Jemena Electricity Networks (Vic) Ltd

Att 12-01 Tariff Structure Statement

For 1 July 2021 to 30 June 2026

Jemena Electricity Networks (Vic) Ltd

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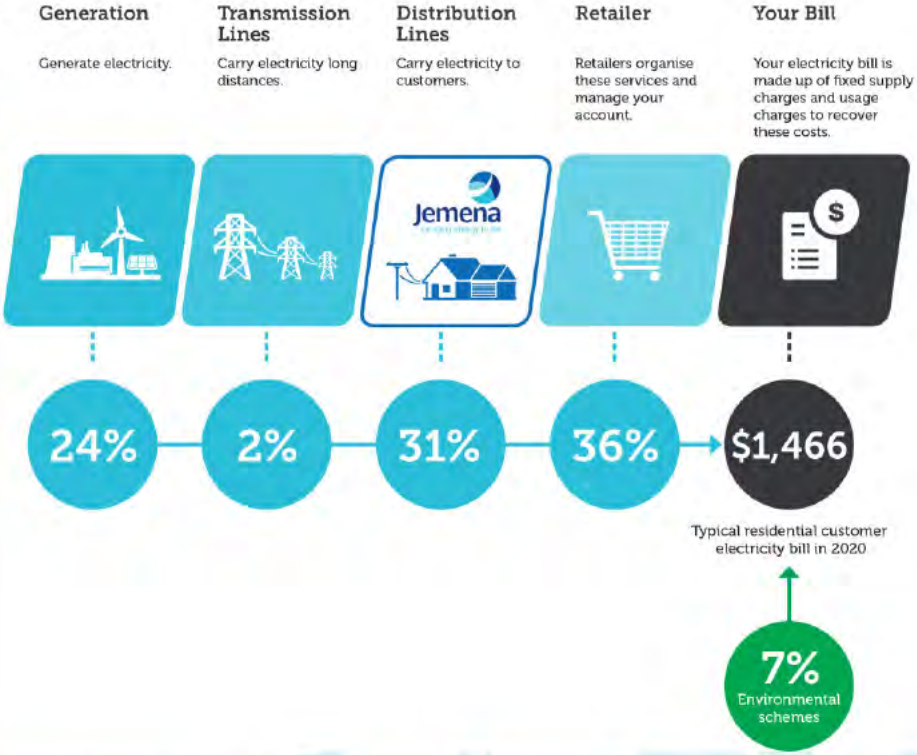
01 Overview

About Jemena Electricity Networks

Our electricity network is one of five electricity distribution networks in Victoria. We are the sole distributor of electricity in north-west greater Melbourne (shown below), and we service more than 350,000 households and businesses.

Our role is to deliver power when our customers need it. We build and manage the infrastructure that transports electricity through more than 950 square kilometres of Melbourne's north-west suburbs, with Melbourne Airport sitting almost at the middle of our patch.

The cost of distributing energy across our network is paid for through your electricity bill. Our network charges typically amount to around 31 per cent of your total bill.



324,000+
Number of households on the network

6,500km
Length of overhead and underground lines

99.99%
Our network is reliable 99.99% of the time

75%
Calls to our faults line are answered within 30 seconds

91,000+
Poles in our network

5.9 billion
Remote meter reads every year

7,000+
New customers connected each year

73,000+
Public lights

About this tariff structure statement

Our Tariff structure statement (**TSS**) explains our proposed tariff structures to apply from 1 July 2021 and is part of JEN's revised proposal.

The National Electricity Rules (**the Rules**) set the formal TSS requirements.

Our TSS is structured as follows:

1	Overview
2	Tariff classes
3	Tariff structures
4	How we will set prices
5	Indicative prices
6	Compliance checklist

The TSS has the following attachments:

A	Assignment & reassignment policy
B	Indicative prices (Excel version)

Accompanying our TSS, we have also published a tariff structure statement explanatory document (**explanatory document**) at JEN – Att 12-02 Tariff structure statement explanatory document 20201203 - Public.

Our explanatory document provides all the detailed explanation and justification to support our TSS proposal, including how our engagement with customers and stakeholders has informed our proposal.

The Peoples' Panel presented their recommendations to Jemena's Chairman and Managing Director in August 2018

02 Tariff classes

Standard control services

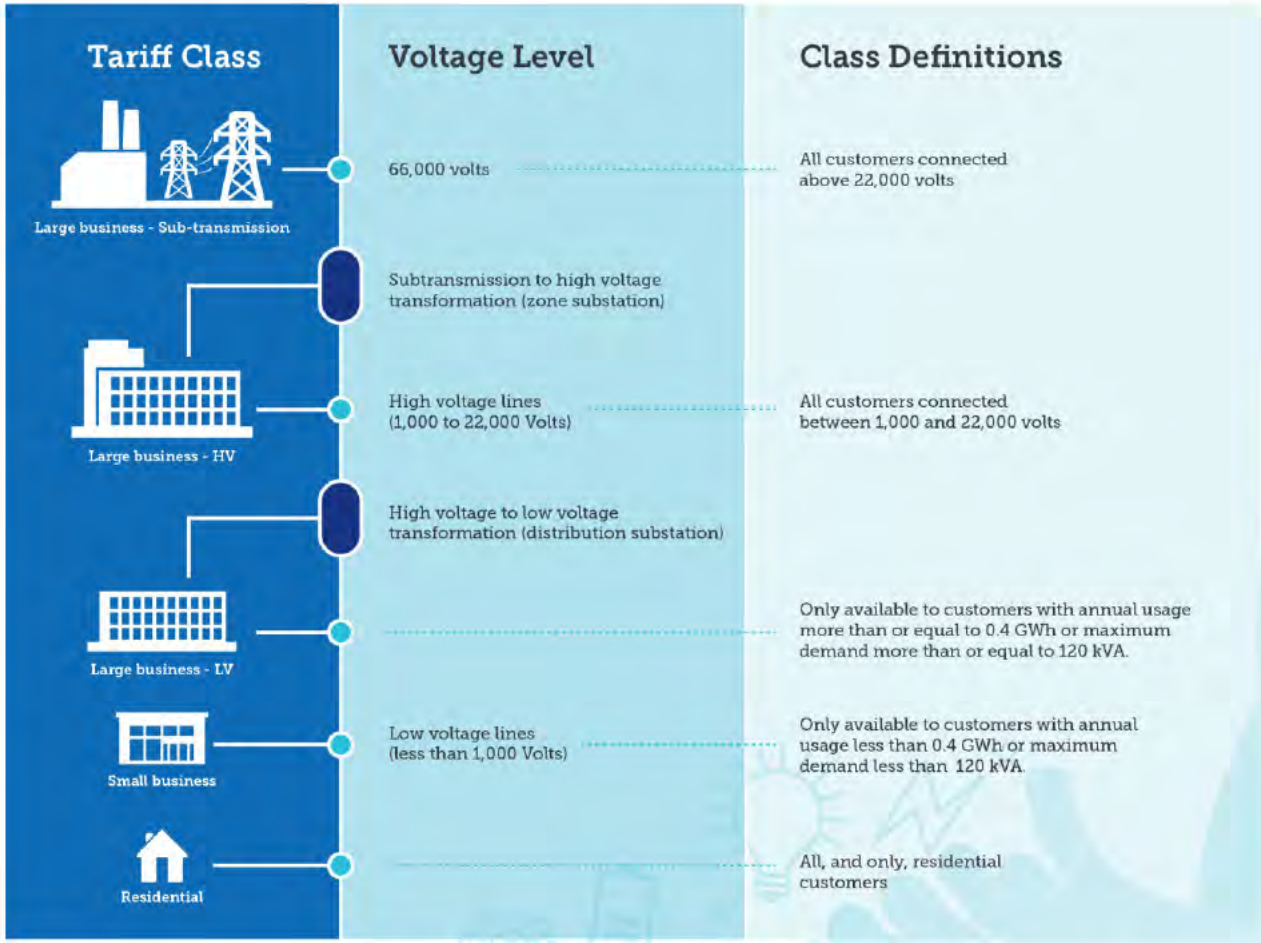
What are they?

The five standard control services (**SCS**) tariff classes we propose for the 2021-26 regulatory period are shown on the right. These are the same tariff classes that we had in place for the 2016-20 regulatory period.

Why these tariff classes?

Our five tariff classes correspond to our five major customer segments, which have materially different costs to connect and serve.

We describe how they reflect our pricing objectives and requirements under the Rules in our explanatory document.



Tariff classes are designed for our direct control services. Direct control services are those services regulated by the AER. They are categorised into standard control services, and alternative control services—which include advance metering infrastructure (**AMI**) services as well as specific services requested by a customer or their retailer. Here we describe how we divide our customers for each service into tariff classes.

Alternative control services

What are they?

In addition to our SCS, we provide user-requested services and metering services[1] (alternative control services (**ACS**)). The full cost of these are attributed to the customer who receives the service.

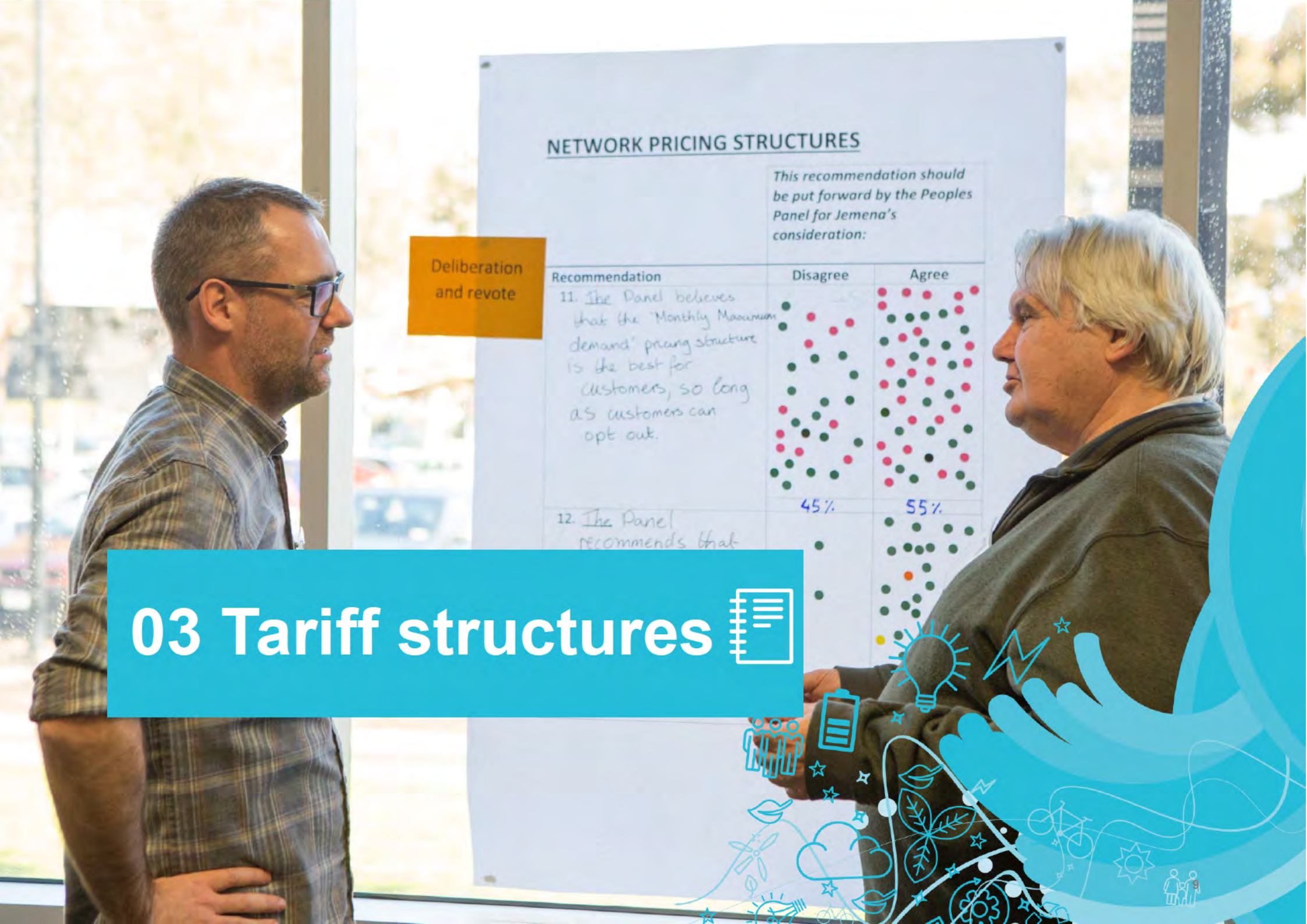
There is one tariff class for these services—the 'alternative control services tariff class'.

Within this tariff class, there are multiple user-requested services, each with their own associated price or unit rates that are proposed by us, but approved by the AER. The method for determining prices for these services takes two different forms as described in the table below.

Service	Description
Fee based services	Includes: – Alternative control services for which the AER has applied a cap on prices, for example, services such as basic connections, de-energisations, re-energisations – Metering services for 'small customers' (Type 5, 6 and AMI meters), Type 7 metering and other auxiliary metering services provided on a customer-requested basis.[2] – The operation, maintenance and replacement (OM&R) services for public lighting, which the AER has applied a cap on the price per lighting type.
Quoted services	Services for which the AER has placed a cap on the applicable labour rates (inclusive of labour on-costs and overheads). Prices for quoted services are based on quantities of labour plus materials and contractor services.

1 Our smart metering services include the provision of smart meters for small customers and the associated data services. These have not changed for those that applied during the 2016-20 regulatory period.

2 Definitions of the different types of meters can be found in our classification of services attachment to our initial 2021-26 regulatory proposal. See: JEN - Att 07-06 Classification of services – 20200131.



03 Tariff structures

What are tariff structures?

Tariff vs tariff structure

A 'tariff' is how we charge a retailer for the services we provide our customers. The tariff can be made up of different charges such as a fixed charge, usage charge or demand charge.

The 'tariff structure' (or price structure) includes the tariff, tariff 'components' and 'charging parameters', which together provide the additional information for retailers (and customers) to know how we will bill them for each customer. The total network bill for a customer will depend on their network tariff and how the customer uses our network.

Each year, we publish our tariff schedule and, before we set prices, we must determine how to structure our tariffs.

We show tariff structures by customer segment

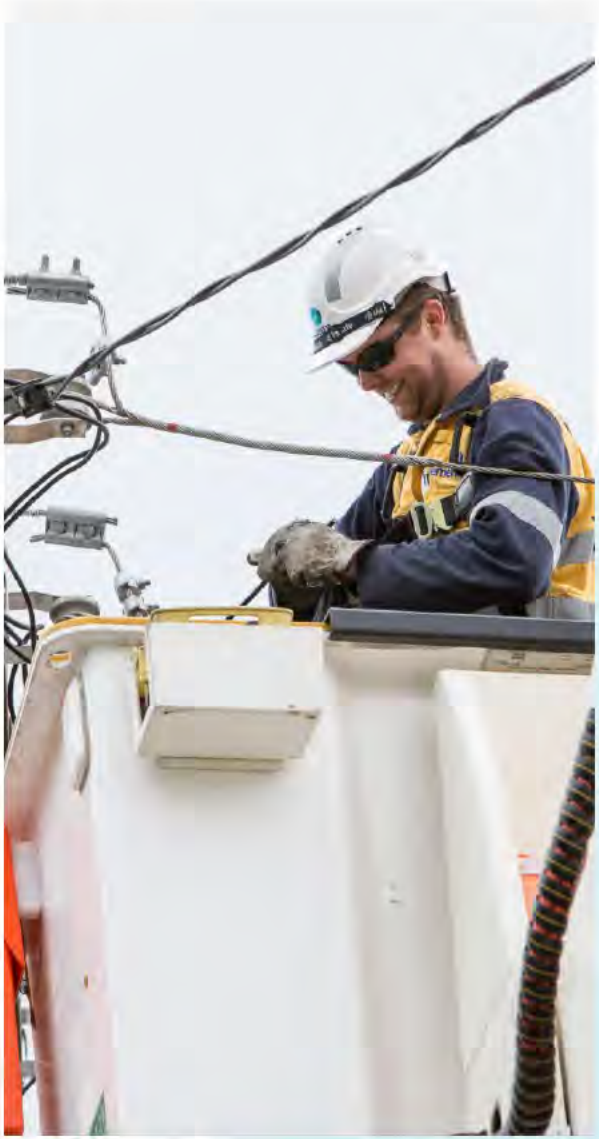
How we structure our tariffs is set out in the remainder of this section. We provide our tariff structures by customer segment:

- residential
- small business
- large business (combined low voltage, high voltage and sub-transmission tariff classes).

For each customer segment we provide tariff structures and how we assign customers within that segment.

Our SCS tariff structures are made up of one or more of the following tariff components:

- A fixed (or 'standing') charge tariff component—a supply charge that applies to each premises that electricity is delivered to (in dollars per annum), and charged on a pro-rata basis, depending on how frequently each customer is billed (usually monthly or quarterly).
- A usage charge tariff component—a charge that applies to the volume of electricity consumed (in cents per kilowatt hour (kWh)). For some customers, this charge may also depend on the time of the day the electricity is consumed.
- A demand charge tariff component—a charge that applies to either a customer's electricity capacity requirement (in dollars per kilovolt-ampere (kVA)) or their maximum demand level (in dollars per kilowatt (kW)) depending on the type of customer.



Tariff structures for the residential tariff class

Tariff	Tariff code[3]	Components	Unit	Charging parameter
Open tariffs				
Residential single rate (previously general purpose)	A100 or F100	Standing charge	$ pa	
		Unit rate	c/kWh	
Residential demand (Previously general purpose – demand)	A10D or F10D	Standing charge	$ pa	
		Unit rate	c/kWh	
		Demand charge	$/kW pa	Maximum demand set 3pm-9pm (local time) work days and reset monthly. Prices may vary for summer and non-summer months[4]
Residential Time of Use (NEW default tariff)	A120 or F120	Standing charge	$ pa	
		Peak unit rate	c/kWh	3pm-9pm (local time) every day
		Off peak unit rate	c/kWh	All other times.
Closed tariffs[5]				
Dedicated circuit	A180	Standing charge	$ pa	
		Off peak unit rate	c/kWh	11pm-7am daily (AEST)

3. Tariff codes starting 'F' indicate the premium feed-in tariff rebate. Note because the transitional feed in tariff rebate has ceased, there is no longer tariff codes starting with 'T'.
4. Unit rates can vary also vary by summer (daylight savings period) and non-summer (all other times).
5. A closed tariff means no customer can be assigned onto the tariff but current customers can remain on the tariff.

Residential assignment policy

Key assignment information

Our residential tariff assignment and reassignment policy has been informed by the views of our customers as set out in our explanatory document and is the result of more than three years of seeking and understanding various stakeholder preferences.

We assign customers to a tariff class when they connect to the network for the first time (e.g. build and connect a new home) or move house.

We then place our residential customers onto the most appropriate network tariff, while still allowing them to choose an alternative tariff.

From 1 July 2021:

- New customers who have a connection and an AMI meter, customers who upgrade to three-phase metering and customers who install distributed energy resources capable of injection into the JEN network (including solar photovoltaic generation and batteries) will be assigned to the residential time of use (A120) tariff.
- All residential customers on our legacy time of use tariffs (the A10X, T10X, F10X, A10I, T10I, F10I, A140, T140 and F140 tariffs) will be reassigned to the new residential time of use (A120) tariff.
- Customer choice will be consistent with a final version of the Victorian Government AMI Order in Council. Apart from any exceptions within that Order, all residential customers:
  - assigned to the A120 tariff, or who have opted into it have the option to opt-out to the single rate tariff (A100) or demand tariff (A10D).
  - currently on the single rate (A100) tariff will have the option to move to the residential time of use tariff (A120) or the demand tariff (A10D) if they have an AMI meter.
  - who have opted-in to a demand tariff will subsequently have the option to opt-out to the single rate tariff (A100) or the residential time of use tariff (A120).

We may seek to assign customers who have an electric vehicle or electric vehicle fast charger to the A120 tariff.

> Our complete assignment and reassignment policy is provided at Attachment A

Tariff structures for the small business tariff class

Tariff	Tariff code[3]	Components	Unit	Charging parameter
Open tariffs for business customers with annual consumption < 400MWh per annum and maximum demand < 120kVA per annum[6]				
Small business single rate – (previously general purpose) Available to all customers with consumption <40MWh per annum.	A200 or F200	Standing charge	$ pa	
		Unit rate	c/kWh	
Small business demand - (previously general purpose demand) Available to all customers with consumption <40MWh per annum and meters capable of measuring demand.	A20D or F20D	Standing charge	$ pa	
		Unit rate	c/kWh	
		Demand charge	$/kW pa	Maximum demand set 10am-8pm work days using the maximum level of the last 12 months where data is available.
Time of use weekdays The default tariff for all customers with consumption < 40MWh per annum.	A210 or F210	Standing charge	$ pa	
		Peak unit rate	c/kWh	9am-9pm weekdays (local time)
		Off peak unit rate	c/kWh	All other times.
Time of use weekdays – demand. JEN has two sets of tariffs available: 1. One with a positive demand charge (default for customers with consumption over 40MWh per annum) 2. An 'opt out' tariff option with the demand charge set to zero.	1. A230 or F230 2. A23N or F23N	Standing charge	$ pa	
		Peak unit rate	c/kWh	7am-11pm weekdays (local time)
		Off peak unit rate	c/kWh	All other times
		Demand charge	$/kW pa	Maximum demand set at any time using the maximum level of the last 12 months where data is available.
Unmetered supply	A290	Off peak unit rate	c/kWh	10pm-7am daily (local time)
Closed tariffs[7]				
Time of use extended – demand (closed to new entrants) applicable to customers with energy consumption > 40MWh per annum	A270	Standing charge	$ pa	
		Peak unit rate	c/kWh	7am-11pm weekdays (local time)
		Off peak unit rate	c/kWh	All other times
		Demand charge	$/kW pa	Maximum demand set at any time using the maximum level of the last 12 months where data is available.

6. JEN uses 120kVA to differentiate between our small business and large business customers are based on common connection standards adopted by the Victorian energy industry. 120kVA is the maximum demand capacity an overhead service cable can deliver to a customer.
7. A closed tariff means no customer can be assigned onto the tariff but current customers can remain on the tariff.

Small business assignment policy

Key assignment information

Our small business tariff assignment policy aims to place our new small business customers on the most appropriate tariff, while still allowing customers under 120kVA or 40MWh per annum to retain a choice. From 1 January 2021:

- New customers with demand less than 120 kVA and annual consumption less than 400 MWh are eligible for assignment to the small business tariff class.
- New customers having an AMI, manual read interval (MRI) or current transformer (CT) meter and an annual consumption less than 40 MWh, or existing customers who upgrade to three-phase metering or who install distributed energy resources capable of injection into the JEN network (including solar photovoltaic generation and batteries) are assigned to the time of use weekdays (A210).
- Customers with a basic meter are assigned to the single rate (A200) tariff. Customers would not have the option to move to any other tariffs unless they install an AMI, MRI or CT meter.
- New customers with an AMI, MRI or CT meter and an annual consumption greater than 40 MWh (and less than 400MWh), or existing customers who upgrade to three-phase metering or who install distributed energy resources capable of injection into the JEN network (including solar photovoltaic generation and batteries) are assigned to the Time of Use Weekdays – demand tariff (A230).
- All customers in the small business tariff class have the option to move to the following tariffs:
  - For customers with annual consumption less than 40 MWh per annum:
    - Single rate (A200), potentially excluding customers with electric vehicle fast chargers
    - Demand (A20D)
    - Time of Use Weekdays (A210)
  - For customers with annual consumption greater than 40 MWh per annum:
    - Time of Use Weekdays – Demand (A230)
    - Time of Use – Opt out (A23N).

Our complete assignment and reassignment policy is provided at Attachment A

Tariff structures for the large business tariff classes (page 1 of 2)

New tariff component

JEN has introduced a new tariff component for our large business customers—the summer demand incentive charge (SDIC). Prices for the SDIC will be transitioned to cost reflective levels over 5 years at 25 per cent per year from 1 July 2022. Customers can choose a tariff with the SDIC at full cost reflective levels and revert back to our transitional tariff in accordance with our assignment & reassignment policy at Attachment A

Tariff	Tariff code[3]	Components	Unit	Charging parameter
Low voltage				
LV <= 0.8 GWh	A300, F300, A30C, F30C	Each contains a: - Standing charge - Peak unit rate - Off peak unit rate - Demand charge - Summer demand incentive charge (SDIC)	Unit is: - $ pa - c/kWh - c/kWh - $/kVA pa - c/kVA/day	Demand charge subject to minimum chargeable demand of 120kVA
LV_{EN} Annual Consumption - <=0.8 GWh	A30E, A30C			
LV 0.8+ - 2.2 GWh	A320, A32C			Demand charge subject to minimum chargeable demand of 250kVA
LV_{EN} 0.8+ - 2.2 GWh	A32E, A32C			
LV 2.2+ - 6.0 GWh	A340, A34C			
LV_{EN} 2.2+ GWh	A34E, A34C			
LV_{MS} 2.2+ - 6.0 GWh	A34M, A34T			
LV 6.0+ GWh	A370, A37C			Demand charge subject to minimum chargeable demand of 450kVA
LV_{MS} 6.0+ GWh	A37M, A37T			
High voltage				
HV	A400, A40C	Each contains a: - Standing charge - Peak unit rate - Off peak unit rate - Demand charge - SDIC	Unit is: - $ pa - c/kWh - c/kWh - $/kVA pa - c/kVA/day	Demand charge subject to minimum chargeable demand of 1,000kVA.
HV_{EN}	A40E, A40C			
HV_{RF}	A40R, A40T			
HV - Annual Consumption >= 55 GWh	A480, A48C			Demand charge subject to minimum chargeable demand of 10,000kVA

Notes:

