



Power and Water Corporation

Power Services – Network Tariff Forum

Thursday 8 November 2018

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Agenda item	Purpose	Responsibility	Time allotted
Introduction	<ul style="list-style-type: none"> • Introduce attendees • Confirm meeting objectives and agenda 	Jodi Triggs	10 mins
Network support for renewables roadmap	Seek stakeholder expectations of Power and Water for supporting the NT Government's renewables roadmap	All	20 mins
Network pricing context	Recap key requirements on the NT NER for pricing, PWC and AER process thus far and the effects of the Pricing Order	Jodi Triggs	20 Mins
Afternoon Tea (15 mins)			
Standard Control Service (SCS) Network tariffs	Tariff structures and tariff assignment	Andrew Ferreira	60 Mins
Alternate Control Services (ACS) Charges	Describe and seek feedback on: <ul style="list-style-type: none"> • What are they – Fee Based and Quoted Services? • How are these changing from current arrangements? • What are the definitions and eligibility arrangements for charging them? 	Justin Martyn	60 Mins
Close	Wrap-up, recap actions agreed and next steps	Jodi Triggs	10 mins

The image shows three workers in safety gear (hard hats, safety glasses, and high-visibility vests) standing in front of a white truck. They are looking at a document held by one of the workers. The truck has 'PowerWater' written on its side. The entire scene is overlaid with a dark blue semi-transparent filter. The background is a bright, overcast sky.

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Support for renewables roadmap

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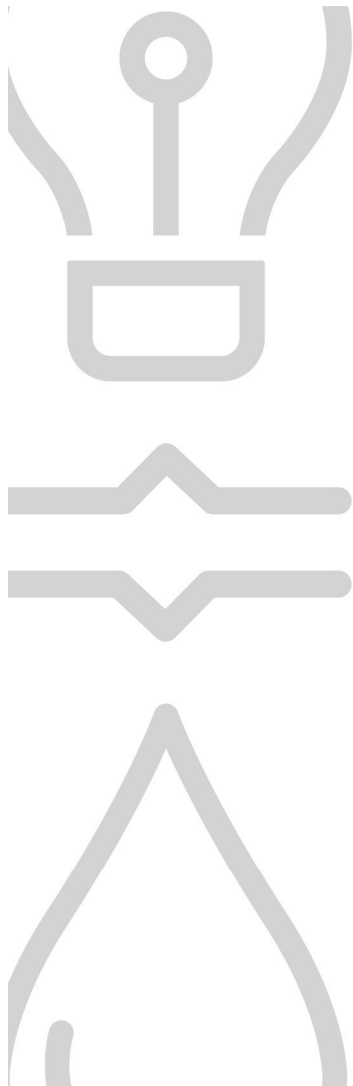
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The logo for PowerWater, featuring the company name in a white sans-serif font with a small leaf icon above the letter 'a' in 'Water'.A photograph of three male workers in safety gear (hard hats, safety glasses, and high-visibility jackets) standing outdoors. They are gathered around a document held by the worker on the right, appearing to be in a collaborative discussion. The background shows a white utility truck with 'PowerWater' branding. The entire image is overlaid with a dark blue semi-transparent filter. On the left side, there are decorative white and yellow horizontal lines.

Network pricing context

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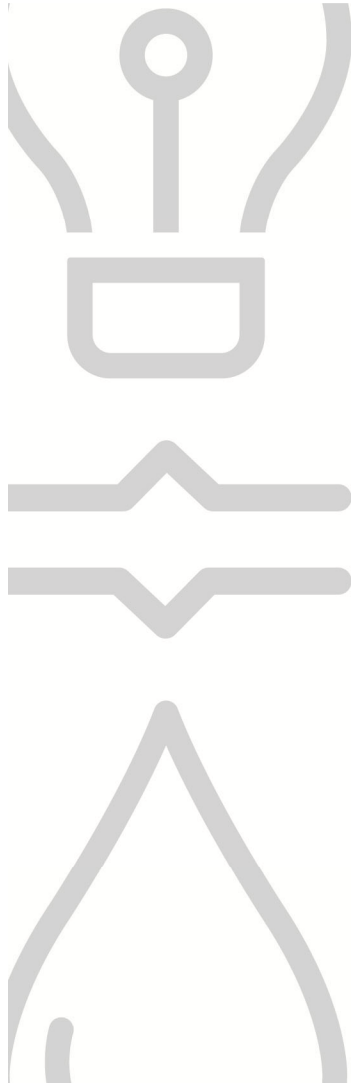


Network Pricing Context

Pricing framework and process

The standards of service we provide are regulated, and so too are the prices we charge to recover the costs of building and maintaining the poles and wires, and the support staff needed to keep the energy network operating.

