

Ergon Energy Waiver Register

Ver 14, 06/02/2026



This register is maintained and made publicly available in accordance with clause 5.7 of the Australian Energy Regulator Ring-fencing Guideline Electricity Distribution, Version 3, November 2021

5.7 Waiver register

(a) A DNSP must establish, maintain and keep a register of all waivers (including any variation of a waiver) granted to the DNSP by the AER under clause 5 of this Guideline, and must make the register publicly available on its website.

(b) The register established under clause 5.7(a) must include:

i. the description of the conduct to which the waiver or interim waiver applies; and

ii. the terms and conditions of the waiver or interim waiver;

as set out in the AER's written decision, provided by the AER to the DNSP, to grant (or vary) the waiver or interim waiver.

Waiver Description and Conditions	Effective Dates
<p>Waiver from obligations under clause 3.1 of the Guideline to install 24 BESS, which will be a combination of 30kW/60kWh, 40kW/80kWh and 60kW/120kWh systems mounted on poles in North Townsville.</p> <p>The waiver is granted with the following conditions:</p> <p>Provide the AER with information on the contractual relationship between Ergon Energy and its retail partners. This information includes:</p> <ul style="list-style-type: none">the contractual terms and conditions and paymentsdetails of any priority access that the DNSP has to the BESS (such as in the event of a network contingency) and any requirements on the retail partner to maintain minimum charging of the BESSdetails of any revenue sharing arrangements in relation to the BESS. <p>This information should be provided to AERringfencing@aer.gov.au within 20 business days of the contract being finalised. Where there are changes in this contractual arrangement, the AER should be notified within 20 business days. We acknowledge the commercially sensitive nature of this information and will treat this information, accordingly, noting our policies regarding information privacy and disclosure of information.</p> <p>Provide the AER with an estimated date of energisation of the BESS. This information should be provided to AERringfencing@aer.gov.au within 20 business days of the contract being finalised. Where there are changes in this</p>	<p>Start Date: 12/01/2026</p> <p>End Date: 31/12/2042</p>

Ergon Energy Waiver Register

Ver 14, 06/02/2026



estimated date, Ergon Energy should note this as part of their ring-fencing compliance reporting

Ex-post public sharing of information about the BESS (e.g., location(s), size, status of the project (trial or full scale roll out), intended purposes and uses, a key contact for external stakeholders if they wish to discuss the project further) and any useful learnings that will support the battery market.

Provide, on an annual basis, a year-to-year comparison of the uses (volume and frequency) of the BESS and an explanation of significant differences if observed from one year to another. The independent assessor, as part of annual ring-fencing compliance assessment under clause 6.2 of the guideline, to confirm the annual usage and comparison values are accurate. This includes:

- The total quantified benefit derived from the deployment of the BESS from all services.
- The total quantified benefit derived from the deployment of the BESS from direct control services.
- The total quantified benefit derived from the deployment of the BESS from other distribution services and other services; and
- A comparison of uses (volume and frequency) of the BESS that confirms the usage by Ergon and by its contracted third party, including the initial proposed allocation as a baseline against which the actual usage of the BESS can be compared.

In addition, staff may request that Ergon makes available to the AER, information on the performance of the BESS participating in this trial, such as the split between network and market benefits, when this is sought by the AER staff at any time during the tenure of the waiver.

Ergon must apply a tariff structure to its retail partners that are leasing BESS unit capacity that is no more favourable in aggregate than the tariff structure it applies to other distribution connected battery operators for a BESS of similar unit capacity having regard to the voltage and location of the connection. This includes, but is not limited to, storage tariffs and other charges for use of the distribution network. Where applicable, an identical tariff structure should be applied.

Ergon must include in its ring-fencing compliance reporting, information on any high voltage third-party BESS connection application requests received, and the connection timeframes for those connections. This must include a brief description of the project, whether the request is for a new connection or for the modification of a connection, the location of the connection, and the dates (if

Ergon Energy Waiver Register

Ver 14, 06/02/2026



<p>any) of the connection enquiry, connection application, connection offer, and commissioning of the final connection. Where a new connection request or a request to modify an existing connection is denied or is only agreed to by Ergon in a substantially modified form (i.e. >20% reduction in nominal capacity), an explanation of the grounds for denial or modification must be included.</p>	
<p>Waiver from obligations under clause 3.1(b) and 4.2 of the Guideline to allow Ergon Energy to continue providing its distribution and generation services in the isolated systems located in remote Queensland.</p> <p>Conditions</p> <p>1. Ergon Energy must publish by July 2026 technical and performance standards for third-party connection requests and connection request assessment timeframes, that aligns with, and are no more onerous, than those that would apply to Ergon Energy's network outside of the isolated networks. As part of this Ergon Energy must publish:</p> <ul style="list-style-type: none">– Information on the relevant parts of regulations/legislation that govern distributed energy resources (DER) connections in Ergon Energy's isolated networks, so third parties have clarity over the legislative requirements for their connections and Ergon Energy's obligations;– reasonable and fair connection process(es) which sets out timeframes, safety, technical and information requirements for applicants, that are 'fit for purpose' for the connection services in isolated networks. These processes must be consistent with the relevant model standing offer approved by the AER and applicable to customers at the time of inquiring about a connection service for the purpose of providing DER;– its dispute resolution process and procedure for stakeholder to make complaints. <p>2. Ergon Energy must, for the duration of this waiver:</p> <ul style="list-style-type: none">– Publish on its website, maintain, and update every 6 months, a publicly available report detailing the available capacity in each isolated network for hosting solar PV installations and/or energy storage devices, including the available hosting capacity (expressed in kVA) and the available dynamic solar capacity (expressed in kVA)	<p>Start Date: 1/12/2025</p> <p>End Date: 30/11/2030</p>

Ergon Energy Waiver Register

Ver 14, 06/02/2026



<ul style="list-style-type: none">– outline the approach and methodologies used for assessing available network hosting capacity, and demonstrate the appropriateness of its estimation approach– provide within 8 weeks, upon request by connection applicants, information on network demand and planning that may impact on available or future hosting capacity, and relevant information to assist third parties to target renewable generation projects. <p>3. Ergon Energy must include in its annual compliance report (ACR) to be submitted to the AER, information on any third-party connection requests received specifically for isolated networks, and the connection timeframes. This information must be consistent with the Service Order Reports Ergon Energy publishes on its website in compliance with Queensland Competition Authority reporting requirements, and must include justification for denying a connection request or where an existing connection is modified.</p>	
<p>Interim waiver from obligations under clause 3.1(b) and 4.2 of the Guideline to allow Ergon Energy to continue providing its distribution and generation services in the isolated systems, to service non-NEM connected communities across regional Queensland.</p>	<p>Start Date: 1/07/2025 End Date: 30/11/2025</p>
<p>Waiver from the obligations under clause 4.2.3 of the Guideline to allow Ergon Energy to continue to use the Ergon Energy brand for its retailer; Ergon Energy Queensland (EEQ).</p> <p>Waiver is granted on the condition that use of the EEQ brand is restricted to services that relate to the provision of standard retail contracts in the Ergon Energy distribution network.</p> <p>Ergon Energy is required to notify the AER in the event of any legislative change in Queensland government policy such as change of names of either entity that would affect the waiver.</p>	<p>Start Date: 1/07/2025 End Date: 30/06/2035</p>
<p>Waiver from the obligations under clauses 4.2.1(a), 4.2.2(a) and 4.2.3(a)i of the Guideline to allow the offices at Mareeba and Charters Towers to be classified as regional offices for the purposes of the Guideline applying to the provision of the following services:</p> <ul style="list-style-type: none">• contestable metering services, including installation, testing, faults and repairs; and• pole installation, replacement and repairs on customer property.	<p>Start Date: 1/07/2025 End Date: 30/06/2045</p>

Ergon Energy Waiver Register

Ver 14, 06/02/2026



<p>Waiver from the obligations under clause 4.2.3 of the Guideline. This waiver allows Ergon Energy to continue to provide a connection service under long-term contract to Hayman Island.</p>	<p>Start Date: 1/07/2025 End Date: 30/06/2040</p>
<p>Waiver from clauses 3.1(b) (legal separation) and 4.2.3 (Branding and cross-promotion) of the Guideline to enable Ergon Energy Network to act as the metering coordinator in respect of the three indigenous communities in regional Queensland.</p> <p>This allows Ergon Energy Network to act as the metering coordinator for the communities of Hopevale, Jumbun and Wujal Wujal.</p>	<p>Start Date: 19/09/2024 End Date: 31/12/2027</p>
<p>Waiver from clauses 3.1(b), 4.2.1(a), 4.2.2(a) and 4.2.3(a) of the Guideline to enable Ergon Energy to provide generational services in isolated networks using 'behind the meter' renewable assets.</p> <p>Conditions</p> <ul style="list-style-type: none">For the duration of this waiver, publish, maintain, and update (where necessary in order to keep the report current), a publicly-available report on the Ergon Energy website detailing the available capacity in each isolated network for hosting solar PV installations, including the available hosting capacity (expressed in kVA) and the available dynamic solar capacity (expressed in kVA).Provide the AER with a report, in July 2026 and again in July 2028, detailing the steps undertaken by Ergon Energy (including, for the July 2026 report, steps taken before the grant of this waiver) to investigate whether other unaffiliated third parties have the capacity to supply, install, operate or maintain BtM assets in the communities served by the isolated networks. Such steps could include, but are not limited to, formal calls for expressions of interest or tenders, direct engagement with community groups in the communities served by the isolated networks and/or with local government bodies, and other market testing activities.	<p>Start Date: 22/08/2024 End Date: 30/06/2030</p>
<p>Waiver from clauses 3.1(b) (legal separation) and 4.2.3 (shared branding) for Ergon Energy to lease the Microgrid and Isolated Systems Test (MIST) simulator and services to other entities.</p>	<p>Start Date: 08/04/2024</p>

Ergon Energy Waiver Register

Ver 14, 06/02/2026



Conditions <ul style="list-style-type: none">Appropriate measures to prevent any cross-subsidisations in favour of users of the MIST facilityThe prohibition against discrimination in favour of Ergon Energy or any related entity in clause 4.1 of the Guideline cannot be waived and would remain in force.	End Date: 30/06/2030
<p>Waiver from clause 3.1 of the Guideline in respect of one battery energy storage system (BESS) at Bohle Plains. This waiver is granted on the basis that the assets and associated costs follow the cost allocation methodology projected in the application and subject to the conditions below.</p> <p>Conditions The following conditions apply with this waiver approval:</p> <ul style="list-style-type: none">Ex-post public sharing of information about the battery unit (e.g., location(s), size, intended purposes and uses, and a key contact for external stakeholders if they wish to discuss the project further) and any useful learnings that will support the battery market.As part of Ergon Energy's independently audited annual ring-fencing compliance reports required under clause 6.2 of the Guideline:<ul style="list-style-type: none">The total quantified benefit derived from the deployment of the battery from all services over the most recent financial year.The total quantified benefit derived from the deployment of the battery from direct control services over the most recent financial year.The total quantified benefit derived from the deployment of the battery from other distribution services and other services over the most recent financial year; andA comparison of uses (volume and frequency) of the battery that confirms the usage by Ergon Energy and by its contracted third party, including the initial proposed allocation as a baseline against which the actual usage of the battery can be compared. <p>In addition, staff may request that Ergon Energy makes available to the AER, information on the performance of the batteries participating in this trial, such as the split between network and market benefits, when this is sought by the AER staff at any time during the tenure of the waiver.</p>	Start Date: 27/03/2024 End Date: 30/06/2035

