

Final decision

AusNet Services, Jemena, CitiPower, Powercor
and United Energy distribution determinations
1 July 2026 – 30 June 2031

Attachment 11 – Service classification

April 2026

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11 Service classification

Service classification determines the nature of economic regulation, if any, applicable to distribution services.¹ It determines which network services are included in basic electricity charges and the basis on which additional services are sold.

Our proposed approach to classification of distribution services in the 2026-31 period was set out in our Framework and Approach for AusNet Services, CitiPower, Jemena, Powercor and United Energy 2026-31.²

The classification of distribution services in our determinations must be as set out in the Framework and Approach, unless we consider that a material change in circumstances justifies a departure from that classification.³

11.1 Final decisions

Our final decision is that the classification of the services to be provided by AusNet, CitiPower, Jemena, Powercor and United Energy during the course of the 2026-31 regulatory control period is that set out in Appendix A to this attachment.⁴

This classification of distribution services is as set out in the relevant Framework and Approach with the following exceptions, for which we consider that a material change in circumstances justifies departing from the classification as set out in that paper:⁵

- Distribution asset rental for Electric Vehicle Charging Infrastructure (EVCI), and the facilitation of distribution asset rental for EVCI, will be classified as a negotiated distribution service. Consequential amendments to the existing shared asset facilitation service that forms part of the standard control, common distribution service will clarify that the standard control service does not extend facilitation of negotiated distribution services.
- Type 9 metering services if required to be provided by a Victorian DNSP upon request by a public lighting customer in relation to a public lighting asset, pursuant to an Order made under sections 15A and 46D of the Victorian *Electricity Industry Act 2000*⁶ as in

¹ Chapter 10 of the NER defines a 'distribution service' as a service provided by means of, or in connection with, a distribution system. A distribution system is each of the following:

(a) a distribution network, together with the connection assets associated with the distribution network, which is connected to another transmission system or distribution system; and

(b) a stand-alone distribution system in a regulated SAPS.

² AER - Final Framework and Approach - Victorian electricity distribution determinations 2026-31 - July 2024

³ NER, cl. 6.12.3(b).

⁴ NER, cl. 6.12.1(a).

⁵ NER, cl. 6.12.3(b).

⁶ Consultation by the Victorian Department of Energy, Environment and Climate Action (DEECA) on amendments to the *Advanced Metering Infrastructure (Obligations to Install Meters) Order 2017* (made under sections 15A and 46D of the *Electricity Industry Act 2000*, gazetted on 10 October 2017) closed in February 2026. Publication of the *Advanced Metering Infrastructure (Obligations to Install Meters) Order 2026* is expected to occur in May 2026.

force from time to time will be classified as direct control services and then as alternative control services within the existing public lighting service group.

- The new Hot Water Switching Service (HWSS) proposed by CitiPower, Powercor and United Energy (CPU) will, for those DNSPs, be classified as a negotiated distribution service. (AusNet and Jemena have not proposed such a service.)

Controls applicable to these new services are discussed in Attachment 14 (Alternative Control Services) and Attachment 17 (Negotiated services frameworks and criteria).

11.2 Assessment approach

Our assessment approach is guided by the Electricity Distribution Service Classification Guideline 2022, which in turn applies the principles for service classification set out in the National Electricity Rules (NER).⁷

We must first identify whether a service is a 'distribution service'. The NER defines a distribution service as a service provided by means of, or in connection with, a distribution system.⁸ A distribution system includes a 'distribution network, together with the connection assets associated with the distribution network, which is connected to another transmission or distribution system. It also includes a stand-alone distribution system in a regulated SAPS'.⁹

The NER then consider classification of distribution services in two stages:

- A decision whether a distribution service is to be classified as a direct control service or a negotiated service.¹⁰
- If classified as a direct control service, a decision whether the distribution service is to be classified as a standard control service (SCS) or an alternative control service (ACS).¹¹

Classification as a standard control, alternative control or negotiated service determines the form(s) of control applicable to that service under our distribution determination.

When considering a distribution service, the classifications available to us are:

- **Direct control services:**
 - *Standard control services:* Where we classify a distribution service as a standard control service, the DNSP can recover related costs from all customers. Standard control services are those that can only be provided by the relevant DNSP, and are common to most, if not all, of a DNSP's customers. The costs of providing these services are captured in the building block revenue determination discussed in attachment 1.

