

29 July 2014



John Pierce  
Chair  
Australian Energy Market Commission  
By email: [aemc@aemc.gov.au](mailto:aemc@aemc.gov.au)

Your Ref: EPR0041

Dear Mr Pierce

### **Draft Report: Distribution Reliability Measures**

The Public Interest Advocacy Centre (PIAC) wishes to express its support for the submission made by the Alternative Technology Association on the AEMC's Draft Report on Distribution Reliability Measures.

By way of background, PIAC is an independent, non-profit law and policy organisation. PIAC works for a fair, just and democratic society, empowering citizens, consumers and communities by taking strategic action on public interest issues. PIAC operates the Energy and Water Consumers' Advocacy Program (EWCAP), established in 1998, which develops policy and advocates in the interests of low-income and other residential consumers in NSW energy and water markets. PIAC receives funding from Trade and Investment NSW to carry out its work in this area.

PIAC welcomes the development proposed distribution reliability measures that could be practically applied by the Australian Energy Regulator (AER). PIAC would like to draw the AEMC's attention to the following issues outlined in the ATA's submission:

#### **The need for consultation with disability consumers, organisations and Commissioners**

- The AEMC should investigate the impacts on customers dependent on life support equipment prior to changing the definition of momentary interruption to ensure there are no unanticipated negative consequences for these customers. We note that two men with muscular dystrophy dependent on life support equipment recently died following power disruption to their home in Perth. The AEMC could contact the Physical Disability Australia, the state Physical Disability Councils and Disability Commissioners (state and federal), for example, to consult about the impacts of the proposed change.

#### **The need for the consumer engagement on technical matters, including reliability standards**

- PIAC appreciates that the AEMC is continually improving its consultation with consumers and consumer advocates. We would request that where working groups are established for AEMC processes (such as this one), as a matter of course, consumer advocacy organisations are invited to participate to ensure both consumers and industry feedback is incorporated.

#### **The need for comprehensive records and reporting of interruptions**

- Given the impacts of interruptions on consumers, PIAC's view is that network businesses should keep full records of all interruptions and that all interruptions should be captured in the relevant indices. While reliability

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reporting is challenging, given the variety of causes, transparency is vital for consumers to be able to evaluate the performance of network businesses so comprehensive records are recommended.

**The need for national consistency and therefore binding standards**

- The National Electricity Market (NEM) already has significant variation without jurisdiction-specific reliability standards. In fact, it is essential that reliability standards are binding throughout the NEM in order to ensure consistent outcomes for consumers, especially given the history of excessive network investment that, in some instances, has been attributed to reliability standards. PIAC urges the AEMC to revise the report to propose binding reliability standards. PIAC is also supportive of the Australian Energy Regulator having responsibility for any guidelines.

If you require any further information from PIAC in relation to this matter, please do not hesitate to contact me or Dr Gabrielle Kuiper, EWCAP Senior Policy Officer, on 02 8898 6520 or [gkuiper@piac.asn.au](mailto:gkuiper@piac.asn.au).

Yours sincerely



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