give customers an opportunity to understand their patterns of usage for 12 months before being automatically reassigned to the default demand tariff. Customers assigned to the demand (introductory) tariff have the option to be reassigned to another demand tariff, or to a TOU tariff (see TSS Section 2.3). After 12 months on a demand (introductory) tariff, customers are automatically re-assigned to a demand tariff.

TOU-demand and TOU tariffs are opt-out options for all customers assigned to a demand tariff. TOU customers replacing meter for any reason remain on TOU tariffs and can opt-in to demand tariffs (see ES7 Network Price Guide for detail).

We do not propose any changes in our tariffs assignment policy from the previous regulatory year.

10.5 Closure of non-cost reflective tariffs

In line with the AER's final decision on our TSS, our transitional TOU tariffs for residential (EA011) and small business (EA051) customers introduced during 2018-19 were set to the legacy flat tariff in NUOS charges in 2019-20.¹⁷ Note that EA010 and EA011 customers might be subject to different metering service charges depending on the meter type and the connection history (see Chapter 17).

Existing flat (non-cost reflective) residential and small business tariffs (EA010/EA011 and EA050/EA051) were closed in 2019-20 to new customers (see ES7 Network Price Guide for detail).

We do not propose any changes in policy regarding closure of non-cost reflective tariffs from the previous regulatory year.

10.6 Transitional tariffs for medium to large customers

Transitional tariffs for medium and large business customers will transition to an appropriate capacity-based tariff over the 2019-24 period.¹⁸ Transitional tariff EA316 (40-160 MWh) will converge with EA302 (40-160 MWh). Transitional tariff EA317 (160-750 MWh) will converge with EA305 (160-750 MWh).

The transition towards cost reflective tariffs for medium and large low voltage customers on transitional tariffs was delayed in 2020-21 due to uncertainties associated with the COVID-19 pandemic. The 2021-22 Pricing Proposal resumed the transition and component re-balancing paths envisaged in our TSS. Specifically, we introduced capacity charges for the transitional tariffs EA316 (in kW) and EA317 (in kVA) effective from 1 July 2021. This

¹⁷ AER, *Final Decision – Ausgrid Distribution Determination 2019 to 2024, Attachment 18 Tariff Structure Statement*, April 2019, p 18-15. Available at <https://www.aer.gov.au/system/files/AER%20-%20Final%20decision%20-%20Ausgrid%20distribution%20determination%202019-24%20-%20Attachment%2018%20-%20Tariff%20structure%20statement%20-%20April%202019.pdf>.

¹⁸ AER, *Final Decision – Ausgrid Distribution Determination 2019 to 2024, Attachment 18 Tariff Structure Statement*, April 2019, p 18-16. Available at <https://www.aer.gov.au/system/files/AER%20-%20Final%20decision%20-%20Ausgrid%20distribution%20determination%202019-24%20-%20Attachment%2018%20-%20Tariff%20structure%20statement%20-%20April%202019.pdf>.

transition will be completed in 2023-24, ensuring that all charging components for these tariffs are aligned.

10.7 Demand windows are aligned with TOU peak

Our Pricing Proposal, in line with the TSS, maintains current seasonal TOU charging windows for energy for residential and small business customers. The summer and winter seasonal demand windows are aligned with corresponding peak energy windows. In other months ('low season') where the peak energy price does not apply, residential and small business charging windows are aligned with the capacity charging windows for larger businesses (2-8 pm working weekdays).

We do not propose any changes in our charging windows from the previous regulatory year.

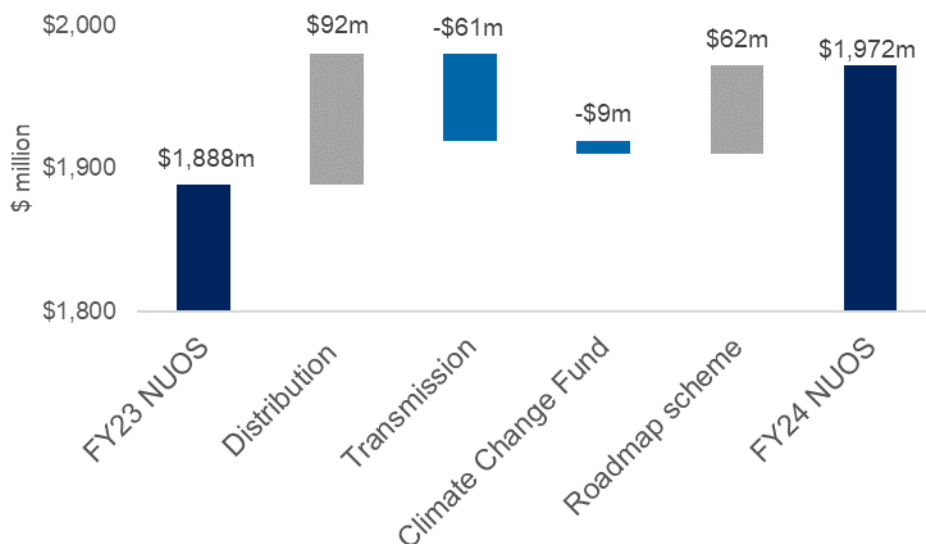
11 CUSTOMER IMPACTS

In setting our tariffs we apply pricing principles under clause 6.18.5 of the NER which include considering customer impacts (NER section 6.18.5(h)). We have supported our approved TSS with extensive customer impact analysis (see TSS Section 4.4). We replicate this analysis in Appendix A.1.

Overall, our total revenue from tariffs for 2023-24 will increase by 4.4% or \$83.5 million in 2023-24. Ausgrid’s distribution revenue has increased due to CPI and STPIS recovery. This is only partially offset by a decreasing approved price path for the remainder of this regulatory period.

The total transmission revenue recovered for 2023-24 has decreased. This is largely a result of NSW intraregional settlement residues from the National Electricity Market passed through to Transgrid. The introduction of the NSW Roadmap scheme has added \$62 million to the total target revenue, while the Climate Change Fund recovery is slightly lower in 2023-24.

Figure 1. Target revenue changes FY23 to FY24 by component



Over current overs and under revenue balance shows that our volume forecasts for the 2022-23 year have aligned close to the actual billed results. Our projections show that as of 30 June 2023 there will be an over recovery of only \$3.1 million, a relatively small amount across a revenue base of almost \$2.0 billion.

Our Pricing Proposal’s volume estimates for 2023-24 are not expected to create significant price impacts for customers. Total volumes are 0.3% lower than the consumption expected for the full 2022-23 year. Over the same period the business sector is expected to remain relatively flat (with 0.1% growth) and the residential sector is expected to decrease by 1.1% (excluding controlled load).

Our proposed prices result in an increase in average network prices of 4.6% from 2022-23 to 2023-24. Our ‘typical’ residential customer bills are proposed to increase by 4.6% from 2022-23 to 2023-24.

Our small business customers progress towards closing the gap between residential and small business gross energy charges, as envisaged in the TSS, with a ‘typical’ small business customer receiving an increase in network bill (4.6%) from 2022-23 to 2023-24.

A 'typical' medium size business customer with energy consumption between 40 and 160 MWh pa will have their network bill increased by \$298 (4.6%) in 2023-24. A 'typical' medium sized business customer with energy consumption between 160 and 750 MWh per year will have an increase of \$1,319 (4.6%) in 2023-24.

Network charges for our large (>750 MWh per year) customers connected at low voltage are expected to increase by 4.6%. Customers supplied with high voltage and the sub-transmission tariffs will face network charge increases of 4.3%.

11.1 Impact on residential customers

From 1 July 2019, demand tariffs became the default assignment for residential and small business new connections and customers on flat tariffs upgrading their meter by customer choice.

Our 'typical' residential customer on a legacy flat energy tariff with energy consumption of 5 MWh per year, has a \$25 (4.6%) increase in the network component of the annual bill from 2022-23 to 2023-24 (see Table 11.1).

Table 11.1. Impacts on typical residential customer bills in 2023-24

Tariff	Usage MWh pa	Network component of bill in 2023-24	Percentage and \$ change from 2022-23
EA010 Non-Time of Use	5	\$585	4.6% (\$25)
EA025 Time of Use	5	\$581	4.6% (\$25)
EA116 Demand	5	\$567	4.6% (\$25)
EA115 Time of Use demand	5	\$562	3.4% (\$19)

Note: Excludes GST.

11.2 Impact on small business customers

Our 'typical' small business customer on a legacy flat energy tariff with energy consumption of 10 MWh per year has an increase of \$57 (4.6%) in the network component of the annual bill from 2022-23 to 2023-24 (see Table 11.2).

Table 11.2. Impacts on typical small business customer bills in 2023-24

Tariff	Usage MWh pa	Network component of bill in 2023-24	Percentage and \$ change from 2022-23
EA050 Non-Time of Use	10	\$1,302	4.6% (\$57)
EA225 Time of Use	10	\$1,293	4.6% (\$57)
EA256 Demand	10	\$1,128	4.6% (\$49)
EA255 Time of Use demand	10	\$1,250	5.4% (\$64)

Note: Excludes GST.

11.3 Impact on medium and large business customers

Our 'typical' medium size customers are proposed to have their network bill increased by \$298 (4.6%) from 2022-23 to 2023-24 for a 'typical' medium size non-residential customer

with energy consumption of 75 MWh, and a marginal increase of \$1,319 (4.6%) for a medium to large customer with energy consumption of 335 MWh per year.

Table 11.3 shows the bill impact outcomes for the LV business tariffs with the most customers.

Table 11.3. Impacts on typical medium and large business customer bills in 2023-24

Tariff	Usage MWh pa	Network component of bill in 2023-24	Percentage and \$ change from 2022-23
EA302 40-160 MWh pa	75	\$6,816	4.6% (\$298)
EA305 160-750 MWh pa	335	\$30,213	4.6% (\$1,319)
EA310 >750 MWh pa	1500	\$100,343	4.6% (\$4,381)

Note: Excludes GST. Usage is for a 'typical' customer on each tariff.

Detailed analysis of customer impacts is presented in Appendix A.1.

12 CONSISTENCY WITH THE TARIFF STRUCTURE STATEMENT

Clause 6.18.2(b)(7A) of the NER requires that a pricing proposal must demonstrate how each proposed tariff is consistent with the corresponding indicative pricing levels for the relevant regulatory year as set out in the relevant indicative pricing schedule, or explain any material differences between them.

The comparison of proposed and indicative prices can be made at either a NUOS or underlying component level (for example, on a DUOS only basis). Wherever possible we have prioritised minimising the NUOS changes as this will mitigate network bill impacts experienced by our customers. We also note that while in some cases the percentage impacts of the differences may be high, the dollar impact experience by customers may be low.

This Pricing Proposal is based on our TSS for 2019-24 which was submitted to the AER in April 2019 and prior to the COVID-19 pandemic. Since 2019, the residential sector customer numbers are lower than expected but actual energy volumes are higher. In the business sector, both volumes and customer numbers were lower than expected. This explains some variances to indicative prices. In preparation of FY24 forecasts we have closely monitored the rate at which the business and residential energy volumes are returning to “normal” conditions. These changes are driven by our standard econometric approach combined with the current return to growth in the business sector.

We note that consideration of customer impacts during the pandemic have influenced the speed of proposed transition and component rebalancing. Other movements away from our indicative prices (and specific to the 2023-24 year) are triggered by:

- significant reductions in designated pricing proposal costs (as provided by Transgrid);
- new jurisdictional scheme contributions (the NSW Electricity Infrastructure Roadmap and its exemptions);
- changes to existing jurisdictional scheme contributions (the Climate Change Fund); and
- changes to CPI, X factors and allowed revenues.

The significant reduction in forecast transmission revenue for 2023-24 has required rebalancing between DUOS and TUOS for our tariffs. For small customer flat tariffs the percentage change on the energy DUOS component is above the 11% materiality threshold. This is because:

- Our residential flat tariff has historically had a higher proportion of NUOS recovered as TUOS, when compared to other tariffs in the low voltage tariff class. This means the impact to DUOS charging components from rebalancing (due to a reduction in transmission revenue) is magnified.
- Since TUOS is only recovered on the energy component for our flat tariffs (ie. with no fixed charge), our offset balancing only occurs on the DUOS energy component. While this avoids unacceptable fixed charge increases in DUOS, it does magnify the rebalancing percentages required for the DUOS and TUOS energy components.

While the proposed changes for this tariff at a TUOS and DUOS level are significant, the overall NUOS and charging component impact is well within the AER’s materiality threshold of 11% for the 2023-24 year. Appendix A.1 confirms that these changes provide an

acceptable overall network bill impact outcome for customers. Reducing the TUOS ratio on the residential flat tariff also ensures we are aligning residential and business tariffs in accordance with the AER's final decision for the 2019-24 TSS (part 18.4.5).

We note that the small customer demand tariffs have increases on the demand and fixed charging components for DUOS that are above the materiality threshold. This is also because the transmission revenue has fallen and a rebalance was required to manage the overall NUOS impact.

We note that the fixed charge for the controlled load tariff (EA030) has an increase above the materiality threshold (when compared to indicative prices). However, the dollar impact of this change is low, and for a controlled load customer using 2 MWh this would only result in a \$6.24 per annum increase for this tariff.

Our low voltage standby tariff for business customers (EA325) has an increase on the capacity component price that is above the materiality threshold (when compared to indicative prices). This price is still well below the level of capacity charges for the equivalent medium business customer tariff. We consider this change is reasonable as it will reduce customer bill impacts if this tariff is removed in FY25 (as per Ausgrid's 2025-29 Tariff Structure Statement proposal).

We have increased the capacity charge on the transmission customer tariff (EA501) above the materiality threshold (as compared to indicative prices). We consider this change is reasonable as it ensures this component more closely reflects the average locational transmission charge, which is applied in pricing on a dollar per kilowatt (\$/kW) basis (see Appendix A.6).

We note that in 2023-24 we are completing the move of the transitional capacity tariffs to cost reflective levels. Transitional tariff EA316 (40-160 MWh) will converge with EA302 (40-160 MWh). Transitional tariff EA317 (160-750 MWh) will converge with EA305 (160-750 MWh). Given the delays of this transition due to the pandemic (chapter 10.5), the final year of this progression has seen some material impacts to the fixed charges for these customers (when compared to indicative prices).

Table 12.1 provides a comparison of network tariff prices by charging parameter (prices proposed for 2023-24 in this Pricing Proposal vs indicative prices for 2023-24 based on the Pricing Proposal 2019-20). We note that the introduction of the Roadmap scheme (recovered on energy charges) has resulted in further variations in the FY24 proposed prices as compared to indicative.

Table 12.1. Comparison of Ausgrid's 2023-24 network tariffs by charging parameter (exclusive of GST) – proposed vs indicative – Low Voltage tariff class

Tariff Code	Tariff Name		Network Access Charge	Non-TOU	Energy consumption charge			Demand charge		Capacity charge	
			c/day	c/kWh	Peak c/kWh	Shoulder c/kWh	Off-peak c/kWh	High season c/kW/day	Low season c/kW/day	Peak c/kW/day	Peak c/kVA/day
EA010	Residential non-TOU <i>closed</i>	Proposal	34.5871	9.1709							
		Indicative	40.8342	8.9067							
		% difference	-15.3%	3.0%							
EA011	Residential transitional TOU <i>closed</i>	Proposal	34.5871		9.1709	9.1709	9.1709				
		Indicative	40.8342		8.9067	8.9067	8.9067				
		% difference	-15.3%		3.0%	3.0%	3.0%				
EA025	Residential TOU	Proposal	49.1497		27.2634	5.5002	3.8676				
		Indicative	50.6719		25.7991	5.7708	3.8771				
		% difference	-3.0%		5.7%	-4.7%	-0.2%				
EA111	Residential demand (introductory)	Proposal	35.8290		8.7829	8.7829	8.7829	1.0820	1.0820		
		Indicative	40.8342		8.5424	8.5424	8.5424	1.1202	1.1202		
		% difference	-12.3%		2.8%	2.8%	2.8%	-3.4%	-3.4%		
EA115	Residential TOU demand	Proposal	50.3369		24.7136	3.8465	3.0712	4.4617	4.4617		
		Indicative	50.6719		25.7991	3.9050	2.9206	4.4809	4.4809		
		% difference	-0.7%		-4.2%	-1.5%	5.2%	-0.4%	-0.4%		
EA116	Residential demand	Proposal	41.6874		1.8724	1.8724	1.8724	26.2662	15.5209		
		Indicative	40.8342		2.3608	2.3608	2.3608	22.4043	11.2022		
		% difference	2.1%		-20.7%	-20.7%	-20.7%	17.2%	38.6%		
EA030	Controlled load 1	Proposal	1.0320	2.0170							
		Indicative	0.1660	1.8209							
		% difference	521.7%	10.8%							
EA040	Controlled load 2	Proposal	7.3274	4.2777							
		Indicative	12.1592	4.7454							
		% difference	-39.7%	-9.9%							

Tariff Code	Tariff Name		Network Access Charge	Energy consumption charge			Demand charge		Capacity charge		
				Non-TOU	Peak	Shoulder	Off-peak	High season	Low season	Peak	Peak
			c/day	c/kWh	c/kWh	c/kWh	c/kWh	c/kWh/day	c/kWh/day	c/kWh/day	c/kVA/day
EA050	Small business non-TOU <i>closed</i>	Proposal	139.9064	7.9157							
		Indicative	128.6301	6.7823							
		% difference	8.8%	16.7%							
EA051	Small business transitional TOU <i>closed</i>	Proposal	139.9064		7.9157	7.9157	7.9157				
		Indicative	128.6301		6.7823	6.7823	6.7823				
		% difference	8.8%		16.7%	16.7%	16.7%				
EA225	Small business TOU	Proposal	140.0531		25.4940	5.9869	2.9517				
		Indicative	126.8213		23.5624	4.6501	2.0984				
		% difference	10.4%		8.2%	28.7%	40.7%				
EA251	Small business demand (introductory)	Proposal	126.0881		7.9673	7.9673	7.9673	1.0639	1.0639		
		Indicative	126.8213		6.4804	6.4804	6.4804	1.1202	1.1202		
		% difference	-0.6%		22.9%	22.9%	22.9%	-5.0%	-5.0%		
EA255	Small business TOU demand	Proposal	155.1363		20.0874	5.9712	2.3864	5.2379	5.2379		
		Indicative	126.8213		20.5574	3.7794	1.5684	4.4809	4.4809		
		% difference	22.3%		-2.3%	58.0%	52.2%	16.9%	16.9%		
EA256	Small business demand	Proposal	143.0936		1.7663	1.7663	1.7663	30.1950	22.6462		
		Indicative	126.8213		1.1833	1.1833	1.1833	22.4043	16.8032		
		% difference	12.8%		49.3%	49.3%	49.3%	34.8%	34.8%		

Tariff Code	Tariff Name		Network Access Charge	Non-TOU	Energy consumption charge			Demand charge		Capacity charge	
			c/day	c/kWh	Peak c/kWh	Shoulder c/kWh	Off-peak c/kWh	High season c/kW/day	Low season c/kW/day	Peak c/kW/day	Peak c/kVA/day
EA302	LV 40-160 MWh	Proposal	470.7190		5.8100	1.9945	0.9489			33.7404	
		Indicative	250.4059		4.4796	1.7868	1.0889			36.1111	
		% difference	88.0%		29.7%	11.6%	-12.9%			-6.6%	
EA305	LV 160-750 MWh	Proposal	1669.8393		5.7213	1.3161	0.9489				41.0048
		Indicative	1020.7294		4.4346	1.9715	1.2326				36.1111
		% difference	63.6%		29.0%	-33.2%	-23.0%				13.6%
EA310	LV >750 MWh	Proposal	3361.8757		4.5004	1.3161	0.9489				44.2779
		Indicative	2745.8646		4.3670	1.9180	1.2348				36.1111
		% difference	22.4%		3.1%	-31.4%	-23.2%				22.6%
EA316	Transitional 40-160 MWh <i>closed</i>	Proposal	470.7190		5.8100	1.9945	0.9489			33.7404	
		Indicative	250.4059		4.4796	1.7868	1.0889			36.1111	
		% difference	88.0%		29.7%	11.6%	-12.9%			-6.6%	
EA317	Transitional 160-750 MWh <i>closed</i>	Proposal	1669.8393		5.7213	1.3161	0.9489				41.0048
		Indicative	1020.7294		4.4346	1.9715	1.2326				36.1111
		% difference	63.6%		29.0%	-33.2%	-23.0%				13.6%
EA325	LV Connection (standby) <i>closed</i>	Proposal	2836.7725		9.3659	7.0604	2.0962				5.1586
		Indicative	2621.6667		10.1746	8.3387	2.4567				0.4016
		% difference	8.2%		-7.9%	-15.3%	-14.7%				1184.5%

Table 12.2. Comparison of Ausgrid’s 2023-24 network tariffs by charging parameter (exclusive of GST) – proposed vs indicative – other tariffs

Tariff Class	Tariff Code	Tariff Name		Network Access Charge	Energy consumption charge			Demand charge		Capacity charge		
				c/day	Non-TOU c/kWh	Peak c/kWh	Shoulder c/kWh	Off-peak c/kWh	High season c/kW/day	Low season c/kW/day	Peak c/kW/day	Peak c/kVA/day
High Voltage	EA360	HV Connection (standby) closed	Proposal	2159.1063		8.1824	3.9884	2.4368				0.8577
			Indicative	2283.4605		8.7137	4.2299	2.4739				0.7078
			% difference	-5.4%		-6.1%	-5.7%	-1.5%				21.2%
	EA370	HV Connection (system)	Proposal	5200.9411		2.8427	1.8437	1.2504				22.5454
			Indicative	5427.4468		2.8973	1.7617	1.1487				21.9369
			% difference	-4.2%		-1.9%	4.7%	8.9%				2.8%
	EA380	HV Connection (substation)	Proposal	5200.9411		2.6395	1.7372	1.2079				18.8159
			Indicative	5427.4468		2.8736	1.7151	1.1477				18.8215
			% difference	-4.2%		-8.1%	1.3%	5.2%				-0.03%
Sub-transmission	EA390	ST Connection (system)	Proposal	5646.0171		2.2894	1.8065	1.2244				5.9848
			Indicative	6798.5913		2.4919	1.8455	1.2528				6.9967
			% difference	-17.0%		-8.1%	-2.1%	-2.3%				-14.5%
	EA391	ST Connection (substation)	Proposal	5646.0171		2.1925	1.6394	1.1710				5.6580
			Indicative	6798.5913		2.1922	1.6090	1.1592				6.1679
			% difference	-17.0%		0.01%	1.9%	1.0%				-8.3%
Unmetered	EA401	Public lighting	Proposal		7.8228							
			Indicative		7.3679							
			% difference		6.2%							
	EA402	Constant unmetered	Proposal		9.4027							
			Indicative		8.4328							
			% difference		11.5%							
	EA403	EnergyLight	Proposal		7.1760							
			Indicative		7.3190							
			% difference		-2.0%							
Transmission	EA501	Transmission-connected	Proposal	27249.2260								4.3759
			Indicative	68664.5508								2.2053
			% difference	-60.3%								98.4%

13 COMPLIANCE WITH NATIONAL ELECTRICITY RULES

Clause 6.18.2(b)(7) of the NER requires that a pricing proposal must demonstrate compliance with the Rules and any applicable distribution determination, including the TSS for the relevant regulatory control period.