Ergon Energy Waiver Register

Ver 14, 06/02/2026



<p>Waiver from clause 3.1 of the Guideline in respect of nine battery energy storage systems.</p> <p>The waiver is granted on the basis that the assets remain excluded from the Regulatory Asset Base, entirely funded from unregulated project funding. However, the AER may monitor the use of the battery for network services and expects that data on battery use will inform future cost allocation approaches to energy storage devices.</p> <p>Conditions:</p> <ul style="list-style-type: none">Providing the AER with information on the contractual relationship between Ergon Energy and its retail partner. This information includes the contractual terms, conditions and payments. This information should be provided to AERringfencing@aer.gov.au within 20 business days of the contract being finalised. Where there are changes in this contractual arrangement, the AER should be notified within 20 business days. We acknowledge the commercially sensitive nature of this information and will treat this information accordingly, noting our policies regarding information privacy and disclosure of information.Ex-post public sharing of information about the battery (e.g., location(s), size, intended purposes and uses, approved cost allocation method, and a key contact for external stakeholders if they wish to discuss the project further) and any useful learnings from the battery usage that will support the battery market.Provision on an annual basis of a year-to-year comparison of the uses (volume and frequency) of the battery and an explanation of significant differences if observed from one year to another. The independent assessor, as part of annual ring-fencing compliance assessment to confirm the annual usage volumes are accurate.	<p>Start Date: 04/12/2023</p> <p>End Date: 30/06/2038</p>
<p>Limited interim waiver from clauses 3.1(b) and 4.2.3 of the Guideline for Microgrid and Isolated Systems Test (MIST) facility services.</p> <p>Specifically, the AER has decided, under clause 5.3.3 of the Guideline, to grant a limited interim waiver from the obligations in clauses 3.1(b) (legal separation) and 4.2.3 (branding and cross-promotion) of the Guideline for Ergon Energy to use its MIST facility to provide contestable electricity services to:</p> <ul style="list-style-type: none">recipients of funding grants under the Microgrid Fund	<p>Start Date: 03/11/2023</p> <p>End Date: 08/04/2024</p>

Ergon Energy Waiver Register

Ver 14, 06/02/2026



<ul style="list-style-type: none">recipients of funding grants under the Reliability Fund only to the extent required to fulfil the purpose of those grants.	
<p>Waiver from clauses 3.1 and 4.2.1 and 4.2.2 of the Guideline for DNSP-led projects that meet the classes and criteria of this waiver.</p> <p>The scope of this class waiver is limited to DNSP-led projects where the battery asset is funded under the Australian Government's Community Batteries for Household Solar Program (administered by the Business Grants Hub or ARENA), where:</p> <ul style="list-style-type: none">a) the asset is wholly excluded from the DNSP's RAB; orb) what is allocated to the DNSP's RAB is only the part of the total cost of the asset that reflects the proportionate share (that relates to direct control services) of the total quantified benefit that is forecast at the time the investment decision is made, where:<ul style="list-style-type: none">i. prior to the RAB allocation at the DNSP's next regulatory proposal, the DNSP includes in its regulatory proposal evidence, and a report from an independent auditor, that confirms compliance with this provision b);ii. the DNSP may use the Government contribution to offset costs (regulated or unregulated) either partially or fully but may not exceed the total cost allocation to a particular stack (regulated or unregulated);iii. the total cost of the battery allocated to the RAB must be an amount equal to or less than the forecast network benefit; andiv. definitions:<ul style="list-style-type: none">• the total quantified benefit is the sum of both the forecast network benefit (quantified benefit derived from the deployment of the asset for direct control services) and the forecast non-network benefit (quantified benefit accruing to the DNSP derived from the deployment of the asset for other distribution service and other services) over its economic life.	<p>Start Date: 03/02/2023</p> <p>End Date: 30/06/2041</p>
<p>Criteria</p> <p>The following criteria apply to projects that fall within class (b):</p> <ol style="list-style-type: none">1. A DNSP must comply with the Cost Allocation Principles that require a DNSP to appropriately allocate and attribute costs for use of the asset	

Ergon Energy Waiver Register

Ver 14, 06/02/2026



between direct control services, other distribution services, and other services.

