

TasNetworks Transmission and Distribution 2024–29 Draft Decisions Pre-determination conference

AER Board Deputy Chair – Jim Cox – Conference Chair
10 October 2023

Acknowledgement of country

Jim Cox

AER Board Deputy Chair

AER welcome and introductions

Jim Cox

AER Board Deputy Chair

Agenda

Topic	Speaker	Duration
Welcome / Acknowledgement of country	Jim Cox, AER Board Deputy Chair	5 mins
Key themes of our draft decision	Jim Cox, AER Board Deputy Chair	10 mins
AER's TasNetworks 2024–29 Transmission and distribution draft decisions	Kris Funston, Executive General Manager, AER Network Regulation	10 mins
TasNetworks next steps and any reflections	Seán Mc Goldrick, TasNetworks Chief Executive Officer	10 mins
Facilitated discussion	Paul Harrigan, Acting General Manager, AER Network Pricing Questions for the AER and TasNetworks	20 mins
Closing remarks, next steps	Jim Cox, AER Board Deputy Chair	5 mins

House Keeping

- We welcome and encourage stakeholders to raise questions
- Please add questions to the Teams chat
- Or use the “raise your hand” function in Teams and we will get to you as soon as possible



Key themes of our draft decisions

Jim Cox

AER Board Deputy Chair

Key Themes

- Ensuring consumers pay no more than necessary for safe and reliable energy
- Consumer engagement driving proposals
- Supporting the energy transition
- Network tariff reform
- New emissions objectives



AER's TasNetworks Tx and Dx 2024-29 draft decisions

Kris Funston

Executive General Manager

Network Regulation

TasNetworks Draft Decision – Key Points

- Consumer engagement
- Capital and operating expenditure
- Contingent projects
- Tariff reforms
- Metering
- Bill impacts

	Distribution	Transmission
Revenue proposal (\$m)	1,714.5	866.9
Draft decision (\$m) <i>Difference from proposal</i> • <i>Main differences</i>	1,826.0 111.5 (6.5%) • <i>Return on capital</i> • <i>Regulatory depreciation</i> • <i>Revenue adjustments</i>	880.1 13.2 (1.5%) • <i>Return on capital</i>
Bill impact - households <i>Compared with 23-24 Bill</i> <i>Average annual increase</i>	\$235 by 2028-29 10.8% increase \$47 per annum	
Capital expenditure (\$m) <i>Difference from proposal</i> • <i>Main differences</i>	729.1 <i>Nil</i>	290.0 <i>Nil</i> • <i>Does not approve \$905 million for contingent projects</i>
Operating expenditure (\$) <i>Difference from proposal</i>	541.0 <i>Nil</i>	209.2 <i>Nil</i>

Revenue proposal, and draft decisions are in nominal terms. The estimate of bill impacts are in real terms.

