

# Service Classification

## 2020-25

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Part of the Energy Queensland Group

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## 1. Overview

Service classification is one of the key decisions made by the Australian Energy Regulator (AER) in a distribution determination. It determines which of our distribution services will be subject to regulation by the AER, how we recover our costs and our ring-fencing obligations over the course of the regulatory control period.

This attachment provides Energex and Ergon Energy's proposed service classification table for the 2020-25 regulatory control period.

## 2. NER and RIN Requirements

The National Electricity Rules (NER) requirements relating to the classification of services are outlined in clauses 6.2.1, 6.2.2, 6.2.3, 6.2.3A, 6.2.8, 6.8.1, 6.8.2, 6.12.1, 6.12.3.

In summary, these clauses provide that:

- The AER may classify a distribution service provided by a distribution network service provider (DNSP) as either a direct control service, or a negotiated distribution service.<sup>1</sup> In doing so, the AER must have regard to:<sup>2</sup>
  - The form of regulation factors
  - The form of regulation (if any) previously applicable or previous classification for the relevant service
  - Desirability of consistency, and
  - Any other factor
- Direct control services can be classified as either as standard control services or alternative control services.<sup>3</sup> In doing so, the AER must have regard to:<sup>4</sup>
  - The potential for development of competition
  - Administrative costs
  - Previous service classification, and
  - Desirability of consistency
- The AER may group services for the purpose of service classification purposes.<sup>5</sup>
- Service classification that forms part of a distribution determination operates for the regulatory control period<sup>6</sup>
- The AER must develop, maintain and publish distribution service classification guidelines that set out the AER's proposed approach to service classification<sup>7</sup>
- The framework and approach (F&A) paper must set out, amongst other things, the AER's proposed to service classification<sup>8</sup>
- The regulatory proposal must contain, amongst other things, a classification proposal, and<sup>9</sup>

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<sup>1</sup> NER CI 6.2.1(a)

<sup>2</sup> NER CI 6.2.1(c)

<sup>3</sup> NER CI 6.2.2(a)

<sup>4</sup> NER CI 6.2.2(c)

<sup>5</sup> NER CI 6.2.1(b) and CI 6.2.2(b)

<sup>6</sup> NER CI 6.2.3

<sup>7</sup> NER CI 6.2.3A and CI 6.2.8(a)(1)

<sup>8</sup> NER CI 6.8.1(b)

<sup>9</sup> NER CI 6.8.2 (c) (3)

- A distribution determination is predicated on, amongst other things, the AER's decisions on the classification of services.<sup>10</sup> In making a distribution determination, the classification of services must be as set out in the F&A paper unless the AER considers that a material change in circumstances justify departing from the classification as set out in the F&A paper.<sup>11</sup>

The Regulatory Information Notice (RIN) requires that:<sup>12</sup>

- We must identify and provide reasons for proposed departures from service classification set out in the F&A paper, and
- if the proposed service classifications in the regulatory proposal depart from any of the service classifications set out in the F&A paper, to:
  - provide, in a second set of regulatory templates, all information required in each regulatory template in accordance with the instructions contained therein, modified as necessary, to incorporate the proposed service classifications, and
  - identify and explain where the regulatory templates differ.

### 3. Proposed service classification table

Our proposed service classification table for the 2020-25 regulatory control period is presented below. In preparing this table, we have had regard to:

- AER's final F&A paper for Energex and Ergon Energy, for the regulatory control period commencing 1 July 2020, published in July 2018, and
- AER's Service Classification Guideline, published in September 2018.

As noted above, under the NER, the AER's classification of services decision must be as set out in the F&A paper unless a material change in circumstances justify departing from the classification of services in the F&A paper. In the final F&A paper, the AER foreshadowed that the publication of the Service Classification Guideline would constitute a material change in circumstances justifying departing from the F&A paper.

For our service classification proposal we have attempted to align the service groupings and descriptions with the Service Classification Guideline, but have retained the substantive service classifications set out in the F&A paper. We have provided brief comments for each service grouping in the table.

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<sup>10</sup> NER CI 6.12.1(1)

<sup>11</sup> NER CI 6.12.3(b)