- Regulatory Proposal covering the revenue required to operate the network
- Tariff Structure Statement covering the tariff and charge structures used to recover the approved revenue
- Final decision expected in April 2019
- Annual pricing submission – actual tariffs and charges that will be applied for the relevant year (done around May of each year)



Network Pricing Context



National Energy Objectives (NEO)

The National Electricity Objective as stated in the National Electricity Law (NEL) is:

“to promote efficient investment in, and efficient operation and use of, electricity services for the long term interests of consumers of electricity with respect to:

- price, quality, safety and reliability and security of supply of electricity
- the reliability, safety and security of the national electricity system.”

Pricing Principles

When designing our network tariffs to comply with the Rules, we have been guided by the following pricing objectives and principles

1. Pricing efficiency
2. Customer equity
3. Pricing simplicity
4. Revenue sufficiency

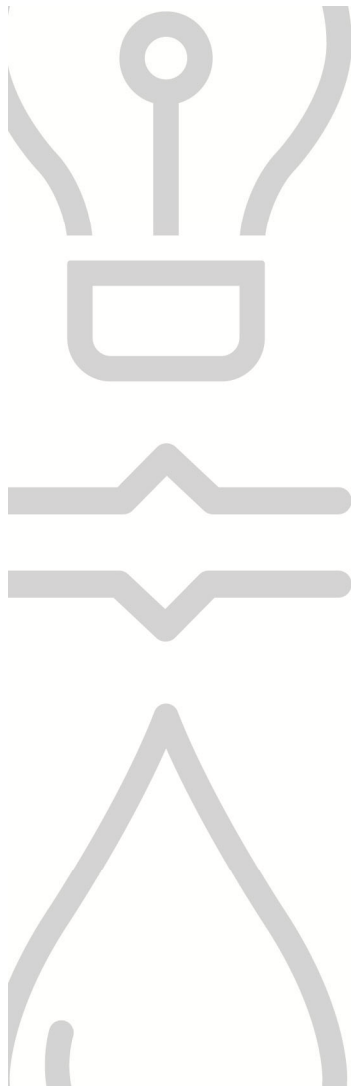
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Network Tariff components & structures

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Summary of Network Tariff

Power and Water is changing the way we approach network tariffs and the structure that we apply, as we move towards full cost reflective tariffs, including:

Separation of Fixed costs components

- Metering will be charged as a separate line item (AER direction)
- System Availability Charge (SAC) has been reduced

Changing Peak window

- Reviewed and adjusted to reflect the actual peak network times

Tariffs and Charges

- Flat Anytime Energy rate ¢/KWh
- No declining blocks or stepped tariff structures
- Introducing excess KVAR (approx. 2021/22)
- Daily charging, not monthly
- Single unmetered charge

Consumer Segments

- Adjusting the consumer segments
- Smart meters segment (above & below 40MWh) and
- HV/LV above and below 750MWh

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Access



Energy



Demand





Fixed Costs (SAC & Metering)



The Australian Energy Regulator (AER) set out in its Framework and Approach a change in the service classifications, separating metering from system availability

How does this change the tariffs

Two fixed charges instead of one

1. System Availability Charge (SAC)
2. Metering Fixed Daily Charge (MFDC)

Consumer Segments

Each customer segment will have a different rates based on their actual cost to serve

Consumer Class	System Availability Charge (SAC)	Metering Fixed Daily Charge (MFDC)
LV Residential accumulation	¢/Day per NMI	¢/Day per meter
LV Non-residential accumulation	¢/Day per NMI	¢/Day per meter
LV Smart Meter <40MWh	¢/Day per NMI	¢/Day per meter
LV Smart Meter >40MWh	¢/Day per NMI	¢/Day per meter
HV <750MWh	¢/Day per NMI	¢/Day per meter
LV >750MWh	¢/Day per NMI	¢/Day per meter
HV >750MWh	¢/Day per NMI	¢/Day per meter

