

## Frequently Asked Questions

The way we are charging our customers is changing. We've answered all your questions to find out what these changes mean for your household or small business.

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### What is changing?

From 1 July 2019 consumption based time of use network tariffs will become the default for new residential and small businesses on an 'opt out' basis. This will also be applied to residential households or small businesses that change their network connection or have an advanced meter installed.

### Will customers automatically be placed on a time of use consumption based network tariff?

No, the time of use tariffs won't be applied immediately. A 12 month delay will be applied to each customer, to enable a year's worth of metering data to be collected before the changeover of network tariffs. The 12 month data sampling period will provide customers with the opportunity to better understand their electricity usage, including variations over the year.<sup>1</sup> Customers can access their usage data through contacting their current retailer.

### What triggers the 12 month data sampling process?

There are four events that will begin the 12 month data sampling process:

- ✓ New small business and residential premises that connect to the network;
- ✓ Small business and residential premises that have a meter replaced;
- ✓ Small business and residential premises that upgrade to an advanced meter; and
- ✓ Small business and residential customers that change their connection characteristics.

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<sup>1</sup> Some customers may have access to less than 12 months of data (e.g. if a customer moves into a household once the data sampling period has already commenced).

### What happens at the end of the 12 month data sampling period?

Following the 12 month data sampling period, TasNetworks will inform the retailer of the intention to reassign a customer to the default time of use network tariff. Customers will have a further two month notification period in which to consider their usage profile and inform their retailer of their decision to either transition to a time of use network tariff or remain on their existing tariff arrangement. If TasNetworks does not receive an opt out request from a customer's retailer during the notification period, the customer will be reassigned to the applicable default network tariff (either TAS93 or TAS94).

### What does 'opt out' mean?

At the conclusion of the notification period, TasNetworks will begin billing the customer's retailer on a time of use basis. However, should a customer decide that this network tariff doesn't suit their household or business usage, they can choose not to continue with a time of use consumption network tariff, through 'opting out' of the default assignment, through their retailer.

### Can customers access a consumption based time of use network tariff now?

Yes. If customers want to access a time of use consumption network tariff now, then we encourage customers to contact their retailer to discuss their tariff choices with them directly. It is worth noting that if you choose to move to a time of use network tariff prior to

the end of the 12 month data sampling period the standard tariff reassignment fee will apply.<sup>2</sup>

## What is time of use?

Time of use means that the price of electricity changes depending on the time it is used. This can depend on the time of day or the day of the week. Time of use tariffs can include a peak and off peak time period.

## What are the default time of use network tariffs?

### Residential

For residential customers, the default tariff (after one of the trigger events) is the residential low voltage time of use consumption network tariff (TAS93).

### Small Business Customers

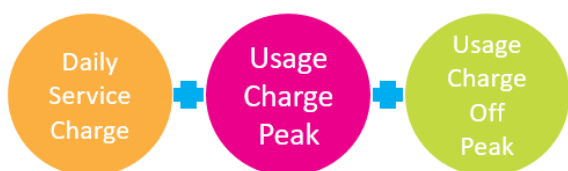
For small business customers, the default tariff (after one of the trigger events) is the business low voltage time of use consumption network tariff (TAS94).

## How are these network tariffs calculated?

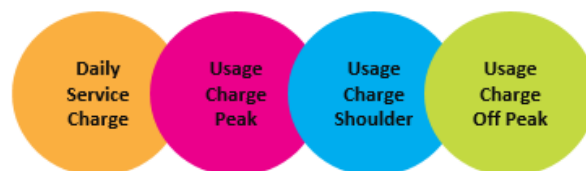
Like our flat rate consumption network tariffs, TAS93 and TAS94 are calculated according to how much energy is consumed, in addition to your daily service charge. With these tariffs though, time of use is also taken into account. This means that the network charges associated with electricity used in off peak (or shoulder for small business customers) periods are priced at a lower rate than electricity used in peak times.

The below figures set out the different charging structures for each network tariff.

### Residential Low Voltage Time of Use (TAS93)



### Business Low Voltage Time of Use (TAS94)



## What is peak and off peak time?

Peak time is typically when residential homes and businesses use the most electricity. Electricity used in these busy peak times can place a strain on the network and so we charge more for usage during these times.

Off peak times are generally when customers use less electricity. The off peak rate is a lower, discounted price during specific times and on specific days to incentivise customers to use electricity outside of the peak times. Our residential low voltage time of use consumption network tariff (TAS93) includes a peak and off peak time period.

Our small business consumption time of use network tariff (TAS94) also includes a shoulder rate. This occurs from 7:00am to 10:00pm on the weekend and costs less than peak, but slightly above off peak.

## What are the time periods?

The time periods for the residential and small business time of use consumption differs slightly. The below tables set out the different time of use periods applicable to each network tariff. Both time periods are based on Australian Eastern Standard Time.

### Residential Time of Use (TAS93)

Time Periods	Tariff Rate
<b>Week Day</b> <b>Monday - Friday</b> <b>07:00 – 10:00 &amp; 16:00 – 21:00</b>	<b>Peak</b>
<b>Weekend Day</b> <b>Monday – Friday</b>	<b>Off peak</b>
<b>Weekend</b> <b>Saturday – Sunday are deemed off peak</b>	<b>Off peak</b>

<sup>2</sup> Please refer to the latest Fee Based Services Application Price Guide to see the current tariff reassignment fee.

<b>Small Business Time of Use (TAS94)</b>	
<b>Time Periods</b>	<b>Tariff Rate</b>
<b>Week Day (07:00 – 22:00) (Monday – Friday)</b>	<b>Peak</b>
<b>Weekend Day (07:00 – 22:00) (Saturday and Sunday)</b>	<b>Shoulder</b>
<b>Any Day (22:00 – 24:00) (Monday – Sunday)</b>	<b>Off peak</b>
<b>Any Day (0:00 – 07:00) (Monday – Sunday)</b>	<b>Off peak</b>

## For more information

We hope this provides a better understanding of the changes to our pricing strategy for 2019-24. If you'd like more information, please visit

<https://www.tasnetworks.com.au/Poles-and-wires/Pricing/Modernising-pricing>