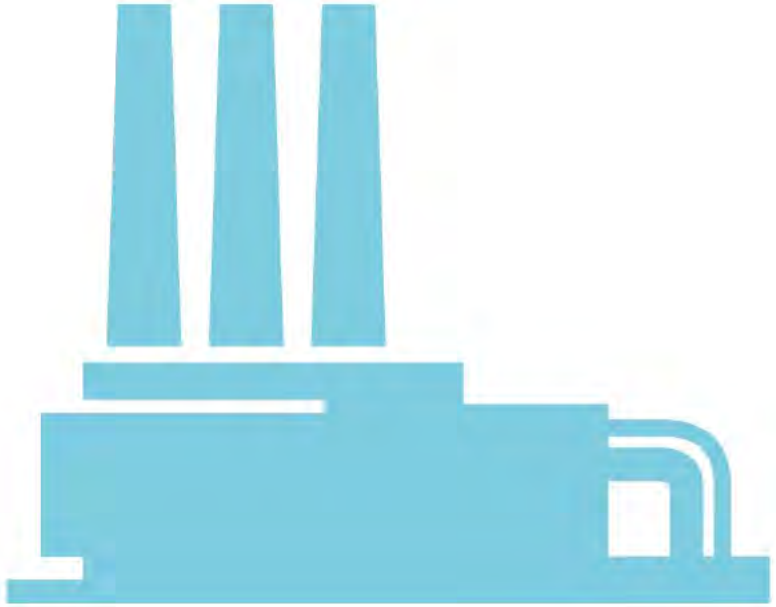
1. Maximum demand for the demand charge set 8am-8pm Monday to Friday **(local time)** using the maximum level of the last 12 months where data is available.
2. Maximum demand for the SDIC set 4pm-7pm workdays (local time) each month in December to March and reset monthly
3. LV_{MS} 2.2+ - 6.0 GWh, LV_{MS} 6.0+ GWh and HV_{RF} tariffs are closed to new entrants
4. Peak is 8am-8pm Monday to Friday **(local time)**. Off peak is all other times.
5. EN is 'embedded network' representing the tariff is only available to embedded network customers. (Additional criteria may apply as outlined in our tariff schedule).
6. MS is 'multiple supply' representing the tariff is only available to a non-embedded network customer taking supply from multiple National Meter Identifiers (NMI'S). (Additional criteria may apply as outlined in our tariff schedule). These tariffs are closed to new entrants.
7. RF is for customers with a reserve feeder contract. The tariff is closed to new entrants.
8. There is no minimum demand for the summer demand incentive charge.
9. Tariff codes ending with C, T or X are the tariffs with a fully cost reflective SDIC.

Tariff structures for the large business tariff classes (page 2 of 2)

Tariff	Tariff code[3]	Components	Unit	Charging parameter
Sub-transmission				
Sub-transmission	A500, A50C	Each contains a:	Unit is:	Demand charge subject to minimum chargeable demand of 15,000kVA
Sub-transmission MA	A50A, A50T	– Standing charge	– $ pa / connection	
Sub-transmission EG	A50E, A50X	– Peak unit rate	– c/kWh	
Sub-transmission – Multiple connection (NEW)	A50M	– Off peak unit rate	– c/kWh	
		– Demand charge	– $kVA pa	
		– SDIC	– c/kVA/day	

Notes:

1. Maximum demand set 8am-8pm Monday to Friday **(local time)** using the maximum level of the last 12 months where data is available.
2. Maximum demand for the SDIC set 4pm-7pm workdays (local time) each month in December to March and reset monthly.
3. Peak is 8am-8pm Monday to Friday (local time). Off peak is all other times.
4. EG is embedded generator connected to a specified loop.
5. Tariff A50M applies only where the customer has connections from more than one sub-transmission loop.
6. There is no minimum demand for the summer demand incentive charge.
7. Tariff codes ending with C, T or X are the tariffs with a fully cost reflective SDIC. There is no transition for the A50M as it is a new tariff.

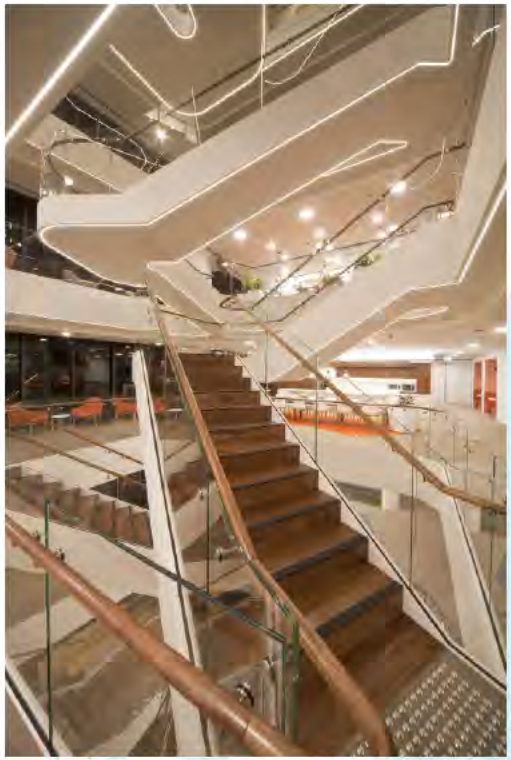


Large business assignment policy

Key assignment information

Large business customers are assigned to a tariff based on their connected voltage level, type of connection and annual consumption. The below table describes the criteria for each tariff.

These tariffs will be transitioned to fully cost reflective prices for the SDIC by 2025-26 at 25 per cent per year from 2022-23. Each customer can choose to be assigned to their respective fully cost reflective SDIC tariff (tariff code ending in C, T or X) at anytime prior to 2025-26.



Tariff	Tariff code[3]	Connection		Annual consumption (GWh)	
		Voltage	Type	Minimum	Maximum
LV <= 0.8 GWh	A300, (A30C)	Low Voltage	Non-Embedded	-	0.8
LV_{EN} Annual Consumption <=0.8 GWh	A30E, (A30C)		Embedded	-	0.8
LV 0.8+ - 2.2 GWh	A320, (A32C)		Non-Embedded	0.8	2.2
LV_{EN} 0.8+ - 2.2 GWh	A32E, (A32C)		Embedded	0.8	2.2
LV 2.2+ - 6.0 GWh	A340, (A34C)		Non-Embedded	2.2	6.0
LV_{EN} 2.2+ GWh	A34E, (A34C)		Embedded	2.2	-
LV 6.0+ GWh	A370, (A37C)		Non-Embedded	6.0	
HV	A400 (A40C)	High Voltage	Non-Embedded	-	55.0
HV_{EN}	A40E (A40C)		Embedded	-	-
HV - Annual Consumption >= 55 GWh	A480 (A48C)		Non-Embedded	55.0	-
Sub-transmission	A500 (A50C)	Sub Transmission	Non-Embedded	-	-
Sub-transmission MA	A50A (A50T)		Non-Embedded	-	-
Sub-transmission EG	A50E (A50X)		Embedded Generation	-	-
Sub-transmission – Multiple feeder (NEW)	A50M		Multiple Feeders	-	-

Our complete assignment and reassignment policy, including the conditions for opting in and opting out of the fully cost reflective tariff is provided at Attachment A and explained further in Section 5 of our explanatory document.

Exemptions from a network tariff

JEN may provide network tariff exemptions in certain circumstances

Customers with generation facilities or batteries will be exempt from a network tariff if the customer has signed a contract with JEN which exempts them from a network tariff. JEN would only seek to only enter into such a contract if:

- There is no other load at the site other than load associated with the generation facility or battery
- The contract provides JEN with assurance that the generator or battery will be operated to the net benefit of JEN's customers. This may include location specific operation requirements such as:
  - Restricting the hours of charging to avoid localised peaks
  - The installation of equipment that limits the rate of discharge to a level that the local network can accommodate.

The exemption of a network tariff may also impact the calculation of the customers' connection cost and qualification to receive avoided transmission use of system payments.

Any generation facilities or batteries owned by JEN and installed to manage the distribution network will be exempt from a network tariff.

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04 How we will set prices

Our approach

We take the following approach to set our SCS prices—also referred to as Distribution use of Service (**DUoS**) prices:

1. **Allocate revenue to tariff classes**—Determine the revenue to recover each year for each tariff class, consistent with our 2021-26 regulatory proposal. We base this on the historical proportion of revenue from each tariff class, which we consider is cost-reflective. This also ensures that tariff classes sufficiently benefit from (contribute to) their impact on the unders and overs account driven by the revenue cap.
2. **For our default tariff within each tariff class, set price levels of the components that best signal the marginal cost of the network**:
   - Start with our calculated long-run marginal cost (**LRMC**) values by tariff class. We call these our 'base' LRMC estimates (see page 21).
   - Translate these base LRMC estimates into tariff component LRMC estimates.
   - Use the component LRMC estimates as the basis for the peak ToU or demand component for each demand tariff as applicable by:
     - Considering the variation between the tariff components' current price level and the new LRMC estimate.
     - Seeking to move these components toward the new LRMC estimates in a manner that mitigates customer impacts, seeks to smooth the long term volatility of LRMC estimates and ensures a peak to off peak price ratio of at least 2.5.
3. **Set price levels for remaining components of the default tariff**—prices are set to:
   - Recover the residual costs of supplying customers on the tariff in a manner that:
     - Best replicates (and least distorts) the price signal the customer receives from step 2. All else equal, we intend to rebalance the recovery of costs towards fixed charges and away from relatively more distortionary usage charges.[8]
     - Ensures volatility with respect to previous years' price levels, and therefore customer bill impact is mitigated.
4. **Set price levels for tariffs without a cost reflective component** (ie without a demand component or a 3pm-9pm peak ToU component). For example, for our residential customers, we will set our annual prices so that a typical customer's network bill is:
   - Equivalent whether they are on a demand tariff or our default ToU tariff,

   which by the end of the 2021-26 period will be:
   - Around 5 per cent lower than if the customer was on our single rate or closed 7am-11pm peak period ToU tariffs—the gap increasing by one per cent per year.

   We estimate that this approach would result in 89 per cent of single rate residential customers being better off on the default ToU or demand tariff by the end of the 2021-26 period.
5. **Ensure that revenue from each tariff class lies between standalone and avoidable costs** (see page 23-24)

Allocation of TUoS to tariff classes

The table below shows how our DUoS revenue and Transmission Use of System (**TUoS**) pass through have historically been allocated to market segments. TUoS volatility can result in volatile network prices for large businesses under these allocations because a larger portion of their bill is made up of transmission costs. To mitigate this going forward, we consider that the TUoS allocation should be brought closer to the DUoS allocation over the 2021-26 period, which we consider is cost-reflective.

Our long-term goal is to better align TUoS and DUoS allocations. Our approach to make progress, but limit customer impacts, is to seek to floor residential and small business annual TUoS price decreases at zero when an average price decrease occurs, and cap large business annual TUoS price increases at inflation when price increases occur. Our indicative Network Use of System (**NUoS**) prices incorporate the movement required to result in the likely allocations by 2025-26 shown below.

Market segment	2020 DUoS allocation	2020 TUoS allocation	Likely 2025-26 TUoS allocation
Residential	44%	12%	22%
Small business	23%	15%	18%
Large business	33%	73%	60%

8. Following consultation, we have calculated our indicative prices in section 5 based on a more restrained move toward non-distorted LRMC price signals than our initial proposal. We discuss this in section 3.5.5 of our explanatory document.

Long run marginal cost

Why estimate LRMC?

Clause 6.18.5(f) of the Rules requires that our tariffs are based on the long-run marginal cost (**LRMC**) of providing network services to our customers.

The LRMC is an estimate of our future costs of expanding (or contracting) our network to allow for one additional (or less) unit of use of the network. It is customer demand during peak network demand periods that drives the costs of our network, and so the LRMC reflects the cost to supply one additional unit of capacity (in kW or kVA) at peak times.

By setting tariffs with reference to the LRMC of the network, we promote efficient use of our network based on tariffs that are aligned with the underlying cost of network usage.

Two potential methods to estimate LRMC

There are two principal methods for estimating the LRMC:

- The perturbation (Turvey approach); and
- The average incremental cost (**AIC**) approach.

The perturbation approach to estimating the LRMC requires a consideration of how our proposed capital program would need to be adjusted should there be a small, but permanent, change in forward looking demand. This might involve the bringing forward (or delay) in capital projects with associated additional incremental costs. In principle, a perturbation estimate of the LRMC is most likely to align with the actual incremental costs incurred by customers changing their consumption.

The AIC approach uses our proposed capital expenditure and demand to estimate the LRMC by dividing the total increase in expenditure by the total incremental increase in demand (hence it is an average incremental cost). This provides an average estimate of the likely incremental change in costs as a consequence of a change in consumption and so is not as precise an estimate of the LRMC as compared to that result from the use of the perturbation methodology.

Clause 6.18.5(f)(1) of the Rules requires we have regard to the costs and benefits associated with calculating, implementing and applying the chosen method.

We consider the AIC approach remains appropriate

We have historically used an AIC approach to estimate LRMC. We consider that, on balance, the administrative cost of undertaking the Turvey approach would exceed benefits. This is because the Turvey method is complex and requires multiple demand permutations and engineering assessments of capital expenditure to provide robust results.

We do not consider the cost of obtaining alternative results would provide any additional benefit that would outweigh what we can obtain from LRMC estimates using the AIC approach. In addition, the AIC approach has been widely used and accepted by the AER as a reasonable estimate for tariff setting purposes. Attachment E of our explanatory document provides additional detail, including our approach to including replacement capex.

