

1 Who does this guide apply to?

This guide applies to Ausgrid, Endeavour Energy and Essential Energy (**Licence Holders**) when they seek to operate a distribution system in New South Wales (NSW) which is:

- ▼ Outside their legislated distribution district, as defined in Schedule 3 of the *Electricity Supply Act 1995*,
- ▼ Outside an area where they operated a distribution system as at their licence date, and
- ▼ Not already agreed and authorised by IPART under the Instrument of agreement and authorisation, dated 28 August 2019 (see below), the superseded Instrument dated 20 December 2017 or a subsequent instrument of agreement and authorisation.

Such agreement and authorisation is required under condition 1(c) of Ausgrid and Endeavour Energy's respective operating licences and under condition 1.2 of Essential Energy's licence. This requirement applies to the Licence Holders when they operate in each other's distribution districts.

Under condition 1(c) of Ausgrid and Endeavour Energy and condition 1.2 of Essential Energy's licence, the Licence Holders must also seek agreement and authorisation from the licence holder for the district in which they seek to operate. The Licence Holders are responsible for liaising with each other to obtain their agreement and authorisation.

Instrument of agreement and authorisation dated 28 August 2019

The 28 August 2019 Instrument agrees and authorises the Licence Holders to operate components of a distribution system which do not exceed 100 amperes at low voltage, anywhere within any of the following:

- ▼ 50 metres of the applicant's legislated distribution district
- ▼ 100 metres of the centreline of a linear distribution asset (other than a service main) which the applicant operated as at the date of their licence, or
- ▼ 70 metres of the centreline of a service main which the applicant operated as at the date of their licence.

2 What is the process to seek approval under conditions 1(c) and 1.2?

Ausgrid and Endeavour Energy need to apply for IPART's approval under condition 1(c) of their licences and Essential Energy needs to apply for IPART's approval under condition 1.2 of its licence. Section 3 below explains what should be included in the application.

When considering an application, IPART's policy is to have regard to:

- ▼ Whether the request avoids inefficient competition (i.e. provides the least cost to customers and minimises inefficient network spending or duplication of network assets)
- ▼ Whether customers are sufficiently informed

- ▼ Whether the area to which the request applies can be identified with certainty, and
- ▼ Any other relevant information.

Once IPART has considered the application, we will notify the applicant of the decision.

Before operating in the area the subject of the application, the applicant must also obtain agreement and authorisation from the Licence Holder in whose distribution district they propose to operate.

After receiving authorisation and agreement, and extending their distribution systems, the Licence Holders must report to IPART on their operations in areas authorised under conditions 1(c) or 1.2 (as applicable) in accordance with the [Electricity networks reporting manual – Where Ausgrid, Endeavour Energy and Essential Energy operate outside their distribution districts](#).

For example, if Ausgrid intends to make an extension exceeding 100 Amps at low voltage into the distribution district of Essential Energy, Ausgrid must obtain prior agreement and authorisation from both IPART and Essential Energy. Ausgrid will need to submit all relevant details to IPART so that the application can be considered. IPART would make its decision upon receiving complete information and would also consult with Essential Energy before deciding if we will approve the proposed extension. When the approved extension has been completed, Ausgrid will be required to report the details to IPART in accordance with the requirements of the reporting manual.

3 What details should the application include?

The Licence Holder must provide the following details to IPART:

- ▼ Evidence that the proposed network extension provides the least cost to customers and minimises inefficient network spending or duplication of network assets
- ▼ If the proposed connection is not the least cost option, provide reasons for the proposed network extension (e.g. lack of network capacity, reliability issues or any other constraints)
- ▼ Evidence that affected customers are sufficiently informed, and
- ▼ Expected date of connection and date when agreement and authorisation is required.

Network extensions for the sole purpose of providing supply to a property

The Licence Holder must provide the following additional information to IPART:

- ▼ The property address or other location details
- ▼ National Meter Identifier (NMI) details when available
- ▼ The size and type of the proposed service (e.g. 400 Amp underground service)

- ▼ Details of the expected location of assets to be installed outside the legislated distribution district (*e.g. poles, pillars etc*), and
- ▼ A description or map of the proposed route of those parts of the network extension outside the legislated distribution district.

All other network extensions

The Licence Holder must provide the following additional information to IPART:

- ▼ Details of the expected location of assets to be installed outside the legislated distribution district (*e.g. poles, pillars, kiosks, substations etc*)
- ▼ Conductor details, operating voltage and construction type (*e.g. overhead or underground*) proposed to be installed outside the legislated distribution district, and
- ▼ A description or map of the route of those parts of the network extension outside the legislated distribution district.

4 How to lodge an application with IPART

Email your application to energy@ipart.nsw.gov.au. You can also post the application to IPART or hand deliver to the following addresses.

Independent Pricing and Regulatory Tribunal

Post: PO Box K35, Haymarket Post Shop, NSW 1240

Deliver: Level 15, 2-24 Rawson Place, Sydney, NSW 2000

If you have any queries on the application process, please contact us via energy@ipart.nsw.gov.au or call the Director, Energy Networks Regulation on (02) 9290 8441.