



## **Negotiated Connection Offer**

### **Non-micro embedded generating unit connection**

Important note:

To accept this offer, please return the enclosed Acceptance Form to *Ausgrid* within 20 business days of the date of the offer.

## Connection Offer Summary

### The connection offer process

When Ausgrid receives a *connection application* and has assessed it, it makes a *connection offer*, which is an offer to provide specified *connection services* on the terms set out in the offer.

Ausgrid's *connection offer* is an offer to enter into a contract. The contract is between Ausgrid and the *connection customer* and it comes into effect when Ausgrid's *connection offer* is accepted. If someone other than the *connection customer* makes the *connection application* and accepts the *connection offer* on the *connection customer's* behalf, then that person does so as the *connection customer's* agent.

### Connections to which this offer applies

This offer applies to *connection services* which meet the following requirements:

- (a) the *embedded generating unit* must be an *inverter energy system*;
- (b) the constituent units of the *embedded generating unit* must be of a kind contemplated by AS4777;
- (c) the rated output (ie sum total of the rated output of all of the constituent units) of the *embedded generating unit* at the *connection point* (regardless of whether those units are owned by the *connection customer*) must be greater than that contemplated by AS4777;
- (d) the combined maximum *export capacity* of the *embedded generating unit at the connection point* must not exceed the requirements under clause 2.2; and
- (e) it must not be necessary to make any change to the *distribution network* (other than in relation to *service mains*) before the *connection* can be made and *electrified*.

If you require a *new connection*, this *connection offer* will be made in conjunction with a separate offer relating to the establishment of the *new connection*.

If you already have a *connection* at the *premises*, this *connection offer* relates to *connection services* which are *connection alterations*. *Connection alterations* may require some alteration to the existing *service mains*. All work needed to establish the *connection alteration* will be performed by an *Accredited Service Provider Level 2* as a *contestable service* at the expense of the *connection customer*.

Ausgrid has provided this *connection offer* and entered into this *connection contract* on the basis that where the *connection customer* is required to obtain the consent of the owner or owners (as the case may be) of the *premises* for the installation of the *embedded generating unit* and the *connection* of the unit to the *distribution network*, the *connection customer* has obtained that consent. If the *connection customer* cannot provide evidence of owners' consent when requested by Ausgrid, Ausgrid may terminate the *connection contract* with notice in accordance with the terms of the contract.

### Negotiated connection offer

You have received this *connection offer* because Ausgrid's model standing offers for *basic connection services* and *standard connection services* are not suitable for the type of *connection services* you are seeking or because you have decided to negotiate the terms and conditions relating to the *connection services* you are seeking.

As part of this *connection offer*, you may also elect to extend the negotiations to terms and conditions of your ongoing *connection services*.

### **A retail contract for the premises must be formed before supply can commence**

A retail contract for the *premises* with a retailer must be in place before *Ausgrid* will permit the *connection* to be *electrified*.

### **You have 20 business days to accept this offer**

If you wish to proceed with the *connection* on the terms offered by *Ausgrid*, you must accept *Ausgrid's connection offer* within 20 *business days* of the date the offer was made. *Ausgrid* may agree to an extension of the acceptance period on request.

### **Some conditions of connection continue after electrification**

At the same time as the *connection contract* commences, the terms and conditions relating to the provision of ongoing *connection services* also come into effect and commence once the *connection* is established and *electrified*. If you have not elected to negotiate these terms and conditions as part of a negotiated *connection offer*, these terms and conditions are contained in a separate contract known as *Ausgrid's Deemed Standard Connection Contract*.

Some terms of this contract continue to apply following *electrification* of the *connection* and become additional terms of the Deemed Standard Connection Contract. These terms are specified in the contract and relate to such matters as the maximum *capacity* of the *connection*, the *connection point* or the *point of common coupling*.

Appendix A to the contract contains further explanatory material about *Ausgrid's connection services*, the *contestable connection services* to which *Ausgrid's services* relate, and the national and New South Wales regulatory regimes that apply to them. The assets which form part of the *distribution system* are owned by *the Network Owner* and leased to *the Network Lessee* and are operated and maintained by *Ausgrid* under a sub-lease arrangement. Appendix A also provides a brief explanation of these arrangements.



# Negotiated Offer to Provide Connection Services – embedded generating unit connection

## Connection Offer

**NMI:**

**Premises address:**

This offer is made on \_\_\_\_\_ day of \_\_\_\_\_ 20

By Ausgrid of 570 George Street, Sydney NSW

to the *connection applicant* named in the *connection application* received by Ausgrid on [date]

in respect of the *premises* referred to above.

This *connection offer* is an offer to provide *connection services* on the terms set out in the attached **Contract for non-micro embedded generating unit connection** and is open for acceptance for 20 *business days*.

Ausgrid and the *connection customer* are the parties to this contract. If you have applied for the *connection* on behalf of the *connection customer*, you have done so as the person's agent.

The *connection details* which have been modified by Ausgrid from those details submitted in your *connection application* are

*Electrification* of the *connection* referred to in this *connection offer* is subject to the completion of *augmentation* works. These *augmentation* works are subject of a separate *connection offer*.

This offer does not relate to *relocation* works. See clause 2.8 of the *connection contract*. If you have indicated in your *connection application* that you wish to underground or *relocate* existing *distribution network* assets, Ausgrid will notify you separately whether or not it will permit the *relocation*.

You are required to pay Ausgrid:

- Ausgrid's *site inspection fee* of \$ \_\_\_\_\_ in accordance with *rules*; and
- a fee of \$ \_\_\_\_\_ to cover expenses directly and reasonably incurred by Ausgrid in assessing your *connection application* and making this *connection offer*, in accordance with the *rules*;
- the *ancillary service fees* for *ancillary services* as referred to in clauses 3 and 6.

A tax invoice for the fees above will be sent to you in due course.



## Acceptance of Connection Offer

**NMI:**

**Premises address:**

Ausgrid's offer is accepted by the *connection applicant* on the \_\_\_\_\_ day of \_\_\_\_\_ 20\_\_\_\_

**Signed by the connection applicant**

on its own behalf; or

for and on behalf of the *retail customer* or *real estate developer* (tick one)

Name of *Connection Applicant* .....

Full name of signatory .....

In signing this acceptance I agree that I have read and understood the terms and conditions of the *connection offer* (including the *Connection Offer Summary*) and where this *application* is made on behalf of a *retail customer* or *real estate developer*, I declare that I have obtained the authority of that person to accept this offer on their behalf.

**Signature** .....

- Return the signed acceptance form to:  
[Ausgrid to insert relevant address].....

**Date Ausgrid received acceptance form:** .....



**Contract for Non-micro embedded generating unit connection**

December 2016



## WARNING

It is the responsibility of the user of this document to ensure that the current version is used. Ausgrid may amend this document at any time.

### Document and Amendment History

Issue No.	Date	Approved By	Summary of Changes
1	June 2013	Chief Engineer	
2	September 2014	Chief Engineer	New regulatory environment
3	1 December 2016	Manager - Network Risk and Planning	Updates to reflect Ausgrid lease transaction
4	14 December 2016	Manager - Network Risk and Planning	Minor typographical corrections

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THIS CONTRACT IS BETWEEN:

**AUSGRID OPERATOR PARTNERSHIP (ABN 78 508 211 731)**, trading as **AUSGRID** , of 570 George Street, Sydney

AND

**THE CONNECTION CUSTOMER** stated in the *connection application*.

Background

- A. The *connection applicant* has applied to *Ausgrid* for a *connection alteration* to an existing *connection* or to form a *new connection* between *the distribution network* and the *premises*.
- B. Until accepted by the *connection applicant*, this *connection contract* represents a negotiated *connection offer* because the *connection applicant* has elected to negotiate the terms and conditions on which the *connection service* is to be provided and/or *Ausgrid* has determined that *Ausgrid's* model standing offers for *basic connection services* and *standard connection services* do not apply to the *connection services* being sought by the *connection applicant*.

## Operative provisions

# 1 Ausgrid's connection offer and connection contracts

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## 1.1 Defined terms

All terms in italics are defined in the Dictionary at clause 17.2.

## 1.2 What constitutes this connection contract?

This *connection contract* is for the *premises* referred to in the *connection application*. It consists of:

- (a) the Connection Offer Summary;
- (b) clauses 1 to 17 inclusive of this document;
- (c) all appendices and annexures to this document;
- (d) the *connection application*;
- (e) where you have signed and returned an acceptance form, the *connection offer*.

## 1.3 When does this contract apply?

- (a) This *connection contract* will be the only *connection contract* that applies where:
  - (1) the *premises* are already connected to *the distribution system*;
  - (2) no change will be made to the current capacity of the existing *connection* to import electricity; and
  - (3) minimal or no alteration to existing dedicated *connection* assets will be required to establish the *connection* for the *embedded generating units*.
- (b) If *augmentation works* are required in order for the *embedded generating unit* to be connected to *the distribution network*, the services provided by *Ausgrid* in relation to the *augmentation works* will be provided under a separate contract. *Electrification* of the

*connection* is contingent on the completion of the *augmentation works* under the separate contract.

- (c) If the *connection applicant* or another person has also lodged a *connection application* for a *new connection* of the *premises* in relation to the *import* of electricity and:

- (1) *Ausgrid* has made a *connection offer* in relation to that *new connection*; and
- (2) *Ausgrid's* offer has been accepted,

a separate *connection contract* is formed in relation to that *new connection*. That contract and this *connection contract* are separate contracts with *Ausgrid* but will operate concurrently.

- (d) If the *connection applicant* or another person has lodged another *connection application* for a *connection alteration* in respect of the *premises* and:

- (1) the *connection alteration* is to increase to the current *capacity* of the existing *connection to import* electricity;
- (2) *Ausgrid* has made a *connection offer* of standard *connection services* in relation to that *connection alteration*; and
- (3) *Ausgrid's* offer has been accepted,

a separate *connection contract* is formed in relation to that *connection alteration*. That contract and this *connection contract* are separate contracts with *Ausgrid* but will operate concurrently.

For the purpose of this clause, “minimal alteration to existing *distribution network dedicated connection assets*” means an alteration to existing *service mains* made to ensure that electricity can be safely *exported* from the *premises* to the network but does not include the *relocation* of any existing *distribution network asset*.

#### **1.4 Asset relocations require separate consent and a separate contract**

This contract does not relate to the *relocation* of existing *distribution network assets*. See clause 2.8.

#### **1.5 Commencement date and term**

- (a) The *connection contract* commences on the date that you accept *Ausgrid's* negotiated *connection offer*.
- (b) The term of the *connection contract* is 1 year unless extended by agreement between the parties.

#### **1.6 The connection applicant and the connection customer**

- (a) This contract is between *Ausgrid* and the *connection customer*, (also referred to in this contract as “you” where convenient).
- (b) If you (the *connection customer*) have authorised another person to make the *connection application* and accept the *connection offer* on your behalf, that person (referred to in this contract as the *connection applicant*) has made the application and accepted the *connection offer* as your agent.

#### **1.7 Ausgrid’s Deemed Standard Connection Contract**

- (a) On the same date as this contract commences, another contract, known as *Ausgrid's* Deemed Standard Connection Contract, is also formed in relation to the *embedded generating unit* as well as the *electrical installation* of which it is a part. It is a standard form

contract containing the model terms and conditions for connection contracts set out in Schedule 2 of the National Energy Retail Rules.

- (b) The Deemed Standard Connection Contract establishes the terms on which *Ausgrid* will provide ongoing services to the *retail customer* at the *premises* once the *connection* of the *embedded generating unit* is established. It applies when the *embedded generating unit* is able to *export* electricity to *the distribution system* and relates to *connection services* in respect of the *embedded generating unit*.
- (c) Some terms of this contract are continuing obligations which means that the *retail customer* for the *premises* must comply with these terms and conditions after the *connection* has been *electrified*. The obligation to comply with these terms and conditions is contained in clause 3.3 of *Ausgrid's* Deemed Standard Connection Contract and are additional terms of that contract.
- (d) *Ausgrid's* Deemed Standard Connection Contract is available on our website.

## 2 The connection

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### 2.1 Description of connection

- (a) This *connection contract* governs the *connection services* involved in connecting or *disconnecting* the *embedded generating units* to *the distribution system*.
- (b) The *connection* is as described in the *connection details*.
- (c) The *connection customer* must ensure the *connection* complies in all respects with the *connection details* and the minimum connection requirements.
- (d) The *connection* requirements are:
  - (1) the *embedded generating unit* must be an *inverter energy system*;
  - (2) the constituent units of the *embedded generating unit* must be of a kind contemplated by AS4777;
  - (3) the rated output (i.e. sum total of the rated output of all of the constituent units) of the *embedded generating unit* at the *connection point* (regardless of whether those units are owned by the *connection customer*) must be greater than that contemplated by AS4777;
  - (4) the combined maximum *export capacity* of the *embedded generating unit* at the *connection point* must not exceed the requirements under clause 2.2; and
  - (5) it must not be necessary to make any change to *the distribution network* (other than in relation to *service mains*) before the *connection* can be made and electrified.
- (e) If prior to the date of *connection* there is any change to the *connection* proposed in the *connection application* and as varied in the *connection offer* (if applicable), you must lodge a new *connection application*.
- (f) If this clause is breached or *Ausgrid*, acting reasonably, considers that it may be breached, *Ausgrid* may terminate the *connection contract* in accordance with clause 15.2 by notice in writing to the *connection applicant*.

### 2.2 Maximum capacity of connection

- (a) The maximum *capacity* of the *connection* (being the maximum amount of electricity that may be *exported* into our *distribution system*) is as specified in the *connection details*.
- (b) The maximum *capacity* for *importing* electricity into your *premises* is not governed by the terms and conditions of this *connection contract*. It will either be:

- (1) specified in a separate offer if you have also applied for a *new connection* or an *connection alteration* in conjunction with the offer relating to this *connection contract*, or
- (2) if you already have a *connection* to our *distribution system*, it would have been specified at the time your *connection* was established.

#### **Common service connection**

- (c) A common service connection is a connection to *the distribution system* through which other *premises of retail customers* located at the same location connect to *the distribution system*.
- (d) When *Ausgrid* approves *connections* to its *distribution system* through the common service connection, *Ausgrid* assumes that the maximum *capacity* will not be exceeded and that the *connection customer* for the common service connection will take reasonable steps to ensure that other *retail customers* connected to the common service connection do not exceed the maximum *capacity* of the common service connection.
- (e) The *connection customer* for the common service connection must ensure that the maximum *capacity* of the common service connection is not exceeded due to the *connection* of other *embedded generating units* to *the distribution system* through the common service connection.

#### **Connection through a common service connection**

- (f) Where the *connection* is not a common service connection but is connected to *the distribution system* through the common service connection, the *connection applicant* acknowledges that it has taken into account the maximum *capacity* of the common service connection in making its *connection application*.
- (g) *Ausgrid* can provide details of the maximum *capacity* of the common service connection on request otherwise the details can be obtained from the person responsible for the common service connection.
- (h) The maximum *capacity* of the connection is subject to the maximum *capacity* of the common service connection not being exceeded.
- (i) The *connection customer* for the *connection* connected to *the distribution system* through the common service connection must take reasonable steps to ensure that the maximum *capacity* of the common service connection is not exceeded.
- (j) If your *premises* are *connected to the distribution system* via a common connection, that common connection will have a different maximum *capacity* and as a result, you may be able to *export* more electricity than the maximum *capacity* specified for the *connection*. Any increase in capacity provided by the common connection does not represent an increase in the maximum *capacity* of the *connection* and *Ausgrid* is under no obligation to provide you with any *capacity* beyond the maximum *capacity*.
- (k) This clause 2.2 is an additional term of *Ausgrid's* Deemed Standard Connection Contract in accordance with clause 3.3 of that contract.

### **2.3 Subsequent connection of embedded generating units**

- (a) The *connection customer* must not *connect an embedded generating unit* after *electrification* without *Ausgrid's* consent.
- (b) This clause applies to the *connection of embedded generating units* that formed part of the initial *connection application*.
- (c) If this clause is breached or *Ausgrid*, acting reasonably, considers that it may be breached, *Ausgrid* may terminate the *connection contract* in accordance with clause 15.2 by notice in writing to the *connection applicant*.
- (d) This clause is an additional term of *Ausgrid's* Deemed Standard Connection Contract in accordance with clause 3.3 of that contract.

## 2.4 Connection point

The *connection point* forms part of the *connection details*.

## 2.5 Point of common coupling

The *point of common coupling* forms part of the *connection details*.

## 2.6 Premises connection assets to be installed by the ASP/2

The *premises connection assets* to be installed by the ASP/2 are:

- (a) a new meter (if required);
- (b) new or altered *service mains* from the *point of common coupling* to the *connection point* (if required); and
- (c) the *connection link*.

## 2.7 Cost of the premises connection assets

- (a) To avoid doubt, the *premises connection assets* relevant to this contract are dedicated *premises connection assets*.
- (b) The cost of new or altered dedicated *premises connection assets* is the price charged to the *connection customer* by the ASP/2.
- (c) The cost of any minor variations from the standard specifications is as charged by the ASP/2.

## 2.8 Relocation of existing distribution network assets not covered by connection contract

- (a) Subject to the specific requirements contained in this clause, this *connection contract* does not relate to *relocation works* or any works relating to undergrounding assets.
- (b) Details of any proposed *relocation* of existing assets included in the *connection application* are not *connection details*. If such works are proposed, they must not be commenced without *Ausgrid's* express written permission.
- (c) If *connection* works cannot be satisfactorily completed unless *Ausgrid* consents to the proposed *relocation works*, the *connection* works must not commence without *Ausgrid's* express written consent to the *relocation works*.
- (d) If *Ausgrid* consents to *relocation works* proposed in the *connection application*, the *connection applicant* must ensure that the ASP/2 or licensed electrical contractor performing *connection* services at the *premises* will co-operate with the person performing the *relocation works* to co-ordinate the *connection* works and *relocation works*.

# 3 Ausgrid's connection services

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- (a) The *connection services* provided by *Ausgrid* in accordance with this contract do not include the physical work required to connect *embedded generating units* to the *electrical installation* at the *premises* or to connect the *electrical installation* to the *distribution system*. Those works are delivered as *contestable services* by private contractors as explained in Appendix A.
- (b) The *connection services* in relation to this contract are as follows:

- (1) *ancillary services* relating to the assessment and administrative tasks associated with processing the *connection application* including recording the details of the *connection* in *Ausgrid's* databases and issuing a job number (site establishment *ancillary service*);
  - (2) conducting a site inspection (if necessary);
  - (3) analysing the effect of the proposed *connection* on the *distribution network*;
  - (4) supplying a suitable meter to an *ASP/2* or *accredited metering provider* (see clause 9);
  - (5) approving the design of the *connection* and the protection and control scheme for the embedded *generating* units and associated relay settings (see clause 10.6);
  - (6) witnessing the testing of protection equipment; and
  - (7) *ancillary services* relating to inspecting the *connection* between the *embedded generating units* and the *electrical installation* (inspection *ancillary service*) at the premises;
  - (8) *ancillary services* relating to re-inspecting the *connection* between the *embedded generating units* and the *electrical installation* at the *premises* (re-inspection *ancillary service*);
  - (9) modifying the details of the *connection* in *Ausgrid's* databases;
  - (10) receiving and processing the Certificate of Compliance for Electrical Work (in relation to the *electrical installation*) and Notification of Service Work (in relation to the installation or upgrading of *service mains*).
- (c) *Ausgrid* must carry out these services in accordance with the timeframes specified in clause 5.
- (d) If requested, *Ausgrid* will provide information about the *connection* to the *connection customer* or any existing or incoming *retail customer* at the *premises*.

## 4 Contestable connection services

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- (a) The *contestable* services required to *connect* the *embedded generating units* are:
- (1) the installation of the *embedded generating units* by a licensed electrical contractor who is qualified to install the relevant unit, including assessment of the requirements of the *embedded generating units* and where necessary, installation or upgrade of any submain or circuit in the *electrical installation*; and
  - (2) (if required) installation or alteration of the *premises connection assets* needed in order to make the *connection*.
- (b) The necessary *premises connection assets* are a meter, *service mains* and a *connection link*.
- (c) In New South Wales, the installation or alteration of *premises connection assets* is a *contestable* service that must be performed by an *ASP/2* who holds current *Ausgrid* authorisation.

More information about *contestable* services may be found in Appendix A.

## 5 Time frames for Ausgrid's connection services

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### 5.1 Connection services

- (a) Subject to paragraphs (b) and (c), *Ausgrid* will perform the *connection services* referred to in clauses 3(b)(1) – (8) prior to *electrification*.
- (b) *Ausgrid* will not issue a job number (as referred to in clause 3(b)(1)) until the *connection applicant* fulfils its obligations under clause 10.6. *Ausgrid* will issue a job number within 3

*business days* following confirmation that the *connection applicant* has discharged its obligations under clause 10.6.

- (c) *Ausgrid* will carry out a re-inspection of the *connection* in the case of defective work (as referred to in clause 3(b)(8)) following *electrification* if, in *Ausgrid's* opinion, the defects are only minor in nature.
- (c) *Ausgrid* will approve the protection and control scheme for the *embedded generating unit* and associated relay setting within 24 *business days* of the scheme being submitted to *Ausgrid* for approval. If not approved, *Ausgrid* will advise the *connection customer* of any defects within the same timeframe and approve or advise of any defect of any resubmitted scheme within 14 *business days*, except that if in the reasonable opinion of *Ausgrid* a resubmitted scheme is substantially different from the previous submission then a 24 *business day* timeframe will apply instead of 14 *business days*.
- (d) *Ausgrid* will undertake witness testing of protection and control equipment within 15 *business days* of a request for testing being made, and subject to a test plan being provided no later than 5 *business days* before the day of the witness testing.
- (e) The timing of *Ausgrid's connection services* referred to in clauses 3(b)(9) and (10) is determined by:
  - (1) the timing of the work performed by your licensed electrical contractor and (if applicable) your *ASP/2*; and
  - (2) the timing of any *augmentation* works required in order for the *embedded generating unit* to be *connected*.
- (f) *Ausgrid* will perform the *connection services* referred to in clauses 3(b)(9) and (10) as soon as practicable after the relevant works are completed.

## 5.2 Timing of electrification

- (a) A *connection* under this contract is *electrified* by an *ASP/2*. To avoid doubt, *new connections* and standard *connection alterations* are *connected* in accordance with a separate *connection contract*.
- (b) *Electrification* occurs after the licensed electrical contractor has installed the *embedded generating units* and the *ASP/2* has completed any necessary *connection alteration*.
- (c) *Ausgrid* conducts audit inspections of some *premises connection assets* and *electrical installations*, but these are routine inspections that do not affect the timing of the *ASP/2's* *electrification* work.
- (d) The *connection customer* must ensure that any defect found in the *premises connection assets* installed by the *ASP/2* or the *electrical installation* provided by the licensed electrical contractor must be rectified and re-inspected. Major defects may require the defective portion of the *premises* to be *disconnected* but minor defects generally do not.
- (e) The *connection customer* must ensure that *Ausgrid* is notified when the rectification work has been completed and is ready for reinspection.
- (f) *Ausgrid* will use reasonable endeavours to schedule a re- inspection as soon as possible and at a mutually convenient time. Your appropriate electrical professional will need to be present for reinspection associated with the *embedded generating units*

# 6 Ausgrid's connection fees and charges

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## 6.1 Ausgrid's connection charges

- (a) *Ausgrid's* charges for *connection services* provided under this contract (known as connection charges) comprise of:
- (1) *network charges*;
  - (2) the *site inspection fee* referred to in clause 6.3 below;
  - (3) *ancillary service fees* for *ancillary services* (provided in accordance with clause 3); and
  - (4) where applicable, the fee payable for other *connection services* (as referred to in clause 6.4).

*Ausgrid's* current *connection charges* for its *connection services* (other than *network charges*) are set out in the Fee Schedule at Appendix B and are consistent with *Ausgrid's* *connection policy*. A copy of the *Ausgrid's* *connection policy* is available on its website.

## 6.2 Billing arrangements

- (a) Charges for *Ausgrid's* *connection services* are generally billed as *network charges* through the *customer's retailer*, except for:
- (1) *ancillary service fees*;
  - (2) the *site inspection fee* referred to in clause 6.3 below; and
  - (3) the fees referred to in clause 6.4.
- (b) *Ancillary service fees* are charged at rates set by the *regulator* for each financial year. The *connection customer* is responsible for paying *ancillary service fees* but *Ausgrid* bills them to your *electrical professionals* for the sake of convenience.
- (c) Your obligation to pay *ancillary service fees* may be discharged by your *electrical professional* on your behalf (depending on the terms of the applicable contract for *contestable services*) but if your *electrical professional* fails to pay these fees, *Ausgrid* will bill them to you.
- (d) If *Ausgrid* invoices you for fees and charges invoiced to you in relation to its *connection services*, you are obliged to pay in accordance with the payment terms set out in the invoice.

## 6.3 Site inspection fee

- (a) If *Ausgrid* reasonably needs to make a site inspection in order to determine the nature of the *connection service* you are seeking, it is entitled to charge a *site inspection fee* to cover its reasonable expenses.
- (b) *Ausgrid's* *site inspection fee* is specified in the Fee Schedule at Appendix B.
- (d) *Ausgrid* will invoice the *connection customer* for the *site inspection fee* and the *connection customer* must pay the fee (which is recoverable as a debt) regardless of whether the *connection* is made.
- (e) The *site inspection fee* (if any) payable under this contract is set out in the *connection offer*.
- (f) You may ascertain whether a *site inspection fee* will be payable and an estimate of what *Ausgrid's* possible charge may be by making an enquiry to *Ausgrid* before lodging the *connection application*.

## 6.4 Specific fees for connection services

- (a) If specified in Appendix B, *Ausgrid* will charge you a reasonable fee to cover the expenses it directly and reasonably incurs as part of the negotiation process in assessing your

*connection application* and making a *connection offer* (a negotiation fee). Further details on this fee are set out in Appendix B.

## 7 Owners' consent required for installation of embedded generating units

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### 7.1 Owners' consent required

- (a) *Ausgrid* has provided this *connection offer* and entered into this *connection contract* on the basis that where the *connection customer* is required to obtain the consent of the owner or owners (as the case may be) of the *premises* for the installation of the *embedded generating units* and the *connection* of the units to the *distribution network*, the *connection customer* has obtained that consent.
- (b) The *connection customer* acknowledges that if it requires the owners' consent but has not obtained that consent, the owner or owners may require the *connection customer* to remove and/or *disconnect* the *embedded generating units*. The removal of the units and any related equipment will be at the *connection customer's* cost.

### 7.2 Ausgrid may request evidence of owners' consent

*Ausgrid* may request the *connection customer* to provide *Ausgrid* with written evidence of the owner or owners' consent within a specified period of time which must be no less than 10 *business days*. If *Ausgrid* makes such a request, the *connection customer* must provide that written evidence to *Ausgrid* within the specified time.

### 7.3 Ausgrid may terminate if owners' consent is not obtained

- (a) If the *connection customer* cannot verify to *Ausgrid's* reasonable satisfaction that the owner or owners' consent to the installation of the *embedded generating units* has been obtained, *Ausgrid* may with 10 *business days'* notice terminate the *connection contract*.
- (b) This clause 7 is an additional term of *Ausgrid's* Deemed Standard Connection Contract in accordance with clause 3.3.

## 8 The premises connection assets

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### 8.1 Responsibility for installing premises connection assets

You are responsible for engaging an *ASP/2* or *accredited metering provider* holding current *Ausgrid* authorisation to install the *premises connection assets*.

### 8.2 Cross-property service mains

- (a) This clause 8.2 is a pre-condition to *electrification* of the *premises connection assets*.
- (b) If there is no frontage from the *premises* to a public road or public reserve and in order to *connect* the *premises* to the *distribution system* it is necessary to erect *service mains* on *other land*, *Ausgrid* will not permit the *connection* unless:
  - (1) *Ausgrid* has given explicit consent in writing to the location of the *service mains*; and
  - (2) the registered proprietor of the *other land* has signed and delivered to *Ausgrid* a deed of agreement to grant an easement in favour of the *Network Owner* for the *service mains*, in accordance with *Ausgrid's* standard form of agreement available on our website.
- (c) As soon as is reasonably practicable after the *service mains* are installed on the *other land*, you must obtain from the owner of the *other land* a transfer granting easement in favour of the *Network Owner* in registrable form for the easement referred to in clause 8.2(d) and

deliver it to *Ausgrid*, together with a survey of the easement prepared by a registered surveyor and suitable for lodgement at *LPI* together with the transfer granting easement.

- (d) If *electrification* occurs before the requirements of this clause have been satisfied, *the Network Owner* will not acquire the *service mains*.
- (e) You acknowledge and agree that if the *connection* is *electrified* before the requirements of this clause have been satisfied, *Ausgrid* may:
  - (1) terminate the contract in accordance with clause 15.2; and
  - (2) *disconnect* the *premises*.
- (f) You also acknowledge that if paragraph (b)(2) has not been satisfied, the owner of the *other land* may require you to remove the *service mains*.

### 8.3 Consumers mains on other land

- (a) This clause 8.3 is a pre-condition to *electrification* of the *embedded generating units*.
- (b) If there is no frontage from the *premises* to a public road or public reserve and in order to *connect* the *premises* to *the distribution system* it is necessary to erect *consumer's mains* on *other land*, *Ausgrid* will not permit the *connection* until:
  - (1) an easement over the *other land* in favour of the *premises*; and
  - (2) if the *consumers mains* are *shared consumers mains*, a positive covenant made under the provisions of section 88B of the Conveyancing Act 1919 (NSW) over the *other land* in favour of that easement have been registered by *LPI*.
- (c) If *electrification* occurs before the requirements of this clause have been satisfied, *the Network Owner* will not acquire the *premises connection assets* at the *connection point*.
- (d) You acknowledge and agree that if the *embedded generating units* are *electrified* before the requirements of this clause have been satisfied, *Ausgrid* may terminate the contract.
- (e) You also acknowledge that if paragraph (b) has not been satisfied, the owner of the *other land* may require you to remove the *consumer's mains*.

### 8.4 Acquisition of premises connection assets on connection

- (a) Subject to clause 8.2 or 8.3 (as applicable) ownership of the *premises connection assets* installed by your *ASP/2* is transferred to *the Network Owner* when those assets are *electrified*.
- (b) You must do everything reasonably practicable to ensure that *the Network Owner* will acquire those assets without challenge to its rights of ownership and you will do all things reasonably open to you and necessary to ensure the *Network Owner's* ownership is not open to challenge.
- (c) In the event of any challenge to *the Network Owner's* ownership of the *premises connection assets*, you will, at no cost to *Ausgrid*, do everything *Ausgrid* reasonably requests to assist *the Network Owner* in asserting its title to the assets, including obtaining the assistance of your *ASP/2*.
- (d) Where *the Network Owner* already owns and controls the relevant *premises connection assets*, *Ausgrid* must authorise the *connection customer* to access and use those assets as reasonably required by the *connection customer* in relation to the *connection services* and on request.

## 9 Metering

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### 9.1 Requirements for meter installation

- (a) The *connection customer* must ensure the *connection* meets the metering requirements set out in this clause 8. 9
- (b) The *connection customer* must arrange for the installation of a meter for the *connection* by an *ASP/2* or an *accredited metering provider*.
- (c) The metering arrangements for the *connection* must comply with Section 4 of the Service and Installation Rules of New South Wales and Chapter 7 of the *rules*.
- (d) The meter must be bi-directional if there is a possibility that electricity is to be *exported* from the *premises* to the *distribution network*.
- (e) The meter must be located as stipulated in the Service and Installation Rules of New South Wales unless *Ausgrid* has agreed to an alternative arrangement under those rules.

## 9.2 Embedded generating units

In the event of an inconsistency with the metering provisions contained in any other *connection contract* that relates to the *premises*, the terms and conditions relating to metering under this *connection contract* prevail to the extent of the inconsistency.

## 9.3 Ausgrid will provide Type 5 meters

- (a) At no additional cost to you or the *connection customer*, *Ausgrid* will provide the minimum number of meters required for accurate measurement of electricity used at the *premises* and electricity *exported* from the *premises*.
- (b) The relevant meters have standard Type 5 configuration and may include current transformer metering where required.
- (c) You must make arrangements with a *retailer* if the *connection customer* requires any meter with higher functionality than Type 5.

## 9.4 Qualifications for meter installation

- (a) Whole current meters may be installed by an *ASP/2* under *Ausgrid's* *AEMO* accreditation as a metering provider.
- (b) If current transformer metering is required, *Ausgrid* will install a Type 5 CT meter or meters at no additional cost to you or the *connection customer*.<sup>1</sup>
- (c) Meter types 1-4, which have higher functionality than Type 5, are provided by *retailers* at the *connection customer's* expense and are installed by *AEMO accredited metering providers*.
- (d) If you engage an *AEMO accredited metering provider* to install your meter(s) you must ensure that that person also holds *Ausgrid* authorisation to work on or near its *distribution system*.

## 9.5 Precondition to meter supply

Where *Ausgrid* supplies meters, it will make them available to the *ASP/2* or *accredited metering provider* two clear *business days* after receiving a meter supply request.