<sup>12</sup> RIN, Schedule 1 Section 3

Service group	Further description	Current classification 2015-20	Our proposed – classification 2020–25	Energex and Ergon Energy Comments
<b>Common distribution service—use of the distribution network for the conveyance/flow of electricity (including the services relating to network integrity)</b>				
<b>Common distribution service (formerly 'network services')</b>	<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 (including emergency recoverable works caused by a customer or third party)</li> <li>• support for another distributor during an emergency event</li> <li>• procurement and provision of network demand management activities for distribution</li> <li>• training internal staff and contractors undertaking direct control services</li> <li>• activities related to 'shared asset facilitation' of distributor assets</li> <li>• emergency disconnect 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> <li>• rectification of simple customer fault (e.g. fuse) relating to a life support customer or other critical health and safety issues</li> <li>• establishment and maintenance of national metering identifiers (NMI) in market and/or network billing systems, and other market and regulatory obligations</li> <li>• ongoing inspection of private electrical works (not part of the shared network) required under legislation for safety reasons, and</li> <li>• Bulk supply point metering – activities relating to monitoring the flow of electricity through the distribution network</li> </ul> <p>Such services do not include a service that has been separately classified, including any activity relating to that service.</p>	Standard control	Standard control	<p>The service description differs from that in the F&amp;A paper, but is consistent with the Service Classification Guideline. In particular, we have included bulk supply point metering in this service group.</p> <p>We support the classification of this service group as standard control, which is consistent with both the F&amp;A paper and Service Classification Guideline.</p>
<b>Connection services—services relating to the electrical or physical connection of a customer to the network</b>				
<b>Basic connection services - premises connections</b>	<b>Basic connection service</b> means a connection service 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:	A. Standard control	A. Standard control	The service description differs from that in the F&A paper, but is broadly consistent with the

Service group	Further description	Current classification 2015-20	Our proposed – classification 2020–25	Energen and Ergon Energy Comments
	<p>(a) either:</p> <p>(1) the retail customer 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 micro embedded generator, and</p> <p>(b) the provision of the service involves minimal or no augmentation of the distribution network, and</p> <p>(c) a model standing offer has been approved by the AER for providing that service as a basic connection service.</p> <p><b>Premises connections</b> includes any additions or upgrades to connection assets located on the customer’s premises for:</p> <p>A. small customers.<sup>13</sup></p>			<p>Service Classification Guideline. We have added a brief description of premises connections.</p> <p>However, we propose to retain the classification for small customers in the F&amp;A paper, which is a departure from the Service Classification Guideline.</p>
<p><b>Standard connection services – premises connections</b></p>	<p><b>Standard connection service</b> means a connection service (other than a basic connection service) for a particular class (or sub-class) of connection applicant and for which a model standing offer has been approved by the AER.</p> <p><b>Premises connections</b> includes any additions or upgrades to connection assets located on the customer’s premises for:</p> <p>A. major customers, or<sup>14</sup></p> <p>B. small customers.<sup>15</sup></p>	<p>A. Alternative control</p> <p>B. Standard control</p>	<p>A. Alternative control</p> <p>B. Standard control</p>	<p>The service description differs from that in the F&amp;A paper, but is broadly consistent with the Service Classification Guideline. We have added a brief description of premises connections.</p> <p>However, we propose to retain the classification for small customers in</p>

<sup>13</sup> Generally, small customers are those retail customers who connect under the Standard Asset Customer tariff classes as per the distributor’s pricing proposal, and exclude real estate developments as set out in the distributor’s connection policy.

<sup>14</sup> Generally, major customers are those retail customers who connect under the Individually Calculated Customer and Connection Asset Customer tariff classes as per the distributor’s pricing proposal, and real estate developments as set out in the distributor’s connection policy.

<sup>15</sup> Generally, small customers are those retail customers who connect under the Standard Asset Customer tariff classes as per the distributor’s pricing proposal, and exclude real estate developments as set out in the distributor’s connection policy.

Service group	Further description	Current classification 2015-20	Our proposed – classification 2020–25	Energy and Ergon Comments
				the F&A paper, which is a departure from the Service Classification Guideline.
<b>Standard connection services – network extension</b>	<p><b>Standard connection service</b> means a connection service (other than a basic connection service) for a particular class (or sub-class) of connection applicant and for which a model standing offer has been approved by the AER.</p> <p><b>Network extension</b> means an enhancement required to connect a power line or facility outside the present boundaries of the transmission or distribution network owned or operated by a network service provider to facilitate:</p> <p>A. a new or altered major customer connection,<sup>16</sup> where the network extension will be dedicated to the exclusive use of the major customer at the time of installation and energisation and there is no reasonable likelihood that the network extension will be used to supply another customer or customers within the time period set out in the distributor’s Connection Policy</p> <p>B. a new or altered major customer connection,<sup>17</sup> where the distributor considers there is a reasonable likelihood that the network extension will be used to supply another customer or customers within the time period set out in the distributor’s Connection Policy (i.e. will form part of the shared network), or</p> <p>C. a new or altered small customer connection.<sup>18</sup></p>	<p>A. Alternative control</p> <p>B. Standard control</p> <p>C. Standard control</p>	<p>A. Alternative control</p> <p>B. Standard control</p> <p>C. Standard control</p>	<p>The service description differs from that in the F&amp;A paper, but is broadly consistent with the Service Classification Guideline. We have added a brief description of a network extension.</p> <p>The classification for dedicated extensions is a departure from the AER’s Service Classification Guideline, but is consistent with the F&amp;A paper.</p>
<b>Standard connection services – Augmentation</b>	<p><b>Standard connection service</b> means a connection service (other than a basic connection service) for a particular class (or sub-class) of connection applicant and for which a model standing offer has been approved by the AER.</p>	<p>A. Standard control</p> <p>B. Standard</p>	<p>A. Standard control</p> <p>B. Standard</p>	<p>The service description differs from that in the F&amp;A paper but is broadly</p>

<sup>16</sup> Generally, major customers are those retail customers who connect under the Individually Calculated Customer and Connection Asset Customer tariff classes as per the distributor’s pricing proposal, and real estate developments as set out in the distributor’s connection policy.

<sup>17</sup> Generally, major customers are those retail customers who connect under the Individually Calculated Customer and Connection Asset Customer tariff classes as per the distributor’s pricing proposal, and real estate developments as set out in the distributor’s connection policy.

<sup>18</sup> Generally, small customers are those retail customers who connect under the Standard Asset Customer tariff classes as per the distributor’s pricing proposal, and exclude real estate developments as set out in the distributor’s connection policy.

Service group	Further description	Current classification 2015-20	Our proposed – classification 2020–25	Energen and Ergon Energy Comments
	<p><b>Augmentation</b> means any shared network enlargement/enhancement undertaken by a distributor, which is not an extension, to facilitate:</p> <p>A. a new or altered major customer connection, or <sup>19</sup></p> <p>B. a new or altered small customer connection. <sup>20</sup></p>	control	control	consistent with the Service Classification Guideline. We have added a brief description of augmentation.
<p><b>Negotiated connection services – premises connections</b></p>	<p><b>Negotiated connection service</b> means a connection service (other than a basic connection service or standard connection service) for which a DNSP provides a connection offer for a negotiated connection contract</p> <p><b>Premises connections</b> includes any additions or upgrades to connection assets located on the customer’s premises for:</p> <p>A. major customers, or <sup>21</sup></p> <p>B. small customers. <sup>22</sup></p>	<p>A. Alternative control</p> <p>B. Standard control</p>	<p>A. Alternative control</p> <p>B. Standard control</p>	<p>The service description differs from that in the F&amp;A paper, but is broadly consistent with the Service Classification Guideline. We have added a brief description of premises connections.</p> <p>The classification for small customers is a departure from the Service Classification Guideline, but is consistent with the F&amp;A paper.</p>

<sup>19</sup> Generally, major customers are those retail customers who connect under the Individually Calculated Customer and Connection Asset Customer tariff classes as per the distributor’s pricing proposal, and real estate developments as set out in the distributor’s connection policy.

<sup>20</sup> Generally, small customers are those retail customers who connect under the Standard Asset Customer tariff classes as per the distributor’s pricing proposal, and exclude real estate developments as set out in the distributor’s connection policy.

<sup>21</sup> Generally, major customers are those retail customers who connect under the Individually Calculated Customer and Connection Asset Customer tariff classes as per the distributor’s pricing proposal, and real estate developments as set out in the distributor’s connection policy.

<sup>22</sup> Generally, small customers are those retail customers who connect under the Standard Asset Customer tariff classes as per the distributor’s pricing proposal, and exclude real estate developments as set out in the distributor’s connection policy.

Service group	Further description	Current classification 2015-20	Our proposed – classification 2020–25	Energy and Ergon Energy Comments
<b>Negotiated connection services – Network extensions</b>	<p><b>Negotiated connection service</b> means a connection service (other than a basic connection service or standard connection service) for which a DNSP provides a connection offer for a negotiated connection contract.</p> <p><b>Network extension</b> means an enhancement required to connect a power line or facility outside the present boundaries of the transmission or distribution network owned or operated by a network service provider to facilitate:</p> <p>A. a new or altered major customer connection,<sup>23</sup> where the network extension will be dedicated to the exclusive use of the major customer at the time of installation and energisation and there is no reasonable likelihood that the network extension will be used to supply another customer or customers within the time period set out in the distributor’s Connection Policy</p> <p>B. a new or altered major customer connection,<sup>24</sup> where the distributor considers there is a reasonable likelihood that the network extension will be used to supply another customer or customers within the time period set out in the distributor’s Connection Policy (i.e. will form part of the shared network), or</p> <p>C. a new or altered small customer connection.<sup>25</sup></p>	<p>A. Alternative control</p> <p>B. Standard control</p> <p>C. Standard control</p>	<p>A. Alternative control</p> <p>B. Standard control</p> <p>C. Standard control</p>	<p>The service description differs from that in the F&amp;A paper, but is broadly consistent with the Service Classification Guideline. We have added a brief description of a network extension.</p> <p>The classification for dedicated extensions is a departure from the Service Classification Guideline, but is consistent with the F&amp;A paper.</p>
<b>Negotiated connection services – Augmentation</b>	<p><b>Negotiated connection services</b> means a connection service (other than a basic connection service or standard connection service) for which a DNSP provides a connection offer for a negotiated connection contract.</p> <p><b>Augmentation</b> means any shared network enlargement/enhancement undertaken by a distributor, which is not an extension, to facilitate:</p> <p>A. a new or altered major customer connection, or<sup>26</sup></p>	<p>A. Standard control</p> <p>B. Standard control</p>	<p>A. Standard control</p> <p>B. Standard control</p>	<p>The service description differs from that in the F&amp;A paper, but is broadly consistent with the Service Classification Guideline. We have</p>

<sup>23</sup> Generally, major customers are those retail customers who connect under the Individually Calculated Customer and Connection Asset Customer tariff classes as per the distributor’s pricing proposal, and real estate developments as set out in the distributor’s connection policy.

