Fact Sheet:



Small Business Prices for 2024-25

Issue Date: July 2024

Effective for the 2024-2029 Regulatory Control Period (1 July 2024 – 30 June 2029)

Introduction

The maximum amount of revenue that TasNetworks is allowed to recover from our customers is approved by the Australian Energy Regulator (**AER**) every five years. On 30 April 2024, the AER approved TasNetworks' 2024-2029 revenue proposal.

Additionally, network service providers are required to prepare their annual prices each year in accordance with the National Electricity Rules (**NER**). These annual prices are assessed and approval by the Australian Energy Regulator (**AER**) every year, known as the annual pricing process.

The network charge accounted for approximately 36 per cent of the average small business electricity bill that a customer received in 2023.

This fact sheet provides an update of the network charges that apply to small business customers.

Our network tariffs

TasNetworks offer a range of network tariffs for its small business customers. These network tariffs have different charging characteristics to accommodate the different needs of customers:

- Service charge: this is a daily charge providing access to the distribution network

 it provides the ability for the retail customer to connect to the network.
- **Consumption charge**: this is a volume charge in which retail customers are charged for the amount of energy they consume.
- **Demand charge**: this relates to the rate energy is used – it is directly linked to the maximum demand at a given point in time and is are based on long run marginal costs.

Time periods

Time of use network charges are determined by the time of day you consume energy – which can increase or decrease the amount you pay.

The key time of use periods for our small business time of use network tariffs are peak, shoulder, off-peak and super off-peak (Figure 1).

Figure 1: Time of use period for small business time	
of use network tariffs.	

	TAS94	TAS88	TAS98
Peak	7am-10am	7am-10am	7am-10am
	4pm-9pm	4pm-9pm	4pm-9pm
	(Mon-Fri)	(Mon-Fri)	(Mon-Fri)
Shoulder	10am-4pm	Not	Not
	(Mon-Fri)	applicable	applicable
Off-peak	All other	All other	All other
	times	times	times

The low voltage small business general light and power (TAS22) is a flat rate network tariff – this means that consumption is charged at the same rate any time of the day.

For more information

To find out more visit our website:

https://www.tasnetworks.com.au/Polesand-wires/Pricing/Our-prices

Alternatively contact us at: TasNetworks PO Box 606 Moonah 7009 Phone: 1300 137 008

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Our network charges for 2024-25

Small business time of use consumption (TAS94)

TAS94 is the default network tariff for all new small business customers and/or those businesses who have newly installed advanced meters. This tariff offers customers lower prices during off-peak periods.

Small business time of use consumption (TAS94)			
Service charge	cents/day	83.780	
Peak charge	cents/kWh	16.784	
Shoulder charge	cents/kWh	9.886	
Off-peak charge	cents/kWh	2.426	

Low voltage small business time of use demand (TAS88)

TAS88 is a time of use demand tariff for small business customers. This tariff has two charging components: peak and off-peak.

LV small business time of use demand (TAS88)			
Service charge	cents/day	92.661	
Peak demand charge	cents/ KW/day	68.628	
Off-peak demand charge	cents/ KW/day	22.853	

Low voltage small business consumer energy resources (TAS98)

TAS98 is a time of use demand tariff for small business customers who have deployed consumer energy resources (**CER**) behind the meter. This tariff has two charging components: peak and off-peak.

LV small business time of use demand CER (TAS98)

Service charge	cents/day	92.661
Peak demand charge	cents/ KW/day	68.628
Off-peak demand charge	cents/ KW/day	22.853

Low voltage general (TAS22)

TAS22 is a flat-rate tariff for small business general light and power. Note, this tariff is now obsolete and unavailable for new customers or those on a time of use tariff.

LV small business general (TAS22)			
Service charge	cents/day	63.694	
Energy charge	cents/kWh	10.316	





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How does the small business time of use consumption (TAS94) and the flat rate (TAS22) tariff compare?

The chart below shows a comparison in the nominal terms, the annual cost for customers on the default small business time of use consumption (TAS94) network tariff, and small business general light and power (TAS22) network tariff (flat rate) between medium and high use customers in the 2024-25 financial year.

The following consumption scenarios are assumed for small business customers:

- Customers with medium energy usage, consuming around 33,578kWh annually, could save \$588 (16%) annually by transitioning from the flat-rate TAS22 tariff to the time-of-use TAS94 tariff.
- For TAS22 customers with high energy consumption, around 71,213kWh per year, switching to TAS94 could yield savings of \$1,183 (15.6%) annually.

Comparing TAS94 and TAS22 reveals the financial advantages of time-of-use charging methods over flat-rate structures like TAS22. This assessment assumes consistent energy consumption across customers with no alterations in usage behaviour.

Figure 2: Typical customer impact of annual network charges between the default time of use consumption (TAS94) and the flat rate (TAS22) network tariffs for 2024-25.

