

# Final Decision

**TasNetworks**

**Electricity Distribution**

**Determination 2024 to 2029**

**(1 July 2024 to 30 June 2029)**

**Attachment 13**

**Classification of services**

**April 2024**

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**Amendment record**

Version	Date	Pages
1	30 April 2024	17

## List of attachments

This attachment forms part of the AER's final decision on the distribution and transmission determination that will apply to TasNetworks for the 2024–29 period. It should be read with all other parts of the final decision.

As a number of issues were settled at the draft decision stage or required only minor updates, we have not prepared all attachments. The final decision attachments have been numbered consistently with the equivalent attachments to our draft decision. In these circumstances, our draft decision reasons form part of this final decision.

The final decision includes the following documents:

Overview

### **Distribution determination attachments**

Attachment 1 – Annual revenue requirement

Attachment 2 – Regulatory asset base

Attachment 4 – Regulatory depreciation

Attachment 7 – Corporate income tax

Attachment 13 – Classification of services

Attachment 14 – Control mechanisms

Attachment 16 – Alternative control services

Attachment 18 – Connection policy

Attachment 20 – Metering Services

### **Transmission determination attachments**

Attachment 1 - Maximum allowed revenue

Attachment 2 – Regulatory asset base

Attachment 4 – Regulatory depreciation

Attachment 5 – Capital expenditure

Attachment 7 – Corporate income tax

## Contents

List of attachments .....	iii
A AER draft decision on service classification of TasNetworks distribution services 2024–29 .....	1

## A AER final decision on service classification of TasNetworks distribution services 2024–29<sup>1</sup>

Service group / Activities included	Further description	Current classification 2019–24	Proposed classification 2024–29
<b>Common distribution services — use of the distribution network for the conveyance/flow of electricity (including services relating to network integrity)</b>			
Common distribution services	<p>The suite of activities that includes, but is not limited to, the following:</p> <ul style="list-style-type: none"> <li>the planning, design, repair, maintenance, construction and operation of the distribution network</li> <li>the relocation of assets that form part of the distribution network but not relocations requested by a third party (including a customer)</li> <li>works to fix damage to the network<sup>2</sup> (including recoverable works caused by a customer or third party)</li> <li>support for another network during an emergency event</li> <li>procurement and provision of network demand management activities for distribution purposes</li> <li>activities related to 'shared asset facilitation' of distributor assets<sup>3</sup></li> <li>emergency disconnections for safety reasons and work conducted to restore a failed component of the distribution system to an operational state upon investigating a customer outage</li> </ul>	Standard control	Standard control

<sup>1</sup> The examples and activities listed in the 'Further description' column are not intended to be an exhaustive list and some distributors may not offer all activities listed. Rather the examples provide a sufficient indication of the types of activities captured by the service.

<sup>2</sup> May include the provision of temporary stand-alone power systems to restore supply.

<sup>3</sup> Revenue for these services is charged to the relevant third party and is treated in accordance with the shared asset guideline. 'Shared asset facilitation' refers to administrative costs of providing the unregulated service.

Service group / Activities included	Further description	Current classification 2019–24	Proposed classification 2024–29
	<ul style="list-style-type: none"> <li>• bulk supply point metering – activities relating to monitoring the flow of electricity through the distribution network.</li> <li>• neutral integrity test – to identify the source of a fault following detection from a network issued device. Rectification work to render the network safe is limited to distribution network infrastructure.</li> <li>• rectification of simple customer fault relating to a life support customer or other critical health and safety issues the distributor is able to address</li> <li>• rectification of simple customer fault where: <ul style="list-style-type: none"> <li>– the need for rectification work is discovered in the course of the provision of distribution services,</li> <li>– the work performed is the minimum required to restore safe supply, and</li> <li>– the work can be performed in less than thirty minutes and does not normally require a second visit.</li> </ul> </li> <li>• establishment and maintenance of National Metering Identifiers (NMIs) in market and/or network metering systems, and other market and regulatory obligations</li> <li>• inspection of private electrical works (not part of the shared network) required under legislation for safety reasons</li> <li>• private pole inspection as directed by the Tasmanian Government.</li> <li>• supply abolishment of basic connection</li> <li>• work related to a regulated stand-alone power system (SAPS) deployment, operation and maintenance (including fault and emergency repairs<sup>4</sup>), and customer conversion activities.</li> </ul> <p>Such services do not include a service that has been separately classified including any activity relating to that service.</p>		

<sup>4</sup> Includes simple customer fault rectification on generation service of regulated SAPS.

