

Tariff Advisory Group

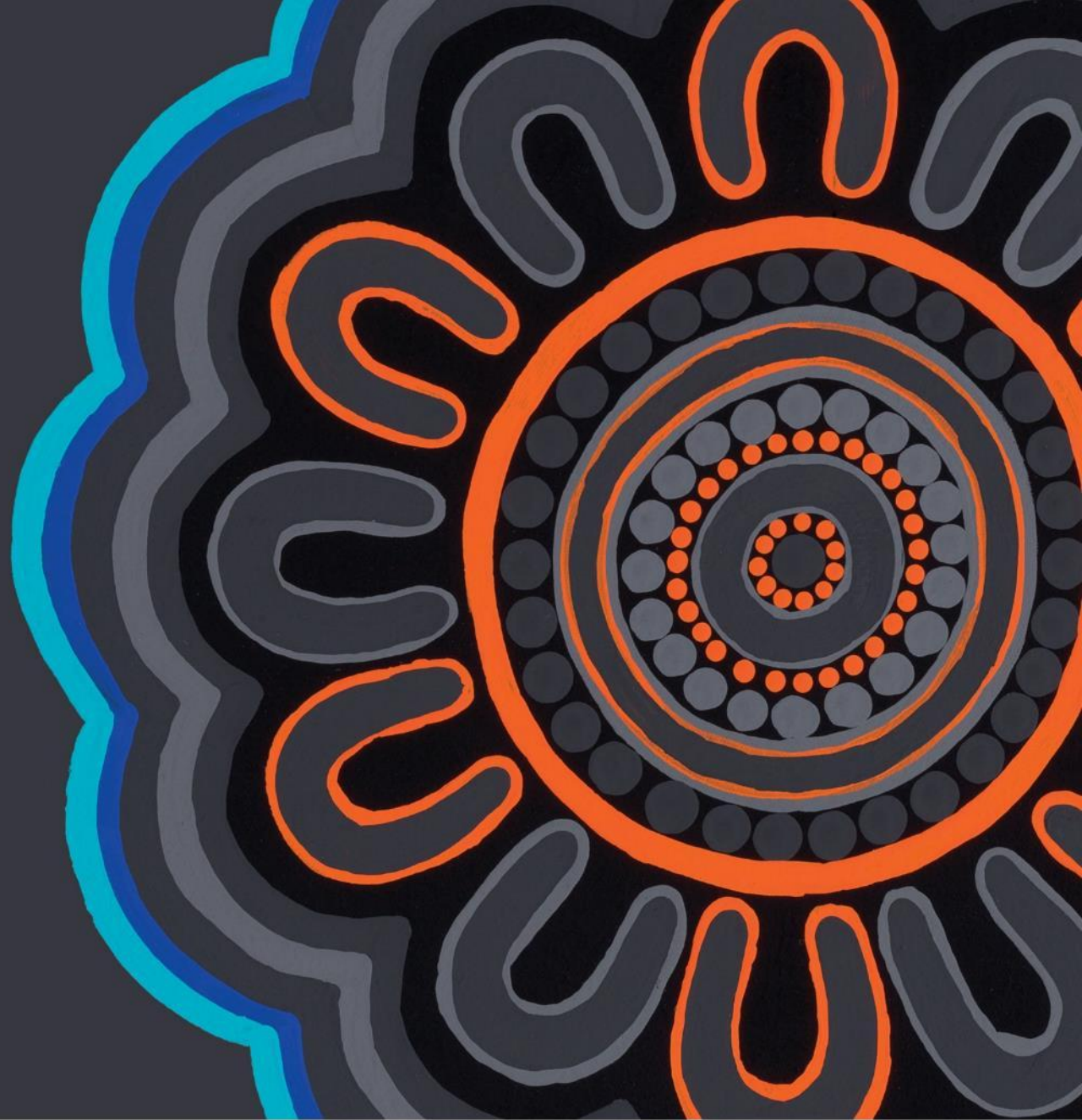
29 August 2025



Empowering South Australia

Acknowledgement of Country

SA Power Networks acknowledges the multiple Traditional Owners of the lands that host the South Australian electricity network and their connections to land, sea, and community. We would also like to pay our respects to all First Nations Peoples past and present and acknowledge these living cultures.



Agenda

Item	Presenter
1. Welcome and Introduction - Welcome, Acknowledgement of Country - CAF Update	Heather Merran
2. Outstanding Action Items Tariff communications: Consumption and Export	Helen White
3. Standing Agenda Items Trial tariffs	Helen White
4. Innovation Advisory Group Update	Mark Yates
5. Long Term Pricing Strategy Workshop	Helen White Heather Merran
6. Customer Outcomes	Heather Merran Erin Hampton

Item	Presenter
7. Retail Offers and Data Insights 2024-25 Data - Retail Offers 1 July 2025 - Export Tariffs	Helen White
8. Wrap Up - Other business - Final questions, comments? - Agenda items for next TAG - Next steps, close	All

Community Advisory Forum Update

Heather Merran



Current Priorities/Focus Areas

- Customer Outcomes:** All Advisory Groups are developing customer-focused outcomes.
- Innovation Advisory Group (IAG):**
 - Newly established, chaired by Ed Chan.
 - Representatives from all Advisory Groups included.
- SA Power Networks' Role as a DSO:**
 - Transitioning from one-way power flows to managing a dynamic system with rooftop solar, storage, and flexible exports.
 - [Link to Andrew's DSO Presentation](#)
- Advocacy Framework:**
 - Aligns advocacy efforts across the business.
 - Six key themes:
 - Energy Security
 - Energy Affordability
 - CER & Demand Growth
 - State Development
 - Sustainability
 - Resilience & Reliability

Issues Worth Informing Advisory Groups 1/2

- Safety Share:**

- Recent incidents of the public handling fallen powerlines.
- Example: Charles Sturt Council worker handled a live wire.
- Safety reminder letters sent to first responders and councils.

- Bushfire Insurance:**

- \$700M coverage secured despite market challenges.
- Joint capacity with VPN critical.

- Port Augusta Technical College:**

- Partnership to support trades and apprenticeships in regional areas.
- Commitment: 3–5 jobs annually.
- Similar initiative planned for Mount Gambier in 2024.

Issues Worth Informing Advisory Groups 2/2

People & Culture Presentation:

- Sam Bradley outlined priorities and initiatives to maximise investment in people.

Process Improvements:

- Brendon Hampton highlighted efforts to simplify smaller connections, improve project management, and use a balanced scorecard for performance.

Long-Term Pricing Strategy:

- Key considerations – agenda item

Recommendations to Advisory Groups

- Innovation Projects:**

- Advisory Group members to propose innovation projects, challenges, or problem statements for IAG consideration.

- Standing Agenda Item:**

- Add Innovation and IAG updates to all Advisory Group meeting agendas.

Actions Arising from Last Meeting

- **Joint ElectraNet CAP/SA Power Networks CAF Meeting:**

- Focus:

- Potential regulatory process for the Port Augusta to Leigh Creek transmission line (damaged in October 2024 storms).
 - Presentation from DEM on Planning and Forecasting work.

