

21/04/2023

Warwick Anderson
General Manager Network Pricing
Australian Energy Regulator
GPO Box 3131
Canberra ACT 2601

Sent via email: AERresets2025-30@aer.gov.au

Dear Mr Anderson, *Warwick.*

Preliminary position paper - Framework and Approach 2025-30

SA Power Networks welcomes the opportunity to comment on the Australian Energy Regulator's (AER's) Preliminary position paper - Framework and Approach (F&A) for Ergon Energy, Energex, SA Power Networks and Directlink 2025-30.

Our feedback is briefly summarised below and elaborated on further in the attachment to this letter.

Service classification

SA Power Networks largely supports the AER's preliminary position for classification of services.

We received strong support throughout our customer engagement for providing additional energy advisory services, however our People's Panel did not support the proposed approach to this initiative. We are therefore continuing to consult with our stakeholders on energy advisory services, and whether this could be refined to meet the needs of all customers as part of our standard control service. We note that this is largely consistent with existing services we provide and therefore support the AER's initial position in this respect.

However, there continues to be strong support for a bespoke energy advisory service where this is funded by customers who request the service, therefore we have proposed minor amendments to the 'Customer requested provision of electricity network or consumption data' service group within network ancillary services to include energy advice.

Control mechanism

The South Australian solar feed-in tariff *jurisdictional scheme* will conclude in 2028. We are concerned about our ability to appropriately recover or return to customers any under or over recovery through the existing jurisdictional scheme unders and overs recovery account. SA Power Networks is unable to

recover or return to customers an under or over recovery less than \$1 million. Any amount under \$1 million would remain in the unders or overs account into perpetuity.

Noting this, we recommend changes to our revenue cap control mechanism to enable any under/over recoveries from the conclusion of a *jurisdictional scheme* to be recovered or returned to all customers. This would enable the PVFiT residue to be returned / recovered from all customers in one year and reduce the ongoing administrative burden for SA Power Networks and the AER.

The Essential Services Commission of South Australia (the Commission) released its draft decision in January 2023, proposing to remove the street light repair Guaranteed Service Level (GSL) payment from the code. Commission staff have signalled to SA Power Networks the possibility of reintroducing a GSL payment mid-period if there is an unexpected drop in street light outage reports. If the GSL payment was reintroduced, SA Power Networks would need a mechanism to include the GSL within AER approved public lighting price caps.

Incentive schemes

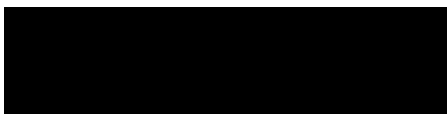
We support the AER's preliminary position in the application of incentive schemes for the 2025-30 regulatory period.

SA Power Networks is continuing to work with customers on the development of a Customer Service Incentive Scheme (CSIS) as part of our 2025-30 reset engagement program. We are also continuing to explore opportunities for implementation of an Export Service Incentive Scheme (ESIS) for the 2025-30 period. Where CSIS and/or ESIS is proposed, this will form part of our 2025-30 regulatory proposal.

We look forward to engaging further with the AER and stakeholders over the next few months on these matters.

If you have any queries or require further information in relation to our submission, please contact Debbie Voltz on 0439 668 563 or debbie.voltz@sapowernetworks.com.au.

Yours sincerely



Mark Vincent
Executive General Manager Strategy and Transformation

A. Preliminary position paper – Framework and Approach 2025-30

1. Service Classification

1.1. Regulated stand-alone power systems (SAPS)

In SA Power Networks' request to replace our F&A, we proposed to treat regulated stand-alone power systems (SAPS) for the purposes of service classification as an activity under the 'Common Distribution Service' grouping, rather than as a stand-alone service. The new activity would be called "work related to a regulated stand-alone power system (SAPS) deployment, operation and maintenance (including fault and emergency repairs), and customer conversion activities". This activity is consistent with that provided within the AER's most recent F&A decisions for New South Wales, Tasmania and Northern Territory.

In its preliminary position paper the AER has adopted consistent wording for this activity, with the addition of a footnote to clarify that fault and emergency repairs 'includes simple customer fault rectification on generation services of regulated SAPS'. SA Power Networks is supportive of this addition.

