



Distribution Network Pricing Arrangements Rule Change Workshop One – Network Pricing Framework

Agenda
Thursday 13 March 2014
AEMC Office, Level 6, 201 Elizabeth Street, Sydney

Time	Item
From 9.45am	Registration and tea/coffee
10.00am	Welcome and opening remarks – Richard Owens, Director, AEMC
10.05am	Introduction and objective of the workshop - Richard Owens, Director, AEMC
10.15am	<p><i>Session 1 - What should be the key objectives of the network pricing framework?</i></p> <p>This session will discuss some of the potential objectives that a robust pricing framework should be achieving, including:</p> <ul style="list-style-type: none"> • enabling distribution network businesses to set annual network prices that recover their allowed revenues over the regulatory period; • appropriate verification and oversight by the regulator that proposed network tariff structures and prices comply with the rules; • allowing adequate notification of annual network tariff structures and pricing changes; • a network tariff development process that incorporates consultation with retailers and consumers in the development of network tariffs; and • promoting a better understanding of the pricing signals network tariffs are trying to send. <p>This session will commence with a brief presentation from Richard Owens, Director, AEMC followed by general discussion with participants. Discussion chair will be Richard Owens, Director, AEMC.</p>
11.30am	Morning tea break
11.45am	<p><i>Session 2 - Do the rule change proposals meet the pricing framework objectives?</i></p> <p>This session will examine how key elements of the rule change proposals from SCER and IPART meet some of the objectives of the pricing framework and what some of the trade-offs are likely to be. It will include discussion of:</p> <ul style="list-style-type: none"> • the pros and cons of distribution network businesses providing information on tariffs structures and price levels that are binding or non-binding during the regulatory period; • the pros and cons of tariff structure development occurring separately from the annual pricing process; • the role of the regulator in assessing tariff compliance with the pricing principles; • the value of consultation with retailers and consumers on the development of network tariffs; and • how consultation could be taken into account by distribution network businesses in developing their network tariff structures and prices. <p>This session will commence with a brief presentation from Emma Fishburn, Advisor, AEMC followed by general discussion with participants. Discussion chair will be Richard Owens, Director, AEMC.</p>
12.55pm	Closing remarks and next steps - Richard Owens, Director, AEMC
1.00pm	End of workshop