Service group / Activities included	Further description	Current classification 2019–24	Proposed classification 2024–29
<b>Network Ancillary services — customer and third-party initiated services related to the common distribution service</b>			
Design related services	Activities include: <ul style="list-style-type: none"> <li>• provision of design information, design rechecking services in relation to connection and relocation works provided contestably.</li> <li>• specialist services (which may involve design related activities and oversight/inspections of works), where the design or construction is non-standard, technically complex or environmentally sensitive and any enquiries related to distributor assets.</li> <li>• the provision of engineering consulting (related to the shared distribution network).</li> </ul>	Alternative control	Alternative control
Access permits, oversight and facilitation	Activities include: <ul style="list-style-type: none"> <li>• issuing access permits or clearances to work to a person authorised to work on or near distribution systems including high and low voltage.</li> <li>• issuing confined space entry permits and associated safe entry equipment to a person authorised to enter a confined space</li> <li>• providing access to switch rooms, substations and other network equipment to a non- Local Network Service Provider party who is accompanied and supervised by a TasNetworks staff member. May also include a distributor providing safe entry equipment (fall-arrest) to enter difficult access areas.</li> <li>• facilitation of generator connection and operation of the network.</li> <li>• facilitation of activities within clearances of distributor's assets, including physical and electrical isolation of assets.</li> </ul>	Alternative control	Alternative control
Notices of arrangement and completion notices	Examples include: <ul style="list-style-type: none"> <li>• Work of an administrative nature where a local council requires evidence in writing from the distributor that all</li> </ul>	Alternative control	Alternative control

Service group / Activities included	Further description	Current classification 2019–24	Proposed classification 2024–29
	<p>necessary arrangements have been made to supply electricity to a development. This includes receiving and checking subdivision plans, copying subdivision plans, checking and recording easement details, assessing supply availability, liaising with developers if errors or changes are required and preparing notifications of arrangement.</p> <ul style="list-style-type: none"> <li>• Provision of a completion notice (other than a notice of arrangement). This applies where the distributor is requested to provide documentation confirming progress of work. Usually associated with discharging contractual arrangements (e.g. progress payments) to meet contractual undertakings.</li> </ul>		
Network related property services	<p>Activities include:</p> <ul style="list-style-type: none"> <li>• Network related property services such as property tenure services related to providing advice on, or obtaining: deeds of agreement, deeds of indemnity, leases, easements or other property tenure in relation to property rights associated with connection or relocation.</li> <li>• Conveyancing inquiry services relating to the provision of property conveyancing information at the request of a customer.</li> <li>• Responding to enquiries from planning authorities to assess the works TasNetworks will need to undertake to give effect to the planning authority’s planning applications.</li> </ul>	Alternative control	Alternative control
Network safety services	<p>Examples include:</p> <ul style="list-style-type: none"> <li>• provision of traffic control and safety observer services by the distributor or third party where required.</li> <li>• fitting of visual warning devices, such as tiger tails, and aerial markers</li> <li>• fitting of wildlife mitigation including possum guards and bird flappers</li> <li>• third party requests for de-energising wires for safe approach</li> <li>• high load escorts.</li> </ul>	Alternative control	Alternative control



Service group / Activities included	Further description	Current classification 2019–24	Proposed classification 2024–29
	<ul style="list-style-type: none"> <li>customer requested network inspection undertaken to determine the cause of a customer outage where there may be a safety and or reliability impact on the network or related component and associated works to rectify a customer caused impact on the network.<sup>5</sup></li> </ul>		
Network tariff change requests	<p>Activities including a retailer's customer or retailer requesting an alteration to an existing network tariff (for example, a change from a Block Tariff to a Time of Use tariff), requiring the distributor to conduct tariff and load analysis to determine whether the customer meets the relevant tariff criteria.</p> <p>Where a distributor processes changes in its IT systems to reflect a tariff change request.</p>	Alternative control	Alternative control
Services provided in relation to a Retailer of Last Resort (ROLR) event	<p>The distributors may be required to perform a number of services as a distributor when a ROLR event occurs. For example:</p> <p>Preparing lists of affected sites and reconciling data with AEMO listings, arranging estimate reads for the date of the ROLR event, preparing final invoices and miscellaneous charges for affected customers, extracting customer data, providing it to the ROLR and handling subsequent enquiries.</p>	Alternative control	Alternative control
Customer requested network outage or rescheduling of a planned interruption	<p>Examples include:</p> <ul style="list-style-type: none"> <li>customer initiated network outage (e.g. to allow customer and/or contractor to perform maintenance on the customers assets, work close or for safe approach).</li> <li>where a customer requests the rescheduling of a planned interruption and agrees to fund the additional cost of performing this distribution service outside of normal business hours or at an alternative agreed time.</li> </ul>	Alternative control	Alternative control

<sup>5</sup> An ACS charge is not applicable where it is determined the customer outage was caused by a fault on the network.