Next Steps & Action Items

- Customer Outcomes:**

- All Advisory Groups to continue developing and embedding customer outcomes in discussions – agenda item

Outstanding Action Items

Helen White

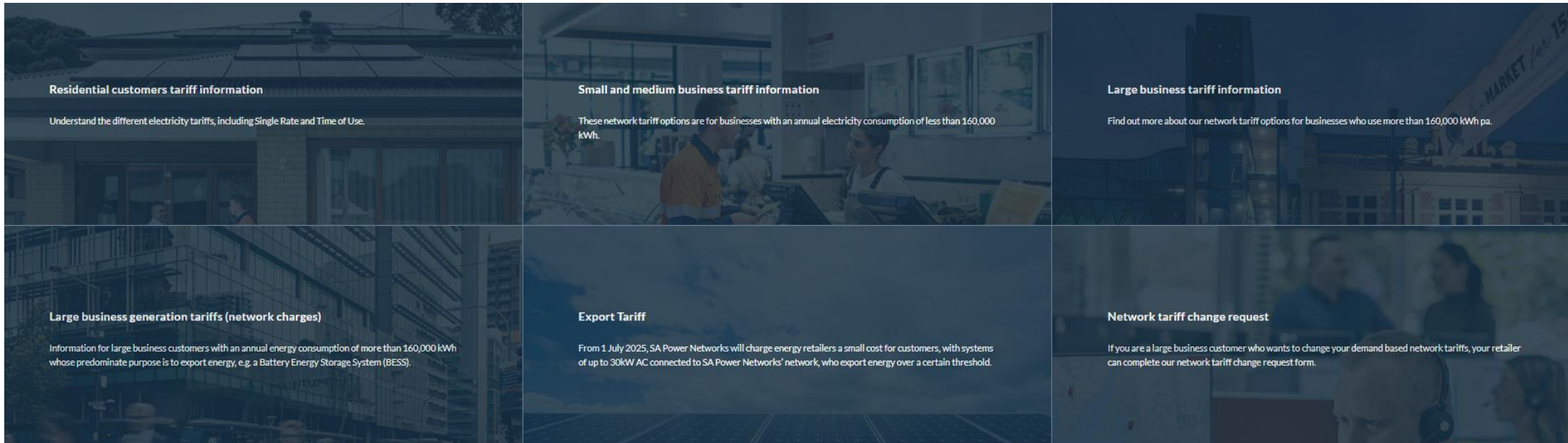


Tariff Communications

- The SA Power Networks external website has been updated to reflect the new tariffs both consumption and export effective 1 July.
- What feedback does the group have?

Consumption

Export



Feedback received

Mark Gishen 25/08

Maybe consider adding reference to 'medium business' in this sentence "For residential and small business customers, retailers decide how they will pass that charge on to you."

Standing Agenda Items

Helen White



Trial tariffs – Diversify 2.0

A daily rebate to incentivise residential customers with devices connected to a Home Energy Management System (HEMS). This will allow SA Power Networks to alter the customer import limit, which may result in the HEMS regulating the consumption of connected smart devices to comply with the import limit.

This will enable SA Power Networks to increase the diversity of load, thereby avoiding inefficient distribution network investment.

The participating HEMS must demonstrate the capability to receive SA Power Networks dynamic operating envelope signals.

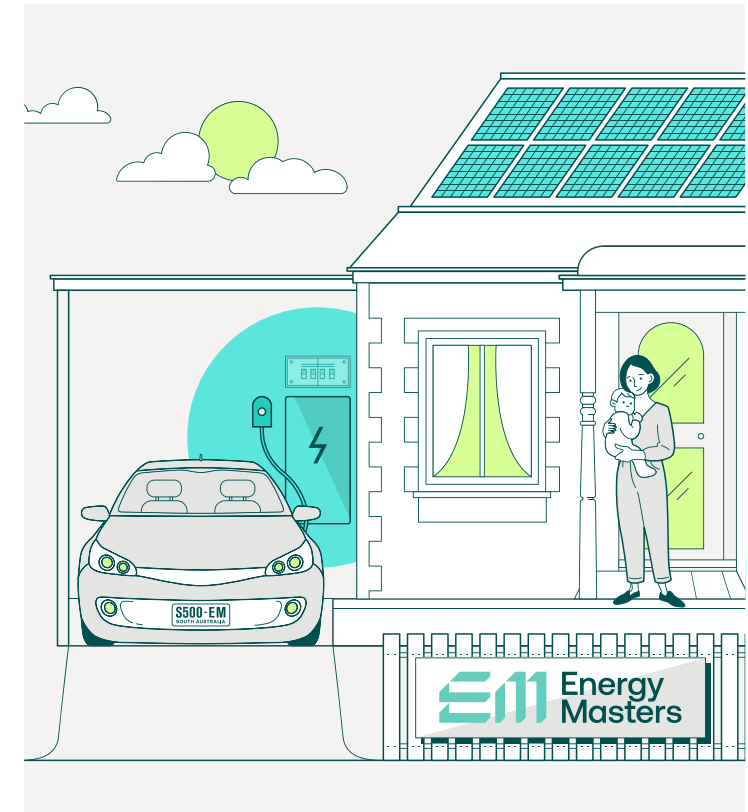
Diversify 2.0 will have a two tiered daily rebate for eligible smart devices:

- Tier 1 | 1 or 2 eligible smart devices
- Tier 2 | 3 or more eligible smart devices

Eligible smart devices include hot water, air conditioning and electric vehicles. Batteries are not considered to be an eligible smart device in this trial.

17 Customers on
Tier 1 Rebate

Via Energy Masters



Innovation Advisory Group Update

Mark Yates



Tariff-Related Innovation Projects

Ausgrid

- *Project Edith*: 5-minute dynamic pricing trial – real-time tariffs to reward flexible use.
- *2025–26 Tariff Trials*: Small business LUOS & large storage ICT tariffs.
- *Community Battery Tariff*: Removes variable charges to support local battery deployment.

AusNet Services

- *Neighbourhood Storage Tariff Trial*: Time-varying tariff for community batteries (solar soak, peak, off-peak).
- *EV Charging Incentives*: Rebates for shifting charging to off-peak.
- *Cost-Reflective Tariff Reform*: Moving toward fairer, usage-based pricing structures.

Long Term Pricing Strategy Workshop

Helen White | Heather Merran



**Workshop objective:**

- Problem statement: To workshop customer-centric network pricing in a DSO future
- Scope: Network tariff and non-tariff options

**Key considerations:**

- Stakeholders' feedback session
- NEM and AEMC Pricing Review
- 5 Cs Framework: Company, Compliance, Cost, Customer and Channel
- Current network pricing considerations: Rules, Principles and Network Tariff Reform
- Data and Insights

Problem statement:

To workshop customer-centric network pricing in a DSO future.

Key questions:

1. What is the role of network pricing beyond recovering costs and sending efficient cost signals in a DSO future?
2. What does success look like for DSO, regulators, customers, and retailers?
3. What does future network pricing look like?
4. What needs to happen for us to achieve the future state of network pricing?

Customer Outcomes

Heather Merran/Erin Hampton



Area	Outcome	Metric
Reliable, safe and resilient network	Export Tariff Expenditure Accountability/oversight	An annual update of the collection amounts through the Export Tariff from 1 July 2025.
Customer experience, choice, and empowerment	Time of Use Tariffs education and informed choice for customers	Review tariffs website and ensure TOU tariffs are appropriately communicated (review of website material)
Clean and green energy	Export Tariff Expenditure Accountability/oversight	An annual update of the collection amounts through the Export Tariff from 1 July 2025.
Affordable and equitable supply	AEMC Pricing Review involvement	Group to review SAPN's long term pricing strategy
Advocacy	Vulnerable customer assistance through LMRP	TAG writes to minister regarding government assistance for vulnerable customers requiring upgrades for smart meter installation.
Innovation	Tariff trials particularly in the shift to more people on TOU tariffs through LMRP	Investigate future trial tariffs and share with the group. Group to suggest trial tariffs or make one suggestion for IAG investigation
Know your customer/ Data	Distribution tariff interaction with retailer tariffs	Retailer pricing update from Pricing Team at August meeting

Reliable, safe and resilient network	Export Tariff Expenditure Accountability/oversight	An update from Asset Expenditure/ Investment regarding use of the collected \$\$ through the scheme
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Action Item from June 2025 meeting - Update ‘Reliable, safe and resilient network’ outcome metric to an annual update of the collection amounts through the Export Tariff from 1 July 2025.

Agenda item scheduled for November 2025 meeting with review of below from Reset Proposal

11.6.1 Export cost recovery start date

SA Power Networks is proposing to recover expenditure relating to the enablement of export on the distribution network incurred from 1 July 2025, the first day of our new RCP.

