

30 November 2022



Mr Warwick Anderson
General Manager – Network Pricing
Australian Energy Regulator

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Dear Warwick

Ausgrid Transmission Pricing Methodology

Ausgrid is pleased to provide to its amended transmission pricing methodology for the 2019-24 period.

Ausgrid operates a shared electricity network that powers the homes and businesses of more than 4 million Australians living and working in an area that covers over 22,000 square kilometres from the Sydney CBD to the Upper Hunter.

In October 2021 the National Electricity Rules (**NER**) were amended to allow for a new framework for provision of network system strength. Under the changes, Ausgrid is considered a transmission network service provider (**TNSP**) who is not a system strength service provider. However, we are required to submit an amended transmission pricing methodology to the AER by 30 November 2022 (NER clause 11.143.5).

Our amended transmission pricing methodology allows for the pass through of the system strength charge levied by the TNSP who is a system strength provider (in our case, Transgrid). Ausgrid will replicate as far as reasonably practical, the amount, structure, and timing of the annual system strength charge, in accordance with the charging information provided and billed by Transgrid.

If the AER has any questions in relation to this submission, please contact Bill Nixey, Manager Network Pricing, in the first instance on [REDACTED].

Regards,

[REDACTED]

Alex McPherson
Head of Regulation

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