## 9.6 Force majeure in relation to the supply of meters

- (a) *Ausgrid* may from time to time be prevented by a *force majeure event* from providing a meter or meters in accordance with this *connection contract*.

<sup>1</sup> *Ausgrid* recovers the cost of the meter through Distribution Use of System charges billed to the *retail customer* through the customer's *retailer*.

- (b) Where a *force majeure event* has arisen, *Ausgrid* will issue a *force majeure notice* to the *connection customer*.
- (c) Where *Ausgrid*, acting reasonably, has issued a *force majeure notice*, it will not be liable to the *connection customer* for any delay arising as a result of the *force majeure event* referred to in the notice.
- (d) For the purposes of this clause *force majeure event* means any event outside *Ausgrid's* reasonable control, including but not limited to failure to obtain meters from a meter manufacturer or distributor, natural disaster, fire, flood, vandalism, sabotage, riots, malicious damage, industrial action including strikes and boycotts, civil commotion, government directive, confiscation, nationalisation, requisition or damage to property by or under the order of any government.

## 10 Safety and technical requirements

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### 10.1 The electrical installation at the premises

The *connection customer* must ensure that the *electrical wiring work* carried out to connect the *embedded generating units* and the *electrical installation* is performed by a licensed electrical contractor and that the *embedded generating units* and the *electrical installation* comply with the technical and safety requirements stipulated in this clause 10.

### 10.2 Electrical Safety Rules

The *connection customer* must ensure that work done on or near *the distribution system* must be done in accordance with *Ausgrid's* Electrical Safety Rules.

### 10.3 Compliance with rules and standards

The *connection customer* must ensure that the *embedded generating units*, the *electrical installation* and the *premises connection assets* comply with (as relevant):

- (a) the requirements of the Service and Installation Rules of New South Wales;
- (b) the *rules*, the market operations rules and any applicable metrology procedures made under the *rules* or the market operations rules;
- (c) any requirements or standards specified by *Ausgrid* from time to time to ensure compliance with the *rules*;
- (d) *Ausgrid's* Network Standards applicable to the *connection* and *embedded generating units*, including NS 194;
- (e) any reasonable requirement imposed by *Ausgrid* before or after the *embedded generating units* are *electrified* if *Ausgrid* becomes aware of any defect or other matter or thing that in its reasonable opinion may:
  - (i) cause the *embedded generating units* or the *electrical installation* to be unsafe;
  - (ii) cause the *embedded generating units* or the *electrical installation* or the *premises connection assets* not to comply with the conditions of this contract; or
  - (iii) cause damage to *the distribution system* or another customer's *electrical installation* or equipment.
- (f) if applicable, the limits and standards stipulated in the *Power Quality Emissions Report* annexed to this contract

### 10.4 Fitness for safe operation

The *connection customer* must ensure that the *embedded generating units*, *electrical installation* and the *premises connection assets* must be fit for purpose in the following ways:

- (a) safe operation in accordance with the Electricity (Consumer Safety) Act 2004 (NSW) and the Electricity (Consumer Safety) Regulation 2006 (NSW);
- (b) pose no fire risk to the environment that surrounds the *premises*;
- (c) comply with customers' responsibilities identified in *Ausgrid's* Customer Installation Safety Plan and Bush Fire Risk Management Plan, both of which are published in accordance with the Electricity Supply (Safety and Network Management) Regulation 2008 (NSW);
- (d) satisfy the requirement that all live parts remain properly insulated and protected against inadvertent contact with any person; and
- (e) neither the *embedded generating unit* nor any part of the *electrical installation* or *premises connection assets* can be used in a manner that exceeds the operating limits imposed by the design or the *installation rules*.

## 10.5 Connection customer must accommodate and protect equipment

The *connection customer* must accommodate on the *premises* any *premises connection asset* that needs to be located there and protect such equipment from harm.

## 10.6 Approval of design of protection & control scheme and relay settings prior to commencing installation of embedded generating unit(s)

- (a) You must obtain *Ausgrid's* approval of the design of:
  - (1) the *connection* of the *embedded generating unit(s)*; and
  - (2) the protection (including the relay settings) and control scheme relating to the *connection*.
- (b) The design must comply with the rules and standards specified in this clause 10.
- (c) The design and protection and control scheme must incorporate all *embedded generating units* proposed to be connected and any that are already connected to the *distribution system* via the shared *connection point* whether or not the *connection customer* is the owner of all of the *embedded generating units*.
- (d) *Ausgrid* will not approve the *electrification* of the *connection* unless the *connection customer* has obtained *Ausgrid's* approval in accordance with paragraph (a) and the *connection* is in accordance with the approved design.
- (d) This clause 10 is an additional term of *Ausgrid's* deemed standard connection contract in accordance with clause 3.3 of that contract.

## 11 Continuing conditions of connection

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- (a) A *connection customer* at the *premises* must notify *Ausgrid* if:
  - (1) any alteration or upgrade is made to an *embedded generating unit* that is *connected* at the *premises*;
  - (2) an additional *embedded generating unit* is *connected* at the *premises* after initial *electrification*, even if the *connection* of the *embedded generating unit* formed part of the initial *connection application*; or
  - (3) any *embedded generating unit* is *disconnected* from the *electrical installation* at the *premises*.
- (b) This clause 11 is an additional term of *Ausgrid's* deemed standard connection contract in accordance with clause 3.3 of that contract.

## 12 Ausgrid access to premises

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- (a) For the purposes of this clause, premises controller means the occupier of the *premises*, or if the *premises* are unoccupied, the person who has control of the *premises* whether under a construction contract or otherwise.
- (b) You must take reasonable steps to ensure that the premises controller permits authorised officers of *Ausgrid* to enter the *premises* at any reasonable time during daylight hours in order to conduct any necessary inspection or do anything relating to:
  - (1) any *connection service* provided or to be provided by *Ausgrid* under this contract;
  - (2) any breach or possible breach of *Ausgrid's* technical and safety requirements, the *energy laws* or this contract;
  - (3) any defect or possible defect in the *premises connection assets* or the *electrical installation*; or
  - (4) any matter concerning the safety of the *electrical installation*, the *premises connection assets* or the *connection*; and
  - (5) in an emergency, to enter the *premises* at any time of day or night.
- (c) Contractors and personnel involved in undertaking the activities of *Ausgrid* under this contract must show identification before carrying out work on a *connection customer's premises*. *Ausgrid* issues photo identification cards that indicate the nature of the employee's or contractor's authority.

## 13 Dispute resolution

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- (a) If a dispute arises between a *connection customer* and *Ausgrid* concerning:
  - (1) the terms and conditions on which the *connection services* that are the subject of this contract are to be provided; or
  - (2) any *connection charge* imposed by *Ausgrid*,that dispute is an access dispute for the purposes of section 2A of the National Electricity Law and the *connection customer* is entitled to seek to have the matter resolved by the *regulator*.
- (b) If the *connection customer* is or will be a *small customer*, any complaint or dispute regarding *Ausgrid's connection offer* and/or this contract may be made to *Ausgrid* in accordance with our standard complaints and dispute resolution procedures (which are available on our web site) or may be referred to *EWON, the New South Wales Energy and Water Ombudsman*. *EWON* may be contacted on FREECALL 180024545 or [www.ewon.com.au](http://www.ewon.com.au).

## 14 Protective devices and measures

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*Ausgrid's* Electricity Network Operation Standards on our website describe some of the protective devices that may be installed and some of the measures that may be taken to avoid damage to electrical equipment due to fluctuations or interruptions in the supply of electricity by your *retailer* through *the distribution system*. You must take reasonable endeavours to inform the users of electricity at the *premises* of these matters.