TasNetworks Transmission Draft Decision – Regulated Revenue

Figure 1: Changes in regulated revenue over time

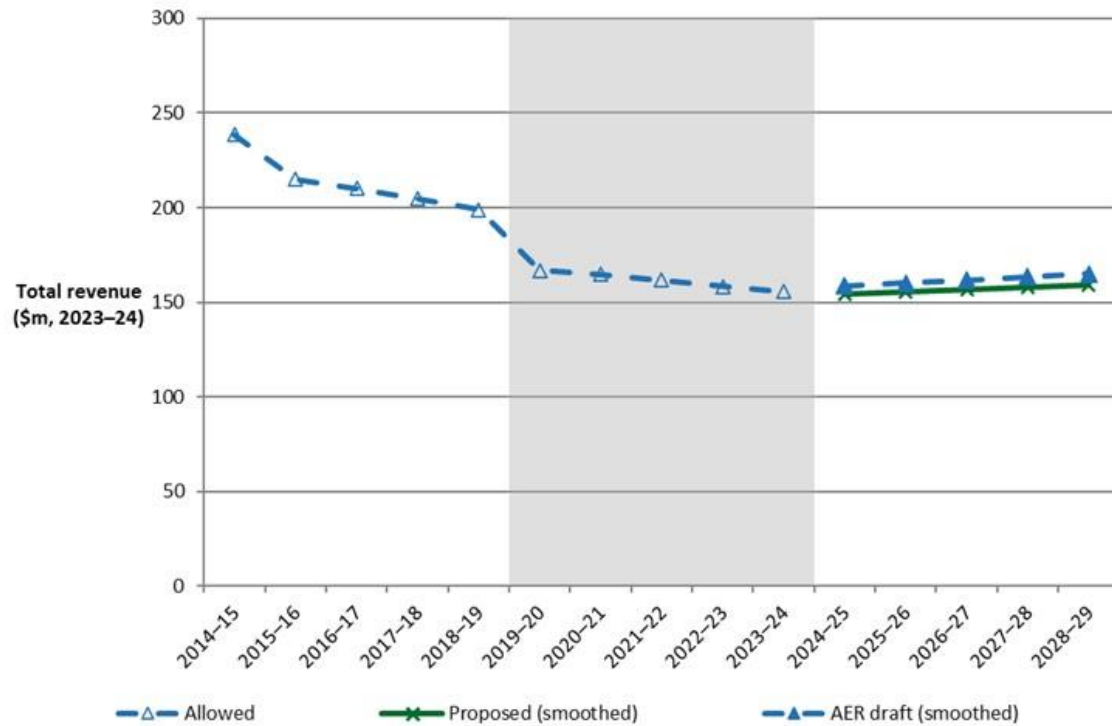
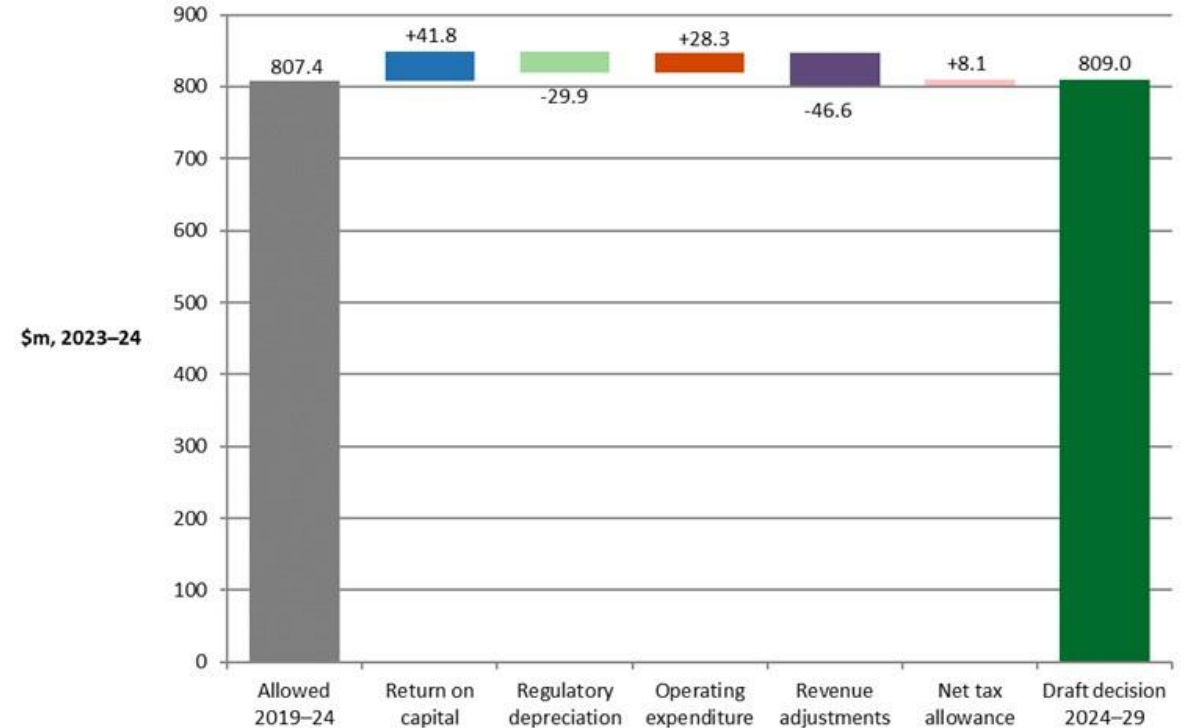