Our AIC approach to estimating LRMC

We undertook the following steps to estimate LRMC:

- Evaluate the present value of future flows of relevant expenditure, involving:
  - A detailed analysis of each of our proposed capital programs to determine those that are growth-related, ie, those augmentations or replacement works that create additional capacity on the network;
  - Evaluating the value of operating expenditure associated with these capital items;
  - Allocating the cost of these growth-related expenditure items to the tariff class which they serve or, where the expenditure was for the network more broadly, to each tariff class by the proportion of contribution to peak demand; and
  - Evaluating the present value of this forward-looking expenditure over a 10-year time horizon of 2020 to 2029;
- Evaluate the present value of additional demand met by Jemena's network:
  - Evaluate the cumulative increase of demand by each tariff class; and
  - Find the present value of additional demand over the 2020 to 2029; and
- Evaluate the LRMC for each tariff class by dividing the present value of growth-related expenditure by the present value of additional demand.

Long run marginal cost estimates

Our base LRMC estimates

The table below provides our base LRMC estimates for each tariff class, expressed either as dollars per kW per annum or dollars per kVA per annum.

Tariff class	Unit	LRMC estimate
Residential	$ / kW pa	$110
Small business	$ / kW pa	$70
Large business – low voltage	$ / kVA pa	$58
Large business – high voltage	$ / kVA pa	$36
Large business – subtransmission	$ / kVA pa	$0.33

However, most customers are not, or cannot, be charged based on their contribution to the network's maximum demand, which might only happen once or twice a year. We therefore need to express these LRMC estimates in terms of their charging parameters that constitute each tariff.

Convert LRMC into single rate component

To convert our LRMC estimates into the single rate component we have divided the estimate by the number of hours in the year and divide by 100 to convert into c/kWh.

For example, for our residential single rate LRMC, we divide $110 by:

- 365 multiplied by 24 and divide by 100

This provides a LRMC component estimate for the residential single rate tariff of 1.26 c/kWh.

Convert LRMC into peak rate component

To convert our LRMC estimates into the peak rate component we have divided the estimate by the number of hours in the peak period during the year and divide by 100 to convert into c/kWh.

For example, for our new residential TOU peak rate, which has a six hour peak period every day from 3pm-9pm, we estimate LRMC by dividing $110 by:

- 365 multiplied by 6 and divide by 100.

This provides a LRMC component estimate for the residential single rate tariff of 5.04 c/kWh.

Convert LRMC into demand charge component

To convert our LRMC estimates into the demand charge component we need to recognise that the sum of each customers' maximum demand exceeds coincident demand. We therefore need to apply a diversity factor to the base estimates.

For example, we calculate that residential customers' collective coincident demand is 46.8 per cent of the sum of residential customer maximum demand.

We therefore estimate the residential demand component LRMC estimate by multiplying $110/kW by 0.468, which is $51.60/kW.

Stand alone & avoidable cost

Why calculate stand alone and avoidable cost?

We test that our expected revenue from each tariff class falls between the efficiency bounds of stand alone and avoidable cost. This test is designed to ensure our customers 'pay their way' without 'paying too much'.

The avoidable costs for a tariff class are the theoretical cost savings that would be made if the customers in that tariff class were to cease to exist whilst all other customers in other tariff classes remained the same. This is often a relatively low value as it would generally only include assets specifically dedicated to those customers and a portion of operating expenses reflecting the incremental costs of supplying each customer.

Requiring that revenue from a tariff class is above avoidable cost ensures our customers 'pay their way'. This makes sense because if the revenue from these customers was less, then revenues from customers in other tariff classes would be 'too high', meaning other customers may be inefficiently cross-subsidising that tariff class.

The stand alone cost for a tariff class is the theoretical cost of building and operating a network designed solely for that tariff class. This is often relatively high because, by definition, there are no economies of scale from using shared assets to supply multiple tariff classes.

By requiring revenue from a tariff class to be below stand alone cost we ensure customers don't 'pay too much'. This makes sense as we don't want to incentivise inefficient behaviour by encouraging customers to duplicate our assets and build their own network as this would mean these customers would not be able to share any of the efficiency benefits from using a shared network.

Our approach to calculate stand alone and avoidable cost

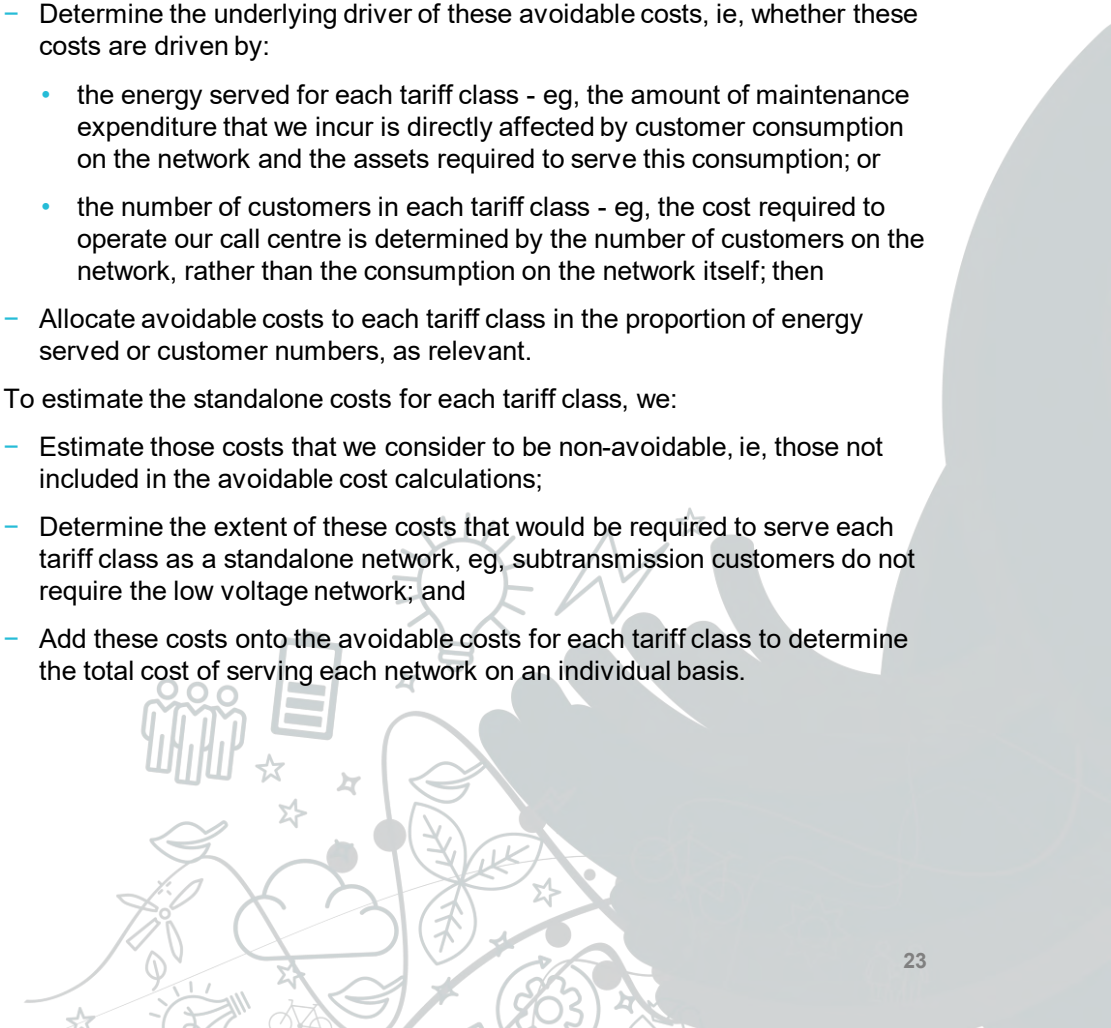
The method we implement to evaluate standalone and avoidable costs requires a process of reviewing the cost of providing our network services to determine whether they are incurred directly by certain tariff classes or shared across the network.

To estimate the avoidable costs for each of the tariff classes on our network, we undertake the following steps:

- Determine for each of the categories of operating and capital expenditure the proportion of costs that are incurred directly by customers using our network - ie, whether these costs would not be incurred if the tariff class were no long supplied;
- Determine the underlying driver of these avoidable costs, ie, whether these costs are driven by:
  - the energy served for each tariff class - eg, the amount of maintenance expenditure that we incur is directly affected by customer consumption on the network and the assets required to serve this consumption; or
  - the number of customers in each tariff class - eg, the cost required to operate our call centre is determined by the number of customers on the network, rather than the consumption on the network itself; then
- Allocate avoidable costs to each tariff class in the proportion of energy served or customer numbers, as relevant.

To estimate the standalone costs for each tariff class, we:

- Estimate those costs that we consider to be non-avoidable, ie, those not included in the avoidable cost calculations;
- Determine the extent of these costs that would be required to serve each tariff class as a standalone network, eg, subtransmission customers do not require the low voltage network; and
- Add these costs onto the avoidable costs for each tariff class to determine the total cost of serving each network on an individual basis.



Stand alone & avoidable cost test

This table below demonstrates that the expected revenue for our first year of the 2021-26 regulatory period falls between our avoidable cost and standalone cost estimate in that year for each of our tariff classes.

Tariff class	Avoidable costs ($2021-22)	Revenue ($2021-22)	Standalone costs ($2021-22)
Residential	14,354,434	119,056,672	1,095,409,550
Small business	5,098,901	58,972,368	1,240,590,460
Large business – low voltage	8,809,889	65,079,639	1,398,737,895
Large business – high voltage	2,961,233	17,439,091	466,270,568
Large business – subtransmission	620,251	2,628,546	155,056,696

05 Indicative prices

Interpreting indicative prices

Introduction

Our annual network tariffs are referred to as network use-of-system charges or '**NUoS**'. NUOS includes the annual costs of both our distribution network (distribution use of system charges or '**DUoS**') and several other costs[8] and adjustments.[9]

Our indicative NUoS prices in this section are calculated as a combination of our estimate DUoS prices, plus the estimated prices to reflect these other costs.

Our estimated DUoS prices are calculated consistent with our proposed X-factors and CPI within our 2021-26 regulatory proposal.

This section also provides indicative prices for our alternative control services. These are set to recover the cost to us of undertaking the required activity. The forecast price changes over the 2021-26 regulatory period reflect forecast changes in CPI and in the real cost of the inputs (labour and materials) used to provide the services.

What is an X-factor?

When making its decision on our allowed revenues, the AER uses a 'CPI-X' formula, which describes how much our average prices can change from one year to the next. The 'X' in CPI-X is the 'X-factor' and 'CPI' is inflation. Both are expressed as percentage amounts. When we describe price changes, we sometimes use the term 'real' price change or a 'nominal' price change. The table below shows how different X-factors should be translated into real or nominal price movements.

X-factor level	Real price movement	Nominal price movement
X-factor > CPI	↓	↓
X-factor = CPI	↓	↔
0 < X-factor < CPI	↓	↑
X-factor = 0	↔	↑
X-factor < 0	↑	↑

Interpreting the indicative prices

DUoS makes up around 31 per cent of a typical residential customer bill. Transmission services, which are included in NUoS, make up around 2 per cent of a typical customer bill. It is more for large business customers.

This TSS provides tariff structures and the price setting process related only to DUoS (standard control services and alternative control services) as this is the part of a customer's energy bill that we manage.

However, the indicative prices we publish include NUoS prices. Therefore, there are external elements that we must forecast to provide the indicative NUOS prices.

It is likely that our indicative prices will prove to be different to the actual prices we charge retailers (and which they incorporate into the prices that customers pay) due to difficulties in forecasting:

- annual transmission costs, which can be volatile
- pass-through amounts
- incentive scheme outcomes
- adjustments to take into account the previous year's under—or over—recovery of revenue.

Customers relying on this information to make business or investment decisions should be aware that:

- these indicative prices are part of our 2021-26 revised regulatory proposal submitted to the AER in December 2020 and will change to incorporate the AER's final decision around April 2021.
- there is potential volatility between an indicative price and final price, with risks inherent with relying on them. For example, the revenue cap results in revenue under or over recovery each year, which is then used to adjust future years revenues, and therefore the associated prices.

Our full set of indicative prices is provided at Attachment B.

8. The Rules refers to these as: 'designated pricing proposal charges', which include Transmission Use of System (TUoS) charges, inter-distr bution charges and avoided TUoS, and 'Jurisdictional scheme cost recovery', which include rebates paid for premium feed in tariffs.
9. This includes outcomes of incentives schemes we operate under and the need to balance any under- or over-recovery of revenue in any one year. As we are regulated under a revenue cap, the AER sets the maximum revenue we can receive in any year. Because revenue depends on actual demand levels and prices are set in advance, we will collect a different level of revenue to our allowance in any year. This is corrected by adjusting a following years' prices to pay back any over-recovery or collect any under-recovery. To allow data to become available for the annual price setting process, this has to be done with a two year lag.

06 Compliance checklist

Compliance checklist

This TSS is a requirement of the Rules. The table below provides where to find how we addressed these rule requirements within this TSS and our explanatory document.