The proposed expenditure includes the following:

- Ongoing maintenance and support for the systems that enable our Flexible Exports capability;
- Improvements to distribution network voltage management to reduce daytime voltage rise in high solar areas including installation of dynamic voltage control equipment at 48 zone substations and a transformer tapping program to tap down over 740 LV transformers;
- Capacity upgrades to 484 existing LV transformers (including replacement of old fixed-tap transformers) and the installation of 615 additional infill transformers to increase export capacity in areas of congestion;
- Installation of new voltage regulators required to maintain voltage compliance at 11 locations in the regional sub transmission network;
- Upgrades to SCADA to enable measurement of reverse power flows at 82 substations; and
- Continuation of our CER compliance program to improve compliance to inverter technical standards and configuration settings.

Customer experience, choice, and empowerment	Time of Use Tariffs education and informed choice for customers	Review tariffs website and ensure TOU tariffs are appropriately communicated (review of website material)
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Group members have been requested to review website content and come prepared with feedback to August 2025 meeting

Clean and green energy

Export Tariff Expenditure
Accountability/oversight

An annual update of the collection amounts through
the Export Tariff from 1 July 2025.

Outcome same as slide 2. Please refer above

Affordable and equitable supply	AEMC Pricing Review involvement	Group to review SAPN's long term pricing strategy
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Heather was involved in a stakeholder workshop for the development of SAPN's long term pricing strategy. The pricing team will continue to develop this strategy and will provide feedback to the workgroup and an update to the TAG (potential November meeting agenda item)

Advocacy

Vulnerable customer assistance
through LMRP

TAG writes to minister regarding government
assistance for vulnerable customers requiring
upgrades for smart meter installation.

As various groups have expressed vulnerable customer support through the LMRP as a concern, this has been escalated to the CAF and Alex Lewis has drafted a letter to send to state government. She was provided with a draft written for TAG/CAG on 22/08 and will use this content to develop.

Content on following slides

Remediation Costs during Accelerated Smart Meter Deployment in SA

Key Points:

- SA Power Networks' customer consultative groups express concern about the financial burden of site remediation (e.g., switchboard upgrades) on homeowners, particularly vulnerable customers.
- South Australia has the highest average energy debt per residential customer in the NEM (\$2000) and a significant proportion of rented homes (30%), creating challenges with split incentives between landlords and tenants.
- The AEMC has clarified that site remediation is the customer's responsibility and outside the scope of energy laws, but recommends governments consider financial support for vulnerable customers.
- The letter urges the Department for Energy and Mining (DEM) to investigate support measures to address this issue and ensure the success of the smart meter rollout.
- The authors offer to participate in discussions to explore potential solutions.

Signatories: Chairs of SA Power Networks' advisory groups, representing community, vulnerable customers, connections, tariffs, and reset concerns.

Call to Action: DEM to consider financial support options for vulnerable customers and engage in further discussions with stakeholders.

Innovation

Tariff trials particularly in the shift to more people on TOU tariffs through LMRP

Investigate future trial tariffs and share with the group. Group to suggest trial tariffs or make one suggestion for IAG investigation

Innovation is standing agenda item at all meetings and group encouraged to make suggestions.

Know your customer/ Data	Distribution tariff interaction with retailer tariffs	Retailer pricing update from Pricing Team at August meeting
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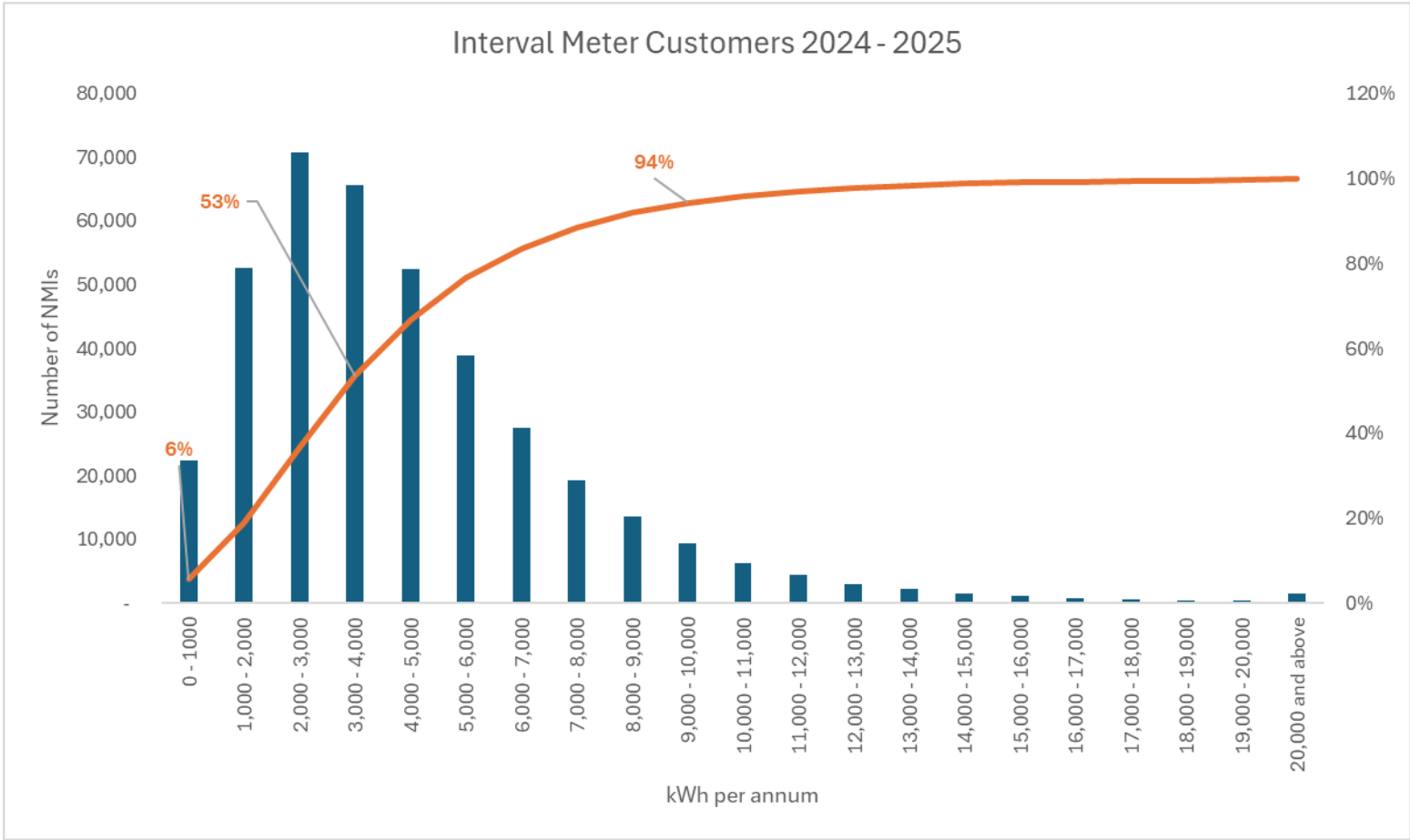
Scheduled for August meeting

2024-25 Data Insights

Helen White



88% of interval meter Residential customers’ grid consumption is 1 – 10 MWh

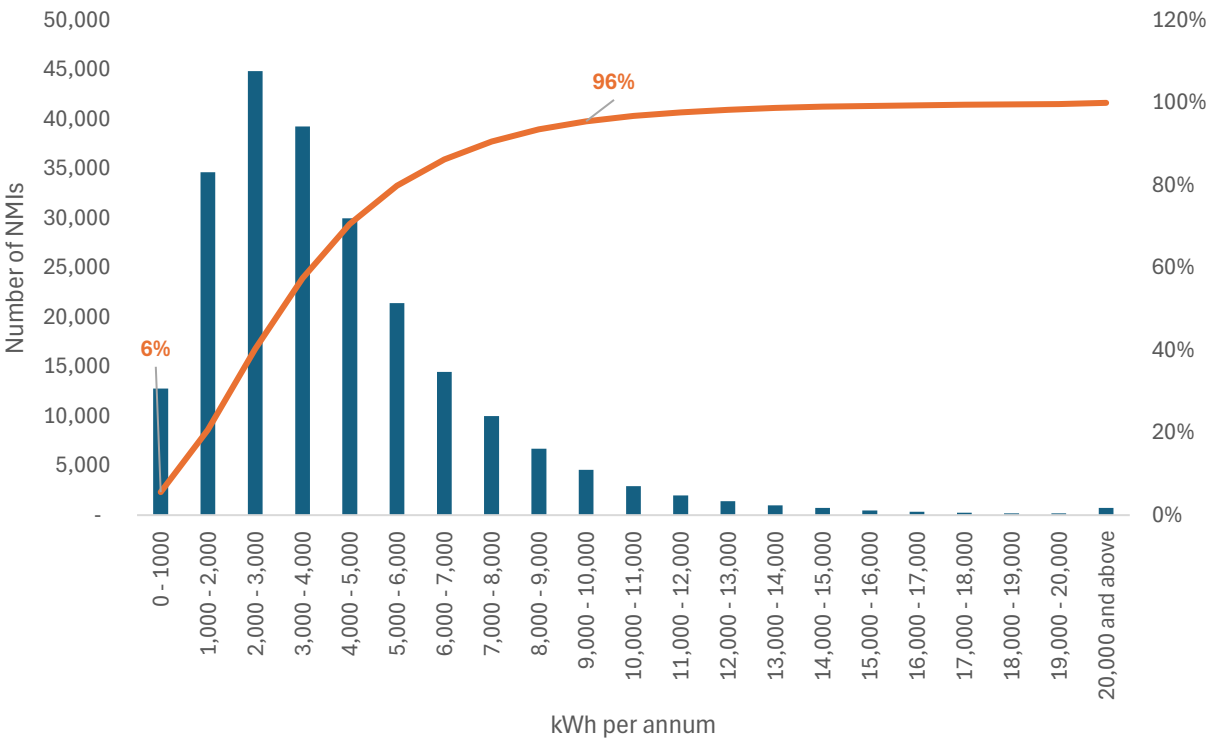


kWh p.a.	2024-25	2022-23	%
25 th percentile	2,345	2,514	(7%)
50 th percentile	3,779	3,973	(5%)
75 th percentile	5,817	6,042	(4%)
Average	4,513	4,815	(6%)

- **464k:** Residential interval meter customers at 30 June 2025
- **395k:** Residential interval meter customers with 12 months of data
- **362k:** Residential accumulation meter customers at 30 June 2025
- **826k:** Total Residential customers at 30 June 2025

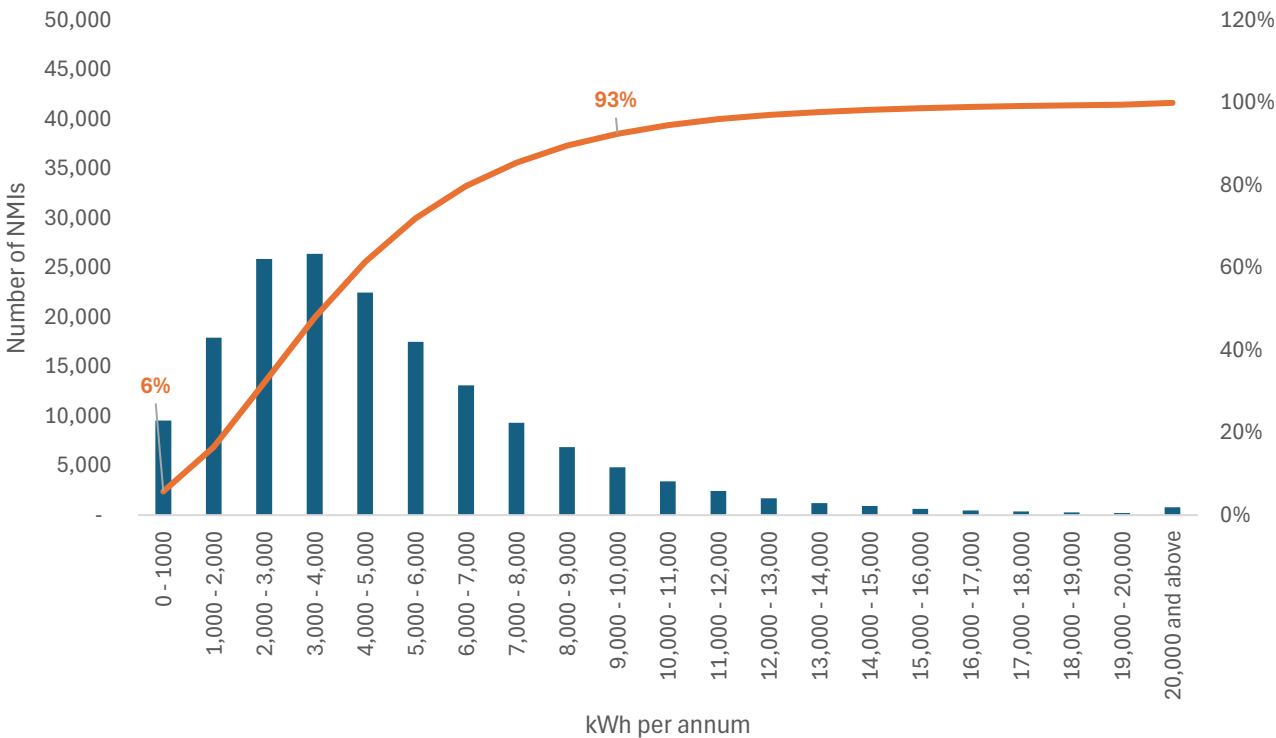
Distribution curve for solar and non-solar customers

Interval Meter Solar Customers 2024 - 2025



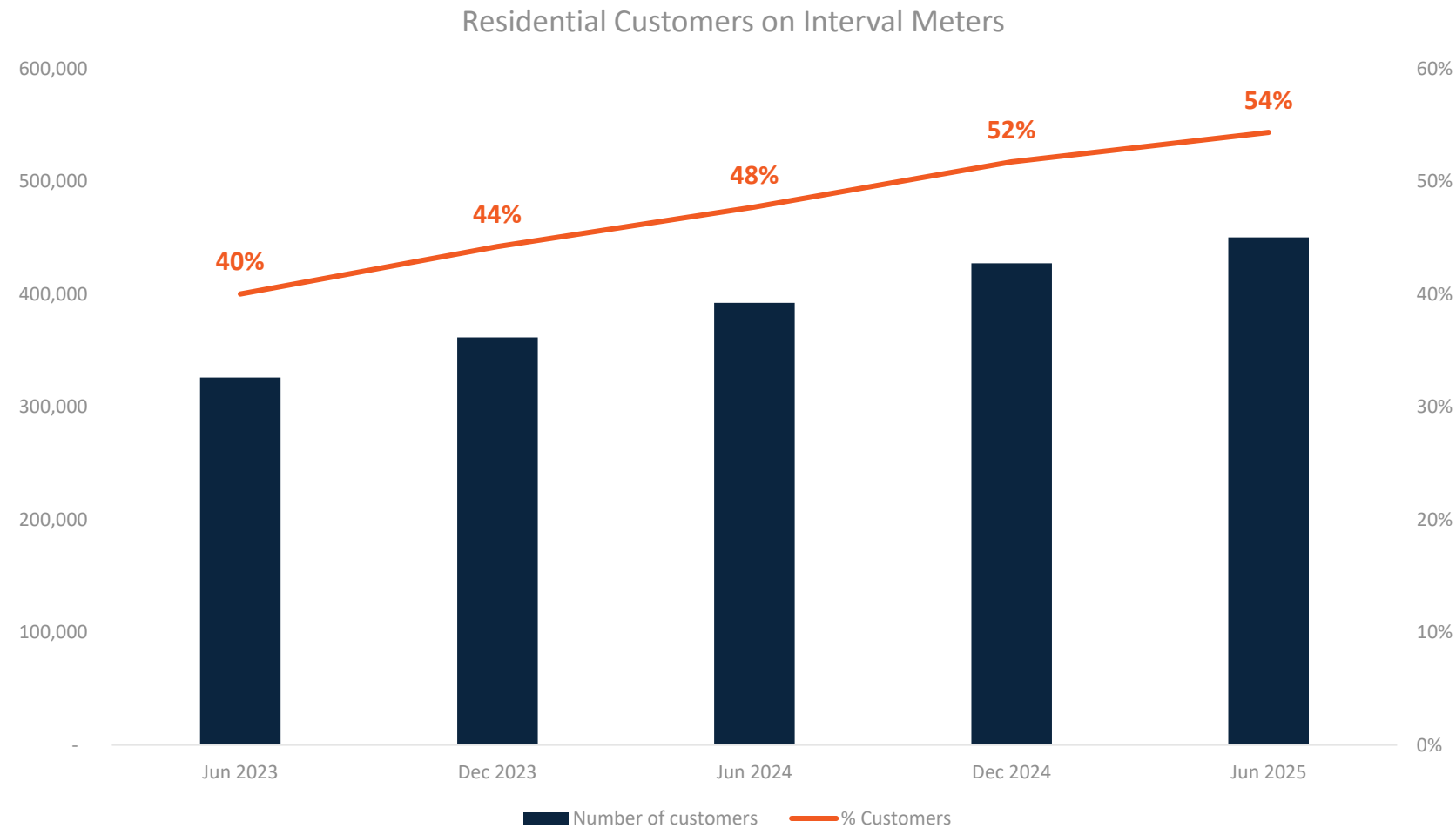
Total Solar customers: 229k
90% of customers are between 1-10 MWh

