

A photograph of high-voltage power lines and towers stretching across a landscape at sunset. The sky is a mix of orange, yellow, and blue. The foreground shows some dry vegetation and a dirt path. The image is overlaid with a dark red gradient at the bottom.

# Large Dedicated Connection Asset Access Policy

For Davenport - Upper North

December 2020

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Revision Record			
Date	Version	Description	Approved By
1/12/2020	1.0	Access Policy DVPT - UN	Ashley Manna, Group Executive Corporate Development

## Background

Clause 5.2.7(c) of the National Electricity Rules (**NER**) provides that a *Dedicated Connection Asset Service Provider* for a *large dedicated connection asset (LDCA)* must prepare, maintain and publish an *access policy* in accordance with rule 5.2A.8 of the NER.

This policy has been prepared in fulfilment of ElectraNet Pty Limited's (ACN 094 482 416) (**ElectraNet**) obligations under rule 5.2.7(c) of the NER to prepare, maintain and publish an access policy for Davenport – Upper North (**Access Policy**). This Access Policy has been approved by the *AER* in accordance with rule 5.2A.8 of the NER and is effective on the date fixed in the *AER*'s decision approving this Access Policy.

If an applicant (**Service Applicant**) seeks *large DCA services* with respect to the LDCA (**LDCA Service**), this Access Policy, together with the negotiating principles in Schedule 5.12 of the NER will apply (see rule 5.2A.6(c) of the NER).

The Service Applicant acknowledges and agrees that the Service Applicant's application to access the LDCA Service will form part of the Service Applicant's broader proposed *connection* to ElectraNet's *transmission network*. Therefore, the Service Applicant will be responsible for ensuring that it has, or will have, a *transmission connection agreement (TCA)* with ElectraNet as the *Primary Transmission Network Service Provider* of the *transmission network* to which the Service Applicant's *facility* will be connected into (via the LDCA and any *identified user shared assets*).

The Service Applicant acknowledges and agrees that under the NER, ElectraNet is required to keep this Access Policy up to date and, subject to the *AER*'s approval under rule 5.2A.8 of the NER, ElectraNet may vary this Access Policy. Any variation to this Access Policy will take effect on the date fixed in the *AER*'s decision approving the variation.

The Service Applicant acknowledges and agrees that, to the extent permitted by the NER, this Access Policy does not override any existing TCA with respect to the LDCA.

Unless the context otherwise requires, *italicised* terms in this Access Policy have the same meaning given to them in the NER.

## Large Dedicated Connection Asset details

Large Dedicated Connection Asset details	
Name/description of LDCA	Davenport – Upper North
Description of the route of the LDCA	Refer to plan in Attachment 1
Tenure arrangements for the LDCA	<input type="checkbox"/> Freehold <input checked="" type="checkbox"/> Lease <input checked="" type="checkbox"/> Other: easements Note there are currently 36 different land holders.
Main components of the LDCA and facilities connected to the LDCA at time of classification.	<i>Transmission network connection point</i> at Davenport 275kV (Diameter C02), 275kV Feeder Davenport to Mount Gunson South (F1974), Mount Gunson South 275/132kV Substation (H590). 132kV Feeder Mount Gunson South to Prominent Hill – Olympic Dam intercept (F1881). Refer attached route map.
Material regulatory limitations	A connection agreement (which arose from a <i>connection</i> enquiry lodged before the 1/7/2018 commencement of the Transmission Connection and Planning Arrangements rule) is in place pursuant to which ElectraNet is providing the relevant Transmission Network User with a LDCA Service. The provisions of transitional Rule 11.98 of the NER apply to the abovementioned connection agreement.
Pricing principles for LDCA Service	The price for a LDCA Service will be negotiated between ElectraNet and the Service Applicant in accordance with the negotiating principles for large DCA services set out in Schedule 5.12 of the NER and paragraph 6 of this Access Policy. Any required cost sharing arrangements between the service applicants with respect to the shared LDCA Service will be agreed in writing with the Service Applicants.

## Contact details for enquiries

All general enquiries regarding the LDCA, the LDCA Service or this Access Policy should be directed to: [connection@electranet.com.au](mailto:connection@electranet.com.au).



## ACCESS POLICY

### 1. Application of Access Policy

- 1.1 This Access Policy applies to ElectraNet and each Service Applicant who has made an application in writing to ElectraNet for the provision of this LDCA Service.
- 1.2 ElectraNet and any Service Applicant who wishes to receive this LDCA Service from ElectraNet must comply with the requirements of this Access Policy.
- 1.3 The requirements set out in this Access Policy are additional to any requirements or obligations contained in Schedule 5.12 of the NER. In the event of any inconsistency between this Access Policy and any other requirements in the NER, the requirements of the NER will prevail.
- 1.4 Nothing in this Access Policy or in the NER will be taken as imposing an obligation on ElectraNet to provide any service (including any LDCA Service) to the Service Applicant.

### 2. Obligation to negotiate in good faith

In negotiating the terms of access to the LDCA Service, ElectraNet and the Service Applicant will comply with the negotiating principles set out in Schedule 5.12 of NER and negotiate in good faith.

### 3. Timeframe for commencing, progressing and finalising negotiations

- 3.1 Paragraph 3.3 sets out the timeframe for commencing, progressing and finalising negotiations in relation to a LDCA Service.
- 3.2 The timeframes set out in paragraph 3.3 may be suspended in accordance with paragraph 7.
- 3.3 Applications for a LDCA Service:
  - 3.3.1 The specified timeframes for commencing progressing and finalising negotiations with a Service Applicant for a LDCA Service are set out in Table 3-1.
  - 3.3.2 ElectraNet and the Service Applicant must use reasonable endeavours to adhere to the timeframes specified in Table 3-1.
  - 3.3.3 The timeframes specified in Table 3-1 may be modified from time to time:
    - (a) in order to align the timeframes specified in Table 3-1 to the then current *preliminary program* for the proposed milestones for *connection* and access activities agreed between the Service Applicant (in its capacity as the *Connection Applicant*) and ElectraNet (in its capacity as the *Primary Transmission Network Service Provider* of the *transmission network* to which the Service Applicant's *facility* will be connected into (via the LDCA and any *identified user shared assets*) (**TCA Preliminary Program**); and
    - (b) otherwise by agreement between the parties, and such agreement must not be unreasonably withheld.
  - 3.3.4 The requirement in paragraph 3.3.3 applies to the last amended timeframe.

Table 3-1 – Timeframe for negotiation

	Event	Indicative timeframe
A	Receipt of a written application for a LDCA Service and a written confirmation from the Service Applicant that it has submitted a <i>connection</i> enquiry to ElectraNet (in its capacity as the <i>Primary Transmission Network Service Provider</i> of the <i>transmission network</i> to which the Service Applicant's <i>facility</i> will be connected into (via the LDCA and any <i>identified user shared assets</i> )) pursuant to rule 5.3.2 of the NER relating to its proposed <i>connection</i> to ElectraNet's <i>transmission network</i> .	X
B	Parties meet to discuss a preliminary program with milestones for the LDCA Service that represents a reasonable period of time for commencing, progressing and finalising negotiations for the provision of the LDCA Service (having regard to the TCA Preliminary Program)	X + 20 Business Days
C	Parties finalise the preliminary program for commencing, progressing and finalising negotiations for the provision of the LDCA Service, which must align with the TCA Preliminary Program and may include, without limitation, milestones relating to: <ul style="list-style-type: none"> <li>the request by ElectraNet, and provision by the Service Applicant, of Commercial Information; and</li> <li>notification and consultation with AEMO and / or any affected <i>Network Users</i>.</li> </ul>	X + 30 Business Days
D	ElectraNet provides the Service Applicant with an offer for the LDCA Service.	X + 120 Business Days
E	Parties finalise negotiations	X + 160 Business Days

3.4 Subject to paragraph 3.3, ElectraNet and the Service Applicant must, following a request by the Service Applicant, use their reasonable endeavours to:

