

FINAL DECISION

SA Power Networks determination 2015−16 to 2019−20

Attachment 13 − Classification of services

October 2015

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1. Note
2. This attachment forms part of the AER's final decision on SA Power Networks' 2015–20 distribution determination. It should be read with all other parts of the final decision.
3. The final decision includes the following documents:
4. Overview
5. Attachment 1 – Annual revenue requirement
6. Attachment 2 – Regulatory asset base
7. Attachment 3 – Rate of return
8. Attachment 4 – Value of imputation credits
9. Attachment 5 – Regulatory depreciation
10. Attachment 6 – Capital expenditure
11. Attachment 7 – Operating expenditure
12. Attachment 8 – Corporate income tax
13. Attachment 9 – Efficiency benefit sharing scheme
14. Attachment 10 – Capital expenditure sharing scheme
15. Attachment 11 – Service target performance incentive scheme
16. Attachment 12 – Demand management incentive scheme
17. Attachment 13 – Classification of services
18. Attachment 14 – Control mechanism
19. Attachment 15 – Pass through events
20. Attachment 16 – Alternative control services
21. Attachment 17 – Negotiated services framework and criteria
22. Attachment 18 – Connection policy
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1. Shortened forms

| Shortened form | Extended form |
| --- | --- |
| AEMC | Australian Energy Market Commission |
| AEMO | Australian Energy Market Operator |
| AER | Australian Energy Regulator |
| augex | augmentation expenditure |
| capex | capital expenditure |
| CCP | Consumer Challenge Panel |
| CESS | capital expenditure sharing scheme |
| CPI | consumer price index |
| DRP | debt risk premium |
| DMIA | demand management innovation allowance |
| DMIS | demand management incentive scheme |
| distributor | distribution network service provider |
| DUoS | distribution use of system |
| EBSS | efficiency benefit sharing scheme |
| ERP | equity risk premium |
| Expenditure Assessment Guideline | Expenditure Forecast Assessment Guideline for Electricity Distribution |
| F&A | framework and approach |
| MRP | market risk premium |
| NEL | national electricity law |
| NEM | national electricity market |
| NEO | national electricity objective |
| NER | national electricity rules |
| NSP | network service provider |
| opex | operating expenditure |
| PPI | partial performance indicators |
| PTRM | post-tax revenue model |
| RAB | regulatory asset base |
| RBA | Reserve Bank of Australia |
| repex | replacement expenditure |
| RFM | roll forward model |
| RIN | regulatory information notice |
| RPP | revenue and pricing principles |
| SAIDI | system average interruption duration index |
| SAIFI | system average interruption frequency index |
| SLCAPM | Sharpe-Lintner capital asset pricing model |
| STPIS | service target performance incentive scheme |
| WACC | weighted average cost of capital |

# Classification of services

Service classification determines the nature of economic regulation, if any, applicable to specific distribution services. Classification is important to customers as it determines which network services are included in basic electricity charges, the basis on which additional services are sold, and those services we will not regulate. Our decision reflects our assessment of a number of factors, including existing and potential competition to supply these services.

We make a decision on the classification of SA Power Networks' distribution services in accordance with the NER.[[1]](#footnote-1) The classification of distribution services must be as set out in the relevant framework and approach (F&A) unless we consider that unforeseen circumstances justify departing from that proposed classification in our determination.[[2]](#footnote-2) We set out our proposed approach to the classification of distribution services for SA Power Networks, and our reasons for that approach, in our final F&A published in April 2014.[[3]](#footnote-3) In that paper, we proposed to group SA Power Networks' distribution services as follows:

* network services
* connection services
* metering services
* non-standard network services
* public lighting services.

## Final decision

Our final decision is to retain the classification of SA Power Networks' distribution services according to the classifications and reasons set out in our preliminary decision.[[4]](#footnote-4) This includes:

* classifying separate type 5 or 6 metering services for:
* meter reading and maintenance
* meter provision before 1 July 2015
* meter provision after 1 July 2015
* not classifying exit fees for type 6 Current Transformer (CT) connected meters and type 1–4 exceptional meters
* including, for clarity, three non-standard network services as negotiated distribution services. These services are:
* attendance at the customer's premises at the customer's or their agent's request, where it is determined that the fault was not related to SA Power Networks' equipment or infrastructure
* provision of relevant regional energy consumption data to Local Government Councils
* third-party funded network upgrades, enhancements or other improvements including 'make-ready' work for NBN Co.