Figure 2: Changes in total revenue between 2019-24 period and 2024-29 period



TasNetworks Distribution Draft Decision – Regulated Revenue

Figure 1: Changes in regulated revenue over time

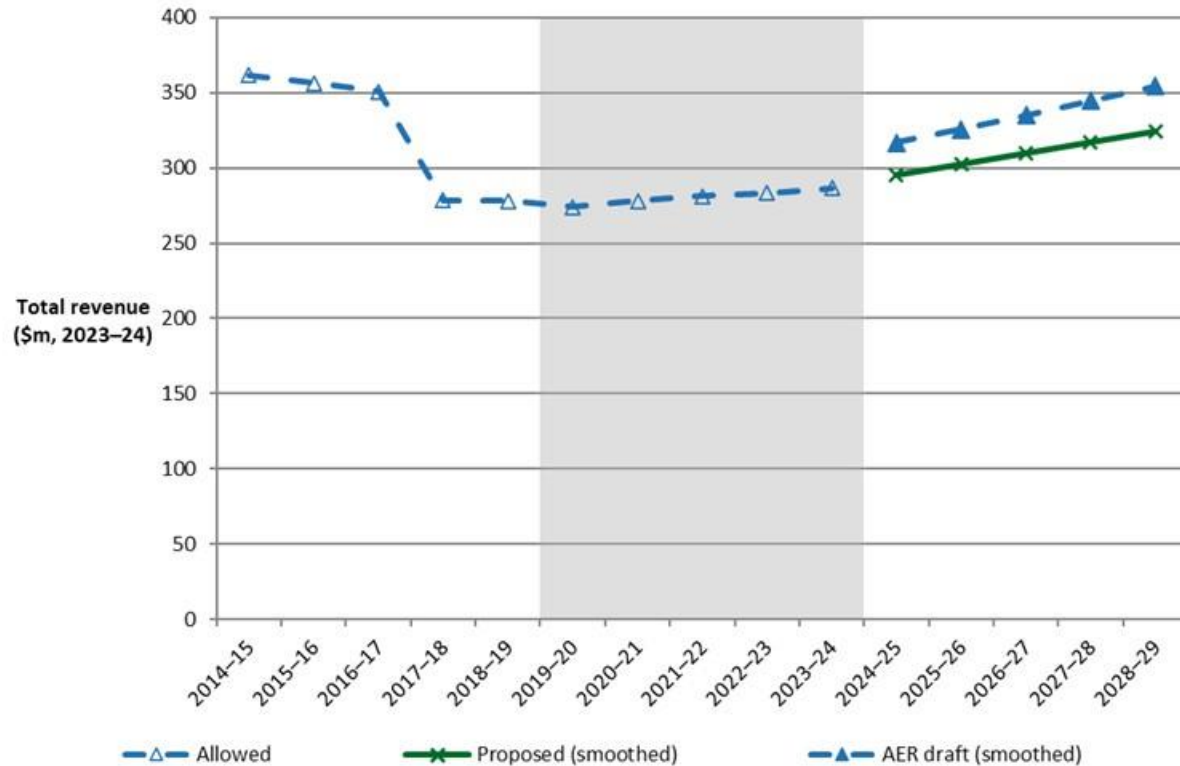
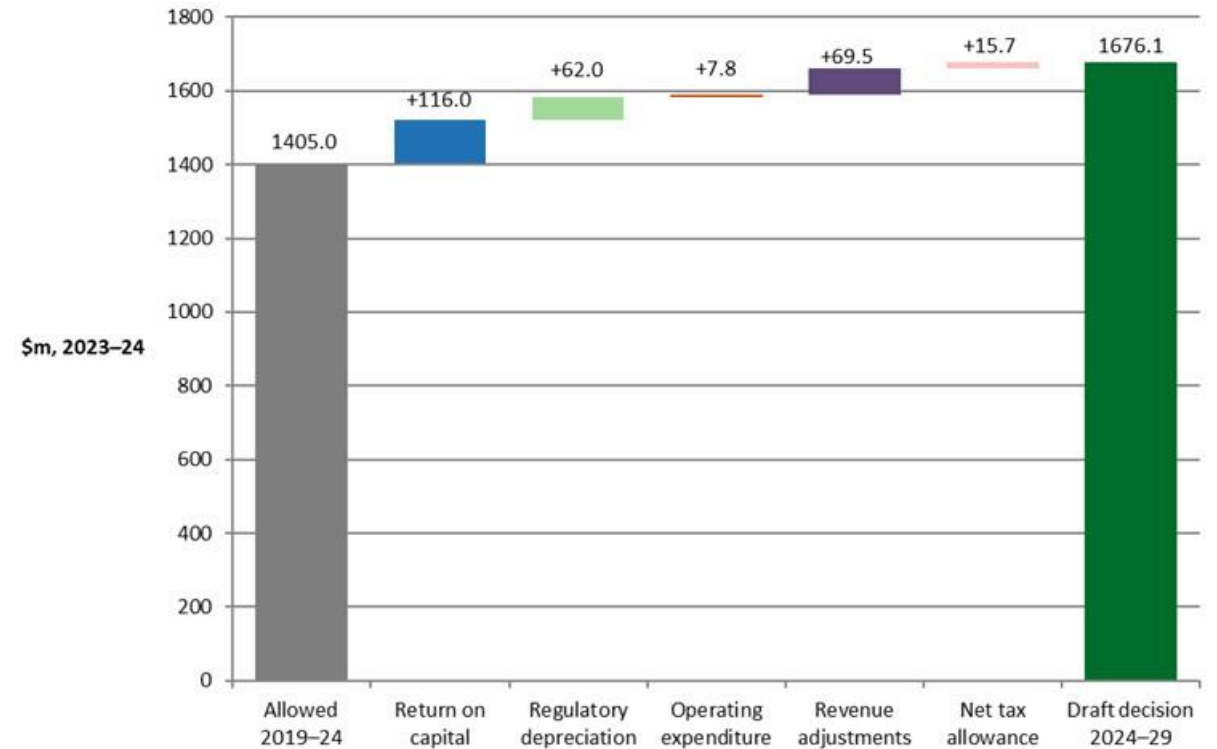


Figure 2: Changes in total revenue between 2019-24 period and 2024-29 period



TasNetworks – next steps and reflections

Seán Mc Goldrick
Chief Executive Officer
TasNetworks

Facilitated discussion

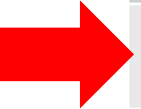


Paul Harrigan
Acting General Manager
AER Network Pricing

Closing remarks, next steps

Jim Cox
AER Board Deputy Chair

Next Steps

Milestone	Date
TasNetworks submits its combined transmission and distribution regulatory proposals to AER	31 January 2023
AER published an issues paper for the business	28 March 2023
AER holds a public forum	5 April 2023
Submissions on regulatory proposals close	12 May 2023
AER publishes draft determination decision	28 September 2023
 AER holds a pre-determination conference	October 2023
TasNetworks submits revised regulatory proposal to AER	30 November 2023
Submissions on revised regulatory proposals and draft decision close	by 19 January 2024
AER publishes TasNetworks transmission and distribution determination for regulatory control period	by 30 April 2024

Submission Details

- We invite interested parties to make submissions on the revised proposals and our draft decisions by **5pm AEDT, 19 January 2024**
- **We encourage early submissions, where possible, to inform our final decisions**
- Submissions should be emailed to AERresets2024-29@aer.gov.au

