2025-26 Pricing Proposal Overview document

7 May 2025

ERGON ENERGY NETWORK
Part of Energy Queensland

Contents

1 INTRODUCTION

1.1 Purpose

This document forms part of the suite of documents and models comprising our 2025-26 Pricing Proposal to the Australian Energy Regulator (AER).

Our 2025-26 Pricing Proposal Compliance Statement submission to the AER provides all information required by the AER for its assessment of compliance against the National Electricity Rules.

This Pricing Proposal Overview provides other additional information for stakeholders regarding Ergon Energy's proposed 2025-26 network prices, including our tariff offerings, proposed tariff trials and network bill impacts for our customers from 1 July 2025. Our network tariff codes and prices are provided in our 2025-26 Network Price List.

Our Pricing Proposal is based on the AER-approved 2025-30 Tariff Structure Statement (TSS).

Ergon Energy's tariff offering and tariff assignment rules will change from 1 July 2025 in accordance with the 2025-30 TSS. Further information is available in our 2025-30 TSS and our Network Tariff Guide.

1.2 Background

Ergon Energy Network is subject to economic regulation by the AER. The AER determines how Ergon Energy Network's distribution services are classified and in turn the nature of economic regulation. This is important as it determines how prices will be set and how revenue is recovered from customers. The AER approves prices for services it classifies as Direct Control Services.

Direct Control Services are divided into two subclasses:

- **Standard Control Services** are core distribution services associated with the access and supply of electricity to customers. They include network services (construction, maintenance and repair of the network), some connection services (small customer connections) and Type 7 metering services. The AER applies a revenue cap form of control to Standard Control Services. Ergon Energy Network recovers the costs in providing these services through network tariffs billed to retailers.
- **Alternative Control Services** are akin to a 'user-pays' system whereby the whole cost of the service is paid by those customers who benefit from the service, rather than recovered from all customers.

Further information about the economic regulation of electricity distribution network businesses, including the legislative and regulatory frameworks, is available on the AER's website.[1]

[1]Australian Energy Regulator (AER). [https://www.aer.gov.au/about/aer/our-role].

1.3 2025-26 network prices

Ergon Energy Network's network charges cover the cost of transporting electricity to and from our customers' homes or businesses and represent the aggregation of the following components:

- Distribution use of system (DUOS) charges, which reflect Ergon Energy Network's electricity distribution costs.
- Designated pricing proposal charges (DPPC) or transmission use of system charges which reflect the costs associated with transmission of electricity over Powerlink's high voltage network.
- Jurisdictional scheme amounts which Ergon Energy Network must pay pursuant to certain Queensland scheme requirements. These charges comprise of the Solar Feed-in tariff, Energy Industry Levy (covering a proportion of the Queensland Government's funding commitments for the Australian Energy Market Commission) and Electrical Safety Office (ESO) levy. From 1 July 2025, Ergon Energy's ESO levy will be treated as a jurisdictional scheme. Prior to 1 July 2025, ESO costs were treated as operating expenditure.
- Legacy metering charges - from 1 July 2025 legacy metering service (type 5 and 6 metering) will be reclassified from alternative control services to a standard control service. Legacy metering costs will be recovered from the low voltage (Standard Asset Customer) tariff class customers via a fixed daily charge, applicable to primary tariffs. Each primary tariff will attract a uniform metering increment to the fixed charge.

The combined result of these network bill components is often referred to as the network use of system bill.

Regional Queensland retail pricing arrangements

Our network charges reflect what we charge electricity retailers in regional Queensland, including Ergon Energy Retail. These costs reflect the true costs of distributing electricity in regional Queensland. The Queensland Government establishes notified prices in regional Queensland, including the application of a subsidy. This subsidy recognises that it costs more to supply electricity in regional Queensland compared to the South East due to the large geographic supply area and lower population.

Notified retail prices for small customers in Ergon Energy Network's area are set by the Queensland Competition Authority based on the cost of supply in South East Queensland. For large customers, notified prices are based on the Ergon Energy Network, pricing region with the lowest cost of supply (region East). Taking into account these considerations, customer bill impacts presented in this report reflect impacts for Ergon Energy Network, region East customers charged to the retailer.

Distribution pricing simplification

From 1 July 2025, we will align DUOS volume and demand charges across the two networks for small customers with any residual revenue rebalanced through the fixed charge. For our SAC Large customers, we will align the DUOS volume and demand charges across the three pricing zones. We will modify the fixed charges to ensure the proportional revenue recovery in each pricing zone remains unchanged.

Legacy metering charges

To minimise complexity and allow a like for like comparison between years, the network bill impacts presented in this document exclude legacy metering charges. These charges are provided in our 2025-26 Network Price List.

Average movement in network charges

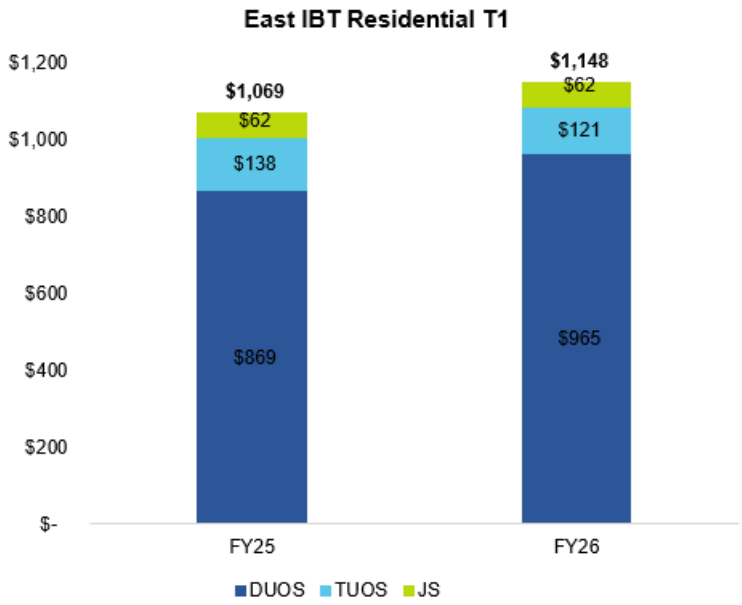
We estimate that total annual network charges (inclusive of transmission charges and jurisdictional schemes) will increase by an average of, [2]

- $80 or 8 per cent annually for residential customers
- $232 or 14 per cent annually for small business customers, and
- $3,891 or 7.2 per cent annually for a large business connected on the low voltage network in 2024-25 compared with 2024-25.

Bill change for a typical customer

The contribution of the distribution, transmission and jurisdictional scheme charges to the total annual network bill for a typical residential and a small business customer is presented in Figure 1 and Figure 2.

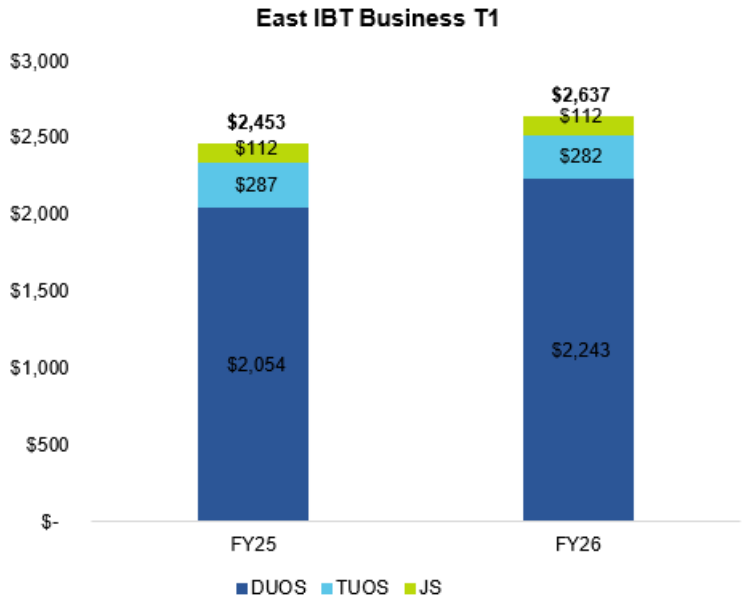
Figure 1: Average annual residential network bill[3]



[2] Average annual network bill change for small customers is an average bill impact of the annual change in the flat tariff and the annual change in transition from the TOU Demand and Energy tariffs to the TOU Energy tariffs (approximately 50 per cent of customers assigned on each of these tariffs. For large customers the average network bill changes reflect an average of the default tariff and Demand Small tariffs.

[3] Network bill impacts are based on a typical residential customer in the east pricing zone consuming 5,025 kWh pa, with a monthly peak demand of 3.5 kW.

Figure 2: Average annual small business network bill[4]



[4] Network bill impacts are based on a typical small business customer in the east pricing zone consuming 14,485 kWh pa, with a monthly peak demand of 7.4 kW.

2 NETWORK TARIFFS

2.1 Network tariff classes

We have categorised Standard Control Services customers into three tariff classes mainly based on the voltage level at which customers are connected to the network as this ensures customers who impose similar costs on the network are classified together with similar tariff structures.

Our tariff classes are described in Table 1.

Table 1: Tariff classes

Tariff Class	Eligible Customers
Standard Asset Customers (SAC)	Customers connected at Low Voltage are classified as SAC. Customers allocated to the SAC tariff class include residential customers, small to medium businesses and unmetered supply customers.
Connection Asset Customers (CAC)	Customers coupled to the network voltage from 11kV who are not allocated to the ICC tariff class are allocated to the CAC tariff class.
Individually Calculated Customers (ICC)	Customers are allocated to the ICC tariff class if they are coupled to the network at 33kV or above. At the discretion of the network, we may assign customers coupled from 11kV to the ICC tariff class where there are no higher voltages available from the bulk supply point.

2.2 Network tariffs by class

Each tariff class consists of a number of different network tariffs. Table 2 sets out the individual tariffs in each tariff class and by customer segment.

Table 2: 2025-26 Network tariffs by tariff class

Tariff class	Customer type	Primary Tariffs	Secondary Tariffs
Standard Asset Customers (SAC)	Residential	• Residential Flat* • Residential TOU Energy • Residential TOU Demand & Energy	• Volume Night Controlled • Volume Controlled
	Small business	• Small Business Flat* • Small Business TOU Energy • Small Business TOU Demand & Energy • Small Business Primary Load Control • Transitional Network TOU Energy Tariff 1 • Transitional Network TOU Energy Tariff 2 • Transitional Network Dual Rate Demand Tariff 3	• Volume Night Controlled • Volume Controlled

Tariff class	Customer type	Primary Tariffs	Secondary Tariffs
	Large customer	• Large TOU Demand & Energy • Demand Small • Large TOU Energy • Large Business Primary Load Control • Large Business Energy • Large Dynamic Flex Storage	• Large Business Secondary Load Control
	Other	• Unmetered Supply	
Connection Asset Customers (CAC)		• CAC 66kV • CAC 33kV • CAC 22/11kV Bus • CAC 22/11kV Line • CAC 66kV TOU Demand • CAC 33kV TOU Demand • CAC HV Bus TOU Demand • CAC HV Line TOU Demand	
Individually Calculated Customers (ICC)		• ICC tariff	
Note: * Grandfathered tariffs (closed to new customers)			

Procedures for the assignment of new customers and reassignment of existing customers to network tariffs are contained in our 2025-30 TSS. Additional information is provided in our Network Tariff Guide.

2.3 Trial tariffs

The following trial tariffs will commence in 2025-26:

- SAC – Dynamic Price Storage tariff – to test how to implement tariffs that signal higher prices during critical system events and the ability of storage customers to respond to these price signals.
- CAC - Dynamic Price Storage tariff – to test how to implement tariffs that signal higher prices during critical system events and the ability of storage customers to respond to these price signals.
- SAC - Secondary Dynamic Price Storage tariff - incorporating critical peak period import and export reward components.
- CAC – Secondary Dynamic Price Storage tariff - incorporating critical peak period import and export reward components.

The primary objective of these trials is to test our systems and processes for the implementation of dynamic storage tariffs. The SAC – Dynamic Price Storage tariff and CAC - Dynamic Price Storage tariffs may be incorporated into our tariff suite during the 2026-30 period pending satisfactorily meeting contingent tariff adjustments outlined in our 2025-30 TSS.

Ergon Energy Network will not be continuing the SAC Dynamic Flex Storage and the CAC Dynamic Flex Storage sub-threshold tariffs that were introduced in 2024-25. In accordance with our 2025-30 TSS those tariffs will become part of the tariff suite from 1 July 2025.

3 NETWORK BILL IMPACTS

3.1 Summary of average customer bill impacts

On average most customers are expected to experience an increase of between 13 per cent and 14 per cent in network charges in 2024-25 compared with their 2023-24 charges. A summary of average annual network bill impacts for customers on the low voltage tariffs is presented in Table 3.

Table 3: Average customer network bill impacts - Nominal ($)[5]

SAC Tariffs		Demand (kW or kVA/month)	Usage (kWh/year)	2024/25 NUOS Nom ($)	2025/26 NUOS Nom ($)	Annual NUOS change ($)	Annual NUOS change (%)
Residential (<100MWh pa) - East							
ERTDEMT1	Residential TOU Demand&Energy East	3.48	5,025	947.49	992.93	45.44	4.8%
ERTOUET1	Residential ToU Energy East	N/A	5,025	967.09	1,027.55	60.47	6.3%
ERIBT1	Residential Flat East*	N/A	5,025	1,068.82	1148.16	79.34	7.4%
*Grandfathered							
Small Business (<100MWh pa) - East							
EBTDEMT1	Small Business TOU Demand&Energy East	7.41	14,485	1,942.08	2,394.11	452.03	23.3%
EBTOUET1	Small Business ToU Energy East	N/A	14,485	2,192.81	2,326.87	134.06	6.1%
EBIBT1	Small Business Flat East*	N/A	14,485	2,453.09	2,637.03	183.94	7.5%
EBPLCT1	Small Business Primary Load Control	N/A	14,485	1,333.49	1,666.36	332.87	25.0%
*Grandfathered							
Large Business (>100MWh pa) - East							
EBESTT1	Large Business Energy East 1	N/A	529,476	78,131,23	41,724.39	-36,406.84	-46.6%
EDSTT1	Demand Small East T1 kVA	99.68	529,476	54,259.79	58,151.16	3,891.37	7.2%
ELTOUDT1	Large TOU Demand&Energy East T1	99.68	529,476	107,734.71	78,815.34	-28,919.37	26.8%

3.1.1 Key drivers of network price changes

The change in network prices is driven by:

- higher distribution revenue requirements in 2025-26, which reflect the AER's Final Determination Decision for the 2025-30 regulatory control period,
- lower forecast Powerlink transmission charges and jurisdictional scheme amounts that we are required to recover from customers in 2025-26, and
- changes in forecast customer numbers, demand and energy consumption.

[5] The prices used for the customer impact analysis are the AER-approved network prices for 2024-25 and the proposed 2025-26 network prices. To eliminate the impact of fluctuation in demand and energy between years, the same usage and demand profiles were used to calculate customers' bills for both 2024-25 and 2025-26.

Table 4 provides a summary of our revenue requirements for 2025-26 compared with 2024-25.

Table 4: Forecast revenue requirement ($M Nominal)

Revenue component	2025 26	2024 25	% change
Distribution	1,475.0	1,391.9	6
Transmission	283.9	286.3	-1
Jurisdictional schemes	61.6	64.3	-4
Total Network use of system	**1,820.5**	**1,742.5**	**4**

3.2 Residential customers

3.2.1 Default tariff

The network bill impacts for residential customers currently on the Transitional Demand tariff (default tariff during the 2020-25 regulatory control period) and transitioning to the new default Time of Use Energy tariff is presented in Figure 3.

Figure 3: Residential annual network bill impact for transitioning customers – Time of Use Energy tariff by percentile

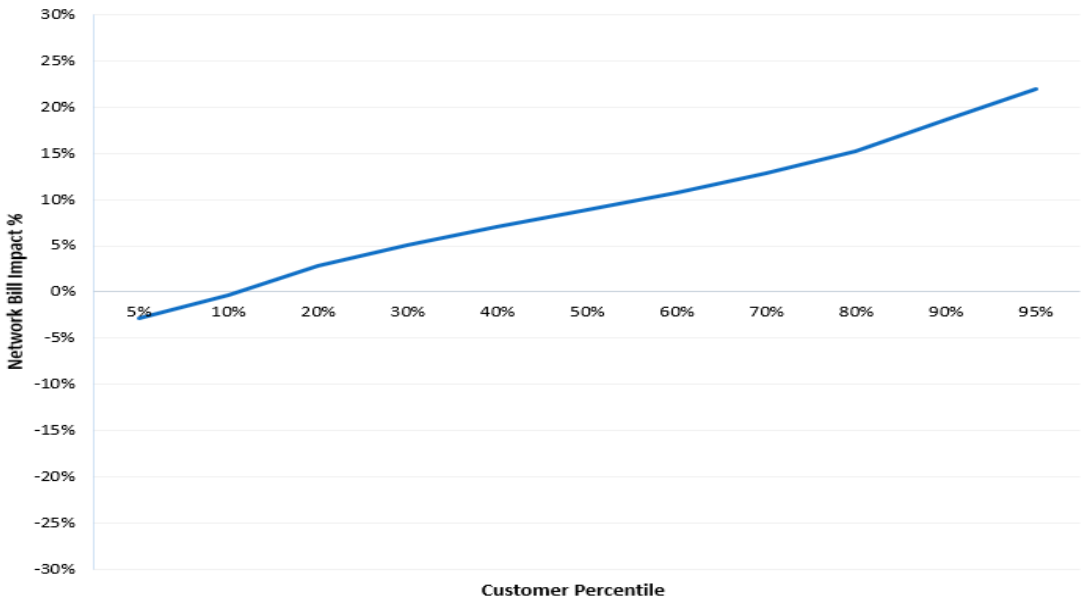


Figure 3 shows that the median customer percentile faces an average 8.9 per cent network bill increase in 2025-26.

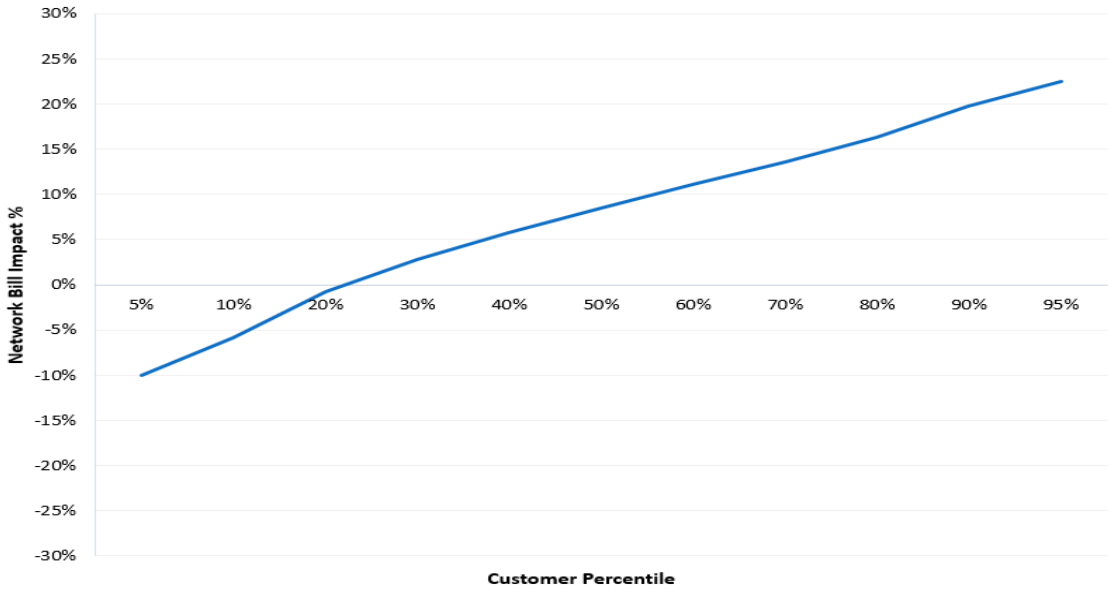
Customers with lower consumption may experience relatively higher bill impacts due to the rebalancing of fixed charges. To the extent TOU windows are passed through to the end customer,

customer bill impacts can be improved by reducing energy consumption during the peak 4pm to 9pm window.

3.2.2 Optional Time of Use Demand and Energy tariff

The network bill impacts for customers currently on the Transitional Demand tariff and choosing to stay on the optional Time of Use Demand and Energy tariff presented in Figure 4.

Figure 4: Residential annual network bill impact – Time of Use Demand and Energy tariff by percentile



3.2.3 Flat tariff

To present the annual network bill impact for our basic meter customers we have used energy data from smart meter customers and applied the proposed Residential Flat tariff prices. Customers with rooftop solar are excluded from the analysis as customers with solar typically have a smart meter and are assigned on either our default tariff or the optional Time of Use Demand and Energy tariff.

The annual network bill impact in 2025-26 for customers currently on the basic meter flat tariff is presented in Figure 5.

Figure 5: Residential annual network bill impact – Flat tariff by percentile

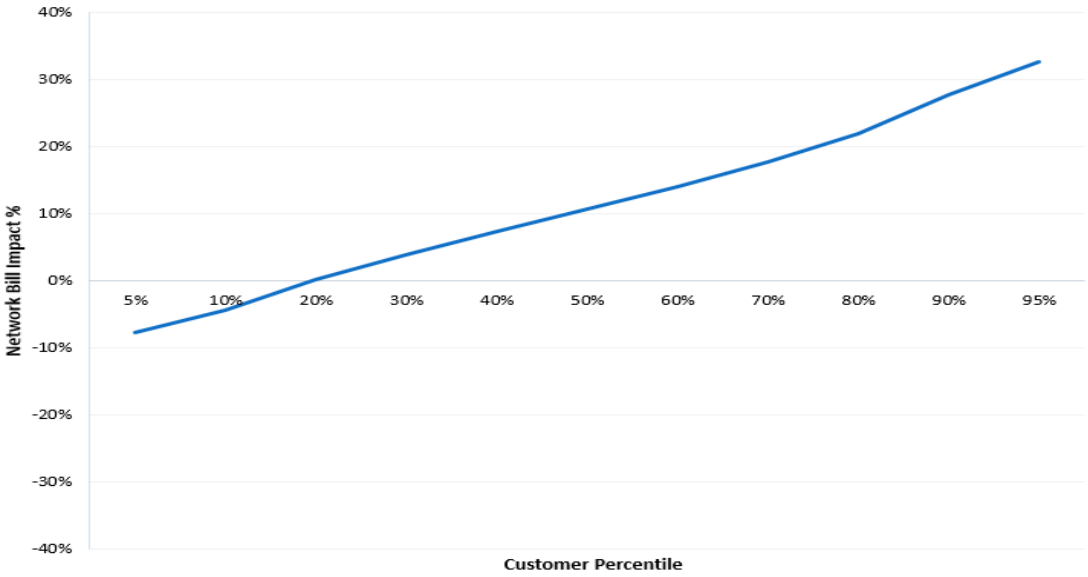


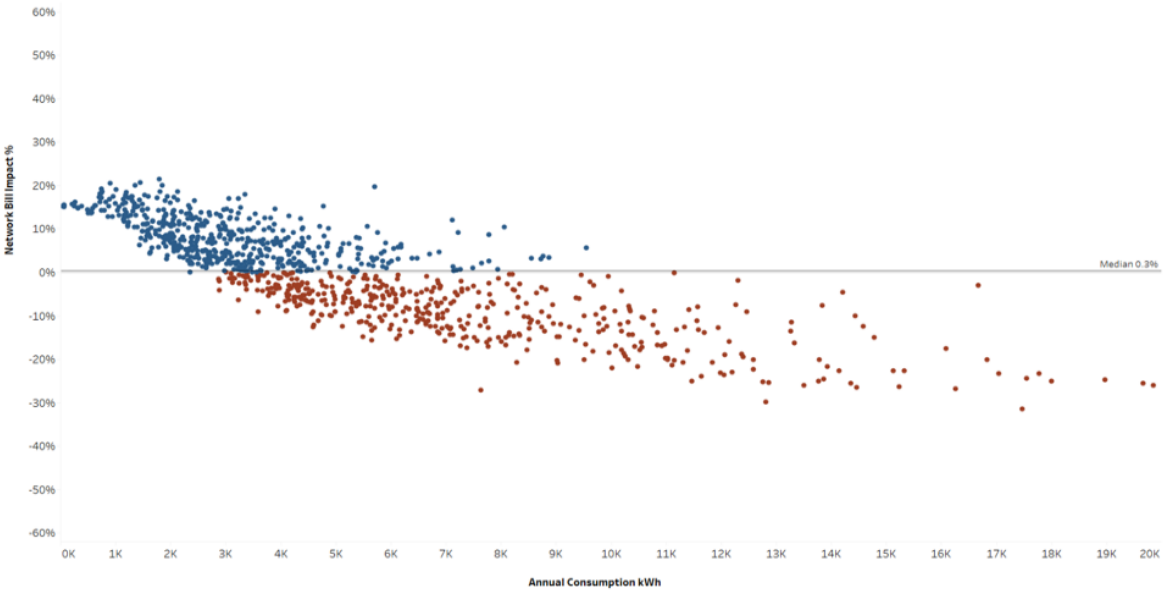
Figure 5 shows that in the median customer percentile faces an average 10.6 per cent network bill increase in 2025-26.

3.2.4 Changing from a basic meter tariff to default tariff

Under our tariff assignment policy, existing customers on our basic meter (flat) tariff will be reassigned to the default tariff (Time of Use Energy tariff) when they received a smart meter (subject to any grace period provisions outlined in our 2025-30 TSS).

The indicative network bill impact of the reassignment from the Residential Flat tariff to the Time of Use Energy tariff in 2025-26 is presented in Figure 6.

Figure 6: Residential annual network bill impact – Flat tariff to Time of Use Energy tariff



As outlined in our TSS Explanatory Statement, from 1 July 2025, we have aligned distribution volume and demand charges across the Energex and Ergon Energy networks for small customers with any residual revenue rebalanced through the fixed charge.[6] Customers with lower consumption will therefore experience a greater per cent change in their network bill in 2025-26.

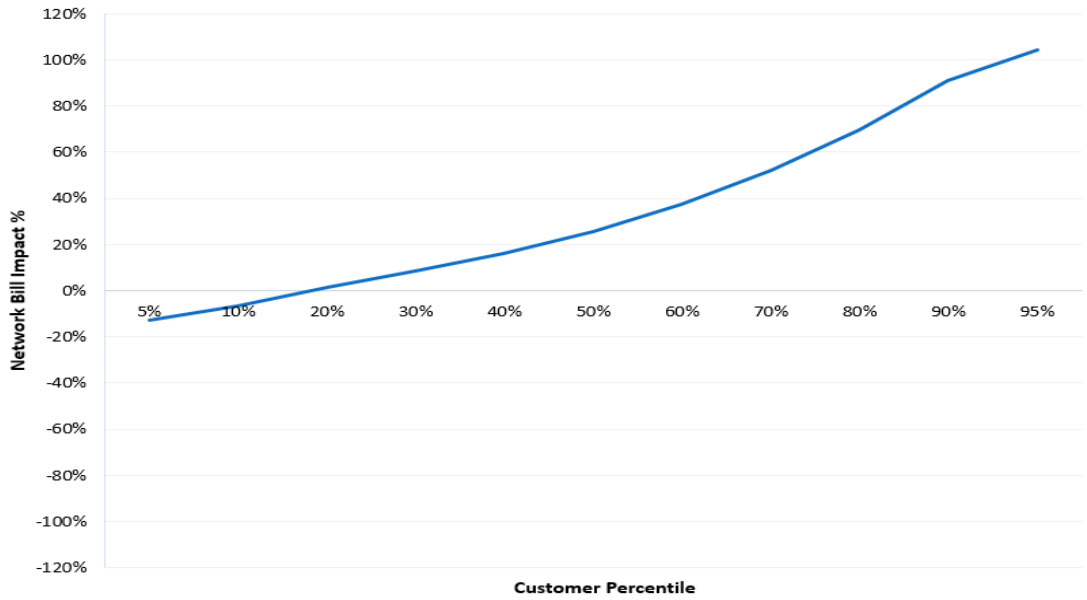
3.3 Small business customers

3.3.1 Default tariff

The network bill impact for small business customers currently on the Transitional demand tariff (default tariff during the 2020-25 regulatory control period) transitioning to the new default Time of Use Energy tariff is presented in Figure 7.

[6] For small customers regulated retail prices are based on the cost of supply in South East Queensland (i.e. Energex network).

Figure 7: Small business annual network bill impact for transitioning customers – Time of Use Energy tariff by percentile



The median small business customer faces a bill increase of approximately 25.5% following reassignment from a basic meter tariff to the default Time of Use Energy tariff.[7]

3.3.2 Flat tariff

The annual network bill impact in 2025-26 for customers currently on the basic meter flat tariff is presented in Figure 8.

[7] We note that small customer will not be exposed to these bill impacts due to the application of the Queensland Government's Uniform Tariff Policy. Small business customers in regional Queensland will face Energex network bill impacts.

Figure 8: Small business annual network bill impact – Flat tariff by percentile

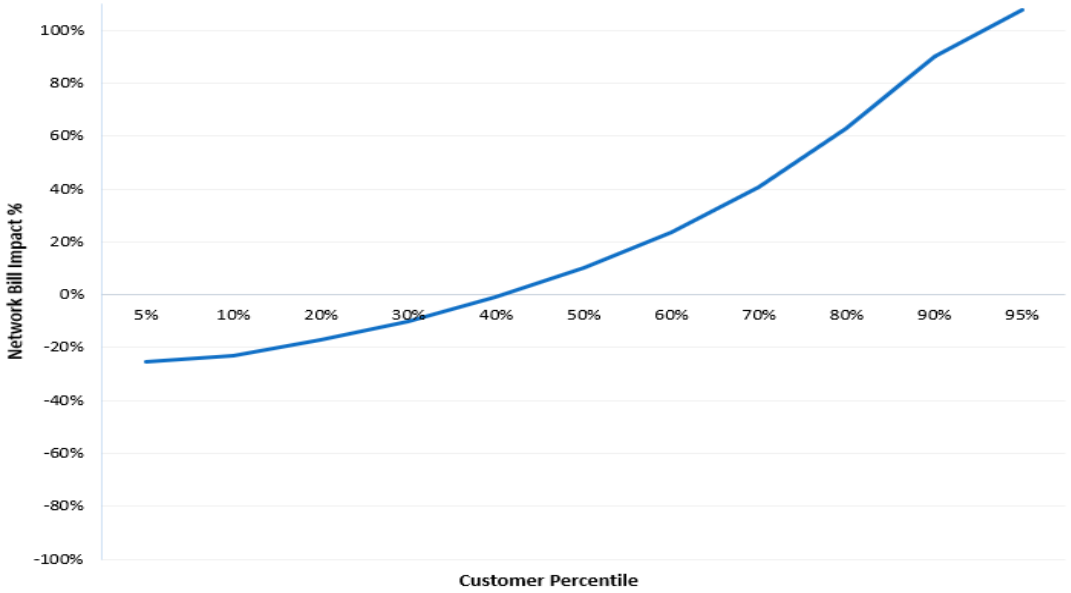


Figure 8 shows that the median customer percentile faces a bill increase of 10.3% in 2025-26.

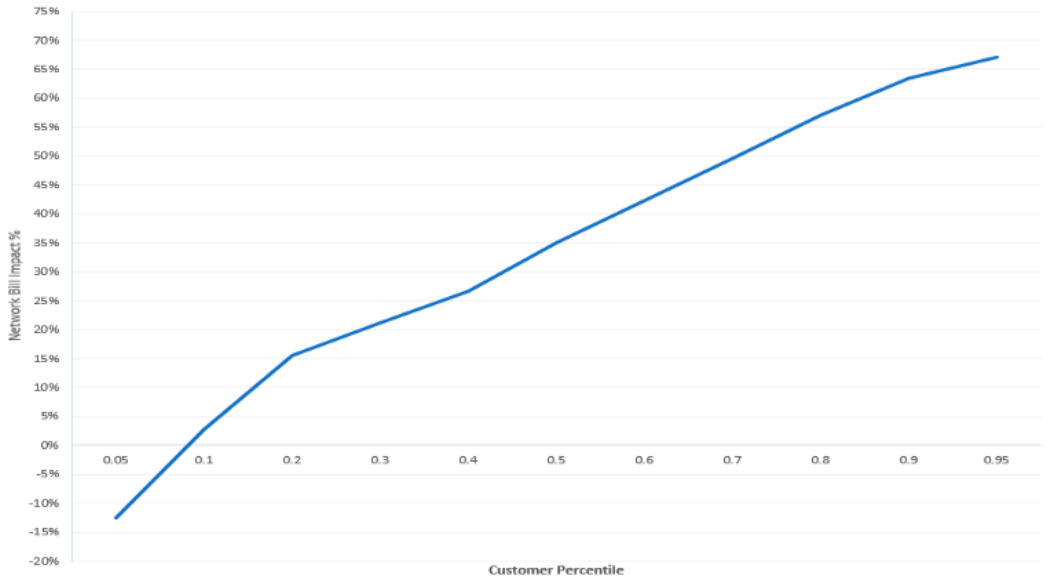
3.4 Large low voltage business customers

3.4.1 Default tariff

In our 2025-20 TSS we proposed to reassign all smart meter large LV customers to the default Large TOU Demand and Energy tariff from 1 July 2025. This includes reassignment of customers from Demand Small tariff (which will continue into 2025-30) and other legacy tariffs which will be withdrawn on 1 July 2025.

Figure 9 shows the customer impact for all large low voltage customers if they were to be reassigned. The median customer faces a bill increase of approximately 35 per cent.