Figure 13.1 summarises our final decision on service classifications for SA Power Networks for the 2015–20 regulatory control period.

Appendix A sets out our detailed classification decisions.

Figure 13.1 AER final decision on 2015–20 service classifications for SA Power Networks



Source: AER analysis.

1. Our assessment of the classification of services determines how costs associated with the services will be recovered at a very high level. That is, whether the costs of a particular service will be recovered from basic electricity charges, as an additional charge, or recovered through an unregulated charge. However, the detailed prescription of how service charges are set is not determined as part of classification; instead, that detail is discussed in the control mechanism attachments.[[5]](#footnote-5)

## SA Power Networks' revised proposal

1. In its revised regulatory proposal, SA Power Networks accepted our classification of services as set out in our preliminary decision.[[6]](#footnote-6)

## AER’s assessment approach

1. The NER allow us to group distribution services when classifying them rather than treating them as individual services.[[7]](#footnote-7) This provides distributors 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.
2. In making our classification decisions, in summary we may:
* classify a service so that the distributor may recover related costs from all customers (direct control – standard control service)
* classify a service so that the user benefiting from the service pays (direct control – alternative control service)
* allow customers and distributors to negotiate the provision and price of some services – we will arbitrate should negotiations stall (negotiated distribution service)
* not classify a service – we have no regulatory control over this service or the prices charged by the distributor (unregulated service).

In deciding whether to classify services as either direct control or negotiated services, or to not classify them, the NER require us to have regard to the 'form of regulation factors' set out in the NEL.[[8]](#footnote-8) The form of regulation factors include the presence and extent of barriers to entry by alternative providers and the extent to which any distributor market power is likely to be mitigated by any countervailing user or prospective user market power. The NER also require us to consider the previous form of regulation applied to services, the desirability for consistency in the form of regulation for similar services and any other relevant factor.[[9]](#footnote-9)

For services we intend to classify as direct control, the NER require us to have regard to a further range of factors.[[10]](#footnote-10) These include the potential to develop competition in provision of a service and how our classification may influence that potential, whether the costs of providing the service are attributable to a specific person, and the possible effect of the classification on administrative costs.

The NER also specify that for a service regulated previously, unless a different classification is clearly more appropriate, we must:[[11]](#footnote-11)

* not depart from a previous classification (if the services have been previously classified), and
* if there has been no previous classification – the classification should be consistent with the previously applicable regulatory approach.

### Interrelationships

1. In assessing what services we classify, we are setting the basis for the charges that can be levied on those services. To allow charges to be recovered for standard control services, assets associated with delivering those services are added to the regulatory asset base (RAB). A separate RAB may also be constructed for the capital costs associated with an alternative control service. There will usually be operating costs associated with the provision of a service as well.
2. The assets that make up the RAB and the operating costs that relate to any standard control service form a starting point for our assessment of the distributor's proposal for recovering revenues through charges for their services. Classification of services will therefore influence all revenue components of our decision.
3. There are assets and operating costs associated with the services provided by distributors. We set the revenues the distributor may collect from customers to recover their asset and operating costs. That revenue is recovered through tariffs the distributor develops to charge to its customers. The regulatory regime establishes incentives such as the Efficiency Benefit Sharing Scheme (EBSS) and the Capital Expenditure Sharing Scheme (CESS) to encourage the provision of services as efficiently as possible. All of these factors interrelate with each other. We must be cognisant of these interrelationships when we make our determinations.

The incentive schemes do not apply to services classified as alternative control services. As such, classifying type 5 and 6 metering services as alternative control also means the incentive schemes are not applied to expenditure associated with these services.

## Reasons for final decision

This section sets out the reasons for our final decision on the distribution service classifications for SA Power Networks.

The NER require service classifications must be as set out in our F&A unless unforeseen circumstances justify a change in classification approach.[[12]](#footnote-12) In our final F&A we proposed reclassifying type 5 metering services from negotiated services to alternative control services.[[13]](#footnote-13) We also proposed to reclassify from standard control services to alternative control services:

* type 6 energy data services (excluding the quarterly meter read service which remains a standard control service)
* unscheduled meter reading − non-chargeable
* metering investigation.