- 3.4.1 hold a meeting within 20 Business Days of receipt of the application from the Service Applicant, or such other period as agreed by the parties, in order to agree a timetable for the conduct of negotiations and to commence discussion regarding other relevant issues;
- 3.4.2 progress the negotiations for the provision of a LDCA Service by ElectraNet such that the negotiations may be finalised in accordance with paragraph 3.4.1;
- 3.4.3 adhere to any timetable established for the negotiation and to progress the negotiation in an expeditious manner; and
- 3.4.4 finalise the negotiations for the provision of a LDCA Service by ElectraNet within a time period agreed by the parties.
- 3.5 Notwithstanding paragraph 3.1, or any other provision of this Access Policy, the timeframes set out in paragraph 3.3:

- 3.5.1 do not commence until payment of the amount to ElectraNet pursuant to paragraph 9.1 and the execution of a binding agreement (if required) pursuant to paragraph 9.2; and
- 3.5.2 recommence if there is a material change in the service sought by the Service Applicant, unless ElectraNet agrees otherwise.

## **4. Provision of Commercial Information by Service Applicant**

### **Obligation to provide initial Commercial Information**

- 4.1 Within a time agreed by the parties, ElectraNet must use its reasonable endeavours to give notice to the Service Applicant requesting Commercial Information held by the Service Applicant that is reasonably required by ElectraNet to enable it to engage in effective negotiations with the Service Applicant in relation to the application.
- 4.2 Subject to paragraphs 4.3 and 4.6, the Service Applicant must use its reasonable endeavours to provide ElectraNet with the Commercial Information requested by ElectraNet in accordance with paragraph 4.1 within 20 Business Days of that request, or within a time period otherwise agreed by the parties.
- 4.3 Notwithstanding paragraph 4.1, the obligation under paragraph 4.1 is suspended if a dispute relating to this Access Policy arises, from the date of notification of that dispute until the conclusion of the dispute in accordance with paragraph 10.

### **Obligation to provide additional Commercial Information**

- 4.4 ElectraNet may give a notice to the Service Applicant requesting the Service Applicant to provide ElectraNet with any additional Commercial Information that is reasonably required by ElectraNet to enable it to engage in effective negotiations with the Service Applicant in relation to the provision of a LDCA Service or to clarify any Commercial Information provided pursuant to paragraph 4.2.
- 4.5 The Service Applicant must use its reasonable endeavours to provide ElectraNet with the Commercial Information requested by ElectraNet in accordance with paragraph 4.4 within 20 Business Days of the date of the request under paragraph 4.4, or such other period as agreed by the parties.

### **Confidentiality requirements**

- 4.6 For the purposes of this paragraph 4, Commercial Information does not include:
  - 4.6.1 confidential information provided to the Service Applicant by another person; or
  - 4.6.2 information that the Service Applicant is prohibited, by law, from disclosing to ElectraNet.
- 4.7 Commercial Information may be provided by the Service Applicant subject to conditions including the condition that ElectraNet must not disclose the Commercial Information to any other person unless the Service Applicant consents in writing to the disclosure. The Service Applicant may require ElectraNet to enter into a confidentiality agreement, on terms reasonably acceptable to both parties, with the Service Applicant in respect of any Commercial Information provided to ElectraNet.

## 5. Provision of information by ElectraNet

- 5.1 ElectraNet must provide the Service Applicant with such information held by ElectraNet that is reasonably required by a Service Applicant to enable it to engage in effective negotiations with ElectraNet for the provision of a LDCA Service within a timeframe agreed by the parties.
- 5.2 The information referred to in paragraph 5.1 must be provided by ElectraNet subject to conditions including the condition that the Service Applicant must not disclose the information to any other person unless ElectraNet consents in writing to the disclosure. ElectraNet may require the Service Applicant to enter into a confidentiality agreement, on terms reasonably acceptable to both parties, with ElectraNet in respect of any information provided to the Service Applicant.

