Industry Engagement Document for Non-Network Solutions

2026

Contents

1 Introduction

1.1 Purpose of the document

Ausgrid's *Industry Engagement for Non-Network Solutions Document* meets its obligations under Clause 5.13.1 of the National Electricity Rules setting out the strategy and processes for engaging with *non-network providers* and considering *non-network options*, including Stand Alone Power Systems (SAPS)[1]. This document also includes information specified in Chapter 5, schedule 5.9 of the National Electricity Rules. The content in this document is set out in the following sections.

Section 2 outlines Ausgrid's industry engagement strategy for engaging with interested parties, including how stakeholders can stay informed about projects where Ausgrid is seeking non-network solutions.

Section 3 is a description of Ausgrid's non-network solution assessment process for identifying, investigating and implementing non-network solutions as an alternative to network investment. It also contains information on what we require from interested parties to assess a non-network solution.

Section 4 provides information on how customers can connect embedded generation to the Ausgrid electricity network.

Section 5 contains information on the methodology used for determining avoided Transmission Use of System (TUOS) customer payments.

Section 6 is an example of how Ausgrid assesses potential non-network options.

Section 7 outlines how the sections in this document meet the relevant industry engagement obligations under the National Electricity Rules.

1.2 Contacts

We welcome all comments or queries you may have in relation to the contents of this document. Enquiries regarding this document should be emailed to demandmanagement@ausgrid.com.au.

Or write to us at:

Demand Management
Ausgrid
GPO Box 4009
Sydney NSW 2001

[1] Whenever Ausgrid investigates, develops, assesses and reports on potential non-network solutions, SAPS options will also be considered where applicable.

2 Industry Engagement Strategy

The objective of non-network solutions is to develop and implement solutions that offer credible alternatives to network asset investment and lead to lower costs for our customers.

To deliver this, Ausgrid recognises that cost effective solutions can be developed by engaging effectively with non-network solution providers and a broad range of stakeholders including industry experts and customers.

The key components of our Industry Engagement Strategy include:

1. engaging with non-network providers through various means (section 2.1) and providing information in an open, timely and transparent manner about non-network opportunities (section 2.2); and
2. considering non-network options through a robust and transparent non-network solution assessment process, as outlined in section 3. A worked example is included in section 6.

2.1 Engaging with our non-network solution providers

To remain informed about any potential non-network opportunities, please sign up to Ausgrid's industry engagement register form at https://www.ausgrid.com.au/transforming-the-grid/innovating-for-the-future/managing-network-demand/demand-management-news

Once registered you will receive:

- emails about RIT-D projects and opportunities to submit comments and proposals during the consultation process (e.g. non-network option and planning assessment reports);
- email updates when a new Distribution and Transmission Annual Planning Report (DTAPR) has been published; and
- invitations to respond to Request For Information/Request For Proposals relating to any potential non-network solutions

Note that the information you provide will not be used by Ausgrid for any purpose other than informing registrants about non-network solutions and planning information, in accordance with Ausgrid's Privacy Policy, which can be accessed at www.ausgrid.com.au/Ausgrid-Privacy-Policy.

For further questions regarding the register or any enquiries about this document, email us at demandmanagement@ausgrid.com.au.

2.2 Information about non-network solution opportunities

Ausgrid provides a number of sources to assist non-network service providers to identify where non-network solutions can offer a viable alternative to, or form part of, an integrated network investment. These include:

1) *Distribution and Transmission Annual Planning Report (DTAPR)*

In addition to detailing Ausgrid's planning process and investment plans for the next five years, the DTAPR includes a description of the Ausgrid network, demand forecasts for the five years forward planning period, Ausgrid's reliability performance and other information describing network performance.

Publication of the DTAPR also includes data packs for Ausgrid's:

- substation and feeder capacity and demand forecast;
- asset retirement plans;
- system limitation report; and
- system limitation interval data.