Requirement	Rule	Location
A description of how the proposed TSS complies with the pricing principles	6.8.2(c)(7), 6.8.2(d2), 6.10.3(b1) & 6.18.1A(b)	See our explanatory document.
The TSS must be accompanied by an indicative pricing schedule	6.8.2(d1), 6.10.3(b1) & 6.18.1A(e)	Section 5 and Attachment B (which is JEN- Att 12-03 Indicative prices – 20201203 – Public)
The TSS must include tariff classes	6.18.1A(a)(1)	Section 2 of our TSS Chapter 2 of our explanatory document
The TSS must include the policies and procedures for assigning customers to tariffs and reassigning from one tariff to another	6.18.1A(a)(2)	Section 3 and Attachment A of our TSS Also discussed in chapters 3, 4 and 5 of our explanatory document
The TSS must include the structures for each tariff	6.18.1A(a)(3)	Section 3 of our TSS
The TSS must include the charging parameters for each tariff	6.18.1A(a)(4)	Section 3 of our TSS
The TSS must include a description of the approach we will take in setting each tariff in each pricing proposal during the regulatory period	6.18.1A(a)(5)	Section 4 of our TSS
We must describe our engagement with customers, retailers and stakeholders in developing the TSS	6.8.2(c1a)	Chapters 3, 4 and 5 of our explanatory document

Abbreviations

2021-26 Plan	Our revenue and pricing proposal to the AER for the 1 July 2021 to 30 June 2026 regulatory period
ACS	Alternative control services
AER	Australian Energy Regulator
AIC	Average incremental cost
AMI	Advanced metering infrastructure
Capex	Capital expenditure
Current period	1 January 2016 to 31 December 2020
DER	Distributed energy resources
DUoS	Distribution Use of System
Forecast period	1 July 2021 to 30 June 2026
Explanatory document	Tariff Structures Statement explanatory document
FY	Financial Year (year ending 30 June)
HV	High voltage
JEN	Jemena Electricity Networks (Vic) Ltd
kVA	Kilo-volt-ampere
kW	Kilowatt
kWh	Kilowatt hour
LRMC	Long run marginal cost
LV	Low voltage
MD	Maximum demand
NER	National Electricity Rules, or Rules
NMI	National Metering Identifier
NUoS	Network use of System
OM&R	Operation, maintenance and replacement
Opex	Operating expenditure
SCS	Standard control services
ToU	Time of Use
TSS	Tariff Structure Statement
TUoS	Transmission Use of System


Jemena

Attachment A – Assignment and reassignment policy

Jemena Electricity Networks (Vic) Ltd

Tariff Structure Statement

Attachment A

Tariff assignment and reassignment policy

An appropriate citation for this paper is:

JEN tariff assignment and reassignment policy

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Glossary

AER	the Australian Energy Regulator.
Applicant	the person lodging with *JEN* the *Tariff* Assignment/*Tariff* Reassignment Request form. The *applicant* could be the *customer* or the *customer's representative*.
Appropriate tariff	the *tariff* which matches the criterion applicable to the *customer's load, connection* and *metering characteristics*.
B2B service order	the *business to business service order* the *customer's retailer* sends to *JEN* requesting specific service(s) on behalf of the *customer*.
Business day	the part of a day during which most businesses are operating, usually from 9am to 5pm Monday through to Friday (excludes gazetted public holidays in Melbourne).
Connection characteristic	means: a) *supply* voltage level – *Low Voltage* (LV), *High Voltage* (*HV*) or *Sub-transmission*; and b) in relation to *Low Voltage supply* whether the *supply* is taken from an on-site or dedicated substation OR directly from the street. c) If the connection is an embedded network or a non-embedded network
Contract demand	the *kW* (or *kVA*) demand used to calculate the demand charge component of the *demand tariff* applicable to the *customer* in each billing period. *Contract demand* is always greater than or equal to the *maximum demand*.
Customer	a person: a) who has a *supply point* in *JEN*'s distribution area or is seeking to establish a *supply point* in *JEN*'s distribution area; and b) whose *NMI* is allocated to a *retailer* under the National Electricity Rules.
Customer's representative	the *retailer*, consultant, administrator, liquidator or third party contractor acting on the *customer*'s behalf.
Default tariff	the *tariff* assigned to the *supply point* at the time of connection to the *distribution system*.
Demand tariff	a *tariff* approved by the *AER* and contained in our *tariff* structure statement which has a demand component charged in $/*kW* pa or $/*kVA* pa.

Distribution licence	a licence granted under section 19 of the EI Act to distribute and deliver electricity using a *distribution system*.
Distribution system	the system of electric lines (generally at nominal voltage levels of 66kV or below) which *JEN* is licensed to use to distribute electricity for delivery under its *distribution licence*.
DNSP	distribution network service provider.
GWh	is a unit of electrical energy consumption measurement (Gigawatt Hours). One *GWh* is equivalent to 1,000 *MWh* or 1,000,000 *kWh*.
High voltage or HV	nominal voltage levels of 1,000 volts or more but less than or equal to 22,000 volts.
JEN	Jemena Electricity Networks (Vic) Ltd in its capacity as a *distribution licence* holder.
kVA	is a unit of electrical demand measurement (Kilo Volt-Amperes).
kW	is a unit of electrical demand measurement (Kilowatt).
kWh	is a unit of electrical energy consumption measurement (Kilowatt Hours).
Load characteristic	means: a) annual electricity consumption in *kWh*; and b) *maximum demand* in *kW* or *kVA*.
Low voltage or LV	a *supply* taken from a nominal voltage levels less than 1,000 volts.
Maximum demand	in relation to a billing period, is the demand calculated as being: a) the highest energy consumption in *kWh* recorded over 30-minute period (occurring during the relevant peak period defined under the *tariff* or anytime during the billing period where the peak period is undefined) multiplied by two (where the meter installed at the *customer*'s premises measures 30 minutes interval data); or b) the highest energy consumption in *kWh* recorded over any 15-minute period (occurring during the relevant peak period defined under the *tariff* or anytime during the billing period where the peak period is undefined)

	multiplied by four (where the meter installed at the *customer*'s premises measures 15 minutes interval data).
Metering characteristics	one of the four following types of meter: a) Interval meter manually or remotely read b) Two rate accumulation meter without demand meter c) Two rate accumulation meter with a demand meter d) Single rate accumulation meter.
MWh	is a unit of electrical e*ner*gy consumption measurement (Megawatt Hours). One *MWh* is equivalent to 1,000 *kWh*.
NEL	National Electricity Law.
NER	the National Electricity Rules which governs the operation of the National Electricity Market. The Rules are made under the National Electricity Law.
New customer	a *customer* who has taken over an existing *supply point* (i.e. change of occupancy) or has commenced consuming electricity from a new *supply point* in *JEN*'s distribution area (whether or not the *customer* has changed premises).
NMI	"National Metering Identifier" as defined in the National Electricity Rules.
PFIT	the Premium Feed In *Tariff*. *JEN* has replicated some of its network *tariff*s, using the prefix "F" to denote these *tariff*s attract the Premium Feed-in *Tariff* rebate. For example, A230 becomes F230 which indicates the *tariff* attracts the *PFIT* rebate. The *PFIT* scheme is due to end on 31 October 2024.
Retailer	a person who holds a retail licence in Victoria to sell electricity to *customers*.
Sub-transmission	nominal voltage levels greater than 22,000 volts.
Supply	the delivery of electricity.

Supply point	in relation to a *customer*, means the point where a *supply* of electricity taken by the *customer* leaves a *supply* facility owned or operated by *JEN* before being supplied to the *customer*. Where the *customer*'s electrical installation is not directly connected to the *distribution system*, the *supply point* is the point at which the electricity last leaves the *supply* facility owned or operated by *JEN* before being supplied to the *customer*, whether or not the electricity passes through facilities owned or operated by any other person after leaving that point before being so supplied.
Tariff	the network *tariff* or *tariff*s charged by *JEN* to *retailer*s in respect of their *customers*, for distributing electricity using the *distribution system* and the transmission system, as approved by the *AER* from time to time, in accordance with the Use of System Agreements between *JEN* and each *retailer*.
Tariff code	the code assigned by *JEN* to each *tariff*.
TSS	*JEN*'s current *tariff* structure statement. The *TSS* sets out each distributor's applicable *tariff*s and their policies and procedures for assigning or reassigning *customers* to particular *tariff*s. The *TSS* must ensure that the proposed *tariff*s conform with pricing principles specified in the *NER*.
Written notice	notice given via mail or email.

1. Introduction

This document sets out Jemena Electricity Networks (Vic) Ltd (*JEN*'s) *tariff* assignment reassignment policy to apply from 1 July 2021. It describes the requirements which *customers* and their representatives must comply with when requesting a *tariff* assignment or reassignment and how *JEN* will respond to such requests. The policy is consistent with our current *tariff* structure statement (***TSS***) and reflects the outcomes of our *customer* engagement process.

When developing this policy, *JEN* has considered the need to:

- Assign and reassign *customers* to the appropriate network *tariff*s under the regulatory framework
- Ensure that *customers* pay a fair amount for their use of the *distribution system* (so that one *customer* does not benefit to the detriment of all other *customers*).

This policy also sets out the eligible *tariff*s that are available for *customers* to request to be assigned and reassigned to.

2. Process to assign and reassign customers

JEN uses the following process to assign or reassign *customers* to the *appropriate tariff*:

- **Step 1: Tariff class assignment** – the *customer* is assigned to the appropriate tariff class based on the tariff class criteria described in Section 3.
- **Step 2: Tariff assignment** – For residential and small business *customers*, once the *customer* is assigned to the tariff class, the *appropriate tariff* is based on the *default tariff* for the *customer* as per the criteria specified in Section 4. For large business, high-voltage and *sub-transmission customers* the *appropriate tariff* is determined based on *customer*'s load and *metering characteristics*, specified against the criteria applicable to each *tariff* within the tariff class (see Appendix A).

JEN's *tariff* schedule, published annually, also lists the criteria applicable to each *tariff* and tariff class. This policy and the *tariff* schedule provide the *customer* and *customer's representative* with the necessary information to select the *tariff* when applying for a *tariff* assignment or reassignment.

3. Tariff class assignment

JEN has grouped its *tariff*s into five tariff classes based on *customer*'s type (residential or business), *customer*'s load and *connection characteristic*s.

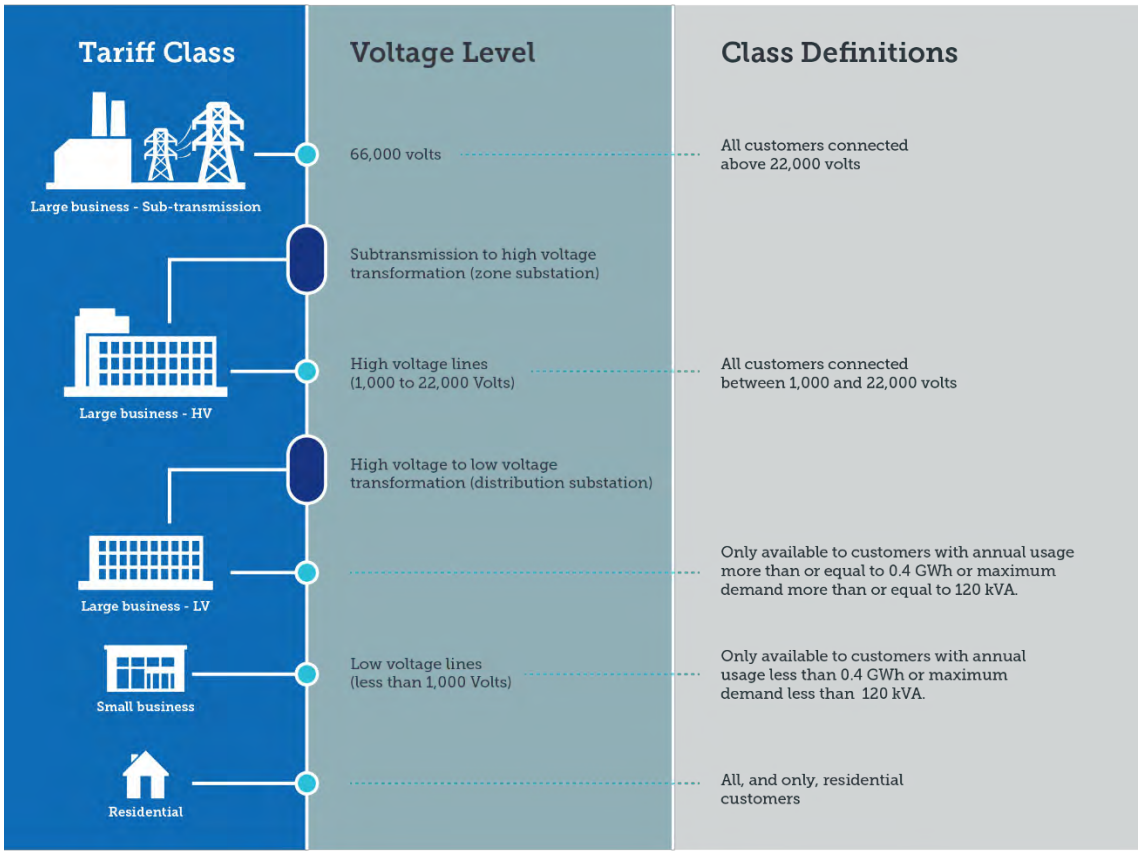
Each tariff class incorporates several *tariff*s sharing a common *tariff code* numbering convention. For example, Residential tariff class contains *tariff*s with *tariff code*s starting with A1XX or F1XX, whereas the Small Business tariff class contains *tariff code*s starting with A2XX or F2XX.[1] The list of *tariff*s contained within each tariff class is detailed in Appendix A.

The five tariff classes are shown in Figure 3–1. The tariff class criteria used for tariff class assignment is:

1. **Residential** – This tariff class contains all *tariff*s starting with *tariff code*s A1XX or F1XX and applies to all residential *customers*.
2. **Small Business** – This tariff class contains all *tariff*s starting with *tariff code*s A2XX or F2XX and applies to *Low Voltage* business *customers*:
   a) consuming an annual amount of electricity less than 400 *MWh*; and
   b) having a *maximum demand* of less than 120 *kW*.
3. **Large Business *Low Voltage*** – This tariff class contains all *tariff*s starting with *tariff code*s A3XX or F3XX and applies to large business *customers* connected at *low voltage*:
   a) consuming an annual amount of electricity greater than or equal to 400 *MWh*; or
   b) having a *maximum demand* greater than or equal to 120 *kW*; or
   c) where *supply* is taken from an on-site or dedicated substation.
4. **Large Business *High Voltage*** – This tariff class contains all *tariff*s starting with *tariff code*s A4XX and applies to large business *customers* connected at *high voltage*.
5. **Large Business *Sub-transmission*** – This tariff class contains all *tariff*s starting with *tariff code*s A5XX and applies to large business *customers* connected at *sub-transmission* voltage.

[1] Some *customers* may also have a TXXX code, which indicates that they previously received the transitional feed-in tariff. This scheme ended on 31 December 2016

Figure 3–1: *JEN*'s *tariff* classes



3.1 Embedded networks

Embedded networks are subject to the same criteria as non-embedded networks. They may be allocated to the small business or one of the large business tariff classes (*low voltage*, *high voltage* or *sub-transmission*) depending on the embedded network's *connection characteristic*s.

4. Tariff assignment

Tariff assignment occurs when a *customer*:

- Commences to consume electricity from a new *supply point* (i.e. new connection); or
- Takes over an existing *supply point* (i.e. change of occupancy).

Table 4.1 defines how the *tariff* is assigned in each of the above cases.

Table 4–1: *Tariff* assignment

Customer Type	New Connection	Change of occupancy
Residential *customers*	*JEN* will assign the *customer* to the relevant *default tariff* as described in the Table 4–2.	If the *retailer* wishes to change *tariff* from that which is currently assigned to the *NMI*, the *customer's retailer* must request a *tariff* change to *JEN* using a *B2B service order*.
Small business *customers*	*JEN* will use the estimated information collected from the *customer*, the *customer's representative* or the *retailer*'s *B2B service order* to assign the *customer* to the *tariff* as described in Table 4–2.	The *customer* or the *customer's representative* must notify *JEN* in writing of the change in occupancy, using either B2B or the form at Appendix B to enable *JEN* to assign the *customer* to the *appropriate tariff*.[2]
Large business *customers*	*JEN* will use the estimated information collected from the *customer*, the *customer's representative* or the *retailer*'s *B2B service order* to assign the *customer* to the *appropriate tariff*.	The *customer* or the *customer's representative* must notify *JEN* in writing of the change in occupancy, using the form at Appendix B to enable *JEN* to assign the *customer* to the *appropriate tariff*.[2]

4.1 Process for change of occupancy

Where the completed request form is received:

- within 20 *business days* from the date the change of occupancy occurred, the new *tariff* assignment (if approved by *JEN*) will take effect from the date the change of occupancy occurred
- after 20 *business days* from the date the change of occupancy occurred, the new *tariff* assignment (if approved by *JEN*) will take effect from the first day of the next billing cycle after the date of application.

The new network *tariff* assignment will not take effect until *JEN* advises the *applicant* in writing of the approval and effective date of the new *tariff* assignment.

JEN will use reasonable endeavours to advise the *applicant* in writing of the decision to a *tariff* assignment within 20 *business days* of receipt of the request.

As the *tariff* assignment will be based on estimated information obtained from the *customer* or *customer's representative*, it is the responsibility of the *customer* or *customer's representative* to monitor the suitability of the *tariff* applied and advise *JEN* if a *tariff* reassignment is required (see Section 5).

[2] The *applicant* is wholly responsible for conveying the correct information to *JEN* and communicating any further requests and decisions made by *JEN* to the *customer*. *JEN* may request the *applicant* to re-submit the application form if the initial form is not correctly completed.

4.2 Default tariffs

Table 4–2 provides the *default tariff*s applicable to *new customers* (except for change of occupancy[3]) as per the type and criteria.

Table 4–2: *Default tariff*s

Customer Type	Criteria	*Default Tariff*
Residential	Residential *customer*	A120
Small Business	*Customers* consuming < 40 *MWh* pa AND with a two rate accumulation meter or Interval meter.	A210
Small Business	*Customers* consuming > 40 *MWh* pa AND with a two rate accumulation meter or Interval meter.	A230
Large Business	As per estimated demand and annual consumption (see the table in Appendix A)	

Below are a few examples to illustrate how *JEN* determines the *appropriate tariff* to be assigned to a *customer*.

4.3 Examples

4.3.1 Example 1 - Business Customer A

Assumptions:

- Estimated annual consumption: 360 *MWh*
- Estimated *maximum demand*: 125 *kVA*
- *Low voltage supply*

Assessment:

Step 1 – Tariff class assignment: The estimated *maximum demand* is 125 *kVA*, which is greater than 120 *kVA*. As a result the *customer* is assigned to tariff class “Large Business - Low Voltage”.

Step 2 – Tariff assignment: The estimated annual consumption is 360 *MWh*, which is less than or equal to 0.8 *GWh* (each *GWh* = 1,000 *MWh*). As a result, the *customer* is assigned to *tariff code* A300 “LV <= 0.8 GWh”.

4.3.2 Example 2 - Business Customer B

Assumptions:

- Estimated annual consumption: 240 *MWh*
- Estimated *maximum demand*: 70 *kVA* / 56 *kW*
- Interval meter

[3] Change of occupancy *customers* would continue to remain on the tariff previous assigned to the NMI.

Assessment:

Step 1 - Tariff class assignment: The estimated *maximum demand* is less than 120 *kVA* and the estimated annual consumption is less than 400 *MWh*. As a result the *customer* is assigned to tariff class “Small Business”.

Step 2 - *Tariff assignment*: The estimated annual consumption is greater than 40*MWh* and the *customer* has an interval meter. As a result the *customer* is assigned to *tariff code* A230 “Time of use weekdays - Demand”.

5. Tariff Reassignment

When a *new customer* is assigned to a *tariff*, that *tariff* will continue to apply until it is changed as part of a regulatory reset process or there is a change in the *customer*'s load, connection or *metering characteristics*, and:

- the *customer* or the *customer's representative* applies for a *tariff* reassignment in accordance with section 5.1; or
- *JEN* initiates the *tariff* reassignment in accordance with section 5.2.

5.1 Customer-initiated reassignment

Where the *customer* or the *customer's representative* wants to request a *tariff* reassignment, they must apply in writing, either via:

- for residential *customers* and small business *customers* consuming under 40MWh per year—a *B2B service order* from their *retailer*; or
- for small business *customers* consuming over 40MWh per year and large business *customers*—completing the Jemena Tariff Reassignment Form in Appendix C.[4]

Appendix A provides the criteria for, and list of, eligible *tariff*s other than the *default tariff* for residential and small business *customers*.

JEN will use reasonable endeavours to advise the *applicant* in writing of the decision to a *tariff* reassignment within 20 *business day*s of receipt of the request.

The number of *tariff* reassignment applications a *customer* may make in any 12-month period is:

- **unlimited**—for residential *customers* and small business *customers* who consume under 40*MWh* per annum,
- **one per *supply point*—**all other *customers*. This excludes applications for reassignment to the new fully cost reflective tariff as outlined in section 5.1.1.

5.1.1 Large business reassignment to optional tariff

From 1 July 2021, all large business *customers*[5] will be subject to a new summer demand incentive (**SDIC**) charge component. The SDIC price will be transitioned to a cost reflective level over 5 years in accordance with our TSS, with fully cost reflective price levels applying in 2025-26. We call this the 'transitional' tariff.

Customers can choose their equivalent network tariff with the SDIC priced at fully cost reflective levels from 1 July 2021.[6] We call this the 'fully cost reflective' tariff. For the avoidance of doubt, customers can request to be allocated to the fully cost reflective tariff regardless of whether they applied for a tariff reassignment within the previous 12 months—we will assess the applications in accordance with the policy below.

Our new tariffs are designed to take into account seasonality of demand profiles. Consequently, the following conditions apply to changing between the transitional tariff and the fully cost reflective tariff:

- *Customers* may seek a tariff reassignment by completing the Jemena Tariff Reassignment Form in Appendix C.[7]

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4 The *applicant* is wholly responsible for conveying the correct information to *JEN* and communicating any further requests and decisions made by *JEN* to the *customer*. *JEN* may request the *applicant* to re-submit the application form if the initial form is not correctly completed.

5 This will exclude the new tariff A50M, which is a new tariff as of 1 July 2021.

6 Compared to the transitional tariff, this SDIC price will be higher and the demand charge price will be lower.

7 The *applicant* is wholly responsible for conveying the correct information to *JEN* and communicating any further requests and decisions made by *JEN* to the *customer*. *JEN* may request the *applicant* to re-submit the application form if the initial form is not correctly completed.

- When a tariff reassignment to the fully cost reflective tariff is approved, it will apply from the later of:
  - The first day of the next billing cycle following the date of application; or
  - 1 July 2021.
- If a *customer* subsequently wants to opt-out of the fully cost reflective tariff back to the transitional tariff within the 12 month period of being reassigned[8], all the network bills issued after the tariff change to the fully cost reflective tariff will be reversed and reissued based on the transitional tariff. The *customer* can only opt out to the transitional tariff they were previously assigned.
- *Customers* can only opt in or opt out of the fully cost reflective tariff once in any 12 month period. This does not prevent the *customer* from applying to be reassigned between cost reflective tariffs as long as they meet the relevant criteria for the tariff.
- For a *customer* who wants to be reassigned to, and qualifies for, another large business cost reflective tariff, then there would not be any recalculation of historical network bills.

5.2 JEN-initiated reassignment

JEN may become aware of the change in the *customer*'s load, connection or *metering characteristics* through a number of means including, but not limited to:

- a written application or correspondence received from the *customer* or the *customer*'s representative, such as an application for a *tariff* reassignment, a *contract demand* reset, request for upgrade or connection alteration, or the receipt of a *B2B service order* from the *customer*'s *retailer*.
- the entering of a contractual arrangement between *JEN* and the *customer*.

Whether the *customer*, the *customer's representative* or *JEN* initiates a *tariff* reassignment *JEN* will use the process described in this document to reassign the *customer* to the *appropriate tariff*. JEN will endeavour to provide the *customer* or the *customer's* incumbent retailer with 20 business days notice prior to the reassignment.

Where a residential or a small business *customer* is on a single rate *tariff* and installs distributed energy resources capable of injection into *JEN*'s network (including solar PV systems or batteries[9]) or upgrades the connection to a three phase *supply point*, then *JEN* will automatically reassign the *NMI* to the *default tariff* specified under Section 4. In such cases, *JEN* will not provide the *customer* with prior notice of the reassignment. However, if the *customer* prefers to be reassigned to another eligible *tariff* they can, via their *retailer,* either, inform *JEN* with a written application of the preferred *tariff* at the time of change or opt out of the *default tariff* at a later date.[10]

5.3 Approach to contract demand

Contract demand is the *kW* (or *kVA*) demand used to calculate the demand charge component of a *demand tariff* where one is applicable to the *customer* in each billing period.

Where a *customer* is on a *demand tariff* that has a minimum chargeable demand, the *tariff* reassignment does not trigger an automatic change in the *contract demand*.[11] However, where the minimum chargeable demand of the new *tariff* is greater than the *contract demand* that applied to the existing *tariff*, the *contract demand* will increase to match the minimum chargeable demand of the new *tariff* (see example 3 below).

8 Via the Jemena Tariff Reassignment Form in Appendix C.

9 If a robust register or other means to identify them becomes available to *JEN*, we may also seek to automatically assign *customers* who have an electric vehicle to the *default tariff*. *Customers* with an electric vehicle assigned to the *default tariff* would be able to seek reassignment to other eligible tariffs.

10 JEN will allow opt out reassignment in accordance with the requirements of the AMI Order in Council.

11 Please refer to *JEN*'s annual network tariff schedule or our tariff structure statement for the minimum chargeable demand for each of the tariffs.

Further information on the application of *contract demand* can be found in *JEN*'s Policy for Resetting *Contract Demand* which can be accessed via the link below:

https://jemena.com.au/about/document-centre/electricity/contract-demand-reset-policy

5.4 Examples

We provide examples below to illustrate how *JEN* determines the *appropriate tariff* to be reassigned to the *customer*.

5.4.1 Example 1 - Business Customer C

Assumptions:

- Annual consumption: Changed from 420 *MWh* to 830 *MWh* (changes in *load characteristics*)
- *Low voltage supply*
- Existing tariff class: "Large Business – *Low Voltage*"
- Existing *tariff code*: A300
- Existing *contract demand* 280 *kVA*
- The *customer* applied to be reassigned to *tariff code* A320.

Assessment:

Step 1 - Tariff class assignment: The *customer's* annual consumption is 830 *MWh*, which is greater than or equal to 400 *MWh*. As a result the *customer* will remain within the "Large Business - Low Voltage" tariff class.

