

Doug Aberle Managing Director

Our ref: DM#9021351

6 February 2012

Mr Lyndon Rowe  
Chairman  
Economic Regulation Authority  
PO Box 8469  
PERTH BUSINESS CENTRE WA 6849

Attn: Mr Paul Reid

Dear Lyndon

## **BREACH OF A TYPE 1 LICENCE OBLIGATION**

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I refer to the telephone notification on Monday, 30 January 2012 to the Authority's Assistant Director Monitoring Mr Paul Reid of a breach of a Western Power Type 1 licence obligation.

In accordance with the *Electricity Compliance Reporting Manual May 2011*, Western Power is also required to provide, in writing, the following details of the breach and any remedial action taken since the breach occurred.

1. *The licence obligation that has been breached*

Clause 7.7(2)(c) of the *Code of Conduct for the Supply of Electricity to Small Use Customers (Code of conduct)* provides that, where a distributor has been informed by a retailer that a person residing at a customer's supply address requires life support equipment, the distributor must give the customer at least 3 days written notice of any planned interruptions to supply at the customer's supply address.

2. *The nature and extent of the breach*

Western Power did not provide the required 3 days notice of a planned interruption to the customer whose supply address was registered as a life support equipment address. Western Power became aware of the issue when, on Friday, 27 January 2012 at 1.20pm the customer telephoned Western Power's Customer Contact Centre and advised that her property had no power supply and she had not received notification of any scheduled outages. The customer also advised that she moved her son to a friend's property which currently had a power supply.

**Connecting people with energy**

363 Wellington Street Perth WA 6000  
GPO Box L921 Perth WA 6842

T (08) 9326 6291 | F (08) 9326 6608  
westernpower.com.au

Electricity Networks Corporation  
ABN 18 540 492 861

3. *The impact of the breach including the number of customers and other licensees affected*

The breach impacted one customer.

4. *Reasons for the breach*

On 27 January 2012, Western Power contractor Thiess Services Pty Ltd (**Thiess**) performed a planned interruption in Kendenup. Western Power's internal systems correctly identified that the planned interruption was going to affect a customer whose supply address was registered as a life support equipment address. This information was provided to Thiess.

Following a similar Type 1 breach reported to the Authority on 9 November 2011, Western Power modified its procedures relating to notifications of life support equipment customers of planned interruptions. The additional procedures strengthened the existing safeguards by requiring that, in addition to a written notification:

- a telephone and personal contact is made with the life support customer before a planned interruption commences;
- an offer to install portable generators at the affected address is made; and
- if the correct notification requirements have not been met, or if the outage is likely to cause difficulties for the customer, the planned interruption is to be cancelled or postponed.

The enhanced procedures were immediately communicated to the relevant Western Power personnel and contractors (including Thiess). In addition, on 15 December 2011, Western Power held a number of information sessions for its personnel and contractors to roll out the modified procedures.

Western Power's investigation into the incident has identified that Thiess failed to:

- provide a written notification to the affected customer; and
- make personal contact with the customer.

Western Power was advised by Thiess that numerous attempts to contact the customer by phone were made however, the calls remained unanswered. The telephone number used by Thiess was confirmed to be the current contact number for that customer.

5. *Actions taken to rectify the breach*

Western Power has taken the following actions:

- Upon becoming aware that the customer was affected by the planned interruption and did not receive a notification of the interruption taking place, Western Power immediately made contact with Thiess' switching operator and requested the power to the customer's supply address be restored as soon as possible.
- A staff member of Western Power's planned outage notification team telephoned the customer who advised him that her son was "fine". The customer was informed that the power supply will be restored as soon as possible.
- The power was restored at 2.35pm.
- Western Power immediately commenced an investigation into the reasons for the breach.

6. *Actions taken to prevent recurrence of the breach*

The following interim actions have been implemented with regards to Thiess pending completion of Western Power's investigation:

- All switching operators are being briefed about the interim procedures.

- All switching operators are not permitted to process any outage requests affecting life support customers unless a written approval by Western Power confirming that the outage may proceed is given.
- The written approval will be given only when details of a customer contact having been made are provided to the designated Western Power representative. Details of a customer contact must include: a photocopy of the planned outage notification card with the customer's signature acknowledging the notification and a confirmation of a telephone contact with the customer having been made. If after two attempts the phone contact is not successful, Thiess must seek Western Power's assistance to contact the customer.
- Thiess' service contract will be reviewed in April 2012 to ensure that appropriate penalty clauses relating to breaches of clause 7.7(2) (and any other relevant clauses) of the Code of conduct are included in future contract orders.

Thiess has also carried out an internal investigation into the breach. As a result, employees involved in the breach have been dismissed.

Commencing Monday, 6 February 2012, the seriousness of the breach and the outcome of the investigation will be discussed with the wider contractor community at safety meetings and individual management briefings.

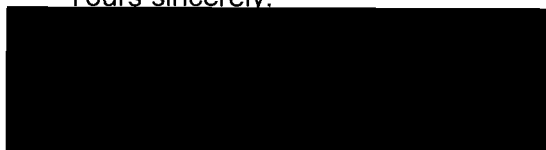
The interim actions outlined above have also been rolled out to other Western Power contractors involved in planned interruptions.

7. *The date the licensee has, or expects to, comply again fully with the licence obligation that has been breached*

Western Power believes that the improved procedures will significantly reduce the likelihood of a similar breach occurring again. The effectiveness of these procedures will be tested on an ongoing basis and during the April 2012 audit of the Type 1 compliance framework introduced in December 2011.

If you have any questions or require further information regarding this matter, please do not hesitate to contact Margaret Pyrchla, Manager Risk & Compliance on 9326 4535.

Yours sincerely,



**DOUG ABERLE**  
**MANAGING DIRECTOR**