Service group / Activities included	Further description	Current classification 2019–24	Proposed classification 2024–29
Attendance at customers' premises to perform a statutory right where access is prevented	A follow up attendance at a customer's premises to perform a statutory right where access was prevented or declined by the customer on the initial visit.	Alternative control	Alternative control
Inspection and auditing services	Activities include: <ul style="list-style-type: none"> <li>• inspection of and reinspection of gifted assets or assets that have been installed or relocated by a third party</li> <li>• investigation, review and implementation of remedial actions that may lead to corrective and disciplinary action of a third party service provider due to unsafe practices or substandard workmanship</li> <li>• auditing of a third party service provider's work practices in the field</li> <li>• re-test at a customer's installation, where the installation fails the initial test and cannot be connected.</li> <li>• inspection of private electrical wiring work undertaken by an electrical contractor</li> <li>• inspection of privately owned low voltage or high voltage network infrastructure (i.e. privately owned distribution infrastructure located before the meter).</li> </ul>	Alternative control	Alternative control
Provision of training to third parties for network related access	Training services provided to third parties that result in a set of learning outcomes that are required to obtain a distribution network access authorisation specific to a distributor's network. Such learning outcomes may include those necessary to demonstrate competency in the distributor's electrical safety rules, to hold an access authority on the distributor's network and to carry out switching on the distributor's network. Examples of training might include high voltage training, protection training or working near power lines training.	Alternative control	Alternative control
Authorisation and approval of third party service	Activities include:	N/A	Alternative control

Service group / Activities included	Further description	Current classification 2019–24	Proposed classification 2024–29
providers' design, work and materials	<ul style="list-style-type: none"> <li>• authorisation or re-authorisation of individual employees and subcontractors of third party service providers and additional authorisations at the request of the third party service providers (excludes training services)</li> <li>• acceptance of third party designs and works</li> <li>• assessing an application from a third party to consider approval of alternative material and equipment items that are not specified in the distributor's approved materials list.</li> </ul>		
Security lights	Provision, installation, operation, and maintenance of equipment mounted on distribution equipment used for security services, e.g. nightwatchman lights.  Note: excludes connection services.	Alternative control	Alternative control
Customer initiated network asset relocations/re-arrangements	Relocation of assets that form part of the distribution network in circumstances where the relocation is initiated by a third party (including a customer).	N/A	Alternative control
Customer requested provision of electricity network data	Provision of data requested by customers or third parties including requests electricity network data or consumption data outside of legislative obligations.	N/A	Alternative control
Third party funded network alterations or other improvements	Alterations or other improvements to the shared distribution network to enable third party infrastructure (e.g. NBN Co telecommunications assets) to be installed on the shared distribution network.  This does not relate to upstream distribution network augmentation.	N/A	Alternative control
<b>Metering services — activities relating to the measurement of electricity supplied to and from customers through the distribution system (excluding network meters)</b>			

Service group / Activities included	Further description	Current classification 2019–24	Proposed classification 2024–29
Type 1 to 4 metering services	Type 1 to 4 metering installations <sup>6</sup> and supporting services are competitively available.	Not classified	Not classified
Type 5 and 6 maintenance, reading and data services (legacy meters)	Activities include: <ul style="list-style-type: none"> <li>• Testing, inspecting, investigating, maintaining or altering existing type 5 or 6 metering installations or instrument transformers.</li> <li>• Quarterly or other regular reading of metering installations including field visits and remotely read meters.</li> <li>• Metering data services, including the collection, processing, storage and delivery of metering data, the provision of metering data in accordance with regulatory obligations, remote or self-reading at difficult to access sites, and the management of related NMI Standing Data in accordance with the NER.</li> </ul>	Alternative control	Alternative control
Auxiliary metering services (Type 5 to 7 metering installations)	Activities include: <ul style="list-style-type: none"> <li>• off-cycle meter reads for type 5 and 6 meters including move in and move out meter reading (type 5 and 6 meters)</li> <li>• type 5 meter final read on removed type 5 metering equipment</li> <li>• requests to test, inspect and investigate, or alter an existing type 5 or 6 metering installation</li> <li>• testing and maintenance of instrument transformers for type 5 and 6 metering purposes and type 5 to 7 non-standard metering services</li> <li>• works to re-seal a type 5 or 6 meter due to customer or third party action (e.g. by having electrical work done on site)</li> </ul>	Alternative control	Alternative control