A copy of the latest report, the associated data packs and a link to the online mapping of the limitations can be found at www.ausgrid.com.au/dtapr.

2) *RIT-D and other documents*

- In order to achieve the best possible outcomes for our customers, Ausgrid engages and consults with all interested parties on network projects that are subject to a RIT-D. This test must be applied when we assess options for solutions for network needs where the estimated capital cost of the most expensive credible option is above the RIT-D threshold. Please refer to section 3.2 for more information.

  RIT-D documents include non-network options reports, non-network screening notices, draft project assessment reports and final project assessment reports. These RIT-D documents and information on how you can make a submission are found at www.ausgrid.com.au/ritd
- For projects where the estimated capital cost of the most expensive credible option is less than the RIT-D threshold, Ausgrid applies a similar but simplified process appropriate to the cost of the project. Where public consultation forms part of the assessment, a market engagement document (e.g. Request for Proposal) will also be published on Ausgrid's website. Please refer to https://www.ausgrid.com.au/transforming-the-grid/innovating-for-the-future/managing-network-demand

3) *Industry Engagement Register*

- Interested parties who would like to be notified of opportunities to provide non-network solutions can register here: https://www.ausgrid.com.au/transforming-the-grid/innovating-for-the-future/managing-network-demand/demand-management-news

3 Non-network Solution Development

3.1 What are non-network solutions

When Ausgrid identifies a network limitation, non-network options are considered as an alternative to the identified network option. The implementation of a non-network alternative is commonly referred to as demand management in that the solution has historically involved the reduction or modification of customer demand for grid supplied electricity. With rapidly developing alternatives such as advanced solar and battery inverter control, non-network solutions can now include support for voltage unbalance, power factor and harmonics management.

Non-network solutions are an important part of efficient and sustainable network operations and can help address network needs arising from increasing customer demand, ageing network assets, voltage unbalance, or other investment drivers. Effective use of non-network solutions reduces the cost to develop and maintain the network, resulting in lower electricity bills for all customers.

There are a wide range of non-network solutions available for use by electricity networks. Examples include:

- Stand Alone Power System (SAPS) – supplying electricity to customers through a localised system typically comprising solar, battery energy storage system (BESS), and back-up generation;
- Energy efficiency (e.g. replacing lights with more efficient, lower wattage options);
- Demand response (e.g. operating appliances, such as air-conditioners, at lower power demand for short periods);
- Operation of embedded generators (including renewable generators);
- Energy storage (e.g. batteries);
- Power factor correction (a form of energy efficiency);
- Load shifting (shifting equipment use from peak to non-peak periods such as off-peak hot water);
- Voltage management (e.g. operation of customer inverters in voltage support modes).

3.2 Assessment process

When a review of a network limitation is initiated, a review of options that includes both network and non-network options is completed. The goal is to identify the solution which offers the highest net benefit and meets the required reliability standards. The solution may be:

