

## What is the price change based on?

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The price changes are based on changes in our cost structure including Wholesale costs, network costs, environmental costs and changes in the government Default market offer pricing.

The rates which you pay are based on a number of factors such as the offer you are on, the distributor in your area and the energy tariff assigned to your property. Therefore, price impacts may vary from customer to customer.

## What is a Default Market Offer?

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The Default Market Offer (DMO) is the annual maximum total bill amount (or a reference price) that electricity retailers can charge for its 'standing offer' prices. The DMO is based on a set average usage amount which is determined by the Australian Energy Regulator (AER).

The DMO acts as a cap on annual standing offer costs for:

1. Residential customers on a flat tariff
2. Residential customers on a flat tariff with controlled load
3. Small Business customers on a flat tariff
4. Residential Time of Use
5. Residential Time of Use with controlled load

This includes customers on a solar feed in tariff.

Electricity Retailers must set their standing offer prices to ensure the DMO is not exceeded for the above tariff combinations based on the criteria set out by the AER.

For all other tariffs and for market offers, electricity retailers will use the DMO as a reference price to compare their energy offers to.

## Why was the Default Market Offer being introduced?

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The Federal Government is introducing the Default Market Offer to lower standing offer prices and to act as a reference price to make it easier for consumers to compare energy offers across different providers.

## What is the difference in the DMO from 30 June 1 July 2021?

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The table below shows the changes in DMO pricing that are effective from 1 July 2021

Default Market Offer prices in 2021-22

Network distribution region	DMO Price	Residential customers	Residential customers	Small Business customers
		(without controlled load)	(with controlled load)	(without controlled load)
<b>Ausgrid</b> (Greater Sydney area)	DMO Price	\$1,393	\$1,912	\$6,900
	for annual usage of	3,900 kWh	General usage 4,800 kWh + CL 2,000 kWh	20,000 kWh
	Difference to DMO 2020-21	-\$69 (-4.7%)	-\$112 (-5.5%)	-\$340 (-4.7%)
<b>Endeavour</b> (Sydney's Greater West, Blue Mountains, Southern Highlands and NSW South Coast)	DMO Price	\$1,609	\$2,014	\$5,736
	for annual usage of	4,900 kWh	General usage 5,200 kWh + CL 2,200 kWh	20,000 kWh
	Difference to DMO 2020-21	-\$102 (-6.0%)	-\$151 (7.0%)	-\$441 (-7.1%)

I am a residential customer in Ausgrid's network area and I have a flat tariff only. Does the DMO mean my annual total electricity charges have to be less than \$1,462 per year?

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No. The DMO is set based on annual usage of 3,900 kWh. Electricity retailers must ensure their prices are set to come under the cap based on the 3,900kWh per annum reference point. Your actual annual energy costs will vary depending on your actual annual energy usage.

I am on Time of Use rates, does the Default Market Offer cap apply to me?

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Yes, the DMO does apply to Time of Use Rates and Seasonal Time of Use Tariffs?

## What is a Seasonal Time of Use Tariff?

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All new time of use tariffs (both standard and traditional) are now 'seasonal'. That is, the peak, off-peak and shoulder periods will vary depending on time of year.

## What are the times for the different charge periods for a seasonal time of use tariff?

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Ausgrid

Summer (1 Nov-31 Mar) Peak usage 2pm-8pm, Mon-Fri excl. public holidays Winter (1 Jun-31 Aug) Peak usage 5pm-9pm, Mon-Fri excl. public holidays
Off Peak usage 10pm-7am, Mon-Sun
Summer (1 Nov-31Mar) Shoulder usage 7am-2pm, 8pm-10pm, Mon - Fri Winter (1 Jun-31 Aug) Shoulder usage 7am-5pm, 9pm-10pm, Mon - Fri Non-seasonal period (1 April-31 May, 1 Sept-31 Oct) Shoulder usage 7am-10pm, Mon-Fri All time Shoulder usage 7am-10pm Sat-Sun and Public Holidays

Endeavour

High season Peak 4pm - 8pm on business days from 1 Nov to 31 March
Low season Peak 4pm - 8pm on business days from 1 April to 31 October
Off Peak All other times

## What if I am on a discounted rate?

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Your current discount will apply to the 12 month anniversary of the contract and then will be reviewed.