⁷ NER, cls. 6.2.1(c), 6.2.2(c).

⁸ NER, chapter 10, glossary.

⁹ NER, chapter 10, glossary.

¹⁰ Clause 6.2.1(a) of the NER. If the AER decides against classifying a distribution service, the service is, subject to [Chapter 5A](#), not regulated under the NER.

¹¹ NER, cl. 6.2.2.

- *Alternative control services*: Where we classify a distribution service as an alternative control service, the user benefiting from the service pays. Alternative control services are those that can only be provided by the relevant DNSP but will only be required by some of its customers, some of the time; or services that can be purchased from the relevant DNSP, but which can also—or have the potential to be—purchased from a competing provider. The cost of providing alternative control services is therefore recovered from users of those services only, through mechanisms discussed in attachment 14.
- **Negotiated distribution services**: Where we classify a distribution service as a negotiated distribution service, we do not set revenue, prices, or terms and conditions for the service. Instead, we approve a Negotiating Framework and the Negotiated Distribution Service Criteria (NDSC) which guide and informs the negotiation of terms and conditions of access between the DNSP and customers. The Negotiating Framework and the NDSC (discussed in Attachment 17) also apply to dispute resolution processes for negotiated distribution services under the NER.

Where we do not classify a distribution service, the service and prices charged by the DNSP are not covered by our distribution determination. Unclassified distribution services remain subject to the AER’s Ring-fencing Guideline, Shared Asset Guideline and Cost Allocation Guideline and any other applicable requirements under the National Electricity Law (NEL), NER and jurisdictional energy laws.

Our service classification decisions reflect our assessment of several factors, including existing and potential competition to supply these services. Our Service Classification Guideline provides a practical explanation of how we classify distribution services.

In classifying distribution services, we classify the services that DNSPs supply to customers rather than:

- the assets used to provide such services
- the inputs/delivery methods DNSPs use to provide such services to customers
- services that consumers or other parties provide to DNSPs.

Wherever possible, we classify distribution services in groupings rather than individually. This avoids the need to classify services one-by-one and instead defines a service cluster, so that services similar in nature receive the same regulatory treatment. As a result, a new service with characteristics that are the same, or essentially the same, as other services within a group can simply be added to the existing group and hence be treated in the same way for pricing or ring-fencing purposes. This provides DNSPs with flexibility to alter the exact specification (but not the nature) of a service during a regulatory control period. Where we make a single classification for a group of services, it applies to each service in the group.

11.3 Reasons for final decision

The reasons for our final decision on the classification of the new services above are set out in the sections below.

11.3.1 Distribution asset rental for EVCI

Our draft decisions on Victorian distribution determinations for 2026-31 classified a new, negotiated distribution asset rental service to support access to a DNSP's kerbside poles as a physical host for third party EVCI:

Distribution asset rental for Electric Vehicle Charging Infrastructure (EVCI):

Rental of distribution assets (e.g. poles) to third parties for the installation of EV chargers or associated hardware.

AusNet, Jemena and CPU have accepted our classification of the new negotiated distribution asset rental service.

Stakeholder submissions received on the new service were also broadly supportive.¹² Ausgrid, however, cited its own track record as a reason that classification may not be required. It submitted that the shared asset framework that applies to unclassified distribution asset rental services (including for EVCI) in its network area is currently operating efficiently for Ausgrid and provides material financial benefits to its broader customer base. While we (and the NER) favour consistency in classification of services between DNSPs and jurisdictions, classification decisions for each DNSP are made on a case-by-case basis and will be considered for DNSPs outside Victoria, including Ausgrid, as their next distribution determinations fall due.

For the reasons set out in Attachment 11 to our draft decisions, we remain of the view that classification of distribution asset rental services for EVCI is appropriate for Victorian DNSPs in the 2026-31 period.

Ausgrid also suggested that classification of an EVCI-specific distribution asset rental service as a negotiated distribution service, while distribution asset rental services for other users are not classified, would lead to overlapping frameworks for similar services. Both Ausgrid and Jemena (in its revised proposal) sought clarification of how negotiated distribution services could be delivered by a Related Electricity Service Provider (RESP) under the Ring-fencing Guideline.

Under the AER's Ring-fencing Guideline, a DNSP must not provide services that are not distribution or transmission services.