Our approved TSS has demonstrated compliance with the pricing principles (NER clause 6.18.5).

This Pricing Proposal is based on our TSS for 2019-24. We carefully manage the speed of the transition and rebalancing, by taking into account customer impacts and delivering efficient pricing signals within the constraints of our control mechanism. This approach is consistent with clause 6.18.5(h) of the NER, which provides for giving effect to the pricing principles over a reasonable period of transition.

Table 13.1 provides a compliance checklist.

Table 13.1. Compliance checklist of pricing proposal against key rule provisions

Rule provision	Requirement	Sections in Pricing Proposal	Other documents
6.18.2(b)(2)	A pricing proposal must set out the proposed tariffs for each tariff class that is specified in the Distribution Network Service Provider's tariff structure statement for the relevant regulatory control period.	Chapter 3	
6.18.2(b)(3)	A pricing proposal must set out, for each proposed tariff, the charging parameters and the elements of service to which each charging parameter relates.	Chapter 4	Explanatory Notes
6.18.2(b)(4)	A pricing proposal must set out, for each tariff class related to standard control services, the expected weighted average revenue for the relevant regulatory year and also for the current regulatory year.	Chapter 5	Explanatory Notes
6.18.2(b)(5)	A pricing proposal must set out the nature of any variation or adjustment to the tariff that could occur during the course of the regulatory year and the basis on which it could occur.	Chapter 6	
6.18.2(b)(6)	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.	Chapter 7	
6.18.2(b)(6A)	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.	Chapter 8	
6.18.2(b)(6B)	A pricing proposal must describe how each approved jurisdictional scheme that has been amended since the last jurisdictional scheme approval date meets the jurisdictional scheme eligibility criteria.	Chapter 8	Appendix A.4 Appendix A.5
6.18.2(b)(6C)	Set out how system strength charges for system strength connection points on its network are to be passed through as described in clause 6.20.3A.	Chapter 7	Appendix A.2
6.18.2(b)(7)	A pricing proposal must demonstrate compliance with the Rules and any applicable distribution determination, including the Distribution Network Service Provider's tariff structure statement for the relevant regulatory control period.	Chapter 12 Chapter 13	Compliance spreadsheet
6.18.2(b)(7A)	A pricing proposal must demonstrate how each proposed tariff is consistent with the corresponding indicative pricing levels for the relevant regulatory year as set out in the relevant indicative pricing schedule or explain any material differences between them.	Chapter 12	Compliance spreadsheet

Rule provision	Requirement	Sections in Pricing Proposal	Other documents
6.18.2(b)(8)	A pricing proposal must describe the nature and extent of change from the previous regulatory year and demonstrate that the changes comply with the Rules and any applicable distribution determination.	Chapter 10	Explanatory Notes
6.18.2(d)	At the same as a Distribution Network Service Provider submits a pricing proposal under paragraph (a), the Distribution Network Service Provider must submit to the AER a revised indicative pricing schedule which sets out, for each tariff and for each of the remaining regulatory years of the regulatory control period, the indicative price levels determined in accordance with the Distribution Network Service Provider's tariff structure statement for that regulatory control period and updated so as to take into account that pricing proposal.	Not applicable as this is the final year of the regulatory period.	No applicable.
6.18.5(e)	For each tariff class, the revenue expected to be recovered must lie on or between: (1) an upper bound representing the stand alone cost of serving the retail customers who belong to that class; and (2) a lower bound representing the avoidable cost of not serving those retail customers.	Chapter 5	
6.18.5(g)(2)	The revenue expected to be recovered from each tariff must: when summed with the revenue expected to be received from all other tariffs, permit the Distribution Network Service Provider to recover the expected revenue for the relevant services in accordance with the applicable distribution determination for the Distribution Network Service Provider	Chapter 9	

14 ANNUAL SYSTEM OF ASSESSMENT AND REVIEW OF TARIFFS

Consistent with the methodology for annual tariff assessment and review set out in our approved TSS¹⁹ and with the AER's final decision,²⁰ this chapter discusses the outcomes of our annual reviews of network tariffs for existing retail customers. Our annual review is to ensure that the current tariff class and the tariff within the class remain appropriate for the customer. We reassign existing customers as part of the annual review if a different tariff is supported by 24 months of data.

Table 14.1: Proposed tariff reassignments for 2023-24

Current Network Tariff	Proposed Network Tariff	No. of Customers
Small business TOU (EA225)	LV 40-160 MWh (EA302)	234
	LV 160-750 MWh (EA305)	6
LV 40-160 MWh (EA302)	Small business TOU (EA225)	737
	Small business demand (EA256)	1,584
LV 160-750 MWh (EA305)	Small business demand (EA256)	69
	LV 40-160 MWh pa (EA302)	278
	LV >750 MWh pa (EA310)	27
LV >750 MWh (EA310)	Small business demand (EA256)	6
	LV 40-160 MWh pa (EA302)	9
	LV 160-750 MWh (EA305)	118
Transitional 40-160 MWh <i>closed</i> (EA316)	Small business TOU (EA225)	499
	Small business demand (EA256)	95
	LV 40-160 MWh pa (EA302)	4
	LV 160-750 MWh (EA305)	2
Transitional 160-750 MWh <i>closed</i> (EA317)	Small business demand (EA256)	1
Total number of customers		3,669

Note: *Closed* means only available for customers already assigned to the tariff. Transitional tariffs EA316 and EA317 were closed during 2019-20 after the reassignments of existing customers reviewed for consumption thresholds was completed, to mitigate customer impacts. A new level of metering service charge might apply depending on the meter type and the connection history (see Chapter 17).

Based on customers' energy consumption history as at 30 September 2022, we propose to reassign 3,669 customers during 2023-24 (see Table 14.1). We will notify customers' retailers before implementing tariff changes. We have considered impacts on customers

¹⁹ Ausgrid's TSS, p 14.

²⁰ AER, *Final Decision – Ausgrid Distribution Determination 2019 to 2024, Attachment 18 Tariff Structure Statement*, April 2019, pp 18-20 – 18-23.

subject to the reassignment where the impact of moving the customer to their new NUOS tariff was unacceptable.

15 PUBLIC LIGHTING SERVICES

Public lighting services are classified as ACS. These services are subject to a different control mechanism to our general network services, which the AER has given a standard control services classification.

Public lighting encompasses the provision, construction and maintenance of public lighting and emerging public lighting technology. Ausgrid provides public lighting services to over 100 customers including councils, community groups and government associations. There are over 250,000 public lights in Ausgrid's network area, which are typically installed on major and minor roadways. A conventional public light comprises of five (5) main components: a lamp, a luminaire, a bracket, a support structure, and a connection to the low voltage electricity network.

Public Lighting Prices for 2023-24

Our proposed public lighting prices for 2023-24 are shown in Appendix B. Due to rounding, there may be some discrepancies between the historical approved ACS prices and those presented in the ACS pricing model.

While preparing the pre-2009 capital charges for FY23, we identified that FY21 charges were incorrectly calculated, which also affected the FY22 prices. This resulted in prices higher than they should have been.

To rectify this, we calculated the present value of payments that should have applied so that FY23 and FY24 prices would achieve the same present value. The calculations for FY24 prices have been updated with the appropriate CPI to achieve this outcome. This means price changes for FY24 are lower than CPI for the affected customers.

16 ANCILLARY NETWORK SERVICES

Background

ANS are non-routine services that are provided to individual customers on an “as needs” basis. These services are classified by the AER as ACS and do not form part of Ausgrid’s distribution use of system revenue requirement determined by the AER. Rather, the DNSP recovers the costs of providing ACS through a range of fees.

Ancillary network services charges for 2023-24

Our proposed ANS charges for 2023-24 are shown in Appendix B. Due to rounding, there may be some discrepancies between the historical approved ACS prices and those presented in the ACS pricing model.

17 METERING SERVICES

Background

The AER classified our type 5 and 6 metering services as an ACS.²¹ Ausgrid recovers the costs of these services through a range of metering charges approved in the AER's Final Decision, and which are escalated each year by an approved price control mechanism. The cost recovery of our type 5 and 6 metering services is separate from our distribution use of system revenue requirement.

Metering services charges for 2023-24

Our proposed metering services charges for 2023-24 are shown in Appendix B. Due to rounding, there may be some discrepancies between the historical approved ACS prices and those presented in the ACS pricing model.

²¹ AER, *Final Decision: Ausgrid 2019-24 distribution determination*, April 2019, p. 12-13.

Pricing Proposal

For the financial year ending June 2024

Appendix A: Explanatory Notes Standard Control Services

March 2023

A.1 Customer impact analysis

Customer impacts under our Pricing Proposal follow directions of the impacts discussed in detail in our approved TSS (April 2019). The Pricing Proposal appropriately balances the need to improve the efficiency of our network tariffs against the important requirement to consider the impact of these tariff reforms on our customers. Impact on individual customers depends on the retail product offered by their retailer, and on customer's behavioural response.

Our Pricing Proposal results in an increase in average network charges, with a 4.6% increase in average network charges (NUOS) from 2022-23 to 2023-24. Average network charges are defined as total NUOS revenue divided by the total number of customers.

Our 'typical' residential customer on a legacy flat energy tariff with energy consumption of 5 MWh per year, has a \$25 (4.6%) increase in the network component of the annual bill from 2022-23 to 2023-24 (see Table A1.1).

Our 'typical' small business customer on a legacy flat energy tariff with energy consumption of 10 MWh per year has an increase of \$57 (4.6%) in the network component of the annual bill from 2022-23 to 2023-24 (see Table A1.2).

A 'typical' medium size business customer with energy consumption between 40 and 160 MWh pa will have their network bill increased by \$298 (4.6%) in 2023-24. A 'typical' medium sized business customer with energy consumption between 160 and 750 MWh per year will have an increase of \$1,319 (4.6%) in 2023-24.

Network charges for our large (>750 MWh per year) customers connected at low voltage are expected to increase by 4.6%. Customers supplied with high voltage and the sub-transmission tariffs will face network charge increases of 4.3%.

The final prices for each tariff will continue to be determined on an annual basis.

Table A1.1. Impacts on typical residential customer bills in 2023-24

Tariff	Usage MWh pa	Network component of bill in 2023-24	Percentage and \$ change from 2022-23
EA010 Non-Time of Use	5	\$585	4.6% (\$25)
EA025 Time of Use	5	\$581	4.6% (\$25)
EA116 Demand	5	\$567	4.6% (\$25)
EA115 Time of Use demand	5	\$562	3.4% (\$19)

Note: Excludes GST.

Table A1.2. Impacts on typical small business customer bills in 2023-24

Tariff	Usage MWh pa	Network component of bill in 2023-24	Percentage and \$ change from 2022-23
EA050 Non-Time of Use	10	\$1,302	4.6% (\$57)
EA225 Time of Use	10	\$1,293	4.6% (\$57)
EA256 Demand	10	\$1,128	4.6% (\$49)
EA255 Time of Use demand	10	\$1,250	5.4% (\$64)

Note: Excludes GST.

Table A1.3. Impacts on typical medium and large business customer bills in 2023-24

Tariff	Usage MWh pa	Network component of bill in 2023-24	Percentage and \$ change from 2022-23
EA302 40-160 MWh pa	75	\$6,816	4.6% (\$298)
EA305 160-750 MWh pa	335	\$30,213	4.6% (\$1,319)
EA310 >750 MWh pa	1500	\$100,343	4.6% (\$4,381)

Note: Excludes GST. Usage is for a 'typical' customer on each tariff.

For the customer impact analysis, we follow the methodology described in detail in our TSS. Where an outcome with an opt-out is presented, additional improvement can be achieved for some customers with opting out into TOU tariffs (not modelled).

The following sections present impacts for:

- Residential customers
- Small business customers
- Medium and large business low voltage customers
- High voltage customers (on listed tariffs)
- Sub-transmission customers (on listed tariffs).

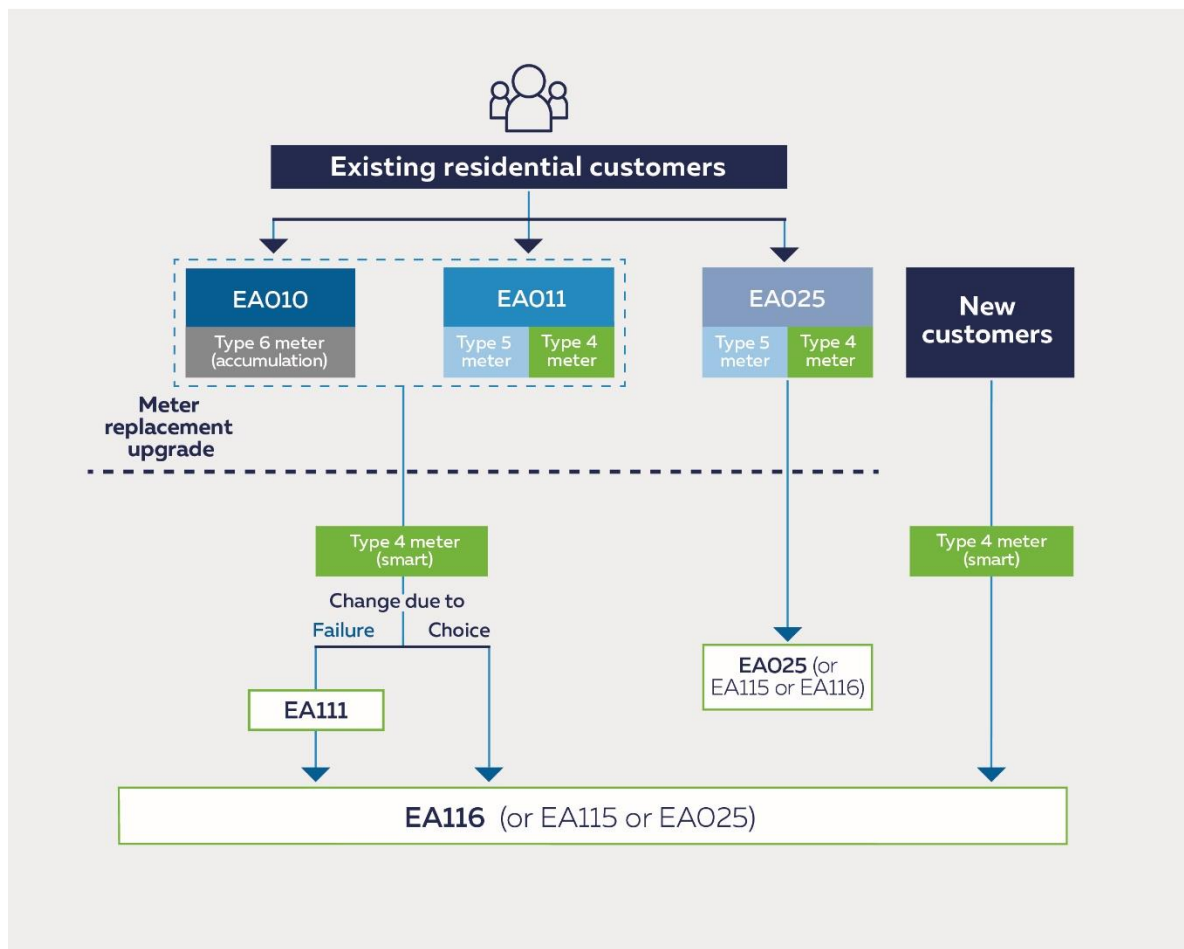
The set of figures shows the impact for different groups of customers depending on their meter type and tariff, in the 2023-24 year. Each figure has a summary table of the impacts including median annual bill impact, average energy consumption, maximum peak demand, and sample size.

Average load factor is the average demand as a proportion of the maximum demand in a year and is important in determining the impact of a demand charge. The average load factor for a residential customer is approximately 10%. Customers with a very low load factor have very peaky demand (and drive higher network costs than other customers with the same overall consumption but higher load factor) and are more affected by demand charges. Customers with a higher load factor are less affected.

Residential customer impacts

Box A1.1 illustrates the tariff assignment options for residential customers in FY24 that underlie the residential customer impact figures A1.1 to A1.11. For further details, refer to Figure 2.3 in Section 2 of the current Tariff Structure Statement.

Box A1.1. Key to residential customer impact figures



Residential customer impact analysis figures are based on the following scenarios:

- Customers remaining on their existing tariffs on 1 July 2023 (Figures A1.1, A1.3, A1.6, A1.7).
- Customers opting-out from flat to TOU/Demand tariffs on 1 July 2023 (Figures A1.2, A1.4).
- Customers opting-out from TOU to demand tariffs on 1 July 2023 (Figures A1.5).
- Customers transferring to another tariff due to meter failure, meter upgrade or by choice in FY24 (Figures A1.8, A1.9, A1.10, A1.11).

Figure A1.1. EA010/EA011 Flat tariff from 2022-23 to 2023-24

FY23 EA010 to FY24 EA010		Network bill impact %	Customers better off	Customers worse off
NMI sampled	3,500	=0%	0	0
Avg consumption p.a., kWh	5,264	>0% and <=5%	0	3,254
Median consumption, kWh	4,547	>5% and <=10%	0	246
Avg max demand, kW	6	>10% and <=20%	0	0
Median bill impact p.a., %/\$	4.6% / \$24	>20%	0	0
Grand Total			0	3,500

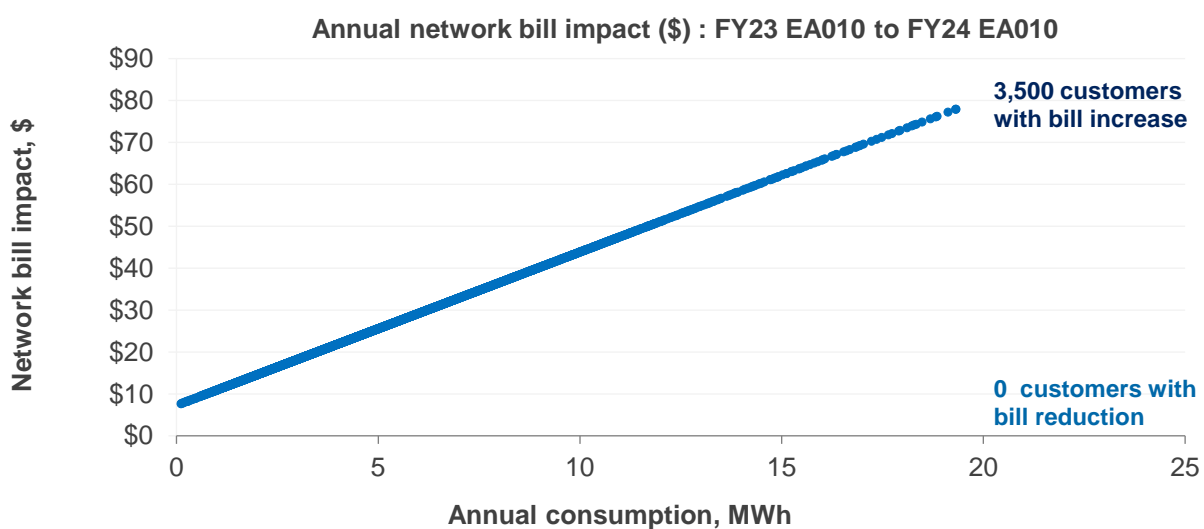
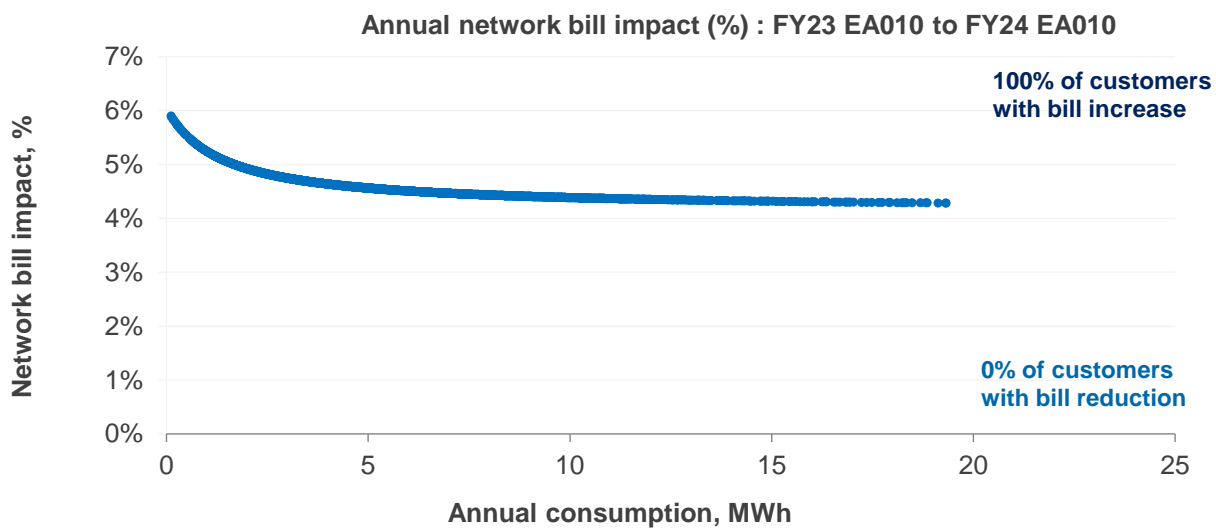


Figure A1.2. Customers with interval meters opting-out from EA011 Flat to EA025 TOU on 1 July 2023

FY23 EA011 to FY24 EA025		Network bill impact %	Customers better off	Customers worse off
NMI sampled	3,500	=0%	0	0
Avg consumption p.a., kWh	5,264	>0% and <=5%	421	604
Median consumption, kWh	4,547	>5% and <=10%	193	738
Avg max demand, kW	6	>10% and <=20%	105	1,027
Median bill impact p.a., %/\$	7.9% / \$39	>20%	7	405
		Grand Total	726	2,774

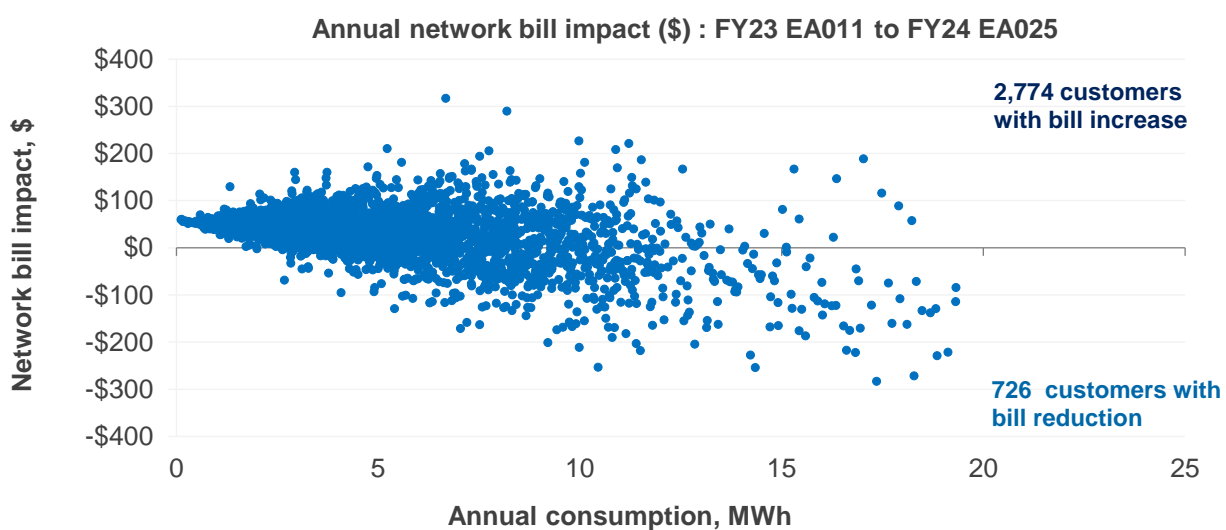
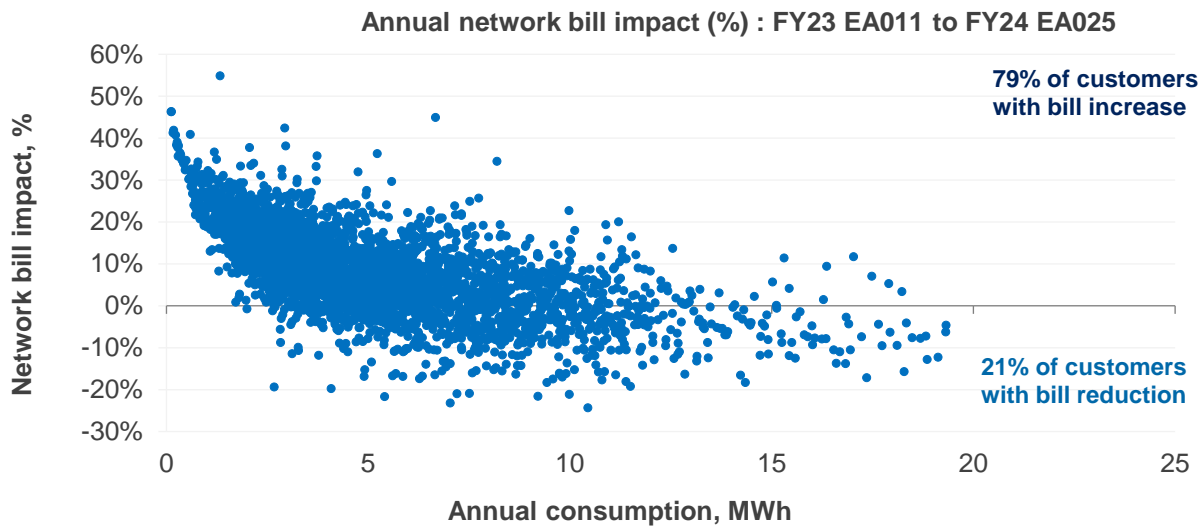


Figure A1.3. EA025 TOU tariff from 2022-23 to 2023-24

FY23 EA025 to FY24 EA025		Network bill impact %	Customers better off	Customers worse off
NMI sampled	3,500	=0%	0	0
Avg consumption p.a., kWh	6,266	>0% and <=5%	0	2,455
Median consumption, kWh	5,301	>5% and <=10%	0	1,045
Avg max demand, kW	6	>10% and <=20%	0	0
Median bill impact p.a., %/\$	4.4% / \$26	>20%	0	0
Grand Total			0	3,500

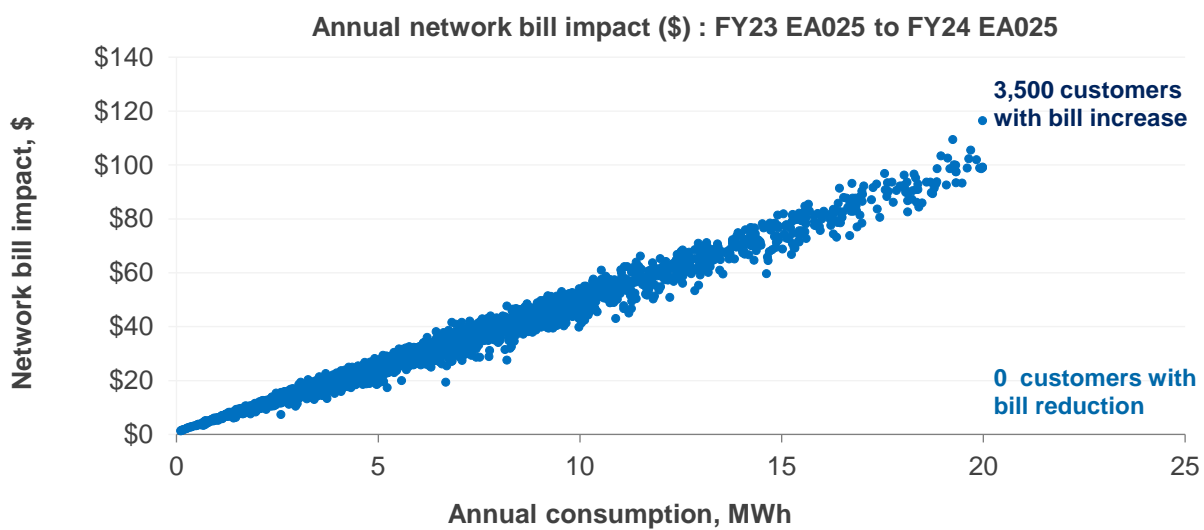
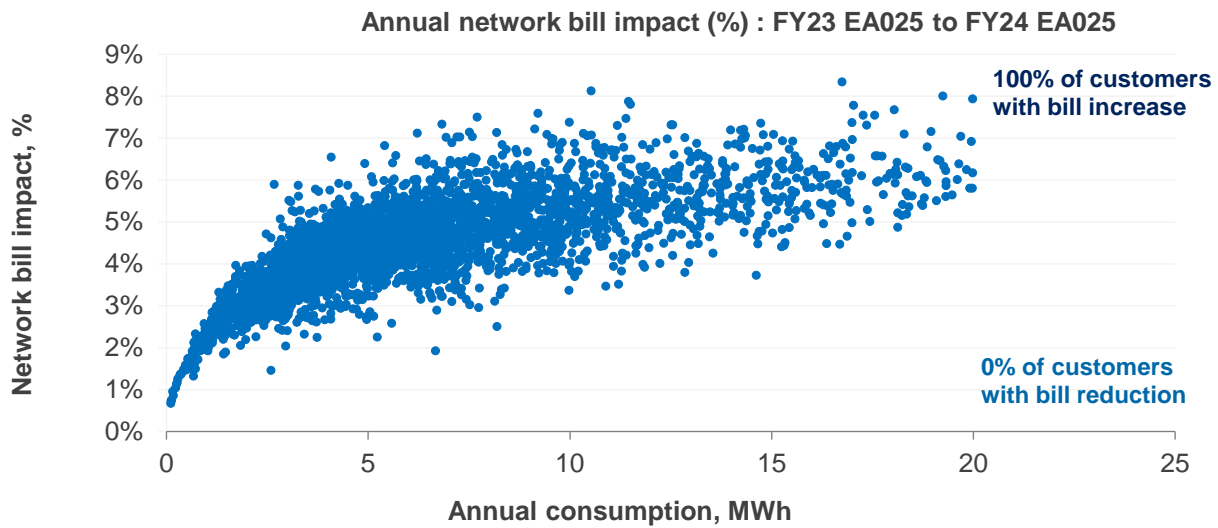


Figure A1.4. Customers with smart meters opting-out from EA011 Flat to EA116 Demand on 1 July 2023

FY23 EA011 to FY24 EA116		Network bill impact %	Customers better off	Customers worse off
NMI sampled	3,500	=0%	0	0
Avg consumption p.a., kWh	5,264	>0% and <=5%	300	340
Median consumption, kWh	4,547	>5% and <=10%	288	317
Avg max demand, kW	6	>10% and <=20%	544	493
Median bill impact p.a., %/\$	2.3% / \$11	>20%	458	760
		Grand Total	1,590	1,910

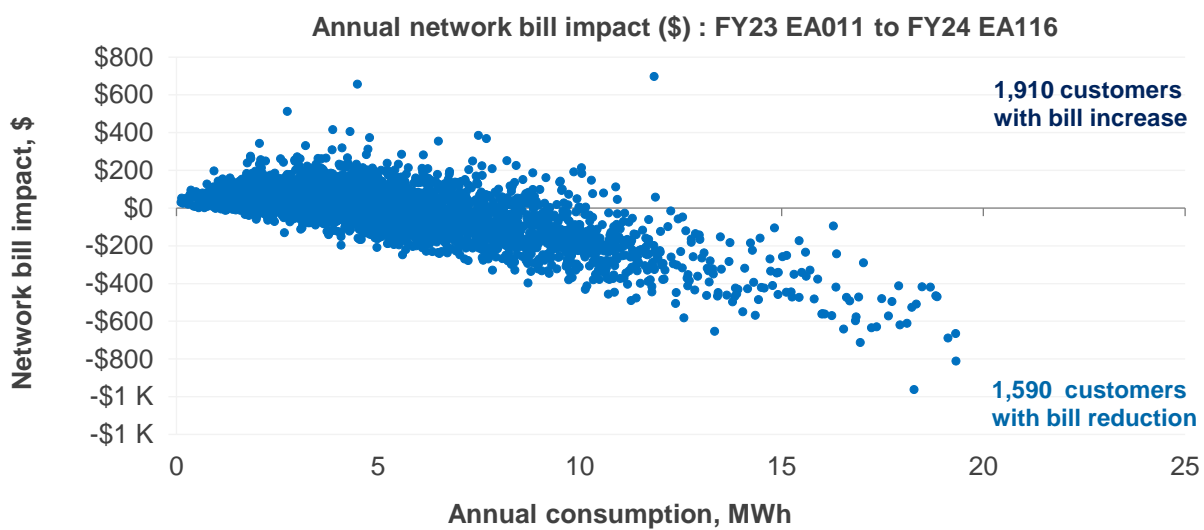
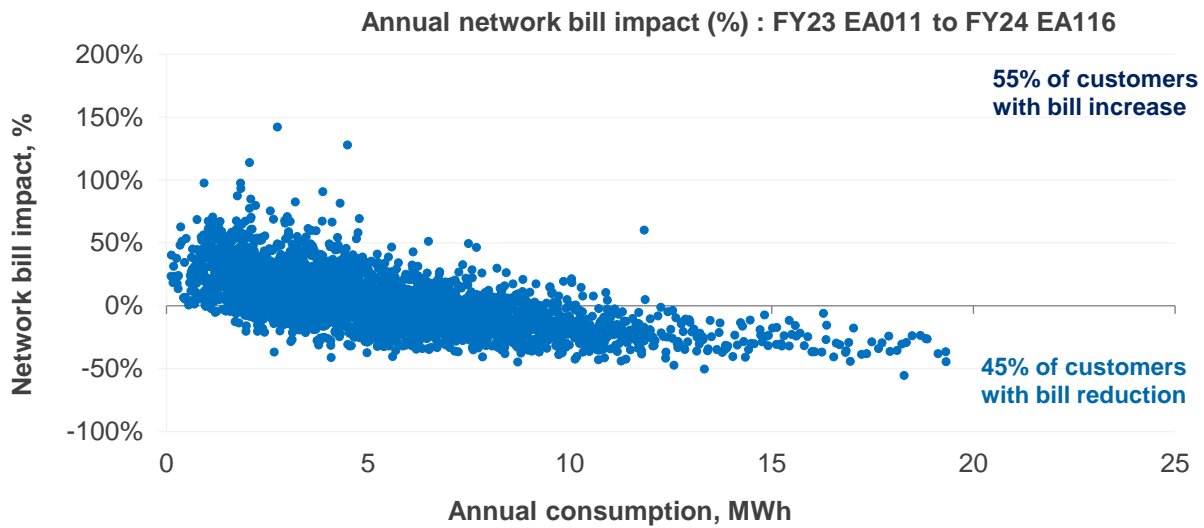


Figure A1.5. Customers with smart meters opting-out from EA025 TOU to EA116 Demand on 1 July 2023

FY23 EA025 to FY24 EA116		Network bill impact %	Customers better off	Customers worse off
NMI sampled	3,500	=0%	0	0
Avg consumption p.a., kWh	6,266	>0% and <=5%	469	388
Median consumption, kWh	5,301	>5% and <=10%	464	308
Avg max demand, kW	6	>10% and <=20%	785	448
Median bill impact p.a., %/\$	-3.8% / -\$22	>20%	385	253
		Grand Total	2,103	1,397

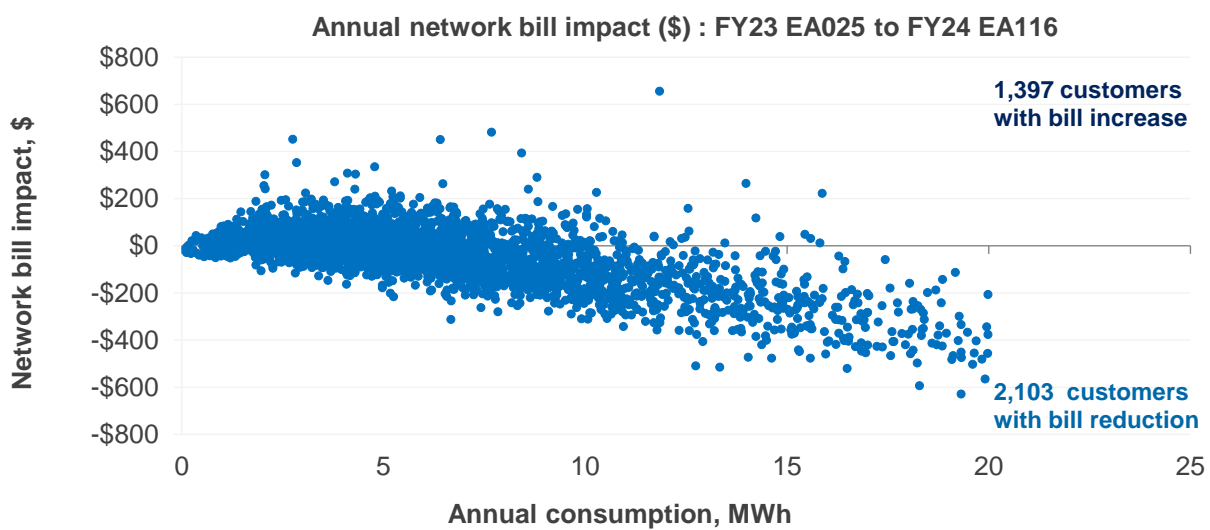
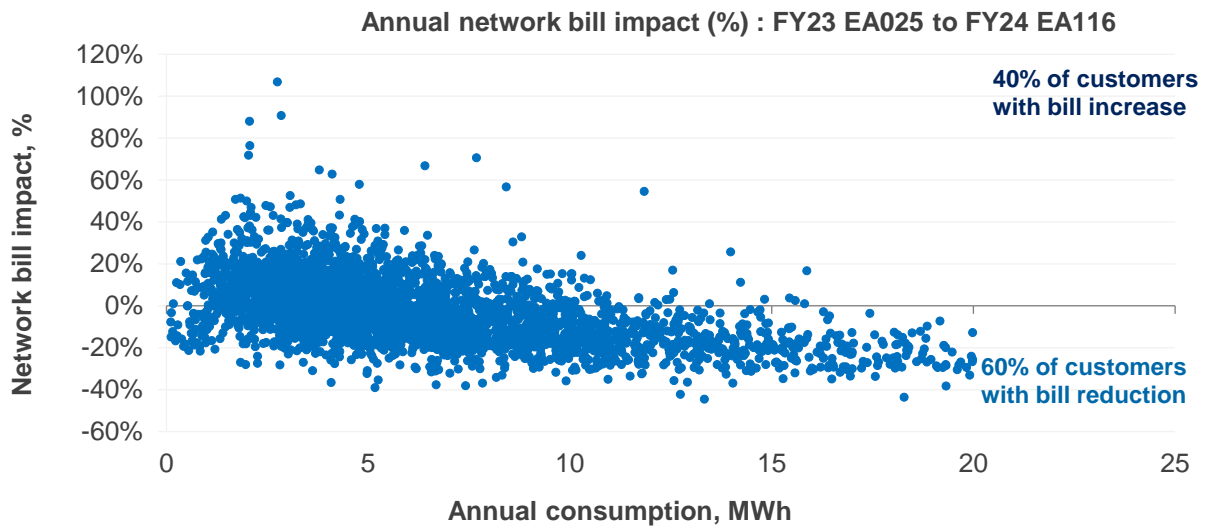


Figure A1.6. EA115 TOU Demand tariff from 2022-23 to 2023-24

FY23 EA115 to FY24 EA115		Network bill impact %	Customers better off	Customers worse off
NMI sampled	31	=0%	0	0
Avg consumption p.a., kWh	12,537	>0% and <=5%	0	31
Median consumption, kWh	11,113	>5% and <=10%	0	0
Avg max demand, kW	13	>10% and <=20%	0	0
Median bill impact p.a., %/\$	3.3% / \$30	>20%	0	0
Grand Total			0	31

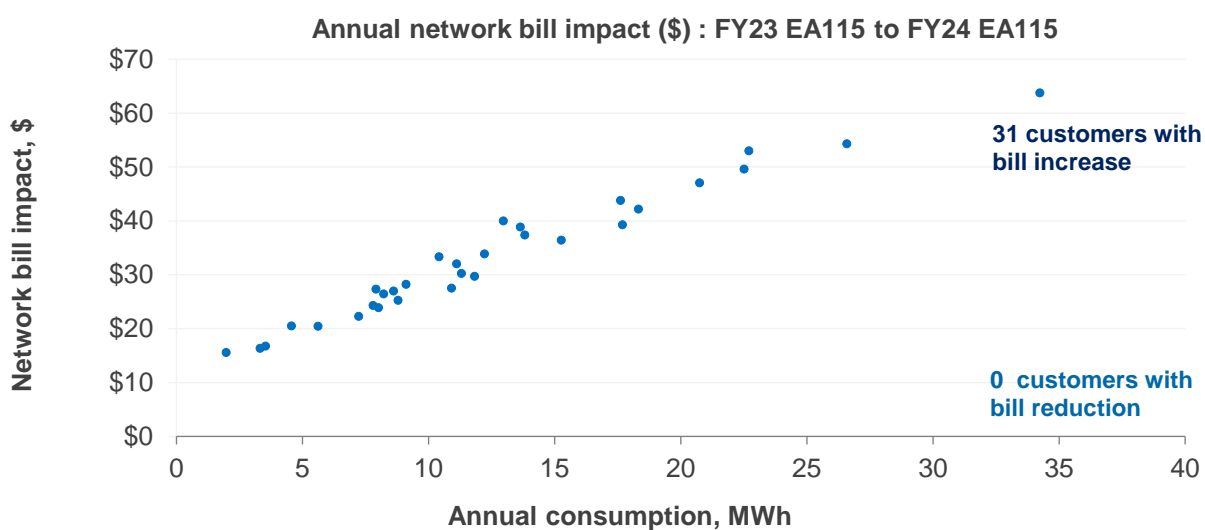
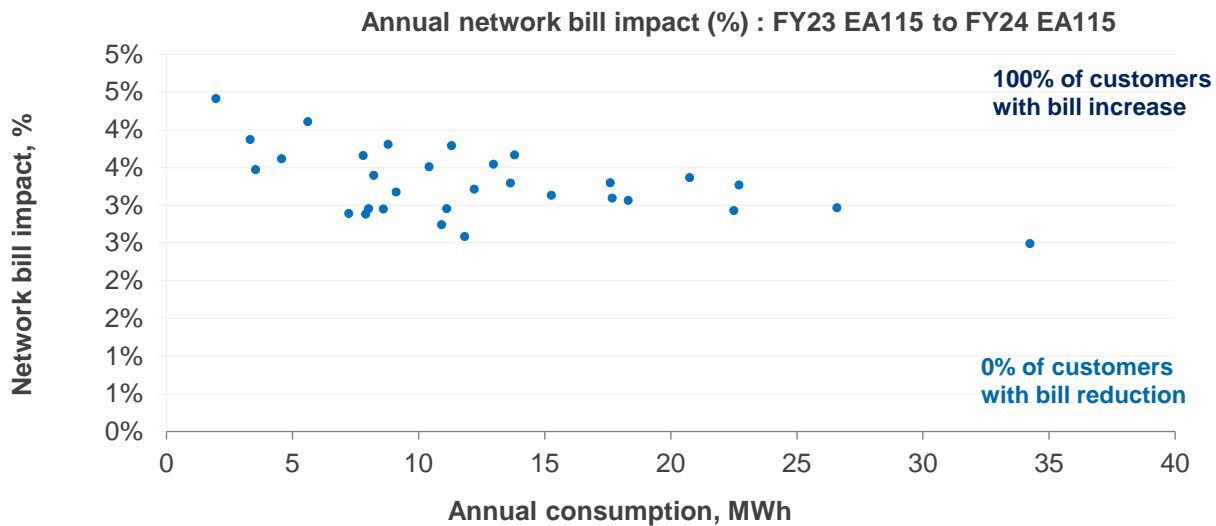


Figure A1.7. EA116 Demand tariff from 2022-23 to 2023-24

FY23 EA116 to FY24 EA116		Network bill impact %	Customers better off	Customers worse off
NMI sampled	3,500	=0%	0	0
Avg consumption p.a., kWh	4,601	>0% and <=5%	11	1,671
Median consumption, kWh	3,843	>5% and <=10%	0	1,818
Avg max demand, kW	6	>10% and <=20%	0	0
Median bill impact p.a., %/\$	5.1% / \$23	>20%	0	0
		Grand Total	11	3,489

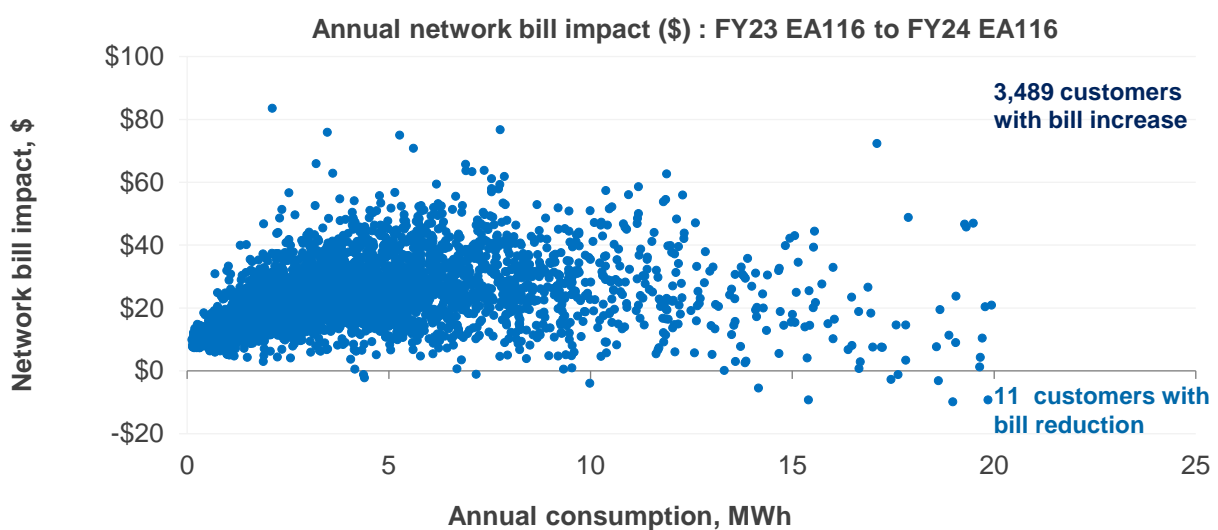
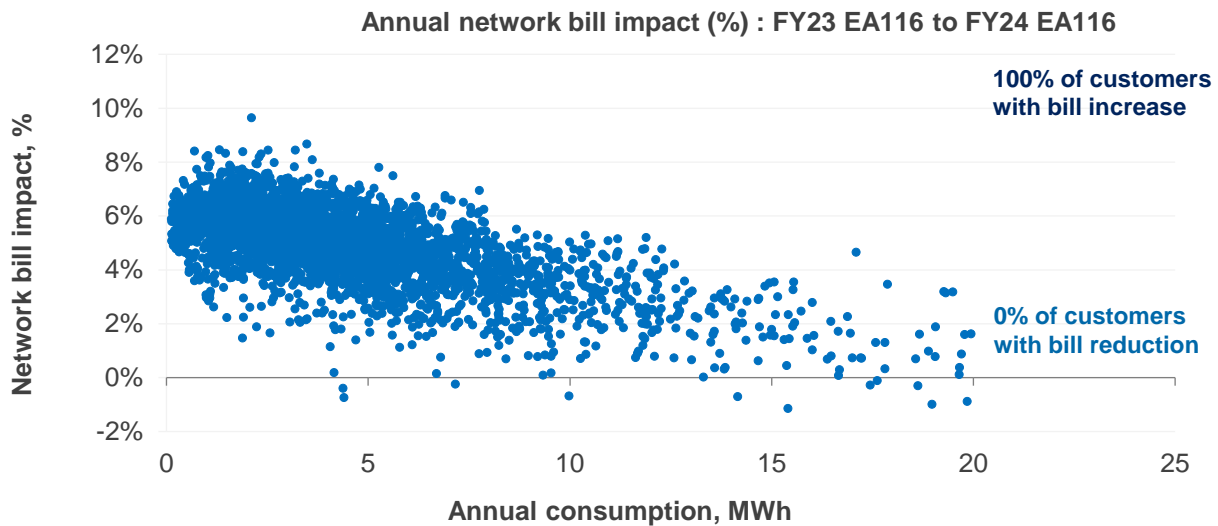