<sup>6</sup> Includes the instrument transformer, as per the definition of a 'metering installation' in Chapter 10 of the NER.

Service group / Activities included	Further description	Current classification 2019–24	Proposed classification 2024–29
	<ul style="list-style-type: none"> <li>changes to distributor load control relay channel on request that is not a part of the initial load control installation, nor part of standard asset maintenance or replacement</li> <li>emergency maintenance of metering equipment not owned by the distributor (contestable meters).</li> </ul>		
Type 7 metering services	Administration and management of type 7 metering installations in accordance with the NER and jurisdictional requirements.	Standard control	Standard control
Meter recovery and disposal – type 5 and 6 (legacy meters)	Activities include the removal and disposal of a type 5 or 6 metering installation.	N/A	Alternative control
Distributor arranged outage for purposes of replacing metering	At the request of a retailer or metering coordinator provide notification to affected customers and facilitate the disconnection/reconnection of customer metering installations where a retailer planned interruption cannot be conducted.	N/A	Alternative control
<b>Connection services — services relating to the electrical or physical connection of a customer to the network<sup>7</sup></b>			
Basic connection services	<p>Means a <i>connection service</i><sup>8</sup> related to a connection (or a proposed connection) between a <i>distribution system</i> and a retail customer's premises (excluding a non-registered embedded generator's premises) in the following circumstances:</p> <p>(a) either:</p> <ol style="list-style-type: none"> <li>1) the <i>retail customer</i> is typical of a significant class of retail customers who have sought, or are likely to seek, the service; or</li> </ol>	N/A	Alternative control

<sup>7</sup> Applies to both NER chapter 5 and 5A connections

<sup>8</sup> Italics denotes definitions in Chapter 5A of the NER.

Service group / Activities included	Further description	Current classification 2019–24	Proposed classification 2024–29
	<p>2) the retail customer is, or proposes to become, a <i>micro embedded generator</i>; and</p> <p>(b) the provision of the service involves minimal or no <i>augmentation, or extension, of the distribution network</i>; and</p> <p>(c) a <i>model standing offer</i> has been approved by the AER for providing that service as a <i>basic connection service</i>.</p>		
Standard connection services	<p>Means a <i>connection service</i> related to a connection (or a proposed connection) between a distribution system and a retail customer's premises (excluding a non-registered embedded generator's premises) in the following circumstances:</p> <p>(a) either:</p> <p>1) the <i>retail customer</i> is typical of a significant class of retail customers who have sought, or are likely to seek, the service; or</p> <p>2) the retail customer is, or proposes to become, a <i>micro embedded generator</i>; and</p> <p>(b) the provision of the service involves <i>extension of the distribution network but not augmentation</i>; and</p> <p>(c) a <i>model standing offer</i> has been approved by the AER for providing that service as a <i>basic connection service</i>.</p>	N/A	<p>Premises connection cost - Alternative control</p> <p>Extension - Standard Control</p> <p>Shared network augmentation - Standard Control</p>
Complex connection service	<p>Means a <i>connection service</i> related to a connection (or a proposed connection) between a distribution system and a retail customer's premises in the following circumstances:</p> <p>(a) requires either an extension or augmentation and either:</p> <p>1) the <i>retail customer</i> seeking the service requires the supply of electricity at high voltage or, if connected at low voltage, has maximum demand in excess of 70 kVA (or 25 kVA where a connection applicant's installation is supplied from the Single Wire Earth Return network); or</p>	N/A	<p>Premises connection cost – Alternative control</p> <p>Extension - Standard Control</p> <p>Shared network augmentation - Standard Control</p>

Service group / Activities included	Further description	Current classification 2019–24	Proposed classification 2024–29
	2) the <i>retail customer</i> is, or proposes to become, an <i>embedded generator</i> ; or 3) the <i>retail customer operates</i> , or proposes to operate <i>energy storage with the capacity to function as an embedded generator or community battery</i> .		
Connection augmentation services	Any shared network enlargement/enhancement undertaken by a distributor which is not an extension.	Standard control	Standard control
Extension	Extension is an enhancement required to connect a power line or facility outside the present boundaries of the distribution network owned or operated by a Network Service Provider	Standard control	Standard control
Negotiated connection services <sup>9</sup>	Means a <i>connection service</i> (other than a <i>basic connection service</i> ) for which a DNSP provides a connection offer for a negotiated <i>connection contract</i> .	N/A	Alternative control
Enhanced connection services <sup>10</sup>	Other or enhanced connection services provided at the request of a customer or third party that include those that are: <ul style="list-style-type: none"> <li>• provided with higher quality of reliability standards, or lower quality of reliability standards (where permissible) than required by the NER or any other applicable regulatory instruments. This includes reserve feeder installation and maintenance.</li> <li>• in excess of levels of service or plant ratings required to be provided by the distributor.</li> </ul>	N/A	Alternative control
Connection application and management services <sup>11</sup>	Works initiated by a customer or retailer which are specific to the connection point. This includes, but is not limited to:  connection application related services	N/A	Alternative control

<sup>9</sup> Applies to both NER chapter 5 and 5A connections.

<sup>10</sup> Applies to both NER chapter 5 and 5A connections and includes enhancements for both consumption and export services.

<sup>11</sup> Applies to both NER chapter 5 and 5A connections.

Service group / Activities included	Further description	Current classification 2019–24	Proposed classification 2024–29
	connection point management services.		
Connection administration services (formerly Site establishment services)	<p>Activities include, but not limited to:</p> <ul style="list-style-type: none"> <li>• Connection establishment, including liaison with the Australian Energy Market Operator (AEMO) or market participants for the purpose of establishing national metering identifiers (NMIs) in market systems, for new premises or for any existing premises for which AEMO requires a new NMI and for validation of and updating network load data. This includes processing and assessing requests for a permanently unmetered supply.</li> <li>• Alteration, updating and maintenance of NMIs and their associated data in market systems.</li> <li>• NMI extinction, processing requests by customers or their agents for permanent disconnection and the extinction of a NMI in market systems.</li> <li>• Confirming or correcting metering or network billing information in market B2B or network billing systems, due to insufficient or incorrect information received from retailers or metering providers.</li> </ul>	Alternative control	Alternative control
Construction/augmentation of private assets as provider of last resort <sup>12</sup>	<p>Specialist electrical contracting services provided under provider of last resort conditions. Activities include:</p> <ul style="list-style-type: none"> <li>• private pole installation</li> <li>• construction of private power lines</li> <li>• augmentation of existing private assets.<sup>13</sup></li> </ul>	N/A	Alternative control
Community network upgrades	Network enhancements requested by a collective of customers. Includes activities related to community requests to augment the network to enable higher PV exports, supply high	N/A	Alternative control

<sup>12</sup> Provision of these services is subject to the set of controls outlined on the TasNetworks website.

<sup>13</sup> Includes rectification of private asset defects



Service group / Activities included	Further description	Current classification 2019–24	Proposed classification 2024–29
	levels of electric vehicle charging or underground existing overhead power lines for reasons of visual amenity.		
<b>Public lighting — lighting services provided in connection with a distribution network</b>			
Public lighting	Includes the provision, construction and maintenance of public lighting and new/emerging public lighting technology.	Alternative control	Alternative control
<b>Unregulated distribution services</b>			
Distribution asset rental	Rental of distribution assets to third parties (e.g. office space rental, pole and duct rental for telecommunication wires etc.).	Not classified	Not classified
Contestable metering support roles	Includes metering coordinator (except where the distributor is the initial metering coordinator), metering data provider and metering provider for meters installed or replaced after 1 December 2017.	Not classified	Not classified
Provision of training to third parties for non-network related issues	Training programs provided to third parties for non-network related issues.	Not classified	Not classified
<b>Non-distribution services — Although this table relates to distribution services, we have included the below non-distribution services for clarity.</b>			
Operation and maintenance of isolated distribution networks not part of the NEM	The operation and maintenance of third party owned distribution networks not physically connected to the TasNetworks distribution network. e.g. Hydro Tasmania.	Non-distribution service	Non-distribution service