



20 September 2021

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

Email: AERPricing@aer.gov.au

Dear Mr Anderson,

RE: SUBMISSION TO AER STANDARDISATION OF ANCILLARY NETWORK SERVICES MODEL – ISSUES PAPER

Origin Energy (Origin) appreciates the opportunity to provide a submission to the Australian Energy Regulator's (AER) proposed standardisation of ancillary network services model (ANS model).

Ancillary network services are an integral component of a distribution network service provider's (DNSP's) service offering and can represent a significant cost impost on the requesting party. Accordingly, it is critical that the charges for these services are both cost-reflective and efficient.

We are supportive of the proposal to develop a standardised ANS model and agree that this will improve transparency of ancillary network service charges through the provision of a consistent format for presenting cost estimates. The adoption of a standardisation model will aid assessment of service charges and facilitate comparison of charges both within and between DNSPs. We generally agree with the proposed components of the preliminary ANS model and the range of inputs but appreciate that these will be further developed over time.

Notwithstanding the above, we consider it important in the first instance to ensure a common understanding of the actual ancillary network services and cost inputs. That is, we consider the AER should clearly define the services to ensure a like-for-like comparison of associated charges across providers. Similarly, the cost inputs (such as the individual labour types) should be defined at the outset. While we appreciate that services and inputs may differ between DNSPs, the adoption of a standard definition will allow DNSPs and stakeholders to identify any differences from the standard that may assist in explaining variations in ancillary network service charges.

We look forward to working with the AER to progress a standardised ANS model.

If you have any questions regarding this submission, please contact Gary Davies in the first instance at

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Yours sincerely



Sean Greenup
Group Manager Regulatory Policy

