02.01.01 - Classification Proposal



October 2014



Contents

Cc	nten	ts	1
1		roduction	
	1.1	Overview	2
	1.2	Purpose of this document	
	1.3	Outcomes of Framework and Approach	
2	Wa	asted truck visits	7
3	Erç	gon Energy's classification of services	8
Аp	pend	dix A: Alternative Control Services internal service descriptions	27
Аp	pend	dix B: Ergon Energy services by pricing mechanism	49
1	Se	rvices included in the Distribution Use of System charge	51
2.	Us	er specific charges (Fixed Fee and Quoted Price)	55
3.	Se	rvices priced on the basis of a limited building block	61

1 Introduction

1.1 Overview

Service classification is the process of determining which distribution services are to be subject to economic regulation under the National Electricity Rules (NER) and the type of oversight that will be applied by the Australian Energy Regulator (AER) to the pricing of those services.

The nature of the classification that can apply to a service varies, covering:

- direct control through price or revenue setting these services are typically classified as Direct Control Services and more specifically, as either Standard Control Services or Alternative Control Services
- a light-handed approach to price setting through the application of a negotiating framework these services are classified as Negotiated Services
- no regulation these services are treated as Unregulated Services (services which are not network services and are outside the operation of the NER) or Unclassified Services (typically where a competitive market for a service exists and regulation is considered unnecessary).

Service classification also impacts the way Ergon Energy sets and recovers the costs of providing distribution services to customers, in particular, whether these costs are recovered directly from customers who request a service or from all customers through Distribution Use of System (DUOS) charges.

1.2 Purpose of this document

Clause 6.8.2 of the NER requires Ergon Energy to submit a Classification Proposal as part of our Regulatory Proposal to the AER. The Classification Proposal must show how the distribution services to be provided by Ergon Energy should, in Ergon Energy's opinion, be classified under Chapter 6 of the NER. Where Ergon Energy's proposed classification of a service differs from the classification suggested in the relevant framework and approach paper, Ergon Energy is required to provide a reason for the difference.

The AER has also issued Ergon Energy with a Regulatory Information Notice under Division 4 of Part 3 of the *National Electricity («Law state») Law* (Qld) (Submission RIN).

The Submission RIN requires Ergon Energy to:

- (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:



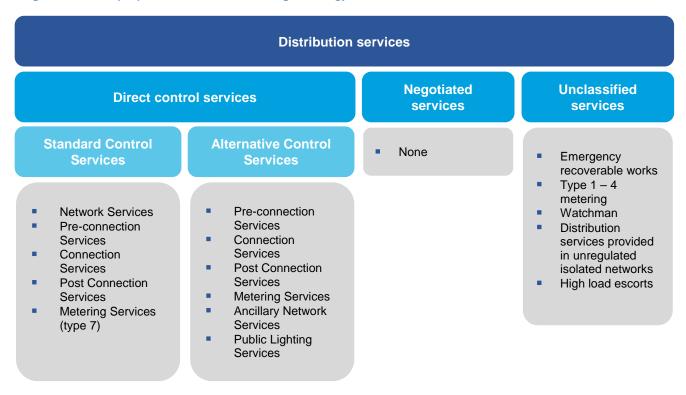
- (a) provide, in a second set of regulatory templates, all information required in each regulatory template in accordance with the instructions contained therein, modified as necessary, to incorporate the proposed service classifications; and
- (b) identify and explain where the regulatory templates differ.

1.3 Outcomes of Framework and Approach

The AER's Final Framework and Approach Paper (Final Framework and Approach), sets out its proposed approach, including rationale, for the classification of distribution services for Ergon Energy for the regulatory control period 2015-20.¹

The classifications proposed by the AER are shown in Figure 1 below.

Figure 1: AER's proposed classification of Ergon Energy's distribution services, 2015-20



The AER's Final Framework and Approach proposed a number of changes to the service classifications for the next regulatory control period. The proposed changes in service classifications, and their implications in terms of the recovery of the costs of providing these services, are set out in Table 1.

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¹ AER (2014), Final Framework and approach for Energex and Ergon Energy, Regulatory control period commencing 1 July 2015, April 2014, pursuant to clause 6.8.1 of the NER.

Table 1: AER's proposed changes in service classifications, 2015–20

Service	Current classification	Proposed AER classification for 2015–20	Implication of classification change
Carrying out planning studies and analysis relating to connection applications	Standard Control / Alternative Control	Alternative Control	For those components of these services that were previously classified as Standard Control
Feasibility and concept scoping, including planning and design, for large customer connections	Standard Control / Alternative Control	Alternative Control	Services, the change in classification means that the costs of providing these services will be recovered through charges levied directly
Protection and Power Quality assessment – prior to connection and after connection	Standard Control / Alternative Control	Alternative Control	on the customer requesting the service (rather than being recovered through DUOS charges that spread the cost across all customers).
Accreditation of alternative service providers and approval of their designs, works and materials	Standard Control / Alternative Control	Alternative Control	There will be no changes for those specific services that were already classified as Alternative Control Services.
Auxiliary metering services	Not currently classified / Standard Control / Alternative Control	Alternative Control	The change in classification allows Ergon Energy to explicitly recover AER-approved costs of providing these services from the customers who request the service As above those services that were previously classified as Standard or Alternative Control Services,
Commissioning and energisation of large customer connections	Standard Control	Alternative Control	The change in classification means that the costs of providing these services will be recovered through charges
Real estate development connection	Standard Control	Alternative Control	levied directly on the customer requesting the service (rather than being recovered through
Removal of network constraint for embedded generator	Standard Control	Alternative Control	DUOS charges that spread the cost across all customers). For ROLR services, the
Type 5 and 6 metering installation, provision, maintenance, reading and data services	Standard Control	Alternative Control	customer is not necessarily an end-use customer and may be a retailer.

Service	Current classification	Proposed AER classification for 2015–20	Implication of classification change
Customer requests provision of electricity network data requiring customised investigation, analysis or technical input	Standard Control	Alternative Control	
Services provided in relation to a Retailer of Last Resort (ROLR) event ²	Standard Control	Alternative Control	
Emerging public lighting technology	Not currently classified	Alternative Control	The change in classification allows Ergon Energy to explicitly
Tender process	Not currently classified	Alternative Control	recover AER-approved costs of providing these services from the customers who request the service.
Witness testing	Not currently classified	Alternative Control	
Customer build, own and operate consultation services	Not currently classified	Alternative Control	
Emergency recoverable works	Alternative Control	Unclassified	The change in classification means that the AER will have no regulatory oversight over these services in the next regulatory control period. This means that Ergon Energy can determine the appropriate price for these services on a competitive basis.
High load escorts	Alternative Control (line lifting component) / Unclassified (route scoping component)	Unclassified	

The AER also assigns an Unregulated classification to services that are provided by distributors that are not distribution services; these services are outside of the AER's jurisdiction and are not covered by the operation of the NER.

It is important to note that related services may have differing service classifications. For example, some types of connection services are classified as Standard Control Services, while other types of connection services are classified as Alternative Control Services. Similarly, services related to metering include services in each of the classifications (i.e. Standard Control Services, Alternative Control Services and Unclassified) and services relating to public lighting include some Alternative Control Services and some Unclassified Services.

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² For the regulatory control period 2010-15, the applicable ROLR scheme is the Queensland ROLR scheme, which is recognised under clause 6.18.7A of the NER as a jurisdictional scheme. Therefore, any costs incurred in providing services under the Queensland ROLR scheme would be treated as a jurisdictional scheme amount, and recovered through DUOS charges (i.e. spread across all customers). The Queensland ROLR scheme will cease to apply from 1 July 2015.



The table below identifies the classifications applied to these groups of services.

Table 2: AER's proposed classifications for connections, metering and public lighting services, 2015–20

AER service group	AER service	Proposed AER classification for 2015-20		
Services relating to c	onnections			
	General connection enquiry services	Standard Control		
Pre-connection services	Connection application services	Alternative Control		
	Pre-connection consultation services	Alternative Control		
	Small customer connections	Standard Control		
	Large customer connections	Alternative Control		
Connection services	Commissioning and energisation of large customer connections	Alternative Control		
	Real estate development connection	Alternative Control		
	Removal of network constraint for embedded generation	Alternative Control		
	Temporary connections	Alternative Control		
	Operate and maintain connection assets	Standard Control		
Post connection	Connection management services (post connection)	Alternative Control		
services	Accreditation of alternative service providers and approval of their designs, works and materials	Alternative Control		
Services relating to n	netering	,		
	Type 7 metering services	Standard Control		
Metering services	Type 5 and 6 metering installation, provision, maintenance, reading and data services	Alternative Control		
	Auxiliary metering services	Alternative Control		
n/a	Type 1 – 4 metering	Unclassified		
Services relating to public lighting				
Public Lighting	Provision, construction and maintenance of public lighting	Alternative Control		
Services	Emerging public lighting technology	Alternative Control		
n/a	Watchman lights	Unclassified		



2 Wasted truck visits

For the current regulatory control period, a Wasted Truck Visit is defined as an Alternative Control Service. This service is defined as a service that is not able to be completed after the truck has left the depot, and includes the following scenarios:

- retailer/customer cancels service order after truck has left the depot but before service order is completed
- crew is unable to access site to perform service order
- customer has submitted Form A and the Retailer a Service Order Request, but the installation is not ready on arrival at site.

The Final Framework and Approach for the regulatory control period 2015-20 includes "Attendance at a customer's premises to perform a statutory right where access is prevented" as an Alternative Control Service within the "Other recoverable works" service group. The AER noted that it considers "this provides the distributors with the ability to charge for a wasted attendance in a range of circumstances".³

Notwithstanding the AER's inclusion of this service, the AER has stated that "we consider wasted attendance to be an element of a service provided by the distributors. That is, it is not a service in itself. We further consider the cost of a wasted attendance should be recovered consistently with the classification of the related service".

Therefore for the regulatory control period 2015-20, we propose to include the following Alternative Control Services (as Fixed Fee services):

- four "Prevented access" services, which apply to wasted truck visits resulting from a request for a service that is classified as a Standard Control Service
- a "Call out fee no service undertaken", which applies to wasted truck visits resulting from a request for a Fixed Fee service and will vary with the specific service requested.

In addition to this, for Quoted Services where Ergon Energy is unable to perform the service after the truck has left the depot, Ergon Energy will charge for the work performed in accordance with the quoted services formula.

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³ Ibid p 49.

⁴ Ibid.

3 Ergon Energy's classification of services

Ergon Energy accepts the AER's proposed service classifications set out in the Final Framework and Approach. This is reflected in our Regulatory Proposal and this attachment also serves as our response to sections 2.1 and 2.2 of the Submission RIN.

Although Ergon Energy does not propose any changes to the classification of services, we have mapped the activities we perform to the distribution services identified by the AER, as set out in the Final Framework and Approach. This is critical to ensure consistency of application between the services as identified by the AER, and the services and activities actually performed by Ergon Energy.

Tables 3 - 12 map the AER's distribution service definitions to the activities that we undertake. Although the AER provided its distribution services descriptions in the Final Framework and Approach, it also commented that it did not intend to establish exhaustive lists in its service group descriptions. Rather the AER's aim was to provide sufficient details and examples to make clear the intended classification approach. With this in mind, Ergon Energy has also included in Tables 3-12, a description of additional services and activities, which although not explicitly identified by the AER in its service group description, reasonably fall within the respective service grouping and are therefore consistent with the AER's intended classification approach.

For clarity we have also:

- provided a detailed mapping of the Alternative Control Services provided by Ergon Energy to the AER's service definitions in Appendix A
- summarised the services provided by Ergon Energy by charging mechanism (i.e. DUOS charge, Fixed Fee, Quoted Price, or limited building blocks) in Appendix B.



⁵ Ibid, Appendix D, p 127.

Table 3: Service group – Network Services

AER proposed distribution service	AER service classification	AER proposed distribution service definition	Additional Ergon Energy services and activities covered by this service definition
Planning the network	Standard Control	Network asset - assessment of asset requirements involving investment, management and delivery including risk and feasibility assessment and estimating and cost planning.	Participation in industry planning
		Demand management - the identification and development of non-network options to address forecast network limitations.	
		Network forecasting - analysis of network demand to enable the development of the capital program of works.	
		Network business strategy development - strategic initiatives development and management including business improvement/efficiency initiatives.	
		Governance - developing policies, procedures and standards.	
		Regulatory planning as required by the National Electricity Rules.	
Designing the network	Standard Control	Creation of a plan or the standards and criteria for network construction. Includes developing design standards, protection engineering and designs for augmentation and extensions to the shared network.	Nil
		(Excluding designs for augmentation and extensions to shared network undertaken in feasibility and concept scoping for large customer connections (i.e. prior to acceptance of connection offer)).	
Constructing the network	Standard Control	Network construction, augmenting the shared network and extensions of shared network.	Operational technology that supports the network
		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 of shared network assets.	
		Asset relocation (other than those undertaken at a customer's request).	
		Installing network related load control on customer premises.	

AER proposed distribution service	AER service classification	AER proposed distribution service definition	Additional Ergon Energy services and activities covered by this service definition
Maintaining the network	Standard Control	Planned maintenance – activities carried out to reduce the probability of failure or performance degradation of a network asset.	Network systems maintenance
		Corrective – activities undertaken to detect, isolate and rectify a fault so that the failed equipment, machine or system can be restored to normal operable state.	
		Work to restore a failed component of the distribution system to an operational state.	
		Maintaining network related load control devices on customer premises.	
Operating the	Standard Control	Network control and operation.	Nil
network		Outage management.	
		Emergency management and response.	
		Field operations.	
		Switching and testing for network purposes.	
		Scheduling and controlling the switching of controllable load for network purposes.	
		Operation of load control devices on customer premises.	
Administrative support for provision of network services	Standard Control	Customer interactions including network product development, customer service management/call centre, complaints and enquiries, record management and network claim processing.	 Network claims processing also includes where the Distribution Network Service Provider (DNSP) is NOT at fault
		Market operations: includes revenue management, network billing, processing of service order requests, and market notifications of retailer changes.	 Network billing includes non-standard network billing
		National Metering Identifier (NMI) establishment, discovery requests and classification in accordance with the rules.	 Processing service orders includes non- standard service order requests
		Populate and maintain NMI standing data in Market Settlement and Transfer Solution in accordance with the rules.	 Warehousing and maintaining metering data as part of the obligations of an Local
		Processing and publication of notifications of new connections and alterations.	Network Service Provider (LNSP)
		Pricing strategy and development of pricing proposals.	■ The provision of sample type 1-4 data to
		Financial and commercial management.	the Australian Energy Market Operator

AER proposed distribution service	AER service classification	AER proposed distribution service definition	Additional Ergon Energy services and activities covered by this service definition
distribution service	Classification	Compliance monitoring and reporting. Procurement activities. Technical and safety training of distributor staff. Supply, manage and maintain distributor Fleet. Retailer management (e.g. credit support). Administration of connections pioneer / rebate scheme. Supply, manage, test and maintain field equipment (other than metering equipment). Responding to cold water reports. Network claim processing where distributor is at fault. External stakeholder interactions (regulatory, government and industry).	(AEMO) Non-technical training of distributor staff Revenue management includes DNSP initiated revenue protection measures. For the avoidance of doubt, revenue management would not include revenue protection measures initiated by the retailer or where we have sought to recover the cost directly from the customer.
		Environmental health and safety management (risk assessment, monitoring, program management, reporting and training).	

Table 4: Service group – Pre-Connection Services

AER proposed distribution service	AER service classification	AER proposed distribution service definition	Additional Ergon Energy services and activities covered by this service definition
General connection enquiry services	Standard Control	Provision of standard information and general advice during connection enquiry. Includes, but is not limited to:	Nil
		 provision of general connection information (e.g. supply availability) 	
		advice on process, such as how to complete a connection application	
		and services associated with an initial assessment of a connection applicant's enquiry and provision of a response.	
Connection application services	Alternative Control	Services associated with assessing a connection application, making a connection offer and negotiating offer acceptance. Unless otherwise specified, services or activities undertaken under this service group relate to both small and large customers and real estate development connections. Includes, but is not limited to:	A comprehensive list of the definitions Ergon Energy applies internally to these Alternative Control Services is provided in item A.1 of the table of services set out in Appendix A.
		 Application services to assess connection application and making of compliant connection offer. 	
		 Undertaking design for small customer or real estate development connection offer (excludes detailed design undertaken after a connection offer has been accepted). 	
		 Carrying out planning studies and analysis relating to connection applications. 	
		 Feasibility and concept scoping, including planning and design, for large customer connections 	
		Negotiation services involved in negotiating a connection agreement.	
		 Tender process - distributor may carry out tender process on behalf of connection applicant or distributor may assist connection application. 	
		Protection and Power Quality assessment prior to connection.	

AER proposed distribution service	AER service classification	AER proposed distribution service definition	Additional Ergon Energy services and activities covered by this service definition
Pre-connection consultation services	Alternative Control	Additional support services provided by the distributor (on request) during connection enquiry and connection application other than General Connection Enquiry Services and Connection Application Services. Generally relates to services which require a customised or site-specific response and/or are available contestably. Unless otherwise specified, services or activities undertaken under this service group relate to both small and large customers and real estate development connections. Includes: site inspection in order to determine nature of connection provision of site-specific connection information and advice for small or large customer connections preparation of preliminary designs and planning reports for small or large customer connections, including project scopes and estimates customer build, own and operate consultation services	A comprehensive list of the definitions Ergon Energy applies internally to these Alternative Control Services is provided in item A.2 of the table of services set out in Appendix A.

