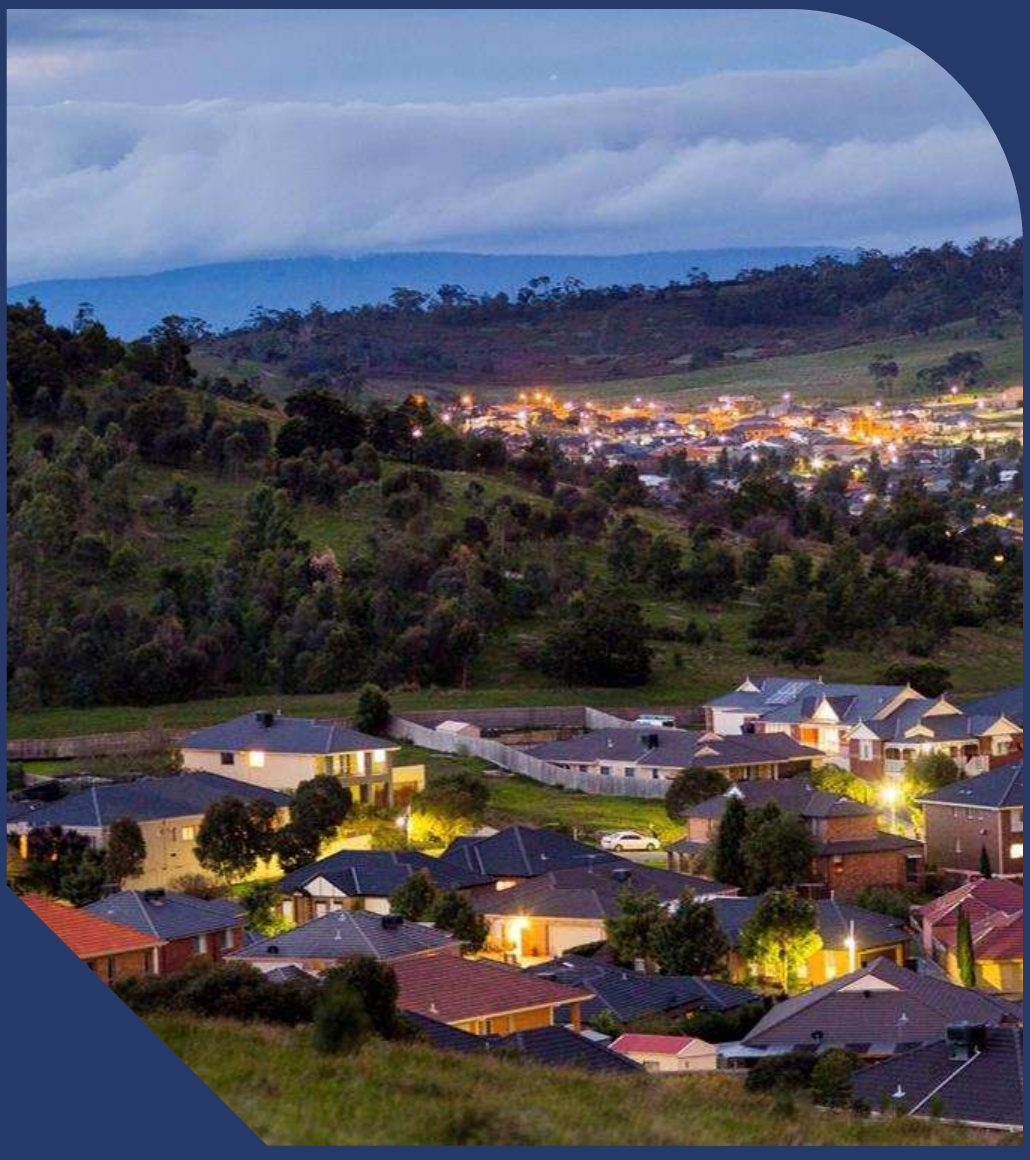
AusNet

KLO14 Non-Network Solution

Request for Proposal



Future-Focused Demand Management: A New Opportunity to Partner

As the energy transition accelerates, we're introducing a fresh approach to managing peak demand - one that puts customers, communities, and industry partners at the centre.