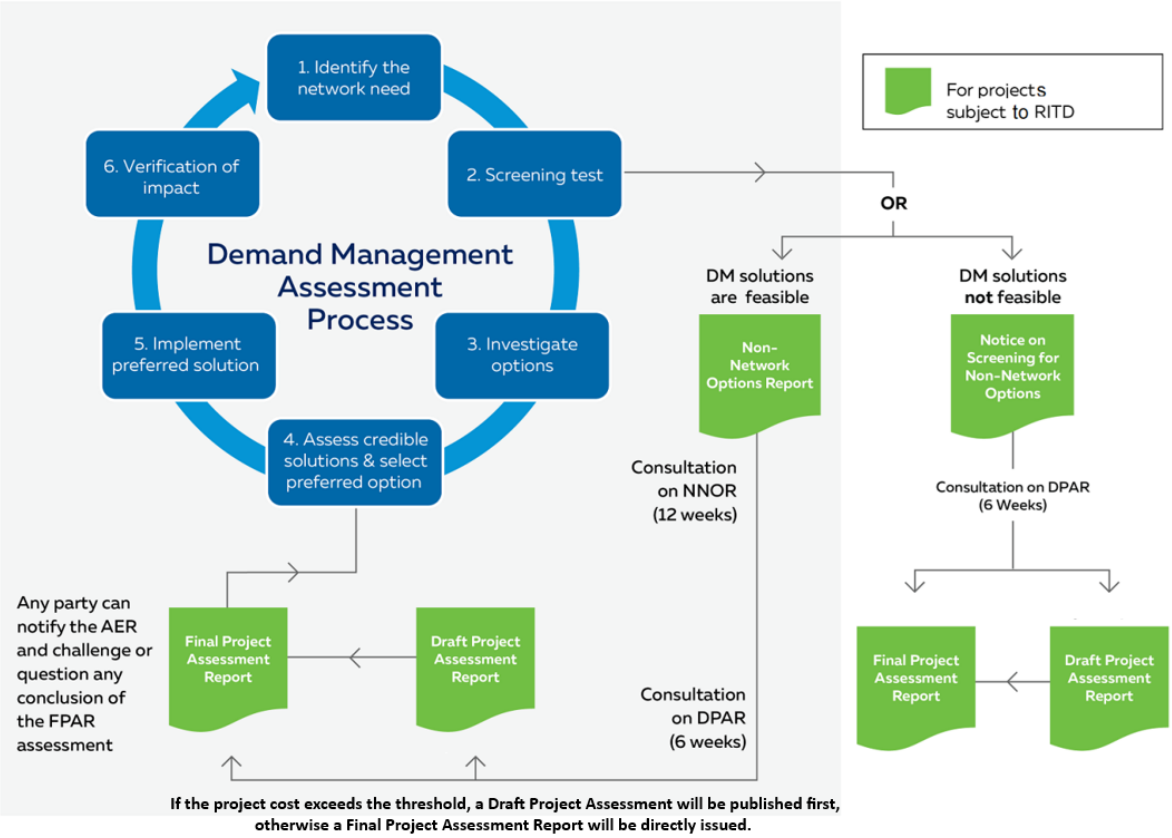
- Modifications or additions to the existing network (i.e. network solution); and/or
- Support of the existing network by others (i.e. non-network solution).

To ensure a thorough investigation, Ausgrid consults with the community on larger projects about the network requirements and the potential non-network options available.

To determine the right balance, Ausgrid applies the process depicted in Figure 1 below. For projects where the preferred network option cost meets the RIT-D threshold, the RIT-D process

is followed. The green boxes denote the reports which are published as part of the RIT-D process.

Figure 1: DM Assessment process



The RIT-D process is a cost-benefit test that must be applied to all network investment projects where the most expensive credible option costs more than the threshold requiring a RIT-D process. It must be applied by network distribution businesses when assessing the economic efficiency of different investment options in order to select the best option available to meet their network's needs. This helps to promote better consistency, transparency and predictability in our planning processes and follows the NER rules under Chapter 5.

3.2.1 Stage 1 - Identify network needs

Ausgrid's network investment needs are planned over a 5+ year time frame and are outlined in our Distribution and Transmission Annual Planning Report (DTAPR). It includes the planning activities associated with the replacement and restoration of sub-transmission and distribution assets on our network. Please refer to the latest DTAPR for details on Ausgrid's planning process.

The DTAPR is published in December of each year. Interested parties registered with Ausgrid's Industry Engagement Register will be notified by email when the DTAPR is published. A copy of the latest report, the associated data packs and a link to the online mapping of the limitations can be found at www.ausgrid.com.au/dtapr.

The DTAPR and associated data packs or online mapping of limitations will typically constitute the first publication of information associated with forecast network limitations. The initiation of the RIT-D process (or similar for smaller projects) will follow publication in the DTAPR closer to the forecast need date. The DTAPR includes information about the forecast publication dates for the RIT-D process.