Figure A1.8. Reassignment of customers following a meter replacement (due to failure) from EA010/EA011 Flat to EA111 Demand (introductory) in 2023-24

FY24 EA010 to FY24 EA111		Network bill impact %	Customers better off	Customers worse off
NMI sampled	3,500	=0%	0	0
Avg consumption p.a., kWh	5,264	>0% and <=5%	1,543	1,953
Median consumption, kWh	4,547	>5% and <=10%	0	4
Avg max demand, kW	6	>10% and <=20%	0	0
Median bill impact p.a., %/\$	0.2% / \$1	>20%	0	0
		Grand Total	1,543	1,957

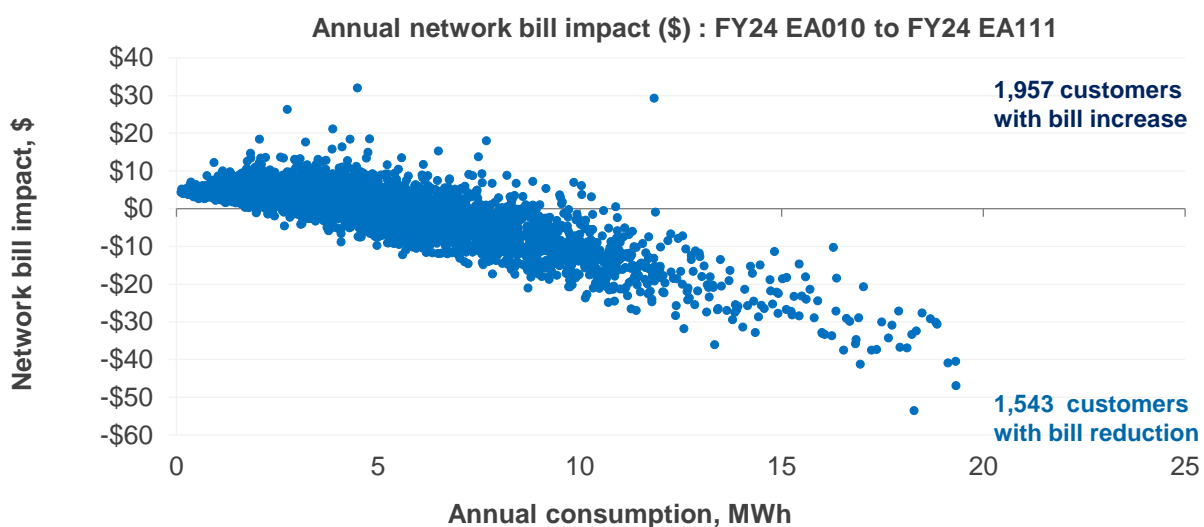
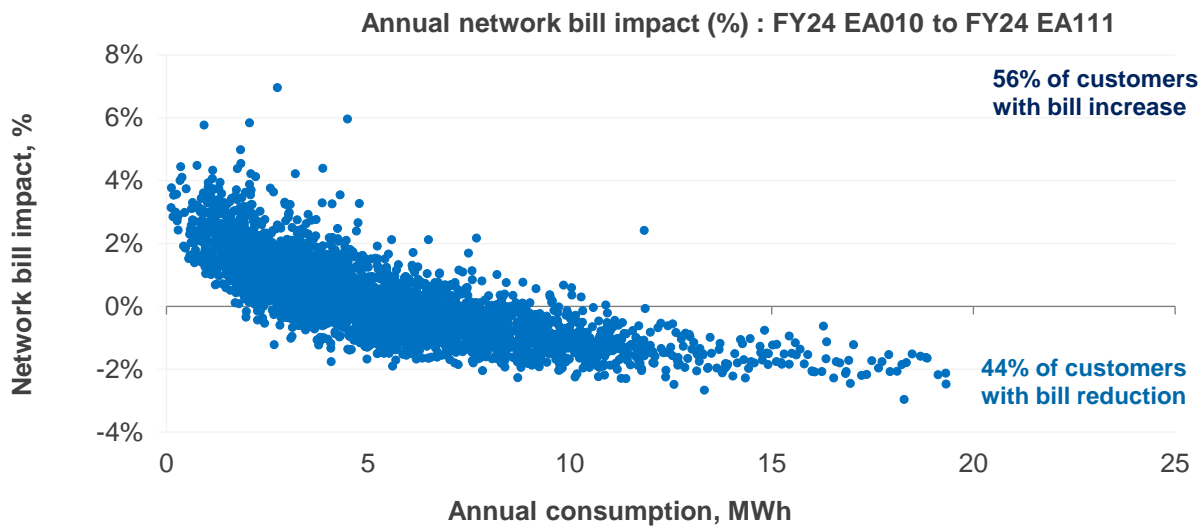


Figure A1.9. Customers opting-out from EA111 Demand (introductory) to EA116 Demand in 2023-24

FY24 EA111 to FY24 EA116		Network bill impact %	Customers better off	Customers worse off
NMI sampled	3,500	=0%	0	0
Avg consumption p.a., kWh	5,264	>0% and <=5%	376	361
Median consumption, kWh	4,547	>5% and <=10%	335	283
Avg max demand, kW	6	>10% and <=20%	625	481
Median bill impact p.a., %/\$	-2.4% / -\$13	>20%	595	444
		Grand Total	1,931	1,569

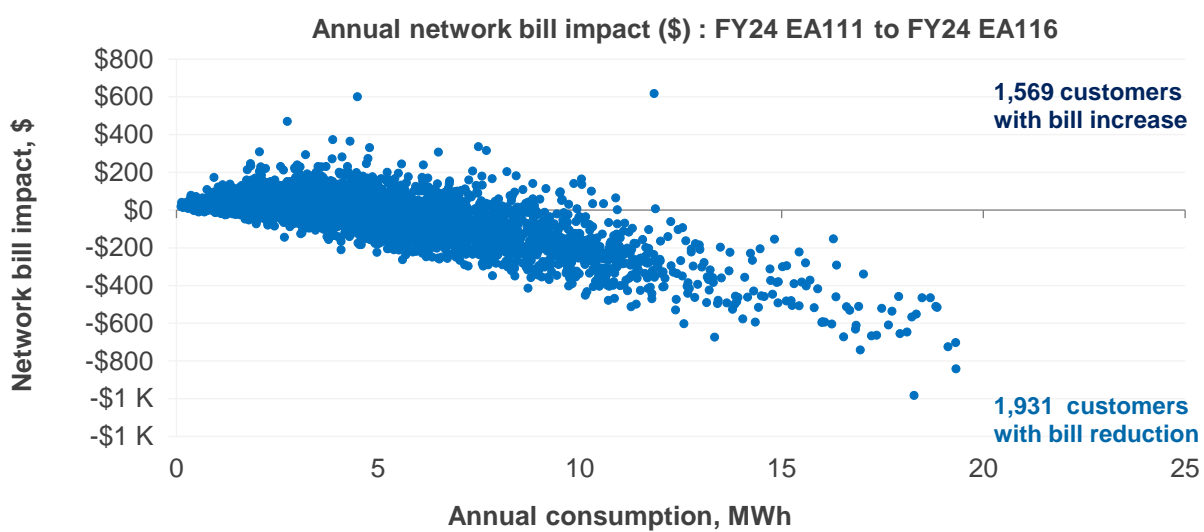
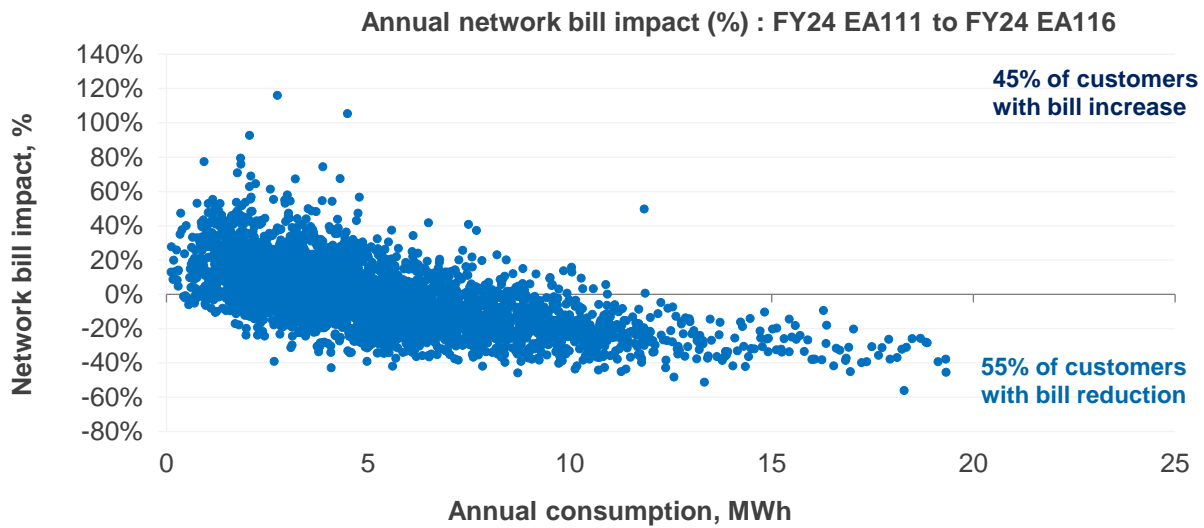


Figure A1.10. Reassignment of customers following a meter replacement by customer choice from EA010/EA011 Flat to EA116 Demand in 2023-24

FY24 EA010 to FY24 EA116		Network bill impact %	Customers better off	Customers worse off
NMI sampled	3,500	=0%	0	0
Avg consumption p.a., kWh	5,264	>0% and <=5%	365	327
Median consumption, kWh	4,547	>5% and <=10%	312	284
Avg max demand, kW	6	>10% and <=20%	584	471
Median bill impact p.a., %/\$	-2.2% / -\$11	>20%	652	505
		Grand Total	1,913	1,587

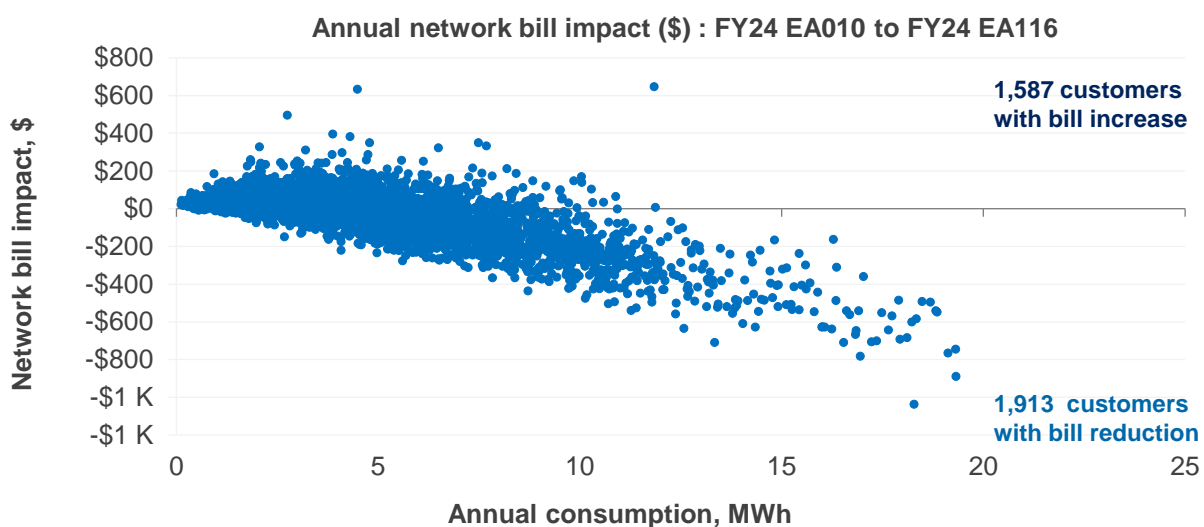
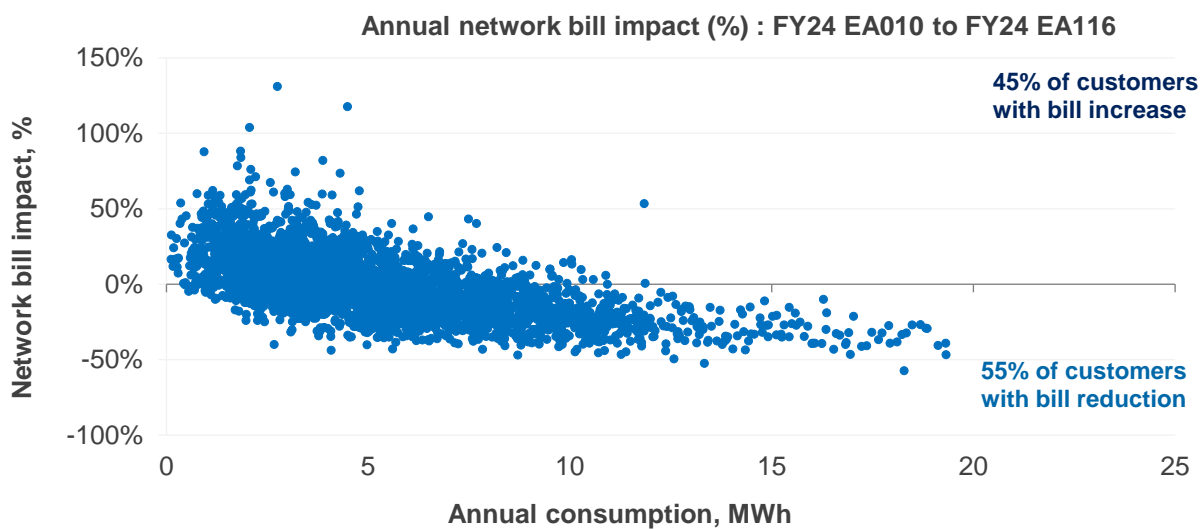
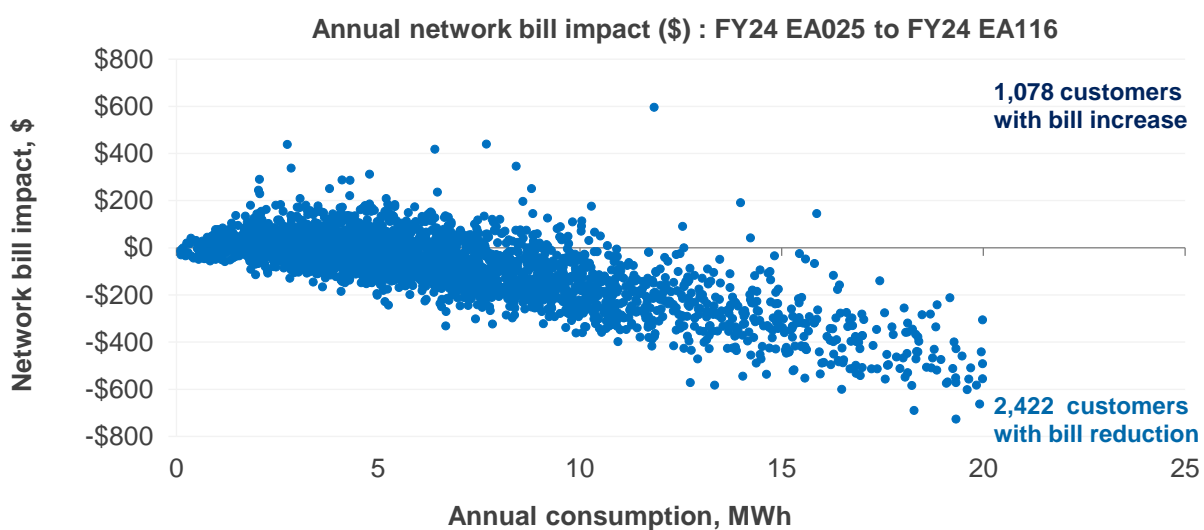
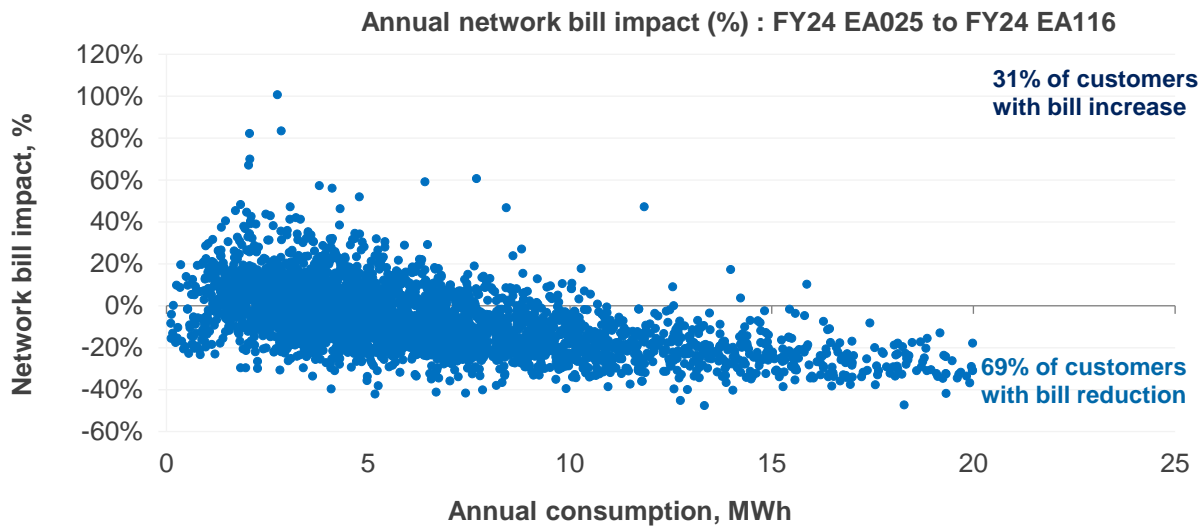


Figure A1.11. Customers with smart meters opting-out from EA025 TOU to EA116 Demand in 2023-24

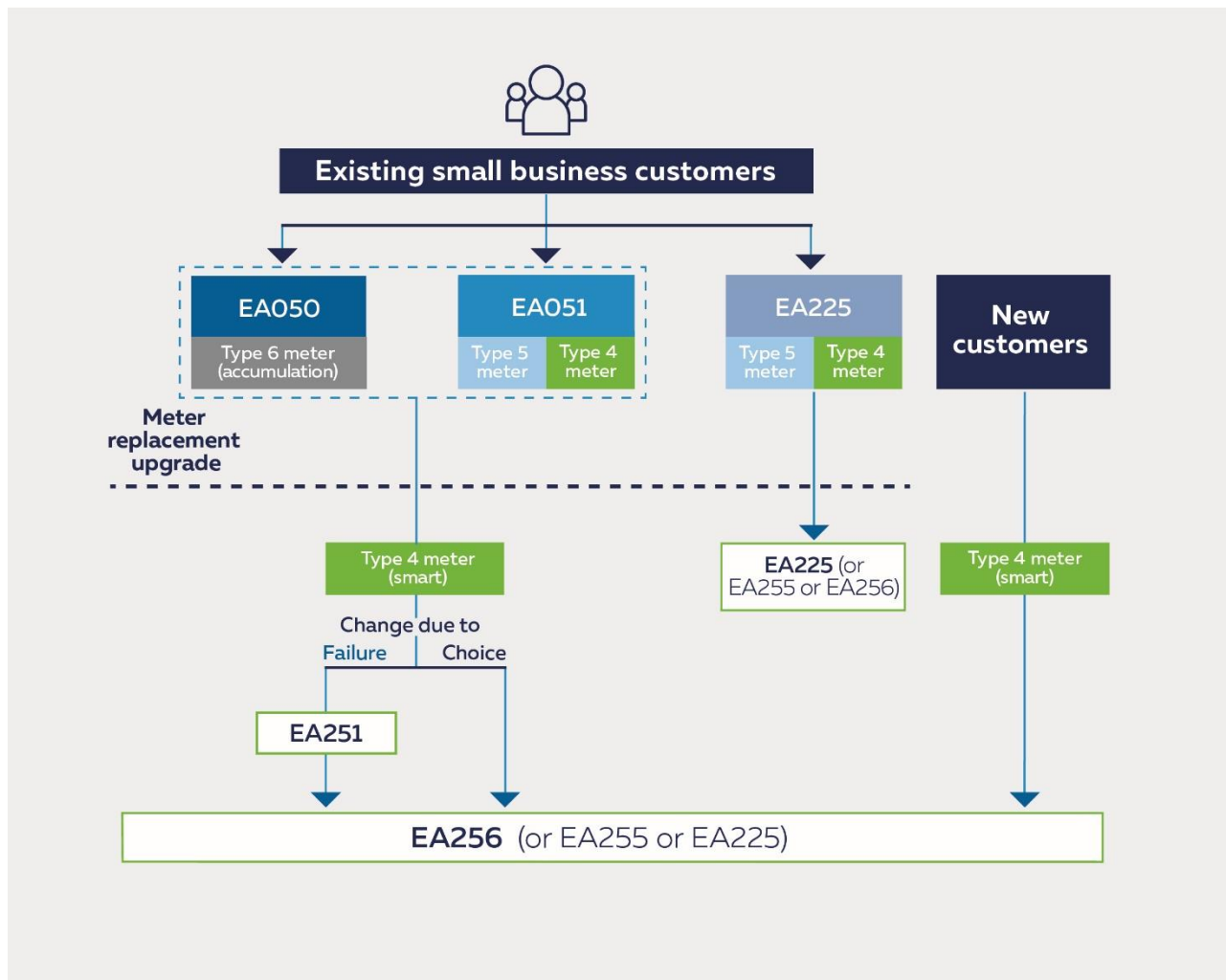
FY24 EA025 to FY24 EA116		Network bill impact %	Customers better off	Customers worse off
NMI sampled	3,500	=0%	0	0
Avg consumption p.a., kWh	6,266	>0% and <=5%	409	317
Median consumption, kWh	5,301	>5% and <=10%	459	310
Avg max demand, kW	6	>10% and <=20%	887	291
Median bill impact p.a., %/\$	-7.9% / -\$44	>20%	667	160
		Grand Total	2,422	1,078



Small business customer impacts

Box A1.2 illustrates the tariff assignment options for small business customers in FY24 that underlie the business customer impact figures A1.12 to A1.22. For further details, refer to Figure 2.4 in Section 2 of the TSS.