## 15 Miscellaneous

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### 15.1 Electrical professionals

*The connection customer must take reasonable steps to ensure that any electrical professional who is not party to the connection contract complies with Ausgrid's requirements relating to the electrical installation and the premises connection assets.*

## **15.2 Termination**

- (a) *Ausgrid may terminate this connection contract prior to the expiry of the term of the contract (as specified in 1.5) if:*
  - (1) *in Ausgrid's reasonable opinion, the connection customer does not comply with the requirements under this contract in relation to the connection;*
  - (2) *the services being sought (or being received) by the connection customer are not consistent with this connection contract and in particular, the connection requirements contained in clause 2.1;*
  - (3) *Ausgrid and the connection customer enter into another connection contract for the same connection services or for connection services relating to the export of electricity;*
  - (4) *the connection customer has not established the connection the subject of the connection application within 12 months of the date the contract commences; and*
  - (5) *a clause of this contract entitles Ausgrid to terminate the contract.*
- (b) *If the connection customer establishes and maintains a connection which is in breach of this contract, Ausgrid may disconnect the premises.*
- (c) *The connection customer may terminate this contract by giving Ausgrid 10 business days' notice.*
- (d) *This clause 14.2 is an additional term of Ausgrid's deemed standard connection contract in accordance with clause 3.3 of that contract.*

## **15.3 Amendment**

- (a) *The contract may be amended by agreement in writing signed by both parties.*
- (b) *If there is a change to the regulatory requirements which apply to the connection services provided under this connection contract, Ausgrid may propose amendments to the contract for consideration and negotiation with the connection customer.*

# **16 Interpretation and governing law**

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## **16.1 Interpretation**

Headings are for convenience only and do not affect interpretation.

Unless stated to the contrary:

- (a) *words used in the singular include the plural and vice versa;*
- (b) *any gender includes the other genders;*
- (c) *one part of speech in a defined term imports all parts of speech;*
- (d) *a reference to a person includes a natural person, a firm, unincorporated association, corporation, government or statutory body or authority and the person's legal personal representatives, successors and assigns;*

- (e) a reference to legislation, a statute, ordinance, code or other law includes regulations and other statutory instruments under it and consolidations, amendments, re-enactments or replacements of any of them;
- (f) a reference to a right includes a benefit, remedy, discretion, authority or power;
- (g) "clause" refers to a clause in this contract;
- (h) "contract" refers to this contract;
- (i) "we" and "our" refer to *Ausgrid*;
- (j) "you" refers to the *connection customer*; and
- (k) "including" always implies an inclusion without limitation.

## 16.2 Governing Law and Jurisdiction

This contract is governed by the law in force in New South Wales. The parties submit to the exclusive jurisdiction of the courts of New South Wales and any courts which may hear appeals from those courts in respect of any proceedings in connection with the contract.

# 17 Dictionary

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## 17.1 Statutory definitions apply

- (a) Terms used in the *connection offer* and the *connection contract* have the meanings they bear in the *energy laws* as amended from time to time, with the exception of *energy laws*, which has the extended meaning given in clause 16.2.
- (b) For ease of reference, *Ausgrid* offers the definitions set out in clause 16.2. Where our definitions differ from those in the *energy laws*, the definitions in the *energy laws* prevail in the event of a conflict of meaning, except as provided in sub-clause 16.1(a).

## 17.2 Definitions

Subject to clause 16.1 the following words have the following meanings:

**accreditation scheme** means the *Scheme for the Accreditation of Service Providers to Undertake Contestable Services* made in accordance with the Electricity Supply (Safety and Network Management) Regulation 2014 (NSW) administered by the NSW Department of Industry, Resources and Energy.

**accredited metering provider** means a metering provider accredited by *AEMO*.

**accredited service provider** means a person accredited under the *accreditation scheme* to provide *contestable* services.

**AEMO** means the Australian Energy Market Operator.

**ancillary services** means services determined by the *regulator* to be ancillary services and in the context of this contract are provided by *Ausgrid* to an *accredited service provider* or *accredited metering provider* retained by or on behalf of a *connection customer*. The charges for *ancillary services* are *ancillary service fees*.

**ancillary service fees** means the fee based on rates that the *regulator* permits *Ausgrid* to charge for *ancillary services* and for the purpose of this contract, the fees payable under clause 6.

**AS 4777** means Australian Standard AS 4777 (Grid connection of energy systems via inverters)

**ASP/1** means a person accredited as a level 1 *accredited service provider* in accordance with the *accreditation scheme* to construct *distribution network* assets. To avoid doubt, *ASP/1* services are not required in this contract.

**ASP/2** means, depending on the context,

- (a) a person accredited as a level 2 *accredited service provider* in accordance with the *accreditation scheme* to construct *premises connection assets*; or
- (b) the person so accredited retained by the *connection customer* or any agent of the *connection customer* to construct the *premises connection assets*.

**ASP/3** means a person accredited as a level 3 *accredited service provider* in accordance with the *accreditation scheme* to design *distribution network assets*. To avoid doubt, *ASP/3* services are not required in this contract.

**augmentation** of a *distribution system* means work to enlarge that system or to increase its *capacity* to distribute electricity.

**Ausgrid** means the Ausgrid Operator Partnership (ABN 78 508 211 731), trading as Ausgrid, a partnership carried on under that name by:

- (a) Blue Op Partner Pty Ltd (ACN 615 217 500) as trustee for the Blue Op Partner Trust;
- (b) ERIC Alpha Operator Corporation 1 Pty Ltd (ACN 612 975 096) as trustee for ERIC Alpha Operator Trust 1;
- (c) ERIC Alpha Operator Corporation 2 Pty Ltd (ACN 612 975 121) as trustee for ERIC Alpha Operator Trust 2;
- (d) ERIC Alpha Operator Corporation 3 Pty Ltd (ACN 612 975 185) as trustee for ERIC Alpha Operator Trust 3; and
- (e) ERIC Alpha Operator Corporation 4 Pty Ltd (ACN 612 975 210) as trustee for ERIC Alpha Operator Trust 4;

being the operator of the *distribution system*.

**authorisation** means the consent *Ausgrid* gives to an *accredited service provider* to work on or near its *distribution system*.

**basic connection** means a *connection* between the *premises* of a *connection customer* and the *distribution system* that involves minimal or no *augmentation* of the *distribution network* and for which *Ausgrid* has a model standing offer for providing a *basic connection service*.

**basic connection service** means a service related to a *basic connection* or proposed *basic connection*.

**business day** means any week day other than any public holiday in New South Wales and 27, 28, 29, 30 and 31 December.

**capacity** means the measure of the electricity (usually expressed in amperes) that can be received from and/or exported into the *distribution system* by an *electrical installation*.

**commencement date** is determined in accordance with clause 1.6.

**connection** means a physical link between a *distribution system* and a *connection customer's premises* to allow the flow of electricity and means, in this contract, the *connection* described in the *connection offer*. To avoid doubt, *connection* does not include *relocation* and *connection works* do not include *relocation works*.

**connection alteration** means an alteration to an existing *connection*, including an addition, upgrade, *extension*, expansion, *augmentation* or any other kind of alteration.

**connection applicant** means the person who lodged the *connection application*, who is either a *retail customer* or a *real estate developer*, or a person making a *connection application* on behalf of a *retail customer* or *real estate developer*.

**connection application** means an application for a *new connection* or *connection alteration* and in the context of this contract means the completed *connection application* referred to in the *connection offer* and includes all documents forming attached to, or provided with, the application.

**connection charge** means a charge imposed by a *distribution network service provider* such as *Ausgrid* for a *connection service*. *Ausgrid's* only *connection charges* are the *ancillary fees* for *ancillary services* and the *site inspection fee* described in clause 6.

**connection contract** means a contract formed by the making and acceptance of a *connection offer*. To avoid doubt, except where *Ausgrid's Deemed Standard Connection Contract* is

expressly referred to in this document, *connection contract* refers to a contract under Chapter 5A of the *rules*.

**connection customer** means the *retail customer* or *real estate developer* (as the case may be) whose details are set out in the *connection application*.

**connection details** are the proposed embedded generation details and the connection details set out in the *connection application*, as modified by *Ausgrid* in the *connection offer*.

**connection link** means a fixture that forms the physical junction through which electricity is transmitted across a break in electrical conductors. The *connection link* forms part of the *electrical installation* provided and maintained by the *connection customer*.

**connection offer** means this offer by *Ausgrid* to enter into a *connection contract* on the terms of this contract and the *connection application*.

**connection point** means the junction of *Ausgrid's* conductors with the *electrical installation* at the *premises* as defined in the Service and Installation Rules of New South Wales. The *connection point* is also known in New South Wales as the *point of supply* and for the purposes of this contract is the *connection point* specified in the *connection application* unless amended by *Ausgrid* in the *connection offer*.

**connection policy** means a document approved as a *connection policy* by the *regulator* under Chapter 6, Part E of the *rules*, setting out the circumstances in which *connection charges* are payable and the basis for determining the amount of such charges. *Ausgrid's connection policy* is available on our website.

**connection services** means the services provided by *Ausgrid* under this contract as specified in clause 3.

**consumer's mains** are mains leading from the *connection point* to the main switchboard on the *premises*. They are part of the *electrical installation* and are owned by the *premises* owner.