Note that network need dates may change due to a change in demand forecasts or other new information. Ausgrid will update project timings annually in the DTAPR at a minimum, with registered parties notified of any changes where solution development lead time is affected.

3.2.2 Stage 2 – non-network solutions screening test

Stage 2 of the process is a screening test in which a desktop study is carried out to determine whether non-network solutions could potentially provide a technically and economically feasible option to resolving the issue. This activity occurs in parallel with the development of network options to address the need.

The network need is assessed and the characteristics of the non-network solution that would be required in order to make the option effective are identified. The non-network solution must:

- address the identified network need (i.e. can achieve the required energy/demand reduction or voltage management);
- be economically viable (i.e. preliminary cost estimates indicate the solution offers a competitive alternative to the network option); and
- be deliverable within the required timeframe to resolve the identified need.

The cost and the impact (i.e. energy/demand reduction, voltage control) of possible non-network options are estimated based on current available knowledge and experience from past projects, past submissions from non-network providers and/or learnings from innovation trial projects. The costs and impacts are compared against a non-network solution budget derived from costs and benefits for the preferred network solution. This assessment is based upon a comparison of the net benefits for the preferred network option and possible non-network options.

If the screening test concludes that a non-network solution may offer a net benefit that is, at minimum, competitive with a network solution, Ausgrid will publish a Non-Network Options Report (NNOR) on our website for RIT-D projects. For smaller projects not subject to the RIT-D, Ausgrid will implement a consultation process that is appropriate to the cost and available funds for the project.

If the screening test concludes that no non-network options are considered cost efficient, Ausgrid will publish a Notice on Screening for Non-network Options (NNNO) on our website for RIT-D projects. The NNNO explains why it has been concluded that non-network options do not offer a viable and efficient solution.

Where a NNNO is published, Ausgrid will publish the corresponding Project Assessment Report(s) as part of the RIT-D process. For projects where a credible option has an estimated

cost greater than a certain RIT-D threshold[2], a Draft Project Assessment Report (DPAR) will be published, followed by a 6-week consultation period and then a Final Project Assessment Report (FPAR). Otherwise, a Final Project Assessment Report (FPAR) will be published.

Opportunities are available for interested parties to make a submission or dispute Ausgrid's screening notice or Project Assessment Report(s).

All documents are published on Ausgrid's website found at www.ausgrid.com.au/ritd.

3.2.3 Stage 3 – Investigate non-network options

Where the screening test finds that non-network options might offer an efficient alternative solution, an investigation of possible non-network options is initiated. For RIT-D eligible projects, a Non-Network Options Report (NNOR) is published. This report describes the network need and presents as much information about the project as possible to help proponents understand the technical requirements that a non-network solution would need to deliver in order to address the network need.

At a minimum, the Non-Network Options Report will include:

- A description of the identified network need;
- The assumptions used in identifying the need;
- The technical characteristics of the identified need including the size, location and time period required;
- A map clearly identifying the geographical boundaries of the area where non-network options offer value;
- An identification of any variability in non-network solution effectiveness (where appropriate);
- A description of the potential credible network and non-network solutions;
- The electricity demand profile data for the need;
- Time and duration of the required energy/demand reduction or voltage management;
- The deferral value for the identified need; and
- The likely characteristics of suitable non-network options.

Those who are registered on Ausgrid's Industry Engagement Register will be notified by email when a Non-Network Options Report has been published on the Ausgrid website and will be invited to provide feedback or submit proposals.

For smaller projects not subject to the RIT-D, Ausgrid may provide a subset of this information appropriate to the cost and available funds for the project.

Non-network providers who wish to submit a proposal in response to a Non-Network Options Report will need to include, at a minimum, the following information in their submissions:

- Contact details of the company or person making the submission;

[2] The RIT-D process involves two financial thresholds. The first determines whether a formal RIT-D assessment is required. The second, applicable to higher cost projects, mandates the publication of a Draft Project Assessment Report (DPAR) prior to the Final Project Assessment Report (FPAR).