A DNSP can provide both negotiated distribution services and unclassified distribution services¹³ under the AER's Ring-fencing Guideline but must do so in accordance with Part 4

¹² Hon Lily D'Ambrosio MP - Submission - Victorian electricity distribution proposals 2026-31 - January 2026; AGL - Submission - Victorian electricity distribution proposals 2026-31 - January 2026; Nexa Advisory - Submission - Victorian electricity distribution proposals 2026-31 - January 2026

¹³ The Ring-fencing Guideline defines 'contestable electricity services' as "other distribution services; and other electricity services." It then defines "other distribution services" as "distribution services other than direct control services", and notes explicitly that this definition includes negotiated distribution services and distribution services that are not classified. However, it is recognised that, in practice, some negotiated distribution services may not be contestable and are only provided by a DNSP or by its RESP.

of the Ring-fencing Guideline. Under the Ring-fencing Guideline, a RESP can be a part of the DNSP.

What Ausgrid’s submission has highlighted is the need to clarify the scope of existing shared asset facilitation services to ensure there is no overlap between these and the new negotiated service.

As set out in our draft decisions:

- ‘Shared asset facilitation’ is currently part of the standard control, common distribution service. Shared asset facilitation costs are therefore socialised under the revenue cap that applies to standard control services.
- Distribution asset rental for EVCI would be a negotiated distribution service.
- Distribution asset rental for other users/different technologies would be an unclassified distribution service.

The distinction between the standard control ‘shared asset facilitation service’ and the negotiated and unclassified distribution asset rental services themselves separates the oversight and administration of the services from the actual provision of those services.

Ausgrid’s submission suggests that it may currently be funding oversight and administration of applications for unclassified distribution asset rental services, including the costs of processing applications from commercial EVCI proponents, through its revenue cap as part of the common distribution service.

We have previously considered this appropriate in the context of DNSPs using shared assets used to derive revenue for unclassified distribution asset rental services (e.g. pole and duct rental), which are captured by the Shared Asset Guideline:¹⁴

“Shared assets are those where the capital costs have been fully allocated to standard control services and are also used to derive unregulated revenue. Under the Shared Asset Guideline, where distributors generate unregulated revenue through the use of shared assets (e.g. rental of distribution assets to third parties, such as pole and duct rental for telecommunications wires), a portion of the unregulated revenue earned is shared back with customers. It follows then, that a portion of the operating costs (i.e. the facilitation work) in establishing that unregulated revenue stream, relating to the shared asset, is appropriately recovered from customers as a standard control service.”

Ausgrid’s submission highlights the potentially different circumstances that apply to negotiated distribution services that use shared assets relative to unclassified distribution:

- The Shared Asset Guideline does not apply to negotiated distribution services (only unclassified distribution services or unregulated services). No portion of revenue recovered from negotiated distribution services is returned to customers through standard control services revenue. The justification for socialising operating costs of

¹⁴ AER, *Framework and approach for NSW, ACT, TAS & NT: Preliminary positions paper*, April 2022.

unclassified distribution services or unregulated, non-distribution services is therefore not present in the same way for negotiated distribution asset rental services.

- The NER require a DNSP's negotiating framework to specify the arrangements for payment by a Service Applicant of the provider's reasonable direct expenses incurred in processing the application to provide the negotiated distribution service. This is also at odds with socialisation of those same costs through the standard control shared asset facilitation service.

Our final decisions therefore clarify that shared asset facilitation will form part of the standard control shared asset facilitation service *except to the extent that those activities are a negotiated distribution service*.

11.3.2 Type 9 metering services for public lighting customers

The AEMC's Unlocking CER benefits through flexible trading rule determination introduced two new meter types (meter Type 8 and meter Type 9) for electric vehicle (EV) supply equipment (i.e. EV chargers) used by households and businesses, and for technology such as streetlights and street furniture, and public EV chargers.

The new metering arrangements are designed to assist market participants to use in-built measurement capability in technology such as streetlights, street furniture, and EV chargers to provide innovative and essential products and services to consumers. By removing the need to install a separate meter to measure energy at devices, these more flexible metering arrangements are expected to allow for the measurement and management of energy use at a lower cost. Both new meter types are voluntary to use.

In its rule determination, the AEMC noted that DNSPs can offer these services through a ring-fenced, contestable service business or under a ring-fencing waiver. Therefore, it appears the AEMC intended that DNSPs themselves would not be providing the services.