## 6. Key terms applicable to the LDCA Service

- 6.1 The Service Applicant acknowledges and agrees that the following key terms will apply to ElectraNet's provision of the LDCA Service:
- 6.1.1 the provision of the LDCA Service by ElectraNet is subject to the Service Applicant:
- (a) having an unconditional TCA with ElectraNet in its capacity as the Primary Transmission Network Service Provider of the transmission network to which the Service Applicant's facility will be connected into (via the LDCA and any identified user shared assets);
  - (b) without limiting 6.1.1(a) and if required by ElectraNet, entering into all other arrangements associated with the connection of the Service Applicant's facility to ElectraNet's transmission network via the LDCA, including, without limitation, an agreement with any other Network Users and ElectraNet (in its capacity as the Primary Transmission Network Service Provider) with respect to managing and coordinating the maximum aggregated output levels of all of the facilities of all Network Users connected through a single connection point to the transmission network or the LDCA;
  - (c) ensuring that the applicable performance standards for its facility is based on the automatic access standard (in accordance with rule 5.3.2 of the NER) or for a negotiated access standard, approved by AEMO in accordance with the procedures set out in rule 5.3.4A of the NER; and
  - (d) obtaining AEMO's approval with respect to the location of the connection point for the LDCA Service and the relevant metering installations;
- 6.1.2 subject to paragraphs 6.1.3 and 6.1.4, the price for the LDCA Service should be at least equal to the avoided cost of providing it but no more than the cost of providing it on a stand-alone basis;
- 6.1.3 if the Large DCA Service is the provision of a *shared transmission service*<sup>1</sup> that:
- (a) exceeds the network performance requirements (if any) which that shared transmission service is required to meet under any jurisdictional electricity legislation; or
  - (b) exceeds the network performance requirements set out in schedules 5.1a and 5.1 of the NER,
- then the differential between the price for that service and the price for the *shared transmission service* which meets (but does not exceed) the *network* performance requirements under any *jurisdictional electricity legislation* or as set out in schedules 5.1a and 5.1 of the NER (as the case may be) should reflect the increase in ElectraNet's incremental cost of providing that service;

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<sup>1</sup> This clause is required by S5.12 of the Rules however a LDCA Service can not be a *shared transmission service*.



- 6.1.4 if the Large DCA Service is the provision of a *shared transmission service*<sup>2</sup> that does not meet (and does not exceed) the network performance requirements set out in schedules 5.1a and 5.1 of the NER, the differential between the price for that service and the price for the *shared transmission service* which meets (but does not exceed) the network performance requirements set out in schedules 5.1a and 5.1 should reflect the amount of ElectraNet's avoided cost of providing that service;
- 6.1.5 the price for a Large DCA Service must be the same for all *Transmission Network Users* unless there is a material difference in the costs of providing the Large DCA Service to different *Transmission Network Users* or classes of *Transmission Network Users*;
- 6.1.6 the price for a Large DCA Service should be subject to adjustment over time to the extent that the assets used to provide that service are subsequently used to provide services to another person, in which case such adjustment should reflect the extent to which the costs of that asset is being recovered through charges to that other person;
- 6.1.7 the price for a Large DCA Service should be such as to enable ElectraNet to recover the efficient costs of complying with all regulatory obligations or requirements associated with the provision of the Large DCA Service;
- 6.1.8 the Service Applicant should pay for the cost of any enlargement or increase in capacity of (an **upgrade**), or alterations to, the LDCA required to provide it with LDCA Service, including any circuit breakers, *remote control equipment* and *remote monitoring equipment* required by AEMO, the moving of metering and other related equipment, necessary for the Service Applicant's *connection* to the LDCA;
- 6.1.9 the *connection* of the Service Applicant to the LDCA and access to the LDCA Service must not adversely affect the access standards, including *performance standards* and *power transfer capability* of an existing connecting party at the time of the access application by the Service Applicant;
- 6.1.10 the *connection* of an applicant to the LDCA and access to the LDCA Service must not adversely affect contractual obligations of an existing connecting party to the LDCA;
- 6.1.11 the Service Applicant must compensate ElectraNet (and any existing connecting party) for any lost revenue incurred during an upgrade of, or alterations to, the LDCA and metering and other related equipment moves to provide for the connection and operation of the Service Applicant's *facilities* and access to the LDCA Service;
- 6.1.12 the connection of the Service Applicant to the LDCA and access to the LDCA Service must not:
- (a) prevent an existing connecting party at the time of the Service Applicant's application from obtaining a sufficient amount of LDCA Service to be able to meet that person's reasonably anticipated requirements, measured at the time of the access application by the Service Applicant; or
  - (b) result in the Service Applicant becoming the owner (or one of the owners) of any part of the existing LDCA or upgrade of that asset without ElectraNet's prior written consent;
  - (c) require an existing connecting party or ElectraNet to bear all or some of the costs of an upgrade of the LDCA or maintaining an upgrade; or
  - (d) require an existing connecting party to the LDCA to bear all or some of the costs of an interconnection to the LDCA or maintaining an interconnection; and

