

14 March 2023 – Adjustment event (large plant connection)

Question:

What is the criteria for assessing whether a new embedded load meets the threshold for the benefit-based charge 'large plant' adjustment event.

Response:

The criteria for assessing whether a new embedded load meets the threshold for a benefit-based charge 'large plant' adjustment event is the rated capacity of the plant's assets to consume or take electricity. Importantly, rated capacity is not how much it actually does take, but how much it has been designed to take (or, what its 'name plate' capacity to consume or take electricity is).

Refer to the definition in the TPM of **capacity**:

capacity means the rated capacity of an asset to (as the case may be)—
(a) consume or generate **electricity**; or
(b) take **electricity** from or inject **electricity** into a **network**; or
(c) transmit or **distribute electricity**,
in each case measured in units appropriate for the context

The TPM also requires that the test against the threshold must consider a series of incremental upgrades (or de-ratings) if they would meet the threshold if undertaken at the same time. Refer to clause 81(3)(c):

- (3) For the purposes of paragraphs (1)(d) and (1)(e)—
- (a) a **large upgrade** of existing **plant** is treated as the connection of **large plant** equivalent in size to the **upgrade**; and
 - (b) a **large de-rating** of existing **plant** is treated as the disconnection of **large plant** equivalent in size to the **de-rating**; and
 - (c) a series of incremental **upgrades or de-ratings** of existing **plant** is treated as a **large upgrade or large de-rating** (as the case may be) if the incremental **upgrades or de-ratings** would constitute a **large upgrade or large de-rating** if undertaken at the same time.

Your questions have helped progress our thinking on how to give effect to these requirements, which is something we are working to understand ourselves so we can help provide our customers with more clarity.

As communicated to our customers on 24 February 2023, we will be writing to all customers to seek confirmation they have notified us of any large plant connection(s), disconnection(s) or upgrade(s) their network during the year ending 30 June 2023.