

Attachment 3.01

Ausgrid Classification Proposal

May 2014



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1 Requirements

Clause 6.8.2(c)(1)(i) of the National Electricity Rules (the rules) requires Ausgrid to include in its regulatory proposal a classification proposal showing how the distribution services to be provided by Ausgrid should, in Ausgrid's opinion, be classified under Chapter 6 of the rules. Further, if the classification proposed by Ausgrid differs from the classification suggested in the relevant framework and approach paper, the reasons for the difference.

In addition, the Regulatory Information Notice issued by the AER on 7 March 2014¹ requires Ausgrid to address a number of questions in relation to classification of services. These questions are:

2.1 Identify each proposed service classification which departs from a service classification set out in the framework and approach paper in the regulatory proposal and explain:

- (a) the reasons for the departure, including why the proposed service classification is more appropriate; and
- (b) how the treatment of the service will differ under the proposed service classification in comparison to that in the framework and approach paper.

2.2 If the proposed service classifications in the regulatory proposal depart from any of the service classifications set out in the framework and approach paper:

- (a) 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
- (b) identify and explain where the regulatory templates differ.

The AER set out its proposed approach on classification of services in its Stage 1 Framework and Approach paper (Stage 1 F&A paper) published in March 2013. In this Stage 1 F&A paper, the AER proposed a set of service grouping for Ausgrid's distribution services how these services groups should be classified for the transitional regulatory control period and the 2015-19 regulatory control period. The AER proposed to group Ausgrid's distribution services as:

- Network services.
- Connection services.
- Metering services.
- Ancillary network services.
- Public lighting services.

For the above service groups, the AER's proposed classification is largely the same as the classification applied in the current period except for two changes which were:

- Type 5 and 6 metering services and ancillary network services were re-classified from standard control services to alternative control services.
- Emergency recoverable works will not be classified by the AER from 1 July 2014, meaning this service will not be regulated. It is currently deemed to be standard control services.

The AER also set out the various components of each of the above service groups and further description of each component.

2 Ausgrid's classification proposal - summary

Ausgrid's classification proposal adopts the AER's classification of services as proposed in the Stage 1 F&A paper. As such, the requirements of the AER's RIN as contained in paragraphs 2.1, 2.2 do not require a response. Further, Ausgrid agrees with the AER that none of the services provided by Ausgrid are suited to being classified as negotiated distribution services. While we do not anticipate any negotiated distribution services to arise over the 2014-19 period, we note that there is some scope for services provided by means of Ausgrid's transmission network to be negotiated distribution services. If Ausgrid is required to provide Negotiated Distribution Services it will apply its negotiating framework. This is further discussed in Chapter 9 of the regulatory proposal document.

¹ As amended on 21 March 2014.

While we propose no departure to the AER's decision on the classification of the distribution services we provide, we note that there are several areas where we consider the AER's determination could provide more clarity on service description. These are:

- Specification of network augmentations as part of network services - Categorising network augmentations under the broader service grouping of 'connections' but not network services is problematic. Augmentations of the network may be driven by new customers connecting to our network, but can also be driven by the need to reinforce the network as a result of increasing demand on the network from existing users², improving security of the network where the consequences of supply loss are high, restoring capacity lost due to de-rating of existing assets, and to address voltage or fault duty issues. We request that the AER's draft determination make clear that augmentations may also relate to these issues and therefore form part of network services.
- Seeking further clarity from the AER on the classification of emergency recoverable works; particularly in the case where Ausgrid is unable to identify the party (or parties) causing the damage or Ausgrid is unable to recover the cost of repair from identified party. We outline our consideration in section 3 below.
- Minor clarification in relation to the description of certain ancillary network services.

Against the context set out above (and to ensure clarity), we set out in this attachment:

1. A listing of the distribution service groups and respective components of these service groups and their definitions, descriptions and classification. This is set out in Section 4 of this document.
2. For fee based and quoted service (i.e. ancillary network services):³
 - a. explanation of the purpose of the service and a list of the activities which comprise each service; and
 - b. specification if the charges are for fee based and/or quoted services.

3 Emergency recoverable works

In the Stage 1 F&A paper, the AER determined that emergency recoverable work is a distribution service but not to classify these works on the basis that the cost of these works are recoverable at common law.⁴

Whilst we concur with the AER's 'classification' of these services for the 2014-19 period, we however seek clarity from the AER on the scope of this classification, particularly in light of the recent and further consideration by the AER in respect of this matter for the Queensland DNSPs' framework and approach paper.

On 30 April 2014, the AER issued its final framework and approach paper for the Queensland distribution business (QLD DNSPs). In this paper, the AER addressed concerns raised by the QLD DNSPs on the AER's approach of not classifying emergency recoverable works. In response to Ergon Energy's submission that emergency recoverable work should be classified as standard control services because it is not always possible to recover costs from the responsible parties nor is it always possible to identify the responsible party, the AER stated:

We are not persuaded by the arguments submitted by the distributors that we should change our proposed classification of emergency recoverable works.....We consider that in circumstances where the party responsible for damaging the network is not identifiable, related costs are not recoverable. Therefore, works to repair that damage would not be considered emergency recoverable works. Rather, they would be emergency works.⁵

In the same framework and approach paper, the AER defined 'emergency works' as works relating to repairing the distribution network after damage to restore or maintain electricity supply. This is analogous to the definition the AER applied for Ausgrid's emergency response works of 'works performed by the distributor to repair the distribution network following a natural disaster or for example, a lightning strike to a pole'.⁶ Emergency response works are classified, for Ausgrid for the 2014-19 period, as standard control services.

In this light, we seek clarification from the AER on the scope and application of its classification of emergency recoverable works, particularly in the instances where Ausgrid needs to repair damage to its distribution network caused by a third party, whom Ausgrid could not identify or from whom Ausgrid could not recover the costs of repairing the damage. In these instances, consistent with the AER's consideration in the QLD DNSPs framework and approach paper, the costs of repair is not recoverable and hence do not form part of emergency recoverable works but rather emergency

² Or combined growth related to existing and new users.

³ As required by the requirements of paragraph 13.1(a) of the RIN.

⁴ Stage 1 F&A paper, page 20.

⁵ AER, Final framework and approach for Energex and Ergon Energy, Regulatory control period commencing 1 July 2015, April 2014, p28.

⁶ AER's Stage 1 F&A paper for Ausgrid, page 20 and footnote 47.

response works which would form part of the 'Network services' service group and be classified as standard control services.

Ausgrid considers that the above clarification is consistent with the position that we had put forward to the AER during the consultation on classification of services for the 2014-19 period. In response to the AER's proposed approach of not classify emergency recoverable works, we noted that these works should be:

*Unclassified only if DNSP costs are recovered from third party otherwise standard control*⁷

In its Stage 1 F&A paper, the AER cited our support to its proposed approach of not classifying emergency recoverable works without further elaborating on its consideration on our qualification to this support as noted above. Now that the AER has clarified its position in relation to the scope of the classification of emergency recoverable works for the QLD DNSPs, we seek the same clarity from the AER in its distribution determination on classification of services for the 2014-19 period. That is, costs of repairing damages to our network caused by a third is categorized as emergency recoverable works only in the case such costs can be recovered (i.e. recoverable) and to the extent that such costs are not recoverable from third parties (due to identification issue or liability not established), such costs would form part of emergency response works and be classified as standard control services and recovered via the general distribution use of system charges.

We seek further opportunities to work with the AER on how to effect the above classification in terms of cost recovery via DUOS prices. At a high level (and subject to further consultation with the AER) we consider the process would be as follows:

1. The DNSP is to report the cost of repairing the network for damages caused by third party and the revenue recovered from third parties in the annual regulatory information notice.
2. Any shortfall would be recovered as an adjustment to the control mechanism formulae. This is further set out in attachment 9.2 of Ausgrid's regulatory proposal.

