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Mr Paul Reid  
Assistant Director, Monitoring  
Economic Regulation Authority  
PO Box 8469  
PERTH BC WA 6849

Dear Paul

**Re: Call for Submissions – Draft Incident Reporting Manual**

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TransAlta has interests in Goldfields Power and Southern Cross Energy, which are registered participants in the WEM, and are licensees for the purpose of the Electricity Act. Through these interests, TransAlta has a strong appreciation of the demands and importance of electricity supply across the entire supply chain; namely: generation, transmission, distribution and retailing.

As you have summarized in your calls for submissions on the content of the draft manual, the manual identifies:

- the type of incidents that licensees should report to the Authority for each regulated industry;
- how licensees should notify the Authority of incidents;
- the nature and scope of the information to be provided;
- the timeframes for licensees to report an incident; and
- the Authority's response on being notified.

TransAlta supports the overall principles of incident reporting. Section 4.1 of the manual sets out the criteria for classification of incidents, and separates these out into Major and Significant incidents with regard to public safety, damage to property, environmental harm and interruption to supply. The obligation on licensees in the electricity industry to report these types of incidents are already covered in the Electricity Compliance Reporting Manual. The reporting requirements set out in the Reporting Manual for Electricity, Gas and Water Licensees is more onerous.

Section 6 of the draft manual sets out the type of electricity incidents that are to be reported by main supply chain functions; namely generators, transmitters, distributors and retailers. TransAlta believes that some types of incidents that the ERA is seeking to have reported in these areas are too broad and will capture events that happen in the normal course of operating an electricity system, and should not be classified as significant with regard to public safety, damage to property, environmental harm and interruption to supply. There are many occasions when generators are forced out of service due to a failure of the equipment for periods in excess of 24 hours and there is no threat to people, property, the environment or continuity of supply.

Often privately owned and operated power systems have been designed to achieve an economic level of reliability, rather than being designed to meet the standards expected from a public electricity network. The electricity supply may be interrupted from time to time on private electricity systems but there is no economic justification to build more contingency into the system. Load shedding schemes are employed to ensure non-essential loads are interrupted before essential loads.

TransAlta would like to see amendments to the draft manual for incident reporting so that unnecessary reporting is eliminated. The reporting requirements should be limited to events that pose a potential threat to people, property, the environment and are likely to lead to deterioration in the reliability of electricity supply.

Yours sincerely

Dan Cannon  
Manager, Commercