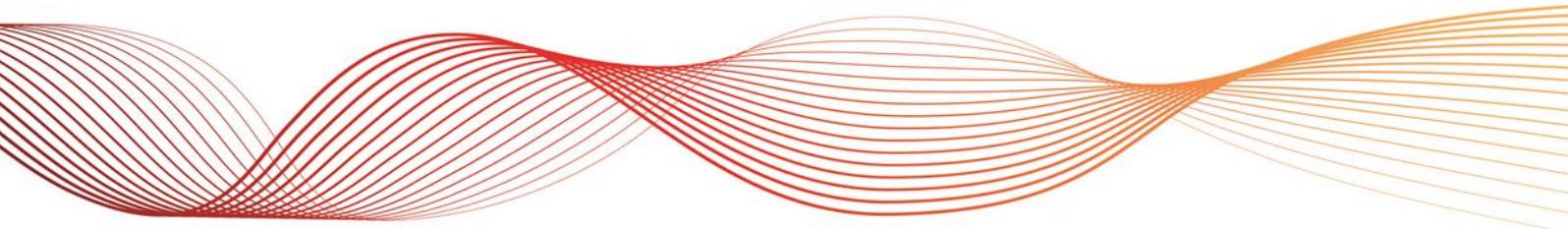




# SHARED TRANSMISSION NETWORK SERVICES PRICES IN VICTORIA - 1 JULY 2018 TO 30 JUNE 2019

FOR THE NATIONAL ELECTRICITY MARKET

PUBLISHED: MAY 2018





# 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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# CONTENTS

<b>IMPORTANT NOTICE</b>	<b>2</b>
<b>1 SHARED TRANSMISSION NETWORK SERVICES IN VICTORIA PRICES</b>	<b>4</b>
1.1 Prescribed TUOS services - Locational	4
1.2 Prescribed TUOS services - Non-locational	4
1.3 Prescribed common services	4
<b>2 SCHEDULE OF PRICES FOR 1 JULY 2018 TO 30 JUNE 2019</b>	<b>5</b>
2.1 Locational Prices	5
2.2 Common Service Prices	6
2.3 Non-Locational Prices	6
2.4 Notes	7



# 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 2018 to 30 June 2019 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 2018 TO 30 JUNE 2019

### 2.1 Locational Prices

Point of Supply	TUOS Locational (\$/MW)		
	TUOS Locational Price	GST	Total Price
Altona	14,541	1,454	15,995
Ballarat	19,409	1,941	21,350
Bendigo	23,520	2,352	25,872
Brooklyn	15,643	1,564	17,207
Brunswick	7,999	800	8,799
Cranbourne	10,406	1,041	11,447
Deer Park	21,380	2,138	23,518
East Rowville	10,608	1,061	11,669
Fishermans Bend	14,026	1,403	15,429
Fosterville	21,463	2,146	23,609
Geelong	16,313	1,631	17,944
Glenrowan	14,161	1,416	15,577
Heatherton	12,696	1,270	13,966
Heywood	23,936	2,394	26,330
Horsham	33,559	3,356	36,915
Keilor	14,213	1,421	15,634
Kerang	31,859	3,186	35,045
Loy Yang	9,666	967	10,633
Malvern	14,792	1,479	16,271
Morwell	3,368	337	3,705
Mount Beauty	3,505	351	3,856
Portland Smelter	28,729	2,873	31,602
Red Cliffs	40,177	4,018	44,195
Richmond	12,086	1,209	13,295
Ringwood	10,931	1,093	12,024
Shepparton	18,194	1,819	20,013
South Morang	11,138	1,114	12,252
Springvale	10,399	1,040	11,439
Templestowe	11,873	1,187	13,060
Terang	30,506	3,051	33,557
Thomastown	11,228	1,123	12,351
Tyabb	13,857	1,386	15,243
Wemen	40,931	4,093	45,024
West Melbourne	13,393	1,339	14,732
Western Port	14,992	1,499	16,491
Wodonga	8,571	857	9,428
Yallourn PS G.5	6,412	641	7,053



## 2.2 Common Service Prices

(either one of the following)	Common Service		
	Common Service Price	GST	Total Price
Energy Price (\$/MWh)	7.043	0.704	7.747
Capacity Price (\$/MW)	34,492	3,449	37,941

## 2.3 Non-Locational Prices

(either one of the following)	TUOS Non-Locational		
	TUOS Non-Locational Price	GST	Total Price
Energy Price (\$/MWh)	1.949	0.195	2.144
Capacity Price (\$/MW)	9,545	955	10,500



## 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 2018–19 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 2017 to 28 February 2018.
  - (b) Calculating the average half 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 2018–19 are either:
  - (a) Energy price multiplied by metered energy at the connection point from 1 March 2017 to 28 February 2018; 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