

# INDEPENDENT PRICING AND REGULATORY TRIBUNAL OF NEW SOUTH WALES

# NSW Electricity Distribution Pricing 2004/05 to 2008/09

- 1. Draft Determination
- 2. Draft Rule Regulation of Excluded Distribution Services
- 3. Draft Rule Departure from the Price Limits

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Independent Pricing and Regulatory Tribunal

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# Draft Determination NSW Electricity Distribution Pricing 2004/05 to 2008/09

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Draft Rule 2004/05 to 2008/09 Regulation of Excluded Distribution Services

Draft Rule 2004/05 to 2008/09 Departure from the Price Limits

#### 1 Background

#### 1.1 Outline of this Prescribed Distribution Services Determination

Under this Determination, the Tribunal:

- (a) establishes the "regulatory control period" during which this Determination will apply, for the purposes of clause 6.10.5(c) of the Code (see clause 1.4);
- (b) determines which Distribution Services will be "prescribed distribution services", for the purposes of clause 6.10.4(a) of the Code (see clause 2); and
- (c) regulates the pricing of those "prescribed distribution services", in accordance with the Code provisions referred to in clause 1.3 (see clauses 3 to 11).

#### 1.2 Separate Rule for Excluded Distribution Services

On the same date as this Determination, the Tribunal has separately made the Excluded Distribution Services Rule 2004 under clause 6.10.1(f) of the Code for the purpose of determining the form of light handed regulation to apply to Excluded Distribution Services under clause 6.10.4(b) of the Code.

#### 1.3 Power to make this Determination

- (a) The Tribunal, as the Jurisdictional Regulator under the Code, is responsible for the regulation of Distribution Service pricing in New South Wales (Code clauses 6.10.1(b) and 9.16.3(b)).
- (b) Specifically, the Tribunal is responsible for:
  - (1) formulating guidelines and rules to apply to Distribution Service pricing (Code clause 6.10.1(f));
  - (2) determining which Distribution Services should be deemed to be "prescribed distribution services" (Code clause 6.10.4(a));
  - (3) determining in respect of "prescribed distribution services":
    - (A) the "regulatory control period" (Code clause 6.10.5(c));
    - (B) whether a revenue cap, weighted average price cap, or a combination of them, should apply to DNSPs (Code clause 6.10.5(b));
    - (C) the calculation of that regulatory cap, including the "X factor" to apply in the "CPI-X" formula (Code clause 6.10.5(a) and(b));
    - (D) if the Tribunal wishes to depart from the pricing methodology in Part E of the Code, an alternative pricing methodology (Code clause 6.11(e)); and

- (4) placing any limits on the annual variation in published Distribution Service prices (Code clause 6.14.4).
- (c) This Determination is made by the Tribunal pursuant to its powers under the Code referred to in clauses 1.3(b)(1) to(4).

#### 1.4 Regulatory Control Period and Commencement of this Determination

- (a) For the purposes of clause 6.10.5(c) of the Code, this Determination applies to prices for Prescribed Distribution Services for the regulatory control period from 1 July 2004 until 30 June 2009 inclusive ("the Regulatory Control Period").
- (b) This Determination commences on the date of its publication as a Final Determination by the Tribunal.

#### 1.5 Application of Determination

This Determination applies to the following DNSPs:

- (a) EnergyAustralia;
- (b) Integral Energy Australia;
- (c) Country Energy; and
- (d) Australian Inland Energy Water Infrastructure.

#### 1.6 Repeals

- (a) The following instruments are repealed on and from 1 July 2004:
  - (1) the Tribunal's determination entitled "Regulation of New South Wales Electricity Distribution Networks: Determination and Rules under the National Electricity Code" (December 1999);
  - (2) the Tribunal's determination entitled "Regulation of New South Wales Electricity Distribution Networks: Pricing Principles and Methodologies for Prescribed Electricity Distribution Services" (March 2001) ('the PPM");
  - (3) the Tribunal's rule entitled "Charges for monopoly services" Rule 2000/1:
  - (4) the Tribunal's rule entitled "Charges for miscellaneous services provided by distribution network service providers" Rule 2001/2; and
  - (5) the Tribunal's rule entitled "Unders and overs accounts" Rule 2001/3.
- (b) Despite clause 1.6(a)(2), clauses 4, 5, 6 and 7 of the PPM (regarding price notification, review, and information disclosure) cease to apply upon the commencement of this Determination.

(c) Nothing in this Determination affects the Tribunal's determination entitled "Capital Contributions and Repayments for Connections to Electricity Distribution Networks in New South Wales" Determination No. 1 of 2002, April 2002 ("Tribunal's Capital Contributions Determination").

#### 1.7 Definitions and interpretation

- (a) Definitions of words and expressions used in this Determination are set out in **Annexure 1**.
- (b) Rules of interpretation which apply to this Determination are also set out in **Annexure 1**.

#### 2 Prescribed Distribution Services

#### 2.1 The Tribunal's determination of Prescribed Distribution Services

For the purposes of clause 6.10.4(a) of the Code, the Tribunal determines that all Distribution Services are Prescribed Distribution Services, except for the following:

- (a) Customer Funded Connections;
- (b) Customer Specific Connection Related Services;
- (c) Type 1 to 4 Metering Services; and
- (d) the construction and maintenance of Public Lighting Infrastructure.

#### 2.2 Distribution Services included in the Tribunal's Determination

Without limiting the generality of clause 2.1, Prescribed Distribution Services include:

- (a) Distribution Use of System Services;
- (b) Private Power Line Inspections;
- (c) Monopoly Services (being the services identified under that heading in **Annexure 2**); and
- (d) Miscellaneous Services (being the services identified under that heading in **Annexure 2**).

#### 3 Types of Charges allowed for Prescribed Distribution Services

#### 3.1 Types of charges

DNSPs may only charge the following Prescribed Distribution Service Charges (for providing the following Prescribed Distribution Services) to Distribution Customers:

- (a) Monopoly Service Charges (for providing Monopoly Services);
- (b) Miscellaneous Service Charges (for providing Miscellaneous Services);
   and
- (c) **Network Tariffs** (for providing Distribution Use of System Services or any other Prescribed Distribution Services).

#### 3.2 Network Tariffs (structure)

Each Network Tariff charged by a DNSP to a Distribution Customer must comprise 2 separate tariffs, namely:

- (a) a **DUOS Tariff**; and
- (b) a Transmission Cost Recovery Tariff.

#### 3.3 DUOS Tariff (Explanation)

A DUOS Tariff is a charge, tariff or fee charged by a DNSP to a Distribution Customer:

- (a) for providing Distribution Use of System Services, or any other Prescribed Distribution Services to or for that customer; and
- (b) which excludes any allowance or amount for the recovery of the DNSP's costs relating to any Transmission Related Payments made by the DNSP (as described in clause 3.4).

#### 3.4 Transmission Cost Recovery Tariff (Explanation)

- (a) A Transmission Cost Recovery Tariff is an amount charged by a DNSP (to its Distribution Customers) to recover the cost of the following Transmission Related Payments made by the DNSP:
  - payment of TUOS Charges to TNSPs (for Transmission Services provided by TNSPs);
  - (2) payment of Avoided TUOS Charges to Embedded Generators and MNSPs connected to the DNSP's Distribution System (as required by the Code); and
  - (3) payments made to other DNSPs (for Distribution Services provided by those DNSPs).

- (b) For the avoidance of doubt, this Determination:
  - (1) does **not** seek to regulate the pricing of TUOS Charges set by TNSPs for the provision of Transmission Services (as this is the task of the ACCC under Chapter 6 of the Code); but
  - (2) **does** regulate DNSPs' passing through (to Distribution Customers) the DNSPs' costs of meeting TUOS Charges, as part of the Network Tariffs DNSPs charge Distribution Customers.

# 4 Prices for Monopoly Service Charges and Miscellaneous Service Charges

#### 4.1 Prices for the Regulatory Control Period

The only Charges which each DNSP may charge for Monopoly Services and Miscellaneous Services throughout the Regulatory Control Period are the Monopoly Service Charges and Miscellaneous Service Charges set out **in Annexure 3**.

#### 4.2 Price Limits

The prices charged by each DNSP for Monopoly Service Charges and Miscellaneous Service Charges must not be increased above the prices specified in **Annexure 3** during the Regulatory Control Period.

#### 5 Prices subject to a Weighted Average Price Cap

#### 5.1 Charges covered by this clause

This clause 5 applies to the following Prescribed Distribution Services Charges charged by DNSPs:

- (a) DUOS Tariffs;
- (b) Monopoly Service Charges; and
- (c) Miscellaneous Service Charges.

#### 5.2 Weighted Average Price Cap

Subject to clauses 5.3 to 5.7, for each Year of the Regulatory Control Period (Year t+1, for the purposes of this clause 5) the weighted average price of all Relevant Prescribed Distribution Service Charges charged by a DNSP, must comply with the following weighted average price control formula:

$$\frac{\sum_{i=1}^{n} \sum_{j=1}^{m} p_{ij}^{t+1} * q_{ij}^{t-1}}{\sum_{i=1}^{n} \sum_{j=1}^{m} p_{ij}^{t} * q_{ij}^{t-1}} \le 1 + \Delta CPI + X_{t+1} + S_{t+1} \qquad i=1,...,n \text{ and } j=1,...,m.$$

Relevant Prescribed Distribution Service Charges means all of the Prescribed Distribution Service Charges referred to in clause 5.1;

the DNSP has n Relevant Prescribed Distribution Service Charges which each have up to m components;

- $p_{ij}^{t+1}$  is the proposed price for component j of Relevant Prescribed Distribution Service Charge i for Year t+1;
- $p_{ij}^t$  is the price charged by the DNSP for component j of Relevant Prescribed Distribution Service Charge i in Year t (being the Year which immediately precedes Year t+1);
- $q_{ij}^{t-1}$  is the Audited quantity of component j of Relevant Prescribed Distribution Service Charge i that was charged by the DNSP in Year t-1 (being the Year immediately preceding Year t);
- St+1 is determined for the DNSP (for the Year t+1) in accordance with clause 10;
- $X_{t+1}$  is the value of "X" specified for the DNSP (for the Year t+1) in **Annexure 4**; and
- $\triangle$ CPI has the meaning set out in **Annexure 1**.

An illustrated example of the application of the formula is set out in **Annexure 5**.

# 5.3 Value of $p_{ij}^t$ for components of Monopoly Service Charges and Miscellaneous Service Charges (where Year t+1 is the first Year of the Regulatory Control Period)

For the purposes of applying the formula in clause 5.2 when Year t+1 is the first Year of the Regulatory Control Period, the price charged ( $p_{ij}^t$ ) for each component of each Monopoly Service Charge and of each Miscellaneous Service Charge in Year t will be taken to be the price set out for that component in **Annexure 3**.

# 5.4 Value of $p_{ij}^t$ for components of DUOS Tariffs (where Year t+1 is the first Year of the Regulatory Control Period)

For the purposes of applying the formula in clause 5.2 when Year t+1 is the first Year of the Regulatory Control Period, the price charged ( $p_{ij}^t$ ) by a DNSP for each component of each of its DUOS Tariffs in Year t will be taken to be the price set out for that component of that DUOS Tariff in the second last column of:

- (a) the table set out for that DNSP in Annexure 6 (where the DUOS Tariff appears in that Annexure); or
- (b) the table set out for that DNSP in Annexure 6A (where the DUOS Tariff appears in that Annexure).

#### 5.5 Value of $p_{ij}^t$ and $q_{ij}^{t-1}$ for new DUOS Tariffs being introduced in Year t+1

For the purposes of applying the formula in clause 5.2 when a new DUOS Tariff is being introduced in Year t+1 in accordance with clause 8:

- (a) the price charged  $(p_{ij}^t)$  for each component of that new DUOS Tariff in Year t will be taken to be the price charged (in Year t) for the corresponding component of the Current Tariff identified for that new DUOS Tariff under clause 8; and
- (b) the Audited quantity  $(q_{ij}^{t-1})$  of each component of that new DUOS Tariff in Year t-1 will be taken to be the Estimated New Tariff Quantity approved by the Tribunal for that component under clause 8.

# 5.6 Value of $p_{ij}^t$ and $q_{ij}^{t-1}$ for New Tariff Components introduced to an existing DUOS Tariff in Year t+1

For the purposes of applying the formula in clause 5.2 to any existing DUOS Tariff which has a New Tariff Component being introduced in Year t+1 (in accordance with clause 8):

- (a) the price charged  $(p_{ij}^t)$  for that New Tariff Component in Year t will be taken to be the price charged for the Current Tariff Component (as defined in clause 8.3) for Year t; and
- (b) the Audited quantity ( $q_{ij}^{t-1}$ ) of that New Tariff Component in Year t-1 will be taken to be the Estimated New Tariff Component Quantity approved by the Tribunal for that component under clause 8.

# 5.7 Value of $q_{ij}^{t-1}$ where existing Distribution Customers reassigned to another existing DUOS Tariff in Year t+1

For the purposes of applying the formula in clause 5.2 when existing Distribution Customers are being reassigned to another existing DUOS Tariff in Year t+1 in accordance with clause 9 ("the Replacement Tariff"):

- (a) the Audited quantity ( $q_{ij}^{t-1}$ ) of each component of that Replacement Tariff in Year t-1 will be taken to be the Estimated Replacement Tariff Quantity approved by the Tribunal for that component under clause 9; and
- (b) the Audited quantity  $(q_{ij}^{t-1})$  of each component of the Current Tariff (as defined in clause 9) in Year t-1 will be taken to be the estimated quantity approved by the Tribunal for that component under clause 9.

#### **6 Transmission Cost Recovery Tariffs**

#### **6.1** Transmission Cost Recovery Tariffs

Subject to clause 6.4, for each Year during the Regulatory Control Period (Year t+1, for the purposes of this clause 6), the total amount for all Transmission Cost Recovery Tariffs charged to Distribution Customers by each DNSP must not be more than:

- (a) the Forecasted Transmission Related Payments for that DNSP for that Year; plus
- (b) any Transmission Over/Under Recovery Amount for that DNSP for that Year approved by the Tribunal under clause 6.4.

#### 6.2 Transmission Overs and Unders Account

- (a) Each DNSP must maintain an account entitled "Transmission Overs and Unders Account" in which it cumulatively records the difference between:
  - (1) actual Transmission Related Payments made by the DNSP; and
  - (2) revenue received from all Transmission Cost Recovery Tariffs charged by the DNSP to its Distribution Customers,

for each Year during the Regulatory Control Period in the manner set out in **Annexure 7**, but subject to clause 6.2(b).

- (b) For the first Year of the Regulatory Control Period, the Transmission Overs and Unders Account for each DNSP will include an amount (positive or negative) equal to the difference between:
  - (1) the DNSP's Audited actual closing balance of its Distribution Unders and Overs Account as at 30 June 2004; and
  - (2) the forecast closing balance of its Distribution Unders and Overs Account as at 30 June 2004 as set out in **Annexure 8**.

#### 6.3 Approval of Transmission Overs and Unders Account balance

- (a) By 31 October of the Year t (being the Year which immediately precedes Year t+1), each DNSP must provide to the Tribunal the Audited actual closing balance of the DNSP's Transmission Overs and Unders Account for the Year t-1 (the Year immediately preceding Year t) corresponding to each Recording Year in **Annexure 7**.
- (b) By 30 November of the same Year the Tribunal will notify the DNSP whether the Tribunal approves the Audited actual closing balance of the DNSP's Transmission Overs and Unders Account for the Year *t-1*.
- (c) If the Tribunal does not approve that Audited actual closing balance, then the Tribunal may (at its own discretion) approve an alternative closing balance for the DNSP's Transmission Overs and Unders Account for the Year *t-1* (and that alternative closing balance will be taken as the actual closing balance of the DNSP's Transmission Overs and Unders Account for the Year *t-1*).

#### 6.4 Approval of Transmission Over/Under Recovery Amount

- (a) At the same time as notifying a DNSP in lelation to its Annual Pricing Proposal for the Year t+1 under clause 11(c), the Tribunal will also notify the DNSP whether the Tribunal approves any Transmission Over/Under Recovery Amount included in the Annual Pricing Proposal for that Year, subject to clause 6.4(d).
- (b) If the Tribunal does not approve a Transmission Over/Under Recovery Amount under clause 6.4(a) for a DNSP for the Year t+1, the Tribunal may approve (at its own discretion) an alternative Transmission Over/Under Recovery Amount for that DNSP for that Year, subject to clauses 6.4(c) and (d).
- (c) The Tribunal may approve a Transmission Over/Under Recovery Amount under clause 6.4(b) for a DNSP for the Year t+1 regardless of whether the DNSP has included any Transmission Over/Under Recovery Amount in its Annual Pricing Proposal for that Year.
- (d) When exercising its approval powers under this clause 6.4 for a DNSP for the Year t+1, the Tribunal will approve an amount which (in the Tribunal's opinion) should bring the DNSP's Forecasted Transmission Overs and Unders Account closing balance for the Year t as close as reasonably possible to zero, after taking into account the following (in accordance with any criteria developed and published by the Tribunal from time to time):
  - (1) the need to ensure the DNSP does not breach the price limit formula referred to in clause 7.1 (unless the Tribunal authorises a departure from that clause in accordance with clause 7.7);
  - (2) the need to maintain a reasonable degree of price stability in Network Tariffs; and
  - (3) any other factors determined to be appropriate by the Tribunal from time to time.

#### 7 Price Limits for Network Tariffs

#### 7.1 Price Limit Formula

Subject to clauses 7.2 to 7.7, for each Year of the Regulatory Control Period (Year t+1, for the purposes of this clause) the price for each Network Tariff of a DNSP, must comply with the following price limit formula:

$$\frac{\sum_{j=1}^{m} r_{j}^{t+1} * q_{j}^{t-1}}{\sum_{j=1}^{m} r_{j}^{t} * q_{j}^{t-1}} \le 1 + \Delta CPI + L_{t+1}$$

where:

the Network Tariff has up to m aggregate components;

an aggregate component of a Network Tariff means the aggregate of any DUOS Tariff component and its corresponding Transmission Cost Recovery Tariff component (if any), in accordance with clause 7.2;

- $r_j^{t+1}$  is the proposed price for aggregate component j of the Network Tariff for Year t+1;
- $r_j^t$  is the price charged by the DNSP for aggregate component j of the Network Tariff in Year t (being the Year immediately preceding Year t+1);
- $q_{j}^{t-1}$  is the Audited quantity of aggregate component j of the Network Tariff that was charged by the DNSP in Year t-1 (being the Year immediately preceding Year t);
- $L_{t+1}$  is the value of "L" specified for the DNSP (for the Year t+1) in **Annexure 9**; and

 $\triangle$ CPI has the meaning set out in **Annexure 1.** 

# 7.2 Aggregation of corresponding components of DUOS Tariffs and Transmission Cost Recovery Tariffs

For the purposes of applying the formula in clause 7.1 to any Network Tariff:

- (a) each separate component of the DUOS Tariff must be aggregated with its corresponding component in the Transmission Cost Recovery Tariff (if any), with the resulting aggregate to be treated as a single aggregate component of the Network Tariff; and
- (b) neither the DUOS Tariff (as a whole) nor the Transmission Cost Recovery Tariff (as a whole) may itself be treated as a separate component of the Network Tariff.

# 7.3 Value of $r_j^t$ for aggregate components of Network Tariffs (where Year t+1 is the first Year of the Regulatory Control Period)

For the purposes of applying the formula in clause 7.1 when Year t+1 is the first Year of the Regulatory Control Period, the price charged  $(r_j^t)$  by a DNSP for each aggregate component of each of its Network Tariffs (aggregated in accordance with clause 7.2) in Year t will be taken to be the price set out for that aggregate component of that Network Tariff in the last column of:

- (a) the table set out for that DNSP in Annexure 6 (where the Network Tariff appears in that Annexure); or
- (b) the table set out for that DNSP in Annexure 6A (where the Network Tariff appears in that Annexure).

### 7.4 Value of $r_j^t$ and $q_j^{t-1}$ for New Tariff Components introduced in Year t+1

For the purposes of applying the formula in clause 7.1 to any Network Tariff which has a New Tariff Component being introduced in Year t+1 (in accordance with clause 8):

- (a) the price charged  $(r_j^t)$  for that New Tariff Component in Year t will be taken to be the price charged for the Current Network Tariff Component (as defined in clause 8.3) for Year t; and
- (b) the Audited quantity  $(q_j^{t-1})$  of that New Tariff Component in Year t-1 will be taken to be the Estimated New Tariff Component Quantity approved by the Tribunal for that component under clause 8.

# 7.5 Value of $q_j^{t-1}$ where existing Distribution Customers reassigned to another existing Network Tariff in Year t+1

For the purposes of applying the formula in clause 7.1 when existing Distribution Customers are being reassigned to another existing Network Tariff in Year t+1 in accordance with clause 9 ("the Replacement Tariff"):

- (a) the Audited quantity  $(q_j^{t-1})$  of each component of that Replacement Tariff in Year t-1 will be taken to be the Estimated Replacement Tariff Quantity approved by the Tribunal for that component under clause 9; and
- (b) the Audited quantity  $(q_j^{t-1})$  of each component of the Current Tariff (as defined in clause 9) in Year t-1 will be taken to be the estimated quantity approved by the Tribunal for that component under clause 9.

#### 7.6 Upper Limit on increases in aggregate fixed charge components

The aggregate fixed charge component of any Network Tariff for residential customers set by any DNSP for any Year during the Regulatory Control Period must not increase by more than \$30 more than the amount charged for the same aggregate fixed charge component in the previous Year.

#### 7.7 Tribunal may authorise departure from clause 7.1

The Tribunal may authorise the DNSP to depart from the requirements of clause 7.1 in setting its Network Tariffs for any Year during the Regulatory Control Period, to the extent considered appropriate by the Tribunal to enable the DNSP to recover the amount referred to in clause 6.1(b) for that Year (in accordance with any guidelines or rules adopted by the Tribunal from time to time).

#### 8 Introducing New Tariffs or New Tariff Components

#### 8.1 Date for Introducing New Tariffs or New Tariff Components

A DNSP may only introduce a New Tariff or New Tariff Component for any Year during the Regulatory Control Period:

- (a) on 1 July of that Year or on any other date in that Year determined by the Tribunal;
- (b) after undertaking Public Consultation on the New Tariff or New Tariff Component in accordance with the DNSP Public Consultation Procedures set out in **Annexure 14**; and
- (c) if the Tribunal has advised the DNSP in writing that:
  - (1) it has approved the Estimated New Tariff Quantity (in the case of a New Tariff) or the Estimated New Tariff Component Quantity (in the case of a New Tariff Component) in accordance with this clause 8; and
  - (2) it is satisfied of the matters referred to in clause 8.5.

#### 8.2 DNSPs proposal to introduce New Tariff

Where a DNSP proposes to introduce a New Tariff for any Year during the Regulatory Control Period (Year t+1, for the purposes of this clause 8.2), the DNSP must first submit the following information to the Tribunal at the same time as it submits its Annual Pricing Proposal and Annual Prices Document for that Year under clause 11 (or at such other time as determined by the Tribunal):

- (a) details of the proposed New Tariff;
- (b) details of the Network Tariff or Network Tariffs applying in Year t (being the Year immediately preceding Year t+1) ("**the Current Tariff**") to any Distribution Customers who are expected to become subject to the New Tariff proposed for Year t+1;
- (c) reasonable estimates of the quantities of electricity that would have been sold for the New Tariff and for each of its components ("**the Estimated New Tariff Quantities**") and for the Current Tariff and each of its components in Year *t-1* (being the Year immediately preceding Year *t*), if the New Tariff had existed in that Year *t-1*; and
- (d) details of the basis for the above estimates.

#### 8.3 DNSPs proposal to introduce New Tariff Component

Where a DNSP proposes to introduce a New Tariff Component for any Year during the Regulatory Control Period (Year t+1, for the purposes of this clause 8.3), the DNSP must first submit the following information to the Tribunal at the same time as it submits its Annual Pricing Proposal and Annual Prices Document for that Year under clause 11 (or at such other time as determined by the Tribunal):

(a) details of the proposed New Tariff Component;

- (b) details of the Network Tariff component or components applying in Year t (being the Year immediately preceding Year t+1) ("the Current Tariff Component") which will no longer apply (or will apply to a reduced or modified extent) to any Distribution Customers who are expected to become subject to the New Tariff Component proposed for Year t+1;
- (c) reasonable estimates of the quantities of electricity that would have been sold for the New Tariff Component ("the Estimated New Tariff Component Quantity") and for the Current Tariff Component in Year t-1 (being the Year immediately preceding Year t), if the New Tariff Component had existed in that Year t-1; and
- (d) details of the basis for the above estimates.

#### 8.4 Assessment and approval of Estimates by the Tribunal

- (a) The Tribunal will assess whether estimates submitted by a DNSP under this clause 8 are reasonable, having regard (without limitation) to the information provided by the DNSP under this clause 8.
- (b) If the Tribunal considers that an estimate provided under this clause 8 is incomplete, inconsistent or unsubstantiated in any way, then the Tribunal may request additional information or request that the DNSP revise and resubmit that estimate.
- (c) If the Tribunal considers that an estimate provided under this clause 8 is reasonable it will approve that estimate by notice in writing issued to the DNSP.

#### 8.5 Tribunal to be satisfied of compliance with this Determination

- (a) Before any proposed New Tariff (being a new DUOS Tariff) may be introduced by a DNSP for any Year of the Regulatory Control Period, the Tribunal must be satisfied that the DNSP complies with the weighted average price control formula in clause 5.2 as applied for that Year (when that new DUOS Tariff is taken into account in accordance with clause 5.5).
- (b) Before any proposed New Tariff Component may be introduced by a DNSP for any Year of the Regulatory Control Period, the Tribunal must be satisfied that the DNSP complies with:
  - (1) the weighted average price control formula in clause 5.2 as applied for that Year (where the New Tariff Component is a New DUOS Tariff Component and is taken into account in accordance with clause 5.6); and
  - (2) the weighted average price control formula in clause 7.1 as applied for that Year (when that New Tariff Component is taken into account in accordance with clause 7.4).

#### 9 Assigning Distribution Customers to Network Tariffs

# 9.1 Assignment of existing Distribution Customers to Network Tariffs at commencement of Regulatory Control Period

Each person who was a Distribution Customer of a DNSP immediately prior to 1 July 2004, and who continues to be a Distribution Customer of the DNSP as at 1 July 2004, will be taken to be "assigned" to the Network Tariff which the DNSP was charging that Distribution Customer immediately prior to 1 July 2004.

# 9.2 Assignment of new Distribution Customers to Network Tariffs during Regulatory Control Period

- (a) If, after 1 July 2004, a DNSP becomes aware that a person will become a Distribution Customer of that DNSP, then the DNSP must determine the Network Tariff to which the new Distribution Customer will be assigned, and must notify the Distribution Customer in writing accordingly.
- (b) In determining the Network Tariff to which a Distribution Customer will be assigned in accordance with clause 9.2(a), the DNSP must:
  - (1) take into account the Distribution Customer's load and connection characteristics; and
  - (2) assign Distribution Customers with the same or materially similar load and connection characteristics to the same Network Tariff.

# 9.3 Reassignment of existing Distribution Customers to another existing Network Tariff during Regulatory Control Period

- (a) Where a DNSP proposes to reassign existing Distribution Customers to another existing Network Tariff for any Year during the Regulatory Control Period (Year t+1, for the purposes of this clause 9), the DNSP must first submit the following information to the Tribunal at the same time as it submits its Annual Pricing Proposal and Annual Prices Document for that Year under clause 11 (or at such other time as determined by the Tribunal):
  - (1) details of the existing Network Tariff to which the DNSP proposes to reassign those existing Distribution Customers ("the Replacement Tariff");
  - (2) details of the existing Network Tariff or Network Tariffs applying in Year *t* ("**the Current Tariff**") to those Distribution Customers;
  - (3) reasonable estimates of the quantities of electricity that would have been sold for the Replacement Tariff and for each of its components ("the Estimated Replacement Tariff Quantities") and for the Current Tariff and each of its components in Year t-1, if those existing Distribution Customers had been assigned to the Replacement Tariff in that Year
- (b) In proposing to reassign existing Distribution Customers under this clause 9.3, a DNSP must:
  - (1) take into account the Distribution Customers' loads and connection characteristics; and

- (2) assign Distribution Customers with the same or materially similar load and connection characteristics to the same Network Tariff.
- (c) The Tribunal will assess whether estimates submitted by a DNSP under this clause 9 are reasonable, having regard (without limitation) to the information provided by the DNSP under this clause 9.
- (d) If the Tribunal considers that an estimate provided under this clause 9 is incomplete, inconsistent or unsubstantiated in any way, then the Tribunal may request additional information or request that the DNSP revise and resubmit that estimate.
- (e) If the Tribunal considers that an estimate provided under this clause 9 is reasonable it will approve that estimate by notice in writing issued to the DNSP.

#### 10 Service quality reporting and the setting of "S" factors

#### 10.1 Annual submission of service quality performance information

On or before submitting its Annual Pricing Proposal to the Tribunal for each Year of the Regulatory Control Period under clause 11, each DNSP must also submit to the Tribunal details of the SAIDI actually achieved (for the Year commencing 2 Years prior to the Year to which the Pricing Proposal relates) for each of the following:

- (a) the whole of the DNSP's Distribution System;
- (b) all CBD Feeders within the DNSP's Distribution System;
- (c) all Urban Feeders within the DNSP's Distribution System;
- (d) all Rural Short Feeders within the DNSP's Distribution System; and
- (e) all Rural Long Feeders within the DNSP's Distribution System.

#### 10.2 Calculation of S factors

For the purposes of complying with the weighted average price control formula in clause 5.2, each DNSP must calculate  $S_{t+1}$  (for the Year t+1) referred to in that formula as follows:

$$S_{t+1} = Z \text{ (if } -0.005 \le Z \le 0.005);$$

$$S_{t+1} = -0.005$$
 (if Z <  $-0.005$ ); or

$$S_{t+1} = 0.005 \text{ (if Z} > 0.005);$$

where:

$$Z = \sum_{f} I_{f} * (T_{f,t-1} - A_{f,t-1})$$

- $I_f$  is the incentive rate for each part f of that DNSP's Distribution System, as set out in **Annexure 10**;
- $T_{f,t-1}$  is the target SAIDI for each part f of that DNSP's Distribution System for the year t-1, as set out in **Annexure 11**; and
- $A_{f,t-1}$  is the SAIDI actually achieved for each part f of the DNSP's Distribution System for the year t-1.

#### 11 Methodology and process for setting annual prices for Network Tariffs

#### 11.1 Alternative Methodology under the Code

- (a) The methodologies and processes set out in this clause 11:
  - (1) have been developed as an alternative pricing methodology to apply instead of clauses 6.11 to 6.14.3 of Part E of the Code; and
  - (2) have been formulated by the Tribunal as rules to apply to the pricing of Network Tariffs in accordance with clause 6.10.1(f) of the Code.
- (b) Clause 11.1(a) does not affect the operation of clause 6.11(e), clauses 6.14.4 to 6.18.2 or Part EA of the Code, all of which continue to apply with full force and effect.

#### 11.2 Pricing Principles

In setting prices for Network Tariffs for each Year during the Regulatory Control Period, each DNSP must comply with the Pricing Principles set out in **Annexure** 12.

#### 11.3 Network Strategy Statement for Regulatory Control period

- (a) By no later than 31 May 2004, each DNSP must submit to the Tribunal a Draft Network Strategy Statement for the Regulatory Control Period, which must contain all of the information set out in **Annexure 13.**
- (b) The DNSP must make the Draft Network Strategy Statement available on its website for downloading and in hard copy if requested by a Distribution Customer.
- (c) The DNSP must undertake public consultation on the Draft Network Strategy Statement in accordance with the DNSP Public Consultation Procedures set out in **Annexure 14**.
- (d) Following public consultation under this clause, each DNSP must submit a Final Network Strategy Statement to the Tribunal by no later than 30 September 2004.
- (e) A DNSP may amend its Final Network Strategy Statement during the Regulatory Control Period, provided:

- (1) the DNSP first undertakes public consultation on the amendment in accordance with the DNSP Public Consultation Procedures set out in **Annexure 14**; and
- (2) the DNSP submits the amendment to the Tribunal prior to, or with, its next Annual Pricing Proposal.

#### 11.4 Date of price changes

- (a) Subject to clause 11.4(b), a DNSP may only change its prices for Network Tariffs for any Year during the Regulatory Control Period:
  - (1) on 1 July of that Year (or any other date determined by the Tribunal); and
  - (2) in accordance with the procedures set out in this clause 11.
- (b) Nothing in this clause 11.4 prevents a DNSP from introducing New Tariffs or New Tariff Components in accordance with clause 8 or from assigning Distribution Customers to Network Tariffs in accordance with clause 9.

### 11.5 Annual Pricing Proposal and Annual Prices Document: submission and assessment

- (a) For each Year of the Regulatory Control Period (by no later than the date specified for that Year in the timetable in **Annexure 15**) each DNSP must submit to the Tribunal:
  - (1) an Annual Pricing Proposal for that Year containing all of the information set out in **Annexure 16** (and in accordance with any form or template issued by the Tribunal); and
  - (2) an Annual Prices Document, containing all of the information set out in **Annexure 17** (and in accordance with any form or template issued by the Tribunal).
- (b) The Tribunal may request each DNSP to make its Annual Pricing Proposal and its Annual Prices Document available on the DNSP's website, or provided to Distribution Customers in hard copy at the time of submission to the Tribunal.
- (c) By the date specified in the timetable in **Annexure 15**, the Tribunal will notify the DNSP whether or not the Tribunal is satisfied that:
  - (1) each of those documents complies with the requirements of this clause 11;
  - (2) each of those documents is consistent with the DNSP's Draft Network Strategy Statement (where those documents relate to the first Year of the Regulatory Control Period) or its Final Network Strategy Statement (where they relate to any subsequent Year of the Regulatory Control Period); and
  - (3) the Network Tariff prices set out in those documents comply with all applicable requirements of this Determination.

- (d) If the Tribunal notifies the DNSP that it is satisfied about each of the matters referred to in clause 11.5(c), then:
  - (1) the Network Tariff prices set out in the Annual Pricing Proposal and Annual Prices Document will be the applicable prices for those Network Tariffs for the Year to which those documents relate; and
  - (2) the DNSP must notify all Distribution Customers of those prices as soon as possible thereafter (and, in any event, by no later the date specified in the timetable in **Annexure 15**) in the manner set out in clause 11.5(e).
- (e) A DNSP must notify its prices for the purposes of clause 11.5(d)(2) by:
  - (1) publishing notice of them on the DNSP's web site; and
  - (2) making them available to Distribution Customers in hard copy form upon request.

#### 11.6 Alternative pricing proposal

- (a) If the Tribunal notifies the DNSP that it is not satisfied about any of the matters referred to in clause 11.5(c), then the DNSP must submit to the Tribunal an alternative Annual Pricing Proposal and/or Annual Prices Document (as required by the Tribunal) by the date specified in the timetable in **Annexure 15**.
- (b) If the DNSP has submitted an alternative Annual Pricing Proposal under clause 11.6(a), the Tribunal will notify the DNSP whether or not the Tribunal is satisfied about each of the matters referred to in clause 11.5(c) in respect of the DNSP's alternative Annual Pricing Proposal and/or Annual Prices Document (as the case may be), by the date specified in the timetable in **Annexure 15**.
- (c) If the Tribunal notifies the DNSP that it is so satisfied, then clauses 11.5(d) and (e) will apply in respect of the DNSP's alternative Annual Pricing Proposal and/or Annual Prices Document (as the case may be).

#### 11.7 Default arrangements

(a) If for any Year of the Regulatory Control Period (Year t+1, for the purposes of this clause 11.7) the Tribunal has not received from a DNSP a Compliant Annual Pricing Proposal and a Compliant Annual Prices Document for that Year by the date specified for that Year in the timetable in **Annexure 15**, then the following provisions will apply at the Tribunal's discretion:

(1) if 
$$(\Delta CPI + X_{t+1} + S_{t+1}) = 0$$

where:

 $X_{t+1}$  is the value of "X" specified for the DNSP for the Year t+1 in **Annexure 4**;

 $S_{t+1}$  is determined by the Tribunal for the DNSP (for the Year t+1) in accordance with clause 10; and

 $\Delta$ CPI has the meaning set out in **Annexure 1**,

then the DNSP's Network Tariff prices for the Year t+1 will be the same as those for the immediately preceding Year t.

(2) if  $(\Delta CPI + X_{t+1} + S_{t+1}) < 0$ 

where  $X_{t+1}$ ,  $S_{t+1}$  and  $\Delta CPI$  are determined as set out in clause 11.7(a)(1),

then the Tribunal may determine the DNSP's Network Tariff prices at its discretion on 1 July of the Year t+1.

(b) If clause 11.7(a) applies to a DNSP for any Year during the Regulatory Control Period, then the Tribunal may allow (on a date set by the Tribunal) the DNSP to change its Network Tariff prices during that Year so as to reflect the Network Tariff prices set out in any Compliant Annual Pricing Proposal and any Compliant Annual Prices Document subsequently submitted by the DNSP.

#### **Annexure 1 Definitions and Interpretation**

#### 1. Definitions

In this Determination the following words and expressions have the following meanings, unless the context requires otherwise:

**ACCC** means the Australian Competition and Consumer Commission.

**Annual Pricing Proposal** means an Annual Pricing Proposal submitted by a DNSP in accordance with clause 11.

**Audited** (for any quantity, amount, or other matter before which the word "Audited" appears in this Determination) means that quantity, amount, or matter as audited, in accordance with:

- (1) the Tribunal's Review Procedure; and
- (2) all conditions set out in any Review Procedure Notice issued by the Tribunal in relation to that quantity, amount or matter.

**Avoided TUOS Charge** means an amount passed through to an Embedded Generator in accordance with clause 5.5(h) of the Code or to an MNSP in accordance with clause 5.5A(i) of the Code.