However, Victorian DNSPs may be required to provide Type 9 metering services upon request by a public lighting customer in relation to a public lighting asset, pursuant to an Order made under sections 15A and 46D of the Victorian *Electricity Industry Act 2000*¹⁵ as in force from time to time.

Where DNSPs are required to provide metering services our distribution determinations have recognised these as distribution services we are empowered to classify. For example, metering services Victorian DNSPs are already required to provide under existing Orders in Council are classified as direct/alternative control services.

We consider the making of the AEMC's final rule determination and the commencement of the Victorian government's consultation on the draft Orders after the release of our Framework and Approach constitute a material change in circumstances since the

¹⁵ Consultation by the Victorian Department of Energy, Environment and Climate Action (DEECA) on amendments to the *Advanced Metering Infrastructure (Obligations to Install Meters) Order 2017* (made under sections 15A and 46D of the *Electricity Industry Act 2000*, gazetted on 10 October 2017) closed in February 2026. Publication of the *Advanced Metering Infrastructure (Obligations to Install Meters) Order 2026* is expected to occur in May 2026.

Framework and Approach, justifying our departure from the classifications set out in the Framework and Approach to add this new service.

On balance, having had regard to the requirements of clause 6.2.1(c) of the NER and the form of regulation factors in section 2F of the NEL, we consider classification of Type 9 metering services that DNSPs are required to provide to public lighting customers as direct control services, and then as alternative control services, is the most appropriate option:

- A direct control and then alternative control classification recognises the potential incumbent advantage held by Victorian DNSPs given their dominant / monopoly position in the market for public lighting services, and that we understand Type 9 meters are integrated with the smart public lighting services DNSPs are rolling out. This classification would be consistent with classification of public lighting (and other metering services) that DNSPs are required to provide, both in and beyond Victoria. Further, the greater certainty and transparency over costs and prices charged by DNSPs for direct control services is likely to make it more appropriate than classification as a negotiated service.
- While customers will have choice of service provider, and Type 9 meters are optional rather than required, we think the considerations above outweigh the extent to which the potential for competition might favour lighter handed regulation as a negotiated service. Further, while there is choice, we note that DNSPs' consultation during the reset process, including for revised proposals, found Councils supported the rollout of smart public lighting services for major roads and some minor roads.
- The ability to readily identify and attribute costs to customers of Type 9 meter services for public lighting customers also supports classification as an alternative control service rather than standard control. While socialisation of costs between all customers may improve uptake of flexible services, it would give DNSPs an advantage over third party providers and is not conducive to development of a competitive market.

An ACS classification in this instance is consistent with classification of related public lighting services and other metering services that Victorian DNSPs are currently required to provide under the Orders in Council.

11.3.3 CPU's proposed hot water switching service

In its revised proposal, CPU proposed a new 'Hot water switching service' (HWSS) that was not considered in its initial proposals or our draft decisions.

CPU's proposal was that:

- Whilst hot water load shifting is currently designed for network planning purposes, it has been approached by multiple third parties—retailers, aggregators and virtual power plants (VPPs)—enquiring whether it would be open to providing a 'hot water flexibility/load service' (service) to assist them manage their wholesale market risk (within network performance parameters).
- It currently manages hot water services for the purposes of network planning (i.e. an internal function aimed at managing network stability and deferring augmentation). The

new service, however, involves managing hot water services at the direction of a third party.

- CPU would provide the service to third parties such as retailers, aggregators, and VPPs at their direction to manage when their customers' hot water services are able to heat. It would not offer the service directly to end users.

CPU distinguished the new service from existing controlled load services in that:

- It is intended for use by third parties rather than the DNSP itself.
- The service is not intended to be available directly between CPU and end users. Rather, the service is intended to be requested by, and provided to, a retailer, aggregator or VPP wanting to offer a related product to its own customers.
- CPU proposes to enter into agreements with the third party that are confined to the circumstances in which the third party will hold control, and when it needs to be reverted to CPU to maintain network stability. It will also include protocols for third parties requesting the service given their instructions will need to be activated by CPU.
- CPU intends that the third party obtain explicit informed consent from their customers to activate the service. CPU would not be party to the relationship between the service applicant and its customers and will have no oversight of the contract between those parties. CPU intends to seek undertakings from the third party that:
 - the third party has obtained explicit informed consent from its customers, and
 - that the third party is responsible for any dispute or complaint that arises under the third party's agreement with its customers.