Interval Meter Non-Solar Customers 2024 - 2025



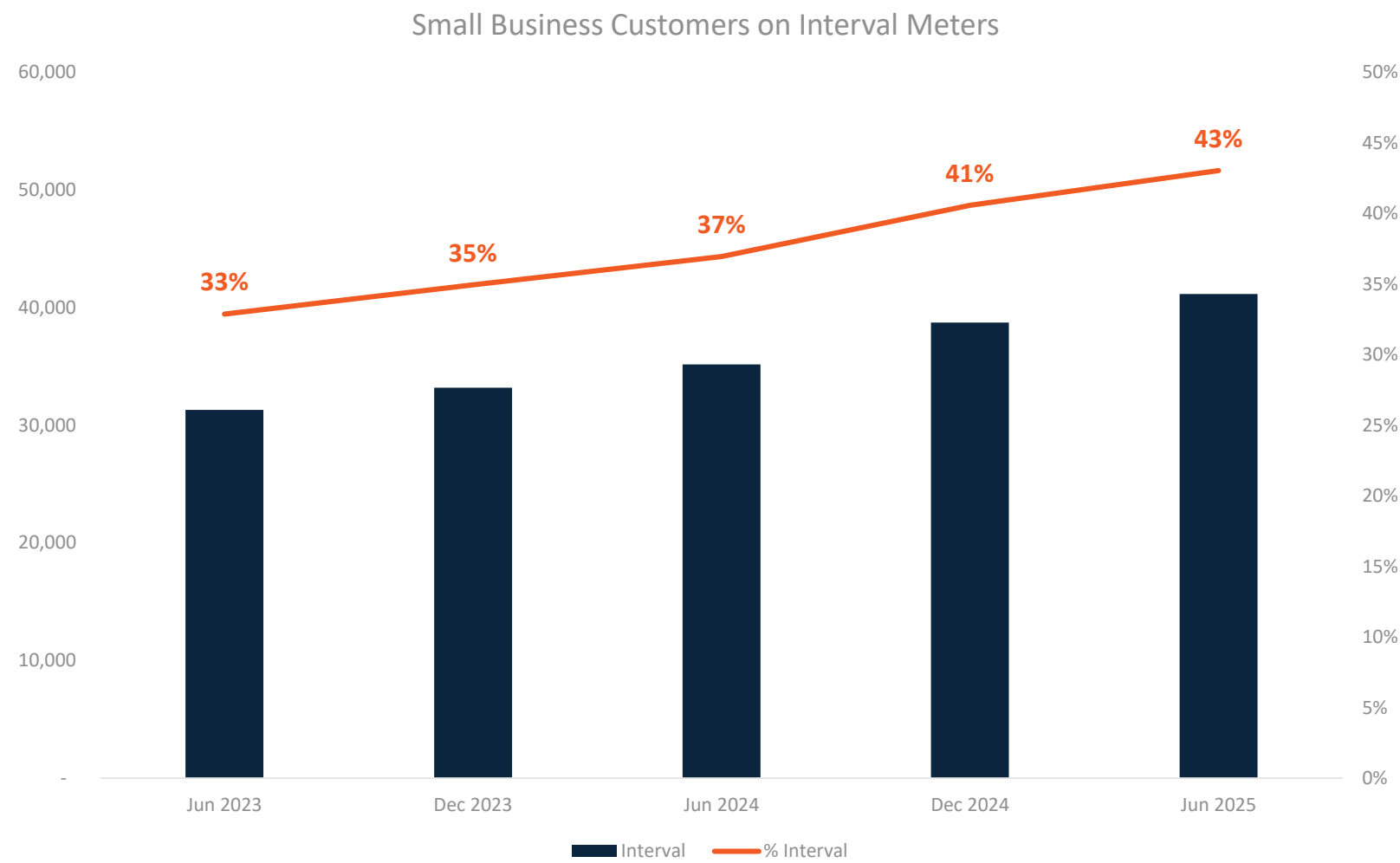
Total Non-Solar customers: 166k
87% of customers are between 1-10 MWh

Interval Meters – Residential



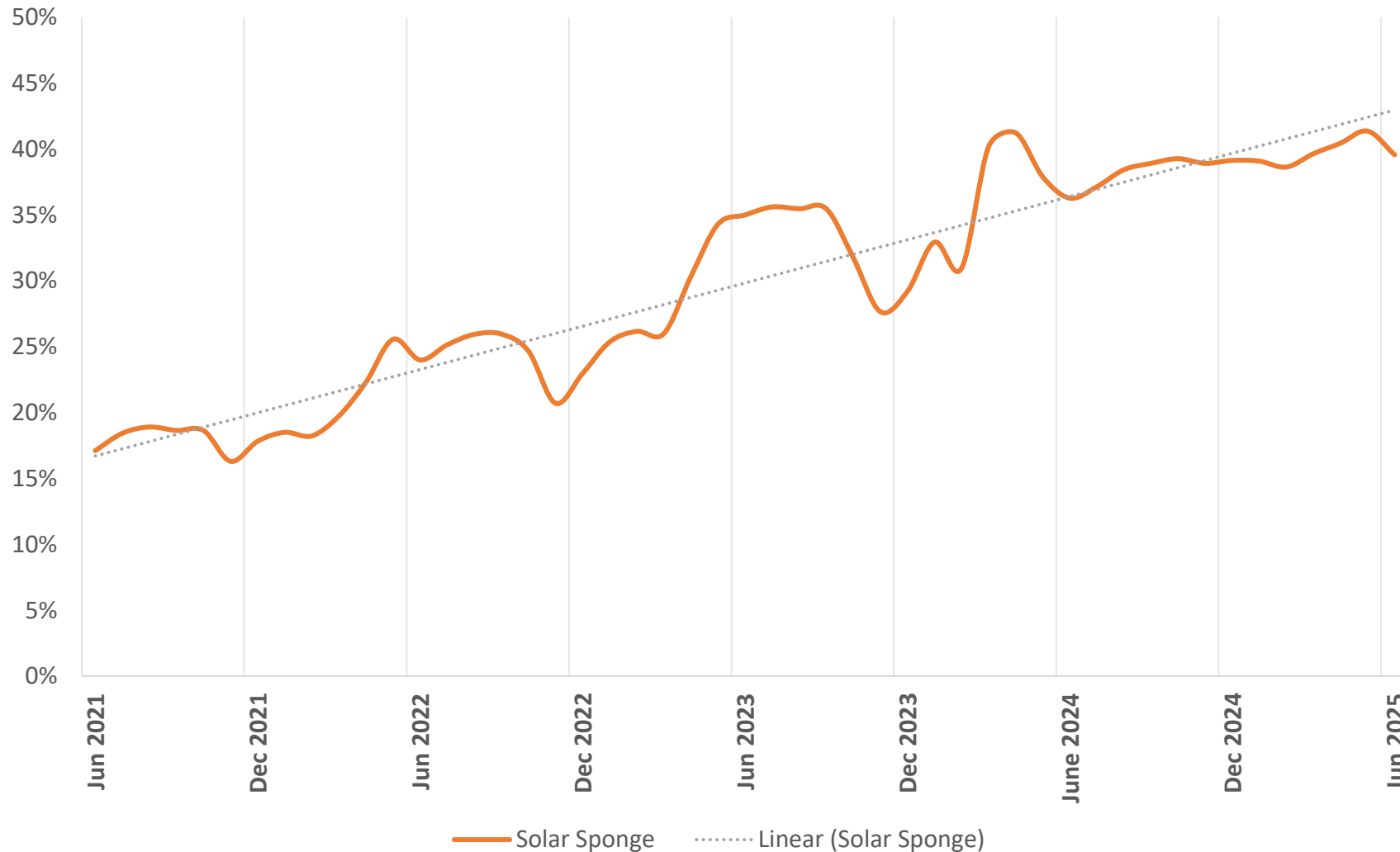
- Number of interval meters increased by 58k in 2024-25.
- Achieved the 50% target by June 2025 in Dec 2024.
- Interval meters enable Time of Use tariffs.
- All customers with an interval meter are automatically assigned to a Time of Use tariff.
- There is no opportunity to opt in/opt out.