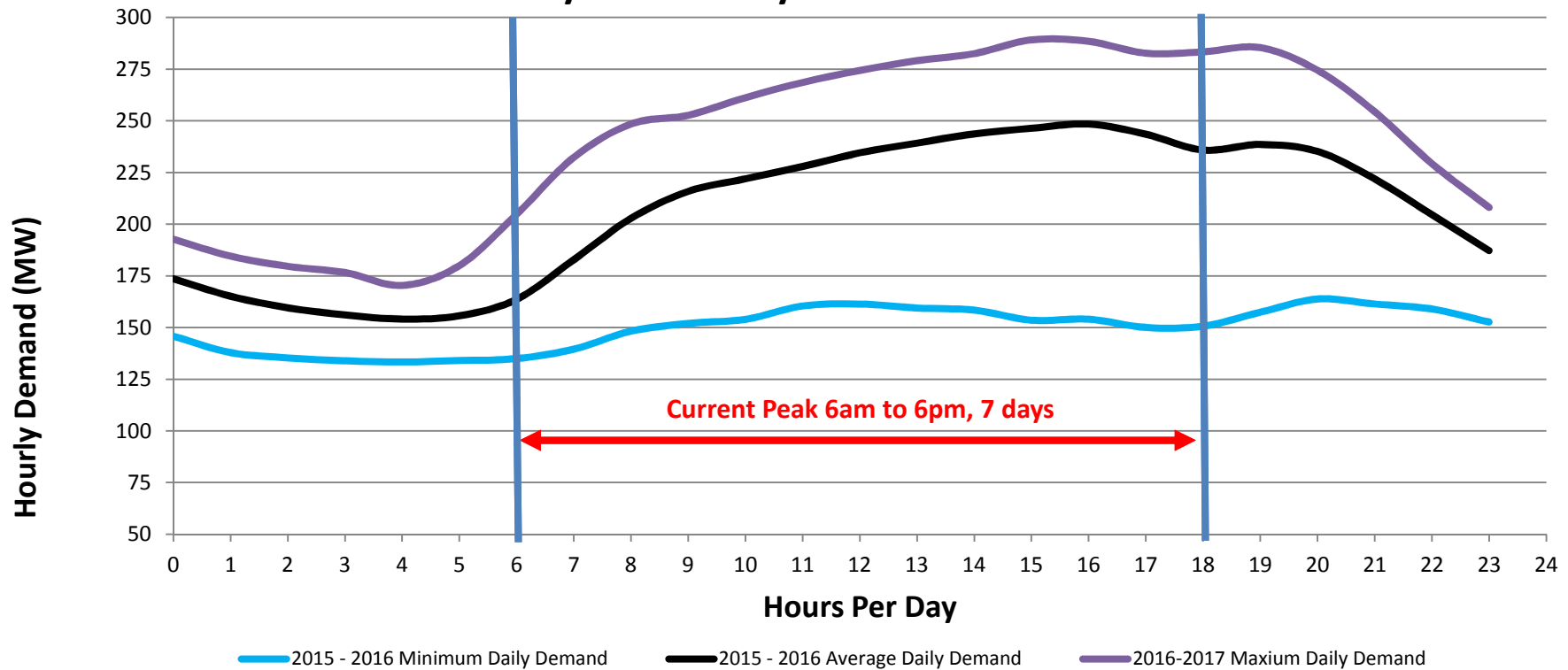
Demand - Peak Profile



Current Peak Window

- 12 hours per day, 7 days a week.
- 6am to 6pm, Monday through Sunday.