Instead of relying solely on traditional infrastructure upgrades, we're exploring smarter, more sustainable solutions. This includes flexible, smaller-scale demand responses that can be activated during peak events, opening the door to a wider range of participants and technologies.

We're making it easier to get involved by offering more adaptable commercial arrangements and rewarding contributions that help support the electricity network.

If you're interested in being part of a more collaborative, innovative energy future, we'd love to hear from you!

All submissions should be sent to GridEvolution@ausnetservices.com.au using the provided template, by **COB 31 March 2026**.

The Opportunity

AusNet is inviting proposals from solution providers to support its demand management program across various locations within its distribution network. A key focus area is **KLO14**, a 22 kV feeder in Kalkallo, an outer suburb of Melbourne, approximately 31 km north of Melbourne's central business district, which is currently experiencing capacity constraints.

AusNet welcomes a wide range of non-network solutions, including load curtailment, generation export, and other flexible approaches such as power factor correction, air conditioning and hot water load control, and energy efficiency improvements. Solutions can vary in scale **starting at 200 kW** per site or in aggregate.

To recognise the value of these contributions, AusNet will offer network support payments during agreed support periods. Annual incentive payments are based on dispatchable capacity:

- **$30,000 per MW** for solutions with 1 MW up to 4.9MW
- **$15,000 per MW** for solutions between 200 kW and 999kW

To qualify, solutions must meet the following minimum requirements:

- Be dispatchable upon request
- Operate for at least 2 hours

AusNet welcomes proposals with dispatchable solutions of 200 kW or more. For solutions that meet the full requirement, we may also offer additional financial support, up to $200,000, to help with capital costs such as connection charges. The level of support will depend on the scope and impact of your proposed solution.

Full Requirement

Location	KLO14 (22kV distribution feeder)
Dispatchable capacity	4.9 MW
Dispatchable energy	10 MWh
Network support hours	5pm-10pm Additional requests may be made if needed.
Annual dispatchable allowance	100 MWh
Contract term	1 November 2026 to 31 March 2031 The agreement period may extend beyond this time.