1.2. Rectification of simple customer faults

Ergon and Energex proposed the addition of a new service to allow for the rectification of simple customer faults that are generally located behind the meter on the customers' premises and discovered when investigating customer outages. This service was proposed to be added under the common distribution service group, as a standard control service.

The AER agreed that this activity is likely to improve the customer experience and potentially reduce costs of repeated visits to customer premises.

While SA Power Networks did not propose this amendment, the AER recommended its inclusion in the interests of consistency between networks and jurisdictions. We support the inclusion of rectification of simple customer faults within the common distribution service group.

1.3. Energy advisory services

SA Power Networks provides some existing advisory services to customers, related to customers' distribution services. We consider that this is already adequately covered within the current standard control service classification. During focussed conversations, conducted as part of our 2025-30 reset customer engagement program, we received particularly strong support for providing additional energy advisory services. Participants expressed they would highly value assistance with interpreting electricity bills, understanding retail offers and identifying 'best fit' for their personal circumstances, specialised support for customers experiencing vulnerability (such as linking to hardship programs and other social support), and information on energy efficient appliances.

Further engagement was conducted with the People's Panel in March 2023. The People's Panel did not support SA Power Networks' energy advisory service as proposed. We are continuing to consult

with customers on development and refinement of an energy advisory service that meets the needs of all customers as part of our standard control service.

However, there continues to be strong support for a bespoke energy advisory service where this is funded by customers who request this service. This may include consideration of specific energy efficiency initiatives (for example changes to customer behaviour) to address network constraints and defer the potential need for future network augmentation. Noting this, we propose minor amendments to the 'Customer requested provision of electricity network or consumption data' service group within network ancillary services to include energy advice. While the existing 'Customer requested provision of electricity network or consumption data' provides some scope for providing data to customers as part of an energy advisory service, we acknowledge that specifically including energy advice within the service classification table will assist with providing greater transparency for customers.

We will continue to work with customers to firm up the scope of the energy advisory service that would be delivered over the 2025-30 period, which will form part of SA Power Networks' regulatory proposal.

1.4. Solar for renters

There was strong support from our 2025-30 reset customer engagement feedback (broad and diverse, focussed conversations and People's Panel) for developing programs that support vulnerable customers.

SA Power Networks has been exploring options for an SA Power Networks or third party-delivered scheme with no bill impact for standard control customers. The scheme would enable tenants to voluntarily participate, with the landlord's consent, where the tenant would pay off the solar installation through an additional charge.

Since submission of our request to replace our F&A, we have continued to explore options with government and industry stakeholders to explore a solar service for renters in South Australia. While there is general support for the concept of 'solar for renters', there remains concern regarding implementation and delivery of the program.

The AER's preliminary position is to not classify this service. Noting the complexities associated with this service, SA Power Networks is supportive of this approach as we no longer propose to provide this service in 2025-30.

1.5. Leasing of excess battery capacity

SA Power Networks does not consider that any F&A changes are required to support the leasing of excess battery capacity. We would expect the work required to facilitate shared access to the network support battery, where this is allowed under the ringfencing guideline, would form part of the activities related to 'shared asset facilitation' of distribution assets, which is a common distribution service.

The AER's preliminary position is that the regulatory treatment of this service has already been addressed in its Ring-fencing guideline, and that further identification of the service, either as an unregulated distribution or non-distribution service, is not necessary.

1.6. Customer export services

SA Power Networks supports the AER's position in its most recent F&A decisions to recognise export services as part of the standard control, common distribution service grouping, but not to list them as a separate activity. The way export capacity is requested by standard control service customers, will be the subject of the connection policy.

We support the AER's preliminary position to classify customer requests for export capacity that go beyond that provided within the common distribution service grouping—requiring design and build that exceeds the minimum technical specification— as an alternative control service under the connection service grouping. These connections would be considered 'enhanced connection services'.

1.7. Electric vehicle charging infrastructure

SA Power Networks' distribution network will be an enabler of EV charging infrastructure across South Australia, with the physical deployment of EV charging for public use expected to be delivered by the contestable market. We believe this facilitation role is already adequately captured within common distribution services and connection services.

In our request to replace our F&A, we noted that DNSPs may be required to provide EV charging of last resort services. The AER noted SAPN's observations, however considered greater clarity around the direction that EV charging infrastructure is required to facilitate the classification of such services.

The AER encouraged SA Power Networks to continue to engage with its stakeholders on this matter and revert to them following the emergence of a clearer position on the charging infrastructure landscape.

We note EV charging is still an emerging service, with some service providers actively working on delivery of EV charging infrastructure across South Australia. Considering this, SA Power Networks supports the AER's preliminary decision to not classify the potential provision of EV-related infrastructure services at this point.

1.8. Metering services

The Australian Energy Market Commission (AEMC) published its draft report on the review of the regulatory framework for metering services in November 2022. We continue to acknowledge the AEMC's review may impact the current regulatory framework for metering services, including consideration of the future role of DNSPs in providing metering services.

The AER in its preliminary position paper noted that the AEMC's final report may not be available in time for the publication of final F&As in July 2023. Consideration of the implications of the AEMC's review will likely need to form part of our 2025-30 regulatory proposal, which may include revisiting the classification of associated metering services.

1.9. Connection services

SA Power Networks proposed to update the classification of export connections to align with the classification for consumption-based connection services. This is consistent with the AER's final position for the Ausgrid, Endeavour Energy, Essential Energy, Evoenergy, TasNetworks and Power and Water Corporation F&A's for the 2024-29 regulatory period.

Specifically, large embedded generators would be treated as negotiated connections. This is a change from our current classification, where large embedded generators are all treated as enhanced connections. As a negotiated connection, these customers would fully fund the premises connection (ACS), with any extension or augmentation classified as SCS. Consistent with negotiated consumption-based connections, large embedded generators may be required to pay a capital contribution towards augmentation (less the relevant incremental revenue rebates), with these charges determined in accordance with the Connection Policy.

The AER's preliminary position is to accept the changes proposed for connection services, with the addition of two footnotes to:

- enhanced connection services: to clarify that this service includes both consumption and export services; and
- the service group heading for Connection Services: clarifying that connection services apply to both Chapter 5 and 5A of the Rules, where Chapter 5A focusses on micro-embedded generators.

SA Power Networks supports these changes.

The AER also considered amending the description of connection application and management services, to align with the NSW F&A. We did not support this change, preferring to retain the detail listing of services available to our customers.

2. Control mechanisms

2.1. Standard control services revenue cap formula

In SA Power Networks' request to replace our F&A, we proposed amendments to the revenue control formula for 2025-30 to reflect the STPIS changes and also proposed to add a new J-factor to account for the cessation of the South Australian solar feed-in tariff (PVFiT) scheme in June 2028¹. The proposed J-factor would only apply in the year after the jurisdictional scheme ends.

The AER's preliminary position is to maintain the existing revenue cap mechanism with adjustments for the application of STPIS. The AER did not accept our proposal to add a J-factor, considering the current jurisdictional scheme unders and overs account will appropriately account for the end of the PVFiT scheme amounts over the forthcoming regulatory control period.

SA Power Networks remains concerned about our ability to recover or return any remaining under or over recovery following the end of the PVFiT scheme. While we will target to have no over or under recovery by June 2028, inevitably there will be some under or over recovery of PVFiT payments at the

¹ SA, Electricity (Feed-In Scheme – Solar Systems) Amendment Act 2008, Amendment of Electricity Act 1996, s 36AE

end of the scheme. The jurisdictional scheme is recovered as a usage charge (c/kWh) with a small component recovered through the fixed charge (\$/customer basis).

Our tariffs are rounded to 4 decimal places (i.e. 0.01 cents) in our billing system and Annual Pricing Proposal. In practice, this mean we are unable to recover or return an under or over recovery less than \$1 million through the existing jurisdictional scheme unders or overs recovery account. This creates significant risks for DNSPs, who would effectively be funding the jurisdictional scheme without guarantee of full cost recovery. To mitigate this cost recovery risk, DNSPs may seek to over recover forecast jurisdictional scheme payments during the last year of the scheme. This does not provide a good outcome for customers.