**CBD Feeder** means an electricity distribution feeder which supplies electricity to a predominantly underground Distribution System which predominantly services commercial, retail and high rise buildings within the central business district of a city or a major town and which contains significant interconnection and redundancy when compared to urban areas.

Charge means any charge, tariff or fee.

**Code** means the National Electricity Code established under the *National Electricity* (NSW) Law.

**Compliant Annual Pricing Proposal** means a DNSP's Annual Pricing Proposal for which the Tribunal has notified the DNSP that the Tribunal is satisfied of each of the matters referred to in clause 11.5(c).

**Compliant Annual Prices Document** means a DNSP's Annual Prices Document for which the Tribunal has notified the DNSP that the Tribunal is satisfied of each of the matters referred to in clause 11.5(c).

**Consumer Price Index** (CPI) means the All Groups index number for the weighted average of eight capital cities as published by the Australian Bureau of Statistics, or if the Australian Bureau of Statistics does not or ceases to publish the index, then CPI will mean an index which the Tribunal considers is the best estimate of the index.

**DCPI** means the number derived from the application of the following formula:

$$\Delta CPI = \left( \frac{CPI_{Mar, \ t-1} + CPI_{June, \ t-1} + CPI_{Sept, \ t} + CPI_{Dec, \ t}}{CPI_{Mar, \ t-2} + CPI_{June, \ t-2} + CPI_{Sept, \ t-1} + CPI_{Dec, \ t-1}} - 1 \right)$$

where:

CPI is as defined;

t refers to a Year (as defined); and

the corresponding subtext (for example,  $June\ t-1$ , means the CPI for the quarter and of the Year indicated (in the example, the quarter ending in June of the financial Year immediately before financial Year t).

**Current Tariff** has the meaning given to that term in clause 8.2.

**Current Tariff Component** has the meaning given to that term in clause 8.3.

**Customer Installation** means the electrical wiring and associated equipment that are used to convey and control the conveyance of electricity within a Distribution Customer's premises, but does not include anything connected to and extending or situated beyond an electrical outlet socket.

#### **Customer Funded Connections**, including:

- (1) design and construction of customer funded Connection Works (as defined in the Tribunal's Capital Contributions Determination); and
- (2) construction of customer-funded Network Augmentations (as defined in the Tribunal's Capital Contributions Determination).

#### **Customer Specific Connection Related Services** includes:

- (1) maintenance of Customer Installations and connection assets;
- (2) asset relocation works;
- (3) conversion to aerial bundled cable; and
- (4) any other services requested by a customer relating to the connection of the customer to a DNSP's Distribution System,

but excludes Private Power Line Inspections, Monopoly Services and Miscellaneous Services.

**Determination** means this determination.

**Distribution Customer** means a *Customer, Network Service Provider, Non-Registered Customer and a Franchise Customer* having a *connection point* with a *distribution network,* as defined in the Code.

**Distribution District** has the meaning given to that term under the *Electricity Supply Act 1995*.

**Distribution Service** has the meaning given to that term in the Code.

**Distribution System** has the meaning given to that term in the Code.

**Distribution Unders and Overs Account** for a DNSP means the Unders and Overs Account established by the DNSP under The Tribunal's Rule entitled "Unders and Overs Accounts Rule 2001/3" (as in force immediately prior to its repeal under this Determination).

**Distribution Use of System Services** has the meaning given to that term in the Code.

**DNSP** means distribution network service provider, as defined in the Code.

**Draft Network Strategy Statement** means a Draft Network Strategy Statement submitted by a DNSP under clause 11, containing all of the information set out in **Annexure 13**.

**DUOS Tariff** has the meaning given to that term in clause 3.3.

**Electricity Supply Act** means the *Electricity Supply Act* 1995 (NSW).

**Embedded Generator** has the meaning given to that term in the Code.

Estimated New Tariff Quantity has the meaning given to that term in clause 8.2.

**Estimated New Tariff Component Quantity** has the meaning given to that term in clause 8.3.

**Estimated Replacement Tariff Quantity** has the meaning given to that term in clause 9.3.

**Excluded Distribution Services** means the distribution services referred to in clauses 2.1 (namely Customer Funded Connections, Customer Specific Connection Related Services, Type 1 to 4 Metering Services and Public Lighting) which are deemed to be excluded distribution services under clause 6.10.4(b) of the Code.

**Final Network Strategy Statement** means a Final Network Strategy Statement submitted to the Tribunal under clause 11 (subject to any amendments in accordance with clause 11).

**Forecasted Transmission Related Payments** for a DNSP for any Year during the Regulatory Control Period, means the DNSP's forecast of all Transmission Related Payments the DNSP reasonably expects to make in that Year, as set out in the DNSP's Annual Pricing Proposal submitted under clause 11 for that Year.

**Metering Data** has the meaning given to that term in the Code.

**Metering Installation** has the meaning given to that term in the Code.

**Metering Installation Types 1 to 4** means Metering Installation Types 1, 2, 3 and 4 as referred to in Chapter 7 of the Code.

**Miscellaneous Service Charges** means the Miscellaneous Service Charges (for the provision of Miscellaneous Services) set out in **Annexure 3**.

**Miscellaneous Services** means each of the services identified under that heading in **Annexure 2**.

MNSP means Market Network Service Provider as defined in the Code.

**Monopoly Service Charges** means the Monopoly Service Charges (for the provision of Monopoly Services) set out in **Annexure 3**.

**Monopoly Services** means each of the services identified under that heading in **Annexure 2**.

**NEMMCO** means the National Electricity Market Management Company Limited.

**Network Tariff** means a charge, tariff or fee charged by a DNSP to a Distribution Customer (for providing Distribution Use of System Services or any other Prescribed Distribution Services to or for that customer) and which, in accordance with clause 3.2, comprises two separate tariffs, namely:

- (1) a DUOS Tariff; and
- (2) a Transmission Cost Recovery Tariff.

**New Tariff** means any new DUOS Tariff or new Transmission Cost Recovery Tariff introduced in addition to (or in replacement of) any existing DUOS Tariffs or any existing Transmission Cost Recovery Tariffs.

**New Tariff Component** means any new component introduced:

- (1) to an existing DUOS Tariff or to an existing Transmission Cost Recovery Tariff (or to both);
- (2) in addition to the existing components (or in replacement of an existing component or components) of that existing tariff or tariffs.

**Prescribed Distribution Services** means the Prescribed Distribution Services referred to in clause 2.1, including (without limitation) the services referred to in clause 2.2.

**Prescribed Distribution Service Charges** means the Charges referred to in clauses 3.1 and 3.2.

Pricing Principles means the Pricing Principles set out in Annexure 12.

**Private Power Line Inspections** means the inspection of privately owned or operated overhead powerlines and associated electricity infrastructure.

**Public Lighting Infrastructure means** the structures, wiring, globes, and other equipment:

- (1) used for, or associated with, the provision of public lighting to streets, roads and other public places; and
- (2) which are connected or attached to (or which form part of) a DNSPs Distribution System.

**Regional System Operator** has the meaning given to that term in the Code.

**Regulatory Control Period** means the period from 1 July 2004 until 30 June 2009 inclusive referred to in clause 1.4(a).

**Review Procedure Notice** means a notice issued by the Tribunal to a DNSP under the Tribunal's Review Procedure setting out conditions to be complied with by the DNSP in undertaking any matters required of the DNSP under the Tribunal's Review Procedure.

**Rural Long Feeder** means an electricity distribution feeder which:

- (1) are not a CBD Feeder or an Urban Feeder; and
- (2) have a total feeder route length of more than 200 kilometres.

Rural Short Feeder means an electricity distribution feeder which:

- (1) are not a CBD Feeder or an Urban Feeder; and
- (2) have a total feeder route length of less than 200 kilometres.

**SAIDI** achieved for any Year during the Regulatory Control Period for a Distribution System (or for any components of a Distribution system) means the total number of minutes (on average) that each Customer Installation connected to that Distribution System (or to those components) is without a supply of electricity, excluding where a Customer Installation is without supply:

- (1) due to Transmission System outages;
- (2) due to directed load shedding; or
- (3) due to an outage which exceeds a threshold SAIDI impact of three minutes and is caused by an exceptional natural or third party event and the DNSP cannot reasonably be expected to mitigate the impact of the event on interruptions by prudent asset management.

**Transmission Cost Recovery Tariff** has the meaning set out in clause 3.4.

**Transmission Related Payments** means the Transmission Related Payments referred to in clause 3.4.

**Transmission Service** has the meaning given to that term in the Code.

**Transmission System** has the meaning given to that term in the Code.

**Transmission Overs and Unders Account** for a DNSP means the Transmission Overs and Unders Account established by the DNSP under clause 6.

**Transmission Over/Under Recovery Amount** for a DNSP for any Year during the Regulatory Control Period, means an amount (positive or negative) which when added to the DNSP's Forecasted Transmission Related Payments for that Year should bring the DNSP's Forecasted Transmission Overs and Unders Account Closing Balance for Year *t* closer to zero.

**Tribunal** means the Independent Pricing and Regulatory Tribunal of New South Wales, established under the *Independent Pricing and Regulatory Tribunal Act 1992*.

**Tribunal's Capital Contributions Determination** has the meaning given to that term in clause 1.6(c).

**Tribunal's Review Procedure** means a document prepared by the Tribunal that sets out the terms under which the matters specified in the document are to be undertaken by the DNSP in order to enable the Tribunal and the DNSP to discharge their obligations under the Code and the Determination, and may include terms and conditions under which:

- (1) a DNSP (or another person) will undertake a review of the matters specified; or
- (2) an Auditor will undertake an audit of the matters specified.

**TUOS Charge** means a charge, tariff or fee charged by a TNSP for providing Transmission Services.

**Type 1 to 4 Metering Services** means the following services in relation to Metering Installation Types 1 to 4:

- (1) provision, installation and maintenance of Metering Installations;
- (2) meter reading and the collection, transfer and provision of Metering Data;
- (3) meter testing and auditing;

in accordance with Chapter 7 of the Code and the requirements of the Electricity Supply Act.

**Urban Feeder** means an electricity distribution feeder which:

- (1) are not a CBD Feeder; and
- (2) have an actual demand (for any Year of the Regulatory Control Period) per total feeder route length of more than 0.3MVA per kilometre over their full length.

**Working Day** means a day that is not a Saturday, Sunday or public holiday in New South Wales.

**Year** means any financial Year, commencing on 1 July and finishing on 30 June.

#### 2 Interpretation

In this Determination, the following rules of interpretation will apply unless the context requires otherwise:

- (a) a reference to a clause, schedule or Annexure (unless stated otherwise) is a reference to a clause, schedule or Annexure of this Determination;
- (b) the singular includes the plural and vice versa.

#### **Annexure 2 Monopoly and Miscellaneous Services**

#### 1. MISCELLANEOUS SERVICES

#### (a) Supply of Conveyancing Information desk inquiry

The provision of information regarding the availability of supply, presence of DNSPs equipment, power lines and like information for property conveyancing purposes undertaken without any physical inspection of a site, other than the provision of information or the answering of inquiries relating to any matter under Freedom of information legislation.

#### (b) Supply of conveyancing information field visit

The provision of information regarding the availability of supply, presence of DNSPs equipment, power lines and like information for property conveyancing purposes undertaken solely by a physical inspection of a site, other than the provision of information or the answering of inquiries relating to any matter under Freedom of Information legislation.

#### (c) Meter Test

The testing of a meter in accordance with clause 6.4 of the *Market Operations Rule (NSW Rules for Electricity Metering) No. 3 of 2001* (except for .Metering Installation Types 1 to 4, the testing of which is an Excluded Distribution Service).

#### (d) Special Meter Reading

This service:

- (1) has the same meaning as the meaning that given to the expression "special meter read" in the *Market Operations Rule (NSW Rules for Electricity Metering) No. 3 of 2001* (but excludes any special meter reading of Metering Installation Types 1 to 4, which is an Excluded Distribution Service); and
- (2) applies only where physical access to a meter on a customer's premises has been sought on an occasion and when access was sought on that occasion physical access to the meter could not be obtained.

#### (e) Disconnection visit (acceptable payment received)

A site visit to a customer's premises on an occasion for the purpose of disconnecting the customer's supply for breach by the customer of a customer supply contract or a customer connection contract, where the disconnection does not occur on that occasion.

#### (f) Disconnection at meter box

A site visit to a customer's premises to:

(1) disconnect the supply of electricity to a customer for breach by the customer of a customer supply contract or a customer connection contract, or where a retail supplier has requested that the supply to the customer be disconnected; and (2) reconnect the supply following the disconnection in 1(f)(1).

#### (g) Disconnection at pole top/pillar box

A site visit to a customer's premises:

(1) to disconnect the supply of electricity to a customer at the pole top or pillar box for breach by the customer of a customer supply contract or a customer connection contract, or where a retailer supplier has requested that the supply to a customer be disconnected,

where the customer has denied access to the meter or had prior to the visit, reconnected supply without authorisation by the DNSP following a previous disconnection; and

(2) to reconnect the supply, following the disconnection in 1(g)(1).

#### (h) Rectification of Illegal Connection

Work undertaken by a DNSP to the property of the DNSP or to the property of another person in order to

- (1) rectify damage; or
- (2) prevent injury to persons or property,

resulting from conduct that constitutes an offence under Part 6, Division 1 of the *Electricity Supply Act 1995*.

#### (i) Off -peak conversion

The alteration of the off-peak meter at a customer's premises for the purpose of changing the hours of the meter's operation.

#### (j) Reconnection outside normal business hours

The provision of the reconnection component of the service described in paragraphs 1(f)(2) and 1(g)(2) outside the hours of 7.30am and 4.00pm on a Working Day, at the request of a customer.

#### 2. MONOPOLY SERVICES

#### (a) Design Information

The provision of information by a DNSP to enable an ASP accredited for Level 3 work to prepare a design drawing and to submit it for certification.

This may include without limitation:

- (1) Deriving the estimated loading on the system, technically known as the ADMD (After Diversity Maximum Demand). This estimate depends on such factors as the number of customers served and specific features of the customers' demand.
- (2) Copying drawings that show existing low and high voltage circuity (geographically and schematically) and adjacent project drawings.
- (3) Specifying the preferred sizes for overhead wires (conductors) or underground wires (cables).

- (4) Specifying switchgear configuration type, number of pillars, lights etc.
- (5) determining the special requirements of the DNSP's planning departments necessary to make electrical supply available to a development and cater for future projects.
- (6) any necessary liaison with designers associated with assistance in sourcing design information and developing designs.
- (7) nominating network connection points.

#### (b) Design Certification

A certification by a DNSP that a design (if implemented) will not compromise the safety or operation of the DNSP's distribution system.

This may include, without limitation:

- (1) certifying that the design information/project definition have been incorporated in the design;
- (2) certifying that easement requirements and earthing details are shown;
- (3) considering design issues, including checking for over-design and mechanisms to permit work on high voltage systems without disruption to customers' supply (adequate LV parallels);
- (4) certifying that funding details for components in the scope of works are correct;
- (5) certifying that there are no obvious errors that depart from the DNSP's design standards and specifications;
- (6) certifying that shared assets are not over-utilised to minimise developer's connection costs and that all appropriate assets have been included in the design;
- (7) auditing design calculations such as voltage drop calculations, conductor clearance (stringing) calculations etc;
- (8) certifying that a bill of materials has been submitted; or
- (9) certifying that an environmental assessment has been submitted by an accredited person and appropriately checked.

#### (c) Design Rechecking

The rechecking of a design submitted under paragraph 2(b), except where the modifications to a design are of a trivial or minor nature.

#### (d) Inspection

Inspection or inspections by a DNSP (complying with the condition below) of work undertaken by an ASP accredited for Level 1 or Level 2 work, for the purpose of ensuring the quality of assets to be handed over to the DNSP.

#### Condition

The number of inspections required must correspond to the grade of the DNSP in Table 1 below:

**Table 1 Inspection rate** 

Grade	Number of inspections
А	1 inspection per 20 jobs
В	1 inspection per 5 jobs
С	Each job to be inspected

#### (e) Access Permit

The provision of a permit by a DNSP to a person authorised by law to work on or near a distribution system.

This may include without limitation:

- (1) researching and documenting the request for access;
- (2) documenting the actual switching process;
- (3) programming the work;
- (4) control room activities;
- (5) fitting an removing of operational earths;
- (6) the actual switching together with any operator's transport costs;
- (7) identification of any customers who will be interrupted;
- (8) low voltage switching and paralleling of substations that permits high voltage work without disrupting supply to other customers.

#### (f) Substation Commissioning

The commissioning by a DNSP of a new substation, (whether it is a single pole, padmount/kiosk or indoor/chamber) and includes:

- (1) all necessary pre-commissioning checks and tests prior to energising the substation via the high voltage switchgear and closing the low voltage circuit breaker, links or fuses; and
- (2) the setting or resetting of protection equipment.

#### (g) Administration

Work of an administrative nature (not including work of an administrative nature described in paragraph 2(h)), undertaken in connection with the provision of a monopoly service by a DNSP.

This may include without limitation:

- (1) checking supply availability;
- (2) processing applications;
- (3) correspondence from application to completion;
- (4) record-keeping;

- (5) requesting and receiving fees (initially, then prior to design and after certification);
- (6) receiving deign drawings (registering and copying);
- (7) raising order for high voltage (HV) work;
- (8) calculating HV reimbursements;
- (9) calculating the cost of a project and warranty/maintenance bond;
- (10) organising refunds to developers for HV work;
- (11) liaising with developers via phone and facsimile;
- (12) updating Geographic Information Systems (GIS) and mapping.

#### (h) Notice of Arrangement

Work of an administrative nature performed by a DNSP where a local council requires evidence in writing from a DNSP that all necessary arrangements have been made to supply electricity to a development.

This may include without limitation:

- (1) receiving and checking linen plans and 88B Instruments;
- (2) copying linen plans;
- (3) checking and recording easement details;
- (4) preparing files for conveyancing officers;
- (5) liaising with developers if errors or changes are required;
- (6) checking and receiving duct declarations and any amended linen plans and 88B instruments approved by a conveyancing officer;
- (7) preparing notifications of arrangement.

#### (i) Re-Inspection

The re-inspection by a DNSP of installation work undertaken by an ASP accredited to perform Level 1 or Level 2 work, for the reason that on first inspection the installation work was found not to be satisfactory.

#### (j) Access

The provision of access to switchrooms, substations and the like to an ASP who is accompanied by a member of staff of a DNSP, but does not include the circumstance where an ASP is provided with keys for the purpose of securing access and is not accompanied by a member of staff of a DNSP.

#### (k) Authorisation

The annual authorisation by a DNSP of individual employees or sub-contractors of an ASP to carry out work on or near a DNSP's distribution system.

This may include without limitation:

- (1) familiarisation and training in the DNSP's safety rules and access permit requirements;
- (2) induction in the unique aspects of the network;
- (3) verification that the applicant has undertaken the necessary safety training (resuscitation etc) within the last 12 months;
- (4) conducting interviews/examinations for access permit recipients;
- (5) issuing authorisation cards.

#### (I) Inspection of Service Work (Level 2)

The inspection by a DNSP of service work performed by an ASP accredited to perform Level 2 work.

