



MODEL STANDING OFFER FOR A LOW VOLTAGE BASIC CONNECTION SERVICE

(Effective 1 December 2017)



Contents

1	THE PARTIES	3
2	PURPOSE OF THIS DOCUMENT	3
3	INTERPRETATION	3
4	CONTRACT TERM	4
	4.1 Commencement of contract	4
	4.2 Termination of Contract.....	4
5	PROVISION OF BASIC CONNECTION SERVICES	4
	5.1 Basic connection services	4
	5.2 Customer connection contract.....	4
	5.3 Site Specific Conditions	5
	5.4 Timing of provision of basic connection services.....	5
	5.5 Inspection of works and correction of defects.....	5
6	CONNECTION ASSETS - INSTALLATION	6
	6.1 Contestable services.....	6
	6.2 Prior to energisation.....	6
	6.3 Service mains on other land.....	6
	6.4 Safety and technical requirements	6
7	CONNECTION ASSETS – POST INSTALLATION	7
	7.1 Ownership.....	7
	7.2 Responsibility for equipment	7
	7.3 Rights of access.....	8
	7.4 Metering.....	8
8	CHARGES	9
	8.1 General charges	9
	8.2 Shared Asset Pioneer Scheme	9
9	INFORMATION	9
10	COMPLAINTS AND DISPUTE RESOLUTION	9
	10.1 Complaints	9
	10.2 Referral to Australian Energy Regulator	9
11	GENERAL	10
	11.1 Amending this contract	10
	11.2 Governing Law	10
12	DEFINITIONS	10

1 THE PARTIES

This contract is between:

Essential Energy (ABN 37 428 185 226 – a statutory state-owned corporation incorporated under the *Energy Services Corporation Act 1995* (NSW) (in this contract referred to as “we”, “our”, or “us”); having the contact details as Essential Energy, PO Box 5730, Port Macquarie NSW 2444; Phone: 13 23 91, who provides or is to provide you with *basic connection services* at the *premises* identified in your *connection application*; and

You, the *connection applicant* identified in the *connection application* to whom this contract applies (in this contract referred to as “you” or “your”).

If the *connection applicant* is not the *retail customer* or *real estate developer* as identified in the *connection application*, in the case of an *expedited application*, the *connection applicant* enters into the contract on behalf of the *retail customer* or *real estate developer*.

2 PURPOSE OF THIS DOCUMENT

This document is *our* Model Standing Offer for a *basic connection service* that does not involve *embedded generation*. A *basic connection service* is provided for all *new connections* or *connection alterations* where the *connection* can be made without network *augmentation* or *extension*.

More information about this contract and other matters is on *our* website: essentialenergy.com.au

3 INTERPRETATION

- (1) Subject to clause 3(2), italicised terms used in this *contract* have the same meaning as they have in the *customer connection contract*, this *contract* or the *energy laws*. If a definition appearing in this *contract* is inconsistent with the definition applying under an *energy law*, the definition in the *energy law* will prevail to the extent of any inconsistency.
- (2) To avoid doubt which might otherwise arise because of inconsistencies between terminology in the *energy laws* and the Service and Installation Rules of New South Wales, the following conventions are used when referring to a *connection point*:
 - (a) *connection point* in the Service and Installation Rules of New South Wales is known as the *point of supply*; and
 - (b) *connection point* and *point of supply* are taken to have the same meaning.
- (3) Unless stated to the contrary:
 - (a) words importing the singular include the plural and vice versa; and any gender includes the other genders;
 - (b) a reference to a person includes a natural person, firm, unincorporated association, corporation and a government statutory body or authority;
 - (c) a reference to a person includes its legal and personal representatives, successors and assigns;
 - (d) 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;
 - (e) a reference to a right includes a benefit, remedy, discretion, authority or power; and
 - (f) headings are for convenience only and do not affect interpretation.

4 CONTRACT TERM

4.1 Commencement of Contract

- (1) This *contract* will be formed and will be taken to commence:
 - (a) for *expedited applications*, on the date *your connection application* is received by *us*, *you* having indicated that the Model Standing Offer is acceptable, and *we* having notified *you* that the terms of the Model Standing Offer are appropriate.
 - (b) for *connection applications* that are not *expedited applications*, on the day *you* accept *our connection offer* by executing this contract and returning it to *us*. If *you* accept *our connection offer* more than 45 *business days* after the date that *we* made the offer, this *contract* will not commence.