This remains our classification approach.

Our F&A classifications are consistent with the Australian Energy Market Commission's (AEMC) Power of Choice review.[[14]](#footnote-14) The AEMC's recommendations included:

* current metering arrangements need reform to promote investment in better metering technology and promote customer choice
* metering costs should be unbundled from shared network charges.

The AEMC released a Power of Choice supplementary paper on metering services, exploring the arrangements necessary to implement its recommendations.[[15]](#footnote-15) The AEMC recommended that metering provision be contestable and open to competition. On 26 March 2015 the AEMC released its draft rule change determination on expanding competition in metering and related services.[[16]](#footnote-16)

Having now considered SA Power Networks' revised regulatory proposal, and taking into account the AEMC's draft rule change, consistent with our preliminary decision our final decision is to classify separate type 6 meter provision alternative control services for the periods before and after 1 July 2015. This is because SA Power Networks has been recovering over time the cost of type 6 meters installed before 1 July 2015, meaning that customers switching away from these may not have paid the full capital cost of their meter. Consistent with our preliminary decision, our final decision is to classify a service for SA Power Networks to recover such residual meter asset value.

The full cost of type 6 meters installed after 1 July 2015 will be charged to customers up front.[[17]](#footnote-17) Therefore, we classify a separate service for SA Power Networks to recover the cost of a type 6 meter in this way.

Because type 5 meter provision is currently classified as a negotiated service, the same residual asset value issue does not arise from changing this classification to alternative control. Consistent with our preliminary decision, our final decision is to classify type 5 meter provision as an alternative control service. For simplicity, we classify a single service, or service group, for provision of both type 5 and 6 meters after 1 July 2015.

We separately classify an alternative control service, or service group, for SA Power Networks to recover the cost of type 5 or 6 standard meter reading and maintenance activities. Customers may avoid the charge for this service by switching from an SA Power Networks' provided type 5 or 6 meter.

Our final decision is to not classify services for the recovery of administration costs created by a customer's decision to switch, as we do not consider SA Power Networks will incur additional costs. Consistent with our preliminary decision, this means we do not accept new meter transfer and exit fees proposed by SA Power Networks in its original regulatory proposal.[[18]](#footnote-18) Our final decision is also to not classify two existing metering exit or transfer fee related services—for type 6 CT connected meters and type 1 to 4 exceptional meters.

### Unforeseen circumstances

At the time of releasing our F&A it was not possible to foresee how the AEMC's metering rule change work program would unfold. We consider our classification decisions should have regard to the AEMC's approach, wherever possible, but we have in effect been working in advance of the AEMC's final metering rule change determination. That is, we have been attempting to settle classification while the manner in which metering services will be provided by the market is still being considered.

When we released the F&A in April 2014 the AEMC had only just commenced its work on the metering rule change process. The COAG[[19]](#footnote-19) rule change proposal itself contains limited detail about residual meter values. It stated the AER may determine “a reasonable exit fee” to recover residual meter asset costs and that the AER may cap such fees.[[20]](#footnote-20)

The AEMC’s statements early in its consultation process indicate its priorities were to allow the distributors to recover their metering costs and to promote development of an effective market for metering services.

In developing the rules with respect to competition in metering, the AEMC recognises that large exit fees for customers wishing to switch to alternative meter providers may hinder development of a competitive market for metering services.[[21]](#footnote-21) The AEMC's assessment of the COAG rule change proposal remains in process until late November 2015.[[22]](#footnote-22) We consider the AEMC’s work program on the metering rule change represents an unforeseen circumstance justifying a change in classification approach from our F&A.

### Exit fees

Currently, when a distributor first installs a type 5 or 6 meter, it does not charge customers upfront for the whole cost of the meter. Rather, these costs are recovered over time. If a customer chooses to switch metering providers, the distributor provided meter is unlikely to have been paid for in full. This creates a residual capital cost.[[23]](#footnote-23)

In our F&A we classified an alternative control service for SA Power Networks to recover its stranded asset costs associated with customers switching to another metering provider.[[24]](#footnote-24) We intended this service would facilitate an exit fee, charged by the distributors to customers switching to an alternative metering provider. SA Power Networks adopted this approach in its initial regulatory proposal.