Step 2 - Tariff assignment: The annual consumption is 830 *MWh*, which is greater than 0.8 *GWh* but less than or equal to 2.2 *GWh*. As a result the *customer's* application to be reassigned is successful and they will be reassigned to *tariff code* A320 or, if requested, to the A32C. The *contract demand* will not change as a result of switching to *tariff code* A320 or A32C.

5.4.2 Example 2 - Business Customer D

Assumptions:

- Annual consumption: Changed from 805 *MWh* to 380 *MWh* (changes in *load characteristics*)
- Existing tariff class: "Large *Business – Low Voltage"*
- Existing *tariff code*: A320
- Existing *contract demand* 252 *kVA*
- The *customer* applied to be reassigned to *tariff code* A230 under tariff class "Small Business".

Assessment:

Step 1 – Tariff class assignment: The *customer* has a *contract demand* of 252 *kVA*, which is above 120 *kVA*. As a result the *customer* is not eligible to be reassigned to the "Small Business" tariff class. *The customer* will remain on the "Large Business - Low Voltage" tariff class. The *customer's* application is unsuccessful.

Step 2 – Tariff assignment: Despite the *customer's* tariff class application being unsuccessful, *JEN* will assess if the *customer* can remain on the existing *tariff code* A320. The annual consumption is 380 *MWh*,

which is less than 0.8 *GWh*. As a result the *customer* will be reassigned to *tariff code* A300. The *contract demand* will not change as a result of switching to *tariff code* A300.

5.4.3 Example 3 - Business Customer E

Assumptions:

- Annual consumption: Changed from 270 *MWh* to 405 *MWh* (changes in *load characteristic*s)
- Existing tariff class: “Small Business”
- Existing *tariff code*: A230
- Existing *contract demand* 105 *kVA*
- The *customer* applied to be reassigned to *tariff code* A300 under tariff class “Large Business – Low Voltage”.

Assessment:

a) **Step 1 – Tariff class assignment**: *The* customer’s annual consumption is 405 *MWh*, which is greater than or equal to 400 *MWh*. As a result the *customer* will be reassigned to the “Large Business – Low Voltage” tariff class.

b) **Step 2 – Tariff assignment**: The annual consumption is 405 *MWh*, which is less than or equal to 0.8 *GWh*. As a result *the customer’s application* is successful, and the *customer* will be reassigned to *tariff code* A300. The *contract demand* will increase to 120 *kW*, being the minimum chargeable demand under *tariff code* A300.

5.5 Reassignment notification

Other than as noted in section 5.2, *JEN* will notify the *customer* or the *customer’s* representative directly in writing of the tariff class to which the *customer* has been reassigned prior to the reassignment occurring.

5.5.1 Tariff reassignment initiated by the *applicant*

In the event the *applicant* initiates the *tariff* reassignment, *JEN* will notify the *applicant* in writing of the success or otherwise of the application. Where the application is not successful, *JEN* will advise the *applicant* of the reason for not being successful, and alternative *tariff*s that might be available to the *customer*.

Where the *applicant* is someone other than the *customer* or *customer*’s *retailer*, the *applicant* will be required to obtain authorisation from the *customer* to deal with *JEN* on their behalf. The *applicant* will also take responsibility of communicating the outcome of the *tariff* reassignment to the *customer*.

5.6 Objection

Customers may request further information from *JEN* or object to the proposed *tariff* reassignment decision.

Customers who wish to lodge an objection must do so in writing by using the *Tariff* Reassignment Objection Form in Appendix D and provide supporting evidence or documentation relating to the review. *Customers* who wish to object to the *tariff* reassignment decision should make reference to their load, connection and *metering characteristics*. *JEN* relies on this information to be able to review the *customer*’s objection application.

The completed *Tariff* Reassignment Objection Form must be emailed to *Customer*Relations@jemena.com.au. We encourage *customers* to request further information or clarification of the *tariff* reassignment decision before an objection is lodged.

If the completed objection form is lodged:

- within 20 *business day*s from the date the *customer* or *customer's representative* was advised of the *tariff* reassignment decision, *JEN* will apply the changes following a successful objection from the 1st billing period starting after the request of *tariff* assignment/reassignment from the *customer*.
- after 20 *business day*s from the date the *customer* or *customer's representative* was advised of the *tariff* reassignment decision, *JEN* will apply the changes following a successful objection from the 1st billing period starting after receipt of the completed objection form.

In both situations, if *JEN* requests further information pertaining to the objection application and such information is not provided within 20 *business day*s from the date requested, *JEN* will apply the changes following a successful objection from the 1st billing period starting after receipt of the requested information.

Upon receipt of the *customer*'s completed *Tariff* Reassignment Objection Form, *JEN* will review the assignment in accordance with our internal procedures and notify the *applicant* of the outcome within 20 *business day*s. We may contact the *applicant* to request further information and advise if there are circumstances causing a longer review process.

If the *customer* remains unsatisfied with *JEN*'s decision and response, they may contact the E*ner*gy and Water Ombudsman (Victoria) or seek a decision from the Australian E*ner*gy Regulator (*AER*) using the dispute resolution process available under Part 10 of the *NEL*.

Appendix A
Tariff criteria

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Tariff Class	*Tariff* Code	*Tariff* Name	Criteria
Residential	A120 / F120[a]	Two-rate time of use	This is the default residential *tariff.* Residential *customers* with a remotely read AMI meter. This *tariff* is open to all other residential *customers* by request.
	A100 / F100[a] / T100[b]	Single rate	Residential *customers* with a single rate accumulation meter or a remotely read AMI meter. This *tariff* is open to all other residential *customers* by request.
	A10D / F10D[a] / T10D[b]	Demand	Residential *customers* with a remotely read AMI meter. This *tariff* is open to all other residential *customers* by request.
	A180[d]	Off Peak Heating Only	Residential *customers* with off-peak dedicated load. This *tariff* is closed to new entrants.
Small Business	A200 / F200[a] / T200[b]	Single rate	*Customers* with a single rate accumulation meter or a remotely read AMI meter AND consuming < 40*MWh* pa. This *tariff* is open to all other small business *customers* who consumer < 40*MWh* pa by request.
	A20D / F20D[a] / T20D[b]	Demand	*Customers* with meter capable of measuring demand AND consuming < 40 *MWh* pa. This *tariff* is open to all other small business *customers* who consumer < 40*MWh* pa by request.
	A210 / F210[a] / T210[b]	Time of Use Weekdays (Default for < 40 *MWh* pa)	This is the *default tariff* for small business *customers* consuming < 40 *MWh* pa This *tariff* is open to all other small business *customers* who consumer < 40*MWh* pa by request.
	A230 / F230[a] / T230[b]	Time of Use Weekdays – Demand (Default for > 40 *MWh* pa)	This is the *default tariff* for small business *customers* consuming < 40 *MWh* pa *Customers* with a meter capable of measuring demand AND consuming > 40 *MWh* pa.
	A23N / F23N[a] / T23N[b]	Time of Use - Opt-out	*Customers* with a meter capable of measuring demand AND consuming > 40 *MWh* pa.
	A270 / F270[a] / T270[b]	Time of Use Extended - Demand	*Customers* consuming > 40 *MWh* pa AND with a meter capable of measuring demand. This *tariff* is closed to new entrants.
Large Business – Large Voltage	A300 / F300[a] / T300[b]	*LV* <= 0.8 *GWh*	*Customers* consuming ≤ 0.8 *GWh* pa
	A30E	LVEN ≤ 0.8 *GWh*	*Customers* with an Embedded Network consuming ≤ 0.8 *GWh* pa

Tariff Class	*Tariff* Code	*Tariff* Name	Criteria
	A30C / F30C[a] / T30C[b]	*LV* <= 0.8 *GWh or LVEN* <= 0.8 *GWh*	*Customers* consuming ≤ 0.8 *GWh* pa
	A320	*LV* 0.8+ - 2.2 *GWh*	*Customers* consuming > 0.8 *GWh* pa BUT ≤ 2.2 *GWh* pa
	A32E	LVEN 0.8+ - 2.2 *GWh*	*Customers* with an Embedded Network consuming > 0.8 *GWh* pa BUT ≤ 2.2 *GWh* pa
	A32C	*LV* 0.8+ - 2.2 *GWh or* LVEN 0.8+ - 2.2 *GWh*	*Customers* consuming > 0.8 *GWh* pa BUT ≤ 2.2 *GWh* pa
	A340	*LV* 2.2+ - 6.0 *GWh*	*Customers* consuming > 2.2 *GWh* pa BUT ≤ 6.0 *GWh* pa
	A34E	LVEN 2.2+ *GWh*	*Customers* with an Embedded Network consuming > 2.2 *GWh* pa
	A34C	*LV* 2.2+ - 6.0 *GWh or* LVEN 2.2+ *GWh*	*Non Embedded Customers* consuming > 2.2 *GWh* pa BUT ≤ 6.0 *GWh* pa or for *Embedded Customers* consuming > 2.2 *GWh* pa
	A34M[c]	LVMS 2.2+ - 6.0 *GWh*	*Customers* taking *supply* from multiple *supply point*s on a single site other than an embedded network *customer* with aggregated annual consumption of > 2.2 *GWh* BUT ≤ 6.0 *GWh*. This *tariff* is closed to new entrants.
	A34T[c]	LVMS 2.2+ - 6.0 *GWh*	*Customers* taking *supply* from multiple *supply point*s on a single site other than an embedded network *customer* with aggregated annual consumption of > 2.2 *GWh* BUT ≤ 6.0 *GWh*. This *tariff* is only available to *customers* on the A34M tariff.
	A370	*LV* 6.0+ *GWh*	*Customers* consuming > 6.0 *GWh* pa
	A37C	*LV* 6.0+ *GWh*	*Customers* consuming > 6.0 *GWh* pa
	A37M[c]	LVMS 6.0+ *GWh*	*Customers* taking *supply* from multiple *supply point*s on a single site other than an embedded network *customer* AND with aggregated annual consumption of > 6.0 *GWh*. This *tariff* is closed to new entrants.
	A37T[c]	LVMS 6.0+ *GWh*	*Customers* taking *supply* from multiple *supply point*s on a single site other than an embedded network *customer* AND with aggregated annual consumption of > 6.0 *GWh*. This *tariff* is only available to *customers* on the A37M tariff.
Large Business – *High Voltage*	A400	*HV*	*Customers* consuming < 55 *GWh* pa
	A40E	*HV*EN	*Customers* with an Embedded Network
	A40C	*HV or HV*EN	*Customers* consuming < 55 *GWh* pa
	A40R[c]	*HV*RF	This *tariff* is closed to new entrants
	A40T[c]	*HV*RF	This *tariff* is only available to *customers* on the A40R tariff.

Tariff Class	*Tariff* Code	*Tariff* Name	Criteria
	A480	*HV* - Annual Consumption ≥ 55 *GWh*	*Customers* consuming ≥ 55 *GWh* pa
	A48C	*HV* - Annual Consumption ≥ 55 *GWh*	*Customers* consuming ≥ 55 *GWh* pa
Large Business – *Sub-Transmission*	A500	Subtransmission	Nominal voltage of 22,000 volts or greater
	A50C	Subtransmission	Nominal voltage of 22,000 volts or greater
	A50A	Subtransmission MA	Nominal voltage of 22,000 volts or greater
	A50T	Subtransmission MA	Nominal voltage of 22,000 volts or greater
	A50E	Subtransmission EG	*Customers* with embedded Gen*er*ators connected to TTS-SSS-ST-EPG-TTS Loop.
	A50X	Subtransmission EG	*Customers* with embedded Gen*er*ators connected to TTS-SSS-ST-EPG-TTS Loop.
	A50M	Subtransmission - Multiple feeder (NEW)	Site having multiple feeders with each feeder having a nominal voltage of 22,000 volts or greater.

[a] A *tariff code* starting with the letter "F" indicates that the *tariff* attracts the Premium Feed-In--*Tariff* rebate. *Tariff* reassignment requests to a *tariff* starting with the letter "F" can only be made by the *customer*'s *retailer*. This scheme ends on 31 October 2024. Existing *customers* may remain on "F" *tariff*s until they / *retailer*s choose to move to another *tariff* or *tariff code*; however, no premium Feed-In-*Tariff* rebate will be paid following the closure of the scheme.

[b] A *tariff code* starting with the letter "T" indicates that the *tariff* attracted the Transitional Feed-In-*Tariff* rebate. Transitional Feed-In-*Tariff* rebate is no longer applicable from 2017. Existing *customers* may remain on "T" *tariff*s until they / *retailer*s choose to move to another *tariff*; however, no Transitional Feed-In-*Tariff* rebate will be paid.

[c] Other terms and conditions apply.

The Deemed Distribution Contract and Jemena Electricity Networks' Policy for Resetting *Contract Demand* form part of the terms and conditions related to these prices. These documents can be viewed or downloaded from the following Website:

http://jemena.com.au/getattachment/6602de3e-9780-4bf6-b5fb-7114f89e4956/Deemed-Standard-Distribution-Contract.aspx

https://jemena.com.au/about/document-centre/electricity/contract-demand-reset-policy

Appendix B
Jemena Tariff Assignment Form

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Jemena Electricity Networks (VIC) Ltd
Network Tariff Assignment Request Form for Business Customers

[Please use one form per Supply Point and e-mail the form to JENTariffs@jemena.com.au]

This Request Form applies for business customers only. It must be used to request a network tariff assignment with respect to a Change of Occupancy situation where the customer or the customer's representative believes the network tariff and/or contract demand that applied to the previous tenant are no longer appropriate to continue to apply.