System Hourly Demand Curves



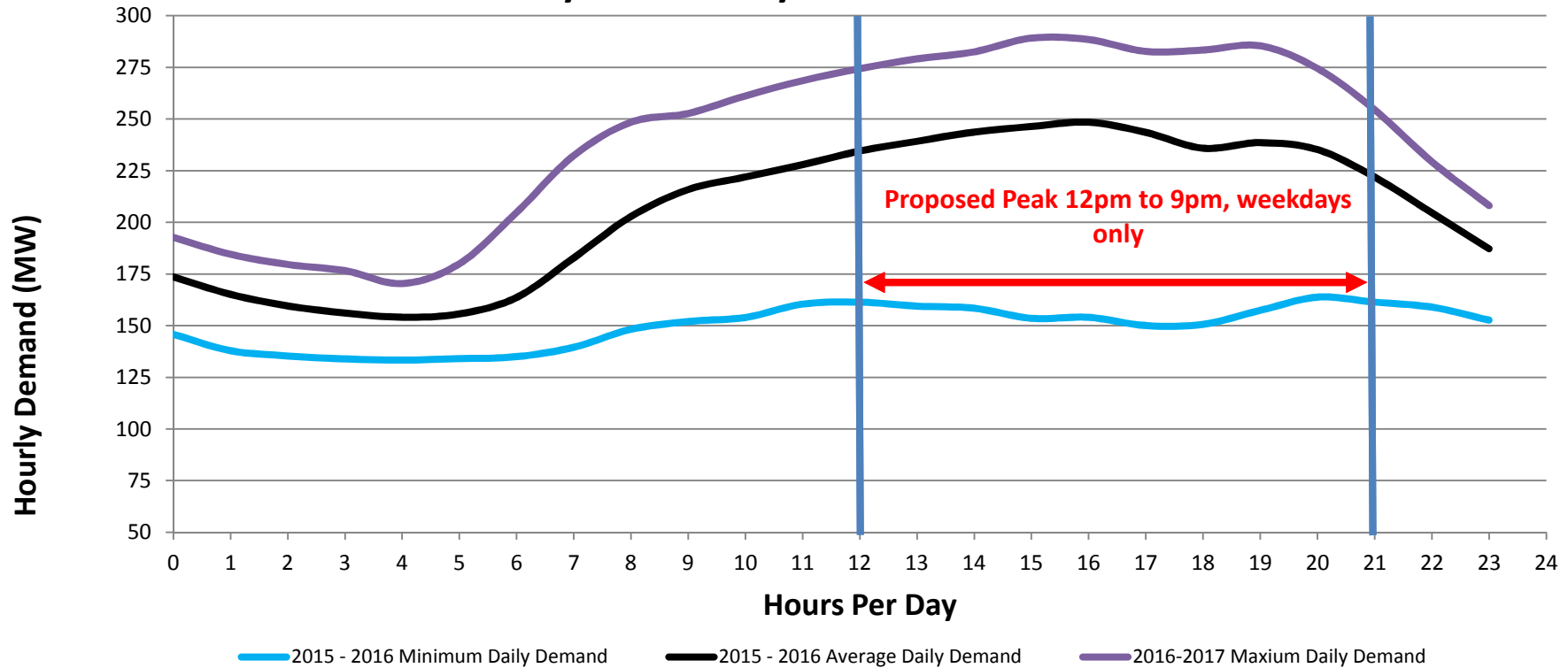
Demand - Peak Profile



New Peak Window

- 9 hours per day, 5 days a week
- 12pm to 9pm, Monday through Friday

System Hourly Demand Curves



Consumer Class	Current Demand Charges	Revised Demand Charges
LV Residential accumulation	X	X
LV Non-residential accumulation	X	X
LV Smart Meter (<40MWh)	X	Seasonal Peak Charge (01 October – 31 March)
HV or LV Smart Meter (>40MWh - <750MWh)	X	Seasonal Peak Charge (01 October – 31 March)
>750MWh (HV or LV)	Annual (12 Hour Peak & Off Peak)	Annual Peak Charge (Peak window only)



Energy Rates (Tariffs and Charges)

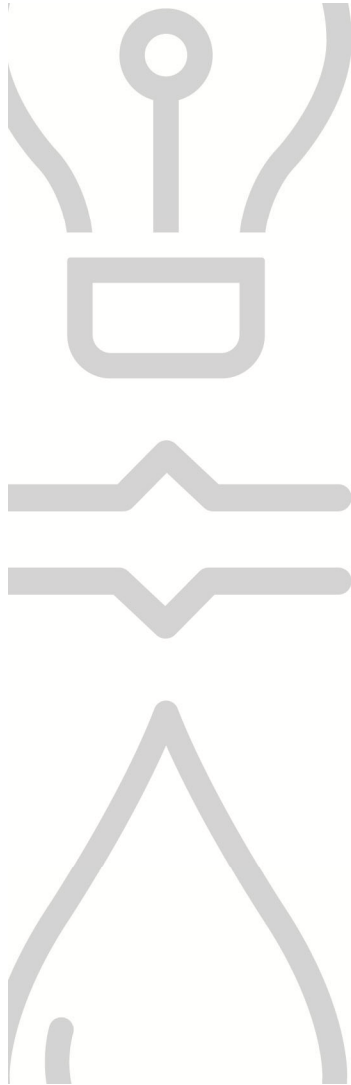


Delivering energy through our network is actual one of our lowest cost items, especially when you introduce demand charging.