Box A1.2. Key to small business customer impact figures



Business customer impact analysis figures are based on the following scenarios:

- Customers remaining on their existing tariffs on 1 July 2023 (Figures A1.12, A1.14, A1.17, A1.18).
- Customers opting-out from flat to TOU/Demand tariffs on 1 July 2023 (Figures A1.13, A1.15).
- Customers opting-out from TOU to demand tariffs on 1 July 2023 (Figures A1.16).
- Customers transferring to another tariff due to meter failure, meter upgrade or by choice in FY24 (Figures A1.19, A1.20, A1.21, A1.22).

Figure A1.12. EA050/EA051 Flat tariff from 2022-23 to 2023-24

FY23 EA050 to FY24 EA050		Network bill impact %	Customers better off	Customers worse off
NMI sampled	3,500	=0%	0	0
Avg consumption p.a., kWh	11,911	>0% and <=5%	0	2,070
Median consumption, kWh	9,202	>5% and <=10%	0	1,430
Avg max demand, kW	8	>10% and <=20%	0	0
Median bill impact p.a., %/\$	4.7% / \$56	>20%	0	0
Grand Total			0	3,500

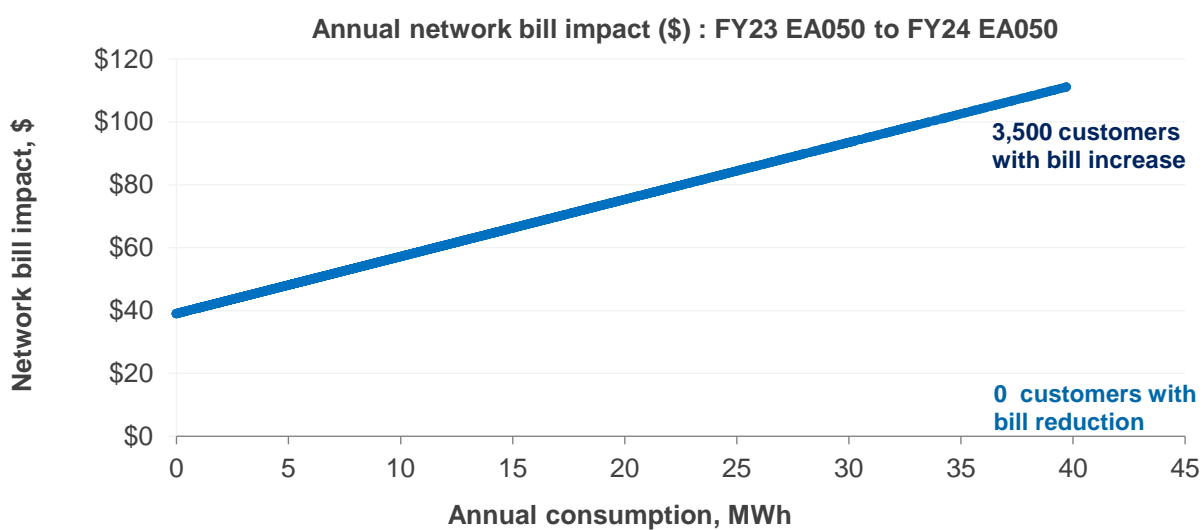
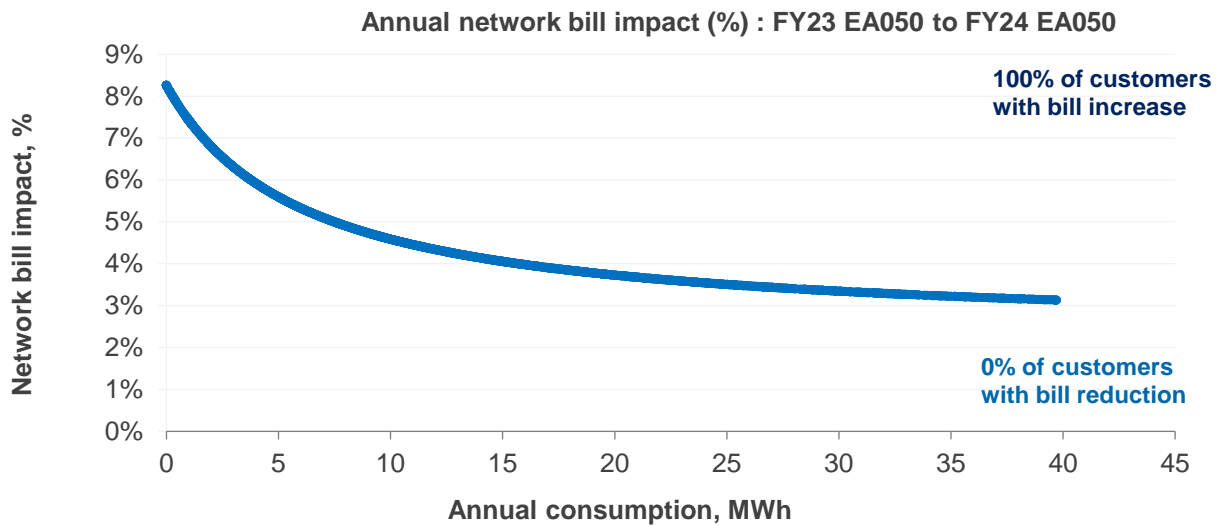


Figure A1.13. Customers with interval meters opting-out from EA051 Flat to EA225 TOU on 1 July 2023

FY23 EA051 to FY24 EA225		Network bill impact %	Customers better off	Customers worse off
NMI sampled	3,500	=0%	0	0
Avg consumption p.a., kWh	11,911	>0% and <=5%	418	726
Median consumption, kWh	9,202	>5% and <=10%	316	773
Avg max demand, kW	8	>10% and <=20%	175	842
Median bill impact p.a., %/\$	5.3% / \$47	>20%	37	213
		Grand Total	946	2,554

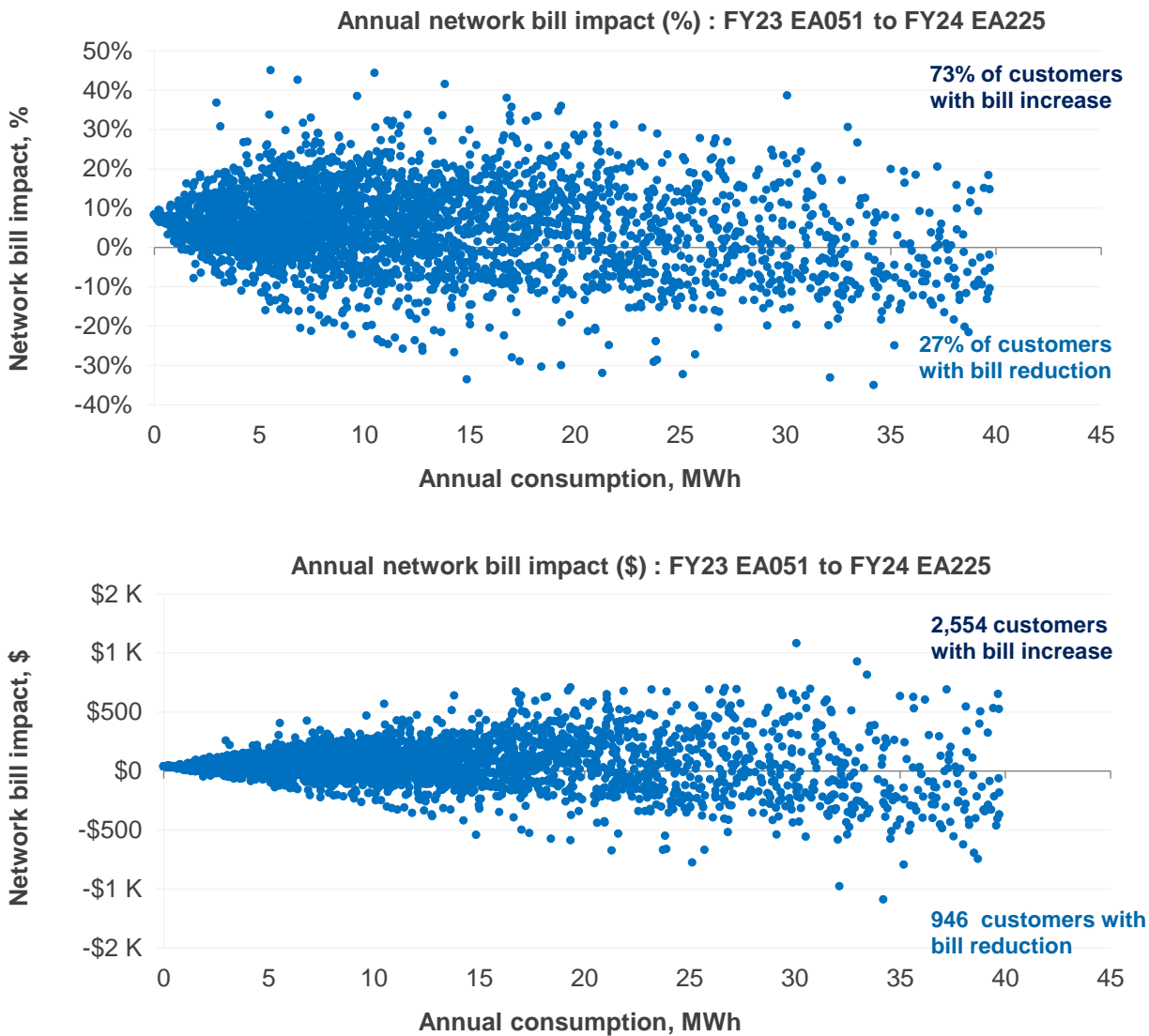


Figure A1.14. EA225 TOU tariff from 2022-23 to 2023-24

FY23 EA225 to FY24 EA225		Network bill impact %	Customers better off	Customers worse off
NMI sampled	3,500	=0%	0	0
Avg consumption p.a., kWh	12,656	>0% and <=5%	0	3,267
Median consumption, kWh	11,910	>5% and <=10%	0	233
Avg max demand, kW	8	>10% and <=20%	0	0
Median bill impact p.a., %/\$	4.5% / \$63	>20%	0	0
Grand Total			0	3,500

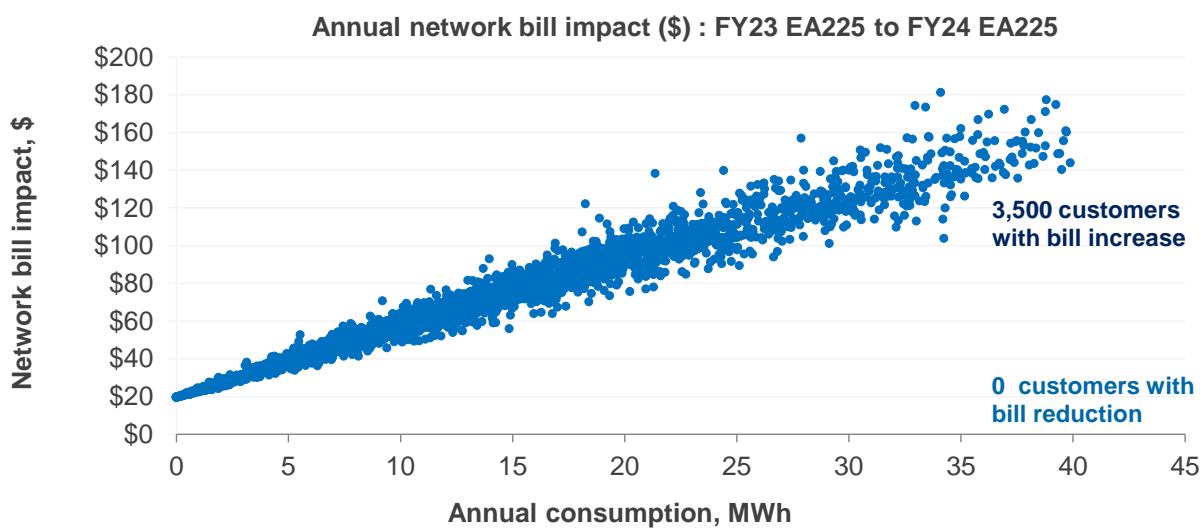
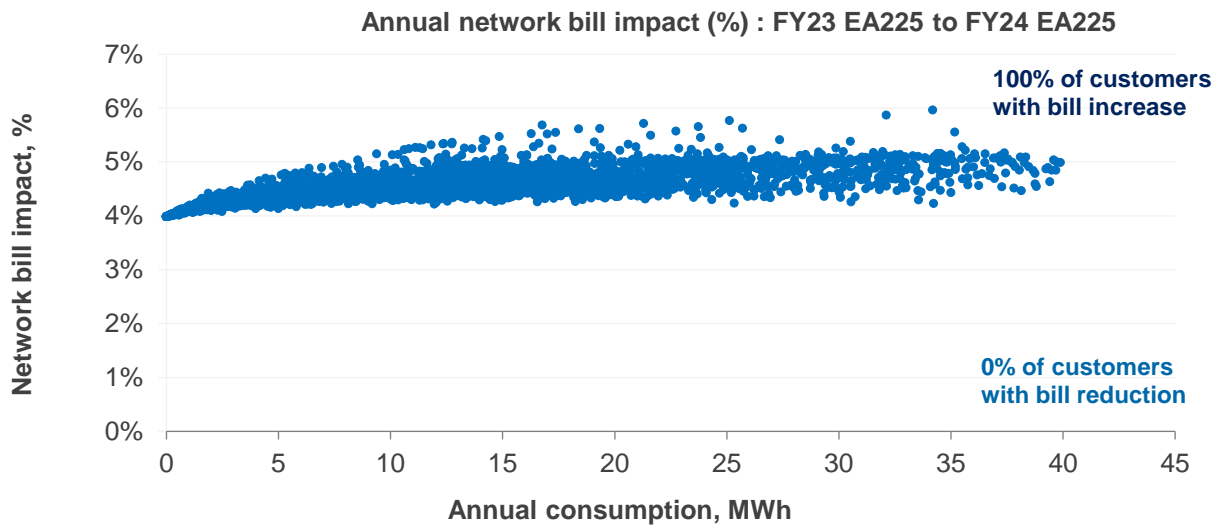


Figure A1.15. Customers with smart meters opting-out from EA051 Flat to EA256 Demand on 1 July 2023

FY23 EA051 to FY24 EA256		Network bill impact %	Customers better off	Customers worse off
NMI sampled	3,500	=0%	0	0
Avg consumption p.a., kWh	11,911	>0% and <=5%	313	324
Median consumption, kWh	9,202	>5% and <=10%	303	274
Avg max demand, kW	8	>10% and <=20%	555	458
Median bill impact p.a., %/\$	-2.5% / -\$27	>20%	755	518
		Grand Total	1,926	1,574

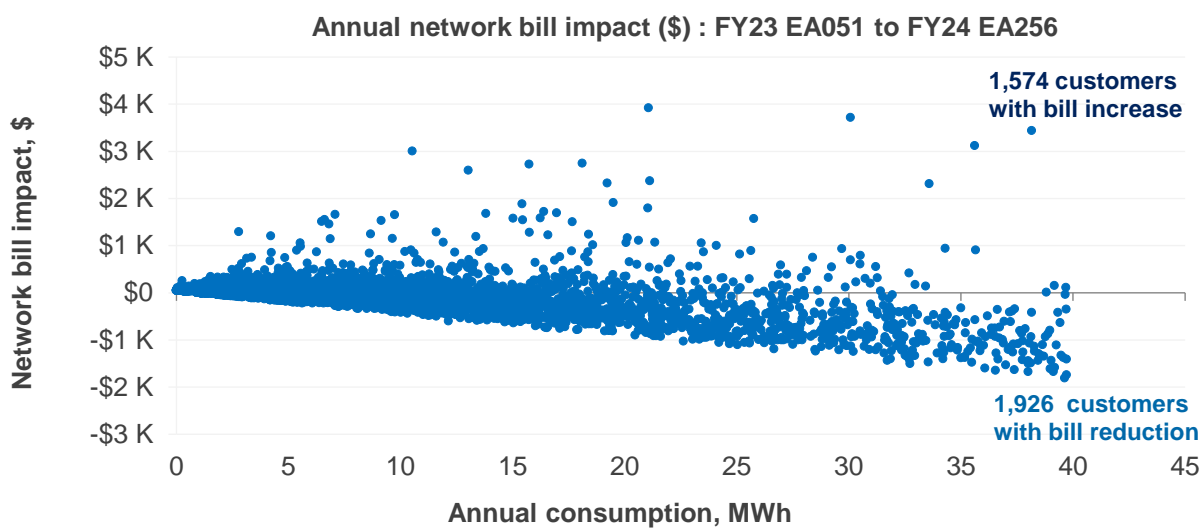
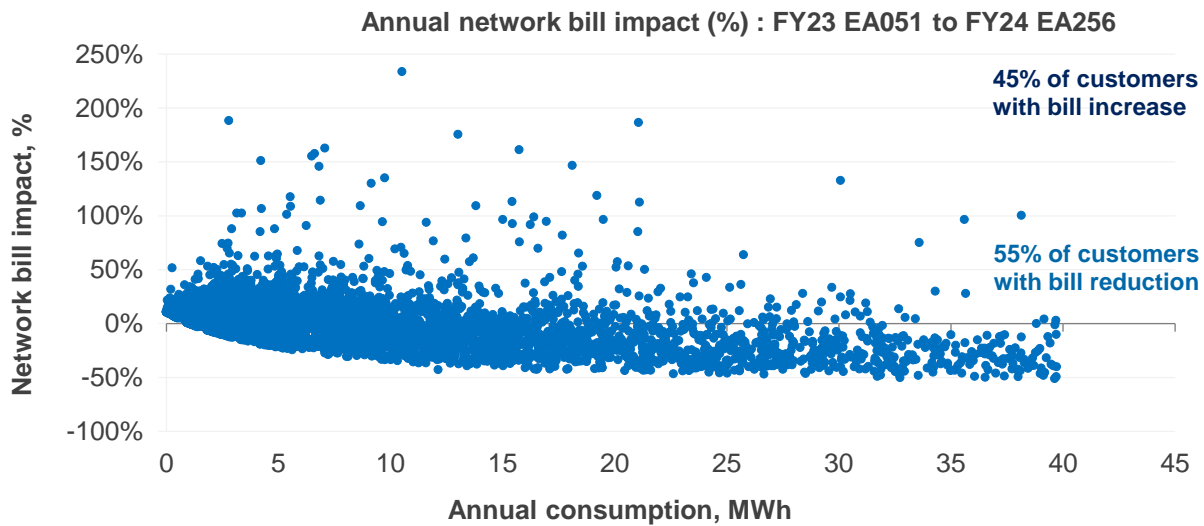


Figure A1.16. Customers with smart meters opting-out from EA225 TOU to EA256 Demand on 1 July 2023

FY23 EA225 to FY24 EA256		Network bill impact %	Customers better off	Customers worse off
NMI sampled	3,500	=0%	0	0
Avg consumption p.a., kWh	12,656	>0% and <=5%	433	329
Median consumption, kWh	11,910	>5% and <=10%	274	290
Avg max demand, kW	8	>10% and <=20%	666	363
Median bill impact p.a., %/\$	-4.6% / -\$47	>20%	766	379
		Grand Total	2,139	1,361

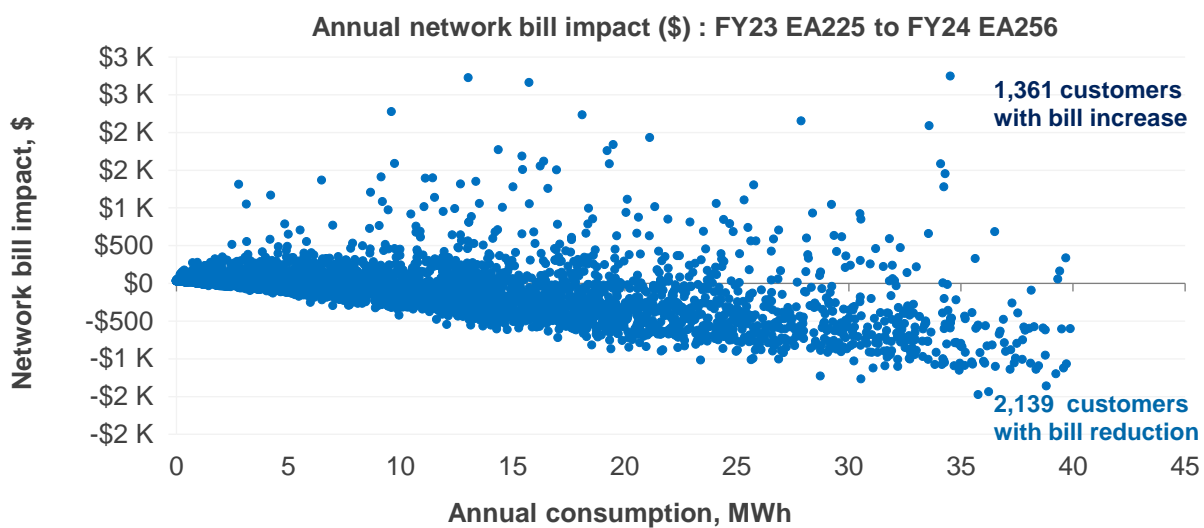
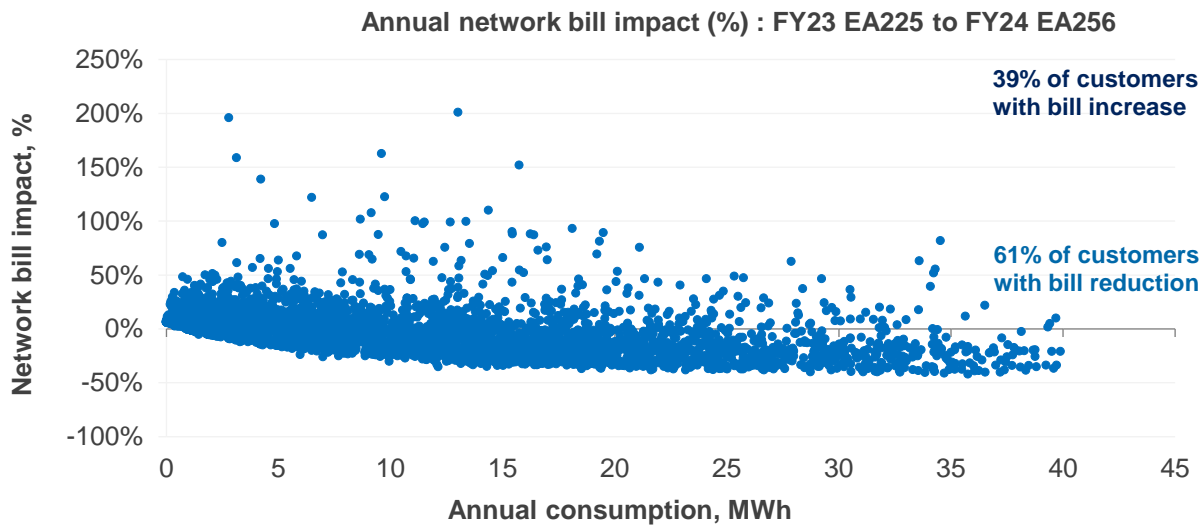


Figure A1.17. EA255 TOU Demand tariff from 2022-23 to 2023-24

FY23 EA255 to FY24 EA255		Network bill impact %	Customers better off	Customers worse off
NMI sampled	13	=0%	0	0
Avg consumption p.a., kWh	22,879	>0% and <=5%	0	2
Median consumption, kWh	29,175	>5% and <=10%	0	11
Avg max demand, kW	10	>10% and <=20%	0	0
Median bill impact p.a., %/\$	6.4% / \$124	>20%	0	0
Grand Total			0	13

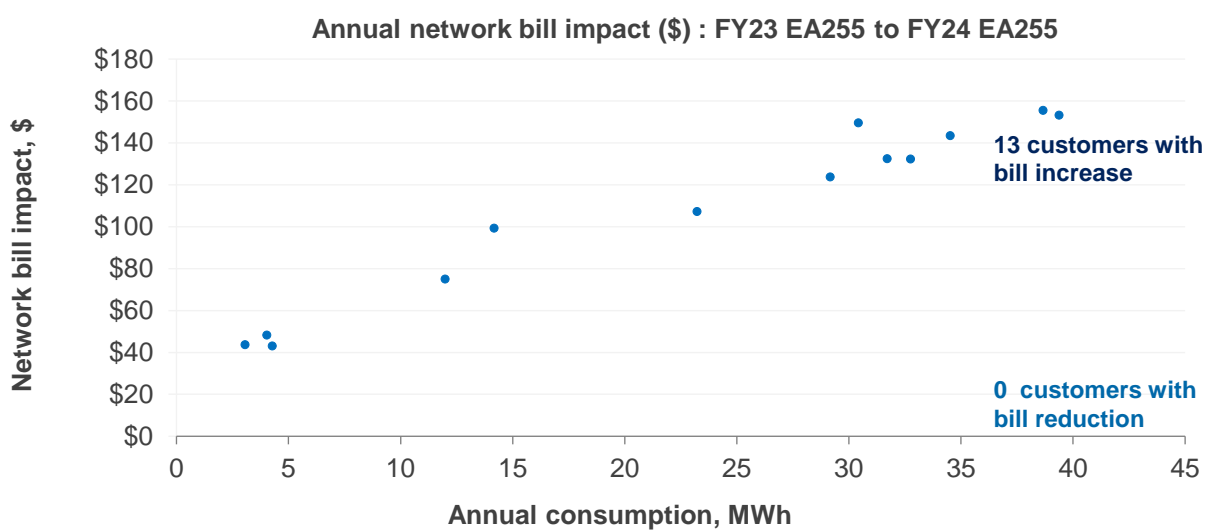
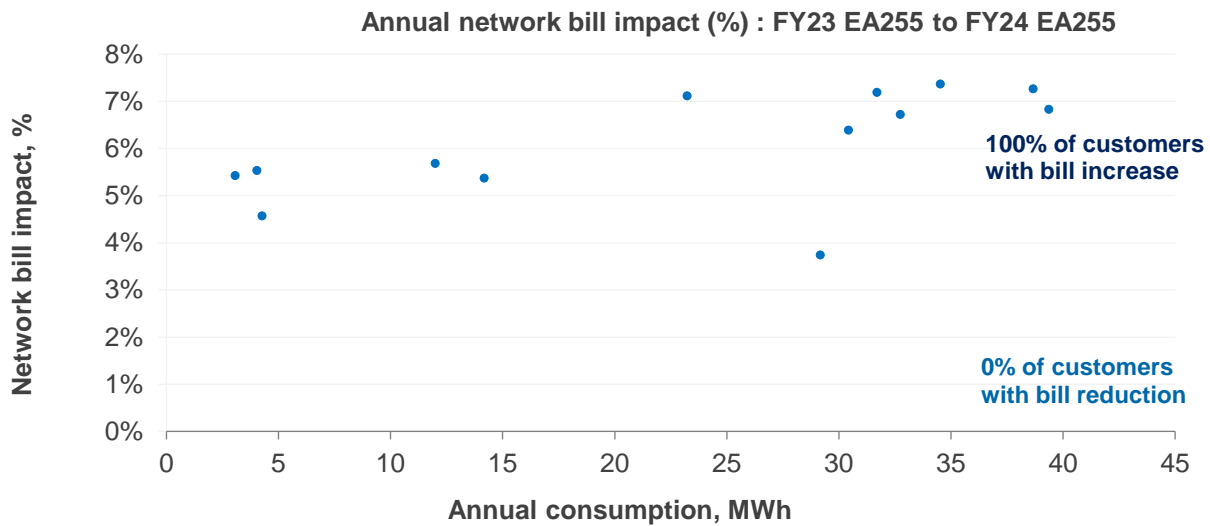


Figure A1.18. EA256 Demand tariff from 2022-23 to 2023-24

FY23 EA256 to FY24 EA256		Network bill impact %	Customers better off	Customers worse off
NMI sampled	3,500	=0%	0	0
Avg consumption p.a., kWh	9,407	>0% and <=5%	14	1,677
Median consumption, kWh	6,550	>5% and <=10%	0	1,809
Avg max demand, kW	7	>10% and <=20%	0	0
Median bill impact p.a., %/\$	5.1% / \$46	>20%	0	0
Grand Total			14	3,486

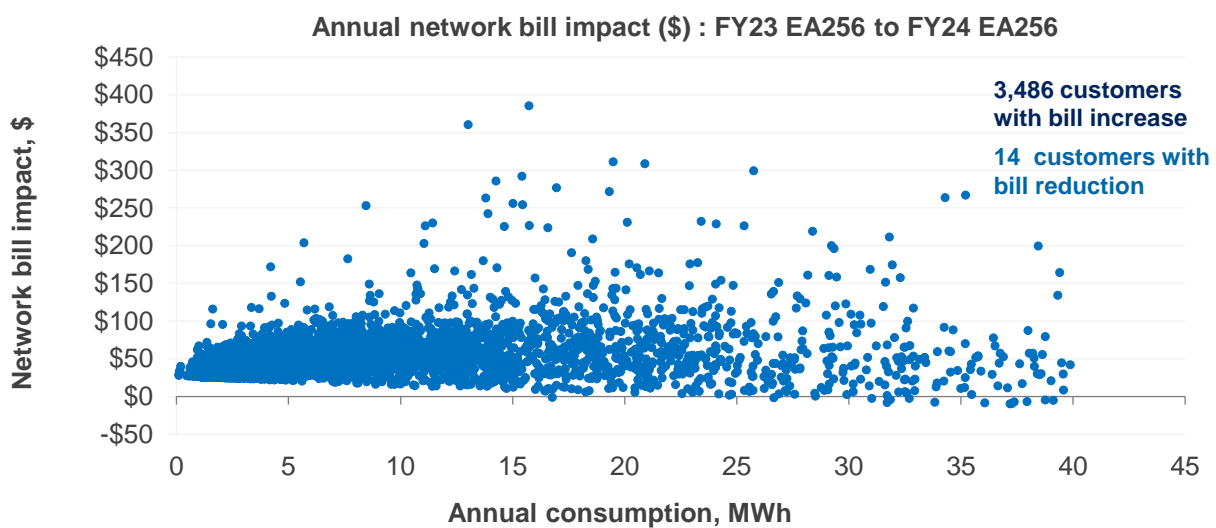
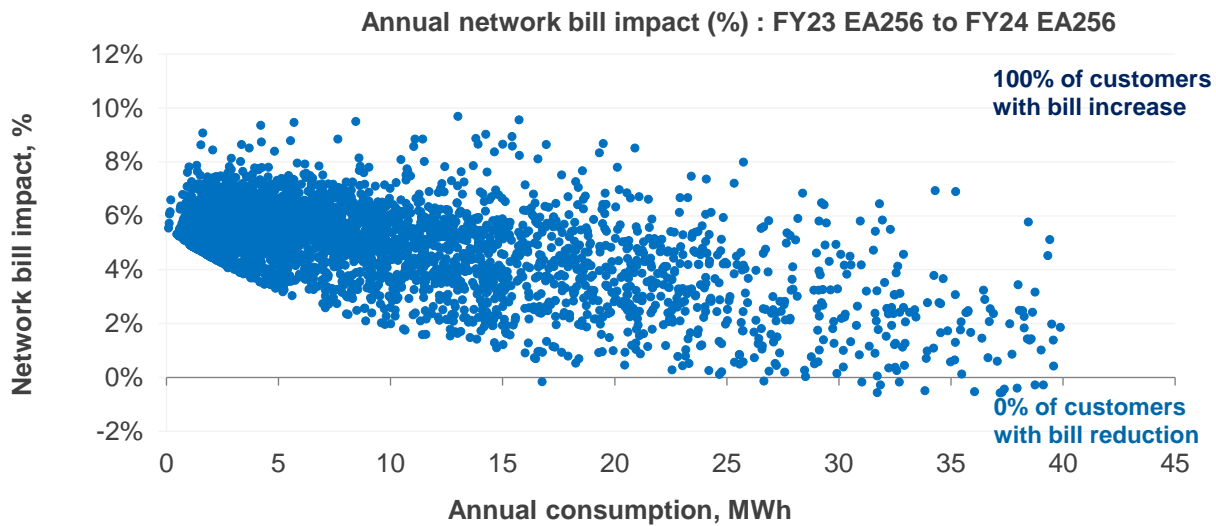


Figure A1.19. Reassignment of customers following a meter replacement (due to failure) from EA050/EA051 Flat to EA251 Demand (introductory) in 2023-24

FY24 EA050 to FY24 EA251		Network bill impact %	Customers better off	Customers worse off
NMI sampled	3,500	=0%	0	0
Avg consumption p.a., kWh	11,911	>0% and <=5%	2,431	463
Median consumption, kWh	9,202	>5% and <=10%	598	8
Avg max demand, kW	8	>10% and <=20%	0	0
Median bill impact p.a., %/\$	-2.2% / -\$28	>20%	0	0
		Grand Total	3,029	471

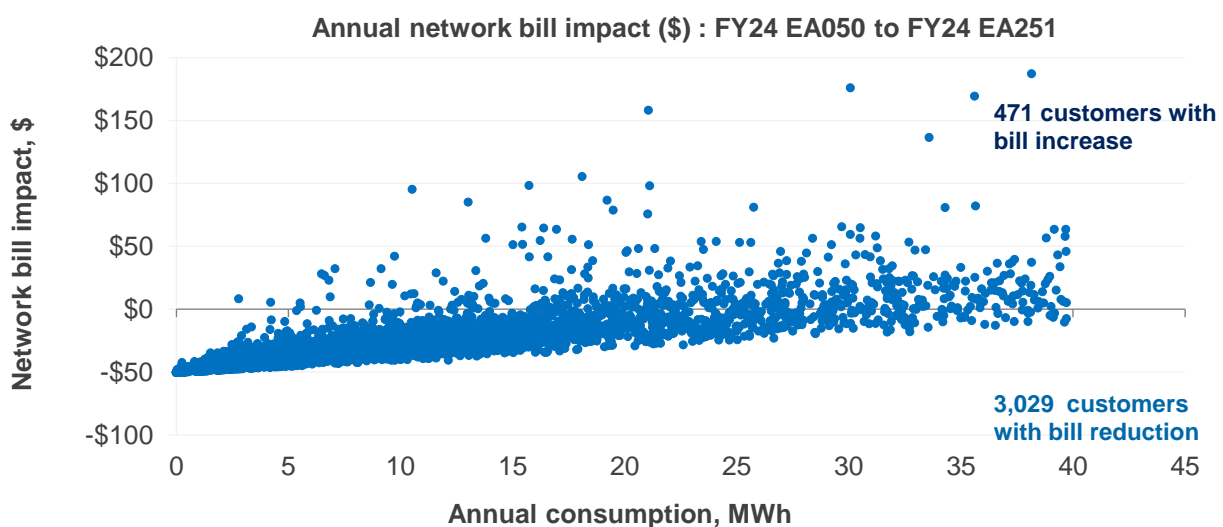
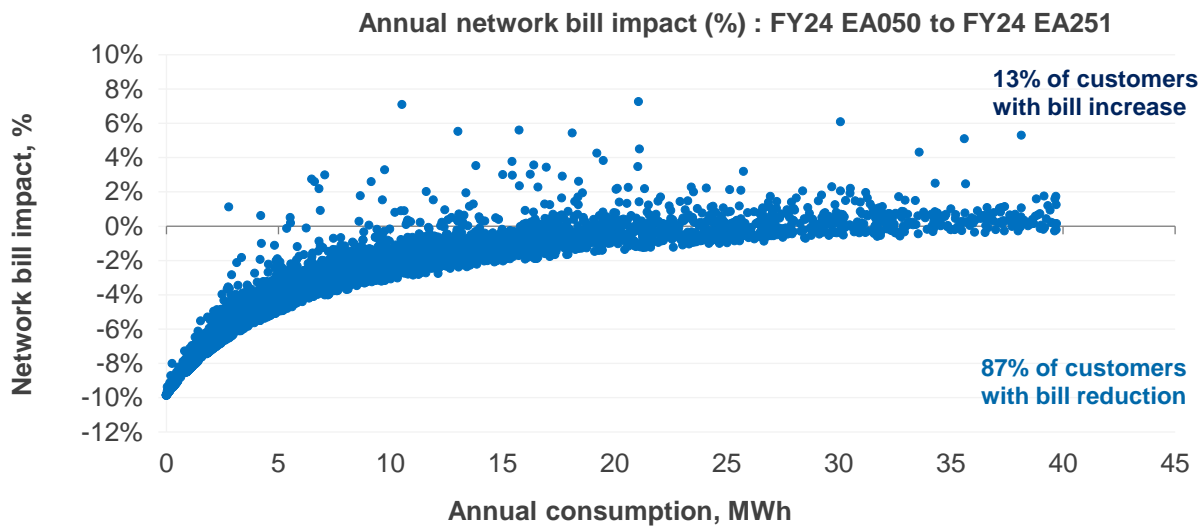


Figure A1.20. Customers opting-out from EA251 Demand (introductory) to EA256 Demand in 2023-24

FY24 EA251 to FY24 EA256		Network bill impact %	Customers better off	Customers worse off
NMI sampled	3,500	=0%	0	0
Avg consumption p.a., kWh	9,612	>0% and <=5%	292	373
Median consumption, kWh	6,533	>5% and <=10%	300	299
Avg max demand, kW	7	>10% and <=20%	456	543
Median bill impact p.a., %/\$	0.5% / \$4	>20%	674	563
		Grand Total	1,722	1,778

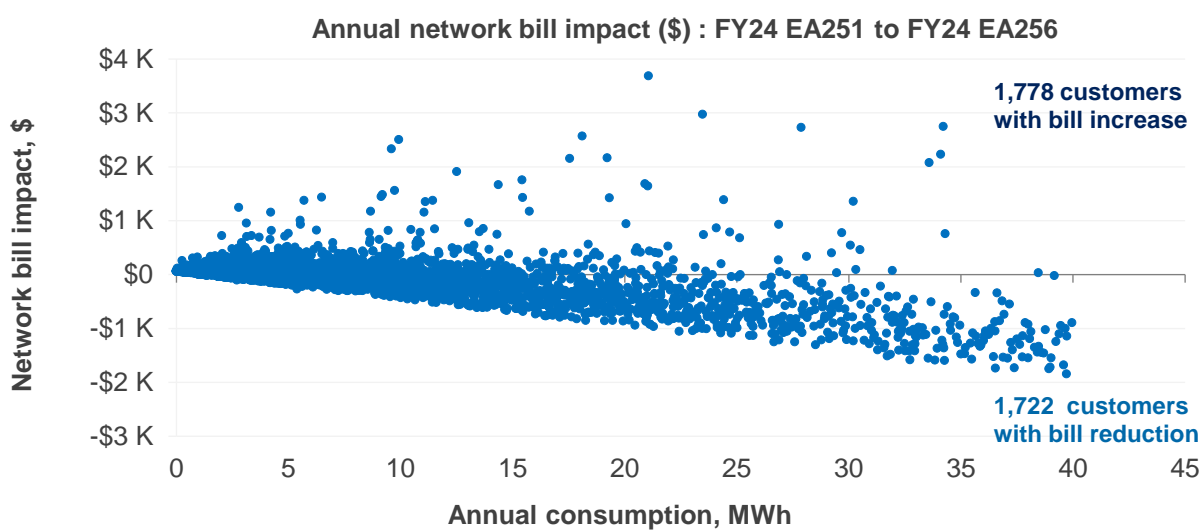
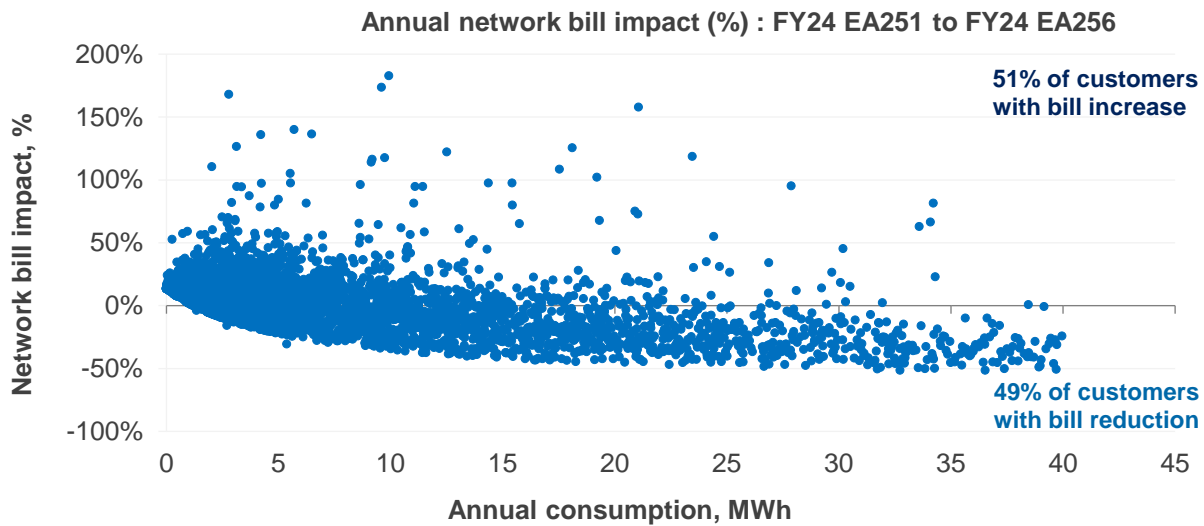


Figure A1.21. Reassignment of customers following a meter replacement by customer choice from EA050/EA051 Flat to EA256 Demand in 2023-24

FY24 EA050 to FY24 EA256		Network bill impact %	Customers better off	Customers worse off
NMI sampled	3,500	=0%	0	0
Avg consumption p.a., kWh	11,911	>0% and <=5%	311	319
Median consumption, kWh	9,202	>5% and <=10%	369	229
Avg max demand, kW	8	>10% and <=20%	641	353
Median bill impact p.a., %/\$	-7.3% / -\$80	>20%	942	336
		Grand Total	2,263	1,237