2. A DNSP must provide, as part of that DNSP's independently audited annual ring-fencing compliance report that is required under clause 6.2 if the Guideline.
 - a. the total quantified benefit derived from the deployment of the asset or all services over the most recent financial year;
 - b. the total quantified benefit derived from the deployment of the asset from direct control services over the most recent financial year;
 - c. the total quantified benefit derived from the deployment of the asset from other distribution services and other services over the most recent financial year; and
 - d. a comparison of the uses (volume and frequency) of the battery that confirms the usage by the DNSP and usage by its retail partner (or other third party), including the initial proposed allocation as a baseline against which actual usage of the assets can be compared.

The following criteria will apply to projects which fall within class (a) or (b):

3. A DNSP must provide the AER with information as to the terms and conditions of the contracts entered into with third parties for the leasing of battery capacity. This information should include:
 - a. the name of the contracting party or parties;
 - b. the volume of capacity (in kW or kWh) leased to that party or parties;
 - c. the price the capacity is leased for; and
 - d. which party controls the operation of the battery and on what terms.

Waiver from the obligation to comply with clause 4.2 of the Ring-fencing Guideline (functional separation) to allow Ergon Energy to contract with AEMO to provide RERT services via voltage management.

The scope of the class waiver is limited to the following pre-conditions:

- DNSPs that negotiate with AEMO to enter into, and/or enter into, a RERT Panel Agreement with AEMO for the provision of short notice reserve via voltage management pursuant to rule 3.20.2 of the National Electricity Rules and clause 6 of the RERT Guidelines.

Start Date: 14/12/2022

End Date: 15/04/2025

Ergon Energy Waiver Register

Ver 14, 06/02/2026



- DNSPs must not contract with AEMO to recover payments for pre-activation of reserve.
- If the DNSP's RERT Panel Agreement with AEMO ceases, the DNSP will no longer qualify for the class waiver (unless, and until, the DNSP commences negotiation to enter into a further RERT Panel Agreement with AEMO). For clarity, this class waiver expires on 15 April 2025, and will not apply to any RERT Panel Agreement (pre-existing or otherwise) beyond this date.
- DNSPs that meet the precondition of providing the AER with a copy of the RERT Panel Agreement entered into with AEMO.
 - Where possible, the RERT Panel Agreement should be emailed to AERringfencing@aer.gov.au immediately, or if it is being negotiated, within 20 business days of the agreement being finalised. The AER will treat this information as commercially sensitive and note our policies regarding information privacy and disclosure of information.

The class waiver is subject to the following conditions:

- DNSPs participating in the class waiver must provide the AER with quarterly performance reports, where RERT has been provided in that quarter, detailing:
 - the number of instances the DNSP provided short notice reserve to AEMO in a quarter (i.e. the number of times the reserve was activated by AEMO);
 - the volume (MW) of reserve provided in each instance that the DNSP provided short notice reserve to AEMO; and
 - the revenue received for each instance that the DNSP provided short notice reserve to AEMO.

These quarterly performance reports will be published on the AER website.

- DNSPs must notify the AER if the DNSP receives:
 - notification from a customer about any adverse impacts of the DNSP's provision of RERT services via voltage management; or
 - any other customer complaints relating to the quality of supply that may be associated with the provision of RERT services via voltage management.

