



Notice

5 May 2016

Contraventions of Type 1 electricity distribution licence obligation

ELECTRICITY NETWORKS CORPORATION (T/A WESTERN POWER)

The Economic Regulation Authority (**ERA**) has received notification from Western Power regarding two contraventions of clause 7.7(4)(b) of the *Code of Conduct for the Supply of Electricity to Small Use Customers 2014 (Code)*.

Both reported contraventions occurred on 17 April 2016: the first in Middlesex (near Manjimup) and the second in Bunbury.

Clause 7.7(4)(b) of the Code can be summarised as:

Where life support equipment is registered at a customer's supply address under sub-clause (3)(a) the distributor must, prior to any planned interruption, provide at least three business days written notice or notice by electronic means to the customer's supply address and, unless expressly requested in writing by the customer not to, use best endeavours to obtain verbal acknowledgement, written acknowledgement or acknowledgement by electronic means from the customer or someone residing at the supply address that the notice has been received.

Clause 7.7(4)(b) of the Code is classified as a Type 1 (considered the most serious and therefore immediately reportable) obligation for electricity distribution licences, on the basis that the consequences of a contravention would endanger, or threaten to endanger, the safety or health of a person.

ERA'S RESPONSE TO THE CONTRAVENTIONS

With regard to the Middlesex incident, the ERA is disappointed that, despite the considerable work that Western Power has put into strengthening its processes and procedures in relation to Type 1 licence obligations,¹ the root cause of the incident is data handling errors. The incident demonstrates the need for Western Power to have effective monitoring and review processes to ensure it complies with its Type 1 licence obligations. The ERA is satisfied that the actions proposed by Western Power to prevent future recurrence of the contravention are appropriate and proportionate. However, the ERA will designate Western Power's management of its Type 1 licence obligations as an area of focus in the upcoming 2017 distribution licence performance audit.

With regard to the Bunbury incident, the ERA has, based on the information provided by Western Power, decided that the incident did not result in a contravention of clause 7.7(4)(b) of the Code. The reasons for this decision are given later in this notice.

DETAILS OF THE CONTRAVENTIONS

Middlesex Incident

A customer in Middlesex was first registered as a life support equipment customer (**LSE customer**) by Western Power in April 2015. A data entry error at the time the customer was

¹ In 2011, Western Power implemented a Compliance Monitoring Framework for Type 1 licence obligations.

registered resulted in the customer being incorrectly recorded in the Western Power geographical information system used to locate customer premises on its network.

On 17 April 2016, Western Power performed a planned supply interruption to undertake a program of work to replace poles and conductors in Middlesex. The LSE customer's premises are located within the area affected by the planned interruption, but the data error incorrectly showed the premises as lying outside the affected area. As a result, the LSE customer did not receive the notification required under clause 7.7(4)(b) of the Code.

During the supply interruption, Western Power was contacted by the LSE customer advising that they had no electricity. Western Power attended the LSE customer's premises and confirmed that their electricity supply had been interrupted as part of the planned outage. The LSE customer confirmed that their health was not at risk because of the interruption, and also confirmed that they had alternative arrangements in place to meet their health needs during the planned interruption. Accordingly, the planned interruption continued as scheduled, with Western Power staff attending the premises at the conclusion of the planned interruption to confirm that supply had been restored.

Western Power undertook a review of the other planned interruptions that had been undertaken in the Middlesex area as part of the program of work and found the LSE customer premises had been interrupted on two prior occasions – 21 March 2016 and 13 April 2016. However, the LSE customer had not contacted Western Power during either of these planned interruptions.

In response to this incident Western Power has:

- Corrected the LSE customer data error and the mapping error in its systems.
- Completed a review of the location data for all registered LSE customers, and corrected any errors identified.
- Improved the manual checking process undertaken when a new LSE customer is registered.
- Investigated, and where feasible rectified, system errors identified as having contributed to the data mapping issue. This is a longer-term project that may take until mid-2017 to complete.

Bunbury Incident

On 17 April 2016, Western Power interrupted supply to two LSE customers in Bunbury, for approximately five minutes, while undertaking a planned interruption.

Western Power has advised the ERA that it had initially intended to include the premises of the two LSE customers in the area affected by the planned interruption. Accordingly, Western Power notified both customers in compliance with clause 7.7(4)(b) of the Code, and obtained their acknowledgement that they had received the notification.

Subsequent to notifying the LSE customers, but prior to undertaking the planned interruption, Western Power reduced the area that was to be affected by the interruption such that the premises of both LSE customers now lay outside that area. The intention was to perform a switching action immediately prior to the commencement of the planned interruption that would keep the two LSE customers, and other customers in the same locality, connected to a supply for the duration of the planned supply.

An error in the switching schedule resulted in the brief interruption of supply to the two LSE customers. Western Power staff quickly became aware that the supply to the LSE customers had been unintentionally interrupted and quickly acted to restore supply.

Because the two LSE customer premises lay outside the area covered by the planned interruption, the ERA does not agree that Western Power contravened clause 7.7(4)(b) of the Code. Instead the supply interruption to the LSE customers should be recorded as an unplanned interruption that was an unintended consequence of the planned interruption.

The ERA notes that Western Power has taken appropriate actions to reduce the risk of a similar set of circumstances resulting in a contravention of clause 7.7(4)(b) of the Code.

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