Interval Meters – Small Business



- Number of interval meters increased by 6k in 2024-25.
- The 50% target by June 2025 was not achieved.
- Interval meters enable Time of Use tariffs.
- All customers with an interval meter are automatically assigned to a Time of Use tariff.
- There is no opportunity to opt in/opt out.

Controlled Load – Spolar Sponge



- Interval metered controlled load is controlled by the retailer in South Australia.
- Controlled Load Solar Sponge pricing signal has been in place for 5 years.
- Illustrates the ability of retailers to respond to price signals which benefit the distribution network – increasing demand in the middle of the day.
- Additional 1 hour of Solar Sponge in 2025-30.
- SA Power Networks will continue to encourage retailers to shift controlled load into the Solar Sponge.

Retailer Analysis

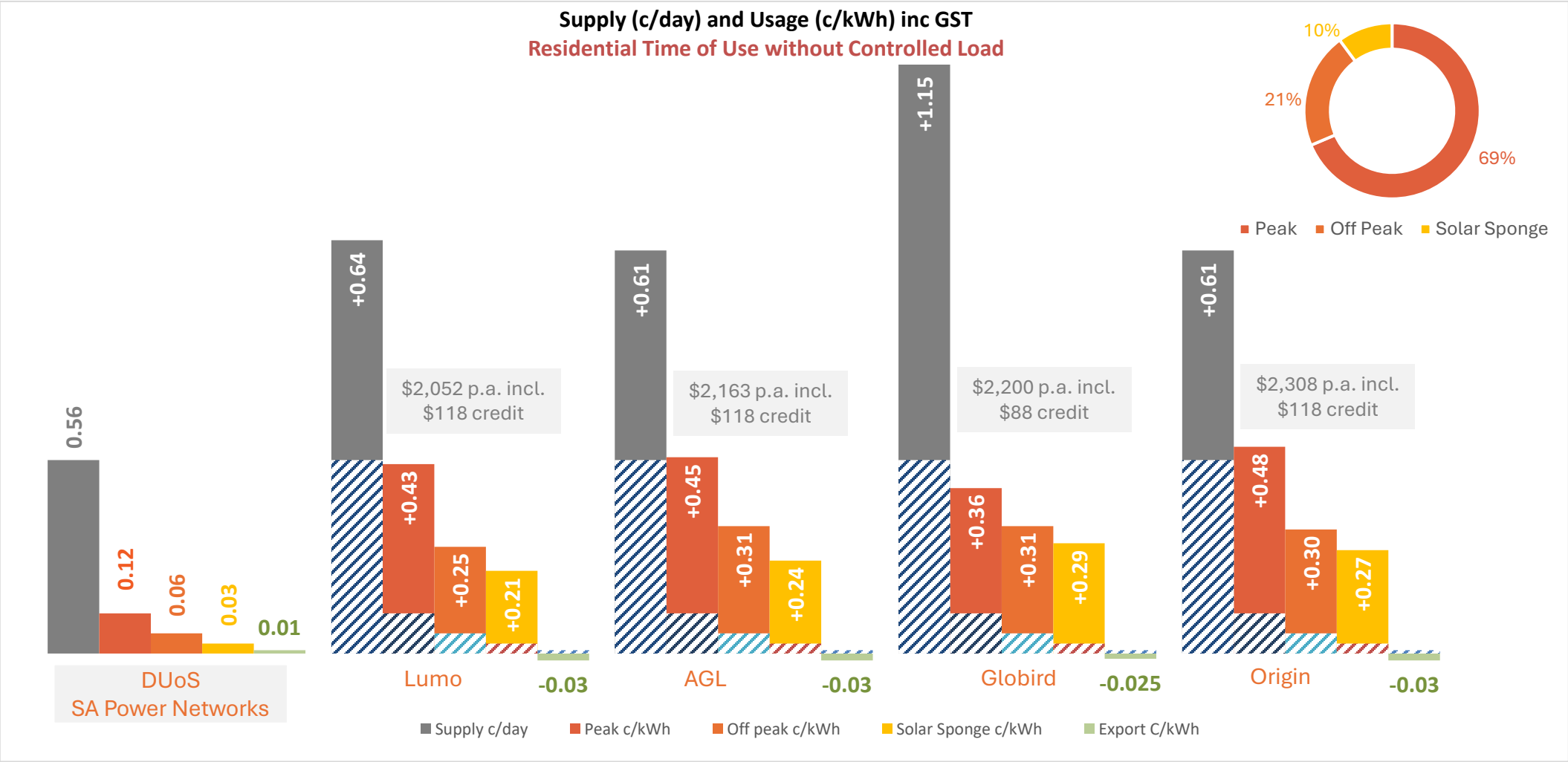
Helen White



Average interval meter Solar customer



Average Solar Interval Meter Customer with 3,855 kWh p.a. & 5,892 kWh export p.a

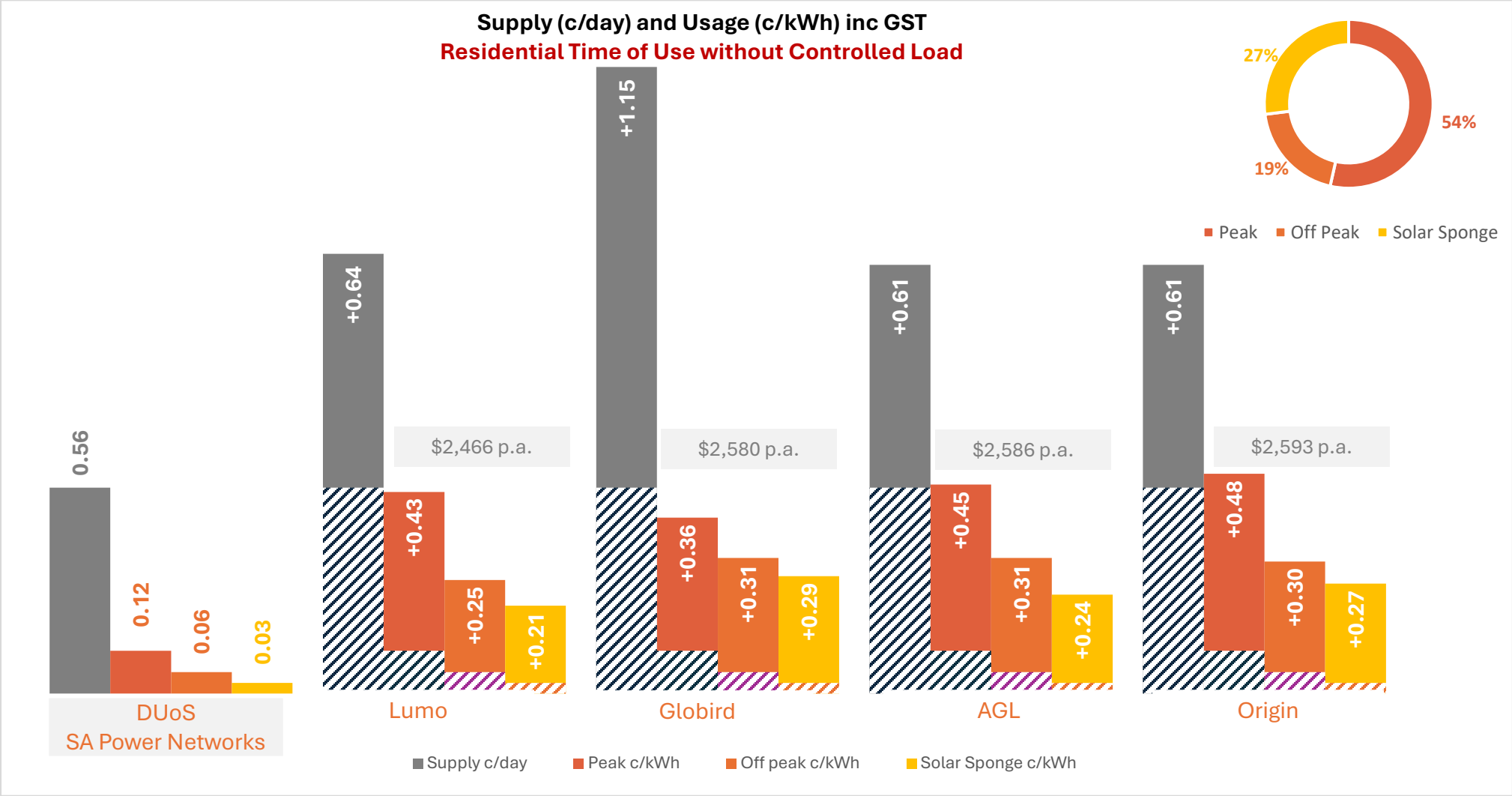


Source: Residential Standing Offer TOU Energy Made Easy – 14.08.2025
Origin’s retail plan is based on the new tariff structure.

Average interval meter Non-Solar customer

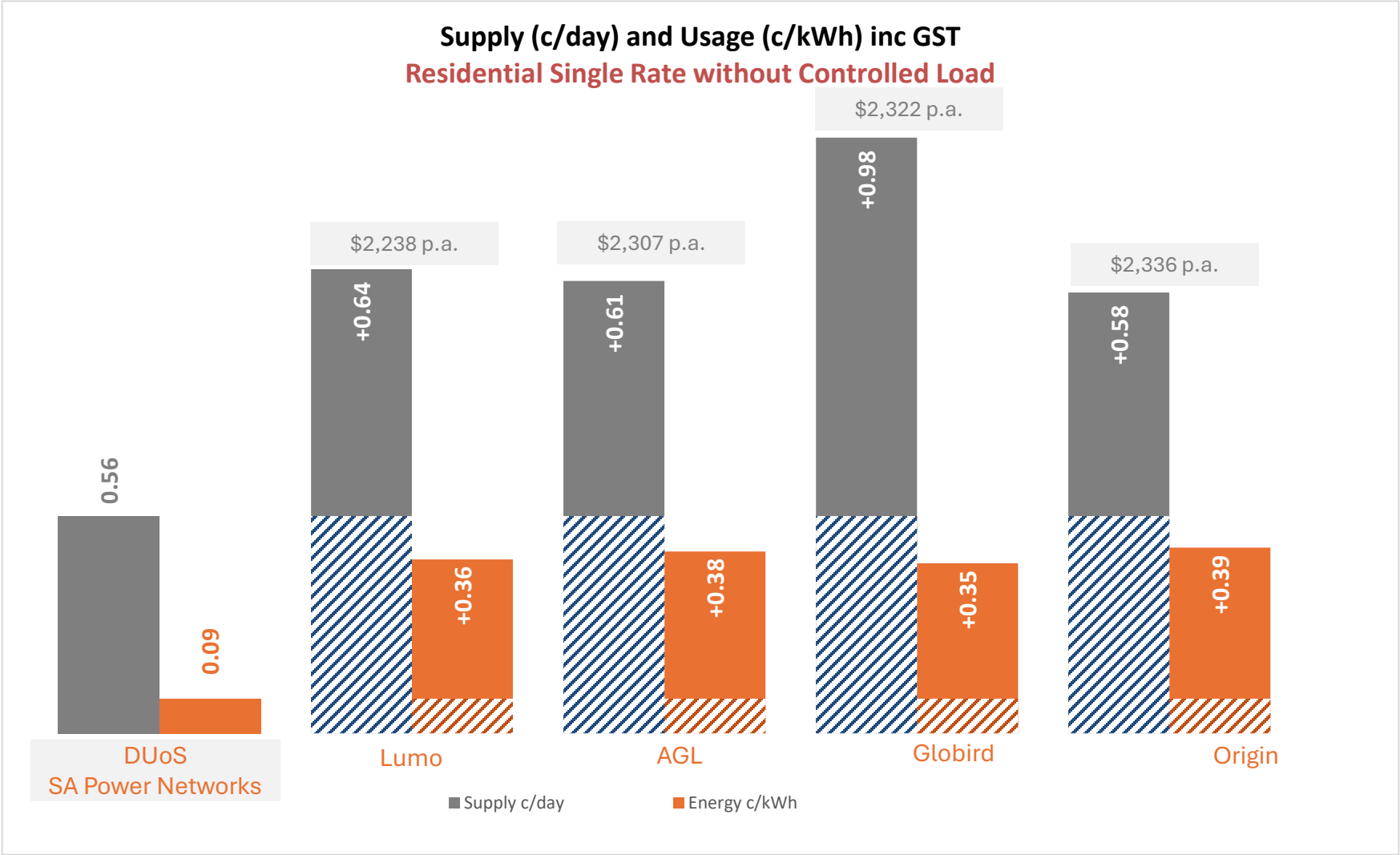
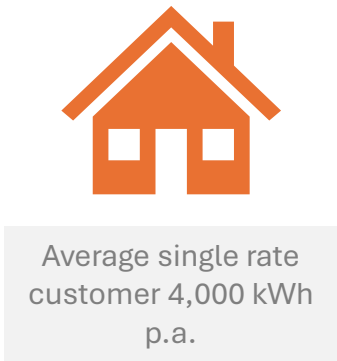


Average Non-Solar
Interval Meter
Customer with 4,585
kWh p.a.



Source: Residential Standing Offer TOU Energy Made Easy – 14.08.2025
Origin’s retail plan is based on the new tariff structure.

