

# AusNet Services – Customer Forum

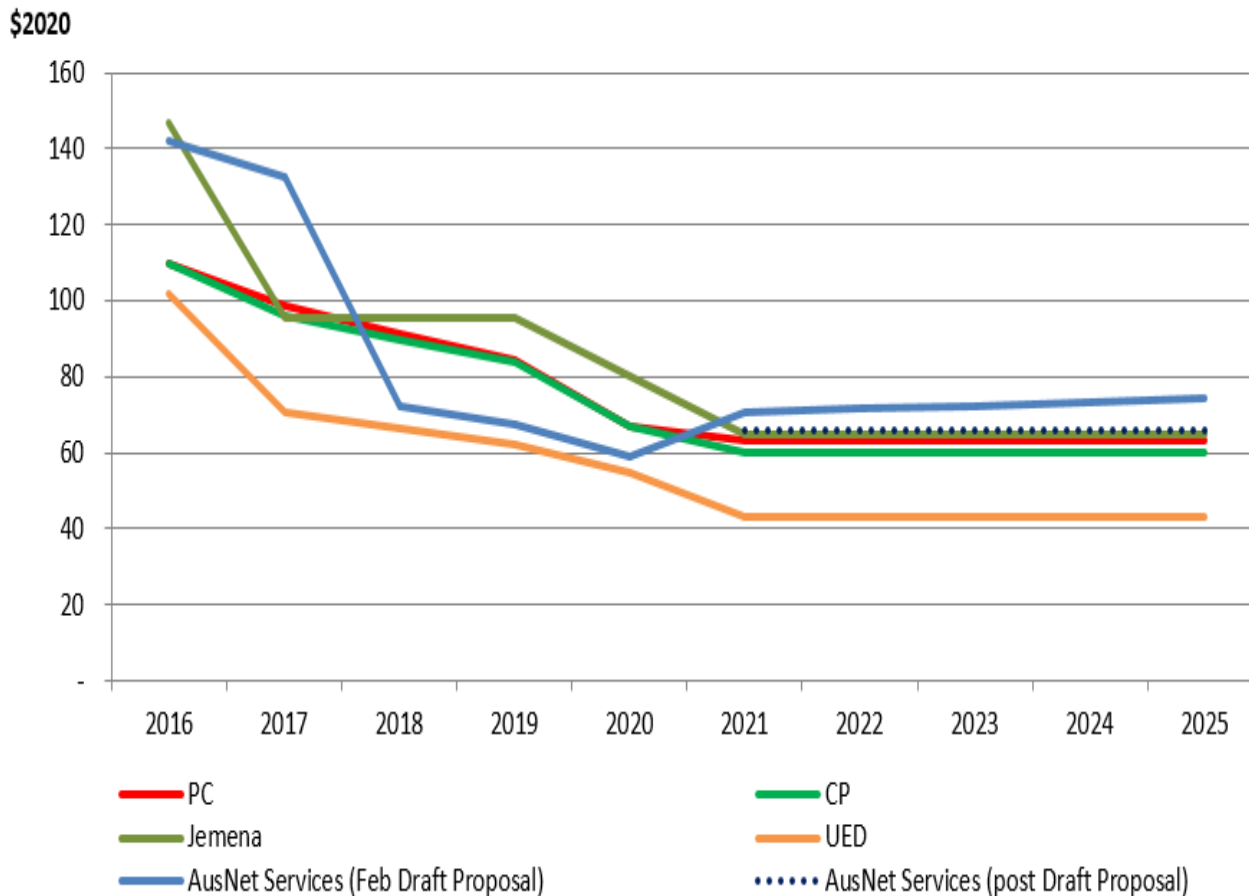
## Metering Discussion



15 April 2019

**mission**zero

# Comparison of average metering charges per customer



- Metering charges are declining post 2020 across all DBs
- Draft proposals do not disclose the annual capex and opex
- Recent information on the extent of efficiency gains being made in the metering business mean that our forecast operating costs and charges for 2021-25 are expected to reduce further

# Metering – 4G Upgrade Timetable

- ▶ **Public statement from Telstra July 2018** - *“Telstra intends that the 3G network will remain in service until at least 2020. Closure activities may commence from 2020 although initially this is more likely to be simple re-purposing of part of the 3G spectrum (as 3G capacity becomes freed from migration to 4G) with no material impacts on our 3G customer base. Full or partial geographic closure may occur any time after 2020, but would be unlikely before 2022”*
- ▶ Telstra shutdown the 2100 MHz (Band-1) of it’s 3G frequency in March 2019 which indicates progression towards 3G shutdown has commenced
- ▶ Telstra has not provided AusNet with any updated timeframes regarding 3G network shutdown. The AusNet Services' Metering business is scheduled to upgrade our AMI network commencing in 2021 and completing before end of 2022 to ensure there is no impact to business operations.
- ▶ Our Victorian distribution peers have confirmed their 4G upgrade timelines are aligned with ours.



## Metering – Updates since draft submission

- ▶ **4G Upgrade** - A secondary review of the 4G upgrade costs has identified a reduction in costs from initial estimates. We estimate this to be circa 20% reduction.
- ▶ **Metering OPEX** – Our metering operating costs will be baseline against CY2018 and after finalising these numbers we expect this will result in a reduction from initial OPEX estimates.
- ▶ **Meter Replacement CAPEX** - We have revised down a number of CAPEX items from initial estimates based on updated meter fault rate data and planned activities.

AusNet Services expects the final metering numbers show a reduction in OPEX and CAPEX costs and resulting metering charge