⁷ Email to the AER on 27 February 2013.

4 Further details of Ausgrid's classification of service proposal

Clause 6.2.1 of the rules allows the AER to group distribution services together for the purpose of classification and if this is the case, a single classification made for the group applies to each service comprised in the group as if it has been separately classified. In the Stage 1 F&A, the AER proposed to group the distribution services provided by Ausgrid into the following groups:\

1. Network services.
2. Connection services.
3. Metering services.
4. Ancillary network services.
5. Public lighting services.

The AER further disaggregated each of these service groups into 'class of activities' with a further description for these classes. We note that the AER's approach is to classify a class of activities rather than the specific activities that form part of the service. This is to provide the NSW distributors with flexibility to alter the exact specification (but not the nature) of a service during the regulatory control periods.⁸

The AER then proposed a service classification to each of these 'class of activities', from which Ausgrid proposes no departure for the purpose of its classification proposal for the 2014-19 period.

However, for reasons of clarity and completeness, we outline the 'class of activities' within each service groups and our proposed clarification on the AER's descriptions of these classes in the tables below.

Table 1 – Network services

Class of activities	Description (if any) as per the AER's Stage 1 F&A	Ausgrid's proposed description	AER's proposed service classification	Ausgrid's proposed service classification
Emergency recoverable works	Work to repair damage to the distribution network cause by a third party.	Same as AER's description	Unclassified, hence unregulated.	Same as the AER's proposed classification, i.e. unclassified, hence unregulated to the extent that the repair is recoverable from the liable party. For instances where costs are not recoverable from a third party, these are not emergency recoverable works and hence is not 'unclassified' but rather form part of standard control services.
Constructing the network	Network construction (other than construction of connection assets provided contestably) Project planning and works management (works program development, procurement, vendor management, contract management, work scheduling and dispatching) Management of environmental issues Asset deployment and commissioning Asset relocation (other than those undertaken at a customer's request) Works to fix damage to the network (other than emergency recoverable works) Training for internal staff (e.g. safety) Operational technology supporting the network Pole replacement	Same as the AER's description with the following assumptions: a) It is assumed that an asset relocation at the customer's request will be unclassified and hence unregulated b) Other customer specific services such as conversion to aerial bundled cable at the request of the customer have not been recognised in the AER's description. Therefore we consider that these services are unclassified and hence unregulated.	Direct control services and further standard control services	Same as the AER's proposed classification, i.e. direct control service and further standard control services except for 'work to fix damage to the network'. As outlined above, Ausgrid considers this activity would include works performed to repair the network from damages caused by third party and the cost of repair is not recoverable from the third party.
Maintaining the network	Asset maintenance and network/asset performance management including: <ul style="list-style-type: none"> • Performance and condition monitoring • Asset optimisation • Asset maintenance/replacement/refurbishment program management • Asset performance reporting • Network systems maintenance • Asset retirement • Vegetation management, inspection and testing 	Same as AER's description.	Direct control services and further standard control services	Same as the AER's proposed classification, i.e. direct control service and further standard control services
Operating the network for	Implementing Network Management Plan	Same as AER's description. We note that the Network Management Plan is required by the	Direct control services and further standard	Same as the AER's proposed classification, i.e. direct control

⁸ AER, Stage 1 Framework and approach paper, Ausgrid, Endeavour Energy and Essential Energy, transitional regulatory control period 1 July 2104 to 30 June 2015 and Subsequent regulatory control period 1 July 2015 to 30 June 2019, March 2013, page16.