To provide greater certainty to DNSPs to be able to recover or return any under or over recovery following the cessation of the jurisdictional scheme, we recommend any PVFiT 'residue' should be returned to, or recovered from, all our customers under our DUOS revenue cap. To achieve this, the under or over recovery from jurisdictional schemes would effectively be added to the DUOS under or over recovery for the period, ensuring cost are appropriately recovered or returned to customers.

We recommend the B-factor definition be amended to incorporate jurisdictional scheme under or over recoveries. This would continue to be limited to the year following the end of the jurisdictional scheme. This would enable the PVFiT residue to be returned / recovered from all customers in one year, reducing the ongoing administrative burden.

2.2. Price caps for Alternative Control Services

In SA Power Networks' request to replace our F&A, we did not propose any changes to the price cap formulae for metering, public lighting and fee-based ancillary network services.

In January 2023, the Essential Services Commission of South Australia (the Commission) issued its draft decision on its review of the Electricity Distribution Code for 2025-30. The Commission's draft decision is to remove the street light repair Guaranteed Service Level (GSL) payment from the code, on the basis that it is a weak incentive for people to report street light outages. The Commission noted within its draft decision, that there is a low and manageable risk that customers will report fewer street light outages without the GSL payment.

Noting this, Commission staff have signalled to SA Power Networks the possibility of reintroducing a GSL payment mid-period if there is an unexpected drop in street light outage reports. If the GSL payment was reintroduced, SA Power Networks would need a mechanism for cost recovery, that is to include the GSL within AER approved public lighting price caps.

We believe there is scope to include any additional GSL costs that may occur mid period within the A-factor in the Alternative Control Services price cap form of control. This would enable SA Power Networks to recover the reasonable costs of an amended GSL scheme from public lighting customers. The existing GSL scheme is recovered on a unit cost basis, which could be applied as an A-factor within the Annual Pricing Proposal.

SA Power Networks supports the inclusion of the tax component within the quoted services formula, consistent with the AER's most recent F&A decisions. The AER accepted this approach within its preliminary position paper.

3. Incentive schemes

The AER's preliminary position is to continue to apply the current suite of incentive schemes, as amended through the AER's ongoing incentive scheme reviews.

3.1. CESS and EBSS

The AER's draft decision on the Capital Expenditure Sharing Scheme (CESS) and Efficiency Benefit Sharing Scheme (EBSS) review was that revisions to the EBSS were not necessary, however changes should be made to the sharing ratios in the CESS to implement a tiered arrangement. The proposed approach is to apply a 30 per cent sharing ratio for any underspend up to 10 per cent of the forecast capital expenditure allowance, and a 20 per cent ratio for any underspend over 10 per cent and a 30 per cent sharing ratio for any overspend.

The AER is expected to release its final decision in April 2023. We expect the outcome of the final decision will be incorporated into SA Power Networks final F&A when it is published in July 2023.

3.2. STPIS, DMIS and DMIAM

The AER's preliminary position is to continue to apply the Service Target Performance Incentive Scheme (STPIS), Demand Management Incentive Scheme (DMIS) and Demand Management Innovation Allowance Mechanism (DMIAM).

The AER will not apply the:

- GSL component of the STPIS where the distribution business remains subject to a jurisdictional GSL scheme; or
- the Customer Service (telephone answering) component of STPIS if it approves the distributors' application to apply the Customer Service Incentive Scheme (CSIS).

SA Power Networks supports this approach and is continuing to work with customers on the development of a CSIS as part of our 2025-30 reset engagement program.

3.3. Customer Service Incentive Scheme (CSIS)

The AER's recommended preliminary position is to remain open to the inclusion of a CSIS in proposals. Application of the CSIS for the 2025-30 period will be subject to, as part of a regulatory proposal in January 2024, a fully developed CSIS proposal, sound measurement methodology and evidence of supporting customer engagement on, and co-design of, the CSIS.

SA Power Networks is continuing to work with customers on the development of a CSIS as part of our 2025-30 reset engagement program. Where a CSIS is supported by SA Power Networks' customers, this will form part of our 2025-30 regulatory proposal.

