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By email: AERPricing@aer.gov.au

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Dear Warwick

Annual Pricing Proposal Submission for 2023-24

We are very appreciative of the collaborative approach and the pre-lodgement process adopted by the Australian Energy Regulator (**AER**) in reviewing Jemena Electricity Networks VIC Ltd (**JEN**) annual pricing proposal. We are pleased to submit our 2023-24 annual pricing proposal for 2023-24 which includes this letter and accompanying documents.

The pricing proposal covers distribution, transmission, jurisdictional scheme, alternative control and public lighting tariffs. Our proposed 2023-24 prices are based on AER's approval of our proposal to bank the service target performance incentive scheme (**STPIS**) reward outcome. AER's approval of banking STPIS outcome will help lower price volatility and bill impact for our customers at a time when they are facing cost of living pressures due to high inflation and interest rates.

We are also delighted to introduce two new trial tariffs in 2023-24 relating to community battery trial and site specific subtransmission tariff. We expect these trials to meet the evolving needs of our community.

Our 2023-24 pricing proposal submission includes the following twelve documents:

Identifier	File name
Proposal	JEN 2023-24 Pricing Proposal
Attachment 1	JEN 2023-24 Network Tariff Schedule
Attachment 2	JEN 2023-24 Alternative Control and Public Lighting Service Charges
Attachment 3	JEN 2023-24 Annual SCS Pricing Model
Attachment 4	JEN 2023-24 AER - Final decision - ACS - Public lighting Model
Attachment 5	JEN 2023-24 PFIT

Attachment 6	JEN 2023-24 TUOS letter
Attachment 7	JEN 2023-24 TUOS charges
Attachment 8	JEN 2023-24 - Ausnet Charges (indicative)
Attachment 9	JEN 2023-24 Costs of Service confirmation
Attachment 10	JEN 2023-24 Confidentiality template
Attachment 11	JEN Statement of compliance

We would like to note that we have not made any changes to the draft ACS pricing model submitted to the AER in February 2023. As a result, the AER can consider our February ACS pricing model as our formal 2023-24 submitted model.

For transparency, in Appendix A to this letter we provide details of any changes made by us between the pre-lodgement and this submission. We are committed to working constructively with the AER and welcome any further queries in relation to this submission. If you wish to discuss this annual pricing submission, please contact me at

[Redacted]

Yours sincerely

[Redacted Signature]

Sandeep Kumar
Group Manager – Regulatory Analysis and Strategy

Appendix A

Description	Change from pre-lodgement
Added 'JEN Proposal tables' sheet	This sheet provides all tables we're using in the Pricing Proposal, for easy reference.
'Financial' tab: f-factor value changed	Consistent with guidance from the AER we have re-stated this using the 2020-21 f-factor file.
'Financial' tab: ESC licence fee calculation changed	Consistent with guidance from the AER we have escalated across two years.
'Financial' tab: ROLR value changed	Consistent with guidance from the AER we have removed GST from the total.
'Financial' tab: Updated TUOS t and t-1 values	Replaced placeholder values with updated values as expected following final communication from AEMO on 15 March 2023.
'Qty' tab: Change to customer numbers within tariffs	There is a minor reallocation in large customer numbers between tariffs consistent with our March 2023 restatement of RIN A table 1.3.
'Qty' tab: Change to consumption for RY23	Tariff A290 was showing zero consumption in the pre-lodgement model for some charging components. This has now been amended.
'Tariff costs' tab: Change to avoidable cost	One avoidable cost value for RY22 has been re-stated in line with our TSS, then escalated for following years.
LRMC (Pricing Proposal): Change to all components	Escalated to align with our original LRMC modelling in our TSS.