In our preliminary decision, we considered that the exit or transfer fees, would present a barrier to customer switching and therefore to the development of effective competition in the provision of metering services. To allow SA Power Networks to recover its residual type 6 meter values, we instead classified an alternative control service that may be charged to all customers with a type 6 meter on 1 July 2015.[[25]](#footnote-25) This remains our final decision.

In its revised regulatory proposal, SA Power Networks accepted our preliminary decision on this issue. Vector Limited also supported our approach.[[26]](#footnote-26)

### Residual meter value

To allow SA Power Networks to recover its residual metering capital value and its administrative costs, our final decision, consistent with the preliminary decision, is to classify three separate alternative control services:

1. Type 5 or 6 meter reading and maintenance

This covers the operating costs incurred by a distributor in operating a meter. Customers may avoid this ACS charge by switching to an alternative metering provider.

1. Type 5 or 6 meter provision[[27]](#footnote-27)—pre 1 July 2015

This service allows distributors to recover the cost of meters installed before 1 July 2015. The fee for this service will reflect the pool of distributor-provided type 5 or 6 meters, both active and redundant, until their value is depreciated away.

1. Type 5 or 6 meter provision—post 1 July 2015

This service will allow distributors to recover the cost of a meter installed on or after 1 July 2015.

The above metering services are reflected in appendix A which details our classification of distribution services.

### Public lighting

Consistent with our preliminary decision, our final decision is for public lighting services to remain a negotiated distribution service for the 2015−20 regulatory control period.[[28]](#footnote-28)

Public lighting classification in South Australia was not called into question during the F&A process. In fact, we received submissions supporting the retention of the negotiated services classification.[[29]](#footnote-29) In our final F&A, we proposed to classify public lighting services as negotiated services, consistent with our then current classification approach.[[30]](#footnote-30) It was only after SA Power Networks submitted its regulatory proposal that some concerns around the classification of public lighting services were raised.[[31]](#footnote-31) The classification of distribution services must be as set out in our F&A, unless we consider that unforeseen circumstances justify departing from the classification set out there. In this sense, the time to properly consult with stakeholders on whether public lighting should remain a negotiated distribution service had passed.

Notwithstanding, we encourage interested parties to consider their preferences on the classification of these services, as part of the 2020−25 reset.

### Classification of other services

As noted above, the classification of distribution services must be as set out in our F&A unless we consider that unforeseen circumstances justify departing from that proposed classification in our determination.[[32]](#footnote-32)

For distribution services other than those metering-related services discussed above, we do not consider that there are unforeseen circumstances justifying departure from the classifications as set out in our F&A. Accordingly, our reasons for those classifications remain as set out in the F&A.[[33]](#footnote-33)

1. AER final decision on classification of distribution services in South Australia

This appendix sets out our final decision on the classification of SA Power Networks' distribution services for the 2015−20 regulatory control period.

Direct control (standard control) services

1. **A.1 Standard network services**
	* 1. All network services except:
			1. network services provided at the request of a distribution network user:

with higher quality or reliability standards, or lower quality or reliability standards (where permissible), than are required by the rules or any other applicable regulatory instruments, or

in excess of levels of service or plant ratings required to be provided by SA Power Networks' assets, or

* + - 1. extension or augmentation of the distribution network associated with the provision of a new connection point or upgrading of the capability of a connection point to the extent that a distribution network user is required to make a financial contribution in accordance with the rules, or
			2. other network services that are classified as negotiated distribution services in sections A.6 to A.15 of this appendix A.
1. **A.2 Standard connection services**
	* 1. All connection services except:
			1. connection services provided at the request of a distribution network user:

with higher quality or reliability standards, or lower quality or reliability standards (where permissible), than are required by the rules or any other applicable regulatory instruments, or

in excess of levels of service or plant ratings required to be provided by SA Power Networks’ assets, or

* + - 1. the provision of a new connection point or upgrading of the capability of a connection point to the extent that a distribution network user is required to make a financial contribution in accordance with the rules, or
			2. other connection services that are classified as negotiated distribution services in sections A.6 to A.15 of this appendix A.
1. **A.3 Unmetered metering services**
	* 1. The provision of metering services in respect of meters meeting the requirements of a metering installation type 7.