CPU has advised that it has been in negotiation with various (unidentified) third parties but has not entered into agreements with any party and does not expect to do so until at least 1 July 2026.

CPU has not provided a firm date for the commencement of provision of the new service. The systems and processes to support the service remain in development and subject to final agreement with respective third parties. To the extent new costs are required to provide the service, CPU's intention is that these will be recoverable from service applicants.

As a service provided using assets that form part of CPU's distribution system, we are satisfied that CPU's proposed HWSS appears to fall within the scope of a 'distribution service' for the purposes of the NER.

We are also satisfied with the following arguments from CPU that a material change in circumstances has arisen since our July 2024 Framework and Approach that would justify our departing from the classification of services in the Framework and Approach to add this new service:

- Since May 2024 it has been approached by multiple third parties including retailers, aggregators, and VPPs seeking a hot water flexibility/load service, to assist them manage their exposure to high costs periods on the wholesale market.
- Some of the benefit of lowering service applicants' wholesale market exposure is expected to be passed on to end use customers.

- Given the increasing demand for this service over the past 18 months, CPU believes it is now prudent to offer the service. The service is also consistent with multiple reviews and initiatives designed to improve visibility of flexible loads in wholesale market and allow customers to optimise the value of their consumer energy resources (CER), of which hot water flexibility is one. Reviews that have arisen since the Framework and Approach include the National Electricity Market wholesale market settings review¹⁶ and regulatory developments associated with flexible trading agreements.

Lastly, having had regard to the requirements of clause 6.2.1(c) of the NER and the form of regulation factors in section 2F of the NEL, we are satisfied that CPU's proposed classification of the HWSS as a negotiated distribution service for the 2026-31 period¹⁷ is appropriate:

- For the reasons above, we consider the HWSS has characteristics that distinguish it from existing, direct control load control services provided by Victorian DNSPs.
- While the proposed service leverages off existing DNSP capabilities and infrastructure (e.g. smart metering), the HWSS is an optional service, and not an essential one. We therefore expect a level of elasticity in demand from service applicants.
- CPU's proposed service model is reliant on partnership with service applicants that will be experienced and capable counterparties (e.g. retailers). As the HWSS as it has been proposed could not be offered by CPU without that partnership, we consider applicants have an appropriate level of countervailing market power.
- The service benefits the contracting party only, and any wider network benefits are incidental. Pricing should therefore be established through negotiation rather than by regulation.

The effect of the negotiated service classification for the HWSS would be that, for the 2026-31 period, negotiations between CPU and parties seeking access to this new distribution service would be subject to:

- a Negotiating Framework, which sets out the procedure to be followed during negotiations between the DNSP and any person who wishes to receive a negotiated distribution service, as to the terms and conditions of access to the service, and
- Negotiated Distribution Service Criteria (NDSC), setting out the principles that guide negotiations,

both of which have been approved as part of our distribution determination for the 2026-31 period.

Given the unusual nature of this service, which will not be available directly between CPU and end users of the service, we consider clarifications are needed to ensure that the

¹⁶ <https://www.energy.gov.au/energy-and-climate-change-ministerial-council/working-groups/electricity-working-group/nem-wholesale-market-settings-review>

¹⁷ NER, cl. 6.2.3.

application of the Negotiating Framework and NDSC to both service applicants and end users is clear. We discuss this in Attachment 17 to this final decision.

As in section 11.3.1 above CPU can provide negotiated distribution services,¹⁸ including the HWSS, under the AER’s Ring-fencing Guideline but must do so in accordance with Part 4 of the Ring-fencing Guideline.

¹⁸ The Ring-fencing Guideline defines ‘contestable electricity services’ as “other distribution services; and other electricity services.” It then defines “other distribution services” as “distribution services other than direct control services”, and notes explicitly that this definition includes negotiated distribution services and distribution services that are not classified. However, we recognise that in practice, some negotiated distribution services may also not be contestable and are only provided by a DNSP or by its RESP.