4.2 Termination of Contract

- (1) This *contract* will end:
 - (a) if *we* determine the information provided in the connection application is incomplete, false or misleading and *we* notify *you* of that fact, on the date that *we* specify in any such notification;
 - (b) if *your* customer connection contract ends;
 - (c) if *you* and *we* enter into another agreement in relation to the same, or similar type of connection, for the same premises;
 - (d) if *you* breach this *contract* and do not remedy the breach within 10 *business days* of *us* notifying *you* of the breach and *we* are permitted to terminate this *contract* under the *energy laws*;
 - (e) twelve months after this *contract* commences if the *connection* applied for has not been established. *You* will then need to make a new *connection application* to *us*.
- (2) If this *contract* ends, *we* may disconnect, dismantle, decommission and remove any of *our premises connection assets*.

5 PROVISION OF BASIC CONNECTION SERVICES

5.1 Basic connection services

- (1) *We* will provide *basic connection services* on the terms and conditions set out in this *contract* which includes:
 - (a) this document;
 - (b) the information provided by *you* or on *your* behalf in the *connection application*; and
 - (c) to the extent applicable, *your customer connection contract*.

5.2 Customer connection contract

- (1) The terms and conditions contained in this *contract* are additional to and form part of the *customer connection contract*. If *you* do not already have a *customer connection contract*, it will be taken to commence on the same date as this *contract* commences and will be in the terms of the applicable *deemed connection contract*.
- (2) If there is any inconsistency between the terms and conditions of this *contract* and the *customer connection contract*, to the extent permitted by law, this *contract* will prevail.

5.3 Site Specific Conditions

- (1) In approving a *connection application*, we may impose a *site specific condition* on the *premises* following consultation with *you*. If it is necessary for *us* to do so:
 - (a) we will notify *you* in writing of any *site specific condition* as soon as practicable;
 - (b) that *site specific condition* will be entered on a register; and
 - (c) that *site specific condition* will be taken to form part of this *contract*.

5.4 Timing of provision of basic connection services

- (1) The timing of *your connection* is determined by when *your electrical professional* completes the *premises connection assets* and *energises* the *electrical installation*. *Your electrical professional* will agree a timeframe with *you* for completing this work.
- (2) As soon as practicable before the performance of work required in clause 5.4(1) we will:
 - (a) receive and assess the *connection application*; and
 - (b) make any applicable *connection offer*.
- (3) After the performance of work required in clause 5.4(1), we will receive from *your electrical professional* and assess:
 - (a) certificate of completion of *electrical work (CCEW)*;
 - (b) notification of service work (*NOSW*); and
 - (c) records of any inspections, if required.

5.5 Inspection of works and correction of defects

- (1) While we periodically carry out inspections for the purpose of auditing and assessing the extent to which *electrical professionals* are complying with the *energy laws*, we do not represent or warrant that we will carry out an inspection at *your premises*.
- (2) We do not represent or warrant that any inspection carried out by *us* will identify any or all faults or *defects* or that the *electrical installation* and *premises connection assets* are free from fault or defects if none is identified in the course of any such inspection
- (3) *You* remain responsible and liable for all work undertaken by *your electrical professional*.
- (4) Whether or not we have carried out an inspection at the *premises*, we may, at any time within 3 years following the transfer of ownership of the *premises connection assets* to *us* under clause 7.1(1) of this *contract*, notify *you* of:
 - (a) any *defect* that existed, or that arises subsequently as a result of a *defect* that existed, at the time of the transfer of ownership of the *premises connection assets* to *us* under clause 7.1(1) of this *contract*, in relation to the *electrical installation* or the *premises connection assets* that must be rectified; or
 - (b) any other work in relation to the *electrical installation* or the *premises connection assets* that must be completed by *you* in order to comply with this *contract*.
- (5) *You* must procure *your electrical professional* to correct any *defects* and undertake any items of work contained in the notice given under clause 5.5(4) as soon as practicable.
- (6) Failure to rectify a *defect* notified to *you* under this clause 5.5 may result in disconnection of the *premises* in accordance with the *energy laws*.