Tariffs and Charges

- Flat Anytime Energy rate ¢/KWh
- Removal of declining block or stepped tariffs
- Introducing excess KVAR

Consumer Class	Anytime Energy Charge (¢/KWh)	Excess KVAR (Power Factor)
LV Residential accumulation	July 2019	X
LV Non-residential accumulation	July 2019	X
LV Smart Meter <40MWh	July 2019	X
LV Smart Meter >40MWh	July 2019	July 2021
HV <750MWh	July 2019	July 2021
LV >750MWh	July 2019	July 2021
HV >750MWh	July 2019	July 2021

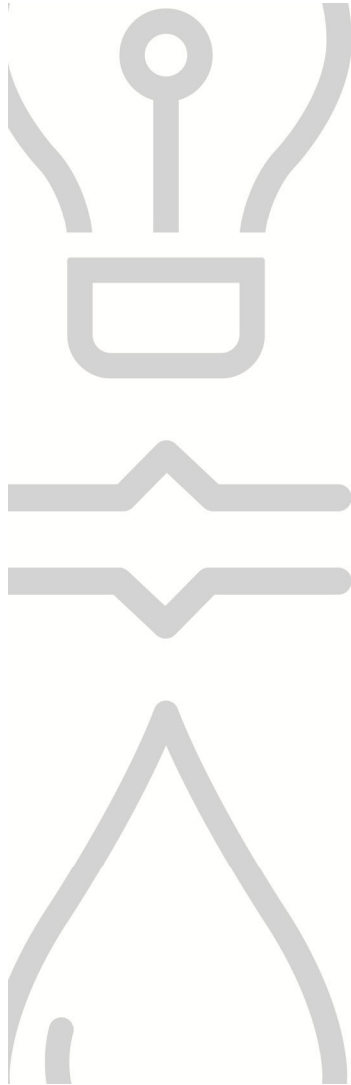


Residential Customers

Below 750MWh



Charge	Residential Accumulation Meter	Residential Smart Meter <40MWh	Residential Smart Meter >40Mwh
Metering Fixed Daily Charge	✓	✓	✓
System Availability Charge	✓	✓	✓
Anytime Energy Charge	✓	✓	✓
Seasonal Demand Charge	✗	✓	✓
Excess KVAr Charge	✗	✗	July 2021

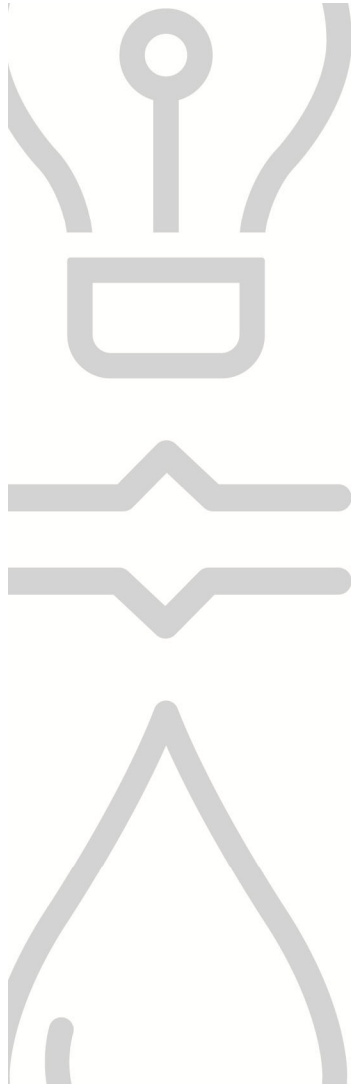


Non-Residential Customers

Below 750MWh



Charge	Non-Residential Accumulation Meter	Non-Residential Smart Meter <40MWh	Non-Residential Smart Meter >40Mwh
Metering Fixed Daily Charge	✓	✓	✓
System Availability Charge	✓	✓	✓
Anytime Energy Charge	✓	✓	✓
Seasonal Demand Charge	✗	✓	✓
Excess KVAr Charge	✗	✗	July 2021