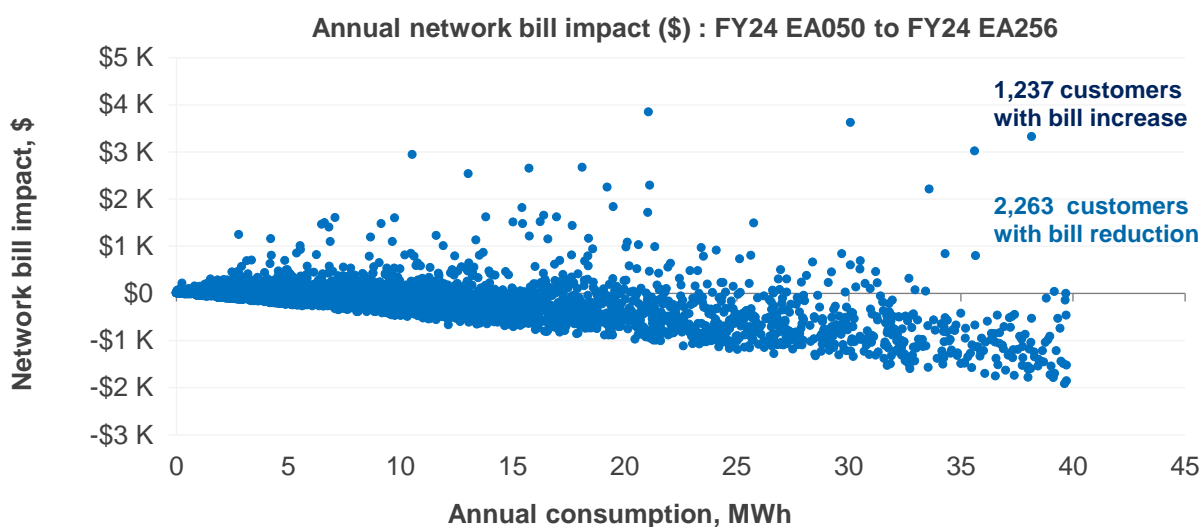
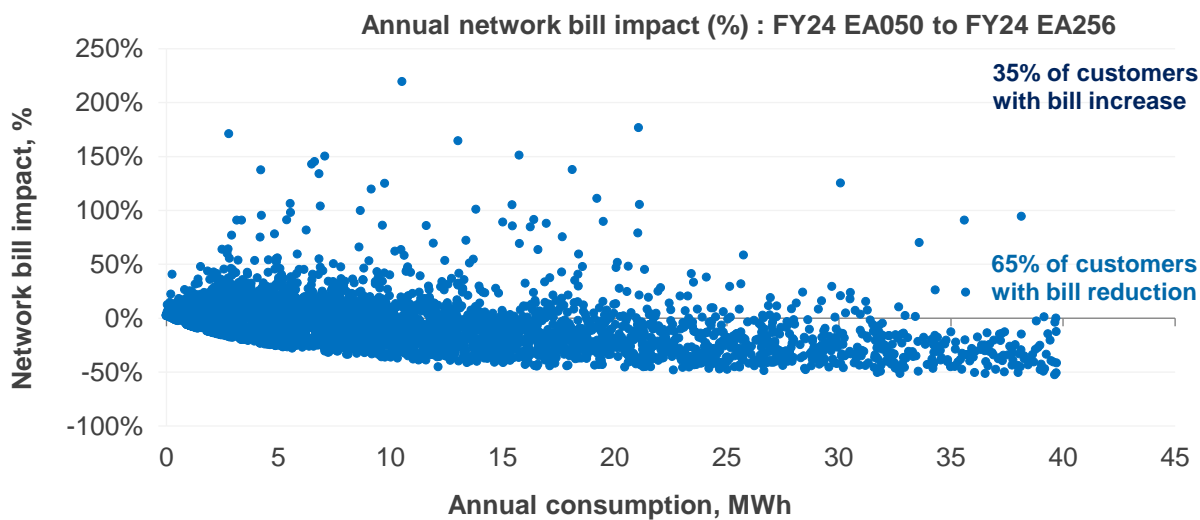
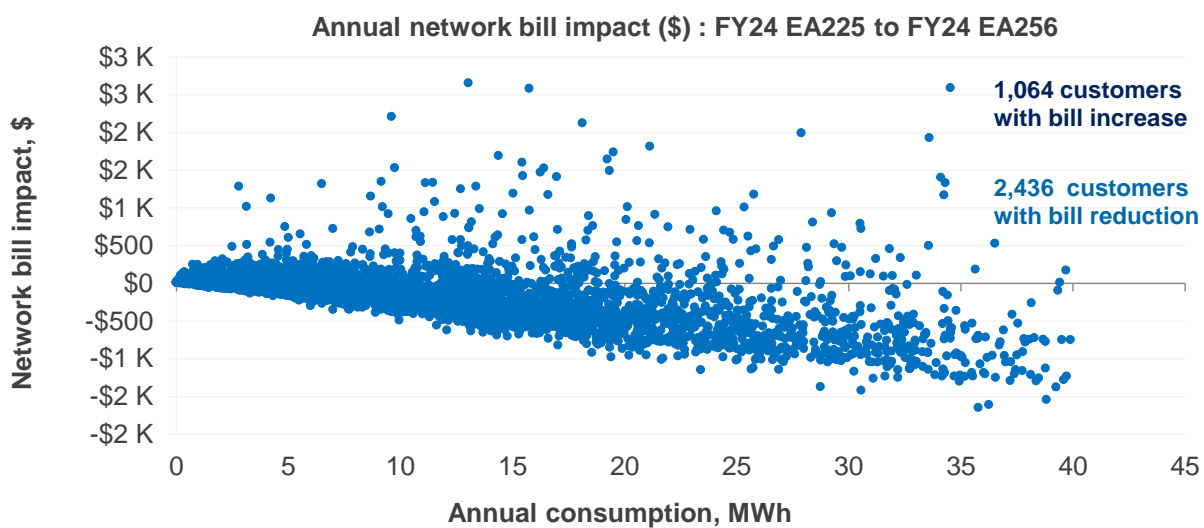
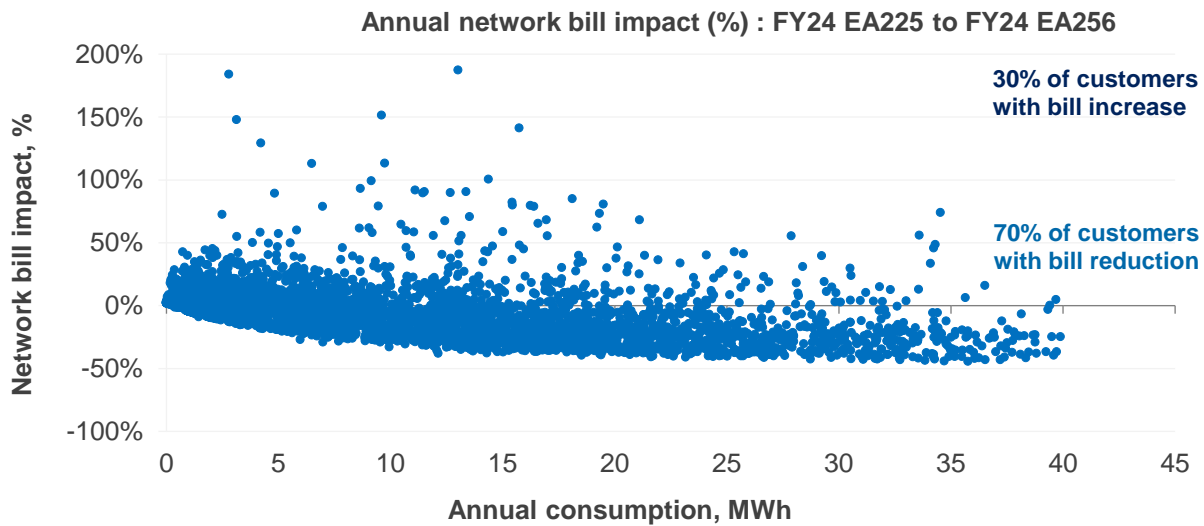


Figure A1.22. Customers with smart meters opting-out from EA225 TOU to EA256 Demand in 2023-24

FY24 EA225 to FY24 EA256		Network bill impact %	Customers better off	Customers worse off
NMI sampled	3,500	=0%	0	0
Avg consumption p.a., kWh	12,656	>0% and <=5%	405	303
Median consumption, kWh	11,910	>5% and <=10%	396	192
Avg max demand, kW	8	>10% and <=20%	618	303
Median bill impact p.a., %/\$	-8.6% / -\$104	>20%	1,017	266
		Grand Total	2,436	1,064



Medium and large business low voltage customer impacts

The following three figures show the impact of FY24 prices on medium and large business low voltage customers remaining on their existing tariffs on 1 July 2023.

Figure A1.23. EA302 (40-160 MWh pa) from 2022-23 to 2023-24

FY23 EA302 to FY24 EA302		Network bill impact %	Customers better off	Customers worse off
NMI sampled	2,000	=0%	0	0
Avg consumption p.a., kWh	66,006	>0% and <=5%	0	1,392
Median consumption, kWh	63,090	>5% and <=10%	0	608
Avg max demand, kW	25	>10% and <=20%	0	0
Median bill impact p.a., %/\$	4.6% / \$258	>20%	0	0
Grand Total			0	2,000

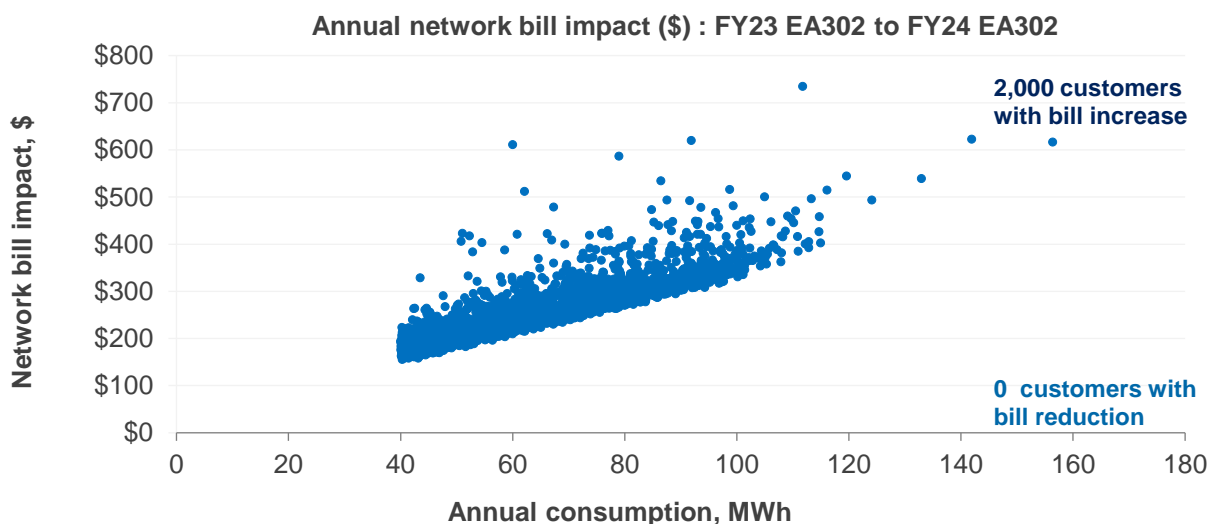
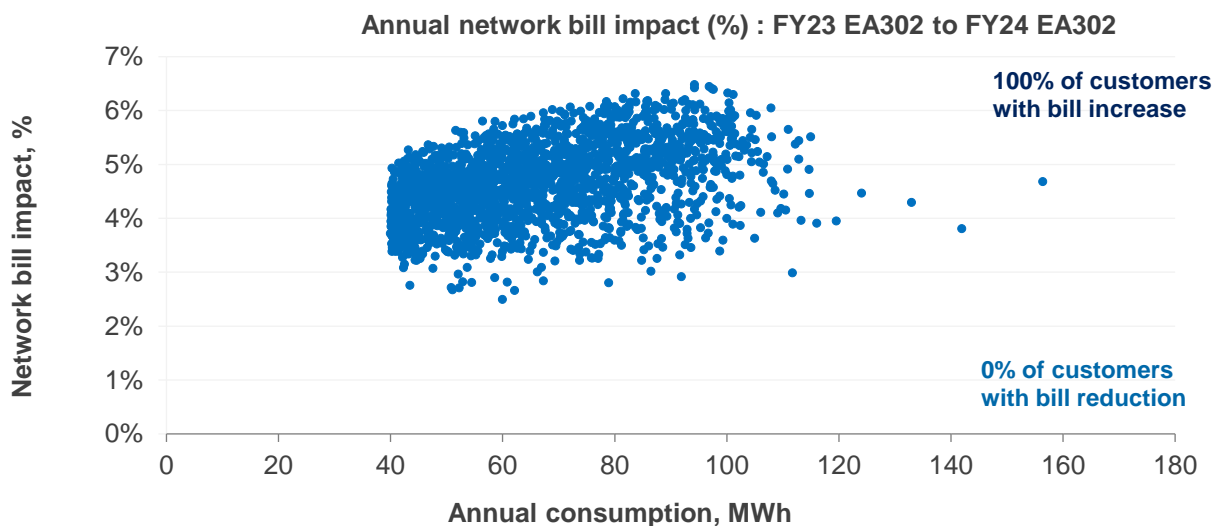


Figure A1.24. EA305 (160-750 MWh pa) from 2022-23 to 2023-24

FY23 EA305 to FY24 EA305		Network bill impact %	Customers better off	Customers worse off
NMI sampled	2,000	=0%	0	0
Avg consumption p.a., kWh	284,931	>0% and <=5%	0	1,583
Median consumption, kWh	266,437	>5% and <=10%	0	416
Avg max demand, kW	111	>10% and <=20%	0	1
Median bill impact p.a., %/\$	4.5% / \$1,114	>20%	0	0
Grand Total			0	2,000

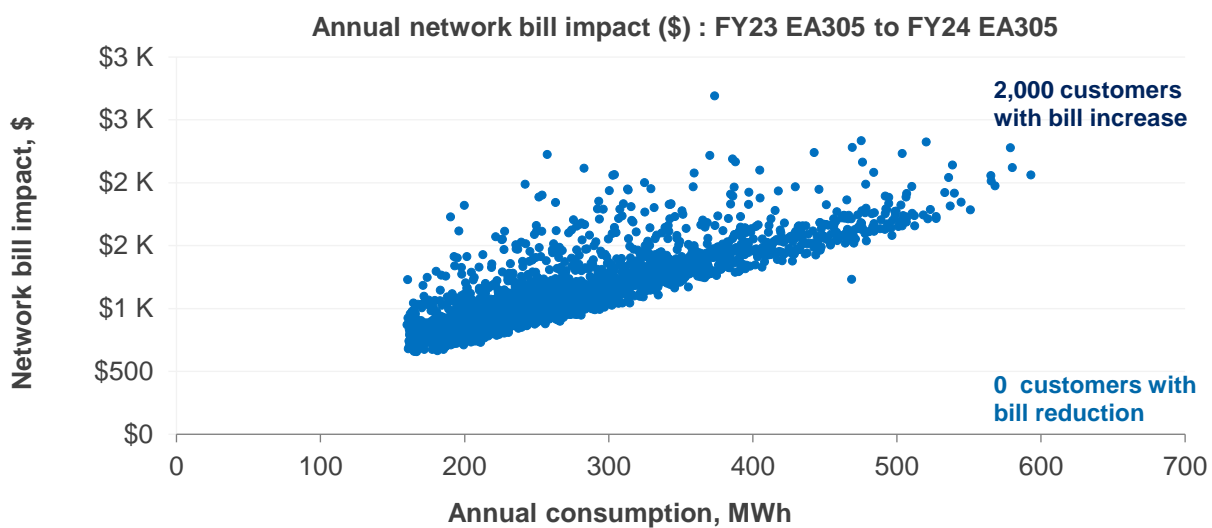
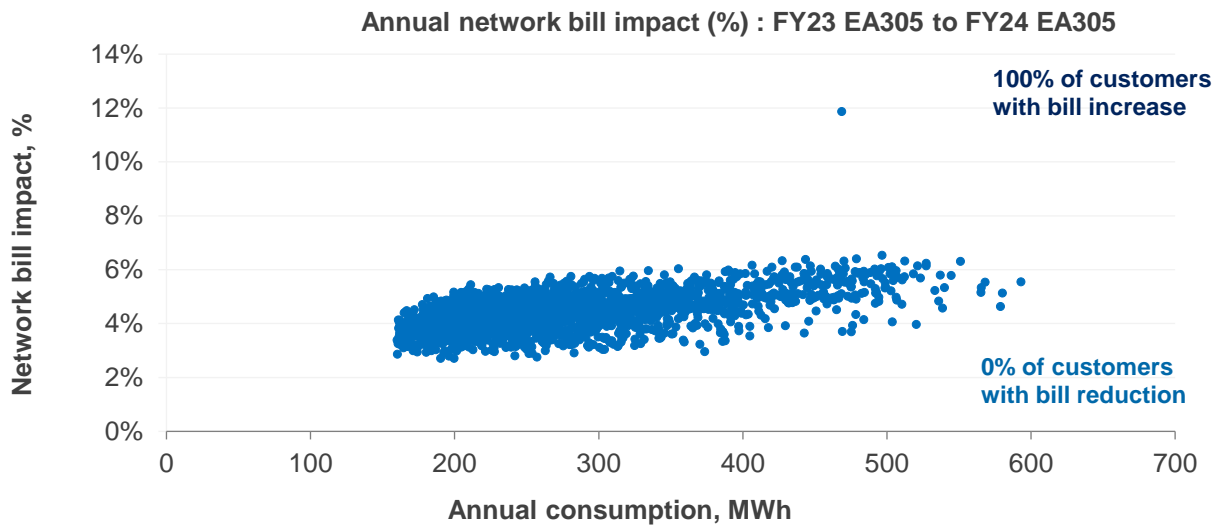
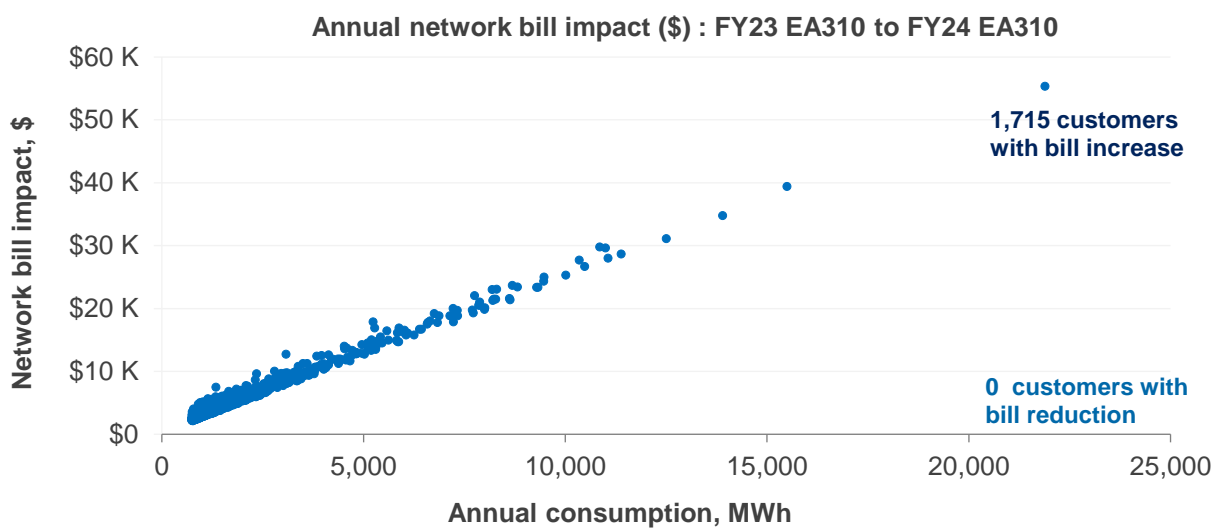
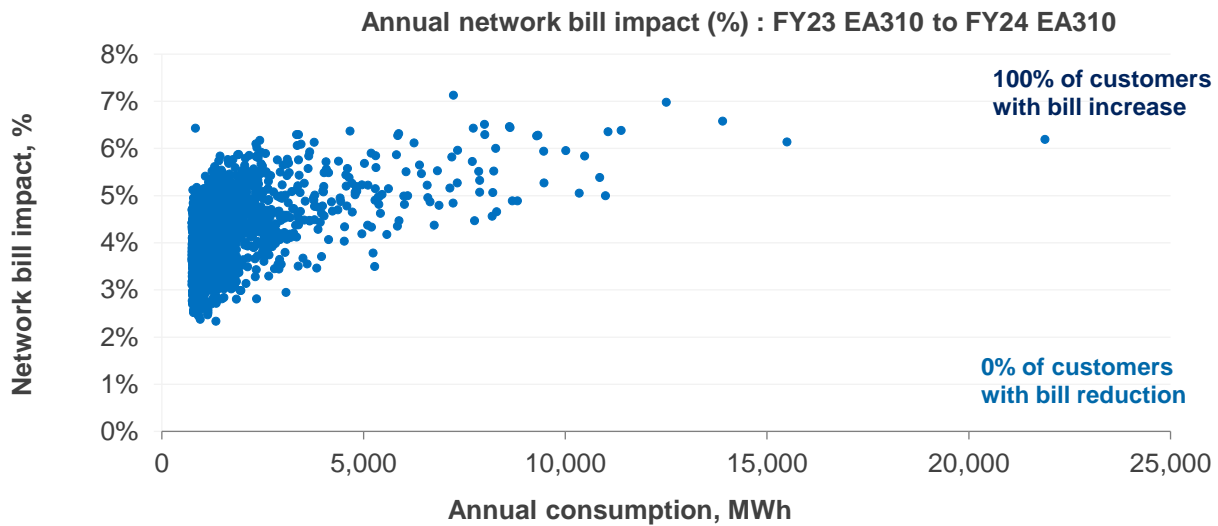


Figure A1.25. EA310 (>750 MWh pa) from 2022-23 to 2023-24

FY23 EA310 to FY24 EA310		Network bill impact %	Customers better off	Customers worse off
NMI sampled	1,715	=0%	0	0
Avg consumption p.a., kWh	1,758,440	>0% and <=5%	0	1,436
Median consumption, kWh	1,274,483	>5% and <=10%	0	279
Avg max demand, kW	500	>10% and <=20%	0	0
Median bill impact p.a., %/\$	4.3% / \$3,884	>20%	0	0
Grand Total			0	1,715

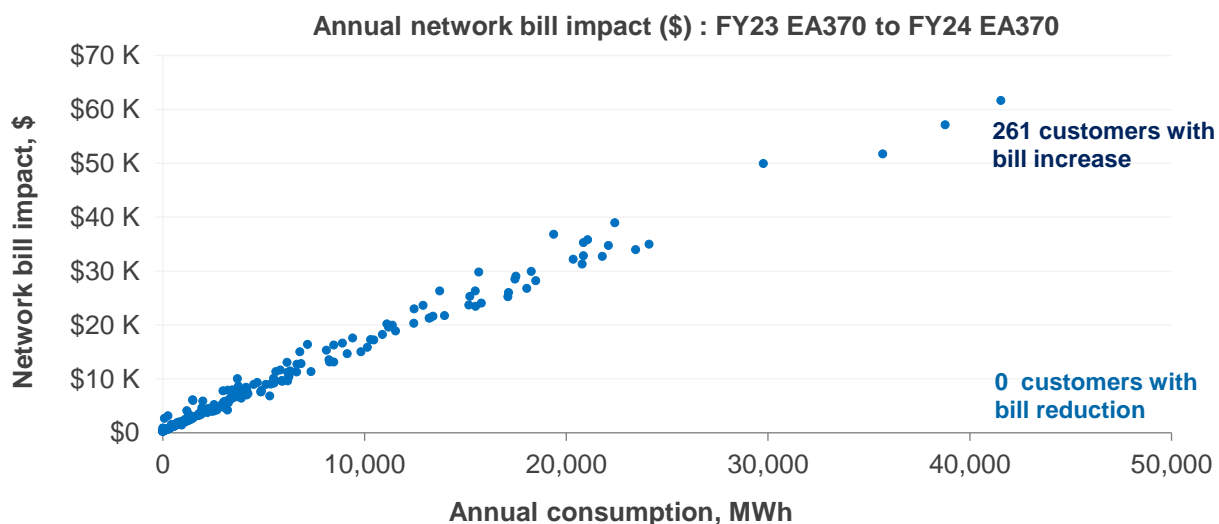
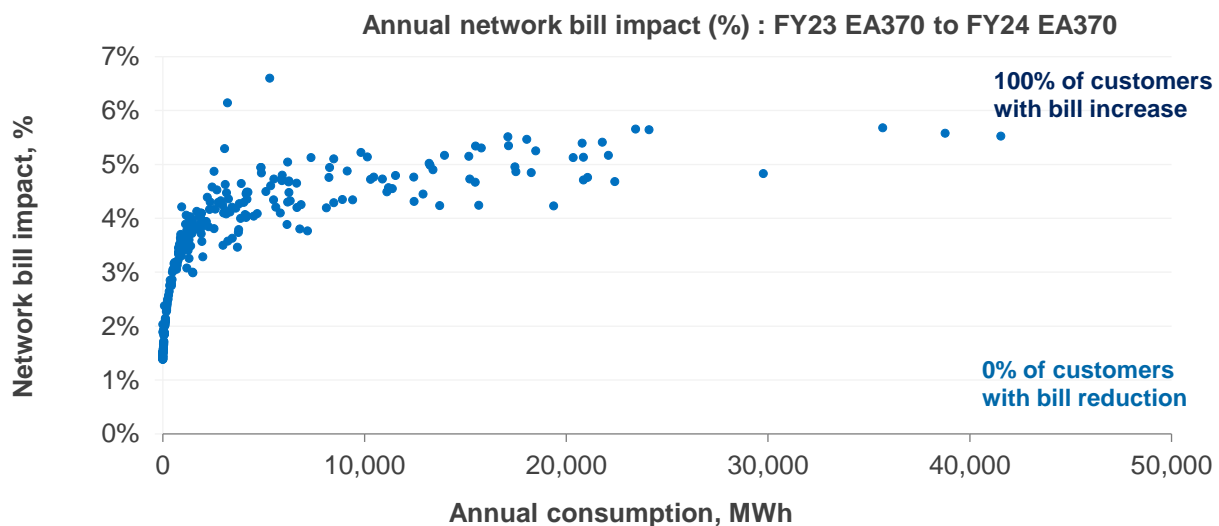


High Voltage customer impacts

Figure A1.26 shows the impact of FY24 prices on customers remaining on EA370 High Voltage Connection (system) tariff on 1 July 2023.