6 CONNECTION ASSETS - INSTALLATION

6.1 Contestable services

- (1) You must engage an appropriately qualified *electrical professional* that holds a current Essential Energy *authorisation* to complete the *new connection* or *connection alteration* at *your premises* to ensure that *your connection* and its impact on the *distribution network* remain safe and reliable.
- (2) In order to complete a *new connection* or a *connection alteration*, you will need to install certain *premises connection assets* such as electricity service lines, sealing devices, transformers and switchgear. You and your *electrical professional* will determine what *premises connection assets* are required for the *connection*.
- (3) The *Electricity Supply Act 1995* (NSW) gives electricity customers the right to choose who carries out the work required for a *new connection* or a *connection alteration*, as such work in New South Wales is contestable.
- (4) You must ensure that the *electrical wiring work* carried out at the *premises* is performed by an *electrical professional* and that the *electrical installation* complies with the technical and safety requirements of this *contract*.

6.2 Prior to energisation

- (1) If you are completing a *new connection* for *your premises*, you must obtain a contract with a retailer for the supply of electricity to the *premises* before the *electrical professional* energises *your connection*.

6.3 Service mains on other land

- (1) This clause applies if in order to connect *your premises* to our *distribution system* it is necessary to erect *service mains* on or over *other land*.
- (2) In that case, we will not permit the *connection* unless:
 - (a) we have given our written consent to the location of the *service mains*; and
 - (b) the registered proprietor of the other land has signed and delivered to us a deed of agreement to grant an easement for the *service mains*, in accordance with our standard form deed of agreement CEOF6274 which is available on our website.
- (3) 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 registrable form for the easement referred to in paragraph 6.3(2)(b) and deliver it to us, together with a survey of the easement prepared by a registered surveyor and suitable for lodgment at Land and Property Information together with the transfer instrument.
- (4) The satisfaction of this clause is a precondition to *connection*.
- (5) If *energisation* occurs before the requirements of this clause have been satisfied, we will not accept ownership of the *service mains* in accordance with clause 7.1.
- (6) You acknowledge and agree that if the *connection* is *energised* before the requirements of this clause have been satisfied, we may:
 - (a) terminate this *contract*; and
 - (b) disconnect the premises.
- (7) You also acknowledge that if paragraph 6.3(2) has not been satisfied, the owner of the *other land* may require you to remove the *service mains*.

6.4 Safety and technical requirements

- (1) To the extent they are relevant, you and any person that installs any equipment on *your premises* must comply with the following:
 - (a) National Electricity Rules
 - (b) The Electricity Supply Act 1995 (NSW)
 - (c) Electricity Supply (General) Regulation 2014 (NSW)
 - (d) The Electricity Act 1994 (QLD) (if the premises is located in Queensland)
 - (e) Community Land Development Act 1989 (NSW)
 - (f) The Electricity (Consumer Safety) Act 2004 (NSW)
 - (g) The Electricity (Consumer Safety) Regulation 2015 (NSW)
 - (h) AS2467 - Maintenance of Electrical Switchgear
 - (i) AS/NZS 3000 - Australian/New Zealand Wiring Rules

- (j) AS/NZS 61000 - Electromagnetic Compatibility
 - (k) Service and Installation Rules of NSW
 - (l) Code of Practice – Contestable Works
 - (m) AER Connection Charge Guidelines for electricity retail customers - Under Chapter 5A of the National Electricity Rules
 - (n) CEOP2513.06 Essential Energy Connection Policy – Connection Charges
 - (o) CEOP8003 - Subtransmission and Distribution Network Planning Criteria and Guidelines
 - (p) CEOM7098 – Distribution Underground Design and Construction Manual
 - (q) CEOM7097 – Overhead Design Manual
 - (r) CEOP8012 – Generation Connection Protection Guidelines
 - (s) CEOP8046 – Network Planning: Easement Requirements
 - (t) CEOP8026 – Supply Standards: Electricity Supply Standard
 - (u) Essential Energy’s Electrical Safety Rules, Codes of Practice and Procedures for work on or near Electrical Apparatus
 - (v) Essential Energy’s Network Standards
 - (w) The *rules*, Market Operation Rules, and any applicable Metrology procedures made under the *rules* or the Market Operation Rules.
 - (x) Any requirements or standards specified by us from time to time to ensure compliance with the rules
- (2) You must not take electricity at a rate which exceeds the total capacity as specified in *your connection application* for *your connection point*.
 - (3) We may require more than one *connection point* at the *premises* if we consider it necessary to do so in order to provide you with a safe and efficient supply of electricity.

7 CONNECTION ASSETS – POST INSTALLATION

7.1 Ownership

- (1) Subject to clause 6.3, ownership of the *premises connection assets* installed by *your electrical professional* is transferred to *us* when those assets are *energised*. You must do everything reasonably practicable to ensure that the *premises connection assets* are unencumbered (i.e not subject to any legal or other claim that would prevent the transfer of ownership)

7.2 Responsibility for equipment

- (1) We are responsible for the operation, ownership and maintenance of *premises connection assets* once ownership is transferred to *us*.
- (2) You must accommodate on *your premises*, and protect from harm, any metering equipment and *premises connection assets*.

7.3 Rights of access

- (1) You must provide *our* agents, contractors and employees safe and unhindered access to the *premises* so that *we* can fulfill *our* obligations under this *contract* and the *energy laws*.
- (2) We and any person authorised by *us* have a right of safe and unhindered access to and over the *premises* for any purpose or activity in connection with the undertaking of a *connection service* by *your electrical professional* or the performance of *our* obligations under this *connection contract* including but not limited to:
 - (a) the inspection of any *premises connection assets* and/or *electrical installation* carried out by *your electrical professional*;
 - (b) the exercise of any other function conferred on *us* under *energy laws*;
 - (c) any breach or possible breach of *our* technical and safety requirements, the *energy laws* or this *contract*;
 - (d) any *defect* or possible *defect* in the *premises connection assets* or the *electrical installation*; and
 - (e) in an emergency, to enter the *premises* at any time of day or night.

7.4 Metering

- (1) You must have appropriate metering equipment installed at *your premises* that complies with the applicable *energy laws*.
- (2) A *Metering Coordinator* is responsible for the provision, installation and maintenance of your metering equipment. The *Metering Coordinator* must appoint a *Metering Provider* for the provision, installation and maintenance of your metering equipment.
- (3) An *electrical professional* engaged by a *Metering Coordinator* or *Metering Provider* must install the metering equipment at *your premises*.
- (4) You will need to make arrangements with *your retailer* if you require any meter with functionality to a higher standard than that which currently exists on the *Premises*.
- (5) The position and standards of installation of all meters must be in accordance with the Service and Installation Rules of NSW, AS/NZ3000 Wiring Rules and the *rules*.

8 CHARGES

8.1 General charges and payment

- (1) *You must pay us any applicable fee for ancillary network services provided to you under this contract, the prices of which are prescribed by the AER and are published on our website at essentialenergy.com.au.*
- (2) *Unless you are not liable to pay your retailer for the charges, we will charge your retailer for any ancillary network services or other goods or services supplied to you in connection with this contract.*
- (3) *If you are liable to pay us directly, you must pay us using any method of payment set out in any bill we send to you.*
- (4) *Any charges payable by you for contestable works are as agreed between you and your electrical professional.*

8.2 Shared Asset Pioneer Scheme

- (1) *You must pay us any applicable fee determined in accordance with our Shared Asset Pioneer Scheme.*
- (2) *Alternatively, you may be eligible to receive a payment from us in accordance with our Shared Asset Pioneer Scheme.*
- (3) *In this clause, “Shared Asset Pioneer Scheme” means the scheme requiring customers who connect to a part of the network funded by another customer in the previous 7 years to make a payment to connect to that network and reimburse the pioneer customer(s), as set out in the Essential Energy Connection Policy – Connection Charges, which is available on our website: essentialenergy.com.au*

9 INFORMATION

- (1) *If you have any queries about your connection, please contact us and we will provide you with reasonable technical or other information that you may have about your connection.*
- (2) *You may also access important information about new connections and connection alterations on our website.*

10 COMPLAINTS AND DISPUTE RESOLUTION

10.1 Complaints

If you have a complaint relating to this contract, you may lodge a complaint with us in accordance with our standard complaints and dispute resolution procedures.

Note: Our standard complaints and dispute resolution procedures are published on our website.

10.2 Referral to Australian Energy Regulator

- (1) *The processes and procedures described in our standard complaints and dispute resolution procedures do not limit your rights under the National Electricity Law to refer a dispute:*
 - (a) *regarding the terms and conditions of this contract; or*
 - (b) *about the connection charges payable to us.*

to the AER.

11 GENERAL

11.1 Amending this contract

(1) This *contract* may only be amended with the agreement of both parties.

11.2 Governing Law

(1) The laws of New South Wales govern this *contract*.

12 DEFINITIONS

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

accredited service provider or **ASP** means a person accredited under the *accreditation scheme*.