Class of activities	Description (if any) as per the AER's Stage 1 F&A	Ausgrid's proposed description	AER's proposed service classification	Ausgrid's proposed service classification
distributor purposes	<p>Network/asset operations: network control and operation, outage management, emergency management field operations, commissioning of assets</p> <p>Customer interactions (including in relation to network product development, customer service management, complaints and enquiries, record management, debt collection and disconnections)</p> <p>Market operations: includes revenue management, network billing and disputes, processing and publication of notifications of new connections and alterations, market notifications of retailer changes</p> <p>Environment, Health & Safety (EHS management (risk assessment, monitoring, program management, reporting and training)</p> <p>GIS (Dial Before You Dig services)</p> <p>Compliance monitoring and reporting</p> <p>External stakeholder interaction (industry, regulatory, government)</p> <p>Pricing and regulatory affairs</p> <p>Financial and commercial management and reporting</p>	Electricity Supply (Safety and Network Management) Regulation 2088 and it addresses the management of the network, customer installation safety, bush fire risk management and public safety information.	control services	service and further standard control services
Planning the network	<p>Network/asset planning (asset needs assessment, asset investment planning, asset management planning, asset delivery planning. Includes risk and feasibility assessment, estimating and cost planning)</p> <p>Regulatory planning</p> <p>Demand management planning</p> <p>Network business strategy development, strategic initiatives development and management (including business improvement/efficiency initiatives)</p> <p>Participation in industry planning</p> <p>Governance, policies, procedures, standards</p>	Same as AER's description.	Direct control services and further standard control services	Same as the AER's proposed classification, i.e. direct control service and further standard control services
Designing the network	Design standards and designing the network	Same as AER's description.	Direct control services and further standard control services	Same as the AER's proposed classification, i.e. direct control service and further standard control services
Emergency response	Outage management, emergency management (for example, reinstatement of network after natural disaster)	Same as AER's description.	Direct control services and further standard control services	Same as the AER's proposed classification, i.e. direct control service and further standard control services
Administrative support	Includes call centres, network claim processing, network billing (including consumption data storage and analysis)	Same as AER's description.	Direct control services and further standard control services	Same as the AER's proposed classification, i.e. direct control service and further standard control services

Table 2 – Connection services

Class of activities	Description (if any) as per the AER's Stage 1 F&A	Ausgrid's proposed description	AER's proposed service classification	Ausgrid's proposed service classification
Premises connection assets	Includes any additions or upgrades to the connection assets located on the customer's premises which are contestable (Note: excludes all metering)	Same as AER's description.	A. Unclassified	Same as the AER's proposed classification, that is:

Class of activities	Description (if any) as per the AER's Stage 1 F&A	Ausgrid's proposed description	AER's proposed service classification	Ausgrid's proposed service classification
	<p>services).</p> <p>Premises connection assets can be further described as:</p> <p>A. Design and construction of premises connection assets (where these services are provided contestably)</p> <p>B. Part design and construction of connection assets that are not available contestably, (generally as a result of safety, reliability or security reasons). Those parts of project works that are performed and funded by the distributor.</p>		B. Standard control	<p>Part A (that is, design and construction of premises connection assets – where these services are provided contestably) is unclassified and hence unregulated</p> <p>Part B (that is, part design and construction of connection assets that are not available contestably, - generally as a result of safety, reliability, or security reasons- those part of project works that are performed and funded by the distributor) is direct control service and further standard control service</p>
Extensions	<p>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 that is:</p> <p>A. undertaken by an ASP on behalf of a customer (unclassified)</p> <p>B. undertaken by a customer but partly funded by a NSP (NSP contribution would be classified as a standard control service while the customer funded component of the service would be unclassified.)</p> <p>C. undertaken by a network service provider (standard control)</p>	Same as AER's description.	<p>A. Unclassified</p> <p>B. Unclassified/ standard control based on contribution (see previous column)</p> <p>C. Standard control</p>	<p>Same as the AER's proposed classification, that is:</p> <p>Part A – (that is, extension undertaken by an ASP on behalf of a customer) is unclassified, and hence unregulated.</p> <p>Part B – (that is, extension undertaken by a customer but funded by a network service provider) is direct control service and further standard control service</p> <p>Part B – (that is, extension undertaken by a customer and funded by the customer) would be unclassified and hence unregulated.</p> <p>Part C – (that is, extension undertaken by a network service provider) is direct control service and further standard control service.</p>
Augmentation	<p>A. Any shared network enlargement/enhancement undertaken by a distributor which is not an extension (standard control)</p> <p>B. Any shared network enlargement/enhancement undertaken by a customer, but partly funded by a NSP (NSP contribution would be classified as a standard control service while the customer funded component of the service would be unclassified)</p> <p>C. Any shared network enlargement/enhancement undertaken by a customer (unclassified)</p>	<p>Ausgrid adopts the same description for this class of activities.</p> <p>However, as detailed above, we note the problematic nature of only categorising 'augmentation' under the 'connection' service group.</p>	<p>A. Standard control</p> <p>B. Unclassified/ standard control based on contribution (see previous column)</p> <p>C. Unclassified</p>	<p>Same as the AER's proposed classification, that is:</p> <p>Part A – (that is, any shared network enlargement/enhancement undertaken by a distributor which is not an extension) is direct control service and further standard control service.</p> <p>Part B – (that is, any shared network enlargement/enhancement undertaken by a customer but funded by a network service provider) is direct control service and further standard control service</p> <p>Part B – (that is, any shared network enlargement/enhancement undertaken by a customer and funded by the customer) is unclassified and hence unregulated.</p> <p>Part C – (that is, any shared network enlargement/enhancement undertaken by a customer) is unclassified and hence unregulated.</p>