- Information about the proponent and key personnel including evidence that demonstrates their past experience and ability to implement the solution proposed;
- Size, type and location of each solution/technology proposed;
- A description of the proposed operation and impacts (e.g. demand/energy/voltage management) for each solution/technology;
- The required payments from Ausgrid for the proposed solutions, including payment structures;
- The longevity of any permanent reductions (e.g. energy efficiency solutions);
- The estimated level of additional activity beyond business as usual; and
- Lead time required to implement these measures and any period of notice required (e.g. day ahead or day of notice for load shedding).

Note that Ausgrid may request additional information if deemed appropriate depending on the particular circumstances of the potential non-network opportunity.

Ausgrid welcomes all interested parties to submit proposals in response to a Non-Network Options Report or direct enquiries relating to our investigations to demandmanagement@ausgrid.com.au.

Where a proponent requests information beyond that provided in the Non-Network Options Report, and that information is available and the request is reasonable, Ausgrid will publish the information as an addendum to the Non-Network Options Report and notify all parties registered on the Industry Engagement Register.

Proponents are encouraged to clarify requirements with Ausgrid to ensure that proposals contain sufficient information to reach a considered decision as to the viability of a non-network solution. Examples of proposals that are generally not considered to be sufficient are those which offer:

- Consultancy services to investigate an option further;
- Limited information on the pricing, impact or location of the proposed solution; or
- Present unproven technologies with no evidence base to back claims. Note that Ausgrid does consider technologies that are not yet proven for innovation trial projects, however, where there is a network need, our preference is to first and foremost consider technologies that have an established evidence base in terms of their efficacy.

Once Ausgrid receives all submissions from non-network solutions providers, each option is reviewed and ranked according to their impact, cost and effectiveness. All options are assessed against the following evaluation criteria:

- Impact (e.g. demand/energy, kVA, MWh);
- Cost (NPV, $/kVA, $/MWh);
- Time of day/seasonality demand/energy reduction available;
- Timeframe for implementation;
- Dependency on customer participation and acceptance;
- Reliability/permanence of demand/energy reduction;
- Risks associated with the proposal; and
- Environmental impact

An option is commercially and technically feasible where its estimated costs are comparable to (or less than) other credible options that address the identified need. One exception includes where the credible option(s) is/are likely to deliver materially higher market benefits. In such circumstances, the option may be commercially feasible despite the higher expected cost.

Where the individual proposals do not fully meet the identified network requirement, Ausgrid may consider a combination of proposals to address the need or maximise benefits.

Refer to Section 6 for an example of how potential non-network options are assessed.

3.2.4 Stage 4 – Select the preferred non-network option

After the assessment is complete, based on the ranking of options a decision is made whether one or a combination of proposed non-network options could form a credible single solution, or a significant portion of a credible solution to resolve the identified network need. Consideration is also given as to whether combining any of the non-network solutions with a network driven solution could provide a preferable economic benefit.

Whether non-network options are found to be viable or not, Ausgrid will then publish the outcomes in the corresponding Project Assessment Report(s) as part of the RIT-D process. For projects where a credible option has an estimated cost greater than a certain RIT-D threshold[2], a Draft Project Assessment Report will be published, followed by a 6 week consultation period and then a Final Project Assessment Report. Otherwise, a Final Project Assessment Report will be directly published.

The Project Assessment Report(s) identify the preferred option with supporting information to demonstrate that it provides the highest net-present value of market benefits via a cost-benefit assessment of all credible options. The reports will include:

- A description of the network constraint and what the need requirement is;
- A summary of the submissions received on any Non-Network Options Report;
- A description of the credible options that were considered in the RIT-D assessment;
- The methods used in quantifying each class of market benefit;
- The costs and classes of market benefits for each of the credible options;
- Reasons why differences in changes in voluntary load curtailment, costs to other parties, option value and timing of other distribution investment do not apply to a credible option;
- The results of NPV analysis of each credible option and accompanying explanatory statements regarding the results;
- Identification of the preferred option; and
- Information to enable stakeholders to provide their feedback in consideration of the preferred option.

For smaller projects not subject to the RIT-D, we will publish outcomes in a manner that is appropriate to the cost and available funds for the project.

Those who are registered on Ausgrid's Industry Engagement Register will be notified by email when Project Assessment Report(s) have been published on the Ausgrid website and will be invited to provide feedback.

All documents are published on Ausgrid's website at www.ausgrid.com.au/ritd.

3.2.5 Stage 5 – Implementation of non-network solution

Where a non-network solution has been selected to form part of the solution, at the completion of the final project assessment process, Ausgrid will commence procurement processes. These processes will contract for the preferred non-network solution while ensuring both probity and prudent purchasing practice. This may include negotiating agreements with the selected non-network service provider(s) based on the submission from the service provider as part of the consultation process, other tenders or invitations to bid, or internal project development.

3.2.6 Stage 6 – Verification of impact

During the period of implementation of the non-network solution project, Ausgrid will regularly measure and verify the contracted energy/demand savings to ensure contract terms are met and to help manage risk.

Following completion of the project, further measurement and verification studies of the delivery performance will be undertaken to ensure lessons learned can be applied to future non-network solution assessments and projects.

3.3 Payments for Network Support

Payments for network support will be negotiated on commercial terms to achieve the lowest cost outcome for Ausgrid's customers. The values identified in a Non-Network Options Report form an upper bound. In determining this upper bound, Ausgrid will include the value of the deferred capital expenditure, any reduction in estimated unserved energy, the impact on operation and maintenance costs and the extent the non-network option meets the network need requirements.

Service levels, performance targets and milestones will be negotiated in any agreement to ensure that delivery risks are properly managed. Payment levels for a non-network solution will consider:

- The outcome of the net present benefit assessment;
- The magnitude of the demand/energy reduction;
- The duration and number of occurrences of expected demand/energy reductions;
- The reliability/permanence of the non-network solution;
- The co-incidence between the solution, time and season; and
- The proportion of the solution to the demand/energy reduction requirement.

Consultation and information about specific incentive payments may be provided as part of the Non-Network Options Report or be released as part of the implementation of a selected non-network solution.

4 Embedded generation connection process

Embedded generators[3] are equipment that generate electricity and are connected to Ausgrid's distribution network. In some cases, a generator may export generated electricity back into Ausgrid's network. Standby generation equipment is used as an alternative source of supply in the event of a power outage or to help manage the demand for electricity on our network, usually during peak energy use times.
There is a wide range of generating technologies available, including:

- Renewable systems including, solar photovoltaic (PV) panels, wind turbines, and hydro generation;
- Battery storage systems that export electricity, including vehicle to grid (V2G) and home battery systems;
- Combustion machine e.g. diesel generators; and
- Co- and Tri-generation

If you wish to connect an embedded generator to Ausgrid's network, you must submit a connection application. You need to submit a connection application even if you are installing a standby generator or a generator that will not export electricity back into the network.

To apply to connect or alter the connection for an embedded generation unit, Ausgrid requires information about your proposed generator and connection.

4.1 Connecting an embedded generator

We recommend you engage a suitably qualified electrical professional to assist you with your application, which you can do through our website. The type of application form that will be applicable to you will depend on the size and type of your proposed system and how you intend to use it. Each form has an accompanying guideline or information pack that explains how to complete the form and the process involved to connect.

Legal, technical and safety requirements must be satisfied before a generator can be connected to ensure the safety of people, equipment and property, and to maintain network reliability and performance. Requirements for generators are set out in Ausgrid network standards, Australian standards, NSW Safety Installation Rules and state and national legislation, in particular the National Electricity Rules.

