

Planning for the future and your Network Charges

Ausgrid's revised Tariff Structure Statement



Ausgrid has submitted a revised Tariff Structure Statement to the Australian Energy Regulator.

What is the TSS?

The Tariff Structure Statement (TSS) is our longer term plan for electricity tariffs. It outlines proposed reforms to improve the efficiency of our tariffs. The TSS is a new requirement under the National Electricity Rules.

Our TSS has been revised based on feedback received from stakeholders and the Australian Energy Regulator (AER) in its preliminary decision on our initial proposed TSS. The reforms outlined in the revised TSS will come into effect from 1 July 2017.

Our network transports electricity to more than 1.7 million customers in Sydney, the Central Coast and the Hunter Region. Our tariffs recover the costs of delivering electricity. We apply these charges to electricity retailers, which pass them on to customers via their power bills.

Your Network Charges

As part of consultation for the TSS Ausgrid considered what it would mean for customer bills. Our aim is to ensure that bill changes are on average in line with inflation, or that customers receive a bill reduction. For example this TSS will result in a bill reduction for 60% of existing residential customers on a Time of Use (TOU) tariff from 1 July 2017.

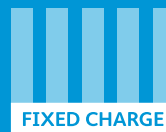
Transitional Tariffs

We will introduce a number of new transitional tariffs to protect certain customers from potential bill impacts that may arise from particular reforms.

Residential Tariffs

Most of our residential customers are currently on a Declining Block Tariff where the first part of electricity use is more expensive. As part of our reforms we will move 1.2 million residential customers from a Declining Block to a Flat Tariff.

Flat tariff



All electricity use is charged at one price

Under a Flat Tariff residential customers will be charged 10.95 c/kWh along with a fixed charge.

We also have 330,000 residential customers on a Time of Use Tariff whom pay different rates for different times of the day. These usage rates range from 2.8 c/kWh during off-peak periods up to 26.6 c/kWh during peak-periods.

Time-based pricing



Different rates are charged for different times of the day

Limiting Fixed Charges

Tariffs generally include a fixed charge, an annual supply charge for each connected premises.

For Flat Tariffs the Fixed Charge is 33.9 cents a day and for Time of Use Tariffs it is 42.3 cents a day.

Ausgrid has voluntarily chosen to limit any increases in fixed charges to provide certainty for customers and to protect them from unacceptable rises in their electricity bills.

Redefining peak periods

In recent years our customers have been using more energy at similar times, which can lead to substantial peaks in demand. Our network must be able to safely meet this demand. The current 'peak period' (when peak prices apply) is defined between 2pm to 8pm on all working weekdays throughout the year.

From 1 July 2018 Ausgrid is proposing to introduce seasonal peak periods to reduce the number of months the peak period prices apply. Here is how the changes will work for our residential customers.

Summer

In the summer months between 1 November and 31 March the current peak period of 2pm to 8pm will remain in place.

SUMMER 1 November-31 March

Period	Applies	Price
Peak	2pm-8pm	26.6 c/kWh
Shoulder	7am-2pm 8pm-10pm	5.5 c/kWh
Off-peak	All other times	2.81 c/kWh

For residential customers only.

Winter

In the winter months between 1 June and 31 August, the peak period for residential customers will be 5pm to 9pm. And the peak period for business customers will be 2pm to 8pm.

WINTER 1 June-31 August

Period	Applies	Price
Peak	5pm-9pm	26.6 c/kWh
Shoulder	7am-5pm 9pm-10pm	5.5 c/kWh
Off-peak	All other times	2.81 c/kWh

For residential customers only.

What about Autumn and Spring?

The former peak periods in the Autumn and Spring months will now be charged at much lower shoulder rates.

AUTUMN and SPRING

Period	Applies	Price
Shoulder	7am-10pm	5.5 c/kWh
Off-peak	All other times	2.81 c/kWh

For residential customers only.

Get in contact

Email: pricing@ausgrid.com.au

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Talk to us on Twitter: www.twitter.com/Ausgrid

How is my Tariff assigned?

The type of meter a customer has plays a significant role in the type of tariff offered to customers. Customers will need to speak directly with their retailer to request any changes to their tariff.

From 1 July 2018 we will be making the following changes.

Existing low voltage customers

Customer	Meter type as at 1 July 2018	Tariff from 1 July 2018	Optional Network Tariffs
Existing customer on a non-TOU tariff*	Basic meter (Type 6)	Flat tariff (Closed)	If their meter is upgraded after 1 July 2018, these customers will be reassigned to a transitional TOU tariff, with the option to opt-in to the cost reflective TOU tariff
Existing customer on a non-TOU tariff*	Interval meter (Type 5 or lower)	Transitional TOU tariff	These customers can opt-in to a Cost Reflective TOU tariff
Existing customer on a TOU tariff*	Interval meter (Type 5 or lower)	Cost Reflective TOU tariff	N/A

*An existing customer is a customer that exist at the time that Ausgrid undertakes the annual review and assessment for the FY 2018/19 pricing proposal.

New low voltage customers

From 1 July 2018 all new residential customers will be assigned to a TOU tariff and will be given the option to opt-out to a transitional TOU tariff.

Customer	Meter type as at 1 July 2018	Tariff from 1 July 2018	Optional Network Tariffs
New customer**	Interval meter (Type 5 or lower)	Cost Reflective TOU tariff	These customers can opt-out to a Transitional TOU tariff

**A new customer is a newly energised connection from 1 July 2018, ie, a customer that connects to Ausgrid's electricity network on or after 1 July 2018.

For the purposes of assigning new and existing customers to tariffs, Ausgrid will treat customers with and without solar the same.

Small business customers

Currently small business customers are charged at the shoulder rate for consumption between 7am and 10pm on weekends and public holidays. However, from 1 July 2018 Ausgrid will remove the shoulder period on weekends for small business customers and replace it with an off-peak period, consistent with the treatment of medium and larger business customers. The winter peak period for small business customers will remain between 2pm and 8pm.

For more information

Visit our website: www.ausgrid.com.au/tariffreform

