Decision to Amend Electricity Distribution
Licence 1 & Electricity Transmission Licence 2

– Western Power

24 November 2009

Economic Regulation Authority



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DECISION

Pursuant to sections 9 and 21 of the *Electricity Industry Act 2004* (Act), the Authority approves the amendments to Electricity Distribution Licence 1 (EDL1) and to Electricity Transmission Licence 2 (ETL2) as follows:

Delete:

Clause 25 in EDL1 and clause 22 in ETL2, which have the following five subclauses:

- 1) The licensee must have an approved trouble call fault management plan.
- 2) The *licensee* must provide the *Authority* with a draft *trouble call fault* management plan for the *Authority*'s approval within six months of the *commencement date* unless directed otherwise by the Authority.
- 3) The *trouble call fault management plan* must detail the steps the *licensee* will take to establish a *trouble call fault management system* and the time in which those steps will be completed.
- 4) The Authority may direct the licensee to make amendments to the trouble call fault management plan before it will approve the trouble call fault management plan.
- 5) Once approved by the *Authority*, the *licensee* must implement the *trouble* call fault management plan and notify the *Authority*:
 - (a) when the *licensee* has implemented a step in the *trouble call fault management plan*; or
 - (b) when the *licensee* has failed to implement a step in the *trouble* call fault management plan,

within 2 *business days* of implementing that step or the time for implementing that step has passed, whichever is applicable.

Replace with:

EDL1 (Clauses 25.1 and 25.2) and ETL2 (Clauses 22.1 and 22.2)

- 1) The Licensee will operate and maintain a trouble call fault management system.
- 2) The Licensee must provide prior notification to the Authority if it intends to outsource its trouble call fault management system.

BACKGROUND

On 17 April 2009, Electricity Networks Corporation (Western Power) submitted an application to the Economic Regulation Authority (Authority) to amend its Electricity Distribution Licence 1 (EDL1) and Electricity Transmission Licence 2 (ETL2).

The amendment proposed to delete the current clause 25 of the distribution licence and clause 22 of the transmission licence and replace with the following:

- 1. The Licensee to operate and maintain a trouble call fault management system.
- 2. The Licensee to provide prior notification to the Authority if it intends to outsource its trouble call fault management system.

The licence amendment requests were made pursuant to section 21 of the Act.

As required by section 23(1) of the Act, the Authority will publish a notice of its approval of the amendment in the *Government Gazette* as soon as is practicable.

REASONS

- 1. Pursuant to section 21 of the Act, the Authority may amend a licence if it is satisfied that the Applicant: has made the application in a form approved by the Authority; paid the prescribed application fee; and where a requirement has been made for additional information, the relevant information has been provided to the Authority. These requirements were met by Western Power.
- Western Power has satisfied all the conditions as detailed in the existing clause 25
 of EDL1 and clause 22 of ETL2. Western Power has a trouble call fault
 management system in place and has commenced handling of fault and
 emergency calls.
- 3. Section 9 of the Act states that the Authority must not exercise a power conferred by Division 3 of the Act (general licensing provisions) unless the Authority is satisfied that it would not be contrary to the public interest to do so. A notice of the amendment application was published on the Authority's web site on 3 September 2009. The Authority received no submissions.
- 4. The Authority considered the public interest, including the matters set out in section 8(5) of the Act as required by section 9(2). The Authority is satisfied that approval of the amendments to Electricity Distribution Licence 1 and to Electricity Transmission Licence 2 would not be contrary to the public interest.

LYNDON ROWE CHAIRMAN