Direct control (alternative control) services

**A.4 Standard small customer metering services**

* + 1. The provision of:
1. meter provision services in respect of meters meeting the requirements of a metering installation type 6—before 1 July 2015
2. meter installation and provision services in respect of meters meeting the requirements of a metering installation types 5 and 6—on or after 1 July 2015
3. regular meter read and maintenance services in respect of meters meeting the requirements of a metering installation types 5 and 6
4. energy data and storage services (excluding those required for standard control services), unscheduled meter reading and metering investigation, directly associated with types 5 and 6 metering services.
5. **A.5 Exceptional large customer metering services**
	* 1. Meter provision services provided in respect of meters meeting the requirements of a metering installation type 1, metering installation type 2, metering installation type 3 or metering installation type 4 installed prior to 1 July 2000.
		2. Meter provision services provided in accordance with the requirement of clause 27 of SA Power Networks distribution licence as in force at 30 June 2005.
		3. For the purposes of this clause, meter provision services include, but are not necessarily limited to, any asset related and administrative costs associated with the provision, installation and maintenance of the meter.

Negotiated distribution services

1. **A.6 Non-standard network services**
	* 1. Network services provided at the request of a distribution network user:
			1. with higher quality or reliability standards, or lower quality or reliability standards (where permissible), than are required by the rules or any other applicable regulatory instruments, or
			2. in excess of levels of service or plant ratings required to be provided by SA Power Networks' assets.
2. **A.7 Non-standard connection services**
	* 1. Connection services provided at the request of a distribution network user:
			1. with higher quality or reliability standards, or lower quality or reliability standards (where permissible), than are required by the rules or any other applicable regulatory instruments, or
			2. in excess of levels of service or plant ratings required to be provided by SA Power Networks' assets.
3. **A.8 New and upgraded connection point services**
	* 1. Extension or augmentation of the distribution network associated with the provision of a new connection point or upgrading of the capability of a connection point to the extent that a distribution network user is required to make a financial contribution in accordance with the rules.
		2. The provision of a new connection point or upgrading of the capability of a connection point to the extent that a distribution network user is required to make a financial contribution in accordance with the rules.
		3. Responding to an enquiry in relation to the provision of a new connection point referred to in paragraph A.8(a) or (b).
		4. The provision of technical specifications in relation to the upgrading of the capability of a connection point referred to in paragraph A.8(a) or (b).
		5. Preliminary communications with a customer, being an existing or potential distribution network user where more than 6 hours work is required.
4. **A.9 Non-standard small customer metering services**
	* 1. In relation to ‘small’ distribution network users (at present, those consuming less than 160 MWh per annum), the provision of metering services:
			1. at all first tier connection points and second tier connection points where a meter meeting the requirements of a metering installation type 1, metering installation type 2, metering installation type 3, metering installation type 4 is or is to be installed, or
			2. in respect of meters meeting the requirements of a metering installation type 6 and of a metering installation type 5 containing a meter different to the type of meter SA Power Networks would ordinarily install (including prepayment meter systems), which is installed at the request of a retailer or a distribution network user.
		2. In relation to energy data services, the provision of special meter readings and associated services.
5. **A.10 Large customer metering services**
	* 1. The provision of metering services to ‘large’ customers (at present, those consuming more than 160 MWh per annum), except for:
			1. meter provision services provided in respect of meters meeting the requirements of a metering installation type 1, metering installation type 2, metering installation type 3 or metering installation type 4 installed prior to 1 July 2000, or
			2. meter provision services provided in accordance with the requirement of clause 27 of SA Power Networks' distribution licence as in force at 30 June 2005.
6. **A.11 Public lighting services**
	* 1. Street lighting use of system services
			1. The provision of public lighting assets, and the operation and maintenance of those assets where SA Power Networks retains ownership of the assets.
		2. Customer lighting equipment rate services
			1. The replacement of failed lamps in customer-owned streetlights where the customer retains ownership of the assets and is responsible for all other maintenance.
		3. Energy only services
			1. The maintenance of a database relating to street lights, and recording and informing customers of streetlight faults reported to SA Power Networks where customers retain ownership of the assets and are responsible for all maintenance (including replacement of failed lamps).
7. **A.12 Stand-by and temporary supply services**
	* 1. The following services associated with stand-by and temporary supply:
			1. provision of electric plant or stand-by generator for the specific purpose of enabling the provision of top-up or stand-by supplies or sales of electricity
			2. provision of network services for a connection point where a distribution network user operates parallel generation requiring a stand-by supply
			3. provision of temporary supplies, and
			4. provision of reserve (duplicate) supply.

