



Mr John Pierce  
Chairman  
Australian Energy Market Commission  
PO Box A2449  
Sydney South NSW 1235

18 July 2014

Email: [submissions@aemc.gov.au](mailto:submissions@aemc.gov.au)

Dear Mr Pierce

**EPR0041: DISTRIBUTION RELIABILITY MEASURES  
DRAFT REPORT**

CitiPower Pty and Powercor Australia Limited (**the Businesses**) welcome the opportunity to respond to the draft report by the Australian Energy Market Commission (**AEMC**) in relation to distribution reliability measures.

Overall, the Businesses support the proposed reliability measures. In particular, the Businesses support the following:

- maintaining the key distribution reliability measures, System Average Interruption Duration Index (**SAIDI**), System Average Interruption Frequency Index (**SAIFI**) and Momentary Average Interruption Frequency Index event (**MAIFIe**) as the main pillars for reliability performance reporting;
- changing the definition of MAIFIe from less than one minute to three minutes or less. In increasing the duration threshold for the reliability measure of MAIFIe, the Businesses are incentivised to invest in network automation, which increases MAIFIe but reduces the overall impact of sustained network outages;
- managing the impact of catastrophic events by ensuring appropriate Major Event Days (**MED**). The Businesses welcome the opportunity to remove the impact of catastrophic events from historical daily SAIDI records which can unduly inflate the MED threshold value in future years;
- not imposing Customer Average Interruption Duration Index (**CAIDI**); Customer Average Interruption Frequency Index (**CAIFI**); Average System Interruption Duration Index (**ASIDI**) and Average System Interruption Frequency Index (**ASIFI**). The Businesses consider these measures are not widely understood and can provide misleading impressions of performance;

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- the retention of the four traditional feeder categories of CBD, Urban, Rural Short and Rural Long. In addition, the Businesses support the proposed measures which reduce annual category transfer driven by non-distribution activity/external circumstances which are associated with feeder maximum demand volatility; and
- the principles proposed for determining the lowest reliability customers, with the threshold defined as a multiple of the respective target feeder performance applied to the feeder sections.

The Businesses would be pleased to discuss any aspect of this letter with the AEMC. Please contact me on 03 9683 4082 or [rtirpcou@powercor.com.au](mailto:rtirpcou@powercor.com.au).

Regards

A handwritten signature in blue ink that reads "Renate Tirpcou". The signature is written in a cursive style with a light blue shadow effect behind the text.

**Renate Tirpcou**  
**MANAGER REGULATION**