Shortened forms

Term	Definition
AEMC	Australian Energy Market Commission
AEMO	Australian Energy Market Operator
AER	Australian Energy Regulator
CER	Consumer energy resources
CPU	CitiPower, Powercor and United Energy
DNSP	Distribution Network Service Provider
EV	Electric vehicle
EVCI	Electric vehicle charging infrastructure
NDSC	Negotiated Distribution Service Criteria
NEL	National Electricity Law
NER	National Electricity Rules
VPP	Virtual Power Plant

Appendix A AusNet Services, CitiPower, Jemena, Powercor and United Energy service classifications for 2026–31

The following service classifications will apply to AusNet, CitiPower, Jemena, Powercor and United Energy for the 2026–31 period.

Service group	Further description	Classification
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 • works to fix damage to the network¹⁹ and recoverable works to fix damage 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 purposes • activities related to ‘shared asset facilitation’ of DNSP assets²⁰, <u>except to the extent those activities are a negotiated distribution service</u> • 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 • establishment and maintenance of National Metering Identifiers (NMIs) in market and/or network billing systems, and other market and regulatory obligations 	Standard control

¹⁹ May include the provision of temporary stand-alone power systems to restore supply.

²⁰ 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. It does not refer to the costs associated with providing the unregulated service itself.

Service group	Further description	Classification
	<ul style="list-style-type: none"> • ongoing inspection of private electrical networks (not part of the shared network) required under legislation for safety reasons²¹ • supply abolishment of basic connection • customer safety information, e.g., 'dial before you dig' services • bulk supply point metering - activities relating to monitoring the flow of electricity through the distribution network • third party-initiated network asset relocations/re-arrangements, including under the Victorian Electricity Distribution Code of Practice ²² • transmission network support • the relocation of assets that form part of the distribution network, but not relocations requested by a third party (including a customer) • use of dynamic network capacity management capabilities (including communication of import and export limits) for distribution purposes • training internal staff and contractors undertaking direct control services • investigation of customer-reported network faults • rectification of simple customer faults where: <ul style="list-style-type: none"> – the need for rectification work is discovered in the course of the provision of distribution services 	

²¹ Section 113F of the Electricity Safety Act 1998 (Vic) requires Vic DNSPs to inspect overhead private electric lines.

²² This classification applies where a customer contribution is calculated and applied in accordance with Essential Services Commission (ESCV) Victorian Electricity Distribution Code of Practice or where a customer contribution is calculated and applied in accordance with any other relevant Victorian legislation or regulation, including regulations made under the National Electricity (Victoria) Act, 2005. The party requesting such works under this classification must pay the net cost of the works, subject to any rebates specified in the Victorian Electricity Distribution Code of Practice or by any other relevant Victorian legislation or regulation.

Service group	Further description	Classification
	<ul style="list-style-type: none"> – the work performed is the minimum required to restore safe supply – the work can be performed in less than thirty minutes and does not normally require a second visit • work related to a regulated stand-alone power system (SAPS) deployment, operation and maintenance (including fault and emergency repairs)²³, and customer conversion activities. • Provision of basic electricity distribution network data, including data that is provided in accordance with legislative obligations, standardised or automated data sets 	
Mandatory provision of essential system services	<p>Activities include:</p> <ul style="list-style-type: none"> • interruption or curtailment of generation of embedded generating units connected to the distribution system at AEMO’s direction to manage minimum system load risks, as part of Victoria’s Emergency Backstop Mechanism • interruption or disconnection of supply to premises at AEMO’s direction to manage under-frequency load risks • other activities required to provide mandatory essential system services 	Standard control
Access permits, oversight, and facilitation	<p>Activities include:</p> <ul style="list-style-type: none"> • a DNSP issuing access permits or clearances to work to a person authorised to work on or near distribution systems including high and low voltage • a DNSP issuing confined space entry permits and associated safe entry equipment to a person authorised to enter a confined space 	Alternative control

²³ Includes simple customer fault rectification on generation service of regulated SAPS.