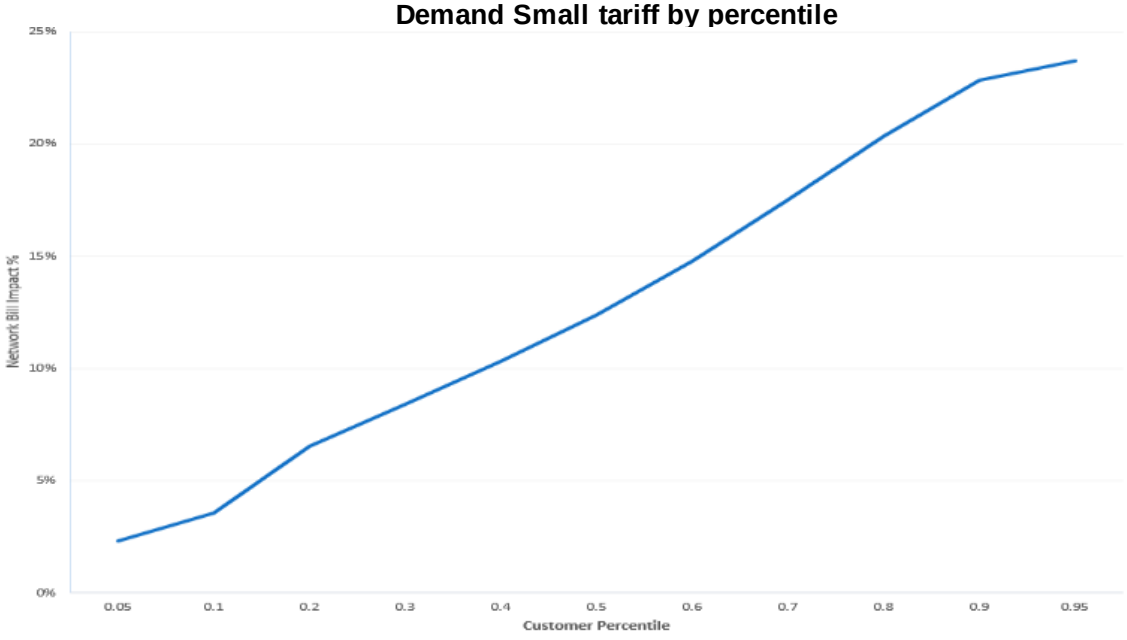
Figure 9: Large low voltage business annual network bill impact – Reassignment of all customers to the Large Time of Use Demand and Energy tariff by percentile



A major retailer has advised that they will opt out of the reassignment for the smart meter customers on Demand Small tariffs, meaning that these customers will remain on Demand Small post 1 July 2025.

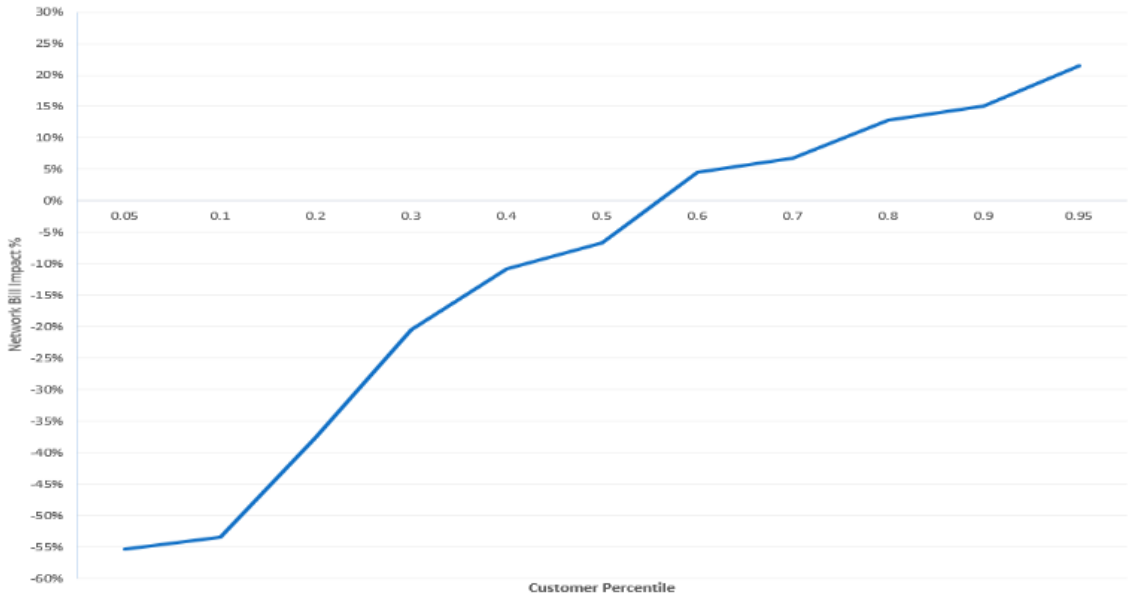
For customers on Demand Small tariffs the median customer faces a bill increase of 12.4 per cent. The annual network bill impact in 2025-26 for smart meter customers currently on the Demand Small tariff is presented in Figure 10.

Figure 10: Large low voltage business annual network bill impact – Demand Small tariff by percentile



For the remaining customers which will be reassigned to the default Large TOU Demand and Energy tariff (including those currently on Large TOU Demand and Energy), the median customer is expected to face a bill decrease of 6.6 per cent. Figure 11 outlines the percentile impact for all customers excluding those on Demand Small tariff.

Figure 11: Large low voltage business annual network bill impact – Reassignment to the Large Time of Use Demand and Energy tariff by percentile excluding Demand Small

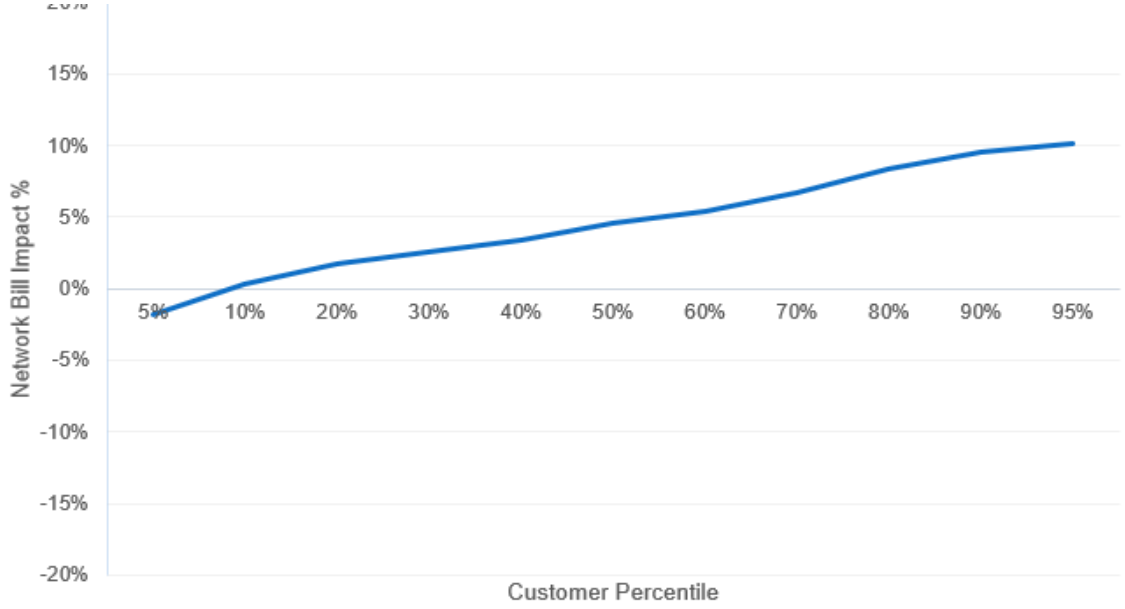


Analysis shows that if all customers chose the lower priced tariff option (between the default and Demand Small tariff), a large portion of customers would we able to reduce their bill impacts.

3.5 High voltage customers

Figure 12 outlines the percentile impact for customers in the CAC tariff class.