Once your application has been received, it will be assessed to make sure there are no safety, network reliability or performance risks, and that it meets all the relevant regulatory requirements which include our network standards, Australian standards, NSW Safety Installation Rules and state and national legislation, in particular the National Electricity Rules.

[3] The term 'embedded generators' is used in the relevant schedule of the NER and is broadly equivalent to what is now commonly referred to as Distributed Energy Resources (DER) or Consumer Energy Resources (CER).

Ausgrid will charge you a fee to cover reasonable expenses incurred in assessing the connection application and making a connection offer. In addition, you may be required to pay for some connections services in accordance with Ausgrid's connection policy.

You can find more detailed information about the connection process at https://www.ausgrid.com.au/Connections

5 Avoided Transmission Use of System charges

Avoided Transmission Use of System (ATUOS) payments recognise that energy supplied to Ausgrid's network by an embedded generator would have otherwise been supplied from the state's transmission network. Under the National Electricity Rules, owners or operators of eligible embedded generators can receive ATUOS payments from Ausgrid.

Ausgrid connects to the TransGrid transmission network at multiple connection points. TransGrid, as a regulated Transmission Network Service Provider, recovers its revenue from directly connected customers and Distribution Network Service Providers connected to its network. In accordance with the connection agreement with TransGrid, Ausgrid is required to pay transmission use of system (TUOS) charges to TransGrid.

Further details on the calculation methodology for Avoided TUOS can be found on Ausgrid's website in Appendix F of our ES7 Network Price Guide found at https://www.ausgrid.com.au/asp-and-contractors/technical-document-library/es7

6 Example: Non-Network Options Assessment

6.1 Network need

Ausgrid has identified a need to upgrade multiple 11kV feeders at a zone substation due to forecasted evening peak summer loads exceeding the rated capacity of the feeders.

The preferred network option involves the upgrade of the 11kV feeders. Ausgrid estimates the undiscounted capital cost for the preferred network solution is approximately $6 million. An economic analysis has concluded that deferring the project using a non-network solution is a viable solution. Ausgrid's preference is to defer the project for 3 years.

The details of the DM requirements are outlined below.

Required need date	Number of years required	Minimum DM reduction days per year	Duration of DM event (hours)	Required Period	Demand Reduction required (MVA)	Available funds
2027/28	3	10	3	1 Nov to 31 Mar	2	$200/kVA/year

6.2 Summary of proposals

In this example, we are assuming a total of six proposals have been received as part of the tender process:

1. A1 – commercial energy efficiency upgrade
2. B2 – commercial demand response program
3. C3 – battery solution
4. D4 – residential and commercial demand response program
5. E5 – residential demand response program
6. F6 – generator solution

The following table summarises some of the critical information that would be assessed as part of our evaluation of the proposed options.

Proponent	Demand reduction (MVA)	Availability	Total cost to Ausgrid ($)	Unit cost to Ausgrid ($/kVA/year)	Time for Implementation
A1	3.0	All year	$1,530,000	$170	3 years
B2	2.0	Summer, more than 10 days	$900,000	$150	2 years
C3	1.5	Summer, more than 10 days	$540,000	$120	1 year
D4	2.5	Summer, more than 10 days	$1,500,000	$200	2 years
E5	2.0	Summer, more than 10 days	$600,000	$100	1 year
F6	2.0	All summer	$1,080,000	$180	1 year

6.3 Assessment of proposals

Proposals are assessed for commercial and technical viability and whether the solution can be delivered to meet the required schedule based on the criteria listed in 3.2.3 Stage 3 – Investigate non-network options. Based on the table above, option E5 would be the preferred non-network option. While in this case one option (i.e. proposal E5) has been selected, the preferred non-network solution can also include a mix of different solutions and options.