#### (m) Site Establishment

The issue of a meter by a DNSP or its co-ordination with NEMMCO for the purpose of establishing a NMI in MSATS for new premises or for any existing premises for which NEMMCO requires a new NMI.

#### 1. Definitions and Interpretation

#### (a) Definitions

(1) In this Annexure:

**ASP** means an Accredited Service Provider and is a person who has been accredited under Part 10 *Electricity Supply (General) Regulation* 2001

**MSATS** means the market settlement and transfer system operated by NEMMCO.

**NMI** means a national metering identifier.

**NEMMCO** means the National Electricity Market Management Company Limited.

(2) In this Annexure the following expressions have the meaning given to them in the *Electricity Supply Act 1995*:

electricity supply contract
electricity connection contract
retail supplier.

#### (b) Interpretation of grade or level of accreditation

- (1) In this annexure, the reference to a grade or level, means the grade or level for which an ASP is accredited, applying the classification system in table 2 below, or if this classification system is amended during the Determination, the classification system as amended.
- (2) If the classification system in table 2 is amended during the Determination, the reference in this Annexure to a grade or level will be

taken to be a reference to the grade or level in the amended classification system that most closely approximates the grade or level in table 2.

**Table 2 Classification** 

Accreditation	Type of Work	Category
Level 1	Construction of transmission and distribution works, including high and low voltage, overhead and underground reticulation and substations.	Underground (UG) Overhead (OH)
Level 2	Service work: Construction and/or installation of the service line interface between the distribution system and consumer terminals, including metering services.	Disconnection & reconnection Underground (UG) service lines Overhead (OH) service lines Metering and energising new installations Installing contestable metering – under review
Level 3	Design of transmission and distribution works	Underground (UG) Overhead (OH)

## Annexure 3 Prices for Miscellaneous and Monopoly Services for the Regulatory Control Period

#### 1. Introduction

The miscellaneous services and monopoly services in this Annexure (having the abbreviated description given to them in paragraph 3 and paragraph 4 respectively) have the full meaning given to them in Annexure 2.

#### 2. Levying charges for Miscellaneous and Monopoly services

- (a) The charge that may be levied by a DNSP for the provision of a miscellaneous service described in paragraph 3, must not be more than (but may be less than) the charge specified or calculated for that miscellaneous service in that paragraph.
- (b) Unless otherwise specified, the charge that may be levied by a DNSP for the provision of a monopoly service described in paragraph 4, must not be more than or less than the charge specified or calculated for that monopoly service in that paragraph.
- (c) The charges for miscellaneous services and monopoly services in this Annexure are to be levied in accordance with the conditions (if any) specified in Annexure 2 applying to each service and in accordance with the conditions accompanying the respective paragraphs in this Annexure.

#### 3. Miscellaneous services

#### 3.1 Charges for miscellaneous services

The charges in table 1 below apply:

Table 1 Charges for miscellaneous services

Miscellaneous Service	\$
Special meter reading	\$35.00
Meter test	\$58.00
Supply of conveyancing information - desk inquiry	\$29.00
Supply of conveyancing information - field visit	\$58.00
Off-peak conversion	\$47.00
Disconnection visit (acceptable payment received)	\$35.00
Disconnection at meter box	\$70.00
Disconnection at pole top/pillar box	\$117.00
Rectification of illegal connection	\$175.00
Reconnection outside business hours	\$75.00

#### 3.2 Conditions relating to charges for miscellaneous services

#### (a) Disconnection at meter box and pole/top pillar box

For the avoidance of doubt, if, following a request from a customer, the reconnection component of the services described in paragraph 3.1 as "Disconnection at meter box" and "Disconnection at pole top/pillar box" are provided outside the hours of 7.30am and 4.00pm on a Working Day, the charge that the DNSP may levy for the provision of each of those services will be the charge for each service in paragraph 3.1 plus the charge for the service described as "Reconnection outside normal business hours".

#### (b) Meter test

If the service described as "meter test" is undertaken on premises serviced by more than one meter the following applies:

- if the meter test reveals that all of the meters are operating satisfactorily, a DNSP may only levy one charge for the provision of the service as if the meter test were undertaken on a single meter;
- (2) if the meter test reveals that one or more of the meters are operating satisfactorily and one or more are not, the DNSP may not levy any charge for the provision of the service; and
- (3) if the meter test reveals that none of the meters are operating satisfactorily, the DNSP may not levy any charge for the provision of the services.

#### (c) Special meter reading

A charge may not be levied for the service described as "special meter reading" in either of the following circumstances:

- (1) where the customer is or is about to move premises; or
- (2) where the service reveals that a scheduled meter reading was inaccurate.

#### (d) Off peak conversion

A charge for the service described as "off peak conversion" may only be levied for each occasion that the service is provided in excess of once in any 12 month period.

## 4. Monopoly Services4.1 Charges for monopoly services

**Table 2: Charges for monopoly services** 

Monopoly Service		ision (\		ots)	Rural Ove and R	erhead Rural Ex		sions	Undergro Industrial (vacant lo	und Co or Rura ots - no	mmerci I Subdiv	visions	Commercial and Industrial Developments	Asset Relocation Or Street Lighting
Design Information	Up to 5 lots 6 to 10 lots 11 - 40 lots Over 40 lots	3		\$126 \$189 \$315 \$378		r			R2 per hou	r			R2 per hour	R2 or R3 per hour (See para 4.2)
Ŭ	Up to 5 lots 6 to 10 lots 11 - 40 lots Over 40 lot	; ;		\$126	1 - 5 poles 6 -10 poles 11 or more			\$126	Up to 10 lot 11 - 40 lots Over 40 lots			\$126 \$189 \$378		R2 or R3 per hour (See para 4.2)
Design Rechecking	R2 per hou	r			R2 per hou	r			R2 per hou	r			R3 per hour	R2 or R3 per hour (See para 4.2)
·	Grade: First 10 lots: Next 40 lots: Remainder:	\$32	B per lot \$76 \$44 \$25	\$95	Grade: 1-5 poles: 6-10 poles: 11+ poles: (see para 4.2)	\$38 \$32 \$25	\$63	per pole \$139 \$126	Grade: First 10 lots: Next 40 lots: Remainder:	\$32 \$32	B per lot \$76 \$76 \$76	C per lot \$158 \$158 \$158	R2 or R3 per hour	R2 or R3 per hour (see para 4.2)
Access Permit	Residential	Subdiv	isions: S	\$21.00	\$935 max.	per acc	ess pern	nit	\$935 max.	per acc	ess perr	nit	\$935 max. per access permit	\$935 max. per access permit
Substation Commissioning	per lot com	bined fe	e		\$701 per su (See para 4		า		\$701 per su (see para 4		1		\$701 per substation (see para 4.2)	\$701 per substation (see para 4.2)
Administration	Up to 5 lots 6 - 10 lots 11 - 40 lots Over 40 lots			\$204	Up to 5 pole 6-10 poles: 11 or more			\$153 \$204 \$306	R1 per hou	r (max 6	hours)		R1 per hour (max 6 hours)	R1 per hour
Notice of Arrangement	\$153													
Re-Inspection	R2 per hou	r (max 1	hour p	er level 2	2 reinspectio	n)								
	R1 per hou	r												
	\$126													
Inspection of Service Work (Level 2 work)	All Service connections: A Grade : \$16 per NOSW B Grade: \$26 per NOSW C Grade: \$76 per NOSW (NOSW = Notification of Service Work)													
	\$110				*									

#### 4.2 Conditions relating to charges for monopoly services

#### (a) Inspection

For the service described as "Inspection":

- in the case of "Commercial and Industrial developments" and "Asset Relocation or Street Lighting", the level of inspection is to be determined by the DNSP prior to performing the service;
- (2) the grade specified is the grade of the ASP, accredited for that grade;
- (3) in the case of "Rural Overhead Subdivisions and Rural Extensions", the charge applies to inspections (other than substation poles) and represents the total charge for three separate visits. For substation poles the charge for ASP grade A is \$221; for grade B is \$441 and for grade C is \$556.

#### (b) Substation commissioning

For the service described as "Substation Commissioning" (other than in the case of "Underground urban residential subdivision vacant lots") the charge specified is to be levied only where it is single transformer/RMI unit. In all other cases the service is to be charged at the labour rate R3 specified in paragraph 4.2(q).

#### (c) Lots

In table 2, where the monopoly service relates to a service connection required for multiple dwelling subdivisions, the per lot fee in that table should be applied per service connection.

#### (d) Design Information/Design Certification/ Design Rechecking

For the services described as "Design Information", "Design Certification" and "Design Rechecking", the labour rate (R2 or R3) is to be applied based on the DNSP's assessment of the level of skill required to perform the service.

#### (e) Travel time

A DNSP may, in addition to the charge specified or calculated under paragraph 4.1, charge for travel time (in excess of two hours) incurred in performing the service, at the rate of \$63 per hour.

#### (f) Overtime

If a monopoly service is provided outside the hours of 7.30am and 4.00pm on a Working Day (except where the DNSP requires that the work be performed at that time) the charge that the DNSP may impose for the provision of that service will be an amount up to 175% of the charge for that service in paragraph 4.1.

#### (g) Labour rates

- (1) In paragraph 4.1 the references to R1, R2 and R3 denote the class of labour which performs the service at the hourly rate corresponding to the class in table 3 below.
- (2) For the purpose of the labour class R2 in the table, the DNSP will determine whether the service is to be provided by an inspector or an engineer at that class, depending on the nature and complexity of the service.

Table 3 Labour rates

Labour class	Hourly rate
Admin R1	\$51
Design R2a	\$63
Inspector R2b	\$63
Engineer R3	\$76

#### 5. Definitions and interpretation

In this Annexure:

- (a) **ASP** means an Accredited Service Provider and is a person who has been accredited under Part 10, *Electricity Supply (General) Regulation 2001*.
- (b) Expressions used in this Annexure that are defined in Annexure 2, have the meaning given to them in that Annexure 2.
- (c) Interpretation provisions in Annexure 2 apply to this Annexure.

#### **Annexure 4 X Factors**

The value of "X" for each DNSP for each Year of the Regulatory Control Period, for the purposes of clause 5.2 of the Determination, is as follows:

EnergyAustralia	0.065 for the first Year of the Regulatory Control Period; and
	0.014 for each Year thereafter
Integral Energy Australia	0.011 for each Year of the Regulatory Control Period
Country Energy	0.065 for the first Year of the Regulatory Control Period; and
	0.025 for each Year thereafter
Australian Inland Energy Water Infrastructure	0.065 for the first Year of the Regulatory Control Period; and
	0.025 for each Year thereafter

### **Annexure 5 Weighted Average Price Cap Illustrated Example**

Weighted average price cap control formula for year t+1 (2004/05)

$$\frac{\overset{n}{\mathbf{a}}\overset{m}{\mathbf{a}}p_{ij}^{t+1}}{\overset{i=1}{\mathbf{a}}\overset{j=1}{\mathbf{a}}p_{ij}^{t}}q_{ij}^{t-1}$$

$$\overset{\scriptscriptstyle{n}}{\mathbf{a}}\overset{\scriptscriptstyle{m}}{\mathbf{a}}p_{ij}^{\scriptscriptstyle{t}}$$
 ,  $q_{ij}^{\scriptscriptstyle{t-1}}$ 

£1 + 
$$\Delta CPI$$
 +  $X_{t+1}$  +  $S_{t+1}$ 

Assume  $\Delta CPI = 0.03$ ,  $X_{t+1} = 0.02$ ,  $S_{t+1} = 0$ 

Prices in year t+1 (2004/05)

	Fixed (\$	Peak	Off-peak
	per year)	(\$/kWh)	(\$/kWh)
Residential	60	9.5	0.6
Commercial	560	4.2	1.3

Quantities in year t-1 (2002/03)

	Customer	Peak	Off-peak
	numbers	(kWh)	(kWh)
Residential	20000	1000000	400000
Commercial	7000	800000	500000

£1 + 0.03 + 0.02 + 0

Prices in year t (2003/04)

	Fixed (\$	Peak	Off-peak
	per year)	(\$/kWh)	(\$/kWh)
Residential	55	9.0	0.6
Commercial	548	4.0	1.2

Quantities in year t-1 (2002/03)

Customer	Peak	Off-peak					
numbers	(kWh)	(kWh)					
20000	1000000	400000					
7000	800000	500000					
	numbers 20000	numbers (kWh) 20000 1000000					

Total 2004/05

Residential 10940000 7930000 Commercial 18870000

Total (\$2004/05) Residential 10340000 Commercial 7636000 17976000 £ 1.05

Weighted average price cap control formula satisfied since:

1.0497 **£** 1.05

# Annexure 6 $p_{ij}^t$ for DUOS Tariffs and Network Tariffs for first year of Regulatory Control Period

Tariff name	DUOS tariff	Network tariff
Domestic tariffs		
010, 210 Domestic		
Fixed Charge (\$ pa)	42.71	42.71
Usage charge – Non-TOU (c/kWh)	3.23	3.98
30, 250 Controlled Load 1		
Fixed Charge (\$ pa)	4.02	4.015
Usage charge – Non-TOU (c/kWh)	-	0.46
40, 260 Controlled Load 2		
Fixed Charge (\$ pa)	4.02	4.015
Usage charge – Non-TOU (c/kWh)	1.18	1.95
20, 230 Domestic TOU		
Fixed Charge (\$ pa)	63.51	63.51
Usage charge – Peak (c/kWh)	4.32	5.43
Usage charge – Shoulder (c/kWh)	4.06	5.17
Usage charge – Off Peak (c/kWh)	0.04	0.52
25 LV Energy40 TOU system		
Fixed Charge (\$ pa)	63.51	63.51
Usage charge – Peak (c/kWh)	6.86	8.26
Usage charge – Shoulder (c/kWh)	1.14	2.03
Usage charge – Off Peak (c/kWh)	0.04	0.52
26 LV Energy40 TOU substation		
Fixed Charge (\$ pa)	63.51	63.51
Usage charge – Peak (c/kWh)	6.57	7.94
Usage charge – Shoulder (c/kWh)	1.05	1.91
Usage charge – Off Peak (c/kWh)	0.05	0.52
Interruptible Load		
Fixed Charge (\$ pa)	60.59	60.59
Usage charge – Peak (c/kWh)	5.34	6.2
Usage charge – Shoulder (c/kWh)	0.9	1.52
Usage charge – Off Peak (c/kWh)	0.08	0.46
Non-domestic tariffs		
130, 390 ST kVA Dem TOU		
Fixed Charge (\$ pa)	1,785.20	1,785.20
Usage charge – Peak (c/kWh)	0.27	1.38
Usage charge – Shoulder (c/kWh)	0.17	0.93

Taviff name	DUOS	Network
Tariff name Usage charge – Off Peak (c/kWh)	tariff 0.03	tariff 0.5
Demand – Peak (kVA per month)	0.38	0.56
` '	0.28	0.28
Demand - Shoulder (kVA per month)	0.23	0.28
Demand – Off Peak (kVA per month)	0.07	0.48
Capacity - Peak (kVA per month)	0.25	0.48
Capacity – Shoulder (kVA per month)		
Capacity – Off Peak (kVA per month)	0.06	0.06
120, 380 HV kVA Dem TOU (Substation)		
Fixed Charge (\$ pa)	1,552.70	1,552.70
Usage charge – Peak (c/kWh)	0.66	1.8
Usage charge – Shoulder (c/kWh)	0.41	1.18
Usage charge – Off Peak (c/kWh)	0.08	0.56
Demand – Peak (kVA per month)	0.42	0.62
Demand – Shoulder (kVA per month)	0.31	0.31
Demand – Off Peak (kVA per month)	0.08	0.08
Capacity – Peak (kVA per month)	0.36	0.54
Capacity – Shoulder (kVA per month)	0.25	0.25
Capacity – Off Peak (kVA per month)	0.06	0.06
110, 370 HV kVA Dem TOU (System)		
Fixed Charge (\$ pa)	1,552.70	1,552.70
Usage charge – Peak (c/kWh)	0.67	1.83
Usage charge – Shoulder (c/kWh)	0.41	1.21
Usage charge – Off Peak (c/kWh)	0.07	0.55
Demand – Peak (kVA per month)	0.84	1.08
Demand - Shoulder (kVA per month)	0.64	0.64
Demand – Off Peak (kVA per month)	0.21	0.21
Capacity - Peak (kVA per month)	0.77	0.99
Capacity – Shoulder (kVA per month)	0.54	0.54
Capacity – Off Peak (kVA per month)	0.17	0.17
100, 350 HV Business TOU		
Fixed Charge (\$ pa)	1,552.70	1,552.70
Usage charge – Peak (c/kWh)	5.71	7.45
Usage charge – Shoulder (c/kWh)	3.4	4.29
Usage charge – Off Peak (c/kWh)	0.66	1.16
80, 320 LV kVA Dem TOU (Substation)		
Fixed Charge (\$ pa)	484.7	484.7
Usage charge – Peak (c/kWh)	0.95	2.22
Usage charge – Shoulder (c/kWh)	0.59	1.46
Usage charge – Off Peak (c/kWh)	0.15	0.65
Demand – Peak (kVA per month)	1.04	1.22
Demand – Shoulder (kVA per month)	0.78	0.89
Demand – Off Peak (kVA per month)	0.73	0.32
Demand - On reak (kva per month)	0.52	0.52

EnergyAustralia	DUOS	Network
Tariff name	tariff	Network tariff
Capacity – Peak (kVA per month)	0.92	1.08
Capacity – Shoulder (kVA per month)	0.65	0.75
Capacity – Off Peak (kVA per month)	0.26	0.26
303 LV cap TOU (Substation)		
Fixed Charge (\$ pa)	374.9	374.9
Usage charge – Peak (c/kWh)	2.59	3.73
Usage charge – Shoulder (c/kWh)	1.56	2.71
Usage charge – Off Peak (c/kWh)	0.59	1.24
Capacity – Peak (kVA per month)	0.86	1.2
Capacity - Shoulder (kVA per month)	0.56	0.56
Capacity – Off Peak (kVA per month)	0.19	0.19
291 LV Business TOU (Substation)		
Fixed Charge (\$ pa)	405.5	405.5
Usage charge – Peak (c/kWh)	5.53	7.63
Usage charge – Shoulder (c/kWh)	2.87	3.9
Usage charge – Off Peak (c/kWh)	0.95	1.52
70, 310 LV kVA Dem TOU (System)		
Fixed Charge (\$ pa)	606.3	606.3
Usage charge – Peak (c/kWh)	0.93	2.22
Usage charge – Shoulder (c/kWh)	0.58	1.46
Usage charge – Off Peak (c/kWh)	0.14	0.65
Demand – Peak (kVA per month)	1.06	1.22
Demand – Shoulder (kVA per month)	0.78	0.89
Demand – Off Peak (kVA per month)	0.32	0.32
Capacity – Peak (kVA per month)	0.94	1.08
Capacity – Shoulder (kVA per month)	0.65	0.75
Capacity – Off Peak (kVA per month)	0.26	0.26
302 LV kW cap TOU (System)		
Fixed Charge (\$ pa)	512.5	512.5
Usage charge – Peak (c/kWh)	2.57	3.73
Usage charge – Shoulder (c/kWh)	1.55	2.71
Usage charge – Off Peak (c/kWh)	0.58	1.24
Capacity – Peak (kVA per month)	0.92	1.2
Capacity – Shoulder (kVA per month)	0.56	0.56
Capacity – Off Peak (kVA per month)	0.19	0.19
60, 290 LV Business TOU (System)		
Fixed Charge (\$ pa)	576	576
Usage charge – Peak (c/kWh)	5.58	7.63
Usage charge – Shoulder (c/kWh)	2.86	3.9
Usage charge – Off Peak (c/kWh)	0.94	1.52