3.4. Export service incentive scheme (ESIS)

On 10 March 2023, the AER published its draft Export Service Incentive Scheme (ESIS) for consultation, with the final scheme expected to be published in July 2023. The AER's preliminary position is to remain open to the application of any new ESIS which will be considered as part of the determination process.

SA Power Networks is continuing to explore opportunities for implementation of an ESIS for the 2025-30 period. Where an ESIS is proposed, this will form part of our 2025-30 regulatory proposal.

4. Expenditure forecast assessment guidelines

SA Power Networks plans to continue to apply the Expenditure Forecast Assessment Guideline and align our proposal with the AER's Better Resets Handbook for the 2025-30 period. The AER's preliminary position is to apply the Expenditure Forecast Assessment Guideline in its assessment of proposals for the 2025-30 period.

The AER also noted that work is currently underway to incorporate emissions reductions into the National Electricity Objective (NEO), which guides the AER and other market bodies in their decision making. We acknowledge this change may impact the framework and guidelines the AER uses to assess regulatory proposals.

B. Appendix A – Proposed service classification for 2025-30

The table below provides SA Power Networks views on service classification for the AER’s consideration. Proposed amendments from the AER’s preliminary position F&A 2020-25 service classification are marked-up (in blue).

Service group	Further description	Current classification 2025-30	Proposed classification 2025–30
Common distribution service – use of the distribution network for the conveyance/flow of electricity (including the services relating to network integrity)			
Common distribution service	<p>The suite of activities that includes, but is not limited to, the following:</p> <ul style="list-style-type: none"> the planning, design, repair, maintenance, construction, and operation of the distribution network the relocation of assets that form part of the distribution network but not relocations requested by a third party (including a customer) ongoing inspection of private electrical works (not part of the shared network) required under legislation for safety reasons works to fix damage to the network (including emergency recoverable works caused by a customer or third party) support for another network during an emergency event procurement and provision of network demand management activities for distribution or system reliability, efficiency or security purposes training internal staff and contractors delivering direct control services activities related to ‘shared asset facilitation’ of distributor assets² emergency disconnect for safety reasons and work conducted to restore a failed component of the distribution system to an operational state upon investigating a customer outage 	SCS	SCS

² Revenue for these services is charged to the relevant third party and is treated in accordance with the shared asset guideline. ‘Shared asset facilitation’ refers to administrative costs of providing the unregulated service.



Service group	Further description	Current classification 2025-30	Proposed classification 2025–30
	<ul style="list-style-type: none"> • bulk supply point metering – activities relating to monitoring the flow of electricity through the distribution network. • rectification of simple customer fault (e.g. fuse) relating to a life support customer or other critical health and safety issues that the distributor is able to address • Rectification of simple customer faults where <ol style="list-style-type: none"> 1. the need for rectification work is discovered in the course of the provision of distribution services; 2. the work performed is the minimum required to restore safe supply; 3. the work can be performed in less than thirty minutes and does not normally require a second visit. • establishment and maintenance of national metering identifiers (NMIs) in market and/or network billing systems, and other market and regulatory obligations • investigation of customer-reported network faults • work related to a regulated stand-alone power system (SAPS) deployment, operation and maintenance (including fault and emergency repairs)³, and customer conversion activities. <p>Such services do not include a service that has been separately classified including any activity relating to that service.</p>		

Connection Services—services relating to the electrical or physical connection of a customer to the network⁴

Basic connection services	<p>Means a connection service related to a connection (or a proposed connection) between a distribution system and a retail customer’s premises (excluding a non-registered embedded generator’s premises) in the following circumstances:</p> <p>(a) either:</p>	<p>Premises Connections = SCS + customer contributions</p>	<p>Premises Connections = SCS + customer contributions</p>
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³ Includes simple customer fault rectification on generation service of regulated SAPS