**contestable** refers to services that may be provided by more than one supplier as a contestable service or on a competitive basis and in New South Wales must be provided in accordance with the *accreditation scheme*. See Appendix A for further information.

**contestable connection service** means, in the context of a *basic connection*, the work done at or near the *premises* (at the *connection customer's* cost) by an *ASP/2* to establish the *connection*.

**disconnect** includes (without limitation) discontinuing the supply of electricity to a *customer's premises* by any means including operating a switch, removing meters or dismantling equipment between the *premises* and the *distribution system*.

**distribution network** means the apparatus, equipment, plant and buildings used to convey and control the conveyance of electricity to customer's *premises* (excluding *premises connection assets*), and for the purpose of this contract means the *distribution network* that is owned by the *Network Owner*, leased to the *Network Lessee*, and operated and maintained by *Ausgrid* under a sub-lease.

**distribution network service provider** means an owner, controller or operator of a *distribution network*, and in this contract means *Ausgrid* as the person who is registered under the *rules* as the distribution network service provider.

**distribution system** means the apparatus, equipment, plant and buildings used to convey and control the conveyance of electricity to customer's *premises* and includes any *premises connection assets*, and for the purpose of this contract means the distribution system that is owned by the *Network Owner*, leased to the *Network Lessee*, and operated and maintained by *Ausgrid* under a sub-lease.

**electrical installation** has the meaning it is given in the Electricity (Consumer Safety) Act 2004 (NSW) and means the electrical wiring and associated equipment that are used to convey and control the conveyance of electricity within *premises* to which electricity is supplied from a *distribution system*, but does not include *Ausgrid's premises connection assets* or anything connected to and extending or situated beyond an electrical outlet socket.

**electrical professional** means a licensed electrical contractor, an *ASP* or an *accredited metering provider*.

**electrical wiring work** means the physical work of installing, repairing, altering, removing or adding to an *electrical installation* or the supervising of that work.

**electrify** means the application of electrical current to the *premises connection assets* and the *electrical installation* and *electrification* has a corresponding meaning.

**embedded generator** means a person that owns, controls or operates an *embedded generating unit*.

**embedded generating unit** means a unit that generates electricity at a *customer's premises* and is connected to *the distribution system*.

**energy laws** includes (as amended from time to time) the National Energy Retail Law, the National Electricity Law, the *rules*, any rules, regulations and instruments made under the National Energy Retail Law or the National Electricity Law, the Electricity Supply Act 1995 (NSW) and Electricity (Consumer Safety) Act 2004 (NSW), all rules, regulations, instruments and plans made under or to comply with those Acts, *Ausgrid's Network Standards*, *Ausgrid's Electrical Safety Rules*, the Service and Installation Rules of New South Wales, AS/NZ 3000 Wiring Rules and AS 4777 Grid connection to energy systems via inverters.

**EWON** means the *Energy and Water Industry Ombudsman*.

**export** means, in relation to electricity, the electricity generated by the *embedded generating unit* and delivered to *the distribution system* from the *premises*.

**extension** is an *augmentation* that requires the provision of a power line (including a *service main*) outside the present boundaries of *the distribution network*.

**force majeure event** is defined in clause 8.6.

**force majeure notice** is the notice referred to in clause 8.6.

**import** means, in relation to electricity, the delivery of electricity from *the distribution system* to the premises.

**installation rules** means the Service and Installation Rules of New South Wales as amended from time to time.

**inverter** means a device that uses semiconductor devices to transfer power between dc source or load and an ac source or load.

**inverter energy system** means a system comprising one or more *inverters* together with one or more energy sources, controls and one or more grid protection devices (which is a device complying with the relevant requirements of AS4777).

**LPI** means Land and Property Information.

**National Metering Identifier** or **NMI** means the National Metering Identifier issued at (or in relation to) a metering installation and registered with *AEMO* in accordance with the *energy laws*.

**network charges** means the charges that *Ausgrid* is entitled to charge a customer under the *rules* and which are billed directly to the *retailer*.

**Network Lessee** means Ausgrid Asset Partnership (ABN 48 622 604 040), a partnership carried on under that name by:

- (a) Blue Asset Partner Pty Ltd (ACN 615 217 493) as trustee for the Blue Asset Partner Trust;
- (b) ERIC Alpha Operator Corporation 1 Pty Ltd (ACN 612 975 096) as trustee for ERIC Alpha Asset Trust 1;
- (c) ERIC Alpha Operator Corporation 2 Pty Ltd (ACN 612 975 121) as trustee for ERIC Alpha Asset Trust 2;
- (d) ERIC Alpha Operator Corporation 3 Pty Ltd (ACN 612 975 185) as trustee for ERIC Alpha Asset Trust 3; and
- (e) ERIC Alpha Operator Corporation 4 Pty Ltd (ACN 612 975 210) as trustee for ERIC Alpha Asset Trust 4;

and its successors and assigns, which leases the assets which form part of the *distribution system* from the *Network Owner* and which are in turn operated and maintained by *Ausgrid* under a sub-lease arrangement.

**Network Owner** means Alpha Distribution Ministerial Holding Corporation and its successors and assigns, that owns the assets which form part of the *distribution system* which are leased to the *Network Lessee* and are in turn operated and maintained by *Ausgrid* under a sub-lease arrangement.

**new connection** means a *connection* established or to be established, in accordance with applicable *energy laws*, where there is no existing *connection*.

**other land** means private land other than the *premises*.

**point of common coupling** means the point at which *service mains* from particular *premises* are connected to the *distribution network* and for the purposes of this contract is the point specified in the *connection application* and if applicable, as amended by *Ausgrid* in the *connection offer*.

**point of supply** means the *connection point*.

**premises** includes any building or part of a building, any structure or part of a structure, any land (whether built on or not) and any river, lake or other waters and for the purposes of this document, means the *premises* referred to in the *connection application*.

**premises connection assets** means the components of the *distribution system* through which *Ausgrid* provides electricity to individual *premises*. The components of the *electrical installation* at the *premises* are not *premises connection assets*.

**real estate developer** means a person engaged in the commercial development of land and for the purposes of this contract means the *real estate developer* (if any) named in the *connection application*.

**regulator** means the Australian Energy Regulator established by section 44AE of the Competition and Consumer Act 2010 (Cth).

**relocation** means moving existing assets in the *distribution system* from one place to another (including undergrounding existing overhead assets) and includes installing new items in place of existing ones; and *relocation works* bears an equivalent meaning.

**retail customer** means a person who purchases electricity from a *retailer* and includes a non-registered *embedded generator* and a micro embedded generator.

**retailer** means a person who is the holder of a retailer authorisation issued under the National Energy Retail Law in respect of the sale of electricity.

**rules** means the National Electricity Rules established (and as amended from time to time) under the National Electricity Law.

**service mains** means overhead conductors or underground cables between the *point of common coupling* on the *distribution network* and the *connection point* at the *premises*. *Service mains* are installed by an *ASP/2* at the *connection customer's* cost but after *electrification* they are owned by the *Network Owner* but leased to the *Network Lessee* and operated and maintained by *Ausgrid* under a sub-lease arrangement.

**shared consumers mains** are *consumers mains* owned jointly by more than one customer.

**site establishment fee** is described in Appendix B.

**site inspection fee** is the fee allowable under rule 5A.D.4 and further described in clause 6.3.

**small customer** means a residential customer or a business customer who consumes electricity below the upper consumption threshold (currently 100MWh per annum).

# Appendix A - Explanation of the offer

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This Appendix provides information designed to assist prospective *connection customers* to understand the regulatory framework which governs a *new connection* or *connection alteration*.

It contains explanations of the type of *connection* to which the offer applies and how, if the offer is accepted, a contract is formed.

A brief explanation of the regulatory framework underlying *connection offers* is also included.

The *connection contract* is between *Ausgrid* and the *connection customer*. However, parts of this contract refer to *the Network Owner* where the reference relates to the ownership of the *distribution system* assets or the *distribution network* assets. This is because *the Network Owner* owns the assets (and leases them to *the Network Lessee*) but *Ausgrid* operates and maintains those assets under a sub-lease from *the Network Lessee*. *Ausgrid* has been granted all rights necessary for it to undertake its functions as a *distribution network service provider* including its rights and obligations under this contract.

