

[By email 19 January 2026]

Hi AER team,

Re: Powernet - Determination 2026-31

It has come to my attention that Powernet's proposed Tariff Structure Statement will change the 'Energy/demand threshold' for Large Low Voltage tariffs (LLV1/2/3) from >120 KVA to >160 MWh p.a.

However this change has not been accompanied by a reduction in the 'minimum chargeable demand' under the Rolling demand component (ref. Table 3.3):

*'Charge applied to maximum 15-minute kVA demand over the most recent rolling 12-months measured from 7am to 7pm on workdays with **minimum chargeable demand of 120kVA**'*

Although a customer site using 160MWh p.a. may *typically* have maximum demand close to 120kVA, a site using 160MWh p.a. can have actual demand as low as 19 KVA (i.e. 19kW x 24hrs x 365 days = 166 MWh).

Given the lower threshold for Large Low Voltage tariffs will be based on energy volume, it is unclear why a minimum chargeable demand would be necessary.

Furthermore, a lower demand site would in most cases have a connection capacity that is physically not capable of supplying 120kVA (and would require payment of significant connection upgrade costs to Powernet if the customer wanted such capacity).

Given that assignment of LLV tariffs will change to an energy-based threshold, there should be no minimum chargeable demand.

Rolling demand charges should reflect actual measured maximum demand. Accordingly, the minimum chargeable demand of 120kVA should be removed from the final Tariff Structure Statement.

Kind regards,

Steve

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