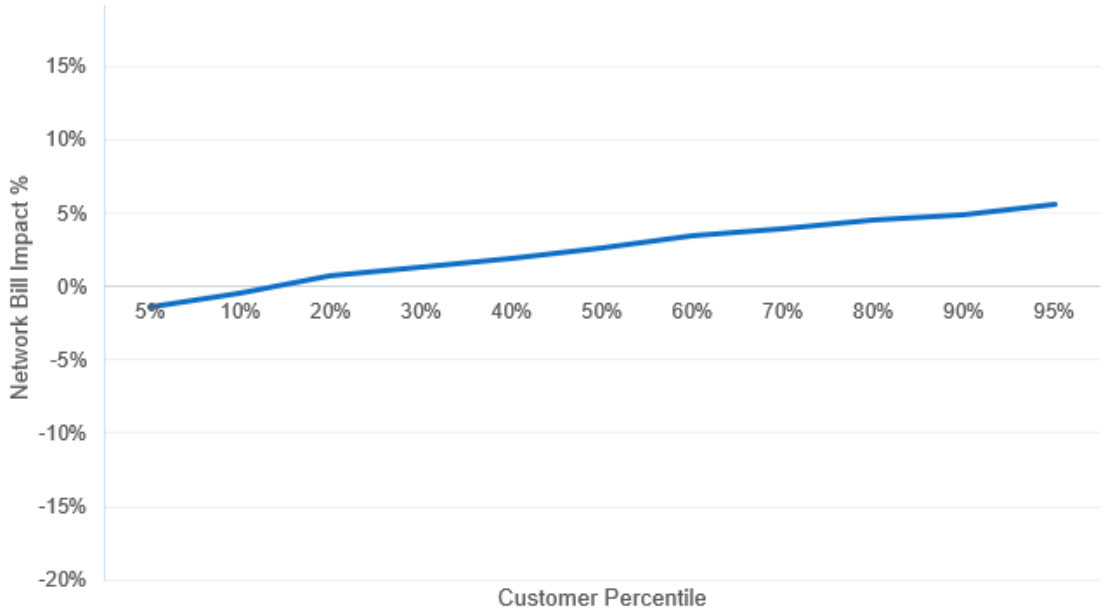
Figure 12: Average customer impacts for the CAC tariff class



The average network bill impact for CAC customers is around 5 per cent.

As ICC tariffs are confidential, we are not able to include a customer specific impact analysis. General trends ICC customer impacts between 2024-25 and 2025-26 are presented in Figure 13.

Figure 13: Average customer impacts for the ICC tariff class



The average network bill impact for ICC customers is around 3 per cent but there is a wide distribution of impacts. Lower transmission volume prices from Powerlink which are directly passed through to ICC customers are offsetting some of the increase in distribution prices.

4 ALTERNATIVE CONTROL SERVICES

4.1 Overview of Alternative Control Services

Alternative control services are regulated services we offer that are customer-initiated or requested and are directly recovered from customers seeking the service. Ergon Energy Network's Alternative Control Services can be broadly categorised into:

- network ancillary services – customer and third party-initiated services related to the common distribution services but for which a separate charge applies (includes network safety services, non-standard network data requests, security lighting services)
- connection services – services relating to the electrical or physical connection of a customer to the network (including temporary connections, de-energisations, re-energisations and supply abolishment), and
- public lighting services – services relating to the provision, installation and maintenance of public lighting assets and emerging public lighting technology.

A more detailed list of the Alternative Control Services we provide is set out in Appendix A.

4.2 Alternative Control Services pricing arrangements

Ergon Energy Network's Alternative Control Services are regulated under a price cap control mechanism. This means that the AER determines our efficient costs and approves a maximum price that we can charge for the service.

Pricing arrangements for these services are either fee-based or quoted depending on the type of service.

4.2.1 Fee-based services

The prices for fee-based services are set in accordance with specified service assumptions due to the standardised nature of the services. Fee-based services are determined via a cost build up approach at the individual service level and relate to activities undertaken by us at the request of customers or their agents.

For the first year of the regulatory control period prices for fee-based serviced are set by the AER.

Prices for fee-based services are available in the annual ACS pricing model and our 2025-26 Network Price List.

4.2.2 Quoted services

Prices for quoted services are determined at the time the customer makes an enquiry and therefore reflect the individual nature and scope of the requested service which cannot be known in advance. The indicative prices for quoted services are determined using the AER's approved labour rates which are available in the annual ACS pricing model.

4.3 Public lighting services

We provide public lighting services for local councils and Queensland's Department of Transport and Main Roads (DTMR). The cost of these services is charged to customers through an operation, maintenance, and replacement charge per light.

Public lighting tariffs are dependent on the following factors:

- the location of the infrastructure (minor or major roads)
- whether the assets were originally funded by us or by the customer
  - Rate 1 tariffs refer to infrastructure that is Ergon Energy Network owned and operated
  - Rate 2 tariffs refer to infrastructure gifted by the customer and operated by Ergon Energy Network
- the type of public lighting technology (i.e., conventional or LED).

The public lighting tariffs offered in 2025-30 are set out in Table 5.

Table 5: Public lighting tariffs

Tariff grouping	Conventional Lights tariffs	LED specific tariffs	Charge and unit
Rate 1 - Minor	Rate 1 CONV Minor – funded by Ergon Energy Network	Rate 1 LED Minor – funded by Ergon Energy Network	Fixed rate ($) per day per light
	Rate 1 CONV Major – funded by Ergon Energy Network	Rate 1 LED Major – funded by Ergon Energy Network	
	Rate 2 CONV Minor – funded by Council	Rate 2 LED Minor – funded by Council	
	Rate 2 CONV Major – funded by Council (and DTMR)	Rate 2 LED Major – funded by Council (and DTMR)	
	N/A	Rate 2A LED Minor – funded by Ergon Energy Network*	
	N/A	Rate 2A LED Major – funded by Ergon Energy Network*	
Rate 2B – Minor and Major		Rate 2B Smart Major & Minor – funded by Council and DTMR*	

Note: *New tariff offered from 1 July 2025

All other public lighting services, including emerging public lighting technology services, are treated as quoted services.

Appendix A. Alternative Control Services list and pricing arrangements

Table 6 set our Alternative Control Services and pricing arrangements for these services.

Table 6: Alternative Control Services and pricing arrangements

Service category	Description	Basis of control mechanism
Connection services – Services relating to the electrical or physical connection of a customer to the network		
Major customer - Premises connections	The Framework and Approach (F&A) defines this service grouping as any addition or upgrades to connection assets located on the customer's premises for major customer connections. Note; This service includes design, construction, commissioning and energisation of connection assets (including administration services (e.g. reconciling project financials) and generation required to supply existing customers while equipment is de-energised to allow testing and commissioning to occur). It excludes all metering services and services separately identified under 'Connection management services'.	Quoted - A formula-based approach (cost build-up).
Major customer - Network extensions	The F&A defines this service grouping as an enhancement required to connect a power line or facility outside the present boundaries of the transmission or distribution network owned or operated by a network service provider to facilitate new or altered major customer connection.	Quoted - A formula-based approach (cost build-up).
Connection application and management services	The F&A defines this service grouping as a range of services and activities provided by distributors, and sought by customers, which are specific to a connection point, and encompasses: • Connection application related services • De-energisations and re-energisations • Temporary connections • Temporary disconnections and reconnections • Remove or reposition connections • Overhead service line replacements (e.g. as a result of a point of attachment relocation) • Protection and power quality assessment	Fee based – a formula-based approach (cost build-up) in the first year and then a price path for the remaining years of the regulatory control period. Quoted - A formula-based approach (cost build-up).