Major Energy Users >750MWh HV & LV

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Charge	Flat Rate Charge	Peak Charge 12pm – 9pm Mon – Fri	Off Peak Charges All other times
Metering Fixed Daily Charge	✓		✗
System Availability Charge	✓		✗
Anytime Energy Charge	✓		✗
Annual Demand Charge	✗	✓	✓
Excess KVAR Charge	July 2021		



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Alternate Control Services

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Alternate Control Service (ACS)



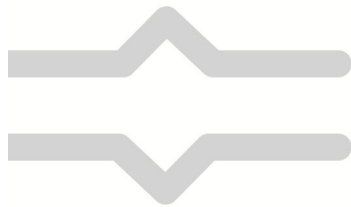
There are two types of ACS charges we will discuss today

1. Fee Based Service
2. Quoted Service

Fee Based Services

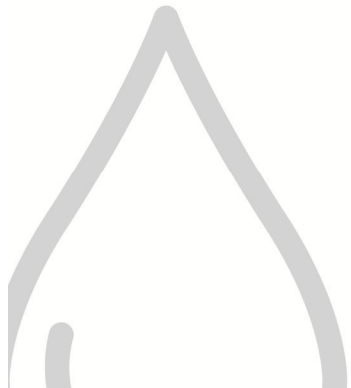
ACS fee based service are those that are frequently used and we have supporting data to publish a "\$ per request" charge:

- The amount of services performed each year, and
- Costs associated to perform those services



Quoted Services

ACS quoted services are service or functions that are rarely asked for, or require specialised equipment and staff to complete the task, we therefore provide a quote based on the works being asked for.



Meter service	Basis of charging	Indicative charge				
		2019-20	2020-21	2021-22	2022-23	2023-24
Special meter test	\$/request	\$297.11	\$305.10	\$314.03	\$323.60	\$333.41
Exchange or replace meter – three phase	\$/request	\$659.53	\$677.29	\$697.09	\$718.33	\$740.12
Exchange or replace meter - single phase	\$/request	\$552.11	\$566.97	\$583.55	\$601.33	\$619.56
Relocation of meter	\$/request	\$310.28	\$318.63	\$327.95	\$337.94	\$348.19
Remove meter	\$/request	\$310.28	\$318.63	\$327.95	\$337.94	\$348.19
General meter inspection	\$/request	\$139.04	\$142.78	\$146.96	\$151.44	\$156.03
Special meter read - no appointment	\$/request	\$35.33	\$36.28	\$37.34	\$38.48	\$39.65
Special meter read - appointment	\$/request	\$76.43	\$78.49	\$80.78	\$83.24	\$85.77
Meter program change	\$/request	\$160.40	\$164.72	\$169.54	\$174.70	\$180.00
Prepayment Vending Charge	\$/request	\$0.47	\$0.49	\$0.50	\$0.52	\$0.53
Prepayment Meter Support Charge	\$/request	\$65.86	\$67.63	\$69.61	\$71.73	\$73.91

Service group/Activities included	Basis of charging	Indicative charge				
		2019-20	2020-21	2021-22	2022-23	2023-24
Connections Services						
Disconnection (and Final Read)	\$/request	\$66.49	\$65.04	\$63.48	\$61.91	\$60.30
Reconnection	\$/request	\$66.49	\$65.04	\$63.48	\$61.91	\$60.30
Reconnection - After Hours	\$/request	\$123.50	\$120.80	\$117.91	\$114.99	\$112.00
Provision of 3 phase service	\$/request	\$1,390.40	\$1,427.83	\$1,469.58	\$1,514.36	\$1,560.29
Standard temporary builder's connection	\$/request	\$652.76	\$670.33	\$689.93	\$710.95	\$732.51
Class 3 PV Assessment	\$/request	\$1,178.94	\$1,210.68	\$1,246.07	\$1,284.05	\$1,322.99
De-energisation / Re-energisation						
Temporary disconnection and reconnection	\$/request	\$283.93	\$291.58	\$300.10	\$309.25	\$318.63
Complex disconnection	\$/request	\$310.28	\$318.63	\$327.95	\$337.94	\$348.19
Remove and reinstate line	\$/request	\$731.79	\$751.49	\$773.46	\$797.03	\$821.20
Other						
Wasted visit fee	\$/request	\$152.21	\$156.31	\$160.88	\$165.78	\$170.81
After Hours - non reconnections - uplift 1.25 x business hours charge	\$/request	Fee x 1.25 x hrs				
Non Standard Data Services						
Historical data requests	\$/request	\$195.66	\$200.93	\$206.81	\$213.11	\$219.57
Standing data requests	\$/request	\$43.27	\$44.43	\$45.73	\$47.12	\$48.55
Customer transfers	\$/request	\$173.07	\$177.73	\$182.93	\$188.50	\$194.22
Network tariff change request	\$/request	\$43.27	\$44.43	\$45.73	\$47.12	\$48.55
Miscellaneous services						
Installation of Minor Apparatus	\$/request	\$619.83	\$636.51	\$655.12	\$675.09	\$695.56