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<sup>2</sup> This clause is required by S5.12 of the Rules however a LDCA Service cannot be a *shared transmission service*

- 6.1.13 ElectraNet may, but is not required to, give access to the Service Applicant if doing so would mean the LDCA would no longer constitute a *dedicated connection asset*, including where the Service Applicant is a *Distribution Network Service Provider* or is seeking access to the LDCA Service other than as part of the existing *identified user group* or as a *new identified user group*.

## 7. Suspension of timeframe

- 7.1 The timeframes for negotiation of provision of a LDCA Service as contained within this Access Policy, or as otherwise agreed between the parties, are to be suspended in accordance with the provisions below:
- 7.1.1 if within 15 Business Days of a Service Applicant providing the Commercial Information to ElectraNet pursuant to paragraph 4.1 or 4.4, ElectraNet does not formally accept that Commercial Information;
- 7.1.2 a dispute in relation to the LDCA Service has been commenced under the NER, from the date of notification of that dispute until:
- (a) the withdrawal of the dispute in accordance with the NER;
  - (b) the termination of the dispute by the commercial arbitrator in accordance with the NER; or
  - (c) determination of the dispute by the commercial arbitrator under the NER;
- 7.1.3 within 20 Business Days of ElectraNet requesting additional Commercial Information from the Service Applicant pursuant to paragraph 4.2, the Service Applicant has not supplied that Commercial Information; or
- 7.1.4 without limiting paragraphs 7.1.1 to 7.1.3, the Service Applicant does not promptly conform with any of its obligations as required by this Access Policy or as otherwise agreed by the parties.

## 8. Termination of negotiations

- 8.1 The Service Applicant may elect not to continue with its application for the LDCA Service and may terminate the negotiations by giving ElectraNet written notice of its decision to do so.
- 8.2 ElectraNet may terminate a negotiation under this Access Policy by giving the Service Applicant written notice of its decision to do so where:
- 8.2.1 ElectraNet believes on reasonable grounds that the Service Applicant is not conducting the negotiation under this Access Policy in good faith;
- 8.2.2 the Service Applicant consistently fails to comply with the requirements of this Access Policy;
- 8.2.3 the Service Applicant fails to comply with an obligation in this Access Policy to undertake or complete an action within a specified or agreed timeframe, and does not complete the relevant action within 20 Business Days of a written request from ElectraNet; or
- 8.2.4 an act of Solvency Default occurs in relation to the Service Applicant.

## 9. Payment of ElectraNet's costs

- 9.1 Prior to commencing negotiations, the Service Applicant must pay an application fee to ElectraNet. The details of the application fee will be provided by ElectraNet to the Service Applicant.
- 9.2 ElectraNet may require the Service Applicant to enter into a binding agreement addressing conditions, guarantees and other matters in relation to the payment of on-going costs of processing the application.

## 10. Dispute resolution – availability of commercial arbitration under the NER

- 10.1 If the Applicant has any disputes about the *terms and conditions of access* for the provision of *large DCA services* (a *large DCA services access dispute*), the Applicant can refer the *large DCA services access dispute* to the commercial arbitration provisions under rule 5.5 (*Commercial arbitration for prescribed and LDCA Services and large DCA services*) of the NER.
- 10.2 The *terms and conditions of access* for *large DCA services* means the price of, and the other terms and conditions for, the provision of those *large DCA services*, as determined under this policy.
- 10.3 Please refer to clause 5.5.2 (*Notification of dispute*) of the NER as to how the Applicant may commence the dispute resolution process for a *large DCA services access dispute* set out under rule 5.5 (*Commercial arbitration for prescribed and LDCA Services and large DCA services*) of the NER.

