

31 March 2023

Warwick Anderson
General Manager – Network Pricing
Australian Energy Regulator



By email: AERPricing@aer.gov.au

Dear Warwick

Energex – 2023-24 Pricing Proposal

I am pleased to provide Energex's annual Pricing Proposal to the Australian Energy Regulator (AER).

We submit this Pricing Proposal for 2023-24, the fourth regulatory year of the 2020-25 regulatory control period, to the AER in accordance with the requirements of the National Electricity Rules (NER) and consistent with Energex's Tariff Structure Statement (TSS) approved by the AER for the 2020-25 regulatory control period.

The pricing proposal submission contains the following:

- 2023-24 Pricing proposal
- Attachment 1 – 2023-24 Network Price List
- Attachment 2 – 2024-25 Indicative Price Schedule
- Attachment 3 – 2023-24 annual SCS pricing model
- Attachment 4 – 2023-24 annual ACS pricing model
- Confidentiality claims template
- A signed Statement of Compliance
- Supporting documents for estimate and forecast inputs

As requested in the AER's email of 29 March 2023, this cover letter also sets out the headline price movements and key cost drivers information.

Headline price movements

We estimate that our 2023-24 Pricing Proposal will result in an increase in network charges for residential and small business customers of between 4.3% and 7.3% in 2023-24 compared with 2022-23 network charges. Residential and small business customers with basic metering will experience a larger increase in their network bill compared with smart meter customers. These customer impacts reflect Energex's tariff strategy which provides gradual incentives to customers to transition to cost reflective tariffs.

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Cost drivers

This change in network charges is primarily driven by the forecast increase in distribution revenue resulting from the change in CPI.

If you have any questions with respect to the pricing proposal, please do not hesitate to contact me.

Yours sincerely



Nicola Roscoe
General Manager – Strategy and Regulation