



9 November 2018

Mr Chis Pattas,  
GM Distribution Networks  
Australian Energy Regulator  
GPO Box 520  
Melbourne VIC 3001

Email: [Vic2021-25@aer.gov.au](mailto:Vic2021-25@aer.gov.au)

Dear Mr Pattas

**Preliminary Framework and Approach for Victorian electricity distributors -  
Proposed service classification of Victorian distribution services**

Origin Energy (Origin) appreciates the opportunity to provide input into the AER's review of the Victorian distributors Framework and Approach (F&A) for the upcoming 2021-25 regulatory period.

Origin considers that one of the most important processes in the regulatory framework is the correct classification of services. We support the approach taken by the AER to seek to provide consistency across jurisdictions in how distribution services might be classified and the service descriptions that better align with the services being provided.

Amendments to the National Electricity Rules (NER) provide the AER with greater flexibility to alter service classifications. As a result, the AER proposes to adjust the classification of several services provided by the Victorian networks to improve the consistency in how distribution services are classified across jurisdictions.

In addition, we note that in July 2016 an amendment to the National Electricity (Victoria) Act 2005 commenced, which applied Chapter 5A of the NER and the AER's connection charge guideline to Victorian distributors. Potential distributor connection services and charges may require alignment with the new arrangements and classifications for Victorian distributors to comply.

Origin's responses to the specific proposed service classifications of Victorian distribution services by the AER are set out below.

**Proposed service classification of Victorian distribution services**

*Network Ancillary Services – customer and third party-initiated services related to common distribution services*

- Customer requested planned interruption (from **Unclassified** to **Alternative control**)

Origin would like confirmation if this reclassification will refer to individual site outages or if it will also refer to multiple site outages. Origin would like to also confirm that work under such a planned interruption results in an unintended outage to another customer's site (eg multi-site premises), without their consent, then the distributor will administer and compensate the customer accordingly with any associated costs. Origin also seek confirmation if this classification refers to mass market customers, C&I customers or both.

- Customer requested provision of electricity network data (from **Unclassified** to **Alternative control**)

This classification refers to network data that falls outside the regulatory requirements for the provision of data, Origin understands that the charge will apply to the party requesting the data (i.e. customer, customers agent or even the relevant retailer) and that any charge would be calculated on a 'per site' basis for this activity.

Origin seeks confirmation that the charging arrangements will apply between the network and the person requesting the data only. Specifically, if the network charges the applicable fee for this request then the charge can only be provided directly back to the requestor and not passed onto the retailer to administer.

Networks and retailers have settlement processes on accounts that have transactions formally passing through the NEM. Requests such as the above are extremely difficult to administer if the retailer has had no formal involvement in the request process.

### **Closing**

Origin looks forward to working constructively with the AER as part of its Victorian distribution reset to ensure the determination of efficient network revenues and prices that are in the long-term best interest of consumers.

If you have any questions regarding this submission, please contact Alan Love on (03) 8665 7014.

Yours sincerely



Sean Greenup  
Group Manager Regulatory Policy  
(07) 3867 0620 [sean.greenup@originenergy.com.au](mailto:sean.greenup@originenergy.com.au)