Average single rate customer



Source: Residential Standing Offer RSR Energy Made Easy – 14.08.2025

Export feed-in retail offers



No feed in rates

Example:
Retailers' standing offers



Block rates

Example:
1st Energy: Saver - Time of Use
First 5 kWh/day:
\$0.01 per kWh

>5kWh/day:
\$0.001 per kWh



Time of Use/Export

Example:
Globird: Zero Hero VPP
4pm – 9pm:
\$0.03 per kWh

10 am – 2 pm:
\$0.00 per kWh

All other times:
\$0.003 per kWh

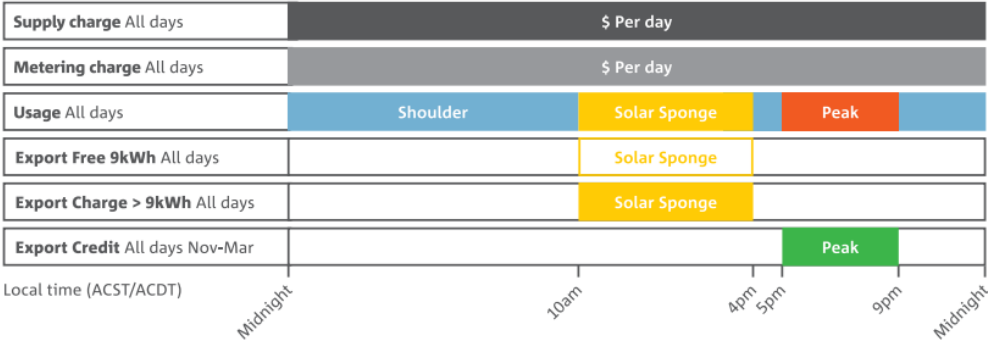


Fixed rate

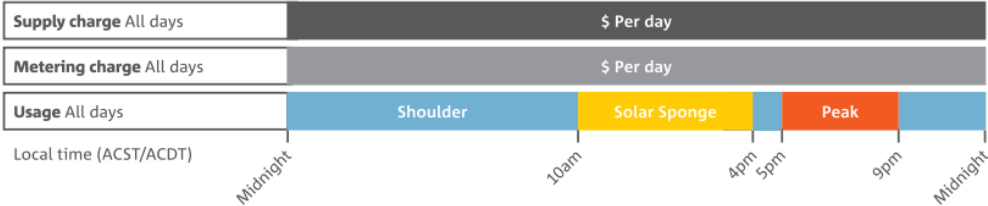
Example:
EnergyAustralia: Rate Fix
\$0.045 per kWh
anytime

Retailers with Electrify tariff time windows

RESELE | Residential Electrify | 0-30kW Export Capacity



RESELENE | Residential Electrify | >30kW Export Capacity



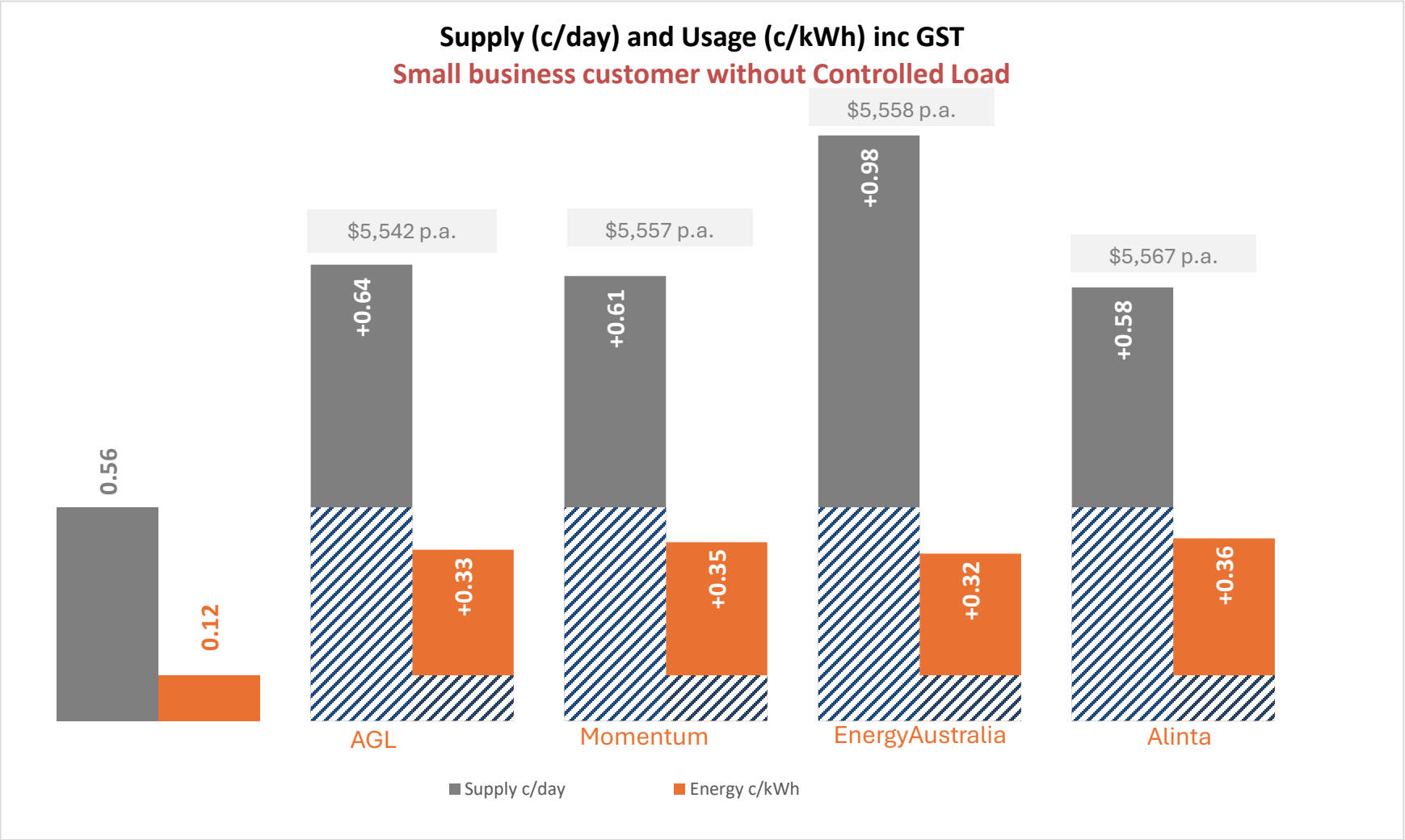
Retailers:

- IO Energy
- Energy Locals – Local Rewards
- Kogan Energy

Average small business customer



Average small business customer
10,000 kWh p.a.



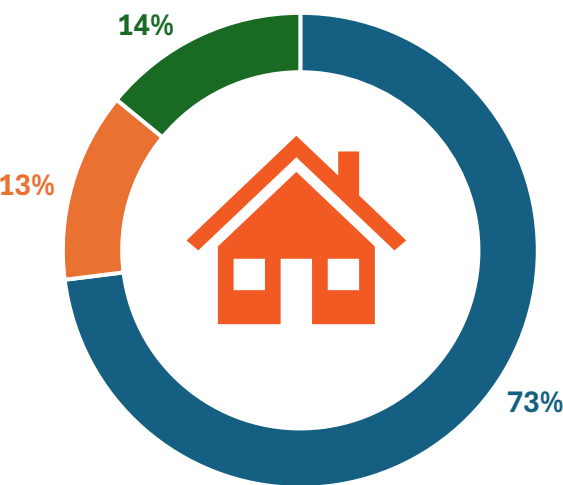
Export Tariffs

Helen White



Export kWh breakdown – July 2025

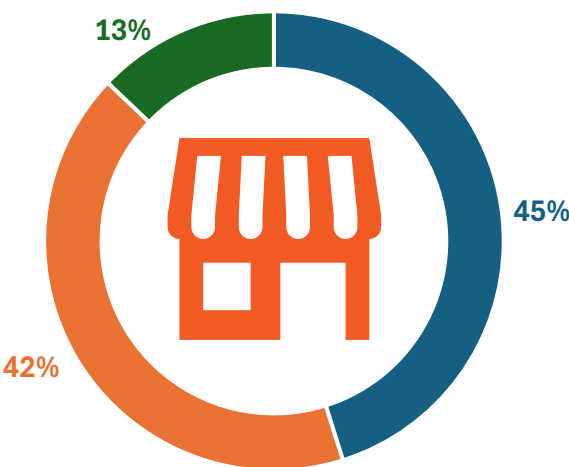
Residential Export



■ Basic Export Level ■ Above Basic Export Level ■ Outside Solar Sponge

\$44.6k was billed in export charges
\$48.8M was billed for Residential consumption

Small and Medium Business Export



■ Basic Export Level ■ Above Basic Export Level ■ Outside Solar Sponge

\$10k was billed in export charges
\$13.8M was billed for Small and Medium consumption

Wrap Up

Heather Merran



Wrap Up

- Other business
- Final questions, comments?
- Agenda items for next TAG
- Next steps, close



Empowering South Australia