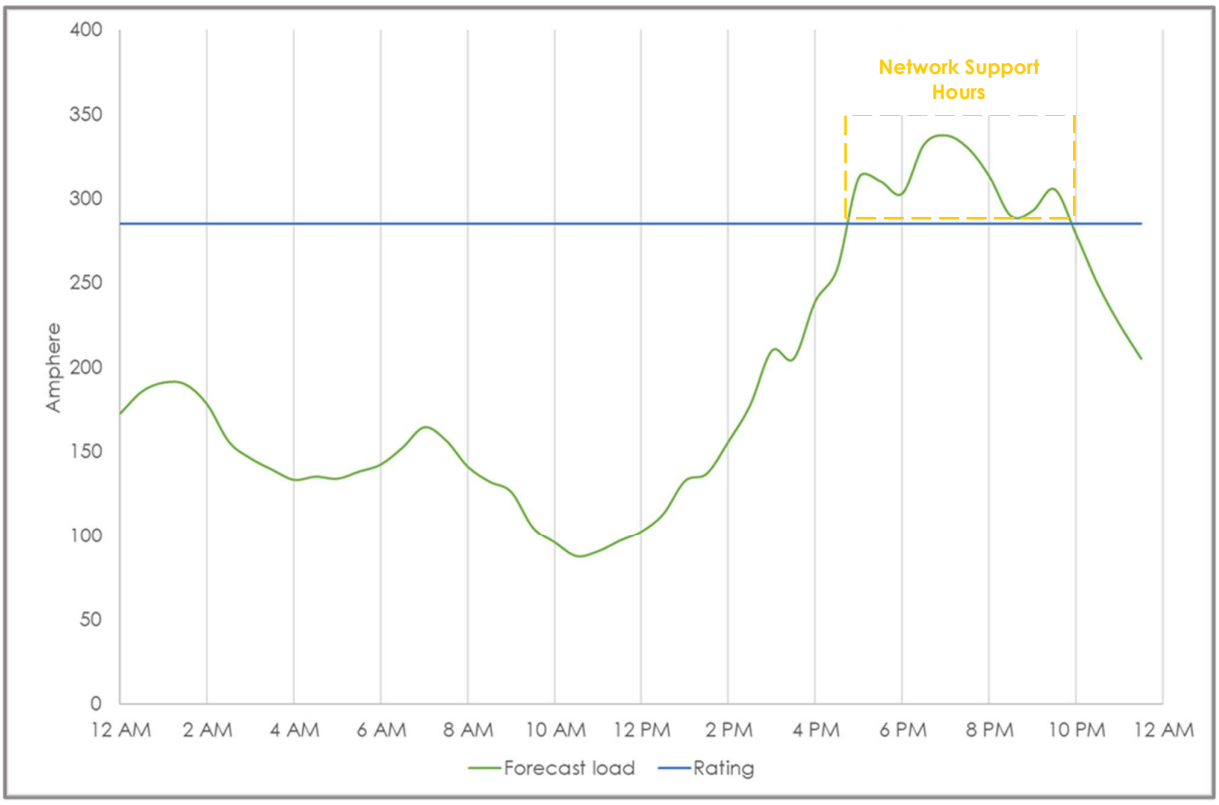
Network Support

Network support events are typically triggered during periods of high electricity demand, most often on hot days when temperatures are forecast to reach 30°C or above. During these times, your solution may be dispatched between 5:00 pm and 10:00 pm to help reduce pressure on the network. In a typical year without extreme heat, AusNet expects no more than 10 support events.

Occasional requests may also be made outside the summer season if needed.

AusNet's Distribution Operations Centre (DOC) will aim to provide at least 18 hours' notice before each event, either via email or through automated systems you provide. You will remain responsible for owning, operating, and maintaining your system.

Indicative Demand Profile



Network Support Agreement

A Network Support Agreement will be established solely for the provision of the service. If your solution involves energy generation, you'll need to follow AusNet's embedded generator connection process and manage all associated requirements, including connection costs, site preparation, security, and electrical protection (e.g., earth grid).

You'll also need to meet any relevant standards set by Energy Safe Victoria and the Environment Protection Authority Victoria, such as noise limits and bunding.

AusNet will make annual network support payments each June for the duration of the agreement. Additional payments may be made for any dispatches beyond the annual allowance.

Location

Town	Postcode	Major Roads
Kalkallo	3064	Donnybrook Rd (C723)
Donnybrook	3064	Donnybrook Rd (C723)
Eden Park	3757	Glenburnie Road
Upper Plenty	3756	Wallan–Whittlesea Rd (C727), Epping–Kilmore Rd (C729)
Whittlesea	3757	Wallan Road (C727)

Feeder Coverage (KLO14):

Note:

We will prioritise sites located along the main section of the 22 kV distribution feeder (Blue) where they can have the greatest impact.

Agreements - AusNet & The Supplier

Connection Services Agreement

The Connection Services Agreement sets out the terms and conditions upon which AusNet will provide network connection services to the Supplier. The Connection Services Agreement will include provisions dealing with the construction and commissioning of certain connection assets by AusNet, including costs to be paid by the Supplier for this construction/commissioning.

The Connection Services Agreement may also include provision for payment of connection services fees by the Supplier during the contract term.

Proposed systems must follow the normal process for connection of embedded generators with a rated capacity of 1.5 MW – 5MW (Chapter 5A).

Although Alternative Solutions might not require an additional or modified connection to the electricity grid, other works and associated costs to the Supplier might be required to establish suitable communications or control interfaces, which will require a Connection Services Agreement.

If successful, it is anticipated that the AusNet Network Support Agreement with the Supplier for provision of the service, would not require significant alteration.

Network Support Agreement

The **Network Support Agreement** sets out the terms and conditions upon which the Supplier will provide network support services to AusNet.

The Network Support Agreement imposes obligations on AusNet to make network support payments to the Supplier during the contract term.

Unavailability charges will apply if the Supplier is unable to meet a dispatch request or a loss of supply occurs during a dispatch period.

The terms and conditions of the **Connection Services Agreement** and the Network Support Agreement will supersede other existing demand response Contracts entered between AusNet and the Supplier. The Network Support Agreement will not be executed until a Connection Services Agreement has been executed by the parties.

For Further Information

Connection Process & Services Agreement: energyconnectionsSG@ausnetservices.com.au

Network Support Agreement: GridEvolution@ausnetservices.com.au

Proposal Submission Details

Submission

Please send submissions to GridEvolution@ausnetservices.com.au using the provided template by **COB 31 March 2026**.