Table 3 – Metering services

Class of activities	Description (if any) as per the AER's Stage 1 F&A	Ausgrid's proposed description	AER's proposed service classification	Ausgrid's proposed service classification
Types 5 and 6 metering installation	Includes on site connection of a new meter at a customer's premises, and on site connection of an upgraded meter at a customer's premises where the upgrade is initiated by the customer. Excludes installation of replacement types 5 and 6 meters initiated by the DNSP.	Same as the AER, noting that the installation of a new meter is for a whole current (up to 100A) meter.	Unclassified	Same as the AER's proposed classification, i.e. unclassified, hence unregulated.
Types 5 and 6 metering provision, maintenance, reading and data services	Meter provision refers to the capital cost of purchasing the metering equipment to be installed. Meter maintenance covers works to inspect, test, maintain, repair and replace meters. Meter reading refers to quarterly or other regular reading of a meter. Metering data services are those that involve the collection, processing, storage and delivery of metering data and the management of relevant NMI Standing Data in accordance with the Rules.	Ausgrid proposes to adopt the AER's description.	Alternative control service	Same as the AER's proposed classification, i.e. direct control service and further alternative control service.
Type 7 metering services	Administration and management of type 7 metering installations in accordance with the Rules 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.	Same as the AER's proposed description.	Standard control service	Same as the AER's proposed classification i.e. direct control service and further standard control service

Table 4 – Public lighting services

Class of activities	Description (if any) as per the AER's Stage 1 F&A	Ausgrid's proposed description	AER's proposed service classification	Ausgrid's proposed service classification
Provision, construction and maintenance of public lighting and emerging public lighting technology	No further description	Same as the AER.	Alternative control service	Same as the AER's proposed classification i.e. direct control service and further as alternative control service

Table 5 – Ancillary network services

Class of activities	Description (if any) as per the AER's Stage 1 F&A	Ausgrid's proposed description	AER's proposed service classification	Ausgrid's proposed service classification
Design related services	Provision of design information, design certification and design rechecking services in relation to connection and relocation works provided contestably	Provision of design information, design certification and design re-certification services in relation to connection and relocation works provided contestably.	Alternative control service	Same as the AER's proposed classification, i.e. direct control service and further alternative control service.
ASP inspection services	Inspection and re-inspection of contestable connection and relocation works performed by Accredited Service Providers (ASPs)	Same as the AER's proposed description.	Alternative control service	Same as the AER's proposed classification, i.e. direct control service and further alternative control service.
Reinspection of installation work in relation to customer assets	Reinspection by a distributor of private electrical wiring work undertaken by an electrical contractor, required where the first inspection revealed defective work.	Same as the AER's proposed description.	Alternative control service	Same as the AER's proposed classification, i.e. direct control service and further alternative control service.
Contestable substation commissioning	Includes Contestable substation commissioning (complex) and Contestable substation commissioning (basic). Involves the process of connecting the substation to the network. Complex involves kiosk and chamber substations that may involve protection settings. Basic is generally pole mounted substations.	Same as the AER's proposed description.	Alternative control service	Same as the AER's proposed classification, i.e. direct control service and further alternative control service.
Access permits	The provision of an access permit by a distributor to a person authorised to work	Same as the AER's proposed	Alternative control service	Same as the AER's proposed classification, i.e. direct control service and further alternative

Class of activities	Description (if any) as per the AER's Stage 1 F&A	Ausgrid's proposed description	AER's proposed service classification	Ausgrid's proposed service classification
	on or near distribution systems including high voltage.	description.		control service.
Clearance to work	The provision of a clearance to work by a distributor to a person authorised to work on or near the system generally at a low voltage.	Same as the AER's proposed description.	Alternative control service	Same as the AER's proposed classification, i.e. direct control service and further alternative control service.
Access (standby person)		The provision of access to switch rooms, substations and the like to an ASP who is accompanied by a distributor's staff member, but does not include the circumstance where an ASP is provided with keys for the purpose of securing access and is not accompanied by distributor's staff member.	Alternative control service	Same as the AER's proposed classification, i.e. direct control service and further alternative control service.
Notices of arrangement	Work of an administrative nature performed by a distributor 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 may include receiving and checking linen plans and 88 B instruments, copying linen plans, checking and recording easement details, preparing files for conveyancing officers, liaising with developers if errors or charges are required, checking and receiving duct declarations and any amended linen plans and 88B instruments approved by a conveyancing officer and preparing notifications of arrangement.	Same as the AER's proposed description.	Alternative control service	Same as the AER's proposed classification, i.e. direct control service and further alternative control service.
Authorisation of ASPs	Annual authorisation of individual employees and sub-contractors of ASPs and additional authorisations at request of ASP. Authorisation excludes training costs.	Same as the AER's proposed description.	Alternative control service	Same as the AER's proposed classification, i.e. direct control service and further alternative control service.
Administration services relating to work performed by ASPs, including processing work		Work of an administration nature (not including work of an administrative nature described in service - Notice of Arrangement or Authorisation of ASPs), including the processing of Level 1 and/or Level 3 work where the customer is lawfully required to pay for the Level 1 and / or Level 3 work.	Alternative control service	Same as the AER's proposed classification, i.e. direct control service and further alternative control service.
Conveyancing information	Supply of conveyancing information – desk inquiry; Supply of conveyancing information – field visit	Same as the AER's proposed description.	Alternative control service	Same as the AER's proposed classification, i.e. direct control service and further alternative control service.
Site establishment fee services	Site establishment services, including issuing of meters and liaising with the AEMO or market participants for the purpose of establishing NMIs in market systems, for new premises or for any existing premises for which AEMO requires a new NMI.	Site establishment services, including issuing of meters (where applicable) and liaising with Australian Energy Market Operator (AEMO) or market participants for the purpose of establishing 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.	Alternative control service	Same as the AER's proposed classification, i.e. direct control service and further alternative control service.
Customer interface coordination for contestable works		This service is proposed where customer connections or asset relocations may require a high level of DNSP involvement in order to coordinate a range of inputs from the DNSP to help establish the connection.	Alternative control service	Same as the AER's proposed classification, i.e. direct control service and further alternative control service.
Preliminary enquiry service	For services provided to connection applicants making a preliminary enquiry requiring site-specific or written response	Same as the AER's proposed description.	Alternative control service	Same as the AER's proposed classification, i.e. direct control service and further alternative