Ergon Energy Waiver Register

Ver 14, 06/02/2026



<p>Waiver from the obligation to comply with clause 3.1 of the Ring-fencing Guideline to allow Ergon Energy to supply excess capacity of the five identified batteries to EEQ, subject to the conditions identified below.</p> <p>The following conditions apply with this waiver approval:</p> <ul style="list-style-type: none">• Providing the AER with information on the contractual arrangement between Ergon Energy and EEQ. This information includes the contractual terms, conditions and payments. This information should be provided to AERringfencing@aer.gov.au within 20 business days of the contract being finalised. Where there are changes in this contractual arrangement, the AER should be notified within 20 business days. We acknowledge the commercially sensitive nature of this information and will treat this information, accordingly, noting our policies regarding information privacy and disclosure of information.• Ex-post public sharing of information about the battery (e.g. location(s), size, intended purposes and uses, approved cost allocation method, and a key contact for external stakeholders if they wish to discuss the project further) and any useful learnings from the battery usage that will support the battery market.• Provide on an annual basis a comparison of the uses (volume and frequency) of the battery that confirms and differentiates between Ergon Energy network usage and spare capacity leased to Ergon Energy Retail, and an explanation of any differences between the two. The independent assessor, as part of the annual ring-fencing compliance assessment, is to confirm the comparison is accurate	<p>Start Date: 04/03/2022</p> <p>End Date: 30/06/2035</p>
<p>Waiver from the obligations to comply with clause 3.1(b) and clause 4.2 of the Ring-fencing Guideline, in respect of field services that Ergon Energy provides to and on behalf of Powerlink.</p>	<p>Start Date: 12/05/2020</p> <p>End Date: 30/06/2025</p>
<p>Waiver from the obligations under clauses 3.1(b), 4.2.1(a), 4.2.2(a) and 4.2.3(a) of the Guideline. This waiver allows Ergon Energy to continue to offer generation, distribution and retail services, using its own brand and distribution staff in remote areas of Queensland.</p>	<p>Start Date: 18/12/2017</p> <p>End Date: 30/06/2025</p>
<p>Waiver from the obligations under clauses 4.2.1(a), 4.2.2(a) and 4.2.3(a)i of the Guideline to allow the offices at Mareeba and Charters Towers to be classified as regional offices for the purposes of the Guideline.</p>	<p>Start Date: 18/12/2017</p> <p>End Date: 30/06/2025</p>

Ergon Energy Waiver Register

Ver 14, 06/02/2026



Waiver from the obligations under clause 4.2.3 of the Guideline. This waiver allows Ergon Energy to continue to provide a connection service under long-term contract to Hayman Island.	Start Date: 18/12/2017 End Date: 30/06/2025
Waiver from the obligations under clause 4.2.3 of the Guideline to allow Ergon Energy to continue to use the Ergon Energy brand for its retailer; Ergon Energy Queensland (EEQ). Waiver is granted on the condition that use of the EEQ brand is restricted to services that relate to the provision of standard retail contracts in the Ergon Energy distribution network. Behind-the-meter contestable services are specifically excluded from this waiver and must have separate branding from Ergon Energy, such that no reasonable person would infer that Ergon Energy and any affiliated entity delivering contestable services are related.	Start Date: 18/12/2017 End Date: 30/06/2025
Waiver from the obligation under clauses 3.1 and 4.2.1, 4.2.2 and 4.2.3 of the Guideline in relation to the prospective reclassification of the following services: <ul style="list-style-type: none">• emergency recoverable works;• public lighting and nightwatchman lights;• high load escorts;• property services,• network related training courses;• rental and hire services;• sale of inventory.	Start Date: 18/12/2017 End Date: 30/06/2020

Ergon Energy Waiver Register

Ver 14, 06/02/2026



<p>Waiver from the obligations under clause 4.2.3 to allow them to continue use Energex and Ergon Energy branding on uniforms and fleet used in the provision of the following other services:</p> <ul style="list-style-type: none">• type 1-4 metering services;• test, inspect and calibrate services;• contracting services to other network service providers;• operation and maintenance of customer assets;• equipment services;• construction and maintenance of modular substations;• training to external parties - network related training courses.	<p>Start Date: 18/12/2017 End Date: 31/12/2019</p>
<p>The AER also grants a waiver of Ergon Energy's obligation to comply with clause 3.1 of the Guideline from 18 December 2017 until 30 June 2018 so that Ergon Energy may novate existing contracts for other services to its affiliated entity.</p>	<p>Start Date: 18/12/2017 End Date: 30/06/2018</p>

For further information or feedback, please email to: ring.fencing@energyq.com.au