<sup>24</sup> Generally, major customers are those retail customers who connect under the Individually Calculated Customer and Connection Asset Customer tariff classes as per the distributor’s pricing proposal, and real estate developments as set out in the distributor’s connection policy.

<sup>25</sup> Generally, small customers are those retail customers who connect under the Standard Asset Customer tariff classes as per the distributor’s pricing proposal, and exclude real estate developments as set out in the distributor’s connection policy.

<sup>26</sup> Generally, major customers are those retail customers who connect under the Individually Calculated Customer and Connection Asset Customer tariff classes as per the distributor’s pricing proposal, and real estate developments as set out in the distributor’s connection policy.

Service group	Further description	Current classification 2015-20	Our proposed – classification 2020–25	Energy and Ergon Comments
	B. a new or altered small customer connection <sup>27</sup>			<p>added a brief description of augmentation.</p> <p>We support the AER’s proposed classification in the F&amp;A paper, which is consistent with the baseline service list in the Service Classification Guideline</p>
<b>Connection application and management services</b>	<p>Works initiated by a customer or retailer which are specific to the connection point. Includes, but is not limited to:</p> <ul style="list-style-type: none"> <li>• Connection application related services</li> <li>• de-energisation</li> <li>• re-energisation</li> <li>• temporary connections</li> <li>• remove or reposition connection</li> <li>• overhead service line replacement – customer requests the existing overhead service to be replaced (e.g. as a result of a point of attachment relocation). No material change to load</li> <li>• protection and power quality assessment</li> <li>• supply enhancement (e.g. upgrade from single phase to three phase)</li> <li>• customer requested change requiring secondary and primary plant studies for safe operation of the network (e.g. change protection settings)</li> <li>• upgrade from overhead to underground service</li> <li>• rectification of illegal connections or damage to overhead or underground service cables</li> <li>• Calculation of a site specific distribution loss factor on request in respect of a generating unit up to 10 MW or a connection point for an end-user with actual or forecast load up to 40 GWh per annum</li> </ul>	Alternative control	Alternative control	<p>The service name and description differs from that in the F&amp;A paper, but is broadly consistent with Service Classification Guideline.</p> <p>We support the AER’s proposed classification in the F&amp;A paper, which is consistent with the baseline service list in the Service Classification Guideline</p>

<sup>27</sup> Generally, small customers are those retail customers who connect under the Standard Asset Customer tariff classes as per the distributor’s pricing proposal, and exclude real estate developments as set out in the distributor’s connection policy.

Service group	Further description	Current classification 2015-20	Our proposed – classification 2020–25	Energyx and Ergon Energy Comments
	<p>capacity, as per clause 3.6.3(b1) of the NER, and</p> <ul style="list-style-type: none"> <li>power factor correction</li> </ul>			
<b>Enhanced connection services</b>	<p>Other or enhanced connection services at the request of a customer or third party that include those that are:</p> <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</li> <li>in excess of levels of service or plant ratings required by the distributor, and</li> <li>for embedded generators, including the removal of network constraints.</li> </ul>	Alternative control	Alternative control	<p>The service description differs from that in the F&amp;A paper, but is broadly consistent with the Service Classification Guideline. We amended the reference to embedded generators. We consider that thresholds for embedded generators are more appropriately considered in the connection policy.</p> <p>We support the AER's proposed classification in the F&amp;A paper, which is consistent with the baseline service list in the Service Classification Guideline</p>
<b>Metering services<sup>28</sup></b>				
<b>Type 1 to 4 metering services</b>	Type 1 to 4 metering installations <sup>29</sup> and supporting services are competitively available.	Unregulated	Unregulated	The service description is

<sup>28</sup> The Qld distributors will continue to be responsible for existing type 5 and 6 meters until they are replaced (and entitled to levy associated charges). We refer to these meters as 'legacy meters'. New meters (that will be type 1 to 4 meters) installed from 1 December 2017 are referred to as 'contestable meters'. The Qld distributors will continue to be solely responsible for the Mount Isa-Cloncurry supply network, which is not connected to the NEM.

Service group	Further description	Current classification 2015-20	Our proposed – classification 2020–25	Energen and Ergon Energy Comments
				<p>consistent with both the F&amp;A paper and Service Classification Guideline.</p> <p>We support the AER’s proposed classification in the F&amp;A paper, which is consistent with the baseline service list in the Service Classification Guideline.</p>
<b>Type 5 and 6 meter installation and provision (prior to 1 December 2017)</b>	Recovery of the capital cost of type 5 and 6 metering equipment (including meters with internally integrated load control devices).	Alternative control	Alternative control	<p>This service is included in the F&amp;A paper, but is not included in the baseline service list in the Service Classification Guideline.</p> <p>We support retaining this service in the 2020-25 regulatory control period and the AER’s proposed classification in the F&amp;A paper.</p>
<b>Type 7 metering services</b>	Administration and management of type 7 metering installations in accordance with the NER and jurisdictional requirements. Includes the processing and delivery of calculated metering data for unmetered loads, and the population and maintenance of load tables, inventory tables and on/off tables.	Standard control	Standard control	The service description is consistent with both the F&A paper and Service Classification Guideline.

<sup>29</sup> Includes the instrument transformer, as per the definition of a ‘metering installation’ in Chapter 10 of the NER.

Service group	Further description	Current classification 2015-20	Our proposed – classification 2020–25	Energen and Ergon Energy Comments
<b>Types 5 and 6 meter maintenance, reading and data services (legacy meters)</b>	Activities includes <ul style="list-style-type: none"> <li>• Meter maintenance covers works to inspect, test, maintain and repair metering installations</li> <li>• Meter reading refers to quarterly or other regular reading of a metering installation, and</li> <li>• Metering data services includes, for example: services that involve the collection, processing, storage and delivery of metering data, the provision of metering data from the previous two years, remote or self-reading at difficult to access sites, and the management of relevant NMI Standing Data in accordance with the NER.</li> </ul>	Alternative control	Alternative control	The service description is consistent with both the F&A paper and Service Classification Guideline.  We support the AER's proposed classification in the F&A paper, which is consistent with the baseline service list in the Service Classification Guideline.
<b>Auxiliary metering services (Type 5 to 7 metering installations)</b>	Activities include: <ul style="list-style-type: none"> <li>• Off-cycle meter reads for type 5 and 6 meters</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</li> <li>• 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), and</li> <li>• Change 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> </ul>	Alternative control	Alternative control	The service description is consistent with both the F&A paper and Service Classification Guideline.  We support the AER's proposed classification in the F&A, which is consistent with the baseline service list in the Service Classification Guideline.
<b>Type 5 and 6 meter installation and provision (Mount Isa-Cloncurry supply network)</b>	On site installation or upgrade (at a customer's request) by Ergon Energy of a type 5 or 6 metering installation at a customer's premises in the Mount Isa-Cloncurry supply network.	Alternative control	Alternative control	This service is included in the F&A paper, but is not included in the

Service group	Further description	Current classification 2015-20	Our proposed – classification 2020–25	Energex and Ergon Energy Comments
<b>only)</b>	<p>Load control services provided by a type 5 or 6 metering installation are grouped with metering services and classified alternative control.</p> <p>Ergon Energy may recover the capital cost of types 5 and 6 metering equipment (including meters with internally integrated load control devices) replaced on or after 1 December 2017, where the replacement was initiated by Ergon Energy.</p>			<p>baseline service list in the Service Classification Guideline.</p> <p>We support retaining this service in the 2020-25 regulatory control period and the AER's proposed classification in the F&amp;A paper.</p>
<b>Types 5 and 6 meter maintenance, reading and data services (Mount Isa-Cloncurry Network)</b>	<p>Activities includes:</p> <ul style="list-style-type: none"> <li>• Meter maintenance covers works to inspect, test, maintain and repair metering installations. It also includes the removal and disposal of a metering installation at customers' premises</li> <li>• Meter reading refers to quarterly or other regular reading of a metering installation, and</li> <li>• Metering data services are those that involve the collection, processing, storage and delivery of metering data, the provision of metering data from the previous two years, remote or self-reading at difficult to access sites, and the management of relevant NMI Standing Data in accordance with the NER.</li> </ul>	Alternative control	Alternative control	<p>This service is included in the F&amp;A paper, but is not included in the baseline service list in the Service Classification Guideline.</p> <p>We support retaining this service in the 2020-25 regulatory control period and the AER's proposed classification in the F&amp;A paper.</p>
<b>Additional auxiliary metering services (Mount Isa-Cloncurry supply network only)</b>	<p>Metering services offered by Ergon Energy in the Mount Isa-Cloncurry supply network for type 5 and 6 metering installations:</p> <ul style="list-style-type: none"> <li>• Provision and installation of instrument transformers for type 5 and 6 metering purposes, and</li> <li>• Exchange meter – customer requests exchange of their current meter (e.g. for alternative metering configuration/ consolidation of multiple meters for one meter), or customer requests exchange of their current meter for a solar photovoltaic meter.</li> </ul>	Alternative control	Alternative control	<p>This service is included in the F&amp;A paper, but is not included in the baseline service list in the Service Classification Guideline.</p> <p>We support retaining this service in the 2020-25 regulatory control period and the AER's proposed</p>