Tariff name	DUOS tariff	Network tariff
50, 270 LV Business non-TOU		
Fixed Charge (\$ pa)	127.4	127.4
Usage charge – Peak (c/kWh)	3.16	3.98
CU Constant unmetered		
Usage charge – Non-TOU (c/kWh)	2.32	3.28
EL EnergyLight		
Usage charge – Non-TOU (c/kWh)	1.97	2.7
SL Public Lighting		
Usage charge – Non-TOU (c/kWh)	1.97	2.7

## **Integral Energy Australia**

Tariff name	DUOS tariff	Network tariff
Domestic tariffs 10/F10 Domestic		
Fixed Charge (\$pa)	65.7	65.7
Usage charge – Non-TOU (c/kWh)	4.3087	4.996
20/F50 Controlled Load 1		
Fixed Charge (\$pa)	7.3	7.3
Usage charge – Non-TOU (c/kWh)	0.099	0.49
31/F54 Controlled Load 2		
Fixed Charge (\$pa)	7.3	7.3
Usage charge – Non-TOU (c/kWh)	1.0674	1.55
F10-5 Domestic Type 5 Tariff (New in 2002)		
Fixed Charge (\$pa)	160.6	160.6
Usage charge – Peak (c/kWh)	5.9254	6.79
Usage charge – Shoulder (c/kWh)	5.9254	6.79
Usage charge – Off Peak (c/kWh)	1.875	2.26
Non-domestic tariffs		
F80/N90 General Supply Non TOU	<b>65.7</b>	65.7
Fixed Charge (\$pa)	65.7	65.7
Usage charge – Non-TOU (c/kWh)	3.8567	4.48
F82/N84 General Supply TOU		
Fixed Charge (\$pa)	102.2	102.2
Usage charge – Peak (c/kWh)	4.9004	5.76
Usage charge – Shoulder (c/kWh)	4.9004	5.76
Usage charge – Off Peak (c/kWh)	1.163	1.55
F82-5 GS TOU Type 5 Tariff (New in 2002)		
Fixed Charge (\$pa)	171.55	171.55
Usage charge – Peak (c/kWh)	5.7194	6.58
Usage charge – Shoulder (c/kWh)	5.7194	6.58
Usage charge – Off Peak (c/kWh)	1.772	2.16
F19/N19 LV TOU Demand		
Fixed Charge (\$pa)	1,832.30	1,832.30
Usage charge – Peak (c/kWh)	0.4754	1.34
Usage charge – Shoulder (c/kWh)	0.4754	1.34
Usage charge – Off Peak (c/kWh)	0.001	0.39
Demand Non-TOU (kVA per month)	6.065	6.07

## **Integral Energy Australia**

Tariff name	DUOS tariff	Network tariff
F29/N29 HV TOU Demand		
Fixed Charge (\$pa)	2,854.30	2,854.30
Usage charge – Peak (c/kWh)	0.4541	1.28
Usage charge – Shoulder (c/kWh)	0.4541	1.28
Usage charge – Off Peak (c/kWh)	0.0009	0.37
Demand Non-TOU (kVA per month)	4.531	4.53
F39/N39 ST TOU Demand		
Fixed Charge (\$pa)	3,660.95	3660.95
Usage charge – Peak (c/kWh)	0.3809	1.19
Usage charge – Shoulder (c/kWh)	0.3809	1.19
Usage charge – Off Peak (c/kWh)	0.0007	0.37
Demand Non-TOU (kVA per month)	3.208	3.21
Streetlighting		
Usage charge – Non-TOU (c/kWh)	3.6924	4.17
Nightwatch		
Usage charge – Non-TOU (c/kWh)	2.1194	2.6

	Tariff name	DUOS tariff	Network tariff
Tariffs wit	h single consumption charge (including contro	lled load tar	iffs)
BLNN2CR	LV Non-TOU Domestic Central Rural		
	Fixed charge (\$ per Year)	167.32	167.62
	Usage charge - non time of use (c/kWh)	5.53	6.72
BLNN2NQ	LV Non-TOU Domestic Northern Zone 2 Region C & Zone 3		
	Fixed charge (\$ per Year)	116.97	117.00
	Usage charge - non time of use (c/kWh)	5.53	6.72
BLNN2NR	LV Non-TOU Domestic Northern Rural		
	Fixed charge (\$ per Year)	108.71	117.00
	Usage charge - non time of use (c/kWh)	5.53	6.72
BLNN2CU	LV Non-TOU Domestic Central Urban	72.10	00.12
	Fixed charge (\$ per Year) Usage charge - non time of use (c/kWh)	72.19 4.66	90.13 5.48
		4.00	3.40
BLNN2NU	LV Non-TOU Domestic Northern Urban	00.03	00.13
	Fixed charge (\$ per Year)	89.82	90.13
	Usage charge - non time of use (c/kWh)	4.32	5.48
BLNN2SU	LV Non-TOU Domestic Southern Urban		
	Fixed charge (\$ per Year)	80.06	80.35
	Usage charge - non time of use (c/kWh)	3.17	4.33
BLNC1CO	LV Controlled Load 1 Central Other		
	Fixed charge (\$ per Year)	13.60	13.00
	Usage charge - non time of use (c/kWh)	-	0.88
BLNC1CR	LV Controlled Load 1 Central Rural	10.60	6.50
	Fixed charge (\$ per Year)	13.60	6.50
	Usage charge - non time of use (c/kWh)	(0.19)	0.94
BLNC1NU	LV Controlled Load 1 Northern Urban	12.60	12.00
	Fixed charge (\$ per Year)	13.60	13.00
	Usage charge - non time of use (c/kWh)	(0.13)	0.88
BLNC1NR	LV Controlled Load 1 Northern Rural Fixed charge (\$ per Year)	13.60	6.50
	Usage charge - non time of use (c/kWh)	(0.19)	0.94
		(0.13)	0.51
BLNC1SR	LV Controlled Load 1 Southern Rural	12.60	12.00
	Fixed charge (\$ per Year)	13.60	13.88
	Usage charge - non time of use (c/kWh)	(0.57)	0.51
BLNC1SU	LV Controlled Load 1 Southern Urban	_	
	Fixed charge (\$ per Year)	3.76	10.06
	Usage charge - non time of use (c/kWh)	(0.51)	0.45

Country	Lifeigy		
	Tariff name	DUOS tariff	Network tariff
BLNC2CR	LV Controlled Load 2 Central Rural		
	Fixed charge (\$ per Year)	13.60	13.88
	Usage charge - non time of use (c/kWh)	1.25	2.21
BLNC2CO/ BLNC2CU	LV Controlled Load 2 Central Other		
	Fixed charge (\$ per Year)	13.60	13.88
	Usage charge - non time of use (c/kWh)	1.18	2.21
BLNC2NU	LV Controlled Load 2 Northern Urban		
	Fixed charge (\$ per Year)	13.60	13.88
	Usage charge - non time of use (c/kWh)	1.25	2.21
BLNC2NR	LV Controlled Load 2 Northern Rural		
	Fixed charge (\$ per Year)	13.60	13.88
	Usage charge - non time of use (c/kWh)	1.18	2.30
BLNC2SR	LV Controlled Load 2 Southern Rural		
	Fixed charge (\$ per Year)	13.60	13.88
	Usage charge - non time of use (c/kWh)	1.18	2.30
		1.10	2.50
BLNC2SU	LV Controlled Load 2 Southern Urban		
	Fixed charge (\$ per Year)	3.76	4.06
	Usage charge - non time of use (c/kWh)	1.27	2.32
BLNC3NU	LV Controlled Load 3 Northern Urban		
	Fixed charge (\$ per Year)	23.65	23.95
	Usage charge - non time of use (c/kWh)	2.31	3.34
BLNC3NR	LV Controlled Load 3 Northern Rural		
	Fixed charge (\$ per Year)	23.65	23.95
	Usage charge - non time of use (c/kWh)	2.24	3.35
BLNN2SQ	LV Non-TOU Domestic Southern Rural Residential South West Zone 2		
	Fixed charge (\$ per Year)	136.21	161.52
	Usage charge - non time of use (c/kWh)	4.87	5.86
BLNN2SR	LV Non-TOU Domestic Southern Rural		
	Fixed charge (\$ per Year)	90.08	115.57
	Usage charge - non time of use (c/kWh)	3.25	3.89
		3.23	3.03
BLNN2ST	LV Non-TOU Domestic Southern Rural Residential Southern Riverina Zone 2		
	Fixed charge (\$ per Year)	185.79	173.52
	Usage charge - non time of use (c/kWh)	3.25	4.57
BLNN2SO	LV Non-TOU Domestic Southern Other		
22200	Fixed charge (\$ per Year)	103.32	94.14
	Usage charge - non time of use (c/kWh)	2.45	3.78
	osage charge from time or use (c/kwill)	2.43	3.70

Country	Lileigy		
	Tariff name	DUOS tariff	Network tariff
BLNN2SV	LV Non-TOU Domestic Southern Rural		
	Residential Tumut River Fixed charge (\$ per Year)	95.28	115.57
	Usage charge - non time of use (c/kWh)	3.91	4.57
Time of use	e tariffs (other than controlled load)		
BLNT3NU	LV TOU Domestic Northern Urban		
	Fixed charge (\$ per Year)	85.06	92.35
	Usage charge - peak (c/kWh)	4.60	3.78
	Usage charge - shoulder (c/KWh)	5.50	3.74
	Usage charge - off peak (c/kWh)	2.89	0.93
BLNT3SM	LV TOU Domestic Southern Rural Residential Southern Riverina Zone 1		
	Fixed charge (\$ per Year)	182.26	92.35
	Usage charge - peak (c/kWh)	6.56	6.58
	Usage charge - shoulder (c/KWh)	7.46	6.54
	Usage charge - off peak (c/kWh)	4.03	2.92
BLNT3SR	LV TOU Domestic Southern Rural		
	Fixed charge (\$ per Year)	71.28	182.55
	Usage charge - peak (c/kWh)	2.29	7.42
	Usage charge - shoulder (c/KWh)	2.38 0.15	6.58 4.17
	Usage charge - off peak (c/kWh)	0.15	4.17
BLNT3SU	LV TOU Domestic Southern Urban		
	Fixed charge (\$ per Year)	129.17	129.47
	Usage charge - peak (c/kWh)	1.44	3.27
	Usage charge - shoulder (c/KWh)	1.40	2.35
	Usage charge - off peak (c/kWh)	(0.26)	0.88
BLNT3NR	LV TOU Domestic Northern Rural		
	Fixed charge (\$ per Year)	79.92	129.47
	Usage charge - peak (c/kWh)	6.03	8.19
	Usage charge - shoulder (c/KWh)	6.94	8.19
	Usage charge - off peak (c/kWh)	3.72	4.75
BLNB2NR	LV Non-TOU 2 block Northern Rural		
	Fixed charge (\$ per Year)	84.77	119.92
	Usage charge - step 1 (c/kWh)	5.69	6.12
	Usage charge - step 2 (c/kWh)	6.78	7.26
	Usage charge - step 3 (c/kWh) Usage charge - step 4 (c/kWh)	8.03	-
	Osage charge - step 4 (c/kwh)	8.03	-
BLNC4NR	LV Controlled Load 1 Northern Rural	22.42	24.62
	Fixed charge (\$ per Year)	22.43	24.68
	Usage charge non time of use (c/kWh)	-	0.94
BLNC4SR	LV Controlled Load 1 Business Southern Rural		
	Fixed charge (\$ per Year)	22.43	24.68
	Usage charge non time of use (c/kWh)	-	0.94

Country	Tariff name	DUOS tariff	Network tariff
BLNC5NR	LV Controlled Load 2 Business Northern Rural Fixed charge (\$ per Year) Usage charge non time of use (c/kWh)	22.43	24.68 2.24
BLNC5SR	LV Controlled Load 2 Business Southern Rural Fixed charge (\$ per Year) Usage charge - non time of use (c/kWh)	22.43 1.07	24.68 2.24
BLNC6NR	LV Controlled Load 3 Business Northern Rural Fixed charge (\$ per Year) Usage charge - non time of use (c/kWh)	70.52 2.34	77.61 3.56
BLND1NR	LV 1 Rate Demand Northern Rural Fixed charge (\$ per Year) Usage charge non time of use (c/kWh) Usage charge - peak (c/kWh) Usage charge - shoulder (c/KWh) Usage charge - off peak (c/kWh) Demand charge non time of use (\$ per kVA)	- - - - 9.87	176.66 7.71 1.97 1.14 0.94 20.19
BLND1SR	LV 1 Rate Demand Southern Rural Fixed charge (\$ per Year) Usage charge - peak (c/kWh) Usage charge - shoulder (c/KWh) Usage charge - off peak (c/kWh) Demand non time of use (kVA per month) Capacity charge non time of use (kVA per month)	- - - 5.33 2.04	5.48 5.48 2.01 5.28 2.01
BLND8SR	LV 1 Rate Demand Transition, yr 2 Southern Rural Usage charge - peak (c/kWh) Usage charge - shoulder (c/KWh) Usage charge - off peak (c/kWh) Demand non time of use (kVA per month)	- - - 5.11	4.09 4.09 1.93 5.06
BLNE1NR	LV Export Business non TOU Northern Rural Fixed charge (\$ per Year) Usage charge - non time of use (c/kWh)	0.14	- 1.04
BLNN1CR	LV Non-TOU Central Rural Fixed charge (\$ per Year) Usage charge - non time of use (c/kWh)	160.51 6.10	176.66 7.71
BLNN1NP	LV Non-TOU Northern Zone 1 Region C Fixed charge (\$ per Year) Usage charge - non time of use (c/kWh)	191.69 5.38	210.98 6.97
BLNN1NR	LV Non-TOU Northern Rural Fixed charge (\$ per Year) Usage charge - non time of use (c/kWh)	160.51 6.10	176.66 7.71

Country	renergy		
	Tariff name	DUOS tariff	Network tariff
BLNN1SR	LV Non-TOU Southern Rural		
	Fixed charge (\$ per Year)	160.51	176.66
	Usage charge - non time of use (c/kWh)	6.10	7.71
BLNN4CR	LV Non-TOU Irrigation Central Rural		
	Fixed charge (\$ per Year)	335.66	369.45
	Usage charge - non time of use (c/kWh)	4.99	6.56
BLNT1SR	LV TOU over 100 MWh/yr Southern Rural		
	Fixed charge (\$ per Year)	571.84	629.39
	Usage charge - peak (c/kWh)	-	6.61
	Usage charge - shoulder (c/KWh)	-	6.69
	Usage charge - off peak (c/kWh)	-	3.34
BLNT2CR	LV TOU 100 MWh/yr or less Central Rural		
	Fixed charge (\$ per Year)	613.46	675.17
	Usage charge - peak (c/kWh)	-	6.17
	Usage charge - shoulder (c/KWh)	-	6.17
	Usage charge - off peak (c/kWh)	-	3.07
BLNT2NR	LV TOU 100 MWh/yr or less Northern Rural		
	Fixed charge (\$ per Year)	613.46	675.17
	Usage charge - peak (c/kWh)	-	6.17
	Usage charge - shoulder (c/KWh)	-	6.17
	Usage charge - off peak (c/kWh)	-	3.07
BLNT2SR	LV TOU 100 MWh/yr or less Southern Rural		
	Fixed charge (\$ per Year)	613.46	675.17
	Usage charge - peak (c/kWh)	-	6.17
	Usage charge - shoulder (c/KWh)	-	6.17
	Usage charge - off peak (c/kWh)	-	3.07
BLNT4CR	LV 2 rate time of use (obsolete, use shoulder		
	rate for peak) Central Rural Fixed charge (\$ per Year)	664.07	730.90
	Usage charge - peak (c/kWh)	5.03	6.50
	Usage charge - shoulder (c/KWh)	5.03	6.50
	Usage charge - off peak (c/kWh)	1.96	3.09
BLNC4CO/			
BLNC4CU	LV Controlled Load 1 Business Central Other		
	Fixed charge (\$ per Year)	22.43	24.68
	Usage charge non time of use (c/kWh)	-	0.88
BLNC4NU	LV Controlled Load 1 Business Northern Urban		
	Fixed charge (\$ per Year)	22.43	24.68
	Usage charge non time of use (c/kWh)	-	0.88
BLNC4SU	LV Controlled Load 1 Business Southern Urban		
	Fixed charge (\$ per Year)	22.43	24.68
	Usage charge non time of use (c/kWh)	-	0.88

<del>country</del>	Lileigy		
	Tariff name	DUOS tariff	Network tariff
BLNC5CO/ BLNC5CU	LV Controlled Load 2 Business Central Other		
BLINESCO	Fixed charge (\$ per Year) Usage charge non time of use (c/kWh)	22.43	24.68 2.24
BLNC5NU	LV Controlled Load 2 Business Northern Urban Fixed charge (\$ per Year) Usage charge non time of use (c/kWh)	22.43 -	24.68 2.24
BLNC5SU	LV Controlled Load 2 Business Southern Urban Fixed charge (\$ per Year) Usage charge non time of use (c/kWh)	22.43 -	24.68 2.24
BLNC6NU	LV Controlled Load 3 Business Northern Urban Fixed charge (\$ per Year) Usage charge non time of use (c/kWh)	70.52 -	77.61 3.56
BLND1CO	LV 1 Rate Demand Central Other Fixed charge (\$ per Year) Usage charge - peak (c/kWh) Usage charge - shoulder (c/KWh) Usage charge - off peak (c/kWh) Demand non time of use (kVA per month)	2,233.99 0.76 1.06 0.16 7.36	2,458.77 2.98 2.40 1.26 7.29
BLND1NO	LV 1 Rate Demand Northern Other Fixed charge (\$ per Year) Usage charge - peak (c/kWh) Usage charge - shoulder (c/KWh) Usage charge - off peak (c/kWh) Demand non time of use (kVA per month)	73.68 0.04 0.81 0.03 20.40	81.10 2.15 2.15 1.13 20.19
BLND1SU	LV 1 Rate Demand Southern Urban Fixed charge (\$ per Year) Usage charge - peak (c/kWh) Usage charge - shoulder (c/KWh) Usage charge - off peak (c/kWh) Demand non time of use (kVA per month) Capacity non time of use (kVA per month)	1.75 2.59 0.82 4.86 1.95	4.00 3.99 1.94 4.81 1.93
BLND3NO	LV 3 Rate Demand Option 1 Northern Other Fixed charge (\$ per Year) Usage charge - peak (c/kWh) Usage charge - shoulder (c/KWh) Usage charge - off peak (c/kWh) Demand charge - peak (kVA per month) Demand charge - shoulder (kVA per month) Demand charge - off peak (kVA per month)	1,519.03 (0.04) 0.81 0.03 4.92 4.18 1.72	1,671.88 2.05 2.04 1.02 4.87 4.14 1.70