⁴ Applies to both NER chapter 5 and 5A connections



Service group	Further description	Current classification 2025-30	Proposed classification 2025–30
	<p>(1) the retail customer is typical of a significant class of retail customers who have sought, or are likely to seek, the service; or</p> <p>(2) the retail customer is, or proposes to become, a micro embedded generator; and</p> <p>(b) the provision of the service involves minimal or no augmentation of the distribution network; and</p> <p>(c) a model standing offer has been approved by the AER for providing that service as a basic connection service.</p>		
Standard connection services	Means a connection service (other than a basic connection service) for a particular class (or sub-class) of connection applicant and for which a model standing offer has been approved by the AER.	Premises connections = ACS Extensions & Augmentations = SCS + customer contributions	Premises connections = ACS Extensions & Augmentations = SCS + customer contributions
Negotiated connection services	Means a connection service (other than a basic connection service) for which a DNSP provides a connection offer for a negotiated connection contract.	Premises connections = ACS Extensions & Augmentations = SCS + customer contributions	Premises connections = ACS Extensions & Augmentations = SCS + customer contributions
Enhanced connection services ⁵	<p>Other or enhanced connection services provided at the request of a customer or third party that include those that are:</p> <ul style="list-style-type: none"> • Provided with higher quality of reliability standards, or lower quality of reliability standards (where permissible) than required by the NER or any other applicable regulatory instruments; 	ACS	ACS

⁵ Applies to both NER chapter 5 and 5A connections and includes enhancements for both consumption and export services.



Service group	Further description	Current classification 2025-30	Proposed classification 2025–30
	<ul style="list-style-type: none"> • In excess of levels of service or plant ratings required to be provided by SA Power Networks; or • Other additional customer dedicated connection lines / assets. 		
Connection application and management services	<p>Works initiated by a customer or retailer which are specific to the connection point. Includes, but is not limited to:</p> <ul style="list-style-type: none"> • connection application related services • de-energisation • re-energisation • temporary connections (of a size less than the shared network augmentation threshold) as a basic connection service e.g. builder’s supply, fetes, etc. • remove or reposition connection • 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 • protection and power quality assessment • supply enhancement (e.g. upgrade from single phase to three phase) • customer requested change requiring secondary and primary plant studies for safe operation of the network (e.g. change protection settings) • upgrade from overhead to underground service • rectification of illegal connections or damage to overhead or underground service cables • calculation of a site specific distribution loss factor on request in respect of a generating unit up to 10 MW or a connection point for an end-user with actual or forecast load up to 40 GWh per annum capacity, as per clause 3.6.3(b1) of the NER • power factor correction. 	ACS	ACS

Service group	Further description	Current classification 2025-30	Proposed classification 2025–30
Metering Services⁶ —activities relating to the measurement of electricity supplied to and from customers through the distribution system (excluding network meters)			
Type 1 to 4 metering services	Type 1 to 4 metering installations and supporting services are competitively available.	Unregulated	Unregulated
Type 5 and 6 meter installation and provision (prior to 1 December 2017)	Recovery of the capital cost of type 5 and 6 metering equipment installed (including metering with internally integrated load control services devices).	ACS	ACS
Type 5 and 6 meter maintenance, reading and data services (legacy meters)	Activities include: <ul style="list-style-type: none"> • Meter maintenance covers works to inspect, test, and maintain metering installations. • Meter reading refers to quarterly or other regular reading of a metering installation including field visits and remotely read meters. • Metering data services includes for example: services that involve the collection, processing, storage and delivery of metering data, the provision of metering data in accordance with regulatory obligations, remote or self-reading at difficult to access sites, and the management of relevant NMI Standing Data in accordance with the NER. 	ACS	ACS
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.	SCS	SCS
Auxiliary metering services (Type 5 to 7 metering installations)	Activities include: <ul style="list-style-type: none"> • Off-cycle meter reads for type 5 and 6 meters. • Requests to test, inspect and investigate, or alter an existing type 5 or 6 metering installation. 	ACS	ACS

⁶ SA Power Networks will continue to be responsible for type 5 and 6 meters until they are replaced (and entitled to levy associated charges). We refer to these meters as ‘legacy meters’. New meters (that will be type 1 to 4 meters) installed from 1 December 2017 are referred to as ‘contestable meters’.