Service category	Description	Basis of control mechanism
	• Customer requested change requiring secondary and primary plant studies for safe operation of the network (e.g. change protection settings) • Upgrade from overhead to underground service • Rectification of illegal connections or damage to overhead or underground service cables • Supply enhancement (e.g. upgrade from single phase to three phase) • Power factor correction.	
Enhanced connection services	The F&A defines this service grouping as activities to provide customers with a higher standard of services that exceeds the minimum technically feasible standard. These include services at the request of customer or third party that are: • Provided with higher quality of reliability standards, or lower quality of reliability standards (where permissible) than required by the NER or any other applicable regulatory instruments • In excess of levels of service or plant ratings required by the distributor, or • For embedded generators, including the removal of network constraints.	Quoted - A formula-based approach (cost build-up).
Network ancillary services – customer and third party initiated services related to the common distribution service		
Network safety services	Examples include: • Provision of traffic control and safety observer services • Fitting of tiger tails and aerial markers • Third party request for de-energising for safety • High load escorts.	Quoted - A formula-based approach (cost build-up).
Customer requested planned interruptions	Includes: • Where the customer requests to move a distributor planned interruption and agrees to fund the additional cost of performing this distribution service outside of normal business hours • Customer initiated network outage (e.g. to allow customer and/or contractor to perform maintenance on the customer's assets, work close to or for safe approach, which impacts other networks users).	Quoted - A formula-based approach (cost build-up).

Service category	Description	Basis of control mechanism
Attendance at customers' premises to perform a statutory right where access is prevented.	A follow up attendance at a customer's premises to perform a statutory right where access was prevented or declined by the customer on the initial visit. This includes the costs of arranging, and the provision of, a security escort or police escort (where the cost is passed through to the distributor).	Fee based - a formula-based approach (cost build-up) in the first year and then a price path for the remaining years of the regulatory control period.
Customer, retailer or third party requested appointments	Works initiated by a customer, retailer or third party which are not covered by another service and are not required for the efficient management of the network, or to satisfy distributor purposes or obligations. Includes, but is not limited to: • Restoration of supply due to customer action • Re-test at customer's installation (i.e. customer has submitted a request and the Retailer has issued a Service Order Request, but installation fails test and cannot be connected, requiring a re-test of the installation) • Safety observer • Tree trimming • Switching • Cable bundling, and • Checking pump size for tariff eligibility.	Quoted - A formula-based approach (cost build-up).
Removal/ rearrangement of network assets	Removal, relocation or rearrangement of network assets (other than connection assets) at customer request that would not otherwise have been required for the efficient management of the network.	Quoted - A formula-based approach (cost build-up).
Network related property services	The F&A defines this service grouping as: • Network related property services such as property tenure services relating to providing advice on, or obtaining deeds of agreement, deeds of indemnity, leases, easements or other property tenure in relation to property rights associated with a connection or relocation • Conveyancing inquiry services relating to the provision of property conveyancing information at the request of a customer.	Quoted - A formula-based approach (cost build-up).

Service category	Description	Basis of control mechanism
Authorisation and approval of third-party service providers design and works	Accreditation and approval of alternative service providers to provide design and construction services for real estate development and/or provide construction services for real estate development.	Quoted - A formula-based approach (cost build-up).
Inspection and auditing services	Auditing / inspecting of connection assets after energisation to network.	Quoted - A formula-based approach (cost build-up).
Sale of approved materials or equipment	Includes the sale of approved materials/equipment to third parties for connection assets that are gifted back to become part of the shared distribution network.	Quoted - A formula-based approach (cost build-up).
Provision of training to third parties for network related access	Training services provided to third parties that result in a set of learning outcomes that are required to obtain a distribution network access authorisation specific to a distributor's network. Such learning outcomes may include those necessary to demonstrate competency in the distributor's electrical safety rules, to hold an access authority on the distributor's network and to carry out switching on the distributor's network.	Quoted - A formula-based approach (cost build-up).
Non-standard network data requests	Customer requests provision of electricity network data requiring customised investigation, analysis or technical input (e.g. requests for pole assess information and zone substation data).	Quoted - A formula-based approach (cost build-up).
Customer requested provision of electricity network data	Data requests by customers or third parties including requests for the provision of electricity network data or consumption data outside of legislative obligations.	Quoted - A formula-based approach (cost build-up).
Third party funded network alternations	The F&A defines this service group as alterations or other improvements to the shared distribution network to enable third party infrastructure (e.g. NBN Co telecommunications assets) to be installed on the shared distribution network. This does not relate to upstream distribution network augmentation.	Quoted - A formula-based approach (cost build-up).
Auxiliary Metering Services (Type 5 and 6)		

Service category	Description	Basis of control mechanism
Auxiliary metering services	Examples of auxiliary metering services include: • Off cycle meter reads for Type 5 and 6 meters • Change distributor's load control relay channel • Customer requested meter inspection and investigation • Type 5 and 6 meter removal and disposal • Works to reseal a Type 5 and 6 meter due to customer or third party action • Testing and maintenance of instrument transformers for Type 5 and 6 metering purposes, and • Emergency supply restoration in relation to metering equipment not owned by the distributor.	Fee based - a formula-based approach (cost build-up) in the first year and then a price path for the remaining years of the regulatory control period. Quoted - A formula-based approach (cost build-up).
Provision of services for approved unmetered supplies	Provision of services to extend / augment the network, to make supply available for the connection of approved unmetered equipment, e.g. public telephones, public lights, extension to the network to provide a point of supply for a billboard & city cycle, e.g. installation of a pillar to supply connection for Rate 3 public lighting.	Quoted - A formula-based approach (cost build-up).
Public Lighting Services		
Public lighting services	Provision, construction and maintenance of public lighting.	Price cap based on a limited building block in the first year of the regulatory control period and then a price path for the remaining years.
Auxiliary public lighting services	Ad hoc, customer requested public lighting services: • Removal /rearrangement of public lights • Provision of unique luminaire glare screening or customer requests • Review, inspection and auditing of design or construction works carried out by an accredited service provider • Exit fees for the residual asset value of non-contributed public lights when the entire assets (pole, cabling, bracket, luminaire and lamp) are replaced before the end of their expected life, and • Emerging public lighting technologies.	Quoted - A formula-based approach (cost build-up).

Service category	Description	Basis of control mechanism
	Non-standard public light charges: • Non-standard public lighting charges apply where the cost of constructing public lights is not expected to be fully recovered through daily public lighting charges over a 20-year term. In these circumstances, we may require the customer to pay an additional upfront amount.	
Security (watchman) lights (legacy)	Operation and maintenance of equipment mounted on a distribution equipment used for security services, e.g. night watchman lights. Note: excludes connection services.	Fee based - a formula-based approach (cost build-up) in the first year and then a price path for the remaining years of the regulatory control period - for the maintenance, operation and replacement of the assets.
Note: Excludes the replacement of conventional lights with Light Emitting Diode (LED) technology.		