**A.13 Asset relocation, temporary disconnection and temporary line insulation services**

* + 1. Moving mains, services, meters and other associated assets forming part of the distribution system, providing temporary disconnection, or temporary line insulation to accommodate extensions, re-design or re-development of any premises or otherwise as requested by a distribution network user.
		2. Provision of network access management services for a distribution network user or external party.
1. **A.14 Embedded generation services**
	* 1. Services and system augmentation or extension required to receive energy from an embedded generator and meet the requirements of the rules.
		2. Services associated with non-compliance of the embedded generator with the connection agreement, including but not limited to reactive power, power factor, harmonics, voltage dips and test supply arrangements.
2. **A.15 Other Services**
	* 1. The following services provided in connection with the Electricity Metering Code or the rules:
			1. application for an account or new supply
			2. provision of a copy of various codes
			3. provision of old billing data
			4. meter testing at the request of a distribution network user
			5. after-hours reconnection
			6. reconnection due to a distribution network user’s fault, and
			7. disconnection services provided to a retailer, or a distribution network user.
		2. Provision of reactive power and energy to a connection point or receipt of reactive power and energy from a distribution connection point.
		3. Investigation and testing services.
		4. Asset location and identification services.
		5. The transportation of electricity not consumed in the distribution system.
		6. The transportation of electricity to distribution network users connected to the distribution system adjacent to the transmission system.
		7. Repair of equipment damaged by a distribution network user or a third party.
		8. Provision of:
			1. high load escorts
			2. measurement devices
			3. protection systems, and
			4. pole attachments, ducts or conduits (excluding for the provision of telecommunications services).
		9. Costs incurred by SA Power Networks as a result of a customer not complying with SA Power Networks’ standard connection and supply contract or other obligation.
		10. Additional costs incurred by SA Power Networks where service provision could not be undertaken and/or completed as planned due to the actions, or inaction, of a customer or their agent.
		11. Provision of a television or radio interference investigation where it is determined that the distribution system is not the cause of the interference.
		12. Provision of a supply interruption investigation where it is determined that the distribution system was not the cause of the interruption.
		13. Provision of information to distribution network users or third parties not related to connection enquiries.
		14. Recovery of costs associated with the larceny of supply, including the costs associated with repairing or replacing damaged equipment and investigation costs where SA Power Networks determines that larceny of supply has occurred.
		15. Emergency recoverable works, including the repair of damage caused to the distribution network by a third party, where costs are recovered.
		16. Third-party connection works charges, for work not undertaken by SA Power Networks. This includes, but is not limited to:
			1. Specification services
			2. Works design compliance
			3. Works reinspection.
		17. Provision of access permits or clearance to work on or near the distribution system.
		18. Off-peak conversion services.
		19. Carrying out planning studies and analysis relating to distribution, including sub-transmission and dual function asset connection applications.
		20. Work required for network tariff change requests.
		21. Recovery of debt collection costs.
		22. Negotiation for the provision of services.
		23. Attendance at the customer's premises to perform a statutory right where access is prevented.
		24. Other lighting services.
		25. Attendance at the customer's premises at the customer's or their agent's request, where it is determined that the fault was not related to SA Power Networks' equipment or infrastructure.
		26. Provision of relevant regional energy consumption data to Local Government Councils.