Service group	Further description	Current classification 2025-30	Proposed classification 2025–30
	<ul style="list-style-type: none"> • Testing and maintenance of instrument transformers for type 5 and 6 metering purposes. • Type 5 to 7 non-standard metering services. • Works to re-seal a type 5 or 6 meter due to customer or third party action (e.g. by having electrical work done on site). • Change distributor load control relay channel on request that is not a part of the initial load control installation, nor part of standard asset maintenance or replacement. 		
Emergency supply restoration in relation to metering equipment not owned by the distributor (contestable metering)	Customer or third party request to restore power to a customer’s premises due to metering equipment not owned by the distributor.	ACS	ACS
Meter recovery and disposal – type 5 and 6 (legacy meters)	<p>Activities include the removal and disposal of a type 5 or 6 metering installation:</p> <ul style="list-style-type: none"> • At the request of the customer or their agent, where an existing type 5 or 6 metering installation remains installed at the premises and a replacement meter is not required. • At the request of the customer or their agent, where a permanent disconnection has been requested where it has not been removed and disposed of by the incoming metering provider. 	ACS	ACS
Third party requested outage for purposes of replacing a meter	At the request of a retailer or metering coordinator provide notification to affected customers and facilitate the disconnection/reconnection of customer metering installations where a retailer planned interruption cannot be conducted.	ACS	ACS
Network ancillary services – Customer and third party initiated services related to common distribution services			
Access permits, oversight and facilitation	Activities include:	ACS	ACS

Service group	Further description	Current classification 2025-30	Proposed classification 2025-30
	<ul style="list-style-type: none"> • A distributor issuing access permits or clearances to work to a person authorised to work on or near distribution systems including high and low voltage. • A distributor issuing confined space entry permits and associated safe entry equipment to a person authorised to enter a confined space. • A distributor providing access to switch rooms, substations and other network equipment to a non-LNSP party who is accompanied and supervised by a distributor's staff member. May also include a distributor providing safe entry equipment (fall-arrest) to enter difficult access areas. • Specialist services (which may involve design related activities and oversight/inspections of works) where the design or construction is non-standard, technically complex or environmentally sensitive and any enquiries related to distributor assets. • Facilitation of generator connection and operation on the network. • Facilitation of activities within clearances of distributor's assets, including physical and electrical isolation of assets. 		
Network safety services	<p>Examples include:</p> <ul style="list-style-type: none"> • provision of traffic control and safety observer services by the distributor where required⁷ • fitting of tiger tails or aerial markers⁸ • high load escorts • third party request for de-energising wires for safe approach 	ACS	ACS

⁷ When provided in relation to the distribution system or future distribution system

⁸ As requested by a customer or directed by the Office of Technical Regulator (OTR)



Service group	Further description	Current classification 2025-30	Proposed classification 2025–30
	<ul style="list-style-type: none"> Customer requested network inspection undertaken to determine the cause of a customer outage where there may be a safety and or reliability impact on the network or related component and associated works to rectify a customer caused impact on the network.⁹ 		
Sale of approved materials or equipment	Includes the sale of approved materials/equipment to third parties for connection assets that are gifted back to the DNSP become part of the shared distribution network.	ACS	ACS
Notices of arrangement and completion notices	<p>Examples include:</p> <ul style="list-style-type: none"> Work of an administrative nature where a local council requires evidence in writing from the distributor that all necessary arrangements have been made to supply electricity to a development. This includes but not limited to: receiving and checking subdivision plans, copying subdivision plans, checking and recording easement details, site visits, assessing supply availability, liaising with developers if errors or changes are required, and preparing notifications of arrangement. Provision of a completion notice (other than a notice of arrangement). This applies where the real estate developer requests the distributor to provide documentation confirming progress of work. Usually associated with discharging contractual arrangements (e.g. progress payments) to meet contractual undertakings. 	ACS	ACS
Rectification works to maintain network safety	Activities include issues identified by the DNSP and work involved in managing and resolving pre-summer bushfire inspection customer vegetation defects or aerial mains where the customer has failed to do so.	ACS	ACS
Customer requested planned interruption	<p>Examples include:</p> <ul style="list-style-type: none"> Where the customer requests to move a distributor planned interruption, and agrees to fund the additional cost of performing this distribution service outside of normal business hours. 	ACS	ACS

⁹ An ACS charge is not applicable where it is determined that the customer outage was caused by a fault on the network



