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18 December 2017

Mr Son Truong Vu
Regulatory Strategy Manager
Ausgrid
Via email: svu@ausgrid.com.au; shannon.moffit@ausgrid.com.au

Dear Mr Vu

Notice of ring-fencing waiver: Ausgrid - Ring-fencing waiver application - July 2017

The AER issues this notice pursuant to clauses 5.3.1 and 5.7(b) of the AER Electricity Distribution Ring-fencing Guideline, October 2017 (the Guideline).

The AER grants a waiver of Ausgrid's obligation to comply with clauses 3.1, 4.2.1, 4.2.2 and 4.2.3 of the Guideline from 18 December 2017 until 30 June 2019 in relation to the following services:

- public lighting and nightwatchman lights (including security light services)
- network safety services
- reserve feeder construction
- high load escorts
- rectification works to maintain network safety
- planned interruption – customer requested
- training course for third parties – related to network access
- customer-initiated asset relocations
- termination of cable at zone substation – DNSP required performance

- minor and legacy metering services (including: meter recovery and disposal - type 5 and 6; distributor arranged outage for the purpose of replacing the meter; and meter consumptions data)
- rental and hire services (this covers activities related to 'shared asset facilitation' of distributor assets)
- emergency recoverable works.

The AER also grants a waiver of Ausgrid's obligation to comply with clause 3.1 of the Guideline from 18 December 2017 until 1 July 2018 to allow Ausgrid additional time to establish an affiliated entity and implement resourcing arrangements to move to that affiliated entity the other services (services other than distribution services and transmission services) it currently provides.

The AER expects Ausgrid to comply with the Guideline in all other circumstances, and in all other respects.

Ausgrid is required by clause 5.7 of the Guideline to include this waiver on its waiver register, which must be publicly available on Ausgrid's website.

Yours sincerely



Scott Sandles
A / General Manager
Networks

Sent by email on: 18.12.2017