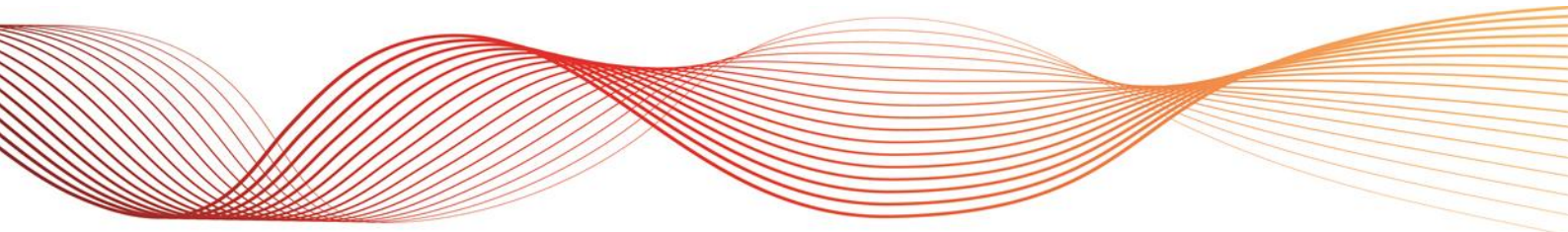




# SHARED TRANSMISSION NETWORK SERVICES PRICES IN VICTORIA - 1 JULY 2017 TO 30 JUNE 2018

FOR THE NATIONAL ELECTRICITY MARKET

PUBLISHED: MAY 2017 





# IMPORTANT NOTICE

## Purpose

AEMO has prepared this document to provide information about the Shared transmission network services prices in Victoria, as at the date of publication.

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# 1 SHARED TRANSMISSION NETWORK SERVICES IN VICTORIA PRICES

AEMO's Transmission Use of System (TUoS) charges recover the costs for providing shared transmission network services in Victoria, and are calculated in accordance with the National Electricity Rules (NER) and AEMO's Pricing Methodology<sup>1</sup>.

The shared transmission network services prices apply for the financial year 1 July 2017 to 30 June 2018 and comprise:

## 1.1 Prescribed TUOS services - Locational

Locational charges reflect the cost of utilising the network at various locations. They are designed to encourage the most efficient use of the transmission network and are based on average maximum demand. They reflect the long run marginal cost of transmission at each connection point.

## 1.2 Prescribed TUOS services - Non-locational

Non-locational charges recover the balance of AEMO's annual revenue for providing the shared transmission network, and mainly relate to overhead and financing costs. The non-locational price is either an energy or capacity price, each of which has a common value across all locations.

## 1.3 Prescribed common services

Common services include the cost of planning and operating the network, such as control buildings, protection systems, easements, land tax etc. The common service price is either an energy or capacity price, each of which has a common value across all locations.

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<sup>1</sup> <http://www.aemo.com.au/Electricity/National-Electricity-Market-NEM/Participant-information/Fees-and-charges>



## 2 SCHEDULE OF PRICES FOR 1 JULY 2017 TO 30 JUNE 2018

### 2.1 Locational Prices

Point of Supply	TUOS Locational (\$/MW)		
	TUOS Locational Price	GST	Total Price
Altona	14,711	1,471	16,182
Ballarat	19,946	1,995	21,941
Bendigo	24,393	2,439	26,832
Brooklyn	15,543	1,554	17,097
Brunswick	7,586	759	8,345
Cranbourne	10,337	1,034	11,371
Deer Park	22,205	2,221	24,426
East Rowville	10,542	1,054	11,596
Fishermans Bend	14,103	1,410	15,513
Fosterville	22,263	2,226	24,489
Geelong	16,692	1,669	18,361
Glenrowan	14,728	1,473	16,201
Hazelwood PS load	10,231	1,023	11,254
Heatherton	13,167	1,317	14,484
Heywood	24,832	2,483	27,315
Horsham	33,331	3,333	36,664
Keilor	14,135	1,414	15,549
Kerang	33,130	3,313	36,443
Loy Yang	9,486	949	10,435
Malvern	14,969	1,497	16,466
Morwell	3,155	316	3,471
Mount Beauty	2,501	250	2,751
Point Henry	21,512	2,151	23,663
Portland Smelter	29,941	2,994	32,935
Red Cliffs	41,852	4,185	46,037
Richmond	12,007	1,201	13,208
Ringwood	11,324	1,132	12,456
Shepparton	18,912	1,891	20,803
South Morang	11,550	1,155	12,705
Springvale	10,614	1,061	11,675
Templestowe	12,309	1,231	13,540
Terang	30,320	3,032	33,352
Thomastown	11,640	1,164	12,804
Tyabb	13,768	1,377	15,145
Wemen	42,704	4,270	46,974
West Melbourne	13,545	1,355	14,900
Western Port	14,738	1,474	16,212
Wodonga	8,454	845	9,299
Yallourn PS G.5	6,775	678	7,453



## 2.2 Common Service Prices

(either one of the following)	Common Service		
	Common Service Price	GST	Total Price
Energy Price (\$/MWh)	6.692	0.6692	7.3612
Capacity Price (\$/MW)	32,845	3,285	36,130

## 2.3 Non-Locational Prices

(either one of the following)	TUOS Non-Locational		
	TUOS Non-Locational Price	GST	Total Price
Energy Price (\$/MWh)	2.610	0.261	2.871
Capacity Price (\$/MW)	12,808	1,281	14,089



## 2.4 Notes

1. TUoS prices have been determined in accordance with AEMO’s pricing methodology.
2. These prices apply to metered usage at terminal stations. Terminal stations are where the assets owned by distribution businesses and other transmission-connected customers connect to the shared transmission network.
3. As per AEMO’s Pricing Methodology, locational charges for 2017–18 are calculated at each terminal station by:
  - (a) Identifying the 10 weekdays when power system demand was highest, between 1100 hrs and 1900 hrs in the local time zone from 1 March 2016 to 28 February 2017.
  - (b) Calculating the average hour demand (MW) consumed at each terminal station for all days.
  - (c) Multiplying the locational price (\$/MW) that applies to each terminal station by the demand calculated in paragraph (b).
4. Common service charges and non-locational charges for 2017–18 are either:
  - (a) Energy price multiplied by metered energy at the connection point from 1 March 2016 to 28 February 2017; or
  - (b) Capacity price multiplied by maximum contract demand for the connection point referable to that period. Note that capacity price is only available where a customer’s agreement with AEMO nominates a fixed maximum demand and a penalty for exceeding that demand.
5. TUoS charges will be varied by clause 9.8.4(a)(3) of the NER. An equalisation adjustment is applied to each distribution business as shown below:

Distribution Business	Equalisation Adjustment (\$ per annum)		
	Exclusive of GST	GST	Total
AusNet Services (previously SPI Electricity)	-987,800	-98,780	-1,086,580
Powercor Australia	-3,802,200	-380,220	-4,182,420
Jemena	1,034,200	103,420	1,137,620
CitiPower	1,184,000	118,400	1,302,400
United Energy	2,571,800	257,180	2,828,980