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

Ancillary network services means services determined by the *AER* to be “Ancillary Network Services”, which are provided to a *contestable service provider* retained by you or on your behalf. In the context of *basic connection services*, *monopoly services* are *connection services* provided to facilitate the installation and *connection* of *contestable premises connection assets* by an *ASP/2*.

ASP/2 means a person accredited as a level 2 *accredited service provider* in accordance with the *accreditation scheme* to construct *premises connection assets*.

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

authorisation means the consent we give to an *ASP* to work on or near *our distribution network*.

basic connection service has the meaning set out in Chapter 5A of the *rules* and in this *contract* specifically means a *new connection* or *connection alteration* to permit *connection* to *our* low voltage *distribution system* at the *connection point* which does not require any *augmentation* or *micro-EG connection*;

connection means a physical link between a *distribution system* and a *retail customer's premises* to allow the flow of electricity.

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, in the context of an application for *basic connection services*, an applicant who is either a *retail customer* or a *real estate developer*, or a *retailer* or other 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* in accordance with the Essential Energy Application for Low Voltage Connection form.

connection charge means a charge imposed by *us* for a *connection service* in accordance with clause 8.

connection offer means the offer by us to enter into this *contract*.

connection point or **point of supply** means the junction of *our* conductors with the *electrical installation* at the *premises* as specified in *your connection application*.

contestable premises connection assets mean those *premises connection assets* the cost of which is met by *you* and installed by *your electrical professional* under section 31 of the *Electricity Supply Act 1995* (NSW).

contract means this document and any schedule or annexure to it, including the information contained in the *connection application*.

customer connection contract means:

- (1) for a *connection alteration*: *your* existing negotiated contract or if *you* do not have one, the applicable *deemed connection contract* for the supply of *customer connection services* associated with the flow of electricity to *your premises*.
- (2) for a *new connection*: the applicable *deemed connection contract* for the supply of *customer connection services* associated with the flow of electricity to *your premises*.

deemed connection contract means a customer connection contract that is taken to be entered into under section 67(a) or 67(b) of the National Energy Retail Law and published by us from time to time;

defect means any matter or thing that in *our* reasonable opinion may:

- (1) cause the *electrical installation* to be unsafe;
- (2) cause the *electrical installation* or the *premises connection assets* not to comply with the conditions of this *contract*; or
- (3) cause damage to *our distribution system* or another customer's *electrical installation* or equipment.

distribution network means the apparatus, equipment, plant and buildings used to convey and control the conveyance of electricity to *customers* (excluding *contestable premises connection assets*).

distribution system means the apparatus, equipment, plant and buildings used to convey and control the conveyance of electricity to *customers* and includes any *contestable premises connection assets*.

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 is used to convey and control the conveyance of electricity within premises to which electricity is supplied from a *distribution system*, but does not include *our* premises connection assets or anything connected to and extending or situated beyond an electrical outlet socket.

electrical professional means a licensed electrical contractor or an ASP.

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

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 *our distribution system*.

energise means the application of electrical current to the *premises connection assets* and *energisation* has a corresponding meaning.

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*, all rules, regulations, instruments and plans made under or to comply with those Acts, Essential Energy's Network Standards and 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.

expedited application means a *connection application* made in accordance with an expedited connection application in accordance with Rule 5A.F.3 of the *rules*.

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

micro EG connection means a *connection* between a *micro embedded generating unit* and a *distribution system* of the kind contemplated by Australian Standard AS 4777 (Grid connection of energy systems via inverters).

micro embedded generating unit means an embedded generating unit of the kind contemplated by Australian Standard AS 4777 (Grid connection of energy systems via inverters).

micro embedded generator means a customer who operates, or proposes to operate, an embedded generating unit for which a *micro EG connection* is appropriate.

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

point of supply or **connection point** means the junction of *our* conductors with the *electrical installation* at the *premises*, as specified in *your connection application*.

premises include 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 *your connection application*.

premises connection assets mean the components of *our distribution system* through which we provide electricity to individual *premises*. The components of the *customer's electrical installation* are not *premises connection assets*.

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

service mains mean overhead conductors or underground cables between the point of common coupling on our *distribution network* and the *connection point* at *your premises*. *Service mains* are installed by an ASP/2 at *your cost* but after *energisation* they are owned, controlled and maintained by us

site specific condition means a condition of *connection* to *premises*, or a requirement imposed in relation to *connection* at *premises*, that is peculiar to those *premises*.



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