Service group	Further description	Current classification 2015-20	Our proposed – classification 2020-25	Energen and Ergon Energy Comments
				classification in the F&A paper.
<b>Emergency maintenance of failed metering equipment not owned by the distributor (contestable meters)</b>	<p>The distributor is called out by the customer or their agent (e.g. retailer, metering coordinator or metering provider) due to a power outage where an external metering provider's metering equipment has failed or an outage has been caused by the metering provider and the distributor has had to restore power to the customer's premises. This may result in an unmetered supply arrangement at this site. This fee will also be levied where a metering provider has requested the distributor to check a potentially faulty network connection and when tested by the distributor, no fault is found.</p>	Alternative control	Alternative control	<p>This service is included in the F&amp;A paper, but is not included in the baseline service list in the Service Classification Guideline.</p> <p>We support retaining this service in the 2020-25 regulatory control period and the AER's proposed classification in the F&amp;A paper.</p>
<b>Meter recovery and disposal – type 5 and 6 (legacy meters)</b>	<p>Activities include the removal and disposal of a type 5 or 6 metering installation:</p> <ul style="list-style-type: none"> <li>at the request of the customer or their agent, where an existing type 5 or 6 metering installation remains installed at the premises and a replacement meter is not required, and</li> <li>at the request of the customer or their agent, where a permanent disconnection has been requested where it has not been removed and disposed of by the incoming metering provider.</li> </ul>	Alternative control	Alternative control	<p>The service description is consistent with both the F&amp;A paper and Service Classification Guideline.</p> <p>We support the AER's proposed classification in the F&amp;A paper, which is consistent with the baseline service list in the Service Classification Guideline.</p>
<b>Third party requested outage for purposes of replacing meter</b>	<p>At the request of a retailer or metering coordinator, provides notification to affected customers, and isolates power at a customer's premises to facilitate the replacement of the existing metering installation by an external metering provider.</p>	Alternative control	Alternative control	<p>This service is included in the F&amp;A paper, but is not included in the baseline service list in the Service</p>

Service group	Further description	Current classification 2015-20	Our proposed – classification 2020–25	Energen and Ergon Energy Comments
				<p>Classification Guideline.</p> <p>We support retaining this service in the 2020-25 regulatory control period and the AER’s proposed classification in the F&amp;A paper.</p>
<b>Network metering services</b>	Bulk supply point meeting	Standard Control	Standard Control	Consistent, with the Service Classification Guideline, we included this service in the “Common distribution services” service group
<b>Network ancillary services – Services closely related to common distribution services but for which a separate charge applies – customer and third party initiated services related to the common distribution service</b>				
<b>Access permits, oversight and facilitation</b>	<p>Activities include:</p> <ul style="list-style-type: none"> <li>• a distributor 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>• a distributor issuing confined space entry permits and associated safe entry equipment to a person authorised to enter a confined space</li> <li>• a distributor providing access to switch rooms, substations and the like to a non-Local Network Service Provider party who is accompanied and supervised by a distributor’s staff member. May also include a distributor providing safe entry equipment (fall-arrest) to enter difficult access areas</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>• facilitation of generator connection and operation of the network, and</li> </ul>	Alternative control	Alternative control	<p>The service description is consistent with both the F&amp;A paper and Service Classification Guideline.</p> <p>We support the AER’s proposed classification in the F&amp;A paper, which is consistent with the baseline service list in the Service Classification Guideline.</p>

Service group	Further description	Current classification 2015-20	Our proposed – classification 2020–25	Energen and Ergon Energy Comments
	<ul style="list-style-type: none"> <li>• facilitation of activities within clearances of distributor’s assets, including physical and electrical isolation of assets</li> </ul>			
<b>Notices of arrangement and completion notices</b>	<p>Examples include:</p> <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 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, and</li> <li>• Provision of a completion notice (other than a notice of arrangement). This applies where the real estate developer requests the distributor to provide documentation confirming progress of work. Usually associated with discharging contractual arrangements (e.g. progress payments) to meet contractual undertakings.</li> </ul>	Alternative control	Alternative control	<p>The service description is broadly consistent with both the F&amp;A paper and Service Classification Guideline.</p> <p>We support the AER’s proposed classification in the F&amp;A, which is consistent with the baseline service list in the Service Classification Guideline.</p>
<b>Network related property services</b>	<p>Activities include:</p> <ul style="list-style-type: none"> <li>• Network related property services such as property tenure services relating 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 a connection or relocation, and</li> <li>• Conveyancing inquiry services relating to the provision of property conveyancing information at the request of a customer.</li> </ul>	Unregulated	Alternative control	<p>The service description is broadly consistent with both the F&amp;A paper and Service Classification Guideline.</p> <p>We support the AER’s proposed classification in the F&amp;A, which is consistent with the baseline service list in the Service Classification Guideline.</p>

Service group	Further description	Current classification 2015-20	Our proposed – classification 2020–25	Energen and Ergon Energy Comments
<b>Network safety services</b>	<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 tiger tails and aerial markers</li> <li>• third party request for de-energising wires for safe approach, and</li> <li>• high load escorts</li> </ul>	Alternative control	Alternative control	<p>The service description is broadly consistent with both the F&amp;A paper and Service Classification Guideline.</p> <p>We support the AER’s proposed classification in the F&amp;A paper, which is consistent with the baseline service list in the Service Classification Guideline.</p>
<b>Sale of approved materials or equipment</b>	Includes the sale of approved materials/equipment to third parties for connection assets that are gifted back to become part of the shared distribution network.	Unregulated	Alternative control	<p>The service description is consistent with both the F&amp;A paper and Service Classification Guideline.</p> <p>We support the AER’s proposed classification in the F&amp;A paper, which is consistent with the baseline service list in the Service Classification Guideline.</p>
<b>Customer requested planned interruption</b>	<p>Examples include:</p> <ul style="list-style-type: none"> <li>• Where the customer requests to move a distributor planned interruption and agrees to fund the additional cost of performing this distribution service outside of normal business hours, and</li> <li>• customer initiated network outage (e.g. to allow customer and/or</li> </ul>	Alternative control	Alternative control	The service description is broadly consistent with both the F&A paper and Service

Service group	Further description	Current classification 2015-20	Our proposed – classification 2020–25	Energen and Ergon Energy Comments
	contractor to perform maintenance on the customer's assets, work close to or for safe approach, which impacts other networks users).			<p>Classification Guideline.</p> <p>We support the AER's proposed classification in the F&amp;A paper, which is consistent with the baseline service list in the Service Classification Guideline.</p>
<p><b>Attendance at customers' premises to perform a statutory right where access is prevented.</b></p>	<p>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. This includes the costs of arranging, and the provision of, a security escort or police escort (where the cost is passed through to the distributor).</p>	<p>Alternative control</p>	<p>Alternative control</p>	<p>The service description is broadly consistent with both the F&amp;A paper and Service Classification Guideline.</p> <p>We support the AER's proposed classification in the F&amp;A paper, which is consistent with the baseline service list in the Service Classification Guideline.</p>

Service group	Further description	Current classification 2015-20	Our proposed – classification 2020–25	Energex and Ergon Energy Comments
<b>Inspection and auditing services</b>	<p>Activities include:</p> <ul style="list-style-type: none"> <li>inspection and reinspection by a distributor, 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>after hours<sup>30</sup> examination and/or testing of the consumer mains and main switchboard prior to initial energisation (upon request), and</li> <li>after hours visual examination of an electrical installation to reconnect it to a source of electricity (upon request)</li> </ul>	Alternative control	Alternative control	<p>This service description is consistent with that in the F&amp;A paper, but differs to the Service Classification Guideline. In particular, consistent with section 219 and 220 of the <i>Electrical Safety Regulation 2013 (Qld)</i>, we have retained the two additional activities relating to after-hours examination of consumer mains, mains switchboard, and electrical installations</p> <p>We support the AER’s proposed classification in the F&amp;A, which is consistent with the baseline service list in the Service Classification Guideline.</p>
<b>Provision of training to third parties for network related access</b>	<p>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,</p>	Unregulated	Alternative control	<p>The service description is consistent with both the F&amp;A paper and Service Classification Guideline.</p>

<sup>30</sup> We note that this "after hours" reference is included because it specifically relates to sections 219 and 220 of the *Electrical Safety Regulation 2013 (Qld)*.

Service group	Further description	Current classification 2015-20	Our proposed – classification 2020–25	Energen and Ergon Energy Comments
	protection training or working near power lines training.			We support the AER's proposed classification in the F&A, which is consistent with the baseline service list in the Service Classification Guideline.
<b>Authorisation and approval of third party service providers design, work and materials</b>	<p>Activities include:</p> <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, and</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>	Alternative control	Alternative control	<p>The service description is consistent with both the F&amp;A paper and Service Classification Guideline.</p> <p>We support the AER's proposed classification in the F&amp;A, which is consistent with the baseline service list in the Service Classification Guideline.</p>
<b>Security lights</b>	<p>Provision, installation, operation and maintenance of equipment mounted on a distribution equipment used for security services, e.g. nightwatchman lights</p> <p>Note: excludes connection services.</p>	Unregulated	Alternative control	<p>The service description differs to that in the F&amp;A paper, but is consistent with Service Classification Guideline.</p> <p>We support the AER's proposed classification in the F&amp;A paper, which is consistent with the baseline service list</p>

Service group	Further description	Current classification 2015-20	Our proposed – classification 2020–25	Energen and Ergon Energy Comments
				in the Service Classification Guideline.
<b>Customer initiated network asset relocations/re-arrangements</b>	Relocation of assets that form part of the distribution network in circumstances where the relocation was initiated by a third party (including a customer).	Alternative control	Alternative control	<p>The service description is consistent with both the F&amp;A paper and Service Classification Guideline.</p> <p>We support the AER's proposed classification in the F&amp;A paper, which is consistent with the baseline service list in the Service Classification Guideline.</p>
<b>Customer requested provision of electricity network data</b>	Data requests by customers or third parties including requests for the provision of electricity network data or consumption data outside of legislative obligations.	Alternative control	Alternative control	<p>The service description differs to that in the F&amp;A paper, but is consistent with Service Classification Guideline.</p> <p>We support the AER's proposed classification in the F&amp;A paper, which is consistent with the baseline service list in the Service Classification Guideline.</p>
<b>Fault response (Not DNSP fault)</b>	<p>Attendance at a customer's premises to:</p> <ul style="list-style-type: none"> <li>restore supply or investigate power quality issues where it is</li> </ul>	Alternative control	Alternative control	We note that this service is not included in the

Service group	Further description	Current classification 2015-20	Our proposed – classification 2020–25	Energex and Ergon Energy Comments
	<p>determined that the fault was not related to the distributor's equipment or infrastructure (this excludes circumstances where the fault relates to the network).</p>			<p>baseline service list in the Service Classification Guideline, but is included in the F&amp;A</p> <p>We support the AER's proposed removal of this service as set out in the Service Classification Guideline.</p>
<p><b>Third party funded network alterations or other improvements</b></p>	<p>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.</p>	<p>Alternative control</p>	<p>Alternative control</p>	<p>The service description is consistent with both the F&amp;A paper and Service Classification Guideline.</p> <p>We support the AER's proposed classification in the F&amp;A, which is consistent with the baseline service list in the Service Classification Guideline.</p>
<p><b>Public lighting</b></p>				
<p><b>Public lighting</b></p>	<p>Includes the provision, construction and maintenance of public lighting and emerging public lighting technology.</p>	<p>Alternative control</p>	<p>Alternative control</p>	<p>The service description is consistent with both the F&amp;A paper and Service Classification Guideline.</p>

Service group	Further description	Current classification 2015-20	Our proposed – classification 2020–25	Energen and Ergon Energy Comments
				We support the AER’s proposed classification in the F&A paper, which is consistent with the baseline service list in the Service Classification Guideline.
<b>Unregulated distribution services – (non-exhaustive list)</b>				
<b>Distribution asset rental</b>	Rental of distribution assets to third parties (e.g. office space rental, pole and duct rental for hanging telecommunication wires etc.).	Unregulated	Unregulated	This service is included in the F&A paper, but is not included in the baseline service list in the Service Classification Guideline. We support retaining this service in the 2020-25 regulatory control period and the AER’s proposed classification in the F&A paper.
<b>Contestable metering support roles</b>	Includes metering coordinator, metering data provider and metering provider for Type 1 to 4 metering installations.	Unregulated	Unregulated	This service is included in the F&A paper, but is not included in the baseline service list in the Service Classification Guideline. We support retaining this service in the 2020-25 regulatory control period and

Service group	Further description	Current classification 2015-20	Our proposed – classification 2020–25	Energen and Ergon Energy Comments
				the AER's proposed classification in the F&A paper.
<b>Provision of training to third parties for non-network related access</b>	Training programs provided to third parties which are not ASPs or contractors.	Unregulated	Unregulated	<p>This service is included in the F&amp;A paper, but is not included in the baseline service list in the Service Classification Guideline.</p> <p>We support retaining this service in the 2020-25 regulatory control period and the AER's proposed classification in the F&amp;A paper.</p>
<b>Type 5 and 6 meter data management to other electricity distributors</b>	The provision of type 5 and 6 meter data management to other electricity distributors.	Alternative control	Unregulated	<p>This service is included in the F&amp;A paper, but is not included in the baseline service list in the Service Classification Guideline.</p> <p>We support retaining this service in the 2020-25 regulatory control period and the AER's proposed classification in the F&amp;A paper.</p>
<b>Distribution services provided in unregulated isolated networks</b>	Ownership and operation of isolated supply networks, other than the Mount Isa-Cloncurry supply network (Ergon Energy).	Unregulated	Unregulated	This service is included in the F&A paper, but is not included in the baseline service list

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				<p>in the Service Classification Guideline.</p> <p>We support retaining this service in the 2020-25 regulatory control period and the AER's proposed classification in the F&amp;A paper.</p>
<b>Hayman Island undersea cable</b>		Unregulated	Unregulated	<p>This service is included in the F&amp;A paper, but is not included in the baseline service list in the Service Classification Guideline.</p> <p>We support retaining this service in the 2020-25 regulatory control period and the AER's proposed classification in the F&amp;A paper.</p>
<b>Inspection of private network infrastructure</b>	Private inspection of privately owned low voltage or high voltage network infrastructure (i.e. privately owned distribution infrastructure before the meter).	Unregulated	Unregulated	<p>This service is included in the F&amp;A paper, but is not included in the baseline service list in the Service Classification Guideline.</p> <p>We support retaining this service in the 2020-25 regulatory control period and the AER's proposed</p>

Service group	Further description	Current classification 2015-20	Our proposed – classification 2020–25	Energex and Ergon Energy Comments
				classification in the F&A paper.

