



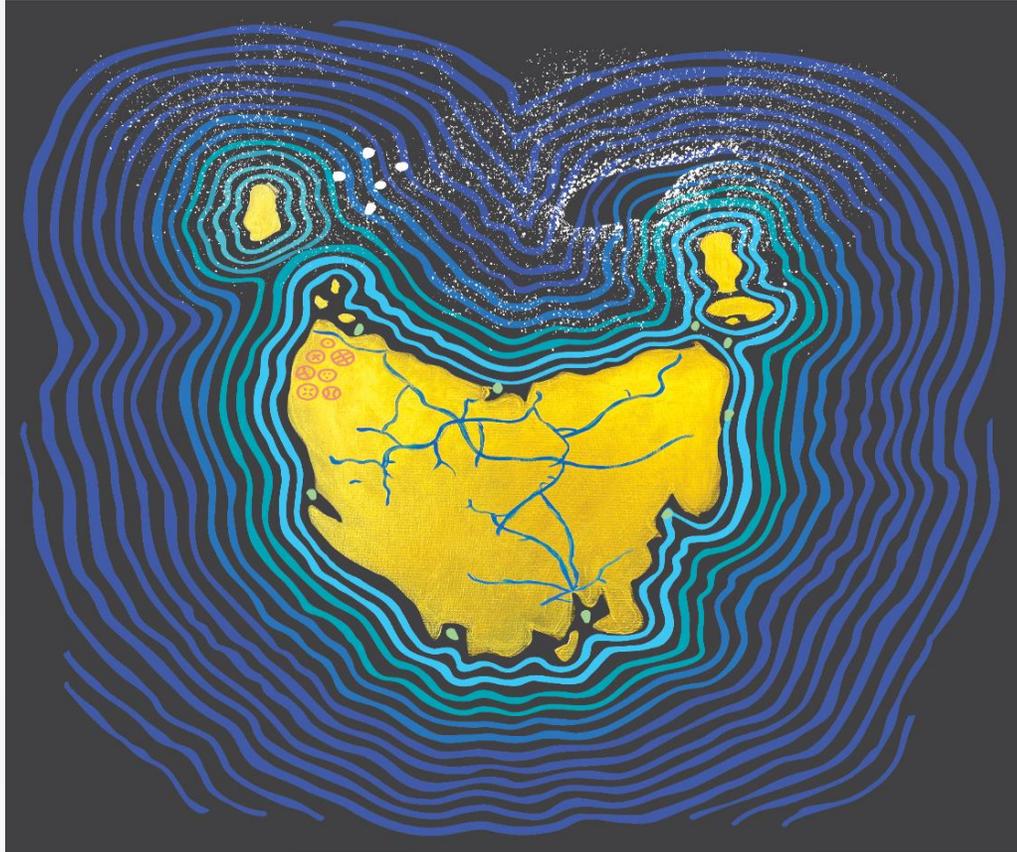
Powering a
Bright Future

Policy and Regulatory Working Group

16 August 2022



Acknowledgement of Country



lutruwita by Aboriginal artist Luana Towney

TasNetworks acknowledges the palawa (Tasmanian Aboriginal community) as the original owners and custodians of lutruwita (Tasmania). TasNetworks, acknowledges the palawa have maintained their spiritual and cultural connection to the land and water. We pay respect to Elders past and present and all Aboriginal and Torres Strait Islander peoples here with us today.

Agenda

Topic	Time	Duration	
Arrival, morning tea	10:00 am	15 min	All
Welcome	10:15 am	15 min	Chantal / Julie
The role of the AER in price setting	10:30 am	15 min	Kenny
Standard control services	10:45 am	5 min	Julie
Engaging with our customers	10:50 am	30 min	Julie
Break	11:20 am	5 min	All
Marinus Link update	11:25 am	30 min	Prateek
Alternative control services	11:55 am	30 min	Scott
Next steps, feedback form & close	12:25 pm	5 min	Chantal
Lunch	12:30 pm	30 min	All
Finish	1:00 pm		All

Objectives

The PRWG workshop in August 2022 has a number of objectives:

- Seek PRWG guidance about the topics of importance to customers, plus when and how TasNetworks needs to reach customers during their decision making process
- Explain the demand threshold proposed for the revised residential DER network tariff
- Inform PRWG members about the Marinus Link undersea interconnector
- Test proposed improvements to the way TasNetworks prices quoted services
- Test changes to the pricing of asset relocation services

Ice-breaker

Welcome to new members of the PRWG



1. Who you are, what sector of the community you represent
2. How long have you been part of our PRWG community?
3. What do you think best deals with the challenges of our energy future?



