Customer Connections

Guide to proposed Universal Connections Contracts

28 February 2025





Welcome to our proposed Universal Connections Contracts



At Ausgrid, we are committed to delivering a faster, easier and better value connections experience for our customers and Accredited Service Providers (ASPs). To support this, we are simplifying our connection contracts – making them clearer, more accessible and aligned with modern expectations.

Our refreshed Universal Connections Contracts (also known as Model Standing Offers or MSOs) are designed to reduce complexity while ensuring they meet current regulations, legislation and industry best practices. These updates reflect our vision of delivering an industry-leading electrification experience and apply to both Basic connections and Standard connections contracts.

We have submitted these updates to the Australian Energy Regulator (AER) for approval and we plan to release these midway in the new financial year (FY26).

What's changing?



A simpler, more accessible contracts landscape

We're making contracts easier to understand by using clearer language and removing ambiguity, helping customers and ASPs navigate the process with confidence.



Enhanced service delivery

Streamlined terms and conditions will support faster connections, better expectations management and improved efficiency in meeting critical construction milestones.



Stronger alignment with industry standards

Our updated contracts ensure compliance with evolving regulations and industry requirements, keeping pace with best practices.



Driving innovation at Ausgrid

These updates incorporate improvements in service delivery, including enhanced processes, better digital tools and more customer-focused service models, setting a new benchmark for excellence.

We need your help...

We have created this Guide to help make it easier to identify the key changes made to our connection contracts, and what it means for you.

Please review this document and provide your feedback on the proposed amendments.

Your feedback will help ensure that we are able to deliver contracts that meet your needs and the evolving needs of our industry.



Please provide your **feedback here**.



If you have any further questions, you may contact us at Connex@ausgrid.com.au

Thank you for your feedback and support.

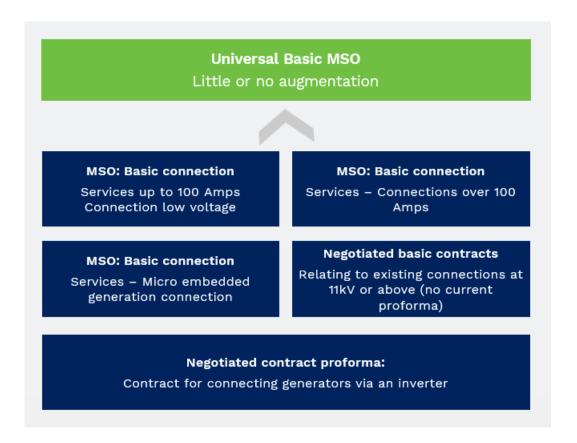


Universal Connections Contract | What changes have we made?

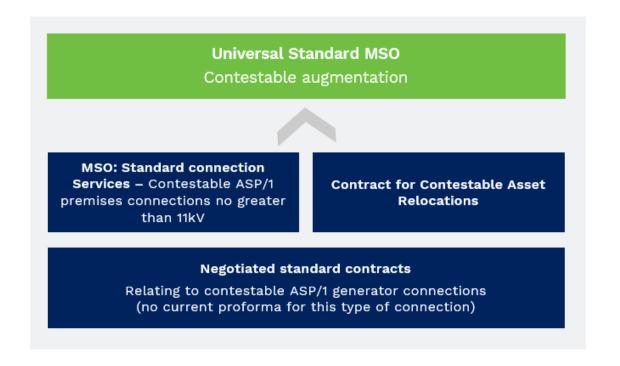


We have simplified our connections contracts landscape by consolidating multiple contracts into a single Universal Basic Model Standing Offer (MSO) and a single Universal Standard MSO. By reducing the number of contracts this reduces duplication of effort, reduces administrative requirements for our customers, and simplifies the Ausgrid contracts landscape.

BASIC CONNECTIONS



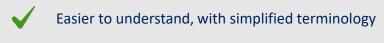
STANDARD CONNECTIONS*

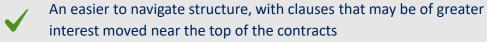


What updates have been made across our contracts?