## 11. Notices

- 11.1 A notice, consent, information, application or request that must or may be given or made to a party under this Access Policy is only given or made if it is in writing and delivered or posted to that party at its address set out below.

### 11.1.1 ElectraNet

**Name:** ElectraNet Pty Limited

**Address:** 52-55 East Terrance, Adelaide SA, 5000

**Email:** connection@electranet.com.au

### 11.1.2 Service Applicant

**Name:** Service Applicant

**Address and email address:** As nominated by the Service Applicant as part of its application

- 11.2 If a party gives the other party 5 Business Days' notice of a change of its address, a notice, consent, information, application or request is only given or made by that other party if it is delivered or posted to the latest address.
- 11.3 A notice, consent, information, application or request is to be treated as given or made at the following time:
- 11.3.1 if it is delivered, when it is left at the relevant address;
- 11.3.2 if it is sent by post, 6 Business Days after it is posted; or
- 11.3.3 if sent by email once acknowledged as received by the addressee.
- 11.4 If a notice, consent, information, application or request is delivered after the normal business hours of the party to whom it is sent, it is to be treated as having been given or made at the beginning of the next Business Day.

## 12. Definitions

In this Access Policy:

**Business Day** means a day on which all banks are open for business generally in Adelaide, South Australia.

**Commercial Information** will include, at a minimum, the following classes of information relating to the Service Applicant:

- (a) details of corporate structure;
- (b) financial details relevant to creditworthiness and commercial risk;
- (c) ownership of assets;
- (d) technical information relevant to the application for a LDCA Service;
- (e) financial information relevant to the application for a LDCA Service; and
- (f) details of an application's compliance with any law, standard, NER or guideline.

**Solvency Default** means the occurrence of any of the following events in relation to the Service Applicant:

- (a) an originating process or application for the winding up of the Service Applicant (other than a frivolous or vexatious application) is filed in a court or a special resolution is passed to wind up the Service Applicant, and is not dismissed before the expiration of 60 days from service on the Service Applicant;
- (b) a receiver, receiver and manager or administrator is appointed in respect of all or any part of the assets of the Service Applicant, or a provisional liquidator is appointed to the Service Applicant;
- (c) a mortgagee, chargee or other holder of security, by itself or by or through an agent, enters into possession of all or any part of the assets of the Service Applicant;
- (d) a mortgage, charge or other security is enforced by its holder or becomes enforceable or can become enforceable with the giving of notice, lapse of time or fulfilment of a condition;
- (e) the Service Applicant stops payment of, or admits in writing its inability to pay, its debts as they fall due;
- (f) the Service Applicant applies for, consents to, or acquiesces in the appointment of a trustee or receiver of the Service Applicant or any of its property;
- (g) a court appoints a liquidator, provisional liquidator, receiver or trustee, whether permanent or temporary, of all or any part of the Service Applicant's property;
- (h) the Service Applicant takes any step to obtain protection or is granted protection from its creditors under any applicable legislation or a meeting is convened or a resolution is passed to appoint an administrator or controller (as defined in the Corporations Act 2001 (Cth)), in respect of the Service Applicant;
- (i) a controller (as defined in the Corporations Act 2001 (Cth)) is appointed in respect of any part of the property of the Service Applicant;



- (j) except to reconstruct or amalgamate while solvent, the Service Applicant enters into or resolves to enter into a scheme of arrangement, compromise or reconstruction proposed with its creditors (or any class of them) or with its members (or any class of them) or proposes re-organisation, re-arrangement moratorium or other administration of the Service Applicant's affairs;
- (k) the Service Applicant is the subject of an event described in section 459C(2)(b) of the Corporations Act 2001 (Cth); or
- (l) anything analogous or having a substantially similar effect to any of the events specified above happens in relation to the Service Applicant.

