

IMPORTANT NOTICE IN 054/18

LEVEL AND LEVEL 1 ACCREDITED SERVICE PROVIDERS TARIFF CLASS 5 CHARGE (TC5) COLLECTION PROCESS CHANGE

Tariff Class 5 (TC5) charge is the compensation payment (residual capital value) for removing street lighting assets before their economic life. TC5 is calculated and shown in the Notification of Change in Charges (NOCC) as part of the design document submitted by Level 3 ASPs. The TC5 is payable at the time of replacement as stated in the NOCC.

When under Engineering Standards the TC5 collection process was to issue a tax invoice for the TC5 charge to the nominated party as shown in the NOCC during the design process with payment required prior to certification. Collection of TC5 prior to certification can result in a number of inefficiencies.

The objective of the new TC5 collection process is to streamline the end to end design and construction process for our clients and ensure that the correct TC5 charge is collected during the construction phase.

In the new process the CWE will validate the TC5 charge shown on the NOCC as part of the design certification process. Once the TC5 charge has been validated, CWE will issue a separate Payment Advice/Pro Forma Invoice for the TC5 charge and include in the design certification package and forward to the Level 3 ASP to formalize the design certification.

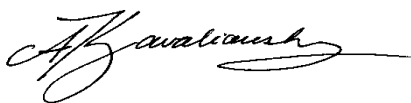
The Level 3 ASP will forward the TC5 Payment Advice/Pro Forma Invoice and the accommodated Letter of Intent to their client for nominating a Level 1 ASP to construct the works. Our revised Letter of Intent will expand the term “charges” to include Street Lighting Tariff Class 5 and add a new Clause G to alert both the Level 1 ASP and the client to make sure the applicable TC5 charge is paid when they submit the Letter of Intent to us.

We will amend the NOCC to advise Clients not to pay prior to receiving the separate Payment Advice/Pro Forma Invoice for the TC5 charge.

The implementation of the new process can be immediate for any projects that have not been issued with Tax Invoice.

For legacy projects which have tax invoice issued, the TC5 charge must be paid by going through existing process.

Should you have any enquiries in relation to this Importance Notice, please contact Han Phan on (02) 9853 7904 or email han.phan@endeavourenergy.com.au.



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