Class of activities	Description (if any) as per the AER's Stage 1 F&A	Ausgrid's proposed description	AER's proposed service classification	Ausgrid's proposed service classification
				control service.
Connection offer service (basic or standard)	For services provided by distributors in assessing the applicant's application and making a basic or standard connection offer	For services provided by distributors in assessing the applicant's connection application and making basic or standard connection offer.	Alternative control service	Same as the AER's proposed classification, i.e. direct control service and further alternative control service.
Reconnections/Disconnections	Disconnection or reconnection visits (acceptable payment received); Disconnections or reconnections at the meter box (technical/hard disconnect); Disconnections or reconnections at the meter box (non-technical/soft disconnect); Disconnections or reconnections at the pole top/pillar box; Disconnections or reconnections outside of business hours.	Disconnection or reconnection visits (site visit only); Disconnection or reconnection (disconnection completed); Disconnection or reconnection (disconnection completed - Technical); Disconnection or reconnection visit (pole top or pillar box); Disconnections or reconnections (site visit only - pole top or pillar box); Disconnections or reconnections outside of business hours.	Alternative control service	Same as the AER's proposed classification, i.e. direct control service and further alternative control service.
Ancillary metering services	For example, special meter reading for types 5 and 6 meters; testing for type 5 and 6 meters; franchise CT meter install; customer requested meter accuracy testing; types 5–7 non-standard metering data services; replacement or removal of a type 5 or 6 meter instigated by a customer switching to a non-type 5 or 6 meter that is not covered by any other fee.	For example, special meter reading for types 5 and 6 meters; customer or retailer requested meter accuracy testing for type 5 and 6 meters; franchise CT meter install; Request for Customer Energy Consumption Data, Tariff or Distribution Information; replacement or removal of a type 5 or 6 meter instigated by a customer switching to a non-type 5 or 6 meter that is not covered by any other fee; Emergency maintenance of failed metering equipment not owned by the Network.	Alternative control service	Same as the AER's proposed classification, i.e. direct control service and further alternative control service.
Off-peak conversion		The alteration of the off-peak metering equipment at a customer's premises for the purpose of changing the hours of the metering equipment's operation.	The alteration of the off-peak metering equipment at a customer's premises for the purpose of changing the hours of the metering equipment's operation.	Same as the AER's proposed classification, i.e. direct control service and further alternative control service.
Rectification works	Includes rectification of illegal connections, provision of service crew/additional crew, fitting of tiger tails, high load escorts	Same as the AER's proposed description.	Alternative control service	Same as the AER's proposed classification, i.e. direct control service and further alternative control service.
Connection/relocation process facilitation		Providing connection applicants with ongoing information and advice in relation to the connection process and requirements associated with establishing a new or altered connection or a relocation of existing network assets.	Alternative control service	Same as the AER's proposed classification, i.e. direct control service and further alternative control service.
Services to supply and connect temporary supply to one or more customers	Including equipment and related costs) in relation to planned access permits	Same as the AER's proposed description.	Alternative control service	Same as the AER's proposed classification, i.e. direct control service and further alternative control service.
Carrying out planning studies and analysis relating to distribution (including sub-transmission and dual function assets) connection applications		This service undertakes necessary planning studies and associated technical analysis to help determine suitable/feasible connection options for further consideration by proponents.	Alternative control service	Same as the AER's proposed classification, i.e. direct control service and further alternative control service.
Services involved in obtaining deeds of agreement in relation to		Services related to the acquisition of tenure over and access to DNSP assets associated with contestable connection	Alternative control service	Same as the AER's proposed classification, i.e. direct control service and further alternative