Table 5: Service group – Connection Services

AER proposed distribution service	AER service classification	AER proposed distribution service definition	Additional Ergon Energy services and activities covered by this service definition
Small customer connections	Standard Control	Design, construction, commissioning and energisation of connection assets for small customers. (Generally, small customers are those customers who connect under the Standard Asset Connection tariff class in the distributor's pricing proposal. 6)	Ergon Energy will apply the same definition for Standard Asset Customers (SACs) used in the Pricing Proposal.
Large customer connections	Ge Ca Ge	Design and construction of connection assets for large customers. Design and construction of connection assets for large customers. Design and construction of customers who connect under the Individually Calculated Customer (ICC), Connection Asset Customer (CAC) and Embedded Generator (EG) tariff classes as per the distributor's pricing proposal. We consider that connection of embedded generators larger than 30 kVA but smaller than 1 MW should be treated as large customer connections.	Ergon Energy will apply the same definition for an Individually Calculated Customer (ICC), Connection Asset Customer (CAC) and Embedded Generator (EG) as used in the Pricing Proposal. This includes any major ⁸ customer temporary connection in place as part of the construction of a major customer connection.
			Ergon Energy treats connection of embedded generators that are larger than those classified as micro embedded generators under AS4777 as major customer connections.
			For the avoidance of doubt, a major customer connection includes the planning of the network for that major customer connection.

See the Ergon Energy tariff schedules, available atwww.ergon.com.au.
 Does not include augmentation of the existing network.
 Ergon Energy commonly refers to large customer connections as major customer connections.

AER proposed distribution service	AER service classification	AER proposed distribution service definition	Additional Ergon Energy services and activities covered by this service definition
Commissioning and energisation of large customer connections	Alternative Control	Commissioning and energisation of large customer connection assets to allow conveyance of electricity. Inspection and testing of connection assets. Includes administration services involved in reconciling the financials of a connection project, processing and finalising network information and contracts in relation to a connection. Includes generation required to supply existing customers while equipment is deenergised to allow testing and commissioning of large customer connection assets.	A comprehensive list of the definitions Ergon Energy applies internally to these Alternative Control Services is provided in item A.4 of the table of services set out in Appendix A. Ergon Energy will adopt the same definition for ICCs, CACs and EGs as used in the Pricing Proposal.
Real estate development connection	Alternative Control	Design, construction, commissioning and energisation of connection assets for real estate developments.	Real estate developments include developers of subdivisions, commercial/industrial premises and multi-tenancy residential premises. For the avoidance of doubt, connections for real estate developments include all works required in the upstream network to enable connection of the development.
Removal of network constraint for embedded generation	Alternative Control	Augmenting the network to remove a constraint faced by an embedded generator. (Generally, 'embedded generators' are those customers who connect under the Embedded Generator (EG) tariff class as per the distributor's pricing proposal. This does not include customers with micro-generation facilities that connect under a Standard Asset Customer (SAC) tariff class. We consider that generators larger than 30 kVA but smaller than 1 MW should be treated as embedded generators for the purpose of removing network constraints.)	Ergon Energy treats connection of embedded generators that are larger than those classified as micro embedded generators under AS4777 as major customer connections.
Temporary connections	Alternative Control	Customer requests a temporary connection for short term supply (e.g. blood bank vans, school fetes).	Ergon Energy defines temporary connections as those that intended to be in place for 12 months or less. This includes temporary builder's supply (other than a temporary connection in place as part of the construction of a major customer connection).

Table 6: Service group- Post-connection Services

AER proposed distribution service	AER service classification	AER proposed distribution service definition	Additional Ergon Energy services and activities covered by this service definition
Operate and maintain connection assets	Standard Control	Works to operate, maintain, repair and replace connection assets owned by or gifted to the distributor to a technically acceptable standard. Excludes works initiated by a customer, which is not required for the efficient management of the network or for distributor purposes (such as customer requests to provide or maintain connection assets to a higher standard).	Ergon Energy defines this to include the operation and maintenance of all connection assets, including those that are constructed under Alternative Control Services arrangements (major customer connections and real estate development connections) and then gifted to Ergon Energy.
Connection management services (post connection)	Alternative Control	Work initiated by a customer which is specific to a connection point. Includes, but is not limited to: Supply abolishment. Move point of attachment. Re-arrange connection assets at customer's request. 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. Auditing services – auditing of connection assets after energisation to network. Protection and power quality assessment - (e.g. embedded generation connected to network). Customer requested works to allow customer or contractor to work close. Temporary disconnections and reconnection (including de-energisations and re- energisations) which may involve a line drop. e.g. community events. Supply enhancement. e.g. upgrade from single phase to three phase. Provision of connection services above minimum requirements – customer requests increase in reliability or quality of supply beyond the standard, and/or above minimum regulatory requirements (e.g. reserve feeder).	A comprehensive list of the definitions Ergon Energy applies internally to these Alternative Control Services is provided in item A.8 of the table of services set out in Appendix A.

AER proposed distribution service	AER service classification	AER proposed distribution service definition	Additional Ergon Energy services and activities covered by this service definition
		 Customer consultation or appointment (if requested on B2B service order). Rectification of illegal connections or damage to overhead or underground service cables. De-energisation: Retailer requests de-energisation of the customer's premises (business or after hours) where the de-energisation can be performed (e.g. pole, pillar or meter isolation link). Retailer requests de-energisation of the customer's premises - Main switch seal (business or after hours). Re-energisation: Retailer requests re-energisation of the customer's premises where the customer has not paid their electricity account (business or after hours). Retailer requests a re-energisation of the customer's premises following a main switch Reading provided for an active site. Retailer requests a re-energisation of the customer's premises after a physical disconnection and premises requires a visual examination. 	
Accreditation of alternative service providers and approval of their designs, works and materials	Alternative Control	Accreditation of service providers that meet competency criteria. Approval of third party design, works and materials: Review, Inspection and Auditing of design and works carried out by an alternative service provider prior to energisation. Certification of non-approved materials - approval of non-approved materials to be used on the network	A comprehensive list of the definitions Ergon Energy applies internally to these Alternative Control Services is provided in item A.9 of the table of services set out in Appendix A.

Table 7:	Service	group -	- Metering	Services
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AER proposed distribution service	AER service classification	AER proposed distribution service definition	Additional Ergon Energy services and activities covered by this service definition
Type 5 and 6 metering installation, provision, maintenance, reading and data services	g installation, on, connection of an upgraded meter at a customer's premises where the customer initiates the upgrade. Meter provision refers to meter selection, programming, testing and		Ergon Energy refers to these types of services collectively as 'Default Metering Services'. A comprehensive list of the definitions Ergon Energy applies internally to these Alternative Control Services is provided in item A.10 of the table of services set out in Appendix A. Ergon Energy defines the metering installation
		Meter reading refers to quarterly or other regular reading of a meter. Metering data services include collection, processing, storage and delivery of metering data, remote or self-reading at difficult to access sites, provision of metering data from previous 2 years, ongoing provision of metering data. Meter Data Services provided as part of general obligations as a local network service provider in accordance with the rules.	to include instrument transformers for metering purposes. Ergon Energy includes final meter reads as part of the Default Metering Services.
Type 7 metering services	Standard Control	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.	Nil
Auxiliary metering services	Alternative Control	Off-cycle meter read, including: special meter reads move in move out meter reads check read – check the accuracy of the meter reading.	A comprehensive list of the definitions Ergon Energy applies internally to these Alternative Control Services is provided in item A.11 of the table of services set out in Appendix A.
		Testing for type 5 and 6 metering installations - customer requested meter accuracy testing. Meter inspection and investigation – a request to conduct a site review of the state of the customer's metering installation without physically testing the metering equipment. Alterations and additions to current metering equipment, includes:	For the avoidance of doubt, the 'install metering related load control' relates to load control equipment installed inside the meter. Ergon Energy notes that Type 5 – 7 nonstandard metering services include anything other than the services included in the default type 5 and 6 metering installation, provision,

AER proposed distribution service	AER service classification	AER proposed distribution service definition	Additional Ergon Energy services and activities covered by this service definition
		 meter alteration – meter is being relocated or meter wiring altered and requires DNSP to visit site to verify the integrity of the metering equipment 	maintenance, reading and data services and Type 7 metering services.
		 exchange meter – customer requests exchange of their current meter (e.g. for alternative metering configuration/consolidation of multiple meters for one 	Ergon Energy includes final meter reads as part of the Default Metering Services.
		Ergon Energy notes that the installation of additional metering is only treated as an	
		Provision, installation, testing and maintenance of instrument transformers for metering purposes.	auxiliary metering service where the additional meter is not part of the default Type 5 & 6
		Type 5 to 7 non-standard metering services.	metering service.
		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.	
		Meter re-seal – where the customer has caused the meter to need re-sealing (e.g. by having electrical work done on site).	
		Install additional metering.	
		Reconfigure meter.	
	Meter exit fee – recovery of stranded asset costs associated with the removal of a meter(s) from customer's premises before the end of its useful life at the request of the customer (or customer's retailer) due to a change in Responsible Person / Meter Coordinator.		
		Install metering related load control.	
		Remove load control relay or time clock.	
		Change load control relay channel at retailer, customer or other third party request, that is not a part of initial load control installation, nor part of standard asset maintenance or replacement.	

Table 8: Service group– Ancillary Network Services

AER proposed distribution service	AER service classification	AER proposed distribution service definition	Additional Ergon Energy services and activities covered by this service definition
Services provided in relation to a Retailer of Lost Resort (ROLR) event	Alternative Control	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 Australian Energy Market Operator 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'.	A comprehensive list of the definitions Ergon Energy applies internally to these Alternative Control Services is provided in item A.12 of the table of services set out in Appendix A.
Other recoverable works	Alternative Control	 Works initiated by a customer, which are not covered by another service and are not required for the efficient management of the network, or to satisfy distributor purposes or obligations. Includes: Customer requests provision of electricity network data requiring customised investigation, analysis or technical input (e.g. requests for pole assess information and zone substation data). Bundling of cables carried out at the request of another party. Provision of services, other than standard connection, for approved unmetered equipment, public telephones, traffic lights and public BBQs. Customer requested appointments. Attendance at customer's premises to perform a statutory right where access is prevented. Rearrangement of network assets (other than connection assets). Conversion to aerial bundled cables. 	A comprehensive list of the definitions Ergon Energy applies internally to these Alternative Control Services is provided in item A.13 of the table of services set out in Appendix A. Ergon Energy defines "attendance at customer's premises to perform a statutory right where access is prevented" to include a wasted truck visit for Standard Control Services.
		Aerial markers.	

AER proposed distribution service	AER service classification	AER proposed distribution service definition	Additional Ergon Energy services and activities covered by this service definition
		 Installation of covers on service lines (tiger tails). 	
		 Assessment of parallel generator applications. 	
		 Witness testing. 	

Table 9: Service group- Public Lighting Services

AER proposed distribution service	AER service classification	AER proposed distribution service definition	Additional Ergon Energy services and activities covered by this service definition
Provision, construction and maintenance of public lighting	Alternative Control	Application assessment, design, review and audit public lighting services. Provision, construction and maintenance of new street lighting services. Alteration, repair, relocation, rearrangement or removal of existing street light assets and energy efficient retrofit. Provision of glare shields, vandal guards, luminaire replacement with aero screens. A fee for the residual asset value of non-contributed public lights when removed from service before the end of their useful life at the request of the customer. Operating street lighting assets including handling enquiries and complaints and dispatching crews to repair assets.	A comprehensive list of the definitions Ergon Energy applies internally to these Alternative Control Services is provided in item A.14 of the table of services set out in Appendix A. Ergon Energy defines public lighting as street lighting for roads controlled by local or state governments. ⁹
Emerging public lighting technology.	Alternative Control	New public lighting technologies, including trials. Energy efficient retrofit (including where customer requests to retrofit existing assets before end of life).	Nil

⁹ Public lighting is defined as street lighting for local councils and state government departments, consistent with the definition of street lighting contained in the *Electricity Act 1994* (Qld). All other unmetered lighting is classified as watchman lighting.

Table 10: Service group- Unclassified distribution services

AER proposed distribution service	AER service classification	AER proposed distribution service definition	Additional Ergon Energy services and activities covered by this service definition
Emergency recoverable works	Unclassified	Work to repair damage to the distribution network caused by an identifiable third party from whom costs may be recovered. Work to repair damage to the network caused by a third party is the work will be treated as a Control Service. This inclures party.	
Type 1 – 4 metering	Unclassified	Contestable metering services	For Type 1-4 metering: Meter procurement Meter installation Metering Data Provider services Provision of meter data via WEB based services Processing data into billing components Processing of metering data for avoided Transmission Use of System calculations Maintenance and repair meters and load control equipment Meter and Current Transformer/Voltage Transformer tests where meter is installed and operational. Privately owned meters.
Watchman	Unclassified	Unmetered light mounted on customer's property or distribution pole for security purposes.	Ergon Energy defines watchman lighting as unmetered lighting other than public lighting.

AER proposed distribution service	AER service classification	AER proposed distribution service definition	Additional Ergon Energy services and activities covered by this service definition
Distribution services provided in unregulated isolated networks	Unregulated	Ownership and operation of isolated supply networks, other than the Mt Isa-Cloncurry supply network (Ergon Energy)	Nil
High load escorts	Unclassified	Request by customer to scope an appropriate route and lift wires to allow passage of high vehicles.	Nil

The following table sets out a number of services that have not been classified by the AER (i.e. Unregulated). These are services that are not regulated by the AER, as they are outside of the AER's jurisdiction and are not considered distribution services.

Table 11: Unregulated services provided by Ergon Energy

AER proposed service	AER service classification	AER proposed service definition	Additional Ergon Energy services and activities covered by this service definition
Rental and hire services	Unregulated	Rental of distributor owned property (e.g. plant hire and asset leasing).	Nil
Test, inspect and calibrate	Unregulated	Calibration and testing of equipment for external party products	Nil
Property services	Unregulated	Customers request the distributors undertake conveyancing property searches, conduct easement negotiations or purchase negotiations.	Nil
Contracting services to other network service providers	Unregulated	Services, such as specialist cable jointers, provided to other network service providers.	Nil
Provision of training to external parties	Unregulated	Specialist post and pre-trade training provided by distributors to external parties.	Nil
Equipment services	Unregulated	Safety testing of equipment such as: insulating gloves live line hot sticks and rubber products insulating mats and covers voltage and phasing detectors, operational sticks harnesses, climbing kits, rescue kits step/extension ladders, pole platforms.	Nil
Sale of Inventory, asset or scrap	Unregulated		Nil
Operate and maintain customer assets	Unregulated	Contract to provide, operate and maintain services for connection assets owned by customer.	Nil

Ergon Energy provides a range of other services that are not classified as distribution services, and are therefore also not regulated by the AER. For completeness, Ergon Energy has mapped these "other" unregulated services that we undertake that will not be subject to economic regulation by the AER in the next regulatory control period. A list of these services is shown in Table 12 below.

Table 12: Other (Unregulated) services provided by Ergon Energy

Ergon Energy proposed service	Ergon Energy classification	Additional Ergon Energy services and activities covered by this service definition
Other (unregulated) services	Unregulated	Other miscellaneous services provided by Ergon Energy that are unregulated as they are not either within the AER's jurisdiction, or contestable services. These services include: provision of technical services for work on assets owned by a third party DSM advisory services logistic sales miscellaneous non-distribution services location of underground cables erection of extra poles (on customer installation) undersea cable (where not connected to the regulated network) Virginia workshop labour hire wholesale fibre telecommunication services provided by Nexium.

Appendix A: Alternative Control Services internal service descriptions

The following table provides a list of the definitions that Ergon Energy applies internally to the services classified as Alternative Control Services.

Table 13: Alternative Control Services internal service descriptions

Service group	Service group description (if any)	Service	Service description (if any)	Further detail			
Pre-connection	Pre-connection service						
Item A1: Connection application services	Services associated with assessing a connection application, making a connection offer and negotiating offer acceptance.	Application fee - Basic or standard connection	Services associated with assessing an application requesting a connection to be made (or altered) between Ergon Energy's network and the customer's installation, and the preparation of a compliant basic or standard connection offer. Applies to small customers classified as a Standard Asset Customer (SAC), as per Ergon Energy's pricing proposal, with the exception of micro-embedded generators.	Includes: developing desktop concept for a connection offer (excluding additional or more detailed specification and design options requested by the customer, or detailed design work undertaken after a connection offer has been accepted)			
		Application fee - Negotiated connection	Services associated with assessing an application requesting a connection to be made (or altered) between Ergon Energy's network and the customer's installation, and the costs associated with negotiating and preparing a negotiated connection offer. Applies to small customers classified as a Standard Asset Customer (SAC), as per Ergon Energy's pricing proposal, with the exception of micro-embedded generators.	Includes: developing desktop concept for a negotiated connection offer (excluding additional or more detailed specification and design options requested by the customer, or detailed design work undertaken after a connection offer has been accepted) negotiation services involved in negotiating the contract			

Service group	Service group description (if any)	Service	Service description (if any)	Further detail
		Application fee - Basic or standard connection - Micro-embedded generators	Services associated with assessing a micro- embedded generator application requesting a connection to be made (or altered) between Ergon Energy's network and the customer's installation, and the preparation of a compliant basic or standard connection offer and any applicable inverter energy system (IES) agreements.	
			Applies to micro-embedded generators only (a subset of Standard Asset Customers (SACs), as per Ergon Energy's pricing proposal). No technical assessment required.	
		Application fee - Basic or standard connection - Micro- embedded generators – Technical assessment required	Services associated with assessing a micro- embedded generator application requesting a connection to be made (or altered) between Ergon Energy's network and the customer's installation, and the preparation of a compliant basic or standard connection offer and any applicable inverter energy system (IES) agreements.	Includes: developing concept for a micro-embedded generator connection offer (excluding additional or more detailed specification and design options requested by the customer, or detailed design work undertaken after a connection offer has been accepted)
			Applies to micro-embedded generators only (a subset of Standard Asset Customers (SACs), as per Ergon Energy's pricing proposal), where a technical assessment is required to be undertaken by Ergon Energy.	

Service group	Service group description (if any)	Service	Service description (if any)	Further detail
		Application fee - Negotiated connection - Micro-embedded generators	Services associated with assessing a micro- embedded generator application requesting a connection to be made (or altered) between Ergon Energy's network and the customer's installation, and the costs associated with negotiating and preparing a negotiated connection offer and any applicable IES agreements. Applies to micro-embedded generators only (a subset of Standard Asset Customers (SAC), as per Ergon Energy's pricing proposal).	Includes: developing concept for a micro-embedded generator negotiated connection offer (excluding additional or more detailed specification and design options requested by the customer, or detailed design work undertaken after a connection offer has been accepted) negotiation services involved in negotiating the contract
		Application fee - Negotiated - Major customer connection	Services associated with assessing a major customer connection application requesting a connection to be made (or altered) between Ergon Energy's network and the customer's installation, and the costs associated with negotiating and preparing a compliant negotiated connection offer. Applies to large customers classified as an Individually Calculated Customer (ICC), Connection Asset Customer (CAC) or Embedded Generator (EG), as per Ergon Energy's pricing proposal.	Includes: preparing necessary governance documents negotiation services involved in negotiating the terms and conditions of the offer confirming previously endorsed customer-provided planning and scoping report Note - 'large' customers and 'major' customers are used interchangeably
		Application fee - Real estate development connection	Services associated with assessing an application requesting a connection to be made between Ergon Energy's network and a real estate developer's installation, and the preparation of a compliant connection offer. Includes works carried out by contractors and/or Ergon Energy.	Includes: undertaking design for a connection offer (but does not include additional or more detailed specification and design options requested by the customer, or detailed design work undertaken after a connection offer has been accepted) negotiation services involved in negotiating the contract

Service group	Service group description (if any)	Service	Service description (if any)	Further detail
		Carrying out planning studies and analysis relating to connection applications	Services associated with carrying out additional planning studies and analysis on the distribution system which are reasonably required to assess a small customer connection application. Excludes planning studies and analysis that would otherwise be required for distributor purposes or for the efficient management of the shared network. Applies to small customers classified as a Standard Asset Customer (SAC), as per Ergon Energy's pricing proposal (including microembedded generators).	Nil
		Feasibility and concept scoping, including planning and design, for major customer connections	Detailed design and advice for major customer connections for the selected (preferred) connection option. This includes shared network planning and design works incurred during the feasibility and concept scoping phases (i.e. before the connection offer has been accepted) (where applicable).	A Project Scope is essentially a concept scope and design. Specifically, the Project Scope contains a detailed review of the selected connection option from the Planning Report, and: defines the exact works that need to be accomplished to deliver that selected connection option confirms the relevant standards and specifications to be used to for that connection option provides an estimate of the costs and relevant timeframes on a ±10% basis. Note - 'large' customers and 'major' customers are used interchangeably
		Tender process	Applies where Ergon Energy conducts a tender process on behalf of a connection applicant to procure connection services that can be provided by a third party, or where the connection applicant conducts a tender process and requires assistance from Ergon Energy	Nil

Service group	Service group description (if any)	Service	Service description (if any)	Further detail
		Protection and Power Quality assessment prior to connection	Evaluation of application protection design for completeness against engineering connection standard. Study of Power Quality issues including Flicker, Harmonics and DC voltage injection.	Since this relates to an application, it would only involve desktop modelling.
Item A2: Pre-connection	Additional support services provided by Ergon Energy (on	Pre-connection site inspection	Site inspection in order to determine nature of connection being sought	Nil
consultation services	request) during connection enquiry and connection application other than General Connection Enquiry Services and Connection Application Services. Generally relates to services which require a customised or site-specific response and/or are available contestably.	Provision of site-specific connection information and advice for small or major customer connections	Provision of site-specific advice, data and/or information on request for small or major customer connections (during the connection enquiry and/or connection application stage only). For example: advice on project feasibility advice on whether augmentation would likely be required capacity information, including specific network capacity load profiles for load flow studies requests to review reports and designs prepared by external consultants, prior to lodgement of connection application additional or more detailed specification and design options. Excludes information provided in planning reports/studies and project scopes.	Nil
		Preparation of preliminary designs and planning reports for major customer connections, including project scopes and estimates	Initial specification and design outline for major customer connections. Includes general evaluation and advice on asset ownership options, indicative estimates of viable connection options, and recommendation on the most suitable option.	A planning report is a high level document that reviews the specific major customer connection and sets out up to three options for the connection arrangements, taking into account the relevant characteristics of Ergon Energy's electricity distribution network in that area.

Service group	Service group description (if any)	Service	Service description (if any)	Further detail
				The intent of a Planning Report is to identify several options to facilitate the major customer's connection in accordance with its project proposal. Each option will outline the estimated costs and timeframes associated with each solution on a \pm 50% basis, to allow the major customer to make an informed decision as to its preferred option.
		Customer build, own and operate consultation services	Provision of advice, design and specification on request to an applicant considering a build-own-operate asset ownership option for connection assets.	Nil
		Detailed enquiry response fee - EGs 5MW & above	Costs associated with preparing a detailed enquiry response pursuant to Chapter 5 of the Rules. Applies to embedded generating systems of 5MW or more nameplate capacity.	Detailed design and advice for EG connections 5MW and above. This includes shared network planning and design works incurred during the planning, feasibility and concept scoping phases (i.e. before the connection offer has been accepted) (where applicable). It includes the detailed response requirements set out in Schedule 5.4B of the NER.
				It excludes other pre-connection services, such as preparation of preliminary designs.
Connection ser	vices			
Item A3: Large customer connections	Design and construction of connection assets for large customers	Design and construction of connection assets for large customers	Detailed design work and construction of connection assets after a connection offer has been made. Applies to major customers classified as an Individually Calculated Customer (ICC), Connection Asset Customer (CAC) or Embedded Generator (EG) as per Ergon Energy's pricing proposal.	Note - 'large' customers and 'major' customers are used interchangeably

Service group	Service group description (if any)	Service	Service description (if any)	Further detail
Item A4: Commissioning and energisation of large customer connections	Commissioning and energisation of large customer connection assets to allow conveyance of electricity	Commissioning and energisation of large customer connections	 Includes: inspection and testing of connection assets prior to physical connection to the network physical connection and energisation of electricity equipment to allowance conveyance of electricity administration services involved in reconciling the financials of a connection project, and processing and finalising network information and contracts in relation to a connection generation required (if any) to supply existing customers while equipment is deenergised to allow testing and commissioning Applies to major customers classified as an Individually Calculated Customer (ICC), Connection Asset Customer (CAC) or Embedded Generator (EG) as per Ergon Energy's pricing proposal. 	 Includes: inspection and testing of connection assets prior to physical connection to the network physical connection and energisation of electrical equipment to allow conveyance of electricity once a customer has submitted a Form A and HV audit (if applicable) and the Retailer has issued a Service Order Request administration services involved in reconciling the financials of a connection project, and processing and finalising network information and contracts in relation to a connection (e.g. updating systems with asset related data and as constructed drawings, finalising and filing contracts etc.) generation required (if any) to supply existing customers while equipment is de-energised to allow testing and commissioning of major customer connection assets Note: 'large' customers and 'major' customers are used interchangeably
Item A5: Real estate development connection	Design, construction, commissioning and energisation of connection assets for real estate developments.	Design and construction for real estate developments	Detailed design work and construction for a real estate development connection after a connection offer has been made. Includes work associated with augmentation to the shared network which is directly attributable to the establishment or alteration of the real estate development connection	Nil

Service group	Service group description (if any)	Service	Service description (if any)	Further detail
		Commissioning and energisation of real estate development connections	Includes: inspection and testing prior to physical connection to the network physical connection and energisation of electricity equipment to allowance conveyance of electricity administration services involved in reconciling the financials of a connection project, and processing and finalising network information and contracts in relation to a connection generation required (if any) to supply existing customers while equipment is denergised to allow testing and commissioning	Nil
Removal of network constraint for embedded generator	Augmenting the network to remove a constraint faced by an embedded generator	Removal of network constraint for embedded generator	Augmenting the network to remove a constraint faced by an embedded generator	Where the necessary works are outside the Planning Horizon, ¹⁰ the customer will be required to fully fund the cost of the works. However, where the works are within the Planning Horizon, the customer will be required to pay any costs associated with advancement of the works.
Item A7: Temporary connection	Customer requests a temporary connection for short term supply (e.g. blood vans, school fetes)	Temporary connection, not in permanent position - single phase metered	Connection of a single phase supply to a meter location that is not permanent (i.e. short term supply)	Nil
		blood vans, school Temporary connection, not in	Connection of a multi-phase supply to a meter location that is not permanent (i.e. short term supply)	Nil

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¹⁰ The Planning Horizon for Ergon Energy's future works is: Distribution Networks (up to 11/22kV) – 5 years; Zone Substations & Subtransmission Networks – 10 years.

Service group	Service group description (if any)	Service	Service description (if any)	Further detail			
Post connection	Post connection services						
Item A8: Connection management services (post connection)	Work initiated by a customer which is specific to a connection point	Supply abolishment	Decommissioning of a NMI and associated metering. May be used where a property is to be demolished; supply is no longer required; an alternative connection point is to be used; or a redundant supply is to be removed	Nil			
		Move point of attachment - single/multi-phase	De-energisation, followed by physical dismantling then reattachment of service and re-energisation	Nil			
		Re-arrange connection assets at customer's request	Removal, relocation or rearrangement of connection assets at customer request	Nil			
		Protection and Power Quality assessment after connection	Investigation into Power Quality issues including Flicker, Harmonics and DC voltage injection.	Since this relates to an installed system, an investigation would be required. Ergon Energy would perform network checks to investigate if there is an issue due to its operation.			
		Temporary de-energisation - no dismantling	Temporary de-energisation and re-energisation of supply at the service fuse to allow customer or contractor to work close - no dismantling of service required (i.e. no service line drop).	Nil			
		LV Service line drop and replace - physical dismantling	Temporary de-energisation and re-energisation of supply to allow customer or contractor to work close - the service will be physically dismantled or disconnected (e.g. overhead service dropped).	Nil			
		HV Service line drop and replace	Temporary de-energisation and re-energisation of supply to allow customer or contractor to work close – Isolate and earth	Nil			

Service group	Service group description (if any)	Service	Service description (if any)	Further detail
		Supply enhancement	For example, an upgrade from single phase to multi-phase and/or increase capacity. Applies to underground and overhead service upgrades.	Nil
		Provision of connection services above minimum requirements	Customer requests increase in reliability or quality of supply beyond the standard, and/or above minimum regulatory requirements (e.g. reserve feeder)	Nil
		Upgrade from overhead to underground service	Requests to convert an existing overhead service to an underground service	Nil
		Rectification of illegal connections or damage to overhead or underground service cables	Repair works to re-establish a safe and legal connection due to customer or third party action	Nil
		De-energisation during business hours	Retailer requests de-energisation of the customer's premises during business hours: where the de-energisation can be performed (e.g. pole, pillar or meter) main switch sticker	Nil
		De-energisation after business hours	Retailer requests de-energisation of the customer's premises after business hours: where the de-energisation can be performed (e.g. pole, pillar or meter). main switch sticker	Nil
		Re-energisation during business hours	Retailer requests re-energisation of customer's premises during business hours: after a physical disconnection and premises requires a visual examination following a main switch sticker	Nil

Service group	Service group description (if any)	Service	Service description (if any)	Further detail
		Re-energisation during business hours - after de-energisation for debt	Retailer requests re-energisation of customer's premises during business hours where the customer has not paid their electricity account	Nil
		Re-energisation after business hours	Retailer requests re-energisation of a customer's premises after business hours: after a physical disconnection and premises requires a visual examination following a main switch sticker where the customer has not paid their electricity account	Nil
Item A9: Accreditation of alternative service providers and approval of their designs,	Accreditation of alternative service providers and approval of their designs, works and materials	Accreditation of alternative service providers - large customer connections	Accreditation of service providers that meet competency criteria. Applies to major customers classified as an Individually Calculated Customer (ICC), Connection Asset Customer (CAC) or Embedded Generator (EG) as per Ergon Energy's pricing proposal.	Nil
works and materials		Accreditation of alternative service providers - real estate developments	Accreditation of service providers that meet competency criteria. Applies to real estate developments.	Nil
		Approval of third party design - large customer connections	Review, inspection and auditing of design carried out by an alternative service provider prior to energisation. Applies to major customers classified as an Individually Calculated Customer (ICC), Connection Asset Customer (CAC) or Embedded Generator (EG) as per Ergon Energy's pricing proposal.	Nil

Service group	Service group description (if any)	Service	Service description (if any)	Further detail
		Approval of third party design - real estate developments	Review, inspection and auditing of design carried out by an alternative service provider prior to energisation. Applies to real estate developments.	Nil
		Construction audit – large customer connections	Review, inspection and auditing of construction works carried out by an alternative service provider prior to energisation.	Nil
			Applies to major customers classified as an Individually Calculated Customer (ICC), Connection Asset Customer (CAC) or Embedded Generator (EG) as per Ergon Energy's pricing proposal.	
		Construction audits – real estate developments	Review, inspection and auditing of construction works carried out by an alternative service provider prior to energisation. Applies to real estate developments.	Nil
		Approval of third party materials	Certification of non-approved materials (i.e. approval of non-approved materials to be used on Ergon Energy's network)	Nil

Service group	Service group description (if any)	Service	Service description (if any)	Further detail
Metering service	ees			
Item A10: Type 5 and 6 metering installation, provision, maintenance, reading and data services		Type 5 and 6 metering installation, provision, maintenance, reading and data services	 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 customer initiates the upgrade Meter provision refers to meter selection, procurement, programming, testing and management of NMI standing data according to the rules Meter maintenance covers scheduled maintenance, meter inspection, removal of meter and meter tampering Meter reading refers to quarterly or other regular reading of a meter including final meter reads Metering data services include collection, processing, storage and delivery of metering data, remote or self-reading at difficult to access sites, provision of metering data from previous 2 years, ongoing provision of metering data Meter Data Services provided as part of general obligation as a local network service provider in accordance with the NER 	Nil
Item A11: Auxiliary metering		Special meter read	Off-cycle meter read, during business hours	Includes off-cycle meter reads that are required to check the accuracy of the meter reading.

Service group	Service group description (if any)	Service	Service description (if any)	Further detail
services		Meter test	Customer requested meter accuracy testing of Ergon Energy whole current type 5 and 6 meter. Also includes meter tests by Ergon Energy for Ergon Energy meters attached to a CT or VT. Only available where meter installed and operational.	Nil
		Meter inspection and investigation on request	A request to conduct a site review of the state of the customer's metering installation without physically testing the metering equipment.	Nil
		Metering alteration	Meter is being relocated or meter wiring altered and requires Ergon Energy to visit site to verify the integrity of the metering equipment	Nil
		Exchange meter	Like for like meter exchange on request, unless not allowed by regulation	Nil
		Removal of meter (Type 5 and 6)	Removal of a meter on request when an existing Type 5 or 6 meter remains installed at the premises. No re-wiring required.	Includes: remove meter and re-commission installation
		Type 5 to 7 non-standard metering services	Provision of type 5 to 7 metering services above minimum requirements. For example: provision, installation and maintenance of meters above minimum requirements (i.e. installation of a non-standard meter above minimum regulatory requirements on request) provision of metering data above minimum requirements (such as urgent delivery, summarisation of metering data, historical metering data prior to the previous 2 years etc.)	Nil

Service group	Service group description (if any)	Service	Service description (if any)	Further detail
			 provision of time of use metering data (provision of half hourly data on request if available. Collection and processing of probe read data from accumulation read interval capable meters on a one off basis.) provision of energy pulsing output for a customer interface to building management system 	
		Meter re-seal	Where the customer has caused the meter to need re-sealing (e.g. by having electrical work done on site)	Nil
		Change time switch	Change to time switch setting	Nil
		Change tariff	Request to reprogram meter due to change in tariff and/or time of use setting (except for controlled load timing changes)	Nil
		Reprogram card meters	Attend and reprogram card meters to reflect retail tariffs, outside scheduled visit	Nil
		Meter exit fee (Transfer fee)	Customer (or retailer on customer's behalf) requests that Ergon Energy no longer provide Default Metering Services (type 5 or 6) to the customer due to a change in Responsible Person / Metering Coordinator	Nil
		Install metering related load control	Installation of customer load control initiated and managed via the meter	Nil
		Removal of load control device	Remove load control relay or time clock on request	Nil

Service group	Service group description (if any)	Service	Service description (if any)	Further detail
		Change load control relay channel	Change load control relay channel at retailer, customer or other third party request that is not part of initial load control installation, nor part of standard asset maintenance or replacement.	Nil
Ancillary netwo	rk services			
Item A12: Services provided in relation to a Retailer of Last Resort (ROLR) event	Ergon Energy may be required to perform a number of services as a distributor when a ROLR event occurs.	Services provided in relation to a Retailer of Last Resort (ROLR) event	Services Ergon Energy provides when a ROLR event occurs	Includes: 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 Network Use of System (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'.

Service group	Service group description (if any)	Service	Service description (if any)	Further detail
Item A13: Other recoverable works	Works initiated by a customer, which are not covered by another service and are not required for the efficient	Non-standard network data requests	Customer requests provision of electricity network data requiring customised investigation, analysis or technical input (e.g. requests for pole assess information and zone substation data)	
	management of the network, or to satisfy distributor purposes	Provision of services for approved unmetered supplies	Provision of services, other than standard connection, for approved unmetered equipment, public telephones, traffic lights and public BBQs	Nil
	or obligations Customer requested appointments Prevented access - one	·	Includes, but is not limited to: restoration of supply due to customer action safety observer tree trimming switching cable bundling re-test at customer's installation (i.e. customer has submitted Form A and the Retailer has issued a Service Order Request, but installation fails test and cannot be connected, requiring a re-test of the installation).	Nil
		Prevented access - one person crew - urban/short rural feeders	Customer requests Ergon Energy to perform a Standard Control Service and the service is not able to be completed after the truck has left the depot. Includes: retailer/customer cancels service order after truck has left the depot but before the service order is completed crew is unable to access site to perform service order customer has submitted Form A and the retailer a service order request, but the installation is not ready on arrival at site.	This service applies where access is prevented upon attendance at a customer's premises to perform works that are not associated with a particular defined service. Where access is prevented in the course of undertaking defined service works, any cost associated with prevented access will be charged as a component of the relevant service.

Service group	Service group description (if any)	Service	Service description (if any)	Further detail
			Attendance at customer's premises to perform a statutory right where access is prevented	
		Prevented access - one person crew - long rural/isolated feeders	Customer requests Ergon Energy to perform a Standard Control Service and the service is not able to be completed after the truck has left the depot. Includes: retailer/customer cancels service order after truck has left the depot but before the service order is completed crew is unable to access site to perform service order customer has submitted Form A and the retailer a service order request, but the installation is not ready on arrival at site.	This service applies where access is prevented upon attendance at a customer's premises to perform works that are not associated with a particular defined service. Where access is prevented in the course of undertaking defined service works, any cost associated with prevented access will be charged as a component of the relevant service.
		Prevented access - two person crew - urban/short rural feeders	Customer requests Ergon Energy to perform a Standard Control Service and the service is not able to be completed after the truck has left the depot. Includes: retailer/customer cancels service order after truck has left the depot but before the service order is completed crew is unable to access site to perform service order customer has submitted Form A and the retailer a service order request, but the installation is not ready on arrival at site.	This service applies where access is prevented upon attendance at a customer's premises to perform works that are not associated with a particular defined service. Where access is prevented in the course of undertaking defined service works, any cost associated with prevented access will be charged as a component of the relevant service.
		Prevented access - two person crew - long rural/isolated feeders	Customer requests Ergon Energy to perform a Standard Control Service and the service is not able to be completed after the truck has left the depot. Includes: retailer/customer cancels service order	This service applies where access is prevented upon attendance at a customer's premises to perform works that are not associated with a particular defined service. Where access is prevented in the course of undertaking defined service works, any cost associated with prevented access will be charged as a component of

Service group	Service group description (if any)	Service	Service description (if any)	Further detail
			after truck has left the depot but before the service order is completed crew is unable to access site to perform service order customer has submitted Form A and the retailer a service order request, but the installation is not ready on arrival at site.	the relevant service.
		Removal/rearrangement of network assets	 Removal, relocation or rearrangement of network assets (other than connection assets) at customer request that would not otherwise have been required for the efficient management of the network. 	Note: excludes relocation, rearrangement and removal of street light assets (refer to 'Removal/rearrangement of public lighting assets' service) and overhead to underground conversion (refer to 'upgrade from overhead to underground service').
		Aerial markers	Installation of aerial markers (or Powerlink Hazard Identifiers) on service lines	Nil
		Tiger tails	Installation of covers on service lines	Nil
		Assessment of parallel generator applications	Services associated with assessing a generator on a customer's installation which will not be exporting into the distribution system. Includes costs associated with preparing a parallel generation agreement.	Nil
		Witness testing	Witnessing of testing carried out at the customer's installation by the connection applicant where reasonably required or requested (e.g. as the result of the introduction of a parallel generator on a customer's installation)	Nil

Service group	Service group description (if any)	Service	Service description (if any)	Further detail
Public lighting	services			
Item A14: Provision, construction	- Application assessment, design, review and audit public lighting	Removal/rearrangement of public lighting assets	Relocation, rearrangement and removal of existing street light assets and energy efficient retrofit	Nil
and maintenance of public lighting	services - Provision, construction and maintenance of new street lighting services - Alteration, repair, relocation, rearrangement or removal of existing	Ergon Energy Owned and Operated (EO&O) - Major	Application assessment, design, review and audit public lighting services. Provision, construction and maintenance of new street lighting services. Alteration and repair of existing street light assets and energy efficient retrofit. Provision of glare shields, vandal guards, luminaire replacement with aero screens.	Includes: Emerging public lighting technology
	street light assets and energy efficient retrofit - Provision of glare shields, vandal guards, luminaire replacement with aero screens - A fee for the residual asset value	Ergon Energy Owned and Operated (EO&O) - Minor	Application assessment, design, review and audit public lighting services. Provision, construction and maintenance of new street lighting services. Alteration and repair of existing street light assets and energy efficient retrofit. Provision of glare shields, vandal guards, luminaire replacement with aero screens.	Includes: • Emerging public lighting technology

Service group	Service group description (if any)	Service	Service description (if any)	Further detail
	of non-contributed public lights when removed from service before the end of their useful life at the request of the customer - Operating street lighting assets including handling	Gifted and Ergon Energy Operated (G&EO) - Major	Application assessment, design, review and audit public lighting services. Provision, construction and maintenance of new street lighting services. Alteration and repair of existing street light assets and energy efficient retrofit. Provision of glare shields, vandal guards, luminaire replacement with aero screens.	Includes: Emerging public lighting technology
	including handling enquiries and complaints and dispatching crews to repair assets	Gifted and Ergon Energy Operated (G&EO) - Minor	Application assessment, design, review and audit public lighting services. Provision, construction and maintenance of new street lighting services. Alteration and repair of existing street light assets and energy efficient retrofit. Provision of glare shields, vandal guards, luminaire replacement with aero screens.	Includes: • Emerging public lighting technology
		Exit Fee - Ergon Energy Owned and Operated (EO&O) - Major	A fee for the residual asset value of non- contributed public lights when removed from service before the end of their useful life at the request of the customer.	
		Exit Fee - Ergon Energy Owned and Operated (EO&O) - Minor	A fee for the residual asset value of non- contributed public lights when removed from service before the end of their useful life at the request of the customer.	
		Exit Fee - Gifted and Ergon Energy Operated (G&EO) - Major	A fee for the residual asset value of non- contributed public lights when removed from service before the end of their useful life at the request of the customer.	

Service group	Service group description (if any)	Service	Service description (if any)	Further detail
		Exit Fee - Gifted and Ergon Energy Operated (G&EO) - Minor	A fee for the residual asset value of non- contributed public lights when removed from service before the end of their useful life at the request of the customer.	
Item A15: Emerging public lighting technology	- New public lighting technologies, including trials - Energy efficient retrofit (including where customer requests to retrofit existing assets before end of life)	Included in the above services		Nil

Appendix B: Ergon Energy services by pricing mechanism

The pricing mechanism applicable to each of the distribution services provided by Ergon Energy varies, with costs for:

- Standard Control Services being recovered through DUOS charges, which are included in the network charges
- Alternative Control Services being recovered through charges levied directly on the customer requesting the services.

The following table summarises the pricing methods proposed for the regulatory control period 2015-20.

Table 14: Summary of pricing methods

Classification	Pricing method	Pricing description	Reference table
Standard Control Services	DUOS	The costs of providing Standard Control Services are recovered through DUOS charges. All AER approved costs are averaged across Ergon Energy's customers and recovered through standard network charges through tariffs billed to retailers.	Table 15
		For further information on the calculation of the revenue cap for Standard Control Services refer to 03.01.01 – Building Block Components.	
Alternative Control Services	User specific charges – Fixed Fee	Fixed Fee charges apply to Alternative Control Services where: ■ Ergon Energy undertakes the service at the request of an identifiable customer ■ the service is relatively standard in nature, which means that the costs of providing the service can be assessed in advance of the service being requested. Ergon Energy recovers the costs for these services through fixed fee charges, which are approved by the AER. The charges are set out in the Ergon Energy's Price List for Alternative Control Services. For further information on the calculation of Fixed Fee charges refer to 05.05.01 – Inputs and Assumptions for Alternative Control Services.	Table 16



¹¹ Refer to http://www.ergon.com.au/networktariffs.

Classification	Pricing method	Pricing description	Reference table
	User specific – charges – Quoted Price	 Quoted Prices apply to Alternative Control Services where: Ergon Energy undertakes the service at the request of an identifiable customer the service provided varies in nature and scope between customers, which means that the costs of providing the service cannot be readily assessed in advance of the service being requested. Ergon Energy determines the charges for these services based on the quoted price formula approved by the AER, when the service is requested by a customer. For further information on the calculation of Quoted Price charges refer to 05.05.01 – Inputs and Assumptions for Alternative Control Services. 	Table 16
	Limited building block	Ergon Energy uses a limited building block approach to determine charges for specific Type 5 & 6 metering services and specific public lighting services. The limited building block approach is used to determine an allowable revenue for each of these services, which is then converted into unit charges that are subject to a price cap. For information on the calculation of the limited building blocks refer to 05.03.01 – Default Metering Services Summary and 05.01.01 – Public Lighting Summary.	Table 17

The following tables categorise Ergon Energy's regulated distribution services by the proposed pricing mechanism.



1 Services included in the Distribution Use of System charge

Table 15: Services included in DUOS charges

Service group	Ergon Energy service
1.1 Network Services	
	Network asset - assessment of asset requirements involving investment, management and delivery including risk and feasibility assessment and estimating and cost planning.
	Demand management - the identification and development of non-network options to address forecast network limitations.
	Network forecasting - analysis of network demand to enable the development of the capital program of works.
Planning the network	Network business strategy development - strategic initiatives development and management including business improvement/efficiency initiatives.
	Governance - developing policies, procedures and standards.
	Regulatory planning as required by the National Electricity Rules (rules).
	Participation in industry planning
Designing the network	Creation of a plan or the standards and criteria for network construction. Includes developing design standards, protection engineering and designs for augmentation and extensions to the shared network.
Designing the network	(Excluding designs for augmentation and extensions to shared network undertaken in feasibility and concept scoping for major customer connections (i.e. prior to acceptance of connection offer)).
	Network construction, augmenting the shared network and extensions of shared network.
Constructing the network	Project planning and works management (works program development, procurement, vendor management, contract management, work scheduling and dispatching).
	Management of environmental issues.