Figure A1.26. EA370 (HV Connection System) from 2022-23 to 2023-24

FY23 EA370 to FY24 EA370		Network bill impact %	Customers better off	Customers worse off
NMI sampled	261	=0%	0	0
Avg consumption p.a., kWh	4,845,892	>0% and <=5%	0	234
Median consumption, kWh	1,883,689	>5% and <=10%	0	27
Avg max demand, kW	1,141	>10% and <=20%	0	0
Median bill impact p.a., %/\$	3.9% / \$3,614	>20%	0	0
		Grand Total	0	261

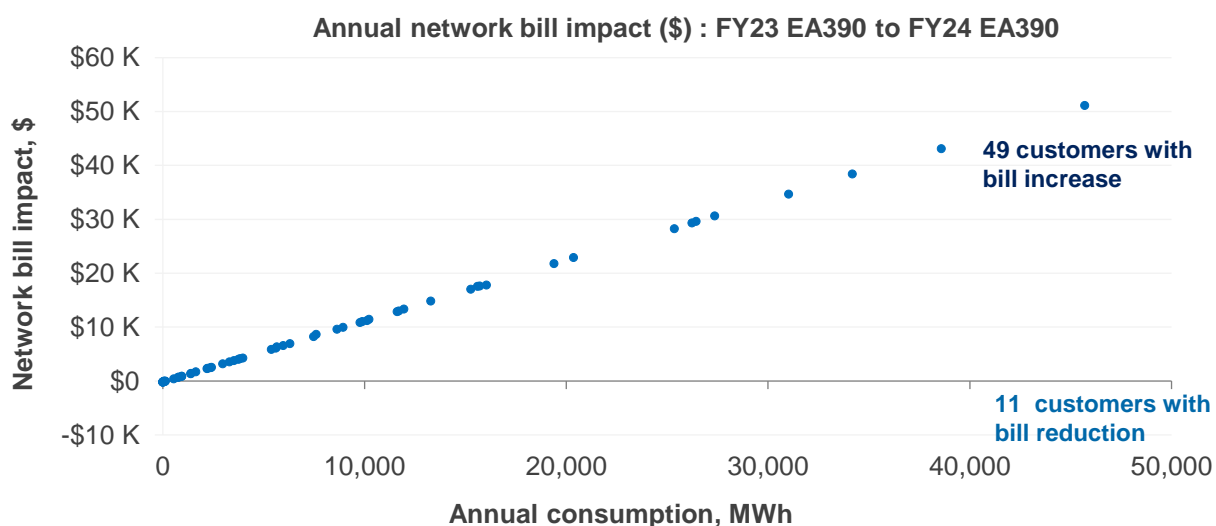
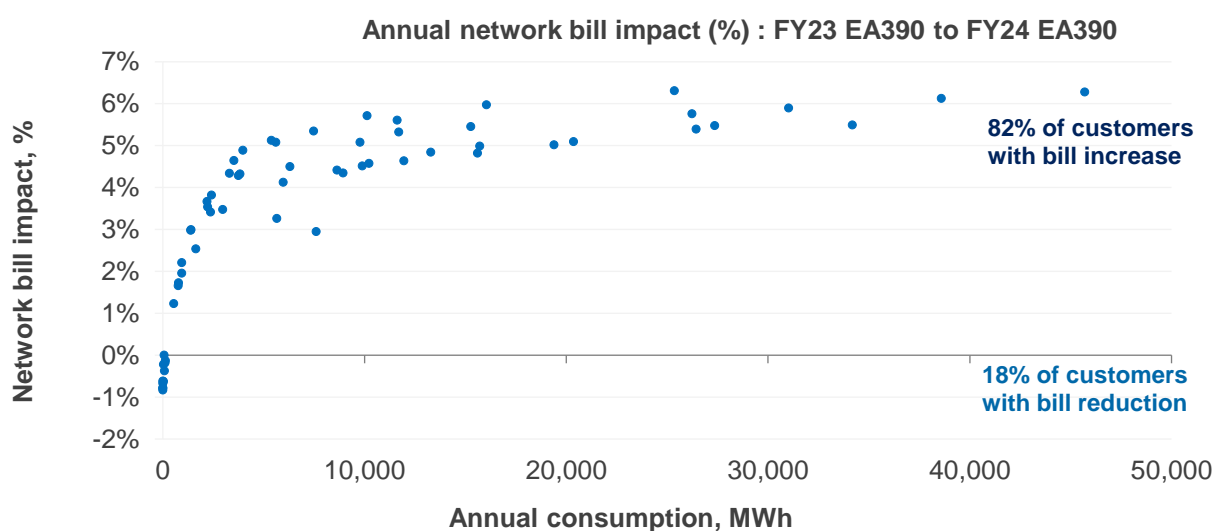


Subtransmission customer impacts

Figure A1.27 shows the impact of FY24 prices on customers remaining on EA390 ST Connection (system) tariff on 1 July 2023.

Figure A1.27. EA390 (ST Connection) from 2022-23 to 2023-24

FY23 EA390 to FY24 EA390		Network bill impact %	Customers better off	Customers worse off
NMI sampled	60	=0%	0	0
Avg consumption p.a., kWh	9,114,345	>0% and <=5%	11	30
Median consumption, kWh	5,491,892	>5% and <=10%	0	19
Avg max demand, kW	2,318	>10% and <=20%	0	0
Median bill impact p.a., %/\$	4.3% / \$5,994	>20%	0	0
		Grand Total	11	49



Transitional customer impacts

The following two figures show the impact of FY24 prices on customers remaining on their existing transitional tariffs on 1 July 2023.

Figure A1.28. EA316 (Transitional 40-160 MWh pa) from 2022-23 to 2023-24

FY23 EA316 to FY24 EA316		Network bill impact %	Customers better off	Customers worse off
NMI sampled	2,000	=0%	0	0
Avg consumption p.a., kWh	51,376	>0% and <=5%	328	298
Median consumption, kWh	46,716	>5% and <=10%	246	235
Avg max demand, kW	24	>10% and <=20%	269	263
Median bill impact p.a., %/\$	2.2% / \$110	>20%	25	336
		Grand Total	868	1,132

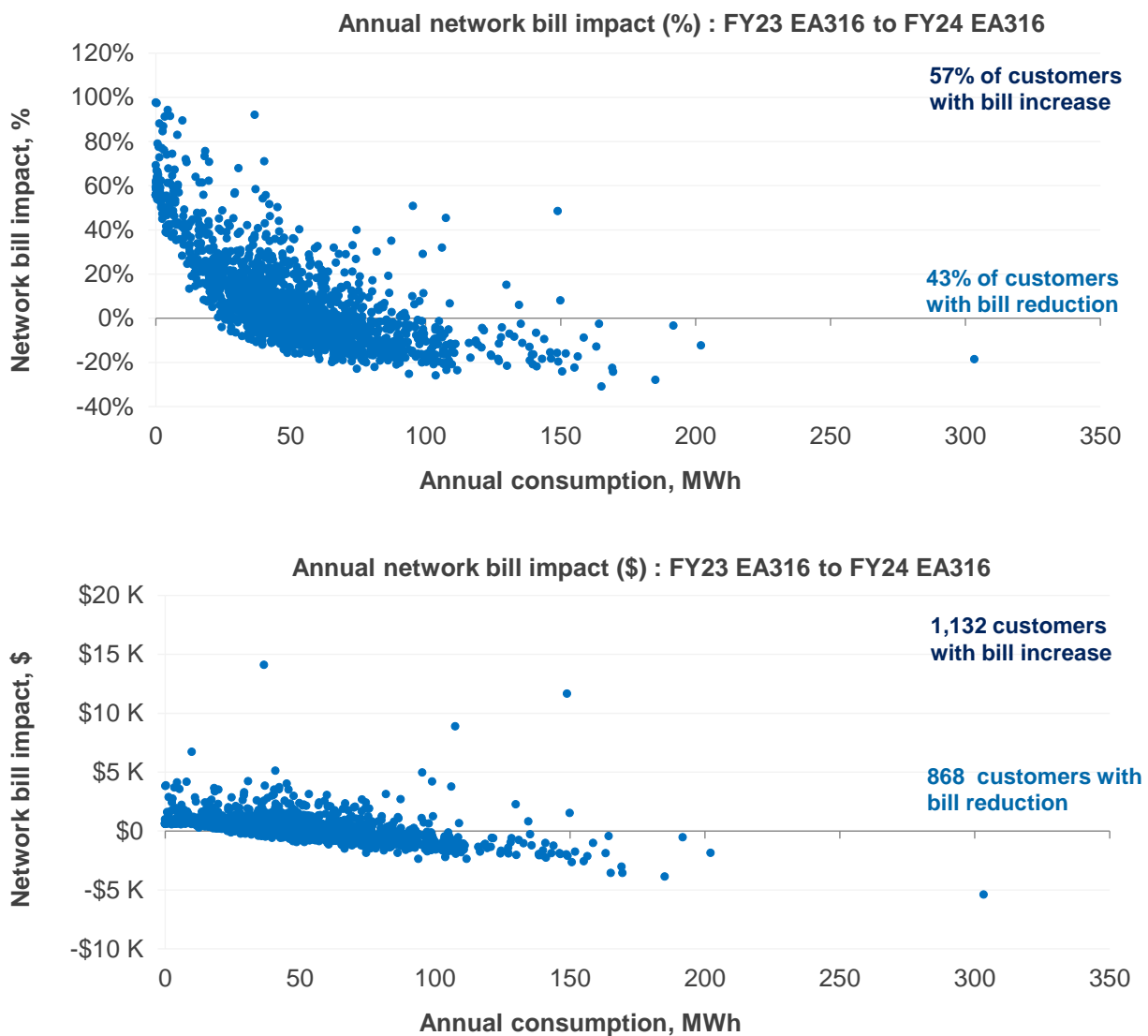
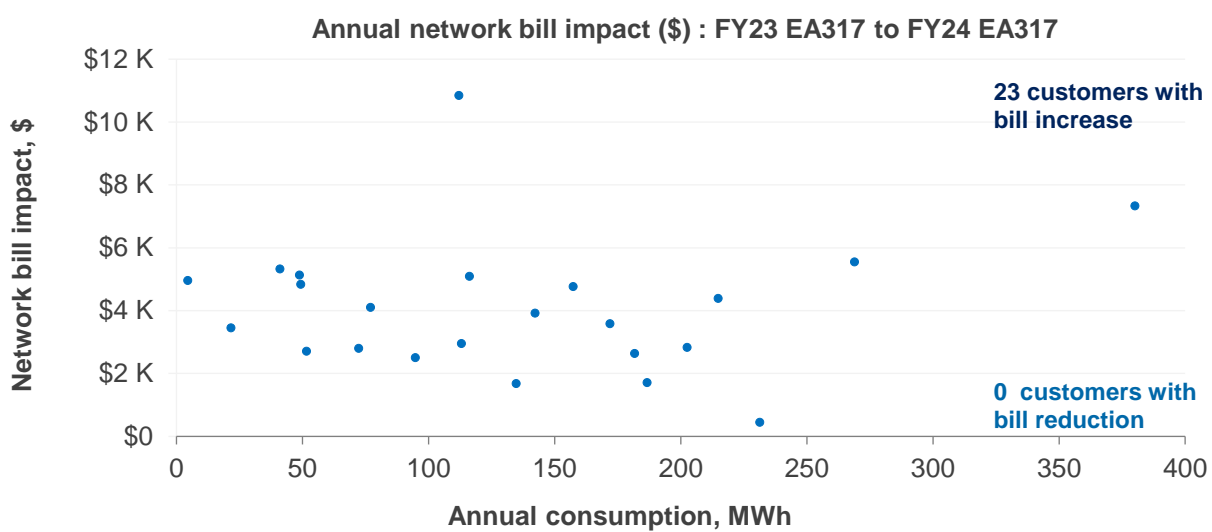
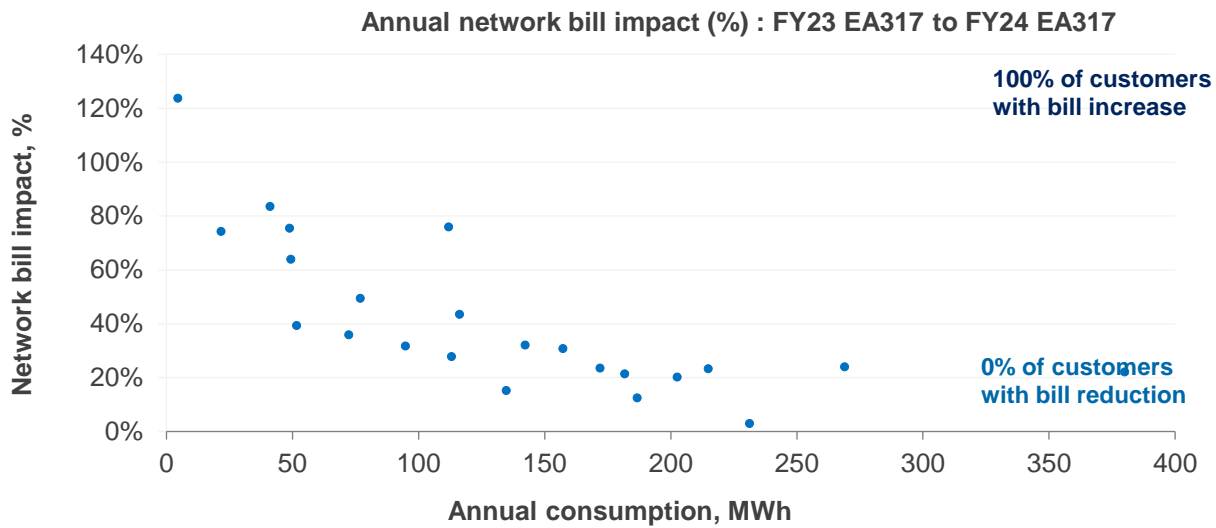


Figure A1.29. EA317 (Transitional 160-750 MWh pa) from 2022-23 to 2023-24

FY23 EA317 to FY24 EA317		Network bill impact %	Customers better off	Customers worse off
NMI sampled	23	=0%	0	0
Avg consumption p.a., kWh	133,706	>0% and <=5%	0	1
Median consumption, kWh	116,259	>5% and <=10%	0	0
Avg max demand, kW	52	>10% and <=20%	0	2
Median bill impact p.a., %/\$	31.7% / \$3,918	>20%	0	20
		Grand Total	0	23



A.2 Ausgrid's Transmission Pricing Methodology 2019-24

A.3 Unrecovered revenue from retailer of last resort events (CONFIDENTIAL)

A.4 Notification of Climate Change Fund contribution

Hi Bill,

Please see below Ausgrid’s estimated contribution for 2023-24 and for the forward years to 2026-27.

Climate Change Fund Contributions	Actual year 2022-23	Budget year 2023-24	Forward estimate 2024/25	Forward estimate 2025/26	Forward estimate 2026/27
Climate Change Fund	\$283,071,940	\$290,148,738	\$297,402,457	\$304,837,518	\$312,458,456
Ausgrid	\$136,868,204	\$136,668,162	\$140,084,866	\$143,586,988	\$147,176,663

Note these figures are nominal, and subject to change and confirmation on an annual basis.

Please let me know if you need any further information.

Regards,

Phoebe Colman *(she/her)*

Principal Policy Officer, Climate Change and Sustainability Policy
Office of Energy and Climate Change

T [REDACTED] | E [REDACTED]

A.5 NSW Electricity Infrastructure Roadmap contribution determination

Australian Energy Regulator

Contribution Determination for 2023-24

1. On 12 November 2021, the Australian Energy Regulator (AER) was appointed as a Regulator under the *Electricity Infrastructure Investment Act 2020 (NSW)* (the EII Act).
2. Under section 56 of the EII Act, the AER is required to make an annual contribution determination in which it determines the amount for a financial year (a contribution determination) that is required for the Scheme Financial Vehicle to be able to make payments from the electricity infrastructure fund (the Fund) that are required under the EII Act, including an amount for the Scheme Financial Vehicle to meet its liabilities as they fall due.

AER's Contribution Determination

3. On 3 February 2023, the AER made the following contribution determination under section 56(1) of the EII Act.
 - a. The total contribution determination amount for 2023-24 is \$138.14 million.
 - b. The minimum prudent cash balance allowance required for the Fund for 2023-24 is \$59.92 million.
 - c. The amounts required to be paid by each NSW Distribution Network Service Provider are:
 - i. Ausgrid \$61.45 million.
 - ii. Endeavour Energy \$48.86 million.
 - iii. Essential Energy \$27.83 million.

Details of how the contribution determination was made

4. The AER made this contribution determination in accordance with the process and methodology set out in its Contribution Determination Guideline (guideline).¹
5. The methodology the AER applied in making this contribution determination is set out in its Contribution Determination Excel Template (template).²
6. Schedule 1 shows a public version of the completed template and contains the underlying data inputs provided by the scheme entities and NSW Distribution Network Service Providers. The AER used these data inputs to calculate the contribution determination amounts.³ In line with the process set out in the AER's guideline, the AER undertook a quality assurance check of all data provided.

A.6 Transgrid's transmission charges for 2023-24

Hi Bill,

Apologies for the delay. Please find attached the approved FY24 transmission Price List. The letter of price advice will follow. However, please find below updated table for forecast FY24 transmission charges.

Ausgrid's Connection Points Billable by TransGrid (\$ - GST Excluded)					
Forecast	Connection	Locational	Common Service	Non-Locational	Total
2022/23 (Actual & Budget)	9,600,511	72,161,100	61,034,774	19,578,552	162,374,937
2023/24 (Forecast)	9,651,500	69,394,290	60,834,245	15,341,660	124,538,375
\$ change	50,989	- 2,766,810	- 200,529	- 34,920,212	- 37,836,562
% change	1%	-4%	0%	-178%	-23%

Ausgrid - 2023/24 Financial Transfer (\$ GST excluded)		
	Credit	Debit
TransGrid to Ausgrid	\$ 33,121,711.01	
Ausgrid to TransGrid		\$ 96,330,093.98
Ausgrid to Directlink		\$ 746,427.17
Ausgrid to Evoenergy		
Evoenergy to Ausgrid	\$ 407,766.78	
Totals	\$ 33,529,477.79	\$ 97,076,521.15

Net financial transfer from Ausgrid	\$ 63,547,043.36
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Regards,
David

David Conroy
Pricing Strategy Manager | Finance and Strategy

Transgrid | 180 Thomas Street, Sydney, NSW, 2000

T: [REDACTED]

F: [REDACTED] E: [REDACTED] W: www.transgrid.com.au



NSW and ACT Transmission Prices

1 July 2023 to 30 June 2024

All prices quoted are inclusive of Australian Goods and Services Tax (GST)

Ausgrid

Customer Prices

Common service and non locational prices

These prices apply at all connection points

	(\$/kW/month)
Common Service Prices	1.8690
Non Locational Prices	-0.4713

Locational and exit prices

TNSP	Customer	Connection Point	Exit (\$/day)	Locational (\$/kW/month)
Ausgrid	Ausgrid	Alexandria 33	4082.11	5.7510
Ausgrid	Ausgrid	Belmore Park 11	10210.01	5.6820
Ausgrid	Ausgrid	Belmore Park 132	265.04	5.1679
Ausgrid	Ausgrid	Brandy Hill 11	1357.82	3.4353
Ausgrid	Ausgrid	Bunnerong 33	6016.25	5.8639
Ausgrid	Ausgrid	Campbell Street 11	2797.54	6.6806
Ausgrid	Ausgrid	Campbell Street 132	323.91	7.2472
Ausgrid	Ausgrid	Canterbury 33	4502.50	4.6210
Ausgrid	Ausgrid	Charm Haven 11	1604.30	1.8635
Ausgrid	Ausgrid	Cronulla 132	0.00	4.6710
Ausgrid	Ausgrid	Gosford 33kV	750.36	2.9224
Ausgrid	Ausgrid	Gosford 66kV	1042.18	2.7341
Ausgrid	Ausgrid	Green Square 11kV	3183.16	4.9166
Ausgrid	Ausgrid	Gwawley Bay 11	0.00	3.9575
Ausgrid	Ausgrid	Homebush Bay 11	1831.61	3.3369
Ausgrid	Ausgrid	Hurstville North 11	2337.69	4.8121
Ausgrid	Ausgrid	Kingsford 11	2255.39	6.6076
Ausgrid	Ausgrid	Kingsford 132	198.86	6.4409
Ausgrid	Ausgrid	Kogarah 11	2587.59	5.9119
Ausgrid	Ausgrid	Kumell South 11	2068.34	6.6224
Ausgrid	Ausgrid	Kumell South 132	161.52	3.8880
Ausgrid	Ausgrid	Lane Cove 132	871.23	4.4423
Ausgrid	Ausgrid	Macquarie Park 11	2510.58	6.9965
Ausgrid	Ausgrid	Macquarie Park 33	2154.00	7.7453
Ausgrid	Ausgrid	Maroubra 11	2621.29	9.1015
Ausgrid	Ausgrid	Marrickville 11	2299.79	5.1501
Ausgrid	Ausgrid	Mason Park 132	821.89	3.4981
Ausgrid	Ausgrid	Meadowbank 11	2249.27	4.5932
Ausgrid	Ausgrid	Mummorah 33	1129.59	1.6565
Ausgrid	Ausgrid	Ourimbah 132	554.27	2.9502
Ausgrid	Ausgrid	Ourimbah 33	1253.40	2.6196
Ausgrid	Ausgrid	Ourimbah 66	1108.55	2.6593
Ausgrid	Ausgrid	Peakhurst 33	2592.85	3.3699
Ausgrid	Ausgrid	Potts Hill 11	2255.70	5.7805
Ausgrid	Ausgrid	Potts Hill 132	243.30	5.5481
Ausgrid	Ausgrid	Rockdale 11	2545.11	5.9744
Ausgrid	Ausgrid	Rose Bay 11	2067.84	15.1275
Ausgrid	Ausgrid	Somersby 11	1698.14	2.6806
Ausgrid	Ausgrid	St Peters 11	4426.21	5.2648
Ausgrid	Ausgrid	Stratfield South 11	1913.68	4.2965
Ausgrid	Ausgrid	Top Ryde 11	1945.75	5.2360
Ausgrid	Ausgrid	Waverley 11	2465.10	12.8931
Ausgrid	Ausgrid	West Gosford 11	1598.46	2.4412
Ausgrid	Ausgrid	Wyong 11	1701.34	2.1079

TNSP	Customer	Connection Point	Exit (\$/day)	Locational (\$/kW/month)
TransGrid	Ausgrid	Beaconsfield W 132	556.41	4.6181
TransGrid	Ausgrid	Haymarket 132	4107.68	5.0488
TransGrid	Ausgrid	Lidell 330	0.00	0.9179
TransGrid	Ausgrid	Muswellbrook 132	620.02	1.2821
TransGrid	Ausgrid	Newcastle 132	4028.60	1.4860
TransGrid	Ausgrid	Rookwood Rd 132	258.85	4.1695
TransGrid	Ausgrid	Sydney East 132	6629.68	2.4243
TransGrid	Ausgrid	Sydney North 132	1608.25	2.8459
TransGrid	Ausgrid	Sydney South 132	760.67	2.9165
TransGrid	Ausgrid	Tomago 132	499.16	1.9022
TransGrid	Ausgrid	Tuggerah 132	230.94	2.6025
TransGrid	Ausgrid	Vales Point 132	3070.85	1.7114
TransGrid	Ausgrid	Vales Point 132 - 957/3	0.00	1.1848
TransGrid	Ausgrid	Waratah West 132	6636.14	1.6189

Appendix B. Alternative Control Services Fee Schedule