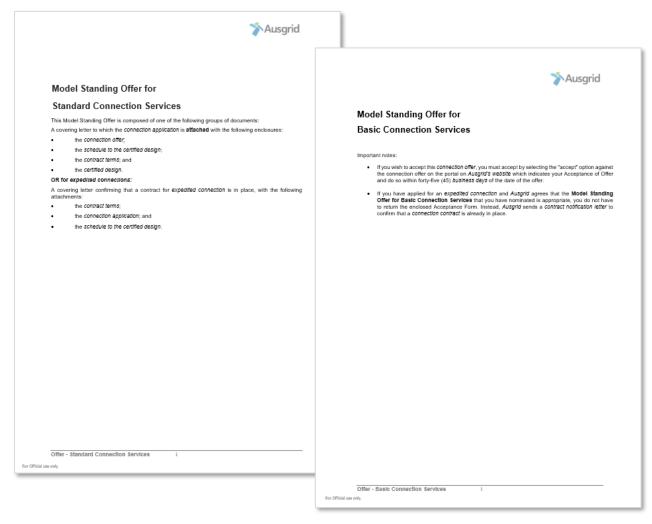


We have made extensive drafting amendments across both our Basic Connections MSO and Standard Connections MSO, summarised below.

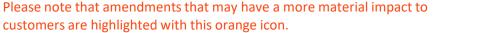




- Extensive clarification of concepts to ensure they are more clearly communicated, with less ambiguity for customers and Accredited Service Providers (ASPs).
- Greater consistency across Distributed Network Service Providers (DNSPs), creating a simpler experience for customers and ASPs liaising with different DNSPs in NSW.
- Better alignment of contract to Ausgrid practices, ensuring a more consistent and cohesive experience.
- These contracts have been reviewed by an external legal party (an unfair contract terms specialist) to ensure contract terms aren't unfair from a customer point of view.







Basic Connections Model Standing Offer





1. Five contracts have been combined into a Universal Basic Model Standing Offer (MSO), resulting in a simpler contract landscape with less contracts to engage with – reduced duplication and administrative effort for customers.

The Basic MSO will now cover the following:

- > New low voltage connections
- > Alterations to existing low voltage connections
- Alterations to high voltage connections, or
- > Micro CER connections (embedded generators) up to 1000kVA.
- 2. Information that may be of key interest to customers has been collated and placed near the top of the contract for easier reference, for example termination clauses (2.2).
- 3. Notice timeframes for terminations have been provided, to provide greater transparency, management of expectations and ease of reference. This creates a more consistent experience for Customers and ASPs and in most cases enables a period for response prior to termination (Clause 2.2.1).
- 4. The maximum approved capacity of all single domestic connections has reduced from 100 amps to 80 amps, or the capacity nominated in the connection application, whichever is lower, unless approved by Ausgrid (Clause 4.1).

This has a minimal impact to customers as even though service capacity is 100 amps, practical throughput is limited to 80 amps due to the metering fuse size. This provides greater transparency, manages expectations and reflects current technical practices.

- 5. Clause 4.3 provides clarity around rights and consequences if customer's maximum capacity is exceeded. We will either
 - a) Remediate the connection to within the agreed limit, or
 - b) Enter into a new connection contract for increased maximum import capacity or export capacity or demand.



- 6. Clause 4.5 highlights potential for disconnection or amalgamation of existing connection points at Ausgrid's direction if it is considered necessary to provide a safe and efficient supply of electricity. This manages expectations with customers and ASPs that amalgamation of connection points may be required by Ausgrid.
- 7. Clause (9.4) enables Ausgrid to access and utilise customer Consumer Energy Resources (CER, which includes solar) information to assist in the management of network reliability, safety, stability and security, including emergencies, and to reduce risks to the network. There are clauses that provides the customer with protections relating to privacy and use of data.
 - This provides support for the Australian Energy Market Operator (AEMO) mandated "emergency backstop" provisions, which requires Ausgrid to switch off or limit rooftop solar systems as a last resort in specific emergency circumstances.
 - 8. Updated liability clauses (Clause 12) provide a greater degree of clarity and transparency in identifying responsibilities and risks as they pertain to contestable services for customers. This ensures the customer is aware of, and accepts risks related to contestable works carried out by Level 2 ASPs and electrical professionals.
 - Liability for any loss or damage arising in relation to the connection contract is capped to the lesser of the cost of repair or replacement of any property damaged (as appropriate); and \$5,000.00. This was previously undefined and will provide customers with transparency and peace of mind as to limitations of liability, and to when these limitations of liability do not apply.
- 9. Clarification for the responsibility and obligation for customers to ensure their electrical professionals comply with safety and technical requirements (Clause 9.6).
- 10. A new clause (14.2) enables Customers to be able to transfer the contract to another customer, which removes the requirement for a customer to submit a whole new application, resulting in a faster, easier contract transfer process.





Standard Connections Model Standing Offer





1. Three contracts have been combined into a Universal Standard Model Standing Offer (MSO), resulting in a simpler contract landscape for customers with reduced duplication and administrative effort.

The Standard MSO will now cover the following:

- > New or altered connections requiring contestable construction of network assets
- > Connection of embedded generators requiring contestable construction of network assets
- > Real estate developments requiring contestable construction of network assets
- > Network asset relocations requiring contestable construction of network assets.
- 2. Information that may be of key interest to customers has been collated and placed near the top of the contract for easier reference, for example the commencement and termination clauses (Clause 2).
- 3. Notice timeframes for terminations have been included, to provide greater transparency, management of expectations and ease of reference. This creates a more consistent experience for Customers and ASPs and in most cases enables a period for response prior to termination.
- 4. Commencement (Clause 2.1) obliges the customer to pay its acceptance fee prior to Ausgrid providing services. This provides further transparency and sets expectations as to the pre-requisites for the delivery of services.
- 5. The contract termination period for works not commenced, has reduced from 12 months to 3 months after the commencement of the contract. This means that a customer must start construction work within 3 months after the commencement of the contract (Clause 2.2.2). An extension option and clause is included.

This provision will be utilised to minimise the impact of stalled projects. It also increases equity for access to network capacity, reducing overall energisation timeframes and costs for Customers already in the queue.



- 6. Clause (2.2.7) includes a provision to enable termination of the contract by Ausgrid if no progress is made over a period of 12 months.
 - This provides further transparency and better manages expectations, minimising the impact of stalled projects, whilst increasing equity for access to network capacity. This can reduce overall energisation timeframes and costs for Customers, as by removing stalled projects this can reduce augmentation requirements for other customers in the queue connecting to the same part of the network.
 - 7. If the contract ends for any reason, the customer must ensure that the premises and distribution system be left in a position that does not pose a health and safety risk. This clause (2.3) provides that the site is returned to the condition it was in before any works commenced, unless Ausgrid notifies the customer that already installed assets are suitable to form part of the distribution network. Any works identified must be remedied within 30 days of notification.
- 8. Clause 4.4 provides clarity around rights and consequences if customer's maximum capacity is exceeded. We will either:
 - a) Remediate the connection to within the agreed limit, or
 - b) Enter into a new connection contract for increased maximum import capacity or export capacity or demand.
 - 9. Clause 4.5 highlights the potential for disconnection or amalgamation of existing connection points at Ausgrid's direction if it is considered necessary to provide a safe and efficient supply of electricity. This manages expectations with customers and ASPs that amalgamation of connection points may be required by Ausgrid.
- 10. Clause (4.5) has been included to enable Ausgrid to access and utilise customer Consumer Energy Resources (CER, which includes solar) to assist in the management of network reliability, safety, stability and security, including emergencies, and to reduce risks to the network. This clause provides support for the Australian Energy Market Operator (AEMO) mandated "emergency backstop" provisions, which requires Ausgrid to switch off or limit rooftop solar systems as a last resort in specific emergency circumstances.



- 11. The pre-construction meeting with the Level 1 ASP on site has been moved into the design stage, and thus is reflected in the Design Related Services Contract (DRSC). This is in line with current practice since September 2024 and has been previously communicated to impacted stakeholders (Clause 6). This results in earlier engagement of the ASP1 to provide input into the design certification process via an earlier pre-construction meeting. The aim is to provide improved and earlier alignment between the key parties, resulting in a design that is more constructable, with less risk of design rework during construction. The goal is to decrease customer costs and delays relating to design rework during construction.
 - 12. If a customer disagrees with a decision or action we have made regarding a design variation, the customer may make a written request to meet with us, which must be held within 5 business days of their request. This provides the ability to discuss Ausgrid's decision within a timely period, enabling a fair and just process (Clause 8.2.2)
- 13. We have introduced some flexibility/discretion in relation to a Level 1 ASP who does not deliver project milestones strictly in accordance with agreed critical dates. The current contract strictly requires a new submission of Critical Dates if the Level 1 ASP misses a milestone date. The new clause (9.1) provides Ausgrid discretion around the requirement to resubmit. This results in potentially less administration and interaction with Ausgrid for customers and ASPs, lowering costs where missed milestone dates are not material or fall within an accepted delivery range.
- 14. There is greater clarification of responsibilities in relation to the work timeframes and milestones. Customers are responsible for the timeframes relating to the works, with the customer acknowledging that the submission of critical dates by a Level 1 ASP is with the customer's agreement. This will ensure customers and ASPs have greater visibility over responsibilities under the contract and is aligning the contract to current practices (Clause 9.1.2)
- 15. Clarity has been provided around which parties are responsible for defects and their rectification at various project stages, reducing ambiguity and helping to manage expectations of customers and electrical professionals. The clause (11) now clarifies that non-electrical defects are the responsibility of the customer.
 - 16. The rectification period has been amended to reflect three years from the date of electrification of the last asset, rather than the last day of work under the contract. This provides precision and clarity for all parties, reducing disagreement over the rectification period commencement, whilst providing certainty over the applicable period (Clauses 11.3, 23.2.2).



- 17. Where any defect has not been rectified as required, or where urgent action is necessary to protect the safety, security and reliability of the distribution system, Ausgrid may carry out the rectification work to our reasonable satisfaction and expense the costs to the customer (Clause 11.4). This may result in a financial impact to customers where rectification for urgent defects are required (although noting that the cost of the rectification would have been incurred anyway via the Customer's Level 1 ASP).
 - 18. The entire property related clause (Clause 12) has been significantly simplified and clarified to ensure there is a very clear path for customers to satisfy Ausgrid's requirements for property tenure and associated documentation. This improvement provides for better management of Customer expectations and reflects current practices in a much clearer manner.

The clause provides two paths of progression along with timeframes:

- a) Submission of a signed Deed of Agreement to Ausgrid 6 weeks prior to electrification
- b) Submission of a Registrable Instrument (i.e. an easement or lease) to Ausgrid 6 weeks prior to electrification.
- 19. We have removed the legacy provision relating to the early Notice of Arrangement (NoA) for a subdivision. This is in line with long-standing practices and removes an impractical clause from the contract which was unable to be delivered by Ausgrid. This clause (16) now provides further clarity for Customers around current requirements for NoAs (i.e. NoA release timing is after electrification.)
- 20. The Pioneer Scheme clause (17.3) has been simplified to focus on the customer's obligations to pay a pioneer scheme fee under this connection contract.
- 21. The liability clauses (18) provide a greater degree of clarity and transparency in identifying responsibilities and risks as they pertain to contestable services for customers and ensuring the customer is aware that they accept risks related to contestable works carried out by ASP's and electrical professionals.
 - Liability for any loss or damage arising in relation to the connection contract is capped to the lesser of the cost of repair or replacement of any property damaged (as appropriate); and \$5,000.00. This was previously undefined and will provide customers with transparency and peace of mind as to limitations of liability, and to when these limitations of liability do not apply.



- 22. A new clause (20) provides both Ausgrid and the Customer with surety that sensitive or confidential information that is acquired or exchanged during the course of the contract is treated appropriately. i.e. it is used only as intended and not disclosed to a third party unless required by the contract or law. This provides customers with greater clarity and confidence around management of confidential information, including that these obligations survive contract termination for a period of 3 years.
- 23. A new clause (21.2) enables Customers to be able to transfer the contract to another customer, which removes the requirement for a customer to submit a whole new application, resulting in a faster, easier contract transfer process.





Thank you