Service group	Ergon Energy service
	Asset deployment and commissioning of shared network assets.
	Asset relocation (other than those undertaken at a customer's request).
	Installing network related load control on customer premises
	Operational technology that supports the network
	Training for internal staff
	Planned maintenance – activities carried out to reduce the probability of failure or performance degradation of a network asset.
	Corrective – activities undertaken to detect, isolate and rectify a fault so that the failed equipment, machine or system can be restored to normal operable state.
Maintaining the network	Work to restore a failed component of the distribution system to an operational state.
	Maintaining network related load control devices on customer premises.
	Network System Maintenance
	Network control and operation.
	Outage management.
	Emergency management and response.
Operating the network	Field operations.
	Switching and testing for network purposes.
	Scheduling and controlling the switching of controllable load for network purposes.
	Operation of load control devices on customer premises.

Service group	Ergon Energy service
	Customer interactions including network product development, customer service management/call centre, complaints and enquiries, record management and network claim processing.
	Market operations: includes revenue management, network billing, processing of service order requests, and market notifications of retailer changes.
	National Metering Identifier (NMI) establishment, discovery requests and classification in accordance with the rules.
	Populate and maintain NMI standing data in Market Settlement and Transfer Solution in accordance with the rules.
	Processing and publication of notifications of new connections and alterations.
	Pricing strategy and development of pricing proposals.
	Financial and commercial management
Administrative support for provision of network	Compliance monitoring and reporting.
services	Procurement activities
	Technical and safety training of distributor staff.
	Supply, manage and maintain distributor Fleet.
	Retailer management (e.g. credit support).
	Administration of connections pioneer / rebate scheme.
	Supply, manage, test and maintain field equipment (other than metering equipment).
	Responding to cold water reports.
	Network claim processing where distributor is at fault.
	External stakeholder interactions (regulatory, government and industry).

Service group	Ergon Energy service
	Environmental health and safety management (risk assessment, monitoring, program management, reporting and training).
	Warehousing and maintaining metering data as part of the obligations of an LNSP
	The provision of sample type 1-4 data to AEMO.
	Non-technical training of distributor staff
	Revenue management relating to DNSP initiated revenue protection measures
1.2 Connection Services	
	Provision of general connection information (e.g. supply availability)
General connection enquiry service	Advice on process, such as how to complete a connection application
	Services associated with an initial assessment of a connection applicant's enquiry and provision of a response.
Small customer connections	Design, construction, commissioning and energisation of connection assets for small customers
Operate and maintain connection assets	Works to operate, maintain, repair and replace connection assets owned by or gifted to the distributor to a technically acceptable standard. Excludes works initiated by a customer, which is not required for the efficient management of the network or for distributor purposes (such as customer requests to provide or maintain connection assets to a higher standard).
1.3 Metering services	
Type 7 Metering Services	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.

2. User specific charges (Fixed Fee and Quoted Price)

Table 16: Services provided on the basis of user specific charges (Fixed Fee and Quoted Price)

Service group	Ergon Energy service	Pricing mechanism
2.1 Pre-connection services		
	Application fee - Basic or standard connection	Fixed Fee
	Application fee - Basic or standard connection - Micro-embedded generators	
	Application fee - Basic or standard connection - Micro-embedded generators – Technical Assessment Required	
	Application fee - Real estate development connection	
	Protection and Power Quality assessment prior to connection	
Connection application services	Application fee - Negotiated connection	Quoted Price
	Application fee - Negotiated connection - Micro-embedded generators	
	Application fee - Negotiated - Major customer connection	
	Carrying out planning studies and analysis relating to connection applications	
	Feasibility and concept scoping, including planning and design, for major customer connections	
	Tender process	
Day and the state of the state	Pre-connection site inspection	Quoted Price
Pre-connection consultation services	Provision of site-specific connection information and advice for small or major customer	

Service group	Ergon Energy service	Pricing mechanism
	connections	
	Preparation of preliminary designs and planning reports for major customer connections, including project scopes and estimates	
	Customer build, own and operate consultation services	
	Detailed enquiry response fee - EGs 5MW & above	
2.2 Connection services		
	Temporary connection, not in permanent position - single phase metered – urban/short rural feeders	Fixed Fee
Townson Connection	Temporary connection, not in permanent position - single phase metered – long rural/isolated feeders	
Temporary Connection	Temporary connection, not in permanent position - multi phase metered – urban/short rural feeders	
	Temporary connection, not in permanent position - multi phase metered – long rural/isolated feeders	
Major customer connections	Design and construction of connection assets for major customers	Quoted Price
Commissioning and energisation of major customer connections	Commissioning and energisation of major customer connections	
Real estate development connection	Design and construction for real estate developments	_
	Commissioning and energisation of real estate development connections	
Removal of network constraint for embedded generator	Removal of network constraint for embedded generator	

Service group	Ergon Energy service	Pricing mechanism
2.3 Post connection services		
	Supply abolishment during business hours – urban/short rural feeders	Fixed Fee
	Supply abolishment during business hours – long rural/isolated feeders	
	De-energisation during business hours – urban/short rural feeders	
	De-energisation during business hours – long rural/isolated feeders	
	Re-energisation during business hours – urban/short rural feeders	
	Re-energisation during business hours – long rural/isolated feeders	
	Re-energisation during business hours - after de-energisation for debt – urban/short rural feeders	
Connection management services (post connection)	Re-energisation during business hours - after de-energisation for debt – long rural/isolated feeders	
,	Move point of attachment - single/multi-phase	Quoted Price
	Re-arrange connection assets at customer's request	
	Protection and Power Quality assessment after connection	
	Temporary de-energisation - no dismantling	
	LV Service line drop and replace - physical dismantling	
	HV Service line drop and replace	
	Supply enhancement	
	Provision of connection services above minimum requirements	

Service group	Ergon Energy service	Pricing mechanism
	Upgrade from overhead to underground service	
	Rectification of illegal connections or damage to overhead or underground service cables	
	De-energisation after business hours	
	Re-energisation after business hours	
	Accreditation of alternative service providers - major customer connections	Quoted Price
	Accreditation of alternative service providers - real estate developments	Fixed Fee
	Approval of third party design - major customer connections	Quoted Fee
Accreditation of alternative service providers and approval of their designs, works and	Approval of third party design - real estate developments	
materials	Construction audit – major customer connections	
	Construction audit – real estate developments	
	Approval of third party materials	
1.4 Metering Services		
	Special meter read	Quoted Fee
	Meter test	
Audilian and desire	Meter inspection and investigation on request	
Auxiliary metering services	Metering alteration	
	Exchange meter	
	Removal of meter (Type 5 and 6)	

Service group	Ergon Energy service	Pricing mechanism
	Type 5 to 7 non-standard metering services	
	Meter re-seal	
	Install additional metering	
	Change time switch	
	Change tariff	
	Reprogram card meters	
	Install metering related load control	
	Removal of load control device	
	Change load control relay channel	
1.5 Ancillary Network Services		
Services provided in relation to a Retailer of Last Resort (ROLR) event	Services provided in relation to a Retailer of Last Resort (ROLR) event	Quoted Price
	Non-standard network data requests	Quoted Price
	Provision of services for approved unmetered supplies	
	Customer requested appointments	
Other recoverable works	Prevented access – one person crew – urban/short rural feeders	Fixed Fee
	Prevented access – one person crew – long rural/isolated feeders	
	Prevented access – two person crew – urban/short rural feeders	

Service group	Ergon Energy service	Pricing mechanism
	Prevented access – two person crew – long rural/isolated feeders	
	Removal/rearrangement of network assets	Quoted Price
	Aerial markers	
	Tiger tails	
	Assessment of parallel generator applications	
	Witness testing	
1.6 Public Lighting Services		
Provision, construction and maintenance of public lighting	Removal/rearrangement of public lighting assets	Quoted Fee

3. Services priced on the basis of a limited building block

Table 17: Services priced on the basis of a limited building block

Service group	Ergon Energy service
3.1 Metering Services	
Type 5 and 6 metering installation, provision, maintenance, reading and data services	Type 5 and 6 metering installation, provision, maintenance, reading and data services
	Meter transfer (exit) fee
3.2 Public Lighting Services	
Provision, construction and maintenance of public lighting (including emerging public lighting technology)	Ergon Energy Owned and Operated (EO&O) – Major
	Ergon Energy Owned and Operated (EO&O) – Minor
	Gifted and Ergon Energy Operated (G&EO) – Major
	Gifted and Ergon Energy Operated (G&EO) – Minor
	Exit Fee – Ergon Energy Owned and Operated (EO&O) – Major
	Exit Fee – Ergon Energy Owned and Operated (EO&O) – Minor
	Exit Fee – Gifted and Ergon Energy Operated (G&EO) – Major
	Exit Fee – Gifted and Ergon Energy Operated (G&EO) – Minor