Service group	Further description	Current classification 2025-30	Proposed classification 2025–30
	<ul style="list-style-type: none"> Customer initiated network outage (e.g. to allow customer and/or contractor to perform maintenance on the customer’s assets, work close to or for safe approach, which impacts other networks users). 		
Attendance at customers’ premises to perform a statutory right where access is prevented	A follow up attendance at a customer’s premises to perform a statutory right where access was prevented or declined by the customer on the initial visit. This may include the costs of arranging, and the provision of, a security escort or police escort (where the cost is passed through to the distributor).	ACS	ACS
Inspection and auditing services	<p>Activities include:</p> <ul style="list-style-type: none"> inspection and reinspection by a distributor of gifted assets or assets, installed by a third party investigation, review and implementation of remedial actions that may lead to corrective and disciplinary action of a third party service provider due to unsafe practices or substandard workmanship auditing of a third party service provider’s work practices in the field after hours examination and/or testing of the consumer mains and main switchboard prior to initial energisation (upon request) after hours visual examination of an electrical installation to reconnect it to a source of electricity (upon request) re-test at a customer’s installation, where the installation fails the initial test, and cannot be connected or has been disconnected for more than 12 months or disconnected for safety reasons. 	ACS	ACS
Provision of training to third parties for network related access	Training services provided to third parties that result in a set of learning outcomes that are required to obtain a distribution network access authorisation specific to a distributor’s network. Such learning outcomes may include those necessary to demonstrate competency in the distributor’s electrical safety rules, to hold an access authority on the distributor’s network and to carry out	ACS	ACS



Service group	Further description	Current classification 2025-30	Proposed classification 2025–30
	switching on the distributor’s network. Examples of training might include high voltage training, protection training or working near power lines training.		
Authorisation and approval of third party service providers design, work and materials	<p>Activities include:</p> <ul style="list-style-type: none"> • Authorisation or re-authorisation of individual employees and subcontractors of third party service providers and additional authorisations at the request of the third party service providers (excludes training services). • Acceptance of third party designs and works. • Assessing an application from a third party to consider approval of alternative material and equipment items that are not specified in the distributor’s approved materials list. 	ACS	ACS
Security lights	<p>Provision, installation, operation and maintenance of equipment mounted on distribution equipment used for security services, e.g. nightwatchman lights</p> <p>Note: excludes connection services.</p>	ACS	ACS
Customer initiated or triggered network asset relocations/re-arrangements	Relocation of assets that form part of the distribution network in circumstances where the relocation was initiated by a third party (including a customer), or triggered by a customer's non-compliance with network safety or security standards (such as network encroachments).	ACS	ACS
Customer requests for electricity data and energy advice Customer requested provision of electricity network or consumption data	<p>Includes:</p> <ul style="list-style-type: none"> • Data requests by customers or third parties including requests for the provision of electricity network data or consumption data outside of legislative obligations. • Customer requests for tailored energy advice, providing a personalised service for customers. 	ACS	ACS
Third party funded network alterations or other improvements	Alterations or other improvements to the shared distribution network to enable third party infrastructure (e.g. NBN Co telecommunications assets) to be installed on the shared distribution network. This does not relate to upstream distribution network augmentation.	ACS	ACS

Service group	Further description	Current classification 2025-30	Proposed classification 2025–30
Public Lighting Services - lighting services provided in connection with a distribution network			
Public Lighting	Includes provision, construction and maintenance of public lighting and emerging public lighting technology.	ACS	ACS
Unregulated Distribution Services - (non-exhaustive list)			
Distribution asset rental	Rental of distribution assets to third parties (e.g. office space rental, pole and duct rental for hanging telecommunication wires etc.).	Unregulated	Unregulated
Contestable metering support roles	Includes metering coordinator, (except where the distributor is the initial metering coordinator) metering data provider and metering provider for meters installed or replaced after 1 December 2017.	Unregulated	Unregulated
Type 5 and 6 meter data management to other electricity distributors	The provision of type 5 and 6 meter data management to other electricity distribution network service providers.	Unregulated	Unregulated
Provision of training to third parties for work not associated with common distribution services nor network services	Training programs provided to third parties for non-network related issues	Unregulated	Unregulated