Clarification Questions

- Clarification questions can be the Grid Evolution email.
- AusNet reserve the right to cleanse any questions (to de-identify respondents) and post responses so that all respondents will have access to the questions and our responses.

Other Requirements

- All proposals must satisfy the requirements of any applicable laws, rules and the requirements of any relevant regulatory authority and the National Electricity Amendment (Contestability of energy services) Rule 2017 No. 16.
- The Supplier is responsible for all property-related arrangements and site establishment requirements - including any necessary permits and Local Government Authority (LGA) consultation, community consultation and environmental approvals, network connection costs including any applicable connections contribution, and commissioning of non-network energy solutions.
- The Supplier is also responsible for any site-specific preparatory or remediation works as required by LGAs or other statutory bodies, e.g., noise attenuation, land rehabilitation or geotechnical surveys.
- Network augmentation costs required to accommodate the non-network solution are the responsibility of the Supplier.

Right to Amend or Cancel the Proposal

- AusNet reserves the right, at our absolute discretion, to amend any part of this Request for Proposal or to cancel the Request at any time before signing the contract.

Schedule 1

Indicative Non-Network Solution Service Parameters

The following parameters are provided as a guide for discussion purposes only. They do not represent a legally binding offer and do not create any obligation for either party. All details are subject to change until a formal agreement is in place.

Location: Preference will be given to solutions located along the main section ("feeder backbone") of the 22 kV feeder.

Dispatchable Capacity (MW): The peak AC capacity your solution can deliver when called upon.

Dispatchable Energy (MWh): The total energy your solution can provide during a network support event.

Network Support Hours: Typically between 5:00 pm and 10:00 pm AEDT, from 1 November to 31 March. Occasional requests may be made outside this period if needed.

Annual Dispatchable Allowance (MWh): The total energy dispatch allowed per billing period. You're invited to propose pricing for any support requested beyond this allowance.

Dispatch Notification: Requests for network support will be sent via email from AusNet's Distribution Operations Centre (DOC), or through automated systems you provide. Additional ad-hoc support may be requested during emergencies.

Billing Period: A 12-month cycle from 1 April to 31 March, aligned with the summer season.

Network Support Payments: AusNet will make fixed annual payments each June for the duration of the agreement. You're also invited to propose a structure for variable payments for any dispatches beyond the agreed period or allowance. These will be reviewed and finalised after each dispatch season.

Payment Offsets for Unavailability: If your solution is unavailable during a scheduled event, payment reductions may apply as outlined in the agreement.

Contract Term: The Network Support Agreement will cover a fixed term, as agreed with AusNet. Extensions may be considered with mutual written agreement.

Schedule 2

Network Tariffs

Following tables show the network tariff, including the AusNet tariff trials that could be applied for the Energy Storage system.

1. AusNet Schedule of Tariffs

Network tariffs (ausnetservices.com.au)

https://www.ausnetservices.com.au/en/Electricity/Tariffs-and-Charges/Network-tariffs

2. AusNet Neighbourhood Storage Tariff trial (large, 250kW-1MW)

Code: NSSL01T, effective from 1 July 2024

Charging Window	Unit	Indicative NUOS pricing (import)	Indicative NUOS pricing (export)
Fixed charge	Fixed annual charge $/year	3486.82	
10am to 3pm (Mon to Sun)	c/kwh	0	3.65
3pm to 9pm (Mon to Sun)	c/kwh	11.57	-1.20
All other times	c/kwh	3.62	0

3. AusNet Neighbourhood Storage Tariff trial (medium, up to 250kW)

Code: NSSM01T, effective from 1 July 2024

Charging Window	Unit	Indicative NUOS pricing (import)	Indicative NUOS pricing (export)
Fixed charge	Fixed annual charge $/year	250	
10am to 3pm (Mon to Sun)	c/kwh	0	4.05
3pm to 9pm (Mon to Sun)	c/kwh	13.97	-2.10
All other times	c/kwh	4.05	0

For more information, please visit:
AusNet 2024-25 Tariff trial notification - 29 February 2024 - PUBLIC(16457996.1).pdf (aer.gov.au)

AusNet

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