Generally, a change of business name or business ownership does not constitute a Change of Occupancy for network tariff assignment purposes (i.e. current network tariff and contract demand applies). However, where the customer can demonstrate that the business' operation will change (or has changed) as a result of the change in business name or business ownership, then this form can also be used to request a tariff assignment provided supporting documentation is submitted with the Request Form.

Supporting documentation may include a statement from the customer (a person holding a General Manager position or higher) explaining what changes will be (or have been) implemented that would cause the site's current load characteristics to change, why in the customer's views these changes will cause the site's current load characteristics to change, the date(s) these changes will be (or have been) implemented and the impact of these changes to the site's current load characteristics.
Note: All fields denoted with * are mandatory

1. NEW CUSTOMER DETAILS

Business name*: _____

Business ABN or ACN*: _____

Supply point address*: _____

NMI*: VDDD_____ or 6001_____

Date the change of occupancy (name or business ownership) occurred*: ___ / ___ / ___

Briefly describe the nature of the business and hours of operation:

_____

_____

2. PREVIOUS CUSTOMER DETAILS

Business name*: _____

Business ABN or ACN*:_____

Date the previous customer moved out*: ___ / ___ / ___

3. TARIFF CUSTOMER DETAILS

Type of network tariff assignment request (choose a number from the list below)*: _____

1. Change of occupancy, i.e. previous tenant moved out and new tenant moved in.
2. Change of business name (supporting documentation is required for this type of request)
3. Change of business ownership (supporting documentation is required for this type of request)
4. Other (specify) _____

Site's load characteristics resulting from the change:

1. Estimated annual consumption in kWh*: _____kWh
2. Estimated maximum demand in kW *: _____kW / kVA

Metering type currently installed (please tick)*:

1. Interval/Smart meter manually or remotely read ☐
2. Two rate accumulation meter WITHOUT demand meter ☐
3. Two rate accumulation meter WITH demand meter. ☐
4. Single rate accumulation meter ☐

4. PROPOSED NETWORK TARIFF DETAILS

Nominated network tariff name* : _____

Nominated network tariff code*: **A** _____ or **T**_____ or **F**_____

5. CONDITIONS APPLYING TO THE REQUEST

- The applicant must sign and e-mail the completed Request Form to jentariffs@jemena.com.au.
- Requests to reassign a Customer to a network tariff code starting with the letter "T" must be made by the customer's retailer.
- Where the applicant is not the Customer, it is the applicant's respons bility to ensure the Customer is aware of and agrees to this tariff reassignment request. The applicant is wholly respons ble for conveying the correct information to JEN and also communicating the decision made by JEN to the Customer.
- JEN may request the applicant to re-submit the request if the initial Request Form is not correctly completed or if the form is modified in any manner.
- The applicant acknowledges that in the event the request is approved the contract demand applicable to the new tariff will be set in accordance with the JEN Policy for Resetting Contract Demand.
- Any network tariff reassignment request will not take effect until JEN advises the applicant in writing of the approval and the effective date of the new tariff assignment.
- Network tariff reassignment requests are limited to one application over any 12 months period.

6. APPLICANT DETAILS

Name (person lodging the request form): _____

Business Name: _____

Position Title (if applicable): _____

Telephone Number: (_____) _____ **E-mail:** _____

Applicant's Signature: _____ **Date:** _____/_____/_____

Note: If the applicant is the Customer's Retailer, the applicant warrants that it has been authorised to act Customer's behalf.

The section below is required to be completed by the customer, if the Applicant is someone other than the Customer or Customer's Retailer.

I _____ **at the supply point address referred to in this Request Form, consent to the above applicant acting on my behalf. My contact details are as follows:**

Position Title: _____

Telephone Number: ( ) _____ **E-mail:** _____

Customer's Signature: _____ **Date:** _____/_____/_____

Appendix C
Jemena Tariff Reassignment Form

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Jemena Electricity Networks (VIC) Ltd

Network Tariff Reassignment Request Form for Business Customer

[Please use one form per Supply Point and email the form to JENTariffs@jemena.com.au]

This **Request Form** must be used to request a network tariff reassignment for an existing business customer.

Note: All fields denoted with * are mandatory.
Fields denoted with # only apply to customers currently assigned to a demand network tariff.

1 – CUSTOMER DETAILS

Business name*: _____

Supply point address*: _____

NMI*: **VDDD**_____ or **6001**_____

Reasons for change in load and/or connection characteristics*:

_____

_____

_____

2 – TARIFF REASSIGNMENT DETAILS

The network tariff code currently assigned to the customer*:_____

The contract demand currently applicable to the customer *#: _____ kW / KVA

The maximum demand recorded over the past 12 months*#: _____ kW / KVA

Actual consumption (complete section A or B as applicable) *:

A. Where the customer has been connected for a period of at least 12 months

- The actual annual consumption over the past 12 months: _____ kWh

B. Where the customer has been connected for a period less than 12 months

- The customer's actual consumption: _____ kWh
- Recorded over the period: From: __ / __ / __ To: __ / __ / __

Metering type currently installed (please tick) *:

1. Interval/Smart meter manually or remotely read ☐
2. Two rate accumulation meter WITHOUT demand meter ☐
3. Two rate accumulation meter WITH demand meter. ☐
4. Single rate accumulation meter ☐

3 – PROPOSED NETWORK TARIFF DETAILS

Nominated network tariff name*: _____

Nominated network tariff code*: _____ (Please refer to tariff schedule)

4 – CONDITIONS APPLYING TO THE REQUEST

- The applicant must sign and e-mail the completed Request Form to jentariffs@jemena.com.au.
- Requests to reassign a Customer to a network tariff code starting with the letter "**T**" must be made by the customer's retailer.
- Where the applicant is not the Customer, it is the applicant's responsibility to ensure the Customer is aware of and agrees to this tariff reassignment request. The applicant is wholly responsible for conveying the correct information to JEN and also communicating the decision made by JEN to the Customer.
- JEN may request the applicant to re-submit the request if the initial Request Form is not correctly completed or if the form is modified in any manner.
- The applicant acknowledges that in the event the request is approved the contract demand applicable to the new tariff will be set in accordance with the JEN Policy for Resetting Contract Demand.
- Any network tariff reassignment request will not take effect until JEN advises the applicant in writing of the approval and the effective date of the new tariff assignment.
- Network tariff reassignment requests are limited to one application over any 12 months period.

5 - APPLICANT DETAILS

Name (person lodging the request form) *: _____

Business Name*: _____

Position Title (if applicable): _____

Telephone Number*: ( ) _____ **E-mail*:** _____

Applicant's Signature*: _____ **Date*:** _____/_____/_____

Note: If the applicant is the Customer's Retailer, the applicant warrants that it has been authorised to act on the Customer's behalf.

The section below is required to be completed by the customer, if the Applicant is someone other than the Customer or Customer's Retailer.

I _____ **at the supply point address referred to in this Request Form, consent to the above applicant acting on my behalf. My contact details are as follows:**

Position Title: _____

Telephone Number: ( ) _____ **E-mail:** _____

Customer's Signature: _____ **Date:** _____/_____/_____

Appendix D
Network Tariff Reassignment Objection Form

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Jemena Electricity Networks (VIC) Ltd

Network Tariff Reassignment Objection Form - Business and Residential

[Please use one form per Supply Point and email the form to CustomerRelations@jemena.com.au]

This **Objection Form** must be used to lodge a tariff reassignment objection to a decision JEN has made with regards to a network tariff reassignment either initiated by the customer or by JEN.

Note: All fields indicated with a * are mandatory.

1 - CUSTOMER DETAILS

Business name (if business customer)*: _____

Customer name (if residential customer)*: _____

Supply point address*: _____

NMI*: **VDDD**_____ or **6001**_____

2 – TARIFF REASSIGNMENT DETAILS

This objection is in relation to JEN's decision regarding (please tick one):

- Network Tariff Reassignment Application ☐
- JEN initiated Network Tariff Reassignment ☐

Date on letter or email communication (Notification) received from JEN: __ / __ / __

3 – OBJECTION DETAILS

The applicant should provide reason for their objection. The applicant is encouraged to attach as a separate document:

1. The reasons for the objection to JEN's decision regarding the Tariff Reassignment
2. Provide any supporting evidence or documentation.

4 – CONDITIONS APPLYING TO THE REQUEST

- Applicant to sign and email the completed form to CustomerRelations@jemena.com.au.
- The applicant acknowledges that he has read the Policy for Tariff Assignment and Reassignment and that the information provided in this form is true, accurate and complete.
- Where the applicant is not the Customer, the applicant is wholly responsible for conveying the correct information to JEN and also communicating the decision made by JEN to the Customer.
- The applicant acknowledges that if the completed Objection Form is received within 20 business days from the date of JEN's Notification to the Customer or Customer's representative, JEN will apply the changes following the successful objection from the 1st billing period starting after the Notification.
- The applicant acknowledges that if the completed Objection Form is received after 20 business days from the date of JEN's Notification to the Customer or Customer's representative, JEN will apply the changes following the successful objection from the 1st billing period starting after receipt of the completed Objection Form.
- JEN may request the applicant to re-submit the Tariff Reassignment Objection Form if the initial form is not correctly completed or if the form is modified in any manner.

5 - APPLICANT DETAILS

Name (person lodging the objection form) *: _____

Business name*: _____

Position title (if applicable): _____

Telephone number*: ( ) _____ E-mail: _____

Applicant's signature*: _____ **Date*:** _____/_____/_____

Note: If the applicant is the Customer's Retailer, the applicant warrants that it has been authorised to act on the Customer's behalf.

The section below is required to be completed by the customer, if the Applicant is someone other than the Customer or Customer's Retailer.

I _____ **at the supply point address referred to in this Objection Form, consent to the above applicant acting on my behalf. My contact details are as follows:**

Position Title: _____

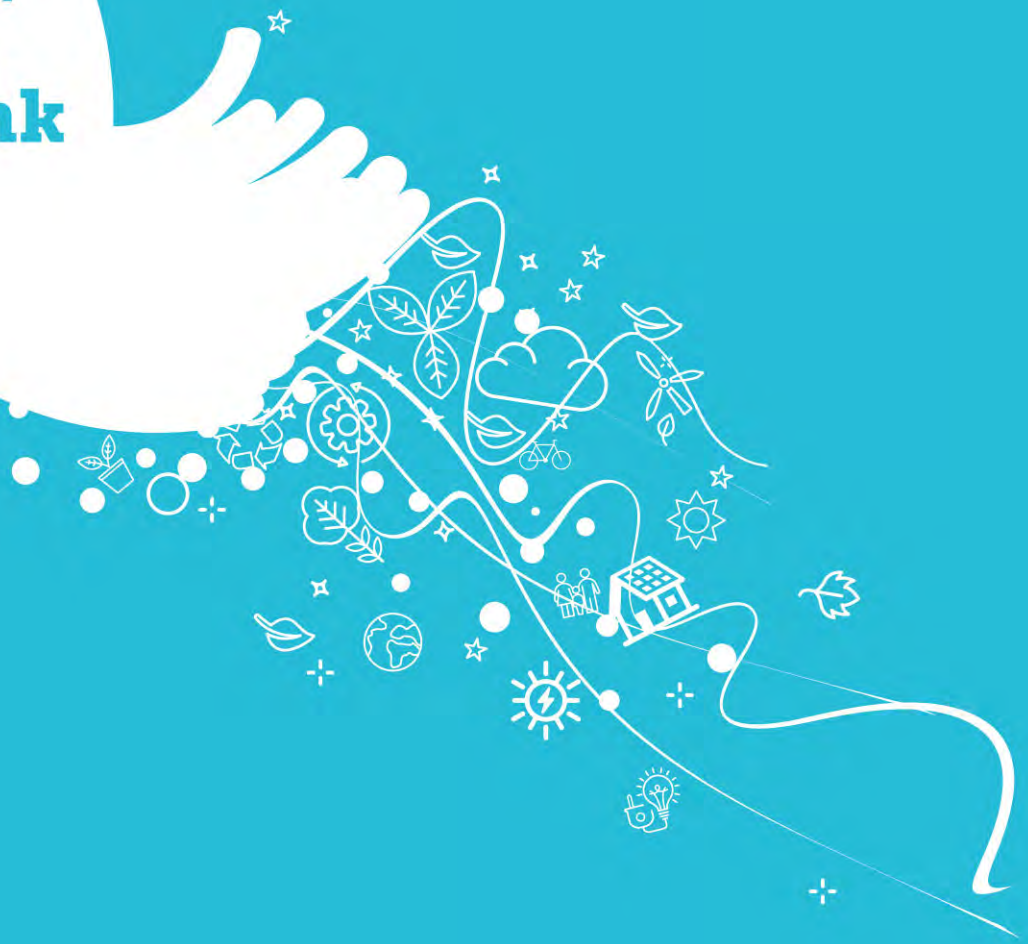
Telephone Number: ( ) _____ E-mail: _____

Customer's Signature: _____ **Date:** _____/_____/_____

Attachment B – Indicative Prices Excel format

Provided at JEN- Att 12-03 Indicative prices – 20201203 – Public

to hear,
listen
and think



Jemena