The role of the AER in price setting

Standard Control Services



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What we have achieved

Pricing principles



Review of default network tariffs



Customer protections



Assignment rules



Residential DER tariff review

June 2020

March 2021

November 2021

August 2022

Obsolete flat rate network tariffs



Tariff price incentive

Embedded networks



Small business time of use review



Tariff trial principles and ideas

Residential DER network tariff



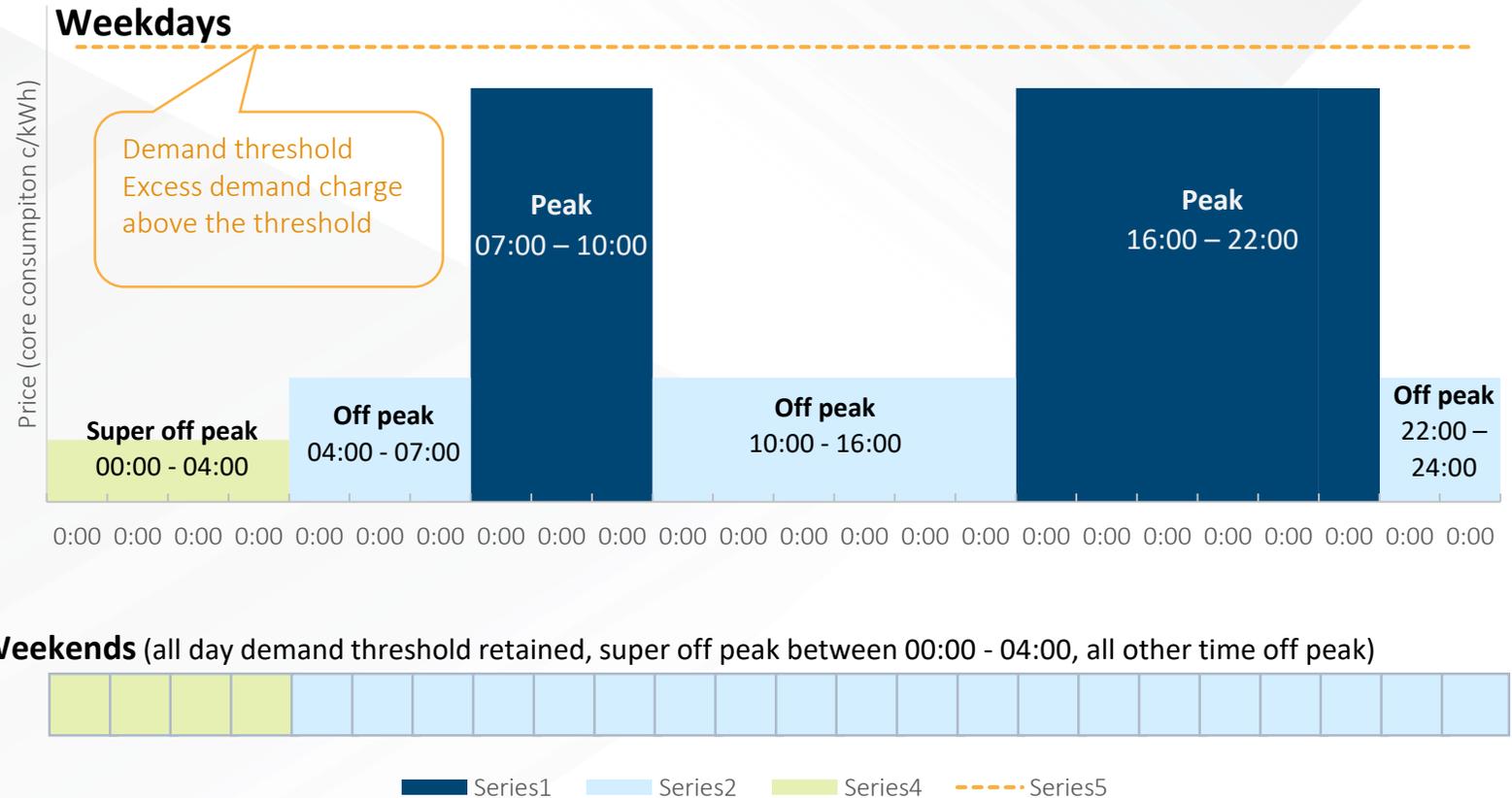
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Residential DER network tariff

Recap

We've collaborated to re-design the residential DER tariff.

- Making the tariff a time of use consumption based tariff.
- Provide incentives to support electrification.
- Seek to minimise network impact.



Choice



Simple



Innovative

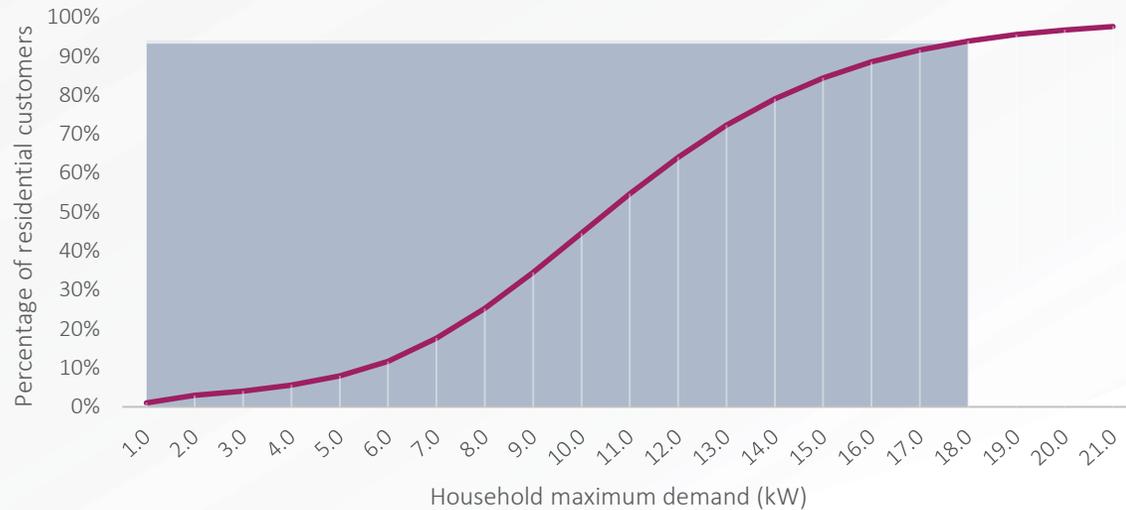
Residential DER network tariff

Demand threshold

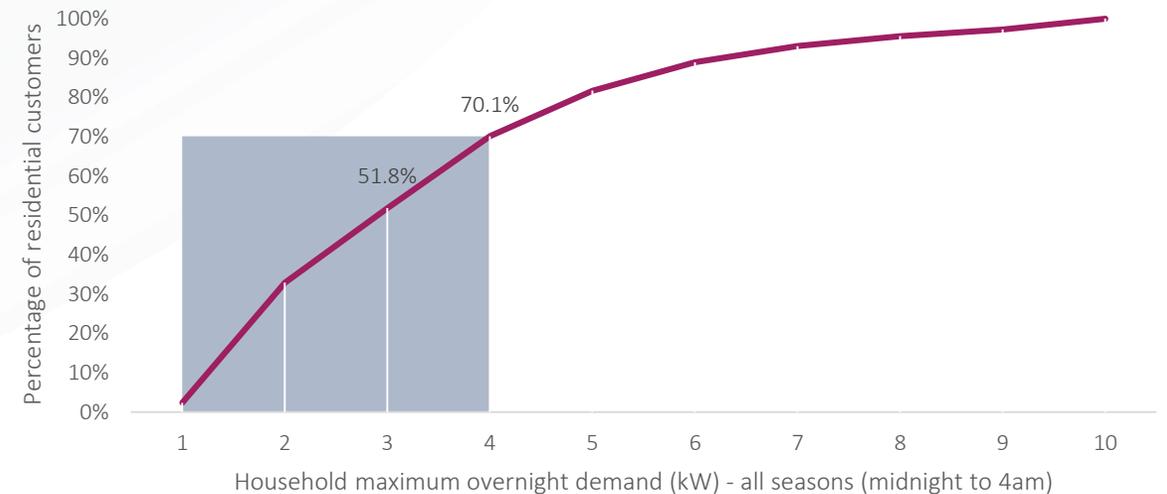
We propose **8.5kW maximum demand threshold**

Why?

