

25 October 2012

Rasmus Moersch  
Assistant Director Licencing  
Economic Regulation Authority  
Level 4, Albert Facey House  
469 – 489 Wellington Street  
Perth, WA 6000

Dear Mr. Moersch,

**Amendment by Substitution to Electricity Distribution Licence**

Southern Cross Energy Partnership (SCE) is pleased to be given the opportunity to provide feedback on the proposed amendment to the Electricity Distribution Licence.

The proposed amendment states that

- the licensee must create and maintain a priority register
- the priority restoration register must relate to all customers including but not limited to small use customers
- the priority register must comply with any criteria determined by the Minister

The purpose of the priority register is to determine the order of restoration in the event of an unplanned interruption. SCE considers that there are circumstances where the introduction of clause 29 as proposed would add an administrative burden to develop and maintain for some licensees and would provide little benefit to *customers*. This is especially the case under the Southern Cross Energy licence:

SCE considers that an issue arises when administering a limited number of customers and in cases where the distribution network supplies only industrial loads. In the case where the distribution network supplies industrial loads, the various *customers* will have elements of their operations embedded at similar points on the network, that is a *customer* will in some circumstances have load elements of equal priority and in some cases the load elements will have different priority. In terms of restoration priority the loads of the *customers* will be distinguishable from an electrical perspective in some cases, but not in others. The actual restoration priority will be more related to the priority of the load than that of the *customer* as a whole.

In addition to this, the operational circumstances surrounding such a disruption will required a fluid restoration response and not one that can be managed to a priority restoration register. It will depend on where the disruption occurs and what generation elements are available throughout the course of restoration.

Other than being technically difficult, and potentially impossible to comply with in all cases, the requirement to develop and maintain a priority restoration register for a limited number of *customers* becomes administratively burdensome. For example, should the licensee only have one customer, this register would only have one name, and where a licensee only has 2 customers the register would only

have two names etc. Developing, maintaining and ensuring ongoing compliance adds an additional administrative and cost element onto the business for little or no benefit to the end use *customer*.

A simple solution to this would be for the scope of the provisions to be limited to those cases where the Distribution network serves more than a certain number of *customers*. This would limit the application of the provisions to those networks to which this change is presumably intended while also providing any benefits to those related *customers*.

On a typographical note, the definition of *customer* as stated in the Electricity Industry Act 2004 reads as "a person to whom electricity is sold for the purpose of consumption". Clause 29.2 and clause 29.4(d) refers to "all customers" and "a customer" respectively. For clarity and unless intended otherwise, the word customer in these clauses should refer to the defined term *customer*.

We request that the ERA take these points into consideration when reviewing the proposed amendment.

Yours sincerely,

Troy Forward  
Commercial Manager