		27. Third-party funded network upgrades, enhancements or other improvements including 'make-ready' work for NBN Co.
1. NER, cl. 6.12.1(1). [↑](#footnote-ref-1)
2. NER, cl. 6.12.3(b). [↑](#footnote-ref-2)
3. AER, Final framework and approach for SA power Networks, April 2014, pp. 17−37. [↑](#footnote-ref-3)
4. AER, Preliminary decision – SA Power Networks distribution determination – attachment 13 Classification of distribution services, April 2015, p. 13–7; NER, cl. 6.12.1(1). [↑](#footnote-ref-4)
5. See attachment 14 – Control mechanism and attachment 16 – Alternative control services. [↑](#footnote-ref-5)
6. SA Power Networks, Revised Regulatory proposal 2015–20, July 2015, p. 46. [↑](#footnote-ref-6)
7. NER, cl. 6.2.1(b). [↑](#footnote-ref-7)
8. NER, cl. 6.2.1(c); NEL, s. 2F. [↑](#footnote-ref-8)
9. NER, cl. 6.2.1(c). [↑](#footnote-ref-9)
10. NER, cl. 6.2.2(c). [↑](#footnote-ref-10)
11. NER, cll. 6.2.1(d) and 6.2.2(d). [↑](#footnote-ref-11)
12. NER, cl. 6.12.3(b). [↑](#footnote-ref-12)
13. AER, Final framework and approach for SA Power Networks, April 2014, pp. 29−30. [↑](#footnote-ref-13)
14. AEMC, Final report — Power of choice review - giving consumers options in the way they use electricity, November 2012. [↑](#footnote-ref-14)
15. AEMC, Consultation paper — National electricity amendment (expanding competition in metering and related services), April 2014. [↑](#footnote-ref-15)
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17. AER, Preliminary decision for SA Power Networks, Attachment 13: Classification of services, April 2015, p. 13-11. [↑](#footnote-ref-17)
18. SA Power Networks, Regulatory proposal 2015−20, October 2014, p. 167. [↑](#footnote-ref-18)
19. Council of Australian Governments. [↑](#footnote-ref-19)
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22. AEMC, Final Rule Determination: National Electricity Amendment (Expanding competition in metering and related services) Rule 2015 is due to be published on 26 November 2015. See <http://www.aemc.gov.au/Rule-Changes/Expanding-competition-in-metering-and-related-serv>. [↑](#footnote-ref-22)
23. Residual capital costs arise because, when a customer chooses to switch away from their distributor-provided type 5 or 6 meter, the distributor is unlikely to have fully recovered the cost of that meter from the customer. Such costs are recovered over time rather than up front when the meter is first installed. [↑](#footnote-ref-23)
24. AER, Final framework and approach for SA Power Networks – Regulatory control period commencing 1 July 2015, April 2014. [↑](#footnote-ref-24)
25. AER, Preliminary decision — SAPN distribution determination — attachment 13 Classification of distribution services, April 2015, p. 13–14. [↑](#footnote-ref-25)
26. Vector, Submission on AER preliminary decisions on Electricity Distribution in Queensland and South Australia for 2015–2020, 3 July 2015, p.1. [↑](#footnote-ref-26)
27. For SA Power Networks, meter provision includes meter installation. [↑](#footnote-ref-27)
28. AER, Preliminary decision — SAPN distribution determination — attachment 13 Classification of distribution services, April 2015, p. 13–16. [↑](#footnote-ref-28)
29. Local Government Association of SA, Submission to AER preliminary positions paper for Framework and approach for SA Power Networks regulatory control period commencing 1 July 2015, 12 February 2014, p. 1; SA Department of Planning, Transport and Infrastructure, Submission to AER preliminary positions paper for Framework and approach for SA Power Networks regulatory control period commencing 1 July 2015, 14 February 2014, p. 1; Citelum Australia, Submission to AER preliminary positions paper for Framework and approach for SA Power Networks regulatory control period commencing 1 July 2015, 9 January 2014, p.3; Trans-Tasman Energy Group, Submission to AER preliminary positions paper for Framework and approach for SA Power Networks regulatory control period commencing 1 July 2015, 10 February 2014, p. 1. [↑](#footnote-ref-29)
30. AER, Final framework and approach for SA Power Networks – Regulatory control period commencing 1 July 2015, April 2014, p. 34. [↑](#footnote-ref-30)
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32. NER, cl. 6.12.3(b). [↑](#footnote-ref-32)
33. AER, Final framework and approach for SA Power Networks, April 2014, pp. 17−37. [↑](#footnote-ref-33)