Where the *connection customer* is required to procure certain property rights in favour of *the Network Owner*, this is because the rights relate to the *distribution system* assets owned by *the Network Owner*. *The Network Owner*, *the Network Lessee* and *Ausgrid* will then ensure that all necessary lease and sub-lease arrangements are in place to give *Ausgrid* the rights to those assets.

This Appendix forms part of the negotiated *connection offer* and resulting *connection contract* (if any) but to the extent of any inconsistency, the terms of the *connection offer* sent to the *customer* and the **Contract for Non-micro embedded generating unit connection** prevail.

## A1 Minimal augmentation

*Minimal augmentation* is required where the only *premises connection assets* that must be installed or altered to establish the *connection* are dedicated *connection assets*. Dedicated *connection assets* are components of the *distribution system* that are used to provide electricity to a single *premises* or a small group of *premises* (in contrast to shared assets, which are used for customers generally).

## A2 The connection services in this offer

The **Contract for Non-micro embedded generating unit connection** contains the terms on which *Ausgrid* will perform its *connection services*. These are the services *Ausgrid* provides to make it possible for one or more *embedded generating units* to be installed at the *premises* and *connected* to the *distribution network*, once the *connection* between the *embedded generating units* and the *electrical installation* at the *premises* is complete and any necessary *premises connection assets* have been constructed or altered.

## A3 The regulatory framework

The respective rights and obligations of *connection applicants*, *retail customers*, *real estate developers* and *Ausgrid* in relation to the *connection* process are regulated by the National Energy Retail Law and Chapter 5A of the National Electricity Rules (*rules*). This *connection offer* is made in accordance with that law and the *rules*.

The *rules* require *distribution network service providers* such as *Ausgrid* to have a *connection policy*.<sup>2</sup> *Ausgrid's connection policy* provides that *connection customers* must bear the cost of certain *extensions* that must be made to the *distribution network* before *premises* can be connected to it.<sup>3</sup> For multiple *embedded generating unit connections* that are being installed in conjunction with a *new connection* this may involve installing additional assets, which are referred to in the *rules*

<sup>2</sup> Rules, Chapter 6, Part 4A.

<sup>3</sup> The charges *Ausgrid* is permitted to impose in relation to *connections* are currently governed by the Determination on Capital Contributions and Repayments for Connections to Electricity Distribution Networks in New South Wales (the *Capital Contributions Determination*). This determination was initially made by the Independent Pricing and Regulatory Tribunal of New South Wales in 2002 and continues to apply during the 2009-2014 regulatory control period. See Chapter 11 of the *rules* (rule 11.46.5(a)).

as *premises connection assets*. If the *connection* already exists then the *premises connection assets* may need to be upgraded when the *embedded generating units* are installed.

In most cases, the necessary *connection services* are:

- for a *new connection*, installing *service mains* leading to the *premises* from Ausgrid's existing mains, installing a meter and *electrifying* the *connection*; and
- for a *connection alteration*, replacing or altering the *service mains* (if necessary) to carry an increased load, replacing or reconfiguring the meter or metres (if necessary) and *electrifying* the *connection*.

These **connection services** relate to the construction work that must be done before the *premises* can be physically linked to the *distribution network*. In New South Wales the services required to establish the physical *connection* are *contestable* and are provided (without any Ausgrid involvement) under a separate contract between the *connection customer* and the provider of the *contestable connection service*, who is an *accredited service provider level 2* operating within the scheme described in the next section.

#### **A4 Accredited service providers perform contestable connection services**

A *contestable* market for *connection services* operates in New South Wales because the Electricity Supply Act<sup>4</sup> provides that a *connection customer* who is obliged to bear the cost of establishing or modifying a *connection* may choose to have the required work done by an *accredited service provider* holding current accreditation under the Scheme for Accreditation of Service Providers to Undertake Contestable Services administered by the NSW Department of Industry, Resources and Energy. There are three levels of accreditation:

- Level 1 (*ASP/1*) involves the *contestable* construction of transmission and distribution works such as the installation of high and low voltage distribution cables and substations.
- Level 2 (*ASP/2*) involves the *contestable* installation of overhead and underground *service mains* and metering equipment, *disconnecting* and reconnecting electricity to enable work to be carried out on an *electrical installation*, and energising installations.
- Level 3 (*ASP/3*) involves the design of *contestable* electrical reticulation systems.

You may obtain details of the accreditation scheme from the NSW Department of Industry, Resources and Energy website NSW Trade and Investment website at: <http://www.trade.nsw.gov.au/energy/electricity/network-connections/contestable> <http://www.resourcesandenergy.nsw.gov.au/energy-supply-industry/pipelines-electricity-gas-networks/network-connections/contestable-works>.

#### **A5 Qualifications to perform the contestable services required for your connection**

The installation of *embedded generating units* must be done by a licensed electrical contractor who has accreditation from the Clean Energy Council to install the particular type of unit you have selected.

The *electrical installation* work at the *premises* and any alteration to it must be done at the *connection customer's* cost by an electrical contractor licensed under the Home Building Act 1989 (NSW) to do *electrical wiring work*. Some licensed electrical contractors are also accredited *ASP/2s*. If your electrical contractor is an *ASP/2*, he or she can perform the required *contestable connection services*. Otherwise, the *connection customer* or the licensed electrical contractor must retain an *ASP/2* to perform the necessary *contestable connection services*.

The *contestable connection services* required for a *connection alteration* (if needed) must be performed by an *ASP/2* or an *accredited metering provider*.<sup>5</sup>

<sup>4</sup> Section 31, Electricity Supply Act 1995 (NSW).

<sup>5</sup> Accredited metering providers accredited by AEMO may also install meters but in general, the meters used at premises to which this offer applies are Type 5 meters issued by Ausgrid and installed by an *ASP/2*.

All *Accredited Service Providers* and their employees who work on or near the *distribution network* must also obtain *Ausgrid's* authorisation. This process ensures that they have the mandatory safety training, qualifications and competence required to perform *contestable connection services*.

You may obtain a list of *ASP/2s* from the Department of Industry, Resources and Energy website referred to above.

## **A6 Embedded generation and new connections or standard connection applications**

If a *new connection* is required for the *premises* or the *distribution network* needs to be *augmented* before your *embedded generating units* can be *connected*, a further separate *connection application* must be made using either NECF – 02 or NECF – 03 (whichever is applicable). *Ausgrid* will then make two separate *connection offers*, one relating to your proposed *premises connection* and the other for the Non-micro embedded generating unit *connection* .

# Appendix B – Fee schedule – connection charges

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## FEE SCHEDULE – CONNECTION CHARGES

The fees below are consistent with *Ausgrid's connection policy*.

### 1. SITE INSPECTION FEE:

[to be inserted by Ausgrid]

### 2. AUSGRID ANCILIARY SERVICE FEES:

#### (a) **Site establishment** **\$156.70 per NOSW (or CCEW) form**

*Ausgrid* charges a *site establishment fee* for checking and updating network load data.

*Ausgrid* will bill this fee to the *ASP/2* when they submit their Notification of Service Work (NOSW) form or if an *ASP/2* is not involved with the work, to the installing electrical contractor when they submit their CCEW form.

#### (b) **Inspection of service work**

**A Grade ASP \$22.60 per NOSW form**

**B Grade ASP \$37.20 per NOSW form**

**C Grade ASP \$108.20 per NOSW form**

**Plus \$22 per additional separately metered installation in multiple installations, (in addition to the applicable fee above for the first installation)**

*Ausgrid* will bill this fee to the *ASP/2* when they submit their Notification of Service Work (NOSW) form.

#### (c) **Reinspection** **\$90.20 per reinspection**

Where an inspection determines that electrical work is defective, *Ausgrid* reinspects the work after it has been rectified.

*Ausgrid* will bill this fee to the *ASP/2* who performed the *contestable connection services* or to the licensed electrical contractor who installed the *electrical installation* (whichever is applicable), prior to carrying out the reinspection.

#### (d) **Inspections outside normal Ausgrid business hours** **\$157.90 per hour**

*Ausgrid's* normal business hours are 7.30am to 4.00pm Monday to Friday (excluding public holidays).

Inspections of electrical work or defective work carried out outside these hours at the request of a *connection customer* will be charged to the person liable for the fee, after *Ausgrid* carries out the inspection.

### 3. OTHER CONNECTION SERVICE FEES:

Negotiation Fee: [Ausgrid to insert amount]

This fee covers expenses directly and reasonably incurred by *Ausgrid* in assessing your *connection application* and making this *connection offer*, in accordance with Rule 5A.C.4

Hourly rates are :