

Contact Officer: Laura Considine
Contact Phone: [REDACTED]

18 May 2026

Mr Sam Sachse
Acting General Manager
Evoenergy

Sent by email to: [REDACTED]

Dear Mr Sachse

Re: Evoenergy ring-fencing waiver for a large customer

I am writing to inform you that on 15 May 2026, the AER granted Evoenergy a waiver to obligations under clause 3.1(b) of the Ring-fencing Guideline (Electricity Distribution) ('the guideline') until 30 November 2026.

Evoenergy's proposal

On 22 May 2024, the AER granted Evoenergy a ring-fencing waiver to obligations under clause 3.1(b) of the guideline to enable it to continue providing 'other services' to a single site for a large customer until 22 May 2026, by which time that customer was planned to have assumed responsibility for those services. We note that Evoenergy previously requested that the name of this customer and the details of the nationally significant site remain confidential.

This ring-fencing waiver was granted to prevent Evoenergy being in breach of the ring-fencing obligations so that they can separate protection and control assets across the network boundary at a single site for a large customer, and for a new Electrical Operating Authority (EOA) to take over delivery of these services by 22 May 2026.

Evoenergy has reported it has completed the work needed to allow a new EOA to provide these services to the site. However, the customer, who is now responsible for organising these services for the site, has advised that the new EOA will be unable to complete handover from Evoenergy by 22 May 2026.

On 27 March 2026, Evoenergy sought an extension of its current ring-fencing waiver and enforceable undertaking until 30 November 2026 to accommodate the extended handover to the new EOA.

The AER notes the work that Evoenergy has undertaken to accomplish a timely transfer of services and comply with the enforceable undertaking. The AER considers granting a new, short-term waiver is appropriate. The current delay regarding formal handover to the new electrical operating agency is caused by factors out of Evoenergy's control. The new waiver allows Evoenergy to responsibly transfer electrical assets, while ensuring the customer continues to receive reliable and safe supply of electricity. The AER considers that the new waiver will not lead to significant risk of discrimination or cross subsidisation, and competition in the market for these 'other services' is being supported as the customer has already appointed a new EOA.

Given this, our decision is to grant a ring-fencing waiver to Evoenergy from obligations under clause 3.1(b) of the guideline, to allow it to continue to provide other services to a single site for a large customer from 22 May 2026 to 30 November 2026. The AER will provide a separate letter in response to the request for extension to the enforceable undertaking.

Evoenergy is reminded that, under clause 6.3 of the guideline, Evoenergy must notify the AER in writing within 15 days of becoming aware of a breach of its obligations under the guideline.

If you would like to discuss this matter further, or have any questions, please contact Laura Considine, Director, Ring-fencing, on [REDACTED] in the first instance.

Yours sincerely

[REDACTED]

Jarrold Ball
AER Board Member

Sent by email on: