

## SA Power Networks – Waiver Register

Waiver	Title	Waiver details	Final Decision	Timing
1	Temporary Generation	<p>On 27 April 2017, SA Power Networks submitted to the AER a <a href="#">waiver application</a> under clause 5.2 of the <a href="#">electricity ring fencing guideline 2016</a> for temporary generation.</p> <p>In March and April 2020, SA Power Networks made <a href="#">applications</a> to the AER to extend the waiver granted on 21 June 2017 for the Temporary Generation South site to 1 December 2020, and the Temporary Generation North site to 30 June 2021.</p>	<p>On 21 June 2017, the AER decided to waive SA Power Networks' obligation to comply with clauses 3.1, 4.2 and 4.4.1(a) of the Ring-fencing Guideline from 21 June 2017 until 1 June 2020 for SA Power Networks' temporary generation project. This is on the following conditions:</p> <ul style="list-style-type: none"> <li>that the temporary generation capacity is only utilised for the purpose of avoiding load shedding for <i>NEM</i> operational purposes when there is no alternative generation available</li> <li>is only utilised at the direction of <i>AEMO</i> or the South Australian Energy Minister</li> <li>is fully funded by the South Australian Government, who also receives all revenues from the project, and</li> <li>SA Power Networks cannot (and will not) advertise or promote other merchant generation services</li> </ul> <p>On 1 May 2020, the AER decided to vary the waiver from SA Power Networks' obligation to comply with clauses 3.1, 4.2 and 4.4.1(a) of the Guideline by extending the expiry date of the waiver to 1 December 2020 in respect of operations and maintenance of the Temporary Generation South unit, and to 30 June 2021 in respect of the 30 Temporary Generation North unit.</p> <p>The waiver remains subject to the following conditions:</p> <ul style="list-style-type: none"> <li>that the generation capacity is only utilised for the purpose of avoiding load shedding for <i>NEM</i> operational purposes when there is no alternative generation available; and</li> <li>is only utilised at the direction of <i>AEMO</i> or the South Australian Energy Minister; and</li> <li>is fully funded by the SA Government, who also receives all revenues from the project; and</li> <li>SA Power Networks cannot (and will not) advertise or promote other merchant generation services.</li> </ul>	<p><b>Start Date</b> 21/06/2017</p> <p><b>Expiry Date</b> 01/06/2020</p> <p><b>Start Date</b> 1/06/2020</p> <p><b>Expiry Date</b> TGS:01/12/2020 TGN:30/06/2021</p>

2	Negotiated Distribution Services	On 2 August 2017, SA Power Networks submitted to the AER a waiver application under clause 5.2 of the Electricity ring-fencing guideline 2016 (Guideline). The waiver application has been made to assist SA Power Networks to transition to full compliance with the Guideline as soon as reasonably practicable, taking into account the costs of full compliance.	On 18 December 2017, the AER decided to waive SA Power Networks' obligation to comply with clauses 4.2 and 4.4.1(a) of the Ring-fencing Guideline from 18 December 2017 until 30 June 2020 in relation to the provision of its negotiated distribution services, as provided in the waiver application and final decision.	<b>Start Date</b> 18/12/2017
3	Existing construction and maintenance contracts	On 3 September 2018, SA Power Networks lodged a waiver extension application in relation to 21 existing construction and maintenance contracts for which SA Power Networks have been unable to obtain a Private Binding Ruling from the Australian Taxation Office.	On 28 September 2018, the AER decided to extend the waiver for SA Power Networks' obligation to comply with clause 3.1 of the Ring-fencing Guideline, which commenced on 18 December 2017, to 30 June 2021 to continue to provide Other Services currently contracted out under 21 construction and maintenance contracts. This is on the condition that SA Power Networks notify the AER 30 days prior to entering into an extension of any of the relevant contracts. For clarity, this condition does not apply if the extension arises from the relevant customer exercising an option already present within the terms of the contract to extend or vary the agreement.	<b>Start Date</b> 18/12/2017  <b>Expiry Date</b> 30/06/2021