

A utility truck with a boom lift is working on a street lamp at dusk. The boom lift is extended, and a worker is visible in the basket. In the foreground, a man and a woman are jogging on a grassy field. The sky is a clear blue, and the scene is illuminated by the street lamp and the truck's lights.

Pricing Proposal

United Energy
2021/22

Contents

1	INTRODUCTION	3
1.1	Our business	3
1.2	2021/22 Network and metering charges	4
1.3	Network pricing objectives and principles	6
2	TARIFF CLASSES	7
2.1	Tariff classes	7
3	STANDARD CONTROL SERVICE CHARGES	8
3.1	Distribution charges	8
3.2	Designated pricing proposal charges	11
3.3	Jurisdictional scheme charges	11
3.4	Trial tariffs	11
3.5	Comparison of 2021/22 proposed and indicative network tariffs	12
3.6	Indicative prices for the remainder of the regulatory period	12
4	ALTERNATIVE CONTROL SERVICES	13
4.1	Tariff classes	13
4.2	Alternative control services	13
4.3	Public lighting operation, maintenance and replacement	14
A	STANDARD CONTROL SERVICE CHARGES	15
B	ALTERNATIVE CONTROL SERVICE CHARGES	29
C	COMPLIANCE CHECKLIST	41
D	GLOSSARY	44
E	ATTACHMENTS	46

1 Introduction

This document, its appendices and attachments comprise our 2021/22 Pricing Proposal (**pricing proposal**) to the Australian Energy Regulator (**AER**). It covers all of our direct control services for the period 1 July 2021 – 30 June 2022 (referred to as 2021/22 in this document) in accordance with the National Electricity Rules (**Rules**) and the AER's Final Decision on United Energy's Distribution Determination for the 2021 to 2026 regulatory control period.

Direct control services are divided into two subclasses:

- standard control services - network charges; and
- alternative control services - metering, public lighting and various customer requested service charges.

1.1 Our business

We are one of the most efficient and reliable electricity distribution networks in Australia. As one of Victoria's five electricity distributors, we own and manage assets that deliver electricity to more than 700,000 homes and businesses across south-east Melbourne and the Mornington Peninsula.

In servicing Victoria, our primary responsibility is planning, building, operating and maintaining the 'poles and wires' — a strategic community asset and core component of Victoria's energy infrastructure. We seek to do this in a safe, reliable, efficient and prudent manner.

We connect residential and commercial customers to a safe and reliable electricity supply. Our key activities include:

- maintaining network safety and reliability to meet the current power supply needs of our customers;
- extending and upgrading the network so that the future power supply needs of customers are met when required;
- operating the network on a day to day basis;
- connecting new customers to the network;
- maintaining the public lighting system; and
- installing and maintaining electricity meters and providing meter data to the market.

Figure 1 United Energy geography



1.2 2021/22 Network and metering charges

Network tariffs cover the cost of transporting electricity from the generator through the transmission and distribution networks to our customers' homes or businesses.

Network charges comprise:

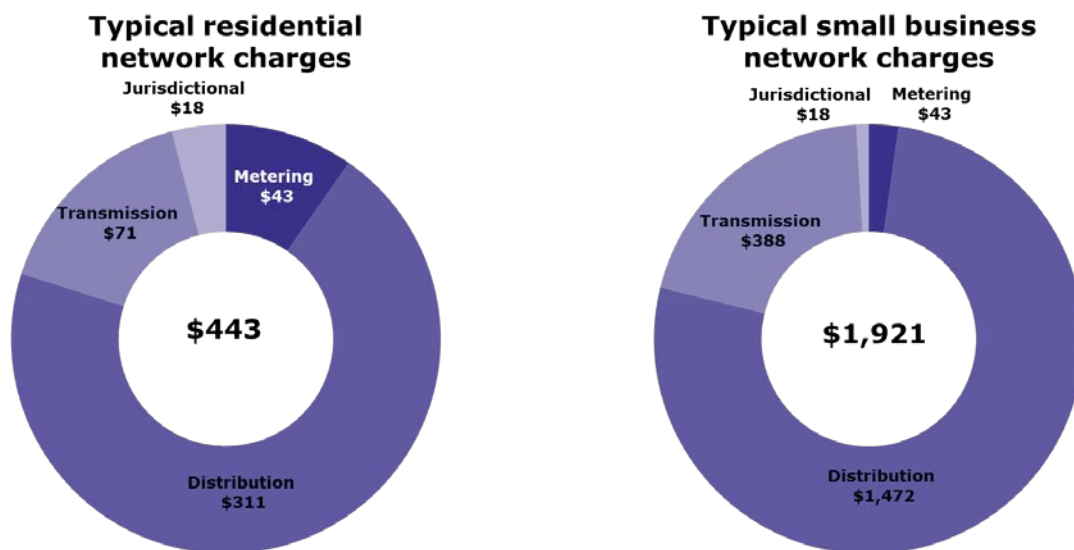
- Distribution use of System (**DUOS**) charges relate to the cost to deliver electricity to your home or business via United Energy's distribution network.
- Transmission use of System (**TUOS**) charges¹ reflect the cost to transport electricity over the high voltage network.
- Jurisdictional charges recover jurisdictional scheme costs (**JUOS**), which comprise the Premium Feed-in Tariff (**PFIT**) and Energy Safe Victoria electricity levies.

Metering tariffs cover the cost of the meter installation, maintenance and meter data services.

We pass network and metering charges on to electricity retailers, who recover these costs from customers via electricity bills.

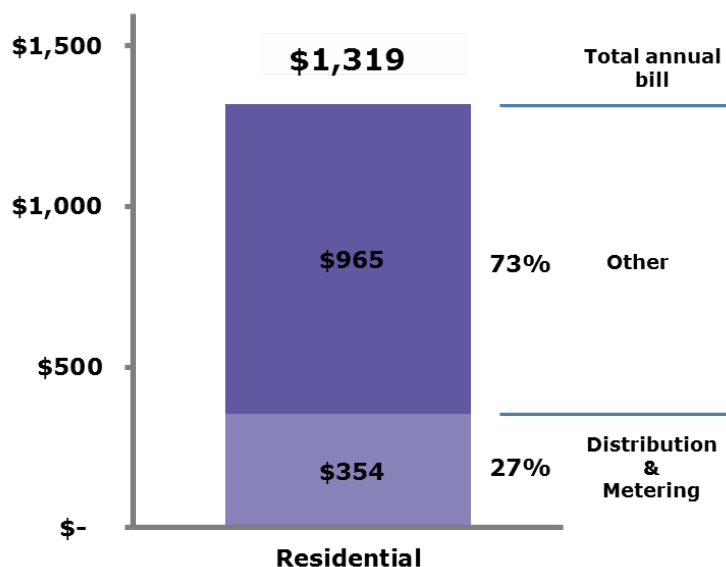
¹ Transmission charges are referred to as designated pricing proposal charges (DPPC) under the Rules.

Figure 2 United Energy typical network charges (GST exclusive)²



These charges form the network charge component of a customer's bill. Other charges which include wholesale, environmental, retail costs and retail margin make up the other, more significant component of a customer's bill. For example, as seen below, an average residential customer's bill is comprised of 27% distribution and metering charges.

Figure 3 United Energy typical residential charges (GST exclusive)³



² Network charges are based on a typical residential customer on a 2021/22 single rate tariff consuming 4,000 kWh pa, and a typical small business customer on a 2021/22 single rate tariff consuming 20,000 kWh pa.

³ Based on the Victorian default offer for 2021 with network and metering charges updated to 2022 proposed charges.

1.3 Network pricing objectives and principles

Network tariffs should reflect the efficient costs of providing network services to retail customers.

Our tariffs must comply with the following pricing principles:

- for each tariff class, the revenue expected to be recovered must lie on or between stand-alone and avoidable cost;
- each tariff must be based on the long run marginal cost of providing the service;
- the revenue expected to be recovered from each tariff must reflect the total efficient costs of serving customers and the total revenue should be in accordance with the relevant distribution determination;
- we must consider the impact on retail customers of changes in tariffs from the previous regulatory year;
- our tariffs must be reasonably capable of being understood by customers; and
- our tariffs must comply with the Rules and all applicable regulatory instruments.

2 Tariff classes

2.1 Tariff classes




The grouping of customers into standard control service tariff classes must take into account the following:

- the nature and extent of their usage;
- the nature of their connection to the network, such as the voltage of connection; and
- the type of meter installed at the premises.

We have categorised standard control services customer tariffs into five tariff classes which remain unchanged from the previous year.

- residential;
- small and medium business;
- large low voltage;
- high voltage; and
- sub-transmission.

Figure 4 Tariff classes

	Tariff class	Supply voltage	Maximum demand
	Residential	< 1 kV	N/A
	Small and medium business	< 1 kV	< 120 kVA
	Large low voltage	< 1 kV	> 120 kVA
	High voltage	1 kV – 66 kV	N/A
	Sub-transmission	≥ 66 kV	N/A

The principles of assignment of retail customers to tariff classes is outlined in Attachment 19, section A of the AER's final decision.

3 Standard control service charges

This chapter demonstrates how our network tariffs for 2021/22 comply with the requirements of the Rules and the final determination in respect of the control mechanism and pricing principles.

We do not propose to make any variations or adjustments to the structure of network tariffs during the course of 2021/22.

Our final network charges are bundled charges that encompass the following charges, which are described in detail in the following sections:

- distribution charges;
- designated pricing proposal charges; and
- recovery of jurisdictional scheme amounts.

3.1 Distribution charges

Forecast revenue cannot exceed total annual revenue. Revenue is forecast by multiplying proposed prices by forecast volumes.

3.1.1 Volume forecast methodology

The following methodology was used to forecast volumes for this pricing proposal:

- Extracted the last 24 consecutive months of actual volumes by tariff component for current tariff structures;
- Adjusted actual volumes by tariff component to reflect new tariff structures and expectations of opt-in movements;
- Adjusted the energy volumes for each tariff component to reflect a POE 50 (weather normal) year;
- Calculated average volume per customer for each tariff component;
- Applied average customer number growth over the last 24 months;
- Multiplied forecast customer numbers by weather normal average volume per customer; and
- Reduced residential and business energy volumes to allow for the impact of forecast new solar PV installations.