Service group/Activities included	Basis of charging	Indicative charge				
		2019-20	2020-21	2021-22	2022-23	2023-24
Design related services	\$/hour	\$154.67	\$159.11	\$164.29	\$169.98	\$175.82
Connection applications	\$/hour	\$154.67	\$159.11	\$164.29	\$169.98	\$175.82
Access permits, oversights and facilitation	\$/hour	\$154.67	\$159.11	\$164.29	\$169.98	\$175.82
Notices of arrangement and completion notices	\$/hour	\$86.65	\$89.14	\$92.04	\$95.23	\$98.50
Network related property services	\$/hour	\$86.65	\$89.14	\$92.04	\$95.23	\$98.50
Site establishment services	\$/hour	\$86.65	\$89.14	\$92.04	\$95.23	\$98.50
Network safety services	\$/hour	\$131.90	\$135.69	\$140.11	\$144.96	\$149.94
Network tariff change request	\$/hour	\$86.65	\$89.14	\$92.04	\$95.23	\$98.50
Planned interruption - customer request	\$/hour	\$131.90	\$135.69	\$140.11	\$144.96	\$149.94
Performance of a statutory right (access prevented)	\$/hour	\$131.90	\$135.69	\$140.11	\$144.96	\$149.94
Provision of network related training to third parties	\$/hour	\$86.65	\$89.14	\$92.04	\$95.23	\$98.50
Non-standard reporting services	\$/hour	\$86.65	\$89.14	\$92.04	\$95.23	\$98.50
Services provided for retailer of last resort event	\$/hour	\$86.65	\$89.14	\$92.04	\$95.23	\$98.50
Rectification of illegal connections service	\$/hour	\$131.90	\$135.69	\$140.11	\$144.96	\$149.94
Network changes at customer or retailer's request	\$/hour	\$131.90	\$135.69	\$140.11	\$144.96	\$149.94
Annual prepayment meter licensing fee *	\$/hour	\$86.65	\$89.14	\$92.04	\$95.23	\$98.50



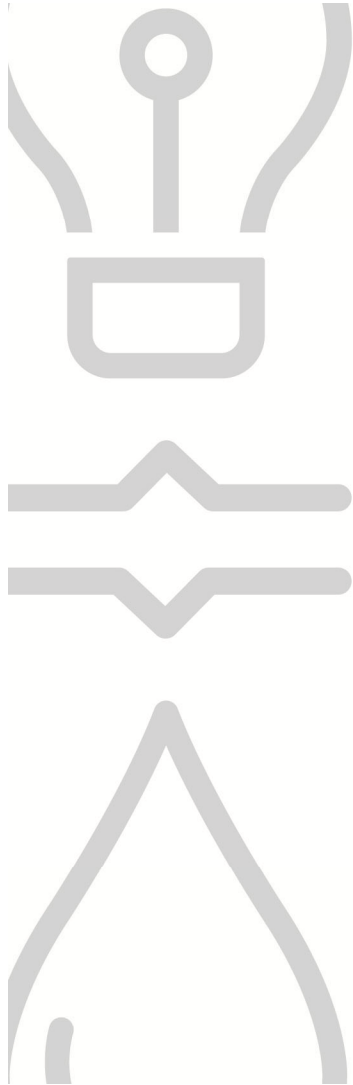
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Next Steps

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[Powerwater.com.au/engagement](https://www.powerwater.com.au/engagement)

(<https://www.powerwater.com.au/engagement>)



How to stay involved

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Our Power and Water Corporation app



[powerwater.com.au](https://www.powerwater.com.au)