

Attachment 15

Negotiated services framework and criteria

2020-25
Regulatory Proposal
31 January 2019

This section outlines:

- › the proposed negotiating framework to be followed for providing negotiated distribution services in the 2020-25 Regulatory Control Period.
- › However, SA Power Networks is not proposing to offer any negotiated services during 2020-25 and the AER has not classified any of our services in 2020-25 as negotiated services.



Company information

SA Power Networks is the registered Distribution Network Service Provider (**DNSP**) for South Australia. For information about SA Power Networks visit www.sapowernetworks.com.au

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Disclaimer

This document forms part of SA Power Networks' Regulatory Proposal (**the Proposal**) to the Australian Energy Regulator (**AER**) for the 1 July 2020 to 30 June 2025 regulatory control period (2020-25 **RCP**). The Proposal and its attachments were prepared solely for the current regulatory process and are current as at the time of lodgment.

This document contains certain predictions, estimates and statements that reflect various assumptions concerning, amongst other things, economic growth and load growth forecasts. The Proposal includes documents and data that are part of SA Power Networks' normal business processes, and are therefore subject to ongoing change and development.

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Note

This attachment forms part of our Proposal for the 2020-25 RCP. It should be read in conjunction with the other parts of the Proposal.

Our Proposal comprises the overview and attachments listed below, and the supporting documents that are listed in Attachment 18:

Document	Description
	Regulatory Proposal overview
	Customer and stakeholder engagement report
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Attachment 16	Connection policy
Attachment 17	Tariff Structure Statement
Attachment 18	List of Proposal documentation

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15 Negotiated services framework and criteria

15.1 Summary

The supporting document to this Attachment (Supporting Document 15.1 – SA Power Networks Negotiating Framework 2020-2025 (**Negotiating Framework**)) sets out SA Power Networks' proposed negotiating framework and Negotiated Distribution Service Criteria that will apply to SA Power Networks' negotiated distribution services during the 2020-25 Regulatory Control Period RCP.

For the 2020-25 RCP, the AER in its framework and approach paper have not classified any of SA Power Networks' distribution services as negotiated distribution services. SA Power Networks is also not proposing to offer any negotiated distribution services in 2020-25 RCP, and therefore does not expect to need to apply the Negotiating Framework in the 2020-25 RCP.

15.1.1 Rule requirements

The National Electricity Rules (**NER**) require that a DNSP must include in its Proposal a document (ie the proposed Negotiating Framework) setting out the procedure to be followed during negotiations between SA Power Networks and any person wishing to receive negotiated distribution services¹.

The AER must also determine the Negotiated Distribution Service Criteria (**NDSC**) that will apply during the 2020-25 RCP when SA Power Networks is negotiating the terms and conditions of access to negotiated distribution services². The NDSC must give effect to and be consistent with the Negotiated Distribution Service Principles set out in clause 6.7.1 of the NER.

The Negotiating Framework that SA Power Networks proposes to apply during the 2020-25 RCP has been prepared in accordance with SA Power Networks' obligations under clause 6.7.5(c) of the NER, and replaces SA Power Networks' Negotiating Framework 2015 -2020.

The proposed Negotiating Framework is similar in substance and structure to SA Power Networks' Negotiating Framework 2015-2020, but has been modified to reflect that SA Power Networks will not likely have any negotiated distribution services in the 2020-25 RCP.

SA Power Networks has also proposed some minor changes to the NDSC to reflect the principles relating to access of negotiated distribution services set out in clause 6.7.1 of the NER.

¹ Rule 6.7.5(a) and 6.8.2(c)(5).

² Rule 6.7.1.

Shortened Forms

AER	Australian Energy Regulator, Australian Energy Regulator
DNSP	Distribution Network Service Provider
NDSC.....	Negotiated Distribution Service Criteria
Negotiating Framework.....	SA Power Networks Negotiating Framework 2020-2025
NER	National Electricity Rules
RCP	Regulatory Control Period, regulatory Control Period