Class of activities	Description (if any) as per the AER's Stage 1 F&A	Ausgrid's proposed description	AER's proposed service classification	Ausgrid's proposed service classification
property rights associated with contestable connection works		works.		control service.
Investigation, review and implementation of remedial actions associated with ASPs' connection work		The investigation, review and implementation of remedial actions associated with contestable connection works leading to corrective and disciplinary action of an ASP due to unsafe practices, substandard workmanship or other serious circumstances that impact upon ongoing Authorisation as an Accredited Service Provider to NSW DNSPs.	Alternative control service	Same as the AER's proposed classification, i.e. direct control service and further alternative control service.
Network tariff change request	When a customer or retailer requests an alteration to an existing network tariff (for example, a change from an Inclining Block Tariff to a Time of Use tariff), the NSW distributors conduct tariff and load analysis to determine whether the customer meets the relevant tariff criteria. The NSW distributors also process changes in their IT systems to reflect the tariff change.	When a Retailer's customer or Retailer requests an alteration to an existing network tariff (for example, a change from an Inclining Block Tariff or Time of Use tariff to a capacity tariff), Ausgrid conducts tariff and load analysis to determine whether the customer meets the relevant tariff criteria. Ausgrid also processes changes in Ausgrid's IT systems to reflect the tariff change.	Alternative control service	Same as the AER's proposed classification, i.e. direct control service and further alternative control service.
Recovery of debt collection costs – dishonoured transactions	B2B service orders from retailers to obtain a final read for customer move-outs or to obtain a start read where property has been vacant	We note that the description of the service (2 nd column from left) is incorrect with respect to the activity 'recovery of debt collection costs – dishonoured transactions'. This description is relevant to the activity 'move in move out meter reads' (see below). In relation to this activity of 'recovery of debt collection costs – dishonoured transactions', Ausgrid proposes the description to be: <i>The incurrance of costs, including bank fees by Ausgrid resulting from this dishonor of a customer or ASP's cheques tendered in payment of network related services</i>	Alternative control service	Same as the AER's proposed classification, i.e. direct control service and further alternative control service.
Services provided in relation to a Retailer of Last Resort (ROLR) event	The NSW distributors may be required to perform a number of services as a distributor when a ROLR event occurs. These include: Preparing lists of affected sites, and reconciling data with AEMO listings; handling in-flight transfers; identifying open service orders raised by the failed retailer and determining actions to be taken in relation to those service orders; arranging estimate reads for the date of the ROLR event and providing data for final NUOS bills in relation to affected customers; preparing final invoices for NUOS and miscellaneous charges for affected customers; preparing final debt statements; extracting customer data, providing it to the ROLR and handling subsequent enquiries; handling adjustments that arise from the use of estimate reads; assisting the retailer with the provision of network tariffs to be applied and the customer move in process; administration of any 'ROLR cost recovery scheme distributor payment determination'.	Same as the AER's proposed description.	Alternative control service	Same as the AER's proposed classification, i.e. direct control service and further alternative control service.
Attendance at customers' premises to perform a statutory right where access is prevented.		A follow up attendance at customers' premises to perform a statutory right where access was prevented or declined	Alternative control service	Same as the AER's proposed classification, i.e. direct control service and further alternative control service.

Class of activities	Description (if any) as per the AER's Stage 1 F&A	Ausgrid's proposed description	AER's proposed service classification	Ausgrid's proposed service classification
		by the customer on the initial visit.		
Vacant property reconnect/disconnect	Includes customer request for ad-hoc reconnections/disconnections for regular but short periods of time, for example, holiday homes.	<p>At the request of the Retailer, a site visit to a customer's premises to disconnect or reconnect the supply of electricity due to:</p> <ul style="list-style-type: none"> • a vacant premises; or • a site where the power is on. 	Alternative control service	Same as the AER's proposed classification, i.e. direct control service and further alternative control service.
Move in move out meter reads	Includes customer request for ad-hoc reconnections/disconnections for regular but short periods of time, for example holiday homes.	<p>We note that the description provided by the AER is an inadvertent duplication of the description pertaining to 'vacant property reconnect/disconnect.</p> <p>Ausgrid proposes the following description for this service.</p> <p><i>B2B service orders from retailers to obtain a final read for customer move-outs or to obtain a start read where property has been vacant . This includes customer or retailer requests for a final or start read when a customer movement occurs.</i></p>	Alternative control service	Same as the AER's proposed classification, i.e. direct control service and further alternative control service.