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# Temporary electricity supply connection changes 2019–24

#### What is temporary electricity supply?

Temporary electricity supply connections are provided by Evoenergy for construction sites and special events. After an agreed period, the temporary electricity supply either becomes a permanent connection, or is disconnected.

From 1 July 2019, Evoenergy will introduce changes to the way customers are charged for temporary electricity supply, following the approval of the 2019–24 regulatory control period by the Australian Energy Regulator. Details of temporary electricity supply charges are outlined in the <u>Connection Policy</u> published on the Evoenergy website.

#### What changes are being made?

From 1 July 2019, the full cost of the temporary electricity supply connections must be paid up front. In some cases, customers may be eligible for a partial refund of the up-front connection cost after the temporary supply is disconnected or converted to a permanent supply. These new charges apply to all temporary connections not considered a basic connection.

#### What do temporary electricity supply charges cover?

The cost of temporary electricity supply connections covers the equipment we use, and the work performed by Evoenergy staff.

#### Will I get a refund?

Customers will be entitled to a partial refund of the up-front connection cost if Evoenergy can recover major equipment after disconnection or conversion to permanent supply, for example, a padmount (ground-mounted) substation. The partial refund amount is calculated on a case-by-case basis. It is based on the depreciated value of the recovered equipment less the amount of disconnection costs.

#### How is the refund amount calculated?

Recovered equipment is depreciated at 5% per annum applied pro rata for the duration of temporary connection. This means a partial refund will be the original value of recoverable equipment, minus depreciation and any associated disconnection costs.

#### Is there any refund for the underground cables?

Evoenergy generally does not recover underground cables. However, if the cables are intended to be used for a permanent connection to the site, the cost of these cables will not be included in the quote for the permanent connection.

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#### Are there any other costs associated with temporary electricity supply?

No. Costs associated with connection, disconnection, the removal of equipment, and any network alterations is included in the initial quote, and paid up-front. Costs associated with the establishment of a permanent connection after an agreed period must be quoted separately.

#### When do the new charges take effect?

The new charges will apply to all temporary electricity supply applications accepted after 1 July 2019.

#### Example of new charging model\*

Charge (STEP 1)	Amount
Labour costs	\$5,500
Plant	\$500
Materials (non-recoverable)	\$10,000 e.g. cables
Material (recoverable)	\$50,000 e.g. substation
Civil costs	\$5,000
Total Cost	\$71,000 (invoiced and payable prior to connection)

Refund (STEP 2)	Amount
Materials (recoverable)	\$50,000
Less costs and depreciation (recoverable)	\$5,000 2 years @ 5%(pa) x \$50,000
Labour	\$4,000 field cost of removing/reinstating e.g. network redesign
Refund	\$41,000 (resulting in a net cost of \$30,000)

\*At disconnection or conversion to permanent supply after a temporary supply for two years or more.

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