Service group	Further description	Classification
	<ul style="list-style-type: none"> • a DNSP providing access to switch rooms, substations, and other network equipment to a non-DNSP party who is accompanied and supervised by a DNSP's staff member. May also include a DNSP 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 DNSP assets • facilitation of generator connection and operation of the network • facilitation of activities within clearances of DNSP's assets, including physical and electrical isolation of assets 	
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	Alternative control
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 DNSP that all necessary arrangements have been made to supply electricity to a development. This includes but is 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 DNSP is requested to provide documentation confirming progress of work. Usually associated with discharging contractual arrangements (e.g., progress payments) to meet contractual undertakings 	Alternative control
Network related property services	Activities include:	Alternative control

Service group	Further description	Classification
	<ul style="list-style-type: none"> • network related property services such as property tenure services relating to providing advice on, or obtaining deeds of agreement, deeds of indemnity, leases, easements, or other property tenure in relation to property rights associated with a connection or relocation • conveyancing inquiry services relating to the provision of property conveyancing information at the request of a customer 	
Network safety services	<p>Examples include:</p> <ul style="list-style-type: none"> • provision of traffic control services by the DNSP or third party where required • fitting of tiger tails, possum guards, and aerial markers • high load escort • site visit relating to location of underground cables/assets • third party request for de-energising wires for safe approach 	Alternative control
Customer requested network outage or rescheduling of a planned interruption	<p>Examples include:</p> <ul style="list-style-type: none"> • customer initiated network outage (e.g., to allow customer and/or contractor to perform maintenance on the customers assets, work close or for safe approach) • 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 	Alternative control
Inspection and auditing services	<p>Activities include:</p> <ul style="list-style-type: none"> • inspection and reinspection by a DNSP, of gifted assets or assets that have been installed or relocated 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 and inspection of a third-party service provider's work practices in the field 	Alternative control

Service group	Further description	Classification
	<ul style="list-style-type: none"> • 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 for safety reasons • customer or third party-requested inspection of privately owned low voltage or high voltage network, infrastructure (i.e., privately owned distribution infrastructure before the meter) 	
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 DNSP's network. Such learning outcomes may include those necessary to demonstrate competency in the DNSP's electrical safety rules, to hold an access authority on the DNSP's network and to carry out switching on the DNSP's network. Examples of training might include high voltage training, protection training or working near power lines training	Alternative control
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 DNSP's approved materials list 	Alternative control
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>	Alternative control
Provision of non-basic electricity network data	<p>Data requests by customers or third parties for network data beyond the scope of Standard Control Service provision, including:</p> <p>Data requests by customers or third parties including requests for the provision of electricity distribution network data or consumption data outside of legislative obligations.</p>	Alternative control

Service group	Further description	Classification
	Customer or third-party requests for assistance to understand or interpret data, or to identify the data they require to meet their needs.	
Third party funded network alterations or other improvements	Alterations or other improvements to the shared distribution network to enable third party infrastructure (e.g., telecommunications assets) to be installed on the shared distribution network. This does not relate to undergrounding or upstream distribution network augmentation	Alternative control
Community network upgrades	Collective customer requested network enhancement. Activities related to community requests to augment the network to enable higher PV exports.	Alternative control
Type 1 to 4 metering services	Type 1 to 4 customer metering installations ²⁴ and supporting services are competitively available	Unregulated
Type 5 and 6 (inc. smart metering) services where the DNSP remains responsible	<p>Includes:</p> <ul style="list-style-type: none"> • recovery of the cost of type 5 and 6 metering equipment²⁵ including communications network (including meters with internally integrated load control devices) • testing, inspecting, investigating, maintaining, or altering existing type 5 or 6 metering installations or instrument transformers • quarterly or other regular reading of a metering installation • metering data services that involve the collection, processing, storage and delivery of metering data, the provision of metering data from the previous two years, remote or self-reading at difficult to access sites, and the management of relevant NMI Standing Data in accordance with the NER 	Alternative control
Auxiliary metering services (type 5 to 7 including smart	<p>Activities include:</p> <ul style="list-style-type: none"> • requests to test, inspect and investigate, or alter an existing type 5 or 6 metering installation 	Alternative control

²⁴ Includes the instrument transformer, as per the definition of a 'metering installation' in Chapter 10 of the NER.

²⁵ Includes the instrument transformer, as per the definition of a 'metering installation' in Chapter 10 of the NER.