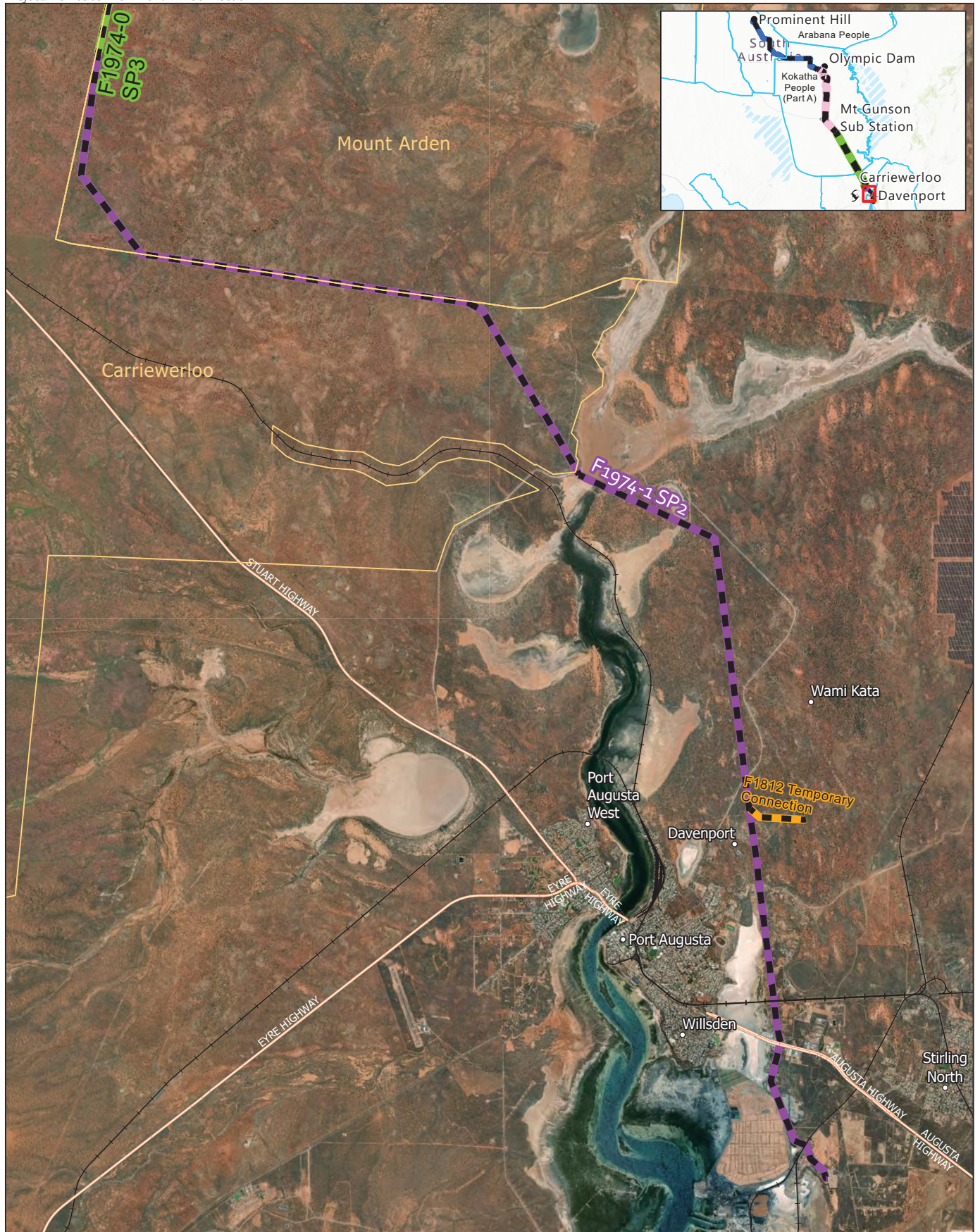
## Attachment 1 – Plan of LDCA route



# Prominent Hill - Route Map SP2

Effective 21 June 2021

Project: EC 40903 Prominent Hill Connection

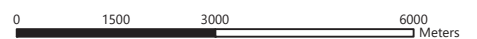


## Legend

- Pastoral Station
- Rail
- Roads
- F1812 Temporary Connection
- F1974-0
- F1974-1
- Place Names



1:80,800 (A3) / GDA2020 South Australia Lambert



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