



ELECTRICITY TRANSMISSION USE OF SYSTEM PRICES - 1 JULY 2015 TO 30 JUNE 2016

FOR THE NATIONAL ELECTRICITY MARKET

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Approved for Distribution and Use



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IMPORTANT NOTICE

Purpose

AEMO has prepared this document to provide information about the electricity transmission use of system (TUOS) prices, as at the date of publication.

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CONTENTS

IMPORTANT NOTICE	2
1 ELECTRICITY TRANSMISSION USE OF SYSTEM PRICES	4
1.1 Prescribed TUOS services - Locational	4
1.2 Prescribed TUOS services - Non-locational	4
1.3 Prescribed common services	4
2 SCHEDULE OF PRICES FOR 1 JULY 2015 TO 30 JUNE 2016	5
2.1 Locational prices	5
2.2 Common service prices	6
2.3 Non-locational prices	6
2.4 Notes	6
3 EQUALISATION ADJUSTMENTS	7



1 ELECTRICITY TRANSMISSION USE OF SYSTEM PRICES

AEMO's Transmission Use of System (TUOS) charges recover the costs for the provision of shared transmission network services in Victoria, and are calculated in accordance with the National Electricity Rules (NER) and AEMO's pricing methodology¹.

AEMO's TUOS prices apply for the financial year 1 July 2015 to 30 June 2016.

AEMO's TUOS prices are comprised of the following components:

1.1 Prescribed TUOS services - Locational

Locational charges reflect the cost of utilising the network at various locations, to encourage the most efficient use of the existing transmission network. The locational price is based on average maximum demand and is reflective of 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 provision of the shared transmission network and mainly relate to overhead and financing costs. The non-locational price is either an energy price or a capacity price, each of which have 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, easement and land tax etc. The common service price is either an energy price or a capacity price, each of which has a common value across all locations.

¹ <http://www.aemo.com.au/About-AEMO/Corporate-Publications/Energy-Market-Budget-and-Fees/Electricity-Transmission-Use-of-System-Charges>



2 SCHEDULE OF PRICES FOR 1 JULY 2015 TO 30 JUNE 2016

2.1 Locational prices

Point of Supply	TUOS Locational (\$/MW)		
	TUOS Locational Price	GST	Total Price
Altona	20,149	2,015	22,164
Ballarat	28,256	2,826	31,082
Bendigo	34,831	3,483	38,314
Brooklyn	20,935	2,094	23,029
Brunswick	16,838	1,684	18,522
Cranbourne	14,491	1,449	15,940
East Rowville	14,810	1,481	16,291
Fishermans Bend	19,213	1,921	21,134
Fosterville	31,497	3,150	34,647
Geelong	23,271	2,327	25,598
Glenrowan	19,958	1,996	21,954
Heatherton	17,932	1,793	19,725
Heywood	35,001	3,500	38,501
Horsham	44,525	4,453	48,978
Keilor	19,129	1,913	21,042
Kerang	45,990	4,599	50,589
Loy Yang	13,890	1,389	15,279
Malvern	20,431	2,043	22,474
Morwell	6,588	659	7,247
Mount Beauty	5,773	577	6,350
Point Henry	25,308	2,531	27,839
Portland Smelter	41,766	4,177	45,943
Red Cliffs	58,263	5,826	64,089
Richmond	16,873	1,687	18,560
Ringwood	15,543	1,554	17,097
Shepparton	25,447	2,545	27,992
South Morang	15,460	1,546	17,006
Springvale	14,673	1,467	16,140
Templestowe	17,407	1,741	19,148
Terang	41,913	4,191	46,104
Thomastown	16,416	1,642	18,058
Tyabb	18,845	1,885	20,730
Wemen	59,243	5,924	65,167
West Melbourne	18,816	1,882	20,698
Western Port	21,298	2,130	23,428
Wodonga	12,465	1,247	13,712
Yallourn PS G.5	7,414	741	8,155



2.2 Common service prices

(either one of the following)	Common Service		
	Common Service Price	GST	Total Price
Energy Price (\$/MWh)	6.011	0.601	6.612
Capacity Price (\$/MW)	32,654	3,265	35,919

2.3 Non-locational prices

(either one of the following)	TUOS Non-Locational		
	TUOS Non-Locational Price	GST	Total Price
Energy Price (\$/MWh)	3.366	0.337	3.703
Capacity Price (\$/MW)	18,285	1,829	20,114

2.4 Notes

1. AEMO's TUOS prices have been determined in accordance with AEMO's pricing methodology. TUOS prices have been varied by the Victorian network pricing derogation set out in clause 9.8.4 of the NER.
2. The prices apply to metered usage at terminal stations, which are the interfaces between the transmission network and network assets owned by distribution businesses and other transmission-connected customers.
3. Locational charges for 2015-16 are calculated by multiplying the relevant locational price by the average half-hourly maximum demand at a connection point on 10 weekdays when system demand was highest between the hours of 11:00 and 19:00 in the local time zone during the most recently completed 12 month period (1 March 2014 to 28 February 2015).
4. The common service charges and the non-locational charges for 2015-16 may be either:
 - a. The energy price multiplied by the metered energy at the connection point in the period 1 March 2014 to 28 February 2015; or
 - b. The capacity price multiplied by the maximum contract demand for the connection point referable to that period. Note that the 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. Prices for new connection points which do not appear in the schedule will be calculated by AEMO in accordance with the NER.



3 EQUALISATION ADJUSTMENTS

In accordance with clause 9.8.4(a)(3) of the NER, an equalisation adjustment is applied to the monthly TUOS invoices of each distribution business as shown below.

Distribution Business	Equalisation Adjustment (\$ per annum)		
	Exclusive of GST	GST	Total
SPI Electricity (previously TXU)	-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