Service group	Further description	Classification
metering) where the DNSP remains responsible	<ul style="list-style-type: none"> • testing and maintenance of instrument transformers for type 5 and 6 metering purposes • non-standard metering services for Type 5 to 7 meters and any other meter types introduced • 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 DNSP 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 • remote de-energisation and re-energisation • remote meter configuration • field based special meter read • office based special meter read • metering exit 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	Alternative control
Basic connection services	<p>Means a <i>connection service</i>²⁶ related to a <i>connection</i> (or a proposed <i>connection</i>) between a <i>distribution system</i> and a <i>retail customer's</i> premises (excluding a non-registered <i>embedded generator's</i> premises) in the following circumstances:</p> <p>1) either:</p> <ul style="list-style-type: none"> – the <i>retail customer</i> is typical of a significant class of <i>retail customers</i> who have sought, or are likely to seek, the service; or 	Alternative control

²⁶ Italics denotes definitions in Chapter 5A of the NER.

Service group	Further description	Classification
	<ul style="list-style-type: none"> – the <i>retail customer</i> is, or proposes to become, a <i>micro embedded generator</i>; and 2) the provision of the service involves minimal or no <i>augmentation</i> of the <i>distribution network</i>; and 3) a <i>model standing offer</i> has been approved by the AER for providing that service as a <i>basic connection service</i> 	
Standard connection service	Connection services (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	Standard control
Negotiated connection	<p>Connection services (other than a basic connection service) for which a DNSP provides a connection offer for a negotiated connection contract.</p> <p>This includes connections under Chapter 5 of the NER</p>	Standard control
Connection application and management services	<ul style="list-style-type: none"> • Connection application related services • Works initiated by a customer or retailer that are specific to the connection point. This includes, but is not limited to: <ul style="list-style-type: none"> – field based de-energisation and re-energisation – non basic supply abolishment or reposition non-basic connection – temporary connections (e.g., for builder's supply, fetes etc.) – overhead service line replacement – customer requests the existing overhead service to be replaced (e.g., because 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 primary and secondary plant studies for safe operation of the network (e.g., change protection settings) – upgrade from overhead to underground service 	Alternative control

Service group	Further description	Classification
	<ul style="list-style-type: none"> – 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 – calculation of site-specific loss factors when required under the NER – power factor correction – embedded network management – assessing connection applications or a request to undertake relocation of network assets as contestable works and preparing offers – processing preliminary enquiries requiring site specific or written responses – undertaking planning studies and associated technical analysis (e.g., power quality investigations) to determine suitable/feasible connection options for further consideration by applicants – liaising with groups representing multiple connecting parties (e.g., community group upgrades) – site inspection in order to determine the nature of the connection service sought by the connection applicant and ongoing co-ordination for large projects – registered participant support services associated with connection arrangements and agreements made under Chapter 5 of the NER 	
Enhanced connection services	<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 different levels of reliability of service or quality of service (where permissible) than required by the NER or any other applicable regulatory instruments. This includes reserve feeder installation and maintenance 	Alternative control

Service group	Further description	Classification
	<ul style="list-style-type: none"> in excess of levels of service or plant ratings required to be provided by the DNSP management of export and load at a customer site that provides the customer greater network capacity than they would otherwise be eligible for. 	
Public lighting	<ul style="list-style-type: none"> Operation, maintenance, repair, and replacement public lighting services Alteration and relocation of public lighting assets New public lighting services incl. greenfield sites & new light types (DNSP provided) Provision, construction, and maintenance of emerging public lighting technology <u>Type 9 metering services if required to be provided by a Victorian DNSP upon request by a public lighting customer in relation to a public lighting asset, pursuant to an Order made under sections 15A and 46D of the Victorian <i>Electricity Industry Act 2000</i> as in force from time to time.</u> 	Alternative control
<u>Distribution asset rental for electric vehicle charging infrastructure</u>	<ul style="list-style-type: none"> <u>Rental of distribution assets (e.g. poles) to third parties for the installation of EV chargers or associated hardware.</u> <u>Facilitation of the rental of distribution assets (e.g. poles) to third parties for the installation of EV chargers or associated hardware.</u> 	<u>Negotiated</u>

For CitiPower, Powercor and United Energy only, the following additional service will be classified as a negotiated distribution service for the period 1 July 2026–30 June 2031.

Service group	Further description	Classification
<u>Hot water switching service</u>	<ul style="list-style-type: none"> <u>Services provided by the DNSP to a Third Party such as a retailer, aggregator or Virtual Power Plant at the direction of that Third Party, to manage when that Third Party’s customers’ hot water services can heat.</u> <u>The DNSP will not offer this service directly to end users of its network.</u> 	<u>Negotiated</u>