Cost benefit analysis would then be conducted to understand the preferred option for Ausgrid. Total costs are the net present value of the network and non-network solution costs. Total benefits include the reduction in estimated unserved energy (EUE), the difference in present value cost achieved due to the deferral of the network capex project (including the difference in terminal value) and other market benefits. The table below summarises the results of the cost benefit analysis.

Options	PV of costs ($m)	PV of benefits ($m)	NPV ($m)	NPV Ranking
Do nothing	$0	$0	$0	5
Preferred network option	$4.80	$6.20	1.4	4
1 year deferral + preferred network option	$4.50	$6.50	2.0	3
2 year deferral + preferred network option	$4.20	$6.80	2.6	2
3 year deferral + preferred network option	$4.00	$6.90	2.9	1

7 Relevant National Electricity Rules obligations

Sub-clause	Industry engagement obligations (Chapter 5, Clause 5.13.1)	Document section
(e)	Each *Distribution Network Service Provider* must develop a strategy for: (1) engaging with *non-network solutions providers*; and (2) considering *non-network options*.	2,3
(f)	A *Distribution Network Service Provider* must engage with *non-network providers* and consider *non-network options* for addressing system limitations in accordance with its *industry engagement strategy*.	2,3
(g)	A *Distribution Network Service Provider* must document its *industry engagement strategy* in the industry *engagement document* which must be *published* by no later than 31 August 2013.	2,3
(h)	A *Distribution Network Service Provider* must include the information specified in schedule 5.9 in its *industry engagement document*.	2-6
(i)	A *Distribution Network Service Provider* must review and *publish* a revised *industry engagement document* at least once every three years.	1-6
(j)	A *Distribution Network Service Provider* must establish and maintain a facility by which parties can register their interest in being notified of developments relating to *distribution network* planning and expansion. A *Distribution Network Service Provider* must have in place a facility under this paragraph (j) no later than the date of publication of the *Distribution Network Service Provider's industry engagement document* under paragraph (g).	2.1
Sub-clause	**Industry engagement document (Chapter 5, Schedule 5.9)**	**Document section**
(a)	A description of how the *Distribution Network Service Provider* will investigate, develop, assess and report on potential *non-network options*	3
(b)	A description of the *Distribution Network Service Provider's* process to engage and consult with potential non-network providers to determine their level of interest and ability to participate in the development process for potential *non-network options*	3
(c)	An outline of the process followed by the *Distribution Network Service Provider* when negotiating with non-network solutions providers to further develop a potential *non-network option*	3
(d)	An outline of the information a non-network solutions provider is to include in a non-*network* proposal, including, where possible, an example of a best practice non-network proposal	3
(e)	An outline of the criteria that will be applied by the *Distribution Network Service Provider* in evaluating non-*network* proposals	3
(f)	An outline of the principles that the *Distribution Network Service Provider* considers in developing the payment levels for *non-network options*	3
(g)	A reference to any applicable incentive payment schemes for the implementation of *non-network options* and whether any specific criteria is applied by the *Distribution Network Service Provider* in its application and assessment of the scheme	3
(h)	The methodology to be used for determining *avoided Customer TUOS charges*, in accordance with clauses 5.4AA and 5.5	5
(i)	A summary of the factors the Distribution Network Service Provider takes into account when negotiating connection agreements with Embedded Generators	4

(j)	The process used, and a summary of any specific regulatory requirements, for setting charges and the terms and conditions of *connection agreements* for *embedded generating units*	4
(k)	The process for lodging an *application to connect* for an *embedded generating unit* and the factors taken into account by the *Distribution Network Service Provider* when assessing such applications	4
(l)	Worked examples to support the description of how the *Distribution Network Service Provider* will assess potential *non-network options* in accordance with paragraph (a)	6
(m)	A hyperlink to any relevant, publicly available information produced by the *Distribution Network Service Provider*	2
(n)	A description of how parties may be listed on the industry engagement register	2
(o)	The Distribution Network Service Provider's contact details	1 & 2