Maximum household demand during peak periods



Overnight maximum household demand



Engaging with customers



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Engaging with customers

Recap

Advanced meters

Time of use tariffs

Pricing principles

Customer impacts

Customer equity

Residential DER tariff

Obsolete network tariffs

(TAS31/TAS41)

Embedded network tariffs

Demand & demand based tariffs

Small business ToU windows

Default tariff assignment

Export charging tariff trial

New connections

Export pricing

Distributed Energy Resources

(Solar PV generation, Batteries & EVs)

Pricing quoted services



MARINUS LINK

Delivering low cost, reliable & clean energy

Presentation to Policy and Regulatory Working Group

16 August 2022



MARINUS

LINK

Delivering low cost, reliable & clean energy

Join us on the journey. Follow the link:

www.marinuslink.com.au

Email the team:

team@marinuslink.com.au

Alternative Control Services

Simplifying our labour categories

Simplifying our labour categories

Background



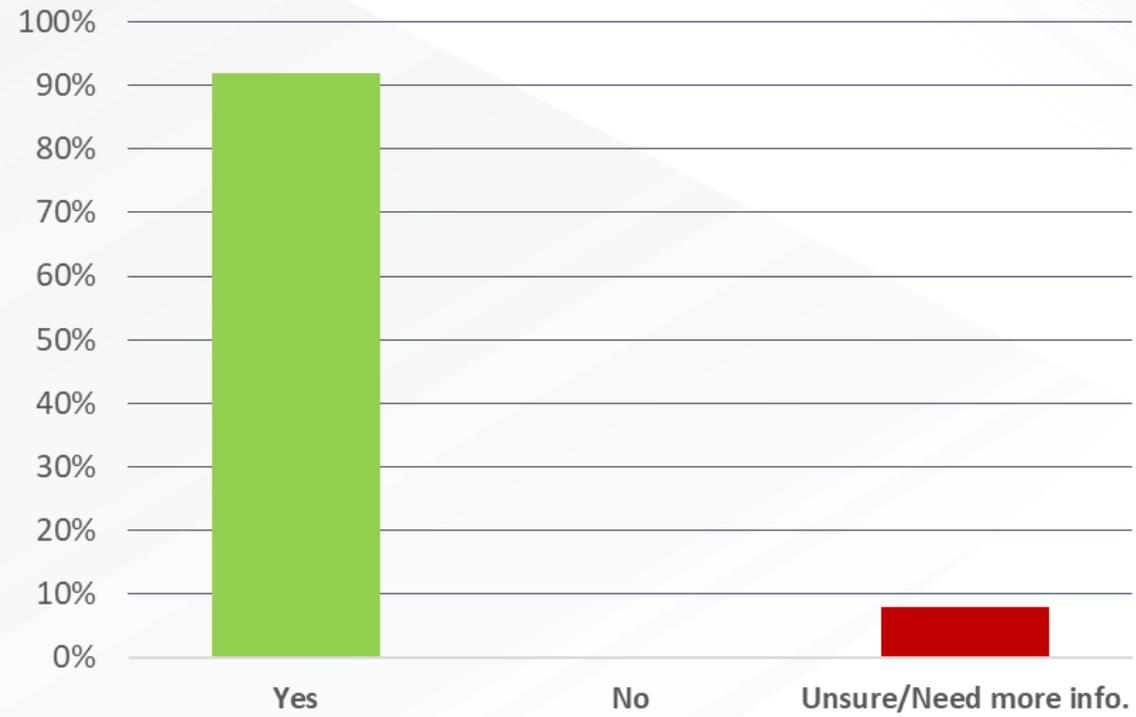
Simplifying our labour categories

Background



Simplifying our labour categories

Feedback



Simplifying our labour categories

Feedback

**Less confusion
and easier to
understand what
you're being
charged.**

*...without the detail of the
actual rates (and the
comparison with existing)
it's difficult to agree 100%*

Consistency

Simple and clear

**Simplifying rates
is always
appreciated.**

*We all pay the
same price*

**Simpler,
clearer
charging.**



Simplifying our labour categories

Proposal

Proposed	Internal categories include
Labourer	Field Construction Officer and Locations Officer [Field Workers who do not perform electrical work]
Administration	Customer Service, Project Support Officer [Office based staff not otherwise covered]
Field Worker	Linesman, LV Cable Jointer, Electrical Technician, Dual-Trade Elec/Line worker, Live Linesman [Field Workers who perform electrical work]
Designer	Designer
Construction Coordinator	Site Manager, Scheduling, Field Coordinator, Team Leader, Project Manager Distribution
Distribution Operator	Switching Operations, Distribution Operations
Project Administration	Customer Experience, Land Access & Approvals [More specialised office based]
Engineer	Engineer and Protections and Control Technical Officer

Seeking Feedback



Asset relocation services

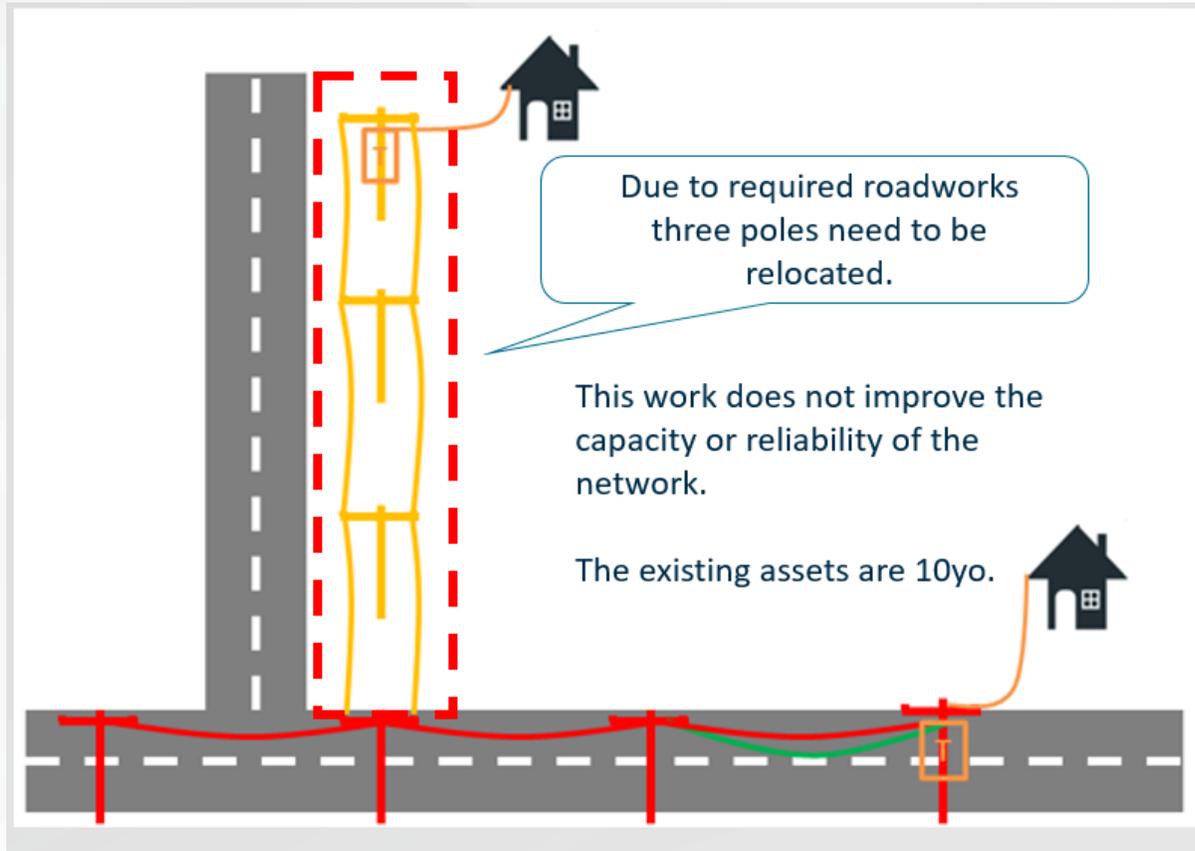
Asset relocation services

Background



Asset relocation services

Background



Example cost summary

Cost to remove assets	\$1,000
Design costs	\$ 500
Installation of new assets	\$8,000
Total Costs	\$9,500

Accumulated Depreciation **-\$2,000**

Customer Contribution = \$7,500

Asset relocation services

Proposal

- **Remove the accumulated depreciation rebate from the build of asset relocation prices**

-  More accurate/cost-reflective pricing signals of the true cost of asset relocation
-  TasNetworks Distribution Connection Pricing Policy requires *“Charges for other customer project services should be reasonable and, without undue administrative cost, take into account the efficient costs of providing the services for the customer.”*
-  *“The connection of a new customer, or modification of an existing connection to the distribution network to meet the changed requirement of a customer, should not impose undue costs upon other customers of the shared distribution network.”*
-  The change will increase the cost of asset relocations for the customers/third parties that request them.
-  Small number of parties for whom cost increases v. large number of beneficiaries from the change

Seeking Feedback



Next steps

Mid 2022

- Seek feedback on TasNetworks' Draft Plan (closing date 19 August 2022)
-

Late 2022

- Policy and Regulatory Working Group feedback on draft Tariff Structure Statement and Tariff Structure Explanatory Statement
-

January 2023

- Submit TasNetworks' Pricing Strategy (TSS and TSES)

Should you have questions or comments, please contact Chantal Hopwood at Chantal.Hopwood@tasnetworks.com.au