	Tariff name	DUOS	Network
		tariff	tariff
BLND4NO	LV 3 Rate Demand Option 2 Northern Other		
	Fixed charge (\$ per Year)	1,519.03	1,671.88
	Usage charge - peak (c/kWh)	-	5.46
	Usage charge - shoulder (c/KWh)	-	5.46 3.90
	Usage charge - off peak (c/kWh) Demand charge - peak (kVA per month)	3.28	3.24
	Demand charge - shoulder (kVA per month)	2.78	2.75
	Demand charge - off peak (kVA per month)	1.14	1.13
BLND5NO	LV 3 Rate Demand Transition yr 2 for ex non		
	TOU Northern Other		
	Fixed charge (\$ per Year)	1,519.03	1,671.88
	Usage charge - peak (c/kWh)	-	5.46
	Usage charge - shoulder (c/KWh)	-	5.46
	Usage charge - off peak (c/kWh)	-	3.90
	Demand charge - peak (kVA per month)	3.28	3.24
	Demand charge - shoulder (kVA per month)	2.78	2.75
	Demand charge - off peak (kVA per month)	1.14	1.13
BLND6NO	LV 3 Rate Demand Transition yr 2 for ex TOU Northern Other		
	Fixed charge (\$ per Year)	1,519.03	1,671.88
	Usage charge - peak (c/kWh)	-	5.46
	Usage charge - shoulder (c/KWh)	-	5.46
	Usage charge - off peak (c/kWh)	-	3.90
	Demand charge - peak (kVA per month)	3.28	3.24
	Demand charge - shoulder (kVA per month)	2.78	2.75
	Demand charge - off peak (kVA per month)	1.14	1.13
BLND7NO	LV Obsolete 3 Rate Demand Transition yr 1 Northern Other		
	Fixed charge (\$ per Year)	1,519.03	1,671.88
	Usage charge - peak (c/kWh)	-	5.46
	Usage charge - shoulder (c/KWh)	-	5.46
	Usage charge - off peak (c/kWh)	-	3.90
	Demand charge - peak (kVA per month)	3.28	3.24
	Demand charge - shoulder (kVA per month)	2.78	2.75
	Demand charge - off peak (kVA per month)	1.14	1.13
BLND8SU	LV 1 Rate Demand Transition, yr 2 Southern Urban		
	Fixed charge (\$ per Year)	-	1,671.88
	Usage charge - peak (c/kWh)	-	5.46
	Usage charge - shoulder (c/KWh)	-	5.46
	Usage charge - off peak (c/kWh)	-	3.90
	Demand non time of use (kVA per month)	5.11	5.06
BLNE1CO	LV Export Business non TOU Central Other		
	Fixed charge (\$ per Year)	1 20	1 24
	Usage charge - non time of use (c/kWh)	1.20	1.24

	Tariff name	DUOS tariff	Network tariff
BLNE1NU	LV Export Business non TOU Northern Urban		
	Fixed charge (\$ per Year)	- 1.20	- 1.24
	Usage charge - non time of use (c/kWh)	1.20	1.24
BLNN1CO/ BLNN1CU	LV Non-TOU Central Other		
BLITTIES	Fixed charge (\$ per Year)	115.13	126.73
	Usage charge - non time of use (c/kWh)	5.86	7.39
BLNN1NU	LV Non-TOU Northern Urban		
	Fixed charge (\$ per Year)	115.13	126.73
	Usage charge - non time of use (c/kWh)	5.86	7.39
BLNN1SU	LV Non-TOU Southern Urban	115 12	126.72
	Fixed charge (\$ per Year)	115.13	126.73
	Usage charge - non time of use (c/kWh)	5.86	7.39
BLNN3NU	LV Non-TOU Unmetered Northern Urban		
	Fixed charge (\$ per Year)	98.28	108.19
	Usage charge - non time of use (c/kWh)	-	8.34
BLNN1SU	LV Non-TOU Southern Urban		
	Fixed charge (\$ per Year)	115.13	126.73
	Usage charge - non time of use (c/kWh)	-	7.39
BLNS1NO	LV Seasonally Adjusted Demand Northern Other		
	Fixed charge (\$ per Year)	1,670.93	1,839.06
	Usage charge - peak (c/kWh)	0.16	2.25
	Usage charge - shoulder (c/KWh)	1.01	2.25
	Usage charge - off peak (c/kWh)	0.13	1.12
	Demand charge - peak (kVA per month)	5.41	5.35
	Demand charge - shoulder (kVA per month)	4.60	4.55
	Demand charge - off peak (kVA per month)	1.89	1.87
BLNT1CO	LV TOU over 100 MWh/yr Central Other		
	Fixed charge (\$ per Year)	727.16	1,044.46
	Usage charge - peak (c/kWh)	6.03	7.85
	Usage charge - shoulder (c/KWh)	5.27	6.49
	Usage charge - off peak (c/kWh)	2.27	3.35
BLNT1SU	LV TOU over 100 MWh/yr Southern Urban		
	Fixed charge (\$ per Year)	392.26	431.75
	Usage charge - peak (c/kWh)	2.42	5.47
	Usage charge - shoulder (c/KWh)	3.22	4.68
	Usage charge - off peak (c/kWh)	1.32	2.30

Country	Energy		
	Tariff name	DUOS tariff	Network tariff
BLNT2CO/ BLNT2CU	LV TOU 100 MWh/yr or less Central Other		
DENTECO	Fixed charge (\$ per Year)	480.23	528.55
	Usage charge - peak (c/kWh)	2.77	4.96
	Usage charge - shoulder (c/KWh)	3.62	4.96
	Usage charge - off peak (c/kWh)	1.57	2.62
BLNT2NU	LV TOU 100 MWh/yr or less Northern Urban		
	Fixed charge (\$ per Year)	480.23	528.55
	Usage charge - peak (c/kWh)	2.77	4.96
	Usage charge - shoulder (c/KWh)	3.62	4.96
	Usage charge - off peak (c/kWh)	1.57	2.62
BLNT2SU	LV TOU 100 MWh/yr or less Southern Urban	400.00	F20 FF
	Fixed charge (\$ per Year)	480.23	528.55
	Usage charge - peak (c/kWh)	2.77	4.96
	Usage charge - shoulder (c/KWh) Usage charge - off peak (c/kWh)	3.62 1.57	4.96 2.62
	Osage charge - on peak (c/kwn)	1.5/	2.02
BLNT4CO	LV 2 rate time of use (obsolete, use shoulder rate for peak)Central Other		
	Fixed charge (\$ per Year)	664.07	730.90
	Usage charge - peak (c/kWh)	5.11	6.50
	Usage charge - shoulder (c/KWh)	5.11	6.50
	Usage charge - off peak (c/kWh)	2.02	3.09
BHND1CO	HV 1 Rate Demand Central Other		
	Fixed charge (\$ per Year)	2,946.29	3,242.76
	Usage charge non time of use (c/kWh)	-	0.18
	Usage charge - peak (c/kWh)	0.70	2.94
	Usage charge - shoulder (c/KWh)	1.00	2.39
	Usage charge - off peak (c/kWh)	0.14	1.28
	Demand charge non time of use (kVA per month)	6.44	6.38
DUND460			
BHND1SO	HV 1 Rate Demand Southern Other		0.21
	Usage charge non time of use (c/kWh) Usage charge - peak (c/kWh)	0.50	2.76
	Usage charge - shoulder (c/KWh)	1.33	2.76
	Usage charge - off peak (c/kWh)	0.65	1.85
	Demand charge non time of use (kVA per	4.13	4.08
	month)		
	Capacity non time of use (kVA per month)	1.74	1.72
BHND3NO	HV 3 Rate Demand Option 1 Northern Other	4 000 0:	4 004 04
	Fixed charge (\$ per Year)	1,809.21	1,991.24
	Usage charge non time of use (c/kWh)	-	0.20
	Usage charge - peak (c/kWh)	0.01	2.25
	Usage charge - shoulder (c/KWh) Usage charge - off peak (c/kWh)	0.84 0.05	2.24 1.22
	Demand charge - peak (kVA per month)	4.30	4.26
	bemana charge peak (KVA per month)	7.50	7.20

	Tariff name	DUOS tariff	Network tariff
	Demand charge - shoulder (kVA per month)	3.07	3.04
	Demand charge - off peak (kVA per month)	1.22	1.21
BHNS1NO	HV Seasonally Adjusted Demand Northern Other		
	Fixed charge (\$ per Year)	1,991.59	1,991.24
	Usage charge - peak (c/kWh)	0.21	2.05
	Usage charge - shoulder (c/KWh)	1.04	2.10
	Usage charge - off peak (c/kWh)	0.15	1.03
	Demand charge - peak (kVA per month)	4.74	4.54
	Demand charge - shoulder (kVA per month)	3.38	3.23
	Demand charge - off peak (kVA per month)	1.35	1.29
BHTD1SO	HV Substation Terminals 1 Rate Demand Southern Other		
	Fixed charge (\$ per Year)	_	-
	Usage charge - peak (c/kWh)	-	2.70
	Usage charge - shoulder (c/KWh)	1.26	2.70
	Usage charge - off peak (c/kWh)	0.60	1.81
	Demand non time of use (kVA per month)	3.99	3.95
	Capacity non time of use (kVA per month)	1.66	1.65
BLNC4CO	LV Controlled Load 1 Business Central Other		
	Fixed charge (\$ per Year)	22.43	22.43
	Usage charge non time of use (c/kWh)	-	0.94
BLNC5CO	LV Controlled Load 2 Business Central Other		
	Fixed charge (\$ per Year)	22.43	22.43
	Usage charge non time of use (c/kWh)	-	2.30
BLNP1NO	LV Public Lighting NUOS Northern Other		
	Fixed charge (\$ per Year)	73.68	73.68
	Usage charge - non time of use (c/kWh)	4.24	5.31
BLNT1NO	LV TOU over 100 MWh/yr Northern Other		
	Fixed charge (\$ per Year)	1,044.46	1,044.46
	Usage charge - peak (c/kWh)	-	7.85
	Usage charge - shoulder (c/KWh)	-	6.49
	Usage charge - off peak (c/kWh)	-	3.35
BLNP3CO	LV Public Lighting TOU NUOS Central Other Fixed charge (\$ per Year)	_	_
	Usage charge - peak (c/kWh)	7.60	0 E4
	Usage charge - shoulder (c/KWh)	7.69 6.85	9.54 7.92
	Usage charge - shoulder (c/kWh)	3.82	7.92 4.70
DUNDAAA	LIN/ 2 Data Damand Onting 1 All CT A		•
BHND3AO	HV 3 Rate Demand Option 1 All CE Areas Fixed charge (\$ per Year)	1,809.21	1,991.24
	Usage charge- peak (c/kWh)	7.69	2.25
	Usage charge- shoulder (c/KWh)	6.85	2.02
	Usage charge- off peak (c/kWh)	3.82	1.22

**Australian Inland Energy Water Infrastructure** 

Australian Inland Energy Water Infrastructure			
Tariff name	DUOS tariff	Network tariff	
D Domestic			
Fixed Charge (\$pa)	44.54	44.54	
Usage charge – Non-TOU (c/kWh)	2.94	4.82	
OP Off-peak - Tariff 1			
Fixed Charge (\$pa)	7.28	7.28	
Usage charge – Non-TOU (c/kWh)	(0.22)	1.08	
OPRE Off-peak - extended			
Fixed Charge (\$pa)	7.28	7.28	
Usage charge – Non-TOU (c/kWh)	0.72	2.43	
RU Rural (Residential)			
Fixed Charge (\$pa)	115.42	115.42	
Usage charge – Non-TOU (c/kWh)	4.62	6.49	
Non-domestic tariffs GS General Supply			
Fixed Charge (\$pa)	86.6	86.6	
Usage charge – Non-TOU (c/kWh)	5.2	7.17	
esage enarge men ree (e, km),	3.2	,,,,	
GSI General Supply - Irrigation			
Fixed Charge (\$pa)	86.6	86.6	
Usage charge – Non-TOU (c/kWh)	3.61	5.28	
OP Off-peak – Tariff 1			
Fixed Charge (\$pa)	7.28	7.28	
Usage charge – Non-TOU (c/kWh)	(0.22)	1.08	
OP2 Off-peak - extended			
Fixed Charge (\$pa)	7.28	7.28	
Usage charge – Non-TOU (c/kWh)	0.72	2.43	
osage charge 140h 100 (c/kwii)	0.72	2.43	
IS Institution			
Fixed Charge (\$pa)	57.64	57.64	
Usage charge – Non-TOU (c/kWh)	3.36	5.28	
RUB Rural (Business)			
Fixed Charge (\$pa)	115.42	115.42	
Usage charge – Non-TOU (c/kWh)	4.62	6.49	
TID Time of Day - LV Damand			
TLD Time of Day – LV Demand	2.010.20	2.010.20	
Fixed Charge (\$pa)	2,019.28	2,019.28	
Usage charge – Peak (c/kWh)	3.43	5.41	
Usage charge – Shoulder (c/kWh)	2.75	4.73	
Usage charge – Off Peak (c/kWh)	0.91	1.7	
Demand charge- Peak (KVA per month)	-	9.62	

**Australian Inland Energy Water Infrastructure** 

Australian Inland Energy Water Infrastructure				
Tariff name	DUOS	Network		
	tariff	tariff		
THD Time of Day – HV Demand				
Fixed Charge (\$pa)	14,423.44	14,423.44		
Usage charge – Peak (c/kWh)	1.39	3.37		
Usage charge – Shoulder (c/kWh)	0.05	2.03		
Usage charge – Off Peak (c/kWh)	0.22	1.01		
Demand charge- Peak (KVA per month)	-	7.22		
TLV Time of Use – General LV				
Fixed Charge (\$pa)	1,442.34	1,442.34		
Usage charge – Peak (c/kWh)	8.52	10.82		
Usage charge – Shoulder (c/kWh)	4.26	6.76		
Usage charge – Off Peak (c/kWh)	2.07	3.37		
THV Time of Use – General HV				
Fixed Charge (\$pa)	14,423.44	14,423.44		
Usage charge – Peak (c/kWh)	4.46	6.76		
Usage charge – Shoulder (c/kWh)	1.93	4.43		
Usage charge – Off Peak (c/kWh)	1.4	2.7		
TBI Time of Day – BH Irrigation				
Fixed Charge (\$pa)	142.34	142.34		
Usage charge – Peak (c/kWh)	8.52	10.82		
Usage charge – Shoulder (c/kWh)	4.26	6.76		
Usage charge – Off Peak (c/kWh)	2.07	3.37		
TI2W 2-rate TOU – WW Irrigation				
Fixed Charge (\$pa)	1,442.34	1,442.34		
Usage charge - Non-TOU (c/kWh)	5.2	-		
Usage charge – Peak (c/kWh)	-	10.82		
Usage charge – Shoulder (c/kWh)	-	10.82		
Usage charge – Off Peak (c/kWh)	-	3.37		
WP Water Pumping - WW				
Fixed Charge (\$pa)	1,442.34	1,442.34		
Usage charge – Non-TOU (c/kWh)	5.2	-		
Usage charge – Peak (c/kWh)	-	10.82		
Usage charge – Off Peak (c/kWh)	-	6.76		
S Sewerage Pumping				
Fixed Charge (\$pa)	1,442.34	1,442.34		
Usage charge – Non-TOU (c/kWh)	5.2	-		
Usage charge – Peak (c/kWh)	-	10.82		
Usage charge – Off Peak (c/kWh)	-	6.76		
SL Street Lighting				
Fixed Charge (\$pa)	201.87	201.87		
Usage charge – Non-TOU (c/kWh)	3.76	5.28		

**Australian Inland Energy Water Infrastructure** 

Tariff name	DUOS tariff	Network tariff
Floodlighting		
Fixed Charge (\$pa)	201.87	201.87
Usage charge – Non-TOU (c/kWh)	3.76	5.28
PH Process Heat		
Fixed Charge (\$pa)	201.87	201.87
Usage charge – Non-TOU (c/kWh)	3.46	5.28

#### **Annexure 6A Confidential DUOS Tariffs and Network Tariffs**

The prices for the purpose of this Annexure (which are confidential to the DNSP to which they relate) are the prices listed in a document retained by the Tribunal in confidence, bearing an identification to indicate that it is a document retained for the purpose of this Annexure of the Determination.

#### **Annexure 7 Transmission Overs and Unders Account Rules**

#### 1. Introduction

- (a) As indicated in clause 6.2, each DNSP is required to maintain an account entitled "Transmission Overs and Unders Account", (called "**Account"** in this Annexure).
- (b) This Annexure sets out the rules that must be followed by a DNSP in administering the Account and in notifying the Tribunal of permitted entries made in the Account.

#### 2. Entries in Transmission Overs and Unders Account

A DNSP must make the following entries in its Account for each year (the "Recording Year") of the Regulatory Control Period:

- (a) the opening balance for the Recording Year which will be, subject to paragraph 3, the closing balance of the previous Recording Year;
- (b) the amount that results from multiplying (a) by the Interest Rate for a period of 365 days;
- (c) an amount representing the actual Audited revenue from Transmission Cost Recovery Tariffs charged by the DNSP to its Distribution Customers in the Recording Year, less Audited actual amounts of all Transmission Related Payments made by the DNSP in that Recording Year;
- (d) the amount that results from multiplying half of the amount in (c) by the Interest Rate for a period of 365 days; and
- (e) the closing balance of the Account for the Recording Year which will be the sum of 2(a), (b), (c) and (d).

#### 3. Opening balance of the first year

For the purpose of clause 2, the opening balance of the first Recording Year of the Regulatory Control Period will be taken to be the amount calculated under clause 6.2(b) of the Determination.

#### 4. Notifying the Tribunal

By 31 October immediately following the end of each Recording Year, a DNSP must notify the Tribunal of each of the entries referred to in paragraph 2, for the Recording Year to which those entries relate together with details of how those entries were calculated.

#### 5. Positive and negative amounts

(a) For the avoidance of doubt, in this Annexure, amounts may be either positive amounts or negative amounts and when added to each other, subtracted from each other or multiplied by another number may also yield, as the case may, positive amounts or negative amounts.

(b) where an entry in the Account is required by paragraph 2, the entry must indicate whether the amount entered is a positive amount or a negative amount.

#### 6. Definitions and Interpretation

#### (a) Definitions

In this Annexure the following words have the following meanings:

**Account** means the Transmission Overs and Unders Account.

Interest Rate means 9.5%

#### (b) Interpretation

A reference to a paragraph is a paragraph in this Annexure and a reference to a clause is a clause in this Determination (other than in an Annexure).

#### Example of Transmission Over and Under Account Operation<sup>1</sup>

AC.	TUAL OVER/UNDER RECOVERY IN EACH YEAR		2005	2006	2007	2008	2009
	fin yr endin	g 30 June	Actual	Actual	Actual	Actual	Actual
(a)	Revenue from Transmission Recovery Tariffs <sup>2</sup> Transmission Related Payments	000s	170,258	165,254	169,523	164,300	167,900
	Transmission charges paid to TNSPs	000s	153,823	155,896	162,958	153,823	155,823
	avoided TUOS payments approved by Tribunal	000s	5,000	2,198	5,125	4,569	3,648
	Inter-distributor payments paid to DNSPs	000s	8,359	3,000	8,359	7,355	8,400
(b)	Total Transmission related payments	000s	167,182	161,094	176,442	165,747	167,871
(c)	Over recovery +ve/ (under-recovery)	000s	3,076	4,160	(6,919)	(1,447)	29
ovi	ERS AND UNDERS ACCOUNT						
	Interest rate applicable to interest charge/credit	%	9.50%	9.50%	9.50%	9.50%	9.50%
(d)	Opening balance	000s	-	3,222	7,886	1,387	3
(e)	interest on opening balance (365 days)	000s	-	306	749	132	0
(f)	Over /(under) recovery for financial year	000s	3,076	4,160	(6,919)	(1,447)	29
(g)	Interest on over/under recovery	000s	146	198	(329)	(69)	1
(h)	Closing balance carried forward	000s	3,222	7,886	1,387	3	34

Note 1: All numbers used in this example are for illustration only.

Note 2: The revenue from Transmission Cost Recovery Tariffs recorded in the Transmission Over and Under Account is equal to [actual transmission cost recovery tariff \* actual volume sold (q)] for each tariff component. The Transmission Cost Recovery Tariffs are set for year t+1, based on the forecast of Transmission Related Payments for year t+1, plus a Transmission Over/Under Recovery Amount which is based on the forecast balance of the Transmission Over and Under Account for year t.

# Annexure 8 Distribution Unders and Overs Accounts Forecast Closing Balances (30 June 2004)

DNSP Forecast Over / Under Recovery of Revenue as at 30 June 2004						
Energy Integral Country Australian \$M Australia Energy Energy Inland						
Over / (under) recovery	99.2	73.0	(1.7)	(3.2)		

[Note: These forecasts have been used for the modelling in this Draft Determination. The Tribunal expects to receive revised forecasts in March 2004. The revised forecasts will be used in the Final Determination.]

# **Annexure 9 Price Limit Factors**

The value of "L" for each DNSP for each Year of the Regulatory Control Period, for the purposes of clause 7.1 of the Determination, is as follows:

EnergyAustralia	0.065 for the first Year of the Regulatory Control Period; and			
	0.045 for each Year thereafter			
Integral Energy Australia	0.045 for each Year during the Regulatory Control Period			
Country Energy	0.065 for the first Year of the Regulatory Control Period; and			
	0.045 for each Year thereafter			
Australian Inland Energy Water Infrastructure	0.065 for the first Year of the Regulatory Control Period; and			
	0.045 for each Year thereafter			

# **Annexure 10 Incentive Rates**

The incentive rate for each DNSP for each part "f" of its Distribution System for each Year of the Regulatory Control Period (for the purposes of clause 10.2 of the Determination) is as follows:

Part of Distribution System	2004/05	2005/06	2006/07	2007/08	2008/09
EnergyAustralia					
Whole Distribution System	0.000000	0.000000	0.000297	0.000297	0.000297
CBD Feeders	0.000000	0.000000	0.000000	0.000000	0.000000
Urban Feeders	0.000000	0.000000	0.000000	0.000000	0.000000
Rural Short Feeders	0.000000	0.000000	0.000000	0.000000	0.000000
Rural Long Feeders	0.000000	0.000000	0.000000	0.000000	0.000000
Integral Energy Australia					
Whole Distribution System	0.000000	0.000000	0.000355	0.000355	0.000355
Urban Feeders	0.000000	0.000000	0.000000	0.000000	0.000000
Rural Short Feeders	0.000000	0.000000	0.000000	0.000000	0.000000
Rural Long Feeders	0.000000	0.000000	0.000000	0.000000	0.000000
Country Energy					
Whole network	0.000000	0.000000	0.000313	0.000313	0.000313
Urban Feeders	0.000000	0.000000	0.000000	0.000000	0.000000
Rural Short Feeders	0.000000	0.000000	0.000000	0.000000	0.000000
Rural Long Feeders	0.000000	0.000000	0.000000	0.000000	0.000000
<b>Australian Inland Energy</b>	Water Infra	structure			
Whole Distribution System	0.000000	0.000000	0.000277	0.000277	0.000277
Urban Feeders	0.000000	0.000000	0.000000	0.000000	0.000000
Rural Short Feeders	0.000000	0.000000	0.000000	0.000000	0.000000
Rural Long Feeders	0.000000	0.000000	0.000000	0.000000	0.000000

# **Annexure 11 SAIDI Targets**

The target SAIDI for each DNSP for each part "f" of its Distribution System for each Year of the Regulatory Control Period (for the purposes of clause 10.2 of the Determination) is as follows:

### **EnergyAustralia**

Part of Distribution System	2004/05	2005/06	2006/07	2007/08	2008/09
Whole Distribution System	102	102	102	101	101
CBD Feeders	28	27	26	25	24
Urban Feeders	91	91	91	91	91
Rural Long Feeders and Rural Short Feeders	310	308	306	304	302

# **Integral Energy Australia**

Part of Distribution System	2004/05	2005/06	2006/07	2007/08	2008/09
Whole Distribution System	114	108	103	97	92
CBD Feeders	-	-	-	-	-
Urban Feeders	59	56	54	51	48
Rural Long Feeders	122	115	110	104	98
Rural Short Feeders	143	135	129	121	115

# **Country Energy**

Part of Distribution System	2004/05	2005/06	2006/07	2007/08	2008/09
Whole Distribution System	301	361	361	354	347
CBD Feeders	-	-	-	-	-
Urban Feeders	107	129	129	126	124
Rural Long Feeders	631	757	757	742	727
Rural Short Feeders	309	371	371	363	356

# **Australian Inland Energy Water Infrastructure**

Part of Distribution System	2004/05	2005/06	2006/07	2007/08	2008/09
Whole Distribution System	157.9	157.9	150.0	150.0	150.0
CBD Feeders	-	-	-	-	-
Urban Feeders	150.3	150.3	150.3	150.3	150.3
Rural Long Feeders	195.7	195.7	183.0	183.0	183.0
Rural Short Feeders	68.6	68.6	66.9	66.9	66.9

# **Annexure 12 Pricing Principles**

- 1. These Pricing Principles apply to all Prescribed Distribution Service Charges except for Monopoly Services Charges and Miscellaneous Services Charges
- 2. All prices set by DNSPs for Prescribed Distribution Service Charges to which these Pricing Principles apply ("**Prices**") must be consistent with all of the requirements of clause 3 of this Determination which are applicable to those Charges.
- 3. Prices should be based on a well-defined and clearly explained methodology.
- 4. Price development should incorporate an analysis of the cost of service provision that includes:
  - (a) definition of the classes of service provided and the parameters by which the quantum and standard of service in each class are measured
  - (b) an examination of the cost elements that arise from the use, operation and expansion of the network
  - (c) for each class of service and each cost element, identification of the relationship between the quantum and standard of service provided and the level of current and future cost
  - (d) an allocation of existing and future network costs to service classes
  - (e) the translation of allocated costs into service prices at the defined service standard, and
  - (f) estimates of the range of subsidy-free prices for each service class.
- 5. Prices are to signal the economic costs of service provision, by:
  - (a) being subsidy free (ie between incremental costs and stand alone costs)
  - (b) having regard to the level of available service capacity; and
  - (c) signalling the impact of additional usage on future investment costs.
- 6. Where prices based on 'efficient' incremental costs under-recover allowed revenues, the shortfall should be made up in a manner that minimises the effect on consumption and investment while having regard to the impact on users.
- 7. Provided that economic costs are covered, prices should be responsive to the requirements and circumstances of users in order to:
  - (a) discourage uneconomic bypass
  - (b) allow negotiation to better reflect the economic value of specific services, including services associated with embedded generation and other options
- 8. When allocating TUOS charges to Distribution Customers, DNSPs should, to the extent possible, preserve the pricing signals present in the structure of TUOS charges.
- 9. Information on customer class price levels and structures, service standards, underlying costs, price derivation methods and rationale and medium term price and service strategies should be publicly disclosed in order to allow:
  - (a) current and potential users to understand the basis for prices and to take account of prices and service standards in their consumption, investment and location decisions

- (b) interested parties to better assess the range of economic opportunities for meeting user requirements, including through services associated with embedded generation, demand management and other options that may reduce users' costs and lead to more efficient outcomes.
- 10. Underlying service classifications, cost data, cost allocations and other elements that contribute to pricing decisions should be periodically reviewed and updated where relevant to reflect industry developments and changes in user requirements and preferences, methods of service provision and costs.
- 11. Where DNSP price strategies lead to proposed price movements or price restructuring that may be expected to impose significant adjustment costs on Distribution Customers, transitional price options, a phased approach or other measures should be offered to assist in the management of adjustment costs.

# Annexure 13 Network Strategy Statement information requirements

The Draft Network Strategy Statement (and the Final Network Strategy Statement) submitted by a DNSP under clause 11 must:

- 1. include a description of network tariffs, customer classes and regions for pricing, including a description of components of tariffs such as the demand, energy and fixed components;
- 2. set out the DNSP's approach to calculating the prices and setting network tariffs, including an explanation of the regulatory arrangements, the cost allocation methodologies, the approach to allocating 'shared' costs, cost of supply modelling, and allocation of Transmission Related Payments to Network Tariffs;
- 3. set out the DNSP's medium term pricing strategies for each network tariff and/or customer class. This includes proposed tariff reform and proposed changes to the level or structure of network tariffs;
- 4. demonstrate compliance with the Pricing Principles (including, an estimate of the range of subsidy-free prices for each Network Tariff and how the range has been determined);
- 5. demonstrate how prices relate to the proposed capital expenditure program, demand management initiatives expected consumption and maximum demand over the medium term;
- 6. outline the expected levels of service;
- 7. forecast financial performance of the network business of the DNSP over the medium term.

The information required by sections 1-7, must be provided in accordance with any guidelines published by the Tribunal from time to time, specifying the manner in which the information is provided.

# **Annexure 14 DNSP Public Consultation Procedures**

#### 1. Introduction

A DNSP is required to undertake public consultation in accordance with this clause in all cases where the Determination requires the DNSP to undertake public consultation. That is, in all of the following circumstances:

- (a) Before introducing a New Tariff or New Tariff Component;
- (b) In relation to the draft Network Strategy Statement; and
- (c) In relation to amendments to the Final Network Strategy Statement.

#### 2. Maintaining register of interested persons

- (a) A DNSP must maintain a register ("Register of Interested Persons") which must contain a list of persons who have expressed an interest in being placed on the register or who the DNSP considers, because of the person's background, qualifications interest or experience should be placed on the register.
- (b) The Register of Interested Persons must be updated as often as is necessary to ensure the currency of the information it contains and at least once in each Year.
- (c) A DNSP must place a notice on its website alerting persons to the existence of the Register of Interested Persons and details of how a person may apply to the DNSP to have their name placed on the register.

#### 3. Minimum Public consultation requirements

- (a) In undertaking public consultation a DNSP must comply with the following requirements:
  - (1) it must place a notice on its website advising that it is undertaking public consultation and provide details of how persons may obtain information about the matters on which it is consulting or otherwise participate in the public consultation;
  - (2) it must make available on its website (and in hard copy if requested by a person) all relevant information or documents relating to the matters on which it is consulting, other than details of its confidential Network Tariffs;
  - (3) it must provide the information in 3(a)(1) to each person on the Register of Interested Persons;
  - (4) it must invite persons (including those on its Register of Interested Persons) to make submissions to the DNSP and it must afford them at least 10 Working Days in which to do so from the date that it first makes the information available under paragraph 3(a)(2);

- (5) it must consider all submissions it receives and prepare a document that summarises the submissions and the issues raised by the submissions and provide a copy of that document with the next Annual Pricing Proposal to the Tribunal; and
- (6) it must comply with any other public consultation requirements of which it receives notice from the Tribunal.
- (b) A DNSP may do anything to facilitate public consultation that is not inconsistent with the requirements of paragraph 3(a).

#### 4. Consulting on New Tariffs or New Tariff Components

In undertaking public consultation in relation to paragraph 1(a) introducing New Tariffs or New Tariff Components) the information to be made available in paragraph 3(a)(2) must include the following:

- (a) whether the DNSP proposes to introduce a New Tariff or a new Tariff Component or both;
- (b) details in relation to paragraph 4(a), including the criteria that must be satisfied before the New Tariff or New Tariff Component applies;
- (c) details of the objectives of the New Tariff or New Tariff Component and of how it will comply with the Pricing Principles in Annexure 12, including by indicating the subsidy free prices (stand alone and incremental costs) and the cost of supply and the cost allocation methodology applied;
- (d) details of the Distribution Customers affected or likely to be affected and the impact on a typical Distribution Customer;
- (e) details of whether it is likely to create material adjustment costs for some Distribution Customers and the identify of those Distribution Customers by reference to the class to which they belong;
- (f) details of what options the DNSP proposes (including management options and transitional measures) to address the impact of the material adjustment costs in paragraph 4(e);
- (g) details of the impact on the revenue of the DNSP including an estimate of that impact (and associated methodology), based on existing consumption and forecast consumption; and
- (h) any other requirements of which it receives notice from the Tribunal.

# **Annexure 15 Timetable for Annual Pricing Proposals**

Action	Due Date	Due Date
	(2004/05 Year)	(each remaining Year in Regulatory Control Period)
<ol> <li>DNSPs to submit to the Tribunal:         <ul> <li>Annual Pricing Proposals</li> <li>Annual Prices Document</li> <li>Draft Network Strategy Statement</li> </ul> </li> </ol>	Mon 31 May 2004	First Monday in April (or date otherwise set by the Tribunal)
2 Tribunal to notify DNSPs whether satisfied/not-satisfied	Tues 15 June 2004	20 working days after first Monday in April
		(or date otherwise set by the Tribunal)
3 Final date for DNSPs to submit an alternative Annual Pricing Proposals and/or Annual Prices Document to the	Fri 18 June 2004	23 working days after first Monday in April
Tribunal		(or date otherwise set by the Tribunal)
<ul> <li>4 Tribunal to</li> <li>(a) notify whether satisfied/not satisfied with alternative Annual Pricing Proposal and/or Annual Prices Document; and</li> <li>(b) (if not so satisfied) exercise default pricing discretion under clause 11.</li> </ul>	Mon 28 June 2004	31 May
5 Commencement of network price changes	1 July 2004	1 July

# **Annexure 16 Annual Pricing Proposal Information Requirements**

The Annual Pricing Proposal submitted by a DNSP under clause 11 for each Year during the Regulatory Control Period (Year t+1, for the purposes of this Annexure) must contain the information set out below, in a form determined by the Tribunal.

# 1. Information to demonstrate compliance with weighted average price cap (clause 5) and price limits for Network Tariffs (clause 7)

- (1) The prices charged by the DNSP for each component of each of the DNSP's Network Tariffs, DUOS Tariffs, Miscellaneous Service Charges and Monopoly Service Charges in Year t (being the Year immediately preceding the Year t+1).
- (2) The proposed prices to be charged by the DNSP for each component of each of the DNSP's Network Tariffs, DUOS Tariffs, Miscellaneous Service Charges and Monopoly Service Charges in Year t+1.
- (3) Audited quantities (or reasonable estimates where applicable), of each component of each of the DNSP's Network Tariffs, DUOS Tariffs, Miscellaneous Service Charges and Monopoly Service Charges sold by the DNSP in Year *t-1* (being the Year immediately preceding the Year *t*).
- (4) The DNSP's calculation of  $S_{t+1}$  (for the Year t+1) for the purposes of clause 5.2 of the Determination, in accordance with clause 10.2 of the Determination (together with all supporting calculations and details of the SAIDI actually achieved for each part f of the DNSP's Distribution System for the year t-1).
- (5) The DNSP's application of the weighted average price control formula set out in clause 5.2 to all of its DUOS Tariffs, Miscellaneous Service Charges and Monopoly Service Charges proposed for the Year t+1 (together with all supporting calculations and information necessary to demonstrate the DNSP's compliance with all of the requirements of clause 5).
- (6) The DNSP's application of the price limit formula set out in clause 7.1 to each of its Network Tariffs proposed for the Year t+1 (together with all supporting calculations and information necessary to demonstrate the DNSP's compliance with all of the requirements of clause 7).

# 2. Information to demonstrate compliance with Transmission Cost Recovery Tariff requirements (clause 6)

- (1) The Audited actual closing balance of the DNSP's Transmission Overs and Unders Account for the Year t-1 (as approved by the Tribunal under clause 6.3).
- (2) The DNSP's Forecasted Transmission Related Payments for the Year t and Year t+1 for each of the following Transmission Related Payments (setting out the quantities and prices for each component of each type of Transmission Related Payment which the DNSP expects to pay in that Year):
  - (1) TUOS Charges payable to TNSPs;

- (2) Avoided TUOS Charges payable to Embedded Generators and MNSPs; (including details of the methodology applied in calculating the Avoided TUOS Charges); and
- (3) payments to be made to other DNSPs (for Distribution Services provided by those DNSPs).
- (3) The DNSP's Forecasted Transmission Overs and Unders Account closing balance for the Year t and Year t+1.
- (4) Any Transmission Over/Under Recovery Amount proposed by the DNSP for the Year t+1 (assuming that the Tribunal will not allow any departure from clause 7.1 for that Year under clause 7.7).
- (5) Any request by the DNSP for the Tribunal to allow a departure from clause 7.1 for the Year t+1 under clause 7.7, when approving any Transmission Over/Under Recovery Amount under clause 6.3 (specifying the extent of the departure sought and its effect on the Transmission Over/Under Recovery Amount proposed by the DNSP).

# **Annexure 17 Annual Prices Document Information Requirements**

An Annual Prices Document submitted by a DNSP under clause 11 must:

- (1) list proposed prices for network tariffs and miscellaneous charges and monopoly fees;
- (2) discuss the forthcoming changes in network tariffs, the prices, structure or associated criteria, and any new or obsolete Network Tariffs, and the reasons for the change;
- (3) explain how the prices meet the regulatory arrangements, including price limits on network tariffs, weighted average price cap control formula, and provide for the recovery of Transmission Related Payments;
- (4) demonstrate the impact of the forthcoming change in the Network Tariffs on typical customer's bills, including disclosing forecast average prices (based on typical bill categories);
- (5) confirm and demonstrate that the prices are consistent with the Pricing Principles and the information in the Network Strategy Statement;
- (6) outline the expected levels of service and projected capital expenditure projects that will occur for the coming Year; and
- (7) outline the expected consumption for major customer classes and maximum demand for the coming Year.

The information required by sections 1-7, must be provided in accordance with any guidelines published by the Tribunal from time to time, specifying the manner in which the information is provided.