3.1.2 Total annual revenue

Attachment 14 of the AER's final decision sets out the formula for calculating the total annual revenue allowance (TAR). The derivation of TAR is summarised in the table below.

Table 1 Total allowable revenue summary

Criterion	2021/22 value (\$,000)
Adjusted annual smoothed revenue requirement for the year before the regulatory year t (AAR_{t-1})	n/a
Annual percentage change in the Australian Bureau of Statistics' Consumer Price Index (ΔCPI_t)	n/a
X factor for each year of the 2016-2020 regulatory control period as determined in the PTRM (X_t)	n/a
S factor determined in accordance with the service target performance incentive scheme (S_t)	n/a
Adjusted annual smoothed revenue requirement for regulatory year t (AAR_t)	412,785
Annual adjustment I-factor scheme amount (I_t)	229
Annual adjustment C-factor scheme amount (C_t)	-513
Incorporates the recovery of license fee charges, under or over-recovery of DUoS charge revenue and AER approved pass through for direct control services (B_t)	-2,092
Total annual revenue (TAR_t)	410,409

3.1.3 Tariff class side constraints

The side constraint formula does not apply in 2021/22 being the first year of the new 2021-2026 regulatory period.

The following table sets out the expected weighted average revenue for distribution and transmission services for each tariff class.

Table 2 Weighted average revenue for distribution and transmission services

Tariff class	1H 2021 $p_{t-1}q_{t-1}$ \$'000	2021/22 p_tq_t \$'000
Residential	87,384	214,138
Small and medium business	43,767	91,991
Large low voltage	42,999	88,896
High voltage	9,483	15,259
Sub-transmission	70	87

3.1.4 Revenue lies between stand-alone and avoidable costs

We are required to ensure that the revenue recovered for each tariff class lies between:

- an upper bound, representing the stand-alone cost of serving customers who belong to that class; and

- a lower bound, representing the avoidable cost of not serving those customers.

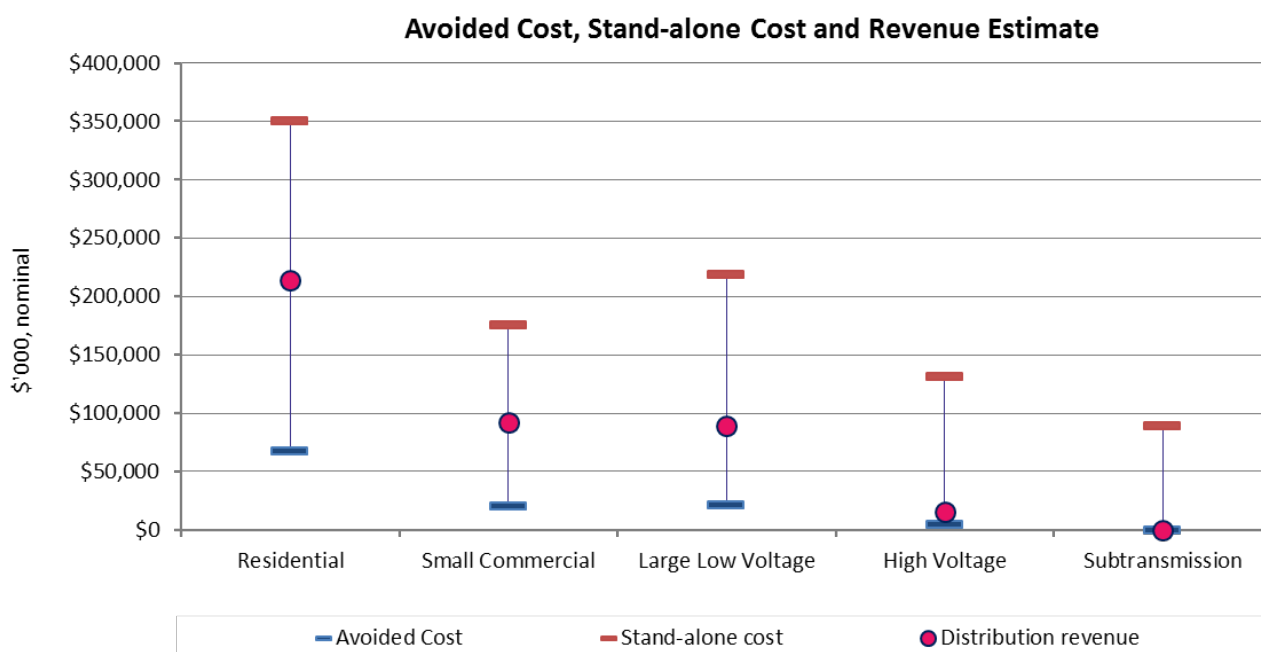
These two categories of cost may be defined as follows:

the stand-alone cost comprises of both the capital and operating costs of service provision. The stand-alone network capital cost for each tariff class was derived from an estimate of the proportions of the cost of providing network infrastructure that would need to remain in place to service the load in each tariff class if the other tariff classes were no longer required to be supplied. The stand-alone operating cost for a tariff class has been estimated as the total of all operating cost less the avoidable operating costs of serving all the other tariff classes; and

the avoidable cost for a tariff class is defined as the cost that would be avoided should the distribution business no longer serve that specific tariff class (whilst all other tariff classes remain supplied). If a tariff class were to be charged below the avoidable cost, it would be economically efficient for the business to stop supplying that tariff class as the associated costs would exceed the revenue obtained from the customer. Further, where avoidable costs are higher than revenue recovered, the associated tariff levels may also result in inefficient levels of consumption, which therefore provides a rationale for having avoidable costs as a lower bound.

A comparison of the 2021/22 stand-alone costs, avoidable costs, and distribution revenue for our tariff classes is shown in the following figure, and demonstrates that our proposed distribution revenue for each tariff class lies within the bounds of the stand-alone and avoidable costs.

Figure 5 Costs and revenue comparison



3.1.5 Long run marginal costs

Long run marginal cost (LRMC) is a measure of the change in the forward-looking costs as output increases when all factors of production including plant and equipment are variable. The LRMC for electricity distribution will usually relate to the annualised cost of augmenting capacity (at a particular voltage, location, and time) per unit of additional capacity provided. LRMC can also be the annualised avoided replacement cost per unit of capacity reduction.

LRMC has been taken into account in our tariff structures by setting our peak usage and demand periods at the times when network peaks, at the various voltage levels, are expected to occur in the long run.

We calculated LRMC at a granular level in our network with results shown in our 2021-26 tariff structure statement.

3.2 Designated pricing proposal charges

3.2.1 Maximum revenue control

Designated pricing proposal charges (DPPC) recover the payments we make for transmission charges, avoided transmission payments and inter-distributor payments as well as under and over recovery of TUoS revenue.

The table below summarises the calculation of the 2021/22 maximum revenue for DPPC.

Table 3 DPPC maximum revenue for 2021/22

Revenue item	2021/22 value (\$,000)
Transmission, avoided transmission and inter-distributor charges	135,370
Unders and overs amount	17,413
Total DPPC revenue	152,782

3.3 Jurisdictional scheme charges

3.3.1 Jurisdictional scheme eligibility

The Victorian Premium Feed-in tariff (PFIT) and Energy Safe Victoria electricity levies are jurisdictional schemes.

3.3.2 Maximum revenue control

The table below summarises the calculation of the 2021/22 maximum revenue for jurisdictional schemes.

Table 4 Jurisdictional schemes maximum revenue for 2021/22

Revenue item	2021/22 value (\$,000)
Premium feed-in-charge charges	13,000
Energy Safe Victoria electricity levies	3,085
Unders and overs amount	-3,566
Total jurisdictional schemes revenue	12,519

3.4 Trial tariffs

The following trial tariffs are expected to commence in 2021/22:

- Two domestic EV charging trials which involve time-of-use and critical peak pricing
- Pole-mounted battery trial with a zero tariff for the batteries

We forecast no incremental network revenue from trial tariffs in 2021/22.

3.5 Comparison of 2021/22 proposed and indicative network tariffs

It is necessary to demonstrate that our indicative pricing schedules approved in the previous year align with our currently proposed network tariffs. Where the variance exceeds a materiality threshold an explanation is necessary to support the change. We have nominated a materiality threshold of 15 per cent for this purpose.

Table 3.5 Comparison of 2021/22 Proposed & Indicative Tariffs

Tariff class	Tariff	Variance explanation
Small business	Non-residential TOU (LVTOU)	<p>The peak and off-peak rates are sensitive to assumptions of peak and off-peak consumption.</p> <p>For this pricing proposal we extracted the new peak and off-peak consumption for all customers transferring to this tariff. This is an improvement on the assumption that was used for the TSS' indicative prices.</p>
Unmetered supply	Unmetered supply (UNMET)	<p>Increasing these rates create better alignment of the unmetered average c/kWh rate to the average rate for small business.</p>

3.6 Indicative prices for the remainder of the regulatory period

The indicative pricing levels for 2023-26 are shown in Appendix A of this pricing proposal. The actual level of our charges will depend on the total allowable revenue of that regulatory year.

4 Alternative control services

Alternative control services can be broadly divided into:

- ancillary alternative control services which includes both fee-based and quoted charges;
- public lighting services; and
- metering services.

4.1 Tariff classes

Metering tariff classes are:

- single phase meter;
- three phase direct connected meter; and
- three phase CT connected meter.

We have constituted a single separate tariff class named 'public lighting alternative control services'.

We have constituted a single separate tariff class named 'ancillary alternative control services'. This single tariff class has been defined to encompass all fee-based and quoted services.

4.2 Alternative control services

The control mechanism equation applicable to our alternative control services tariff class for the current regulatory control period is set out in Attachment 14 of the AER's final decision. Appendix B of this pricing proposal sets out the alternative control services charges.

The structure of the tariffs disclosed in Appendix B has been set for the 2021-2026 regulatory control period and we do not expect this structure to change. However, each year as part of the Annual Pricing Submission, tariffs are adjusted by an X factor and CPI which was approved by the AER in its final decision. Adjustments outside of those determined in the final decision are not expected during the regulatory period.

Alternative control services prices are shown in Appendix B.

4.2.1 Metering

Attachment 14 of the AER's final decision sets out the formula for calculating the total annual revenue metering allowance (**TARM**). The derivation of TARM is summarised in the table below.

Table 6 Metering revenue summary

Criterion	2021/22 value (\$,000)
Annual revenue requirement for year preceding t (AR_{t-1})	n/a
Annual percentage change in the Australian Bureau of Statistics' Consumer Price Index (ΔCPI_t)	n/a
X factor for each year of the 2021-2026 regulatory control period as determined in the PTRM (X_t)	n/a
Annual revenue requirement for year t (AR_t)	29,384
AER approved pass through for direct control services (C_t)	-28
Sum of annual adjustment factors in year t as calculated in the unders and overs account (B_t)	1,122
Total annual revenue for annual metering charges ($TARM_t$)	30,478

Metering prices are shown in Appendix B.

4.2.2 Metering tariff class side constraints

The side constraint formula does not apply in 2021/22 being the first year of the new 2021-2026 regulatory period.

The following table sets out the expected weighted average revenue for metering tariff classes.

Table 7 Metering weighted average revenue

Tariff class	1H 2021 $p_{t-1}q_{t-1}$ \$'000	2021/22 p_tq_t \$'000
Single phase single element meter	13,008	23,079
Single phase single element meter with contactor	1,173	2,023
Three phase direct connected meter	2,915	5,135
Three phase Current transformer connected meter	128	240

4.3 Public lighting operation, maintenance and replacement

Our public lighting operation, maintenance and replacement 2021/22 prices are shown in Appendix B.

A Standard control service charges

A.1 Standard control services tariff schedules

Table A.1 Network (NUoS=DUoS+TUoS+JUoS) Tariffs 2021/22

Network Tariff (DUOS+TUOS+JUOS) 2021/22	Code	PFIT	Fixed	Demand Charges				Usage		
				Rolling peak	Summer incentive	Summer	Non-Summer	Anytime	Peak	Off-peak
			c/day	c/kVA/day	c/kVA/day	c/kW/day	c/kW/day	c/kWh	c/kWh	c/kWh
Low voltage small 1 rate	LVS1R	FLVS1R	21.92	-	-	-	-	7.99	-	-
Residential ToU	URTOU	FURTOU	21.92	-	-	-	-	-	15.79	3.95
Low Voltage KW 1 rate	RESKW1R	FRESKW1R	21.92	-	-	31.59	10.78	4.06	-	-
Dedicated circuit	LVDED		-	-	-	-	-	-	-	2.17
Low voltage medium 1 rate	LVM1R	FLVM1R	32.88	-	-	-	-	8.79		-
Small Business ToU	LVTOU	FLVTOU	32.88	-	-	-	-		13.99	3.11
Low voltage medium KW 1 rate	LVMKW1R	FLVMKW1R	32.88	-	-	56.30	22.14	5.11		-
Unmetered supplies	UnMet		-	-	-	-	-		13.45	4.12
Low voltage large KVA time of use 1	LVKVATOU 1		-	24.43	28.32	-	-		2.90	1.40
Low voltage large KVA time of use 2	LVKVATOU 2		-	24.43	28.32	-	-		2.90	1.40
High voltage KVA time of use 1	HVKVATOU 1		-	14.29	17.89	-	-		2.26	1.11
High voltage KVA time of use 2	HVKVATOU 2		-	14.29	17.89	-	-		2.26	1.11
Subtransmission KVA time of use	SUBTKVATOU		-	3.94	10.79	-	-		1.48	0.75

Notes:

For more details please refer to the Tariff Criteria section in the Pricing Proposal.

Table A. 2 Distribution (DUoS) Tariff 2021/22

Distribution Tariff 2021/22	Code	PFIT	Fixed	Demand Charges				Usage		
				Rolling peak	Summer incentive	Summer	Non-Summer	Anytime	Peak	Off-peak
			c/day	c/kVA/day	c/kVA/day	c/kW/day	c/kW/day	c/kWh	c/kWh	c/kWh
Low voltage small 1 rate	LVS1R	FLVS1R	17.00	-	-	-	-	6.22	-	-
Residential ToU	URTOU	FURTOU	17.00	-	-	-	-		12.33	3.09
Low Voltage KW 1 rate	RESKW1R	FRESKW1R	17.00	-	-	22.16	8.74	2.29	-	-
Dedicated circuit	LVDED		-	-	-	-	-		-	2.17
Low voltage medium 1 rate	LVM1R	FLVM1R	27.96	-	-	-	-	6.85	-	-
Small Business ToU	LVTOU	FLVTOU	27.96	-	-	-	-		11.22	2.49
Low voltage medium KW 1 rate	LVMKW1R	FLVMKW1R	27.96	-	-	32.59	15.83	3.17	-	-
Unmetered supplies	UnMet		-	-	-	-	-		9.54	4.12
Low voltage large KVA time of use 1	LVKVATOU 1		-	22.37	-	-	-		1.42	0.65
Low voltage large KVA time of use 2	LVKVATOU 2		-	22.37	-	-	-		1.42	0.65
High voltage KVA time of use 1	HVKVATOU 1		-	9.87	-	-	-		0.78	0.36
High voltage KVA time of use 2	HVKVATOU 2		-	9.87	-	-	-		0.78	0.36
Subtransmission KVA time of use	SUBTKVATOU		-	2.41	-	-	-		-	-

Notes:

For more details please refer to the Tariff Criteria section in the Pricing Proposal.

Table A. 3 Transmission (TUoS) Tariff 2021/22

Transmission Tariff 2021/22	Code	PFIT	Fixed	Demand Charges				Usage		
				Rolling peak	Summer incentive	Summer	Non-Summer	Anytime	Peak	Off-peak
			c/day	c/kVA/day	c/kVA/day	c/kW/day	c/kW/day	c/kWh	c/kWh	c/kWh
Low voltage small 1 rate	LVS1R	FLVS1R	-	-	-	-	-	1.77		-
Residential ToU	URTOU	FURTOU	-	-	-	-	-		3.46	0.86
Low Voltage KW 1 rate	RESKW1R	FRESKW1R	-	-	-	9.43	2.04	1.77		-
Dedicated circuit	LVDED		-	-	-	-	-		-	-
Low voltage medium 1 rate	LVM1R	FLVM1R	-	-	-	-	-	1.94		-
Small Business ToU	LVTOU	FLVTOU	-	-	-	-	-		2.77	0.62
Low voltage medium KW 1 rate	LVMKW1R	FLVMKW1R	-	-	-	23.71	6.31	1.94		-
Unmetered supplies	UnMet		-	-	-	-	-		3.91	-
Low voltage large KVA time of use 1	LVKVATOU 1		-	2.06	28.32	-	-		1.48	0.75
Low voltage large KVA time of use 2	LVKVATOU 2		-	2.06	28.32	-	-		1.48	0.75
High voltage KVA time of use 1	HVKVATOU 1		-	4.42	17.89	-	-		1.48	0.75
High voltage KVA time of use 2	HVKVATOU 2		-	4.42	17.89	-	-		1.48	0.75
Subtransmission KVA time of use	SUBTKVATOU		-	1.53	10.79	-	-		1.48	0.75

Notes:

For more details please refer to the Tariff Criteria section in the Pricing Proposal.

Table A. 4 Jurisdictional Scheme (JUoS) Tariff 2021/22

Jurisdictional Tariff (PFIT Recovery) 2021/22	Code	PFIT	Fixed	Demand Charges				Usage		
				Rolling peak	Summer incentive	Summer	Non-Summer	Anytime	Peak	Off-peak
			c/day	c/kVA/day	c/kVA/day	c/kW/day	c/kW/day	c/kWh	c/kWh	c/kWh
Low voltage small 1 rate	LVS1R	FLVS1R	4.92	-	-	-	-	-		-
Residential ToU	URTOU	FURTOU	4.92	-	-	-	-		-	-
Low Voltage KW 1 rate	RESKW1R	FRESKW1R	4.92	-	-	-	-	-		-
Dedicated circuit	LVDED		-	-	-	-	-		-	-
Low voltage medium 1 rate	LVM1R	FLVM1R	4.92	-	-	-	-	-		-
Small Business ToU	LVTOU	FLVTOU	4.92	-	-	-	-		-	-
Low voltage medium KW 1 rate	LVMKW1R	FLVMKW1R	4.92	-	-	-	-	-		-
Unmetered supplies	UnMet		-	-	-	-	-		-	-
Low voltage large KVA time of use 1	LVKVATOU 1		-	-	-	-	-		-	-
Low voltage large KVA time of use 2	LVKVATOU 2		-	-	-	-	-		-	-
High voltage KVA time of use 1	HVKVATOU 1		-	-	-	-	-		-	-
High voltage KVA time of use 2	HVKVATOU 2		-	-	-	-	-		-	-
Subtransmission KVA time of use	SUBTKVATOU		-	-	-	-	-		-	-

Notes:

For more details please refer to the Tariff Criteria section in the Pricing Proposal.

A.2 Indicative pricing schedule for 2022/23 to 2025/26 network tariffs (NUoS)

Indicative pricing levels on network rates including DUoS, TUoS and JUoS for years 2022/23 to 2025/26.

Table A. 5 Indicative network tariffs 2022/23

Indicative Network Tariff 2022/23	Code	PFIT	Fixed	Demand Charges				Usage		
				Rolling peak	Summer incentive	Summer	Non-Summer	Anytime	Peak	Off-peak
			c/day	c/kVA/day	c/kVA/day	c/kW/day	c/kW/day	c/kWh	c/kWh	c/kWh
Low voltage small 1 rate	LVS1R	FLVS1R	21.92	-	-	-	-	7.86	-	-
Residential ToU	URTOU	FURTOU	21.92	-	-	-	-	-	15.54	3.89
Low Voltage KW 1 rate	RESKW1R	FRESKW1R	21.92	-	-	31.09	10.61	4.00	-	-
Dedicated circuit	LVDED		-	-	-	-	-	-	-	2.14
Low voltage medium 1 rate	LVM1R	FLVM1R	32.88	-	-	-	-	8.65	-	-
Small Business ToU	LVTOU	FLVTOU	32.88	-	-	-	-	-	13.77	3.06
Low voltage medium KW 1 rate	LVMKW1R	FLVMKW1R	32.88	-	-	55.42	21.79	5.03	-	-
Unmetered supplies	UnMet		-	-	-	-	-	-	13.24	4.06
Low voltage large KVA time of use 1	LVKVATOU 1		-	24.05	27.88	-	-	-	2.85	1.38
Low voltage large KVA time of use 2	LVKVATOU 2		-	24.05	27.88	-	-	-	2.85	1.38
High voltage KVA time of use 1	HVKVATOU 1		-	14.07	17.61	-	-	-	2.22	1.09
High voltage KVA time of use 2	HVKVATOU 2		-	14.07	17.61	-	-	-	2.22	1.09
Subtransmission KVA time of use	SUBTKVATOU		-	3.88	10.62	-	-	-	1.46	0.74

Notes:

For more details please refer to the Tariff Criteria section in the Pricing Proposal.

Table A. 6 Indicative network tariffs 2023/24

Indicative Network Tariff 2023/24	Code	PFIT	Fixed	Demand Charges				Usage		
				Rolling peak	Summer incentive	Summer	Non-Summer	Anytime	Peak	Off-peak
			c/day	c/kVA/day	c/kVA/day	c/kW/day	c/kW/day	c/kWh	c/kWh	c/kWh
Low voltage small 1 rate	LVS1R	FLVS1R	21.92	-	-	-	-	8.01	-	-
Residential ToU	URTOU	FURTOU	21.92	-	-	-	-	-	15.84	3.96
Low Voltage KW 1 rate	RESKW1R	FRESKW1R	21.92	-	-	31.68	10.81	4.08	-	-
Dedicated circuit	LVDED		-	-	-	-	-	-	-	2.18
Low voltage medium 1 rate	LVM1R	FLVM1R	32.88	-	-	-	-	8.82	-	-
Small Business ToU	LVTOU	FLVTOU	32.88	-	-	-	-	-	14.03	3.12
Low voltage medium KW 1 rate	LVMKW1R	FLVMKW1R	32.88	-	-	56.48	22.21	5.13	-	-
Unmetered supplies	UnMet		-	-	-	-	-	-	13.49	4.14
Low voltage large KVA time of use 1	LVKVATOU 1		-	24.51	28.41	-	-	-	2.90	1.41
Low voltage large KVA time of use 2	LVKVATOU 2		-	24.51	28.41	-	-	-	2.90	1.41
High voltage KVA time of use 1	HVKVATOU 1		-	14.34	17.95	-	-	-	2.26	1.11
High voltage KVA time of use 2	HVKVATOU 2		-	14.34	17.95	-	-	-	2.26	1.11
Subtransmission KVA time of use	SUBTKVATOU		-	3.95	10.82	-	-	-	1.49	0.75

Notes:

For more details please refer to the Tariff Criteria section in the Pricing Proposal.

Table A. 7 Indicative network tariffs 2024/25

Indicative Network Tariff 2024/25	Code	PFIT	Fixed	Demand Charges				Usage		
				Rolling peak	Summer incentive	Summer	Non-Summer	Anytime	Peak	Off-peak
			c/day	c/kVA/day	c/kVA/day	c/kW/day	c/kW/day	c/kWh	c/kWh	c/kWh
Low voltage small 1 rate	LVS1R	FLVS1R	21.92	-	-	-	-	7.57	-	-
Residential ToU	URTOU	FURTOU	21.92	-	-	-	-	-	14.98	3.74
Low Voltage KW 1 rate	RESKW1R	FRESKW1R	21.92	-	-	29.95	10.22	3.86	-	-
Dedicated circuit	LVDED		-	-	-	-	-	-	-	2.06
Low voltage medium 1 rate	LVM1R	FLVM1R	32.88	-	-	-	-	8.34	-	-
Small Business ToU	LVTOU	FLVTOU	32.88	-	-	-	-	-	13.26	2.95
Low voltage medium KW 1 rate	LVMKW1R	FLVMKW1R	32.88	-	-	53.40	21.00	4.85	-	-
Unmetered supplies	UnMet		-	-	-	-	-	-	12.75	3.91
Low voltage large KVA time of use 1	LVKVATOU 1		-	23.17	26.86	-	-	-	2.74	1.33
Low voltage large KVA time of use 2	LVKVATOU 2		-	23.17	26.86	-	-	-	2.74	1.33
High voltage KVA time of use 1	HVKVATOU 1		-	13.56	16.97	-	-	-	2.14	1.05
High voltage KVA time of use 2	HVKVATOU 2		-	13.56	16.97	-	-	-	2.14	1.05
Subtransmission KVA time of use	SUBTKVATOU		-	3.73	10.23	-	-	-	1.41	0.71

Notes:

For more details please refer to the Tariff Criteria section in the Pricing Proposal.

Table A. 8 Indicative network tariffs 2025/26

Indicative Network Tariff 2025/26	Code	PFIT	Fixed	Demand Charges				Usage		
				Rolling peak	Summer incentive	Summer	Non-Summer	Anytime	Peak	Off-peak
			c/day	c/kVA/day	c/kVA/day	c/kW/day	c/kW/day	c/kWh	c/kWh	c/kWh
Low voltage small 1 rate	LVS1R	FLVS1R	21.92	-	-	-	-	7.52	-	-
Residential ToU	URTOU	FURTOU	21.92	-	-	-	-	-	14.87	3.71
Low Voltage KW 1 rate	RESKW1R	FRESKW1R	21.92	-	-	29.73	10.15	3.83	-	-
Dedicated circuit	LVDED		-	-	-	-	-	-	-	2.05
Low voltage medium 1 rate	LVM1R	FLVM1R	32.88	-	-	-	-	8.28	-	-
Small Business ToU	LVTOU	FLVTOU	32.88	-	-	-	-	-	13.16	2.93
Low voltage medium KW 1 rate	LVMKW1R	FLVMKW1R	32.88	-	-	53.01	20.85	4.81	-	-
Unmetered supplies	UnMet		-	-	-	-	-	-	12.66	3.88
Low voltage large KVA time of use 1	LVKVATOU 1		-	23.00	26.66	-	-	-	2.72	1.32
Low voltage large KVA time of use 2	LVKVATOU 2		-	23.00	26.66	-	-	-	2.72	1.32
High voltage KVA time of use 1	HVKVATOU 1		-	13.46	16.85	-	-	-	2.12	1.04
High voltage KVA time of use 2	HVKVATOU 2		-	13.46	16.85	-	-	-	2.12	1.04
Subtransmission KVA time of use	SUBTKVATOU		-	3.70	10.16	-	-	-	1.40	0.70

Notes:

For more details please refer to the Tariff Criteria section in the Pricing Proposal.

A.3 Tariff Criteria - Tariff eligibility for new & existing customers

This section is organised by tariff class and provides a brief description of the current tariffs. All times are local times unless specified otherwise.

Table A. 9 Tariffs available to new and existing residential customers in 2021/22

Tariff type	Tariff Code	Status ¹	Supply voltage	Energy threshold	Standing	Anytime energy	Peak energy	Off peak energy	Summer demand ²	Non-summer demand
					c/day	c/kWh	c/kWh	c/kWh	c/kW/day	c/kW/day
Time of use	URTOU	Default	< 1kV	N/A	✓		all days 3pm-9pm	non-peak times		
Single rate	LVS1R	Opt-in			✓	✓				
Demand	RESKW1R ³	Opt-in			✓	✓			workdays 3pm-9pm	workdays 3pm-9pm
Dedicated circuit	LVDed ⁴	Opt-in						✓		

Notes:

- Customers must be residential.
- All times are local times.

¹ Default tariff available to new connections. Opt-in tariffs available to re-assignments only.

² Summer is from 1st December to 31st March (inclusive). Demand is measured at monthly maximum kW value.

³ Available to customers with an AMI or MRIM meter.

⁴ Requires a separately metered dedicated circuit controlled by UE by means of time switch or other means connected to a controlled electric hot water service and/or storage space heating.

Table A. 10 Tariffs available to new and existing small and medium commercial customers in 2021/22

Tariff type	Tariff Code	Status ¹	Supply voltage	Energy / Demand threshold	Standing	Anytime energy	Peak energy	Off peak energy	Summer demand ²	Non-summer demand
					c/day	c/kWh	c/kWh	c/kWh	c/kW/day	c/kW/day
Time of use	LVTou	Default below 40MWh pa (otherwise Opt-in)	< 1kV	< 160MWh pa	✓		workdays 9am-9pm	non-peak times		
Single rate	LVM1R	Opt-in		< 40MWh pa	✓	✓				
Demand	LVMKW1R ³	Default above 40MWh pa (otherwise Opt-in)		< 120kVA	✓	✓			workdays 10am-6pm	workdays 10am-6pm
Dedicated circuit	LVDED ⁴	Opt-in		N/A				✓		
Unmetered supplies	UnMet ⁵	Open		N/A			weekdays 7am-11pm	non-peak times		

Notes:

- Customers must not be residential.
- All times are local times except for UnMet.

¹ Default tariff available to new connections. Opt-in tariffs available to re-assignments only.

² Summer is from 1st December to 31st March (inclusive). Demand is measured at monthly maximum kW value.

³ Available to customers with a single AMI or MRIM meter.

⁴ Requires a separately metered dedicated circuit controlled by UE by means of time switch or other means connected to a controlled electric hot water service and/or storage space heating.

⁵ Available to unmetered supplies only.

Table A. 11 Tariffs available to new and existing large commercial customers in 2021/22

Tariff type	Tariff Code	Status	Supply voltage	Demand threshold	Minimum chargeable rolling demand	Standing	Peak energy	Off-peak energy	Summer incentive demand ¹	Rolling demand ²
					kVA	c/day	c/kWh	c/kWh	c/kW/day	c/kW/day
Low voltage large	LVkVATOU1	Default	< 1 kV	≥ 120 kVA demand or ≥ 200amps per phase	120		workdays 7am-7pm	non-peak times	workdays 1pm-4pm	workdays 7am-7pm
Low voltage large	LVkVATOU2	Default	< 1 kV	≥ 120 kVA demand or ≥ 200amps per phase	120		workdays 7am-7pm	non-peak times	workdays 4pm-7pm	workdays 7am-7pm
High voltage	HVkvATOU1	Default	1 kV – 66 kV	N/A	500		workdays 7am-7pm	non-peak times	workdays 1pm-4pm	workdays 7am-7pm
High voltage	HVkvATOU2	Default	1 kV – 66 kV	N/A	500		workdays 7am-7pm	non-peak times	workdays 4pm-7pm	workdays 7am-7pm
Subtransmission	SUBTKVATOU	Default	> 66 kV	N/A	5,000		workdays 7am-7pm	non-peak times	workdays 4pm-7pm	workdays 7am-7pm

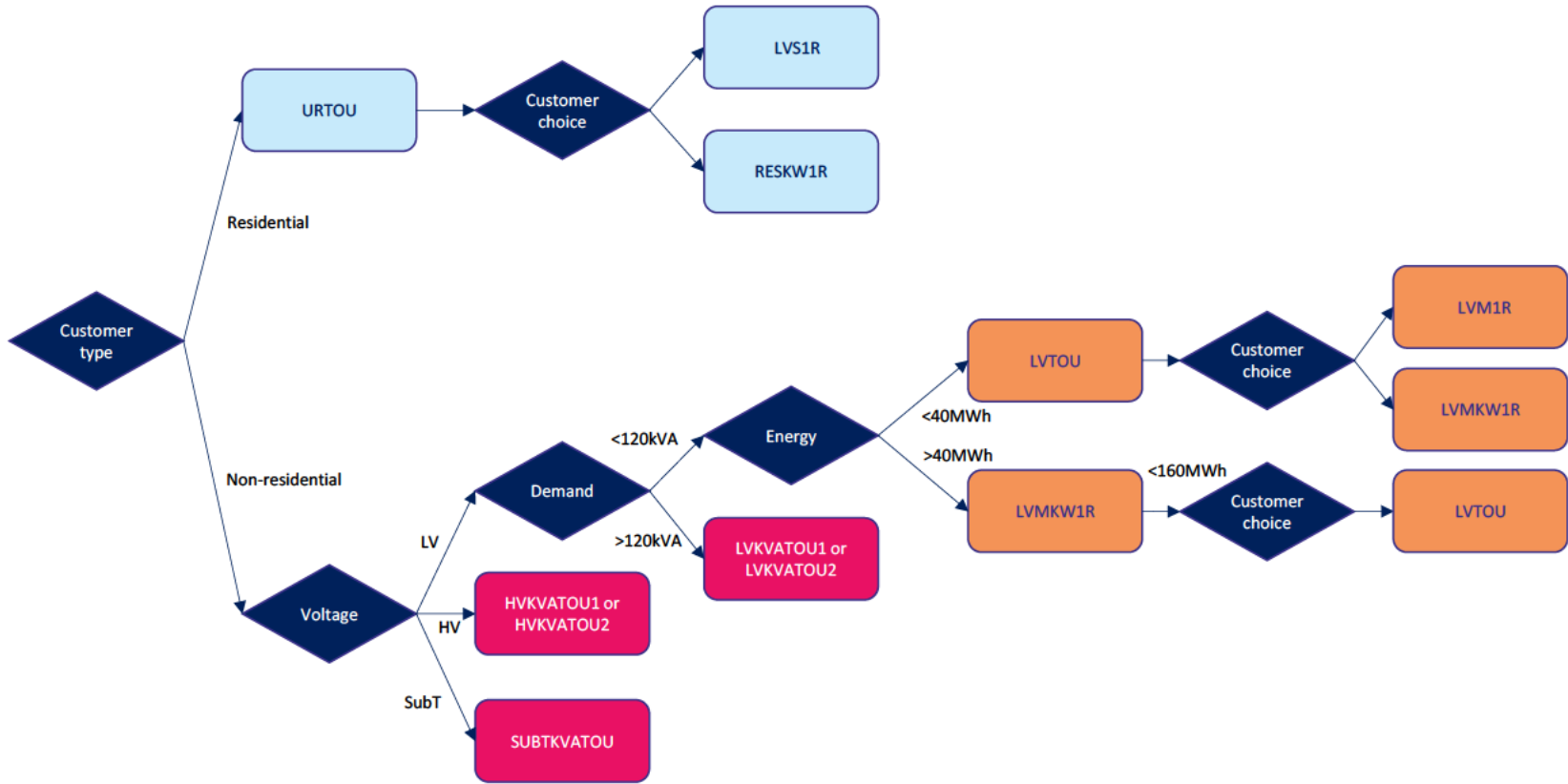
Notes:

- Tariffs available to customers with Type 1-4 meters measuring kW and kVar.
- All times are local times.

¹ Summer is from 1st December to 31st March (inclusive). Summer incentive demand kVA is measured at monthly maximum kW value.

² Rolling demand kVA is measured at maximum kW value in previous 12 months period. Minimum thresholds apply as per table above.

A.3.1 Tariff decision tree



Please refer to each individual tariff criteria for eligibility.

A.4 Further information on kVA demand

The following section outlines the kVA tariff policy which involves the calculation of 12-month rolling maximum demand, which applies to large low voltage, high voltage and sub-transmission customers.

A.4.1 Calculation of the kVA demand tariff for a monthly bill

Table A. 12 Calculation of the kVA demand tariff for monthly bill

kVA tariff components	Calculation
Rolling demand charge	Cents per kVA x 12 month rolling maximum kVA at maximum kW x days / 100
Summer incentive demand charge	Cents per kVA per day x summer incentive kVA at maximum kW x days / 100
Peak usage charge	Cents per peak kWh x peak kWh in month / 100
Off peak usage charge	Cents per off-peak kWh x off-peak kWh in month / 100

A.4.2 Rolling demand

kVA 30-minute maximum demand is calculated as:

$$kVA = \sqrt{kW^2 + kVA_{r^2}}$$

Where

kW = maximum kWh in a 30-minute period over the prior 12 months x 2

kVA_r = kVA_{rh} in the corresponding 30-minute period x 2

Maximum 30-minute kW is measured between 7am and 7pm local time on workdays over the prior 12 months.

Minimum chargeable demand of 120kVA for low voltage large customers, 500kVA for high voltage customers and 5,000kVA for sub-transmission customers.

If there is a full 12-month history of the customer's consumption data, the rolling 12-month maximum kVA demand will take effect immediately looking back 12 months.

Demand for greenfield sites will be measured from energisation date to the end date of the bill, until 12 months of history is available when it will revert to a 12-month rolling demand.

A.4.3 Summer incentive kVA

Summer incentive KVA is the maximum monthly 15-minute kVA for the December to March months. There is no charge for the other eight months of the year. Maximum monthly kVA is based on a fixed either a 1-4pm or 4-7pm measurement period on each workday of the applicable months. Each customer will be assigned to one of these two measurement periods.

A.4.4 Peak and off peak usage

Peak usage is kWh usage between 7am and 7pm local time on workdays.

Off-peak usage is kWh usage at all other times.

A.4.5 Demand exclusions

The exclusion of temporary increases in demand from the 12-month rolling maximum demand charged to the customer at a supply point will be considered at our discretion. For example if there is a specific, short term need, such as commissioning a new plant. The customer must apply in advance for a temporary increase in demand to be excluded from the supply point's 12-month rolling maximum demand charge.

Large customers that have moved into a premise will automatically continue to have their maximum demand charge based on the 12-month rolling maximum demand. If a customer wishes to exclude the previous customer's demand, they will need to apply to us.

A.4.6 Power factor correction

Customers installing power factor correction equipment will need to be cognisant of their obligations under the Victorian Electricity Distribution Code to keep harmonic distortion and power factor within prescribed levels. Power factor correction equipment has the potential to exacerbate harmonic distortion and can cause a leading power factor during times of low demand if the equipment is not designed properly.

If a customer installs power factor correction equipment, they may apply for their 12-month rolling maximum demand to be calculated from the date of commissioning of the equipment. This will only be granted where there is an observable improvement in power factor. Seasonal demand profiles will also be taken into account.

A.4.7 Battery charges

Batteries installed on the network (not behind the meter) can receive tariff discounts depending on the specific circumstances.

B Alternative control service charges

Alternative control services are regulated services we offer that are customer initiated or requested and are directly recovered from customers seeking the service.

Alternative control services are:

- ancillary network services
- public lighting services
- metering coordinator services.

All prices are exclusive of GST.

Business hours and after hours

Table B. demonstrates the differences between business and after hours.

Table B. 1 Overview of business and after hours

Hours of operation	
Business hours	8am-5pm Monday to Friday (excluding public holidays)
After hours	All other times and only where resources are available

We endeavour to perform all alternative control services within business hours, however if a circumstance arises where after hours activities are required, this work can only be undertaken where resources are available.

The following sections list and describe the various charges classified as ancillary network services which apply throughout the area served by us. Ancillary network services are non-routine types of services which are provided to individual customers on an 'as needs' basis. Ancillary network services are divided into two subclasses:

- fee based
- quoted services.

One of the two 'failed field visit' charges (refer 3.1.10 and 3.1.11) is applied in situations where we have arrived at the site to undertake works, however the crew are unable to complete the work due to circumstances that are the responsibility of the customer (i.e. restricted access, contractor not ready, customer equipment not in reasonable state or the site is defective etc.). When the issue(s) have been resolved another request will need to be raised and the service charge will apply.

B.1 Fee based service

Fee based services are activities which are charged on a per activity basis.

B.1.1 New connection - where we are the metering coordinator

A combined connection and metering service is provided by us as both the electricity distributor and the metering coordinator. We are therefore responsible for the metering.

This charge applies when:

- a customer with a supply point with fuses less than 100 amps moves into a new premises and requests supply and metering. Different charges apply depending on whether the meter is single or multi-phase direct connected (DC).
- a customer with a supply point with fuses greater than 100 amps moves into a new premises and requests supply and current transformer (CT) metering.

The charge applies where a request is made for a new supply connection at a specified address, including unmetered supply sites but excluding the supply is for security lighting (also known as watchman lighting).

Different charges apply depending on whether the service is provided during or after business hours.

This charge also applies where a builder wishes to provide permanent or temporary supply to new properties under construction. On occasions when a 'builder's temporary supply' is installed and subsequently replaced with a permanent supply, each new connection is considered a distinct site visit and separate new connection charges are applied:

- the first to the builder for establishing a new connection for which the builder uses supply for construction purposes
- second new connection charge to the customer for connecting the supply. This charge includes the removal/disconnection of the overhead service/underground cable and meter supplying the temporary supply pole where applicable.

A failed field visit (complex task) is applied when we are unable to complete the task.

B.1.2 New connection - where we are not the metering coordinator

We also provide a new connection service where we are not the metering coordinator. The only difference between this charge and the 'new connection – where we are the metering coordinator' charge is that we are not responsible for the metering.

A failed field visit (complex task) is applied when we are unable to complete the task.

B.1.3 Meter/NMI/site investigation

This charge applies when a request is received to investigate the metering/connection at a given supply point. This request may be initiated by either the retailer or a customer. Different charges apply depending on whether the service is provided during or after business hours.

A failed field visit (complex task) is applied when we are unable to complete the task.

B.1.4 Manual de-energisation

A disconnection (includes disconnections for non-payment) charge applies when a request for fuses less than 100 amps are de-energised by a field visit. The service requires that all supply assets remain at the customer's installation.

If at the time of disconnection it is discovered that the installation has been damaged or is defective and will be unsafe to energise, other charges may be applicable once the defect is repaired. These charges will be based on the nature of the works required.

Where the request for disconnection is received by us before 3pm, the disconnection will occur within 2 business days or the earliest permissible day thereafter.

In a normal instance a de-energisation is performed by a special reader. However, there are scenarios where an isolation is required, and accordingly an isolation charge will be applied (see 'isolation of supply or reconnection, excluding HV (single)' and 'isolation of supply and reconnection after isolation, excluding HV (same day)'). Some examples where an isolation may be required include:

- no access to distribution equipment - metering and main fuse, including a veranda restricting access to the main fuse
- no isolation point, necessitating disconnection at the pole
- multiple national metering identifiers (NMI) fused at a common isolation point
- CT metered site
- isolation point in restricted area – substation
- safety disconnection for non-prescribed electrical works
- special reader is not available after hours and an alternative time is not acceptable to the customer.

A failed field visit (simple task) is applied when we are unable to complete the task; however, if an isolation is required and we are unable to complete the task, a failed field visit (complex task) is applied.

B.1.5 Manual re-energisation

A re-energisation charge applies when a request is received to re-energise a supply point for fuses less than 100 amps by a field visit. Two options for re-energisation are available:

- manual re-energisation (same day)—where the request is received and carried out on the same day
- manual re-energisation (incl. customer transfer)—where the request is received one day and carried out on a different day.

If the re-energisation is required on the same day and we receive the request before 3pm, the ‘manual re-energisation (same day)’ charge will be applied and the reconnection will occur that day.

If the re-energisation is required for the next business day and we receive the request before 3pm on the previous business day the ‘re-energisation (incl. customer transfer)’ charge is applied.

The charge will not be applied when:

- the customer changes retailer on a scheduled read
- the customer changes name.

The same conditions and applications of the isolation charges or failed field visit charges apply as for the ‘manual de-energisation’ charge above.

B.1.6 Isolation of supply or reconnection, excluding HV (single)

This charge applies when a customer (or the customer’s contractor) is doing works at the site and requests a temporary isolation of supply to allow the customer and/or contractor to perform the planned work on the customer’s assets (or work close the assets, or for other safety reasons).

The charge also applies when the customer (or the customer’s contractor) requests a reconnection of supply after the isolation, on different date or after hours. Additional types of isolations that are included under this charge are (for example): requests for disconnection at the point of supply (i.e. pole or pit) and service line isolations in association with No Go Zone applications.

The charge does not apply to any isolations or reconnections of high-voltage (HV) assets.

Different charges apply depending on whether the service is provided during or after business hours.

A failed field visit (complex task) is applied when we are unable to complete the task.

B.1.7 Isolation of supply and reconnection after isolation, excluding HV (same day)

This charge applies when a customer (or the customer’s contractor) requires: 1) a temporary isolation of supply to enable works on the customer’s asset (or the near the asset or for other safety reasons), as well as 2)

reconnection of supply after the works are done, to be carried out on the same day (during business hours) and the exact same site.

In this case, the customer (or the customer's contractor) must pre-arrange both an isolation of supply and a reconnection of the same point of supply at the time of requesting services, and the works must be planned for the same day during business hours. For example, when an electrician is carrying out works at a site and requires a temporary isolation at a certain time of the day, and pre-arranges the reconnection an hour later (or any other time within the business hours of the same day), this charge applies.

Any other isolation and reconnection requests, or if any of the works are carried out after hours, should be charged using the single isolation and reconnection charge. The charge does not apply to any isolations or reconnections of HV assets.

A failed field visit (complex task) is applied when we are unable to complete the task.

B.1.8 Standard alteration

This charge is for alterations that are standard in nature, including but not limited to the following services:

- install or remove controlled load
- move meter to new position
- relocate point of attachment or service
- replace meter panel
- re-route mains to new pit
- upgrade maximum demand or change supply capacity control.

If multiple of the above services are required for the customer's alteration, this would be deemed a complex alteration.

Different charges apply depending on whether the service is provided during or after business hours.

A failed field visit (complex task) is applied when we are unable to complete the task.

B.1.9 Complex alteration

This charge is for alteration services of a complex nature, including but not limited to the following services:

- change overhead to underground
- change to group metering panel
- upgrade phase.

It also includes multiple services during the same site visit, for example a customer requests a metering panel replacement and moving a meter to a new position in the same visit.

Different charges apply depending on whether the service is provided during or after business hours.

A failed field visit (complex task) is applied when we are unable to complete the task.

B.1.10 Installation of possum guards

The fee applies to a customer who requires the provision of a possum guard to a service line.

A failed field visit (complex task) is applied when we are unable to complete the task.

B.1.11 Failed field visit (complex tasks)

This charge applies when the customer (or the customer's contractor) requests a certain type of service, however, when the crew arrive at the site they are unable to complete the work due to circumstances that are

the responsibility of the customer (i.e. restricted access, contractor not ready, etc.). The charge applies when the following services were requested and the crew were unable to complete work:

- new connections and/or abolishments
- any isolation or reconnection after isolation
- any alterations (standard or complex)
- any CT meter works.

Different charges apply depending on whether the failed field visit was during or after business hours.

B.1.12 Failed field visit (simple tasks)

This charge applies when the following services have been requested by the customer (or the customer's contractor), however, when the crew arrive at the site they are unable to complete the work due to circumstances that are the responsibility of the customer (i.e. restricted access, contractor not ready, etc.):

- meter/NMI investigation
- manual re-energisation or manual de-energisation
- any meter accuracy test or meter reading (see section 3.4 on metering coordinator services).

B.1.13 Product reference tables - fee based ancillary network services

Table B. 2 Fee based ancillary network services (nominal, GST exclusive)

Section reference	Alternative control service	Product code	Business hours, \$	Product code	After hours, \$
New connection where we are the metering coordinator					
B.1.1	Single phase	SPHCBG	505.50	SPHCAG	791.22
B.1.1	Multi-phase DC	MPHCBG	505.50	MPHCAG	791.22
B.1.1	Multi-phase CT	BCCCTB	1,754.65	BCCCTA	2,746.44
New connection where we are not the metering coordinator					
B.1.2	Single phase	SPNRPB	469.10	SPNRPA	791.22
B.1.2	Multi-phase DC	MPNRPB	469.10	MPNRPA	791.22
B.1.2	Multi-phase CT	BCNCTB	1,601.13	BCNCTA	2,746.44
All other charges					
B.1.3	Meter/NMI/site investigation	MNSIB	279.82	MNSIA	489.68
B.1.4	Manual de-energisation	DEENBH	50.06	N/A	N/A
B.1.4	Manual re-energisation (incl. customer transfer)	RECFIB	50.06	RECFAG	87.60

Section reference	Alternative control service	Product code	Business hours, \$	Product code	After hours, \$
B.1.5	Manual re-energisation (same day)	SPRER	75.45	N/A	N/A
B.1.6	Isolation of supply or reconnection, excluding HV (single)	SVIRSB	321.14	SVISRA	562.00
B.1.7	Isolation of supply and reconnection after isolation, excluding HV (same day)	SVIRDB	590.83	N/A	N/A
B.1.8	Standard alteration	SVSAB	554.93	SVSAA	971.15
B.1.9	Complex alteration	SVCAB	689.74	SVCAA	1,207.04
B.1.10	Installation of possum guards	POSGRD	384.14	N/A	N/A
B.1.11	Failed field visit (complex tasks)	SVFVB	311.51	SVFVA	545.13
B.1.12	Failed field visit (simple tasks)	SVFFB	23.51	N/A	N/A

B.2 Quoted ancillary network services

Quoted ancillary network services are charges levied on a time and materials basis where the services are highly variable.

All quoted services are based on the greater of actual hours worked or minimum chargeable hours, multiplied by the approved labour rates plus contractor service and materials used. Labour rates on which quotes are based on include:

- administration
- field
- technical
- engineer
- senior engineer.

Labour is billable based on business and after hour rates.

The quoted services we provide are outlined in the table below.

Table B. 3 Quoted services we provide

Quoted services	Description
Complex supply abolishment	This charge applies when a customer requests permanent removal of our supply assets on a complex site. For example, when supply is directly from a sub-station, when the abolishment requires a design to be completed safely, or when the supply is more than 100 amps.

Quoted services	Description
Rearrangement of network assets at customer request, excluding public lighting assets	This charge applies when a customer requests capital work for which the prime purpose is to satisfy a customer requirement other than new or increased supply, other than where Guideline 14 applies. For example, a customer requests a removal or relocation of service to allow work on private installation.
Audit design and construction	<p>This charge applies when either a third party requests or we deem it necessary to review, approve or accept work undertaken by a third party. Examples include:</p> <ul style="list-style-type: none"> customer provided buildings, conduits or ducts used to house our electrical assets customer provided connection facilities including switchboards used in the connection of an electricity supply to their installation any electrical distribution work completed by our approved contractor that has been engaged by a customer provision of system plans and system planning scopes, for designers engaged by the customer reviewing and/or approving plans submitted by designers engaged by the customer.
Specification and design enquiry	<p>This charge applies when design or network planning is required to fairly assess the costs so that an offer can be issued to a customer. Examples include:</p> <ul style="list-style-type: none"> the route of the network extension required to reach the customer's property the location of other utility assets environmental considerations including tree clearing obtaining necessary permits from State and Local Government bodies assessment of design and network planning options specialist services (which may involve design related activities and oversight/inspection works) where the design or construction in is non-standard, technically complex or environmentally sensitive and any enquiries related to distributor assets.
Elective undergrounding	This charge applies when a customer could receive an overhead service but requests an underground service, other than where Guideline 14 applies. For example, a customer requests an underground service where we would consider it safe and prudent to install an overhead service.
High load escorts—surveying and lifting overhead lines	This charge applies when a third party requires safe clearance of overhead lines to allow high load vehicles to pass along roads. This includes surveying and lifting of overhead lines.
High profile antenna installation	This charge applies when customers request to install a high profile antenna to an existing smart meter.
No-go zone safety-related services	This charge applies when a customer or third party requests services related to ensuring safety of no-go zone around our assets, including a supply isolation, covering assets with tiger tails and aerial markers, and other related works. For example, a customer/third party is conducting building works at a site near our assets where visual markers (tiger tails) are required for safety.
Reserve feeder maintenance	This charge applies when a customer requests continuity of electricity supply should the feeder providing normal supply to their connection experience interruption. The fee covers the maintenance of the service, it does not include the capital required to implement or replace the service as this is a negotiated connection service.
Alteration and relocation of public lighting assets	This charge applies when a customer or a third party requests alteration, rearrangement or relocation of public lighting assets.
New public lighting services including greenfield sites and new light types	This charge applies when a customer or a third party request an installation of new public lighting assets, including new light types and emerging light technologies.
Access to network data - cumbersome requests	This charge applies when a customer or a third party requests electricity network data, including aggregates smart meter data, outside of legislative obligations. For example, a third party requests large quantities of aggregated data outside of our standard practices of legislative obligations. This typically involves aggregating a combination of different meters together, using either the network or other geospatial information, and takes more than 10 hours to complete.

Quoted services	Description
Complex isolations and alterations, including HV	This charge applies when a customer requests an isolation of supply (e.g. to allow customer and/or contractor to perform maintenance on the customer's assets, work close to or for safe approach) of HV assets or where there are more complex/larger scale works isolation or alternations. This also includes where works are requested to be perform after hours for multi-occupancy or complex sites. For example, after-hours isolation for customer side works at a large multi-occupancy site, such as a caravan park.
Alterations to the shared distribution network assets	This charge applies when a customer or third party initiates alterations or other improvements to the shared distribution network to enable the third party infrastructure (e.g. NBN Co telecommunications assets) to be installed/altered on the shared distribution network.
Nightwatchman lights	This charge applies when a customer requests to install nightwatchman lights.

A failed field visit (complex task) is applied when we are called to the site and unable to complete the task.

B.2.1 Product reference tables - quoted ancillary network services

Table B. 4 Quoted services labour rates (nominal, GST exclusive)

Section reference	Labour type	Product code	Business hours, \$	Product code	After hours, \$
B.2	Administration	N/A	94.24	N/A	N/A
B.2	Field	N/A	169.14	N/A	208.22
B.2	Technical	N/A	174.55	N/A	225.16
B.2	Engineer	N/A	153.15	N/A	228.82
B.2	Senior engineer	N/A	200.26	N/A	321.48

Note: (1) Quoted service labour categories are inclusive of allowable overheads

Table B. 5 Quoted services product codes (GST exclusive)

Section reference	Quoted service	Product codes
B.2	Complex supply abolishment	SACOMP
B.2	Rearrangement of network assets at customer request, excluding public lighting assets	N/A
B.2	Audit design and construction	N/A
B.2	Specification and design enquiry	N/A
B.2	Elective undergrounding	N/A
B.2	High load escorts—surveying and lifting overhead lines	N/A
B.2	High profile antenna installation	HPANIN
B.2	No-go zone safety-related services	HVLVSD/SERCAC
B.2	Reserve feeder maintenance	RESCAP
B.2	Alteration and relocation of public lighting assets	PLMNPR
B.2	New public lighting services including greenfield sites and new light types	NPLSER
B.2	Access to network data - cumbersome requests	ATNMD

Section reference	Quoted service	Product codes
B.2	Complex isolations and alterations, including HV	COISAL
B.2	Alterations to the shared distribution network assets	ATSDNA
B.2	Nightwatchman lights	WTCHLG

B.3 Public lighting services

We provide public lighting services for local councils and Victorian Department of Transport. The provision of public lighting services and the respective obligations of our business and public lighting customers are regulated by the Victorian Public Lighting Code. The following services are included:

- operation of public lighting assets; including handling enquiries and complaints about public lighting and dispatching crews to repair public lighting assets
- maintenance, repair and replacement of public lighting assets.

The cost of these services is charged to customers through an operation, maintenance, repair and replacement (OM&R) charge per each light.

All other public lighting services are treated as quoted (see table 3.3).

Where a public lighting customer requests the replacement of a light with another light of a different type, then the activities required to fulfil this request fall outside of general OM&R activities. In this circumstance the following charges (rebates) are applied:

- replacement luminaire – written down value (WDV) recovery (charge)
- replacement luminaire - avoided costs (rebate).

The prices for the written down values and avoided cost rebates were included in the AER's final decision public lighting model. For transparency, we have included these prices in our 2021/22 public lighting price list.

B.3.1 Product reference tables - Public lighting OM&R, WDV and avoided cost

Table B. 6 Public lighting OM&R (nominal, GST exclusive)

Section reference	Public lighting charges	OM&R
B.3	Mercury Vapour 80 watt	95.85
B.3	Sodium High Pressure 150 watt	132.08
B.3	Sodium High Pressure 250 watt	134.87
B.3	Fluorescent 2x20 watt	123.64
B.3	Fluorescent 3x20 watt	123.64
B.3	Mercury Vapour 50 watt	141.85
B.3	Mercury Vapour 125 watt	141.85
B.3	Mercury Vapour 250 watt	122.73
B.3	Mercury Vapour 400 watt	169.93
B.3	Mercury Vapour 700 watt	169.93

Section reference	Public lighting charges	OM&R
B.3	Sodium High Pressure 70 watt	209.90
B.3	Sodium High Pressure 100 watt	145.29
B.3	Sodium High Pressure 400 watt	169.93
B.3	Metal Halide 70 watt	178.31
B.3	Metal Halide 100 watt	178.31
B.3	Metal Halide 150 watt	178.31
B.3	Metal Halide 250 watt	182.07
B.3	Metal Halide 400 watt	182.07
B.3	T5 2X14W	41.89
B.3	Twin 24w Fluorescent	41.89
B.3	32W Compact Fluorescent	41.89
B.3	42w Compact Fluorescent	41.89
B.3	Category P LED Standard Output	22.05
B.3	Category P LED High Output	22.05
B.3	Category V LED L1 Standard Output	44.86
B.3	Category V LED L2 Medium Output	56.37
B.3	Category V L4 LED High Output	59.41
B.3	WDV	251.00
B.3	Avoided cost	-27.31

B.4 Metering Coordinator services

Since 1 December 2017, the responsible person role was replaced by the metering coordinator role. We are the metering coordinator for types 5, 6 and 7 meters. We are responsible for metering coordinator services associated with types 5, 6 and 7 meters which are installed in residential and small commercial premises consuming up to 160 megawatt hours (MWh) per annum. The services provided in relation to these meters include:

- meter provision—includes purchasing meters and installing these meters at the customer's premise;
- meter maintenance—includes inspecting, testing, maintaining and repairing meters;
- meter replacement—replacement of a meter and associated equipment, at a site with existing metering infrastructure, with a modern equivalent where the meter has reached the end of its economic life;
- meter reading and data services—includes collection, processing, storage and delivery of metering data to other participants for billing and market settlement purposes and the management of the relevant NMI

- meter communications—includes maintaining and installing communication devices required to operate the mesh radio network and management of the day to day operation of the meter communications systems including meter data delivery, testing, fault detection, investigation and resolution.

One of the two 'failed field visit' charges (refer [B.1.11](#) and [B.1.12](#)) is applied in situations where we have arrived at the site to undertake works, however the crew are unable to complete the work due to circumstances that are the responsibility of the customer (i.e. restricted access, contractor not ready, customer equipment not in reasonable state or the site is defective etc.). When the issue(s) have been resolved another request will need to be raised and the service charge will apply. The following section details fixed fee ancillary service related to metering.

B.4.1 Meter accuracy test

This charge applies when a request is made to test the accuracy of a meter at a given supply point.

A failed field visit (simple task) is applied when we are unable to complete the task.

B.4.2 Meter accuracy test – additional meters

This charge applies where multiple meters are being tested for accuracy. We will only apply this fee where we have charged the "meter accuracy test" for the first meter tested and we are then testing additional meters at the site on same visit. We will apply this lower charge for each additional meter tested.

B.4.3 Remote meter reconfiguration

The remote reconfiguration charge applies when a request is received to reconfigure a smart meter and has the related infrastructure in place.

B.4.4 Special reading

The special meter reading charge applies when a request for a special meter read is to be performed by a field visit outside the scheduled meter reading cycle. Where customers have multiple metering installations, such as farms and units, a separate charge applies to each meter on the property. This charge is only available during business hours.

A failed field visit (simple task) is applied when we are unable to complete the task.

B.4.5 Manual meter reading charge – basic or manually read interval meter

A charge for manually reading a basic or manually-read interval meter.

A failed field visit (simple task) is applied when we are unable to complete the task.

B.4.6 Meter exit fees

The meter exit fees are charged for each meter at a premises in cases where the customer moves to a competitive meter services provider, or when a site is converted to an embedded network. There is one charge for each of the following types of meter:

- single phase
- three phase DC meter
- three phase CT connected meter
- basic or manually read interval meter.

B.4.7 Product reference tables - metering coordinator services

Table B. 7 Charges for AMI metering charges of single and three phase meters. (nominal, GST exclusive)

AMI metering charges per meter	\$
Single phase single element meter	\$42.92
Single phase single element meter with contactor	\$42.92
Three phase direct connected meter	\$48.37
Three phase current transformer connected meter	\$51.30

Table B. 8 Ancillary services related to metering (nominal, GST exclusive)

Section reference	Alternative control service	Product code	Business hours, \$	Product code	After hours, \$
B.4.1	Meter accuracy test	METAB	279.82	METAA	489.68
B.4.2	Meter accuracy test - additional meters	METAAB	134.27	N/A	N/A
B.4.3	Remote meter reconfiguration	MECFRM	66.74	N/A	N/A
B.4.4	Special reading	SPECRD	23.51	N/A	N/A
B.4.5	Basic or manually-read interval meter	MRDBI	23.51	N/A	N/A

Table B. 9 Metering exit fees (nominal, GST exclusive)

Section reference	Metering exit fees	Product code	\$
B.4.6	Single phase	MEASPB	264.00
B.4.6	Three phase DC	MEA3PB	310.34
B.4.6	Three phase CT	MEACTB	336.05
B.4.6	Basic or MRIM all	MEBMB	44.71

C COMPLIANCE CHECKLIST

This section sets out the relevant Rule requirements and the section in which those requirements have been met within this document.

Rule	Requirement	Relevant section
6.18.2	<i>Pricing proposals</i>	
6.18.2(b)	A Pricing Proposal must:	
6.18.2(b)(2)	Set out the proposed tariffs for each tariff class that is specified in the Distribution Network Service Provider's tariff structure statement for the relevant regulatory control period.	Appendix A.1
6.18.2(b)(3)	Set out, for each proposed tariff, the charging parameters and the elements of service to which each charging parameter relates.	Appendix A.3 and A.4
6.18.2(b)(4)	Set out, for each tariff class related to standard control services, the expected weighted average revenue for the relevant regulatory year and also for the current regulatory year	Chapter 3.1 and Attachment A
6.18.2(b)(5)	Set out the nature of any variation or adjustment to the tariff that could occur during the course of the regulatory year and the basis on which it could occur	Chapter 3
6.18.2(b)(6)	Set out how designated pricing proposal charges are to be passed on to customers and any adjustments to tariffs resulting from over or under recovery of those charges in the previous regulatory year	Chapter 3.2 and Attachment A
6.18.2(b)(6A)	Set out how jurisdictional scheme amounts for each approved jurisdictional scheme are to be passed on to customers and any adjustments to tariffs resulting from over or under recovery of those amounts	Chapter 3.3 and Attachment A
6.18.2(b)(7)	Demonstrate compliance with the Rules and any applicable distribution determination, including the Distribution Network Service Provider's tariff structure statement for the relevant regulatory control period	This Pricing Proposal
6.18.2(b)(7A)	Demonstrate how each proposed tariff is consistent with the corresponding indicative pricing levels for the relevant regulatory year as set out in the relevant indicative pricing schedule, or explain any material differences between them	Section 3.6 and Attachment A
6.18.2(b)(8)	Describe the nature and extent of change from the previous regulatory year and demonstrate that the changes comply with the Rules and any applicable distribution determination	Chapter 3
6.18.2(d)	At the same time as a Distribution Network Service Provider submits a pricing proposal under paragraph (a), the Distribution Network Service Provider must submit to the AER a revised indicative pricing schedule which sets out, for each tariff and for each of the remaining regulatory years of the regulatory control period, the indicative price levels determined in	Attachment A

Rule	Requirement	Relevant section
	accordance with the Distribution Network Service Provider's tariff structure statement for that regulatory control period and updated so as to take into account that pricing proposal.	
6.18.2(e)	Where the Distribution Network Service Provider submits an annual pricing proposal, the revised indicative pricing schedule referred to in paragraph (d) must also set out, for each relevant tariff under clause 6.18.1C, the indicative price levels for that relevant tariff for each of the remaining regulatory years of the regulatory control period, updated so as to take into account that pricing proposal.	Attachment A
6.18.5	Pricing Principles	
6.18.5(e)	For each tariff class, the revenue expected to be recovered must lie on or between:	
6.18.5(e)(1)	An upper bound representing the stand alone cost of serving the retail customers who belong to that class; and	Chapter 3.1.4 - 3.1.6
6.18.5(e)(2)	A lower bound representing the avoidable cost of not serving those retail customers.	Chapter 3.1.4 - 3.1.6
6.18.5(f)	Each tariff must be based on the long run marginal cost of providing the service to which it relates to the retail customers assigned to that tariff with the method of calculating such cost and the manner in which that method is applied to be determined having regard to:	
6.18.5(f)(1)	The costs and benefits associated with calculating, implementing and applying that method as proposed;	TSS
6.18.5(f)(2)	The additional costs likely to be associated with meeting demand from retail customers that are assigned to that tariff at times of greatest utilisation of the relevant part of the distribution network; and	TSS
6.18.5(f)(3)	The location of retail customers that are assigned to that tariff and the extent to which costs vary between different locations in the distribution network.	TSS
6.18.5(g)	The revenue expected to be recovered from each tariff must:	
6.18.5(g)(1)	Reflect the Distribution Network Service Provider's total efficient costs of serving the retail customers that are assigned to that tariff;	Chapter 3.1
6.18.5(g)(2)	When summed with the revenue expected to be received from All other tariffs, permit the Distribution Network Service Provider to recover the expected revenue for the relevant services in accordance with the applicable distribution determination for the Distribution Network Service Provider; and	Chapter 3.1
6.18.5(g)(3)	Comply with sub-paragraphs (1) and (2) in a way that minimises distortions to the price signals for efficient usage that would result from tariffs that comply with the pricing principle set out in paragraph (f).	TSS

Rule	Requirement	Relevant section
6.18.5(h)	A Distribution Network Service Provider must consider the impact on retail customers of changes in tariffs from the previous regulatory year and may vary tariffs from those that comply with paragraphs (e) to (g) to the extent the Distribution Network Service Provider considers reasonably necessary having regard to:	
6.18.5(h)(1)	the desirability for tariffs to comply with the pricing principles referred to in paragraphs (f) and (g), albeit after a reasonable period of transition (which may extend over more than one regulatory control period);	TSS
6.18.5(h)(2)	the extent to which retail customers can choose the tariff to which they are assigned; and	TSS
6.18.5(h)(3)	the extent to which retail customers are able to mitigate the impact of changes in tariffs through their usage decisions.	TSS

D Glossary

Table C.1 Glossary

Term	Definition
AEST	Australian Eastern Standard Time is 10 hours ahead of UTC
Active Market Interval Read Meter	A meter that records energy use over short intervals and communicates the data to the energy supplier and is operating in the national energy market as an interval meter
AMI	Advanced Metering Infrastructure
ARR	Annual revenue requirement
Controlled Load	The DNSP controls the hours in which the supply is made available
DMIS	Demand management incentive scheme
DPPC	Designated pricing proposal charges
DUoS	Distribution use of system
Final decision	The Australian Energy Regulator's final decision determination 2021 to 2026, April 2021
FiT	Feed in Tariff
Flexible Pricing	Flexible pricing means different rates for electricity at different times of the day as defined by the Victorian Governments policy on ToU pricing
Guideline 14	Electricity Industry Guideline 14, Provision of Services by Electricity Distributors, 13 April 2004
JUoS	Jurisdictional scheme use of system
kVA, MVA	Kilovolt amperes and Megavolt amperes, units of instantaneous total electrical power demand. Usually the peak demand is referenced. See also PF for the relationship between power demand quantities
kVAr, MVAR	Kilovolt amperes (reactive) and Megavolt amperes (reactive) units of instantaneous reactive electrical power demand. Usually the peak demand is referenced. See also PF for the relationship between power demand quantities
kW, MW	Kilowatt and Megawatt, units of instantaneous real electrical power demand. Usually the peak demand is referenced. See also PF for the relationship between power demand quantities
kWh, MWh	Kilowatt hour and Megawatt hour, units of electrical energy consumption
Local Time	Daylight saving time in accordance with the Victorian Government's requirements
Low voltage (LV)	Equipment or supply at a voltage of 220 V single phase or 415 V, three phase
LRMC	Long Run Marginal Costs
Marginal Cost	The cost of providing a small increment of service. The Long Run Marginal Cost (LRMC) includes future investment; Short Run Marginal Cost (SRMC) considers only the costs involved without extra investment
NMI	National Meter Identifier
NUoS	Network use of system. The utilisation of the total electricity network in the provision of electricity to consumers (NUoS = DUoS + TUoS)
OM&R	Operation, maintenance and replacement
PFiT	Premium Feed-in tariff

Term	Definition
Power factor (PF)	<p>A measure of the ratio of real power to total power of a load. The relationship between real, reactive and total power is as follows:</p> $PF = \text{Real Power (kW)} / \text{Total Power (kVA)}$ $\text{Total Power kVA} = \sqrt{kW^2 + kVAR^2}$
PTRM	Post tax revenue model
Revenue cap	A form of regulatory control which limits the total revenue in a given period.
Rules	Australian Energy Market Commission, National Electricity Rules (NER)
STPIS	Service target performance incentive scheme
TAR	Total annual revenue
ToU	Tariff whereby charges (energy or demand) vary depending on time
Transmission Network	The assets and service that enable generators to transmit their electrical energy to population centres
TSS	Tariff structure statement
TUoS	Transmission Use of System
Unmetered supply	A connection to the distribution system which is not equipped with a meter and has estimated consumption. Connections to public lights, phone boxes, traffic lights and the like are not normally metered
WACC	Weighted average cost of capital
WDV	Written down value

E Attachments

Table D.1 Attachments

Reference	Topic	Final name	Confidential
Attachment A	Revenue Cap Compliance Model	Attachment A-2021-22 Tariff Approval Model-SCS-UE.xlsx	No
Attachment B	Tariff Summary	Attachment B-2021-22 Tariff Tables-UE.xlsx	No
Attachment C	Alternative Control Services Model	Attachment C-2021-22 Tariff Approval Model-ACS-UE.xlsx	No
Attachment D	Avoidable and Standalone Cost Model	Attachment D-2021-22 Avoidable and standalone cost model-UE.xlsx	No