# Draft Rule 2004/05 to 2008/09 Regulation of Excluded Distribution Services

January 2004

### 1. Background

#### 1.1 Power to make Rule

- (a) The Tribunal, as the Jurisdictional Regulator under the Code, is responsible for the regulation of distribution service pricing in New South Wales (Code clauses 6.10.1(b) and 9.16.3(b)).
- (b) In relation to distribution services which are not prescribed distribution services (deemed to be "excluded distribution services"), the form of regulation to be applied is to more "light-handed" than for prescribed distribution services and the Tribunal as Jurisdictional Regulator must determine the form of regulation that is to apply to them (Code clause 6.10.4(b)).
- (c) The Tribunal may also formulate guidelines and rules to apply to distribution service pricing (Code clause 6.10.1(f)).
- (d) This Rule is made by the Tribunal pursuant to its powers under clauses 6.10.4(b) and 6.10.1(f) of the Code and so as to fulfil its obligations under clause 6.10.4(b) to determine the form of regulation to apply to excluded distribution services.

#### 1.2 Period of Rule

This Rule (as amended or replaced by the Tribunal from time to time) applies from 1 July 2004 until 30 June 2009 inclusive, (the "Regulatory Control Period").

#### 1.3 Application of Rule

This Rule applies to the following DNSPs:

- (a) EnergyAustralia;
- (b) Integral Energy Australia;
- (c) Country Energy; and
- (d) Australian Inland Energy Water Infrastructure.

#### 1.4 Definitions and interpretation

- (a) Definitions of words and expressions used in this Rule are set out in **Annexure 1**.
- (b) Rules of interpretation which apply to this Rule are also set out in **Annexure 1**.

# 2. Economic regulatory arrangements for excluded distribution services

#### 2.1 Economic regulation of excluded distribution services

For the purposes of clause 6.10.4(b) of the Code, the Tribunal determines that for the duration of the Regulatory Control Period:

- (a) the Excluded Services Regulatory Arrangements set out in clause 22 is the form of regulation which will apply to all Excluded Distribution Services, except for:
  - (1) construction and maintenance of Public Lighting Infrastructure; and
  - any Excluded Distribution Services which the Tribunal determines under clause 2.4(c) have satisfied the Competition Test in **Annexure 2**;
- (b) the Public Lighting Regulatory Arrangements set out in clause 23 is the form of regulation which will apply to the construction and maintenance Public Lighting Infrastructure; and
- (c) there will be no form of regulation applying to any Excluded Distribution Services which the Tribunal determines under clause 2.4(c) have satisfied the Competition Test.

#### 2.2 Excluded Services Regulatory Arrangements

- (a) Any DNSP providing Excluded Distribution Services to which this clause applies (by virtue of clause 2.1) must comply with the following requirements:
  - (1) **pricing principles:** the prices charged by the DNSP for those Excluded Distribution Services must:
    - (A) directly reflect the true economic costs to the DNSP of providing those services; and
    - (B) not be at a level which effectively enables the DNSP to recover a cross subsidy for any costs more properly attributable to any other services provided by the DNSP;
  - (2) **information disclosure:** the DNSP must make available to any person to whom those Excluded Distribution Services are provided and on its website for downloading (and must provide to the Tribunal upon request) a written document or documents:
    - (A) accurately describing the Excluded Distribution Services;
    - (B) setting out the prices and rates at which they are provided by the DNSP; and
    - (C) setting out the terms and conditions on which they are provided by the DNSP.

(b) Each DNSP must provide the Tribunal with such information as the Tribunal may require to enable the Tribunal to investigate any complaint received by the Tribunal concerning any alleged non-compliance with this clause by the DNSP.

#### 2.3 Public Lighting Regulatory Arrangements

- (a) Any DNSP undertaking construction and maintenance of Public Lighting Infrastructure must comply with the following requirements:
  - (1) **clause 2.2(a) requirements**: the DNSP must comply with each of the requirements set out in clauses 2.2(a)(1) and (2);
  - (2) **additional information requirements:** no later than two months prior to changing it prices for the construction and maintenance of Public Lighting Infrastructure, the DNSP must provide to the Tribunal a report setting out the following information:
    - (A) the overall costs of construction and maintenance of Pubic Lighting Infrastructure (during the period since the commencement of the Regulatory Control Period or the publication of the last report under this clause, whichever is the later), together with the basis of the costing methodology used by the DNSP to calculate those costs;
    - (B) the service standards allowed for by the DNSP (for the provision of the Excluded Distribution Services during the same period) having regard to those costs;
    - (C) any prospective changes in prices or rates, together with an outline of any changes in costs, the DNSP's costing methodology, or the service standards allowed for by the DNSP;
    - (D) an assessment of the impact of the changes on customers.
- (b) Each DNSP must provide the Tribunal with such information as the Tribunal may require to enable the Tribunal to investigate any complaint received by the Tribunal concerning any alleged non-compliance with this clause by the DNSP.
- (c) On each occasion that there is a change in prices, the Tribunal will assess each DNSP's compliance with all of the requirements of this clause 2.3 and each DNSP must provide the Tribunal with such documents and assistance as may be required by the Tribunal to enable it to do so. If the Tribunal is not satisfied that a DNSP has complied with all of those requirements, the Tribunal may require that a DNSP:
  - (A) submit alternative prices, terms and conditions for the construction and maintenance of Public Lighting Infrastructure for the Tribunal's approval; and
  - (B) construct and maintain Public Lighting Infrastructure on the basis of prices, terms and conditions approved by the Tribunal.

(d) no later than one month (or such time as the Tribunal may permit) prior to charging the prices of which the Tribunal is satisfied under clause 2.3(c), (or if the Tribunal is not satisfied, the prices that comply with the Tribunal's requirements under that clause), each DNSP must publish on its website and make available in hard copy, a list of those prices together with the report provided to the Tribunal under clause 2.3(a)(2).

#### 2.4 Application of the Competition Test to Excluded Distribution Services

- (a) At any time during the Regulatory Control Period, a DNSP may apply to the Tribunal for a determination under this clause that any Excluded Distribution Services provided by the DNSP (except for construction and maintenance of Public Lighting Infrastructure) satisfy the Competition Test set out in **Annexure 2**.
- (b) Any such application made by a DNSP must:
  - (1) demonstrate how the Excluded Distribution Services the subject of the application satisfy the Competition Test;
  - (2) address the Competition Test specified in **Annexure 2** and the matters specified in that annexure; and
  - (3) include any other information reasonably required by the Tribunal to enable it to consider the application and to determine it in accordance with this clause.
- (c) Within 2 months (or such further period as the Tribunal considers reasonable) of receiving an application under this clause, the Tribunal will determine (in its sole discretion) whether or not the Excluded Distribution Services the subject of the application satisfy the Competition Test.
- (d) In determining an application under this clause, the Tribunal will have regard to:
  - (1) the information set out in the application;
  - (2) the provisions of the Code, including without limitation clause 6.10.4;
  - (3) the Tribunal's own assessment of the Excluded Distribution Services the subject of the application against the Competition Test.
- (e) The Tribunal will notify the DNSP of its determination under clause 2.4(c) as soon as practicable after it has made its determination.

# **Annexure 1: Definitions and Interpretation**

#### 1. Definitions

In this Rule the following words and expressions have the following meanings, unless the context requires otherwise:

**Code** means the National Electricity Code established under the National Electricity (NSW) Law.

**Competition Test** means the competition test described in Annexure 2.

**Determination** means the document identified as a determination, published by the Tribunal on or about the date of this Rule applying to the regulation of distribution service pricing in New South Wales pursuant to the Tribunal's obligations as Jurisdictional Regulator under the Code.

**DNSP means** distribution network service provider, as defined in the Code

**Excluded Distribution Services** means the distribution services referred to in clause 2.1 of the Determination namely Customer Funded Connections, Customer Specific Connection Related Services, Type 1 to 4 Metering Services and the construction and maintenance of Public Lighting Infrastructure deemed to be excluded distribution services under clause 6.10.4(b) of the Code.

**Excluded Services Regulatory Arrangements** means the arrangements described in clause 2.2.

**Price change date** means the date specified or determined under clause 11.4(a)(1) of the Determination.

**Prescribed Distribution Services** means the prescribed distribution services referred to in clause 2.1 of the Determination, including (without limitation) the services referred to in clause 2.2 of the Determination.

**Public Lighting Infrastructure** has the meaning given to that expression in the Determination, namely the structures, wiring, globes and other equipment:

- (1) used for, or associated with, the provision of public lighting to streets, roads and other public places; and
- (2) which are connected or attached to (or which form part of) a DNSPs Distribution System.

**Public Lighting Regulatory Arrangements** means the arrangements described in clause 2.3, applying to the construction and maintenance of Public Lighting Infrastructure.

Rule means this rule, as amended or replaced by the Tribunal from time to time.

**Regulatory Control Period** means the period from 1 July 2004 until 30 June 2009 inclusive referred to in clause 1.2.

**Tribunal** means the Independent Pricing and Regulatory Tribunal of New South Wales, established under the *Independent Pricing and Regulatory Tribunal Act 1992*.

**Working Day** means a day that is not a Saturday, Sunday or public holiday in New South Wales.

Year means any financial year, commencing on 1 July and finishing on 30 June.

### 2 Interpretation

In this Rule, the following interpretative provisions will apply unless the context requires otherwise:

- (a) a reference to a clause, schedule or annexure (unless stated otherwise) is a reference to a clause, schedule or annexure of this Rule;
- (b) the singular includes the plural and vice versa;
- (c) in the event of any uncertainty, this Rule should be interpreted in a manner consistent with the Determination.

# **Annexure 2: Competition Test**

- 1. The **competition test** is satisfied in relation to an Excluded Distribution Service if there is effective competition in a market that comprises the provision of that Excluded Distribution Service.
- 2. In applying the competition test regard is to be had to:
  - (a) the structural features of the market;
  - (b) the conduct of firms in the market; and
  - (c) where relevant, the principles established by courts and Tribunal's in applying and interpreting Part IV *Trade Practices Act 1974* (Cth) ("**TPA"**).
- 3. Without limiting paragraph 2, in applying the competition test the following matters should be considered:

# (a) market definition

The market will be defined in a manner consistent with s4E of the TPA. Without limitation, the following matters should be considered:

- (1) What is the relevant service under consideration and what are its substitutes?
- (2) What is the relevant geographical area?
- (3) How significant are travel costs? Do these preclude suppliers from outside the area from offering a competitive service? Do travel costs mean that there are groups of customers within a geographic area that might only be serviced by the DNSP?
- (4) What is the relevant functional dimension?

#### (b) The number of firms and the degree of market concentration

- (1) How many firms are in the market?
- (2) What share of the market does the DNSP have and how has this changed over time?
- (3) How many other firms supply the market for the service? How do these firms' market shares compare to that of the DNSP?

#### (c) Barriers to entry and exit

These barriers might include:

- (1) presence of sunk costs
- (2) legal or regulatory impediments
- (3) information advantages for the incumbent
- (4) access to scarce resources such as know-how and intellectual property
- (5) customer inertia
- (6) switching and transaction costs

#### (d) Supplier behaviour

- (1) Has there been recent entry and/or exit of firms into the market?
- (2) Is there any evidence of changes in the way services have been delivered?
- (3) Is there any evidence that the DNSP's position as vertically integrated monopoly is affecting competition within the market?

#### (e) Customer outcomes

The customer is the ultimate beneficiary of effective competition in the market. This may be examined by considering without limitation, the following matters:

- (1) What has happened to prices for services in the market over time?
- (2) How do prices compare with comparable services offered in other areas?
- (3) Has service/product quality improved? Have there been any increases in the range of services/products on offer?
- (4) Are customers satisfied with the quality of service they are receiving? For example, what are the number of complaints received by the Tribunal and the New South Wales Energy and Water Ombudsman?

# Independent Pricing and Regulatory Tribunal of New South wales

# Draft Rule 2004/05 to 2008/09 Departure from the Price Limits

January 2004

### 1. Background

#### 1.1 Power to make Rule

- (a) The Tribunal, as the Jurisdictional Regulator under the Code, is responsible for the regulation of distribution service pricing in New South Wales (Code clauses 6.10.1(b) and 9.16.3(b)).
- (b) The Tribunal, as the Jurisdictional Regulator may also place limits on the annual variation in published distribution service prices (Code clause 6.14.4).
- (c) The Tribunal may also formulate guidelines and rules to apply to distribution service pricing (Code clause 6.10.1(f)).
- (d) This Rule is made by the Tribunal pursuant to its powers under clauses 6.14.4 and 6.10.1(f) of the Code, to specify (for the purpose of clause 7.7 of the Determination) the circumstances and manner in which the Tribunal may authorise a DNSP to depart from the Price Limit Formula in clause 7.1 of the Determination.

#### 1.2 Period of Rule

This Rule (as amended or replaced by the Tribunal from time to time) applies from 1 July 2004 until 30 June 2009 inclusive, (the "Regulatory Control Period").

# 1.3 Application of Rule

This Rule applies to the following DNSPs:

- (a) EnergyAustralia;
- (b) Integral Energy Australia;
- (c) Country Energy; and
- (d) Australian Inland Energy Water Infrastructure.

# 1.4 Definitions and interpretation

- (a) Definitions of words and expressions used in this Rule are set out in **Annexure 1**.
- (b) Rules of interpretation which apply to this Rule are also set out in **Annexure 1**.

# 2. Departure from the Price Limits Formula

### 2.1 Criteria for Departing from Price Limit Formula

For the purposes of clause 7.7 of the Determination, the Tribunal may authorize a departure from the Price Limit Formula for Network Tariffs for a Year (referred to in this Rule as Year t+1) of the Regulatory Control Period, where the DNSP can demonstrate to the Tribunal satisfaction that:

- (a) the closing balance of the Transmission Overs and Unders Account for the Year t (being the Year which immediately precedes Year t+1) is a negative amount and is forecast to be greater than 20 per cent of the audited actual Transmission-Related Payments incurred in the previous Year (Year t-1); and
- (b) in the absence of an authorised departure under this Rule, the application of the Price Limit Formula in each Year of the Regulatory Control Period, will not result in a zero closing balance in the Transmission Overs and Unders Account by the end of the Regulatory Control Period.

#### 2.2 Application to Tribunal to depart from the Price Limit Formula

- (a) A DNSP may apply to the Tribunal for the Tribunal to authorize under clause 2.1, a departure from the Price Limit Formula.
- (b) The application must be made in writing and must be submitted to the Tribunal by the date that the DNSP is required to submit its Annual Pricing Proposal for that Year.

#### 2.3 Information to be included in Application

A DNSPs application under clause 2.2 must contain the following information:

- (a) the audited actual balance of the Transmission Overs and Unders Account for the Year t-1;
- (b) the forecast balance of the Transmission Overs and Unders Account for the Year *t* and the basis on which the forecast was made:
- (c) in relation to paragraph (b), the forecast values for each of the Transmission Related Payments for Year t, the assumptions on which the forecast is based and the latest available actual values of Transmission Related Payments for Year t;
- (d) the forecast balance of the Transmission Overs and Unders Account for the two Years immediately following Year t+1 and the assumptions on which the forecast is based;
- (e) the actual and forecast movement in individual Transmission Cost Recovery Tariffs and Network Tariffs for each of Year t, Year t+1 and Year t+2 (the Year immediately following Year t+1);
- (f) such information which the DNSP considers necessary to demonstrate to the satisfaction of the Tribunal the matters specified in clause 2.1;

- (g) the extent of the departure from the Price Limit Formula which the DNSP is seeking;
- (h) such other information as the Tribunal may reasonably require.

#### 2.4 Matters to be considered by Tribunal

In determining for the purpose of clause 2.1, whether to authorize a departure from the Price Limit Formula, the Tribunal will have regard to:

- (a) the number of Years remaining in the Regulatory Control Period in which to return the balance of the Transmission Overs and Unders Account to zero;
- (b) the impact on Distribution Customers were it to authorize a departure from the Price Limit Formula;
- (c) the movement in Network Tariffs that has occurred in the Regulatory Control Period prior to the DNSPs application;
- (d) the movement in Network Tariffs that may result if the Price Limit Formula is departed from in a Year;
- (e) any other matters that it considers relevant.

#### 2.5 Notifying DNSP and compliance with notification

- (a) As soon as reasonably practicable after considering a DNSPs application, the Tribunal will notify the DNSP whether it authorizes, for the purpose of clause 2.1, the DNSP to depart from the Price Limit Formula for the Year to which the application relates.
- (b) If the Tribunal authorizes a departure from the Price Limit Formula, the Tribunal's notification will specify (in addition to any other matter which the Tribunal considers reasonably necessary to give effect to its authorisation), the extent to which a DNSP may depart from the Price Limit Formula for the Year, which may be to greater or lesser extent than that for which the DNSP has specified in its application.
- (c) If the Tribunal authorizes a departure from the Price Limit Formula, the DNSP must comply in all respects with the Determination as if the Price Limit Formula were read together with the Tribunal's authorization, as notified under this Rule.
- (d) If the Annual Pricing Proposal submitted by a DNSP for a Year is inconsistent with the Tribunal's notification under this clause, the DNSP may submit (by a time required by the Tribunal) an alternative Annual Pricing Proposal for that Year that is consistent with the notification.

# **Annexure 1: Definitions and Interpretation**

#### 1. Definitions

In this Rule the following words and expressions have the following meanings, unless the context requires otherwise:

**Annual Pricing Proposals** means an Annual Pricing Proposal submitted by a DNSP in accordance with clause 10 of the Determination.

**Code** means the National Electricity Code established under the National Electricity (NSW) Law.

**Determination** means the document identified as a determination, published by the Tribunal on or about the date of this Rule applying to the regulation of distribution service pricing in New South Wales pursuant to the Tribunal's obligations as Jurisdictional Regulator under the Code.

**Distribution Customer** has the meaning given to that expression in the Determination.

**DNSP** means distribution network service provider, as defined in the Code.

**Network Tariff** has the meaning given to that expression the Determination.

**Price Limit Formula** means the formula set in clause 7.1 of the Determination.

Rule means this rule, as amended or replaced by the Tribunal from time to time.

**Regulatory Control Period** means the period from 1 July 2004 until 30 June 2009 inclusive referred to in clause 1.2.

**Tribunal** means the Independent Pricing and Regulatory Tribunal of New South Wales, established under the *Independent Pricing and Regulatory Tribunal Act 1992*.

**Transmission Cost Recovery Tariffs** has the meaning given to that expression in the Determination.

**Transmission Overs and Unders Account** for a DNSP means the Transmission Overs and Unders Account established by the DNSP under clause 6 of the Determination.

**Transmission Over/Under Recovery Amount** has the meaning given to that expression in the Determination.

**Transmission Related Payments** means the Transmission Related Payments referred to in clause 3.4 of the Determination.

Year means any financial year, commencing on 1 July and finishing on 30 June.

### 2 Interpretation

In this Rule, the following interpretative provisions will apply unless the context requires otherwise:

- (a) a reference to a clause, schedule or annexure (unless stated otherwise) is a reference to a clause, schedule or annexure of this Rule;
- (b) the singular includes the plural and vice versa;
- (c) in the event of any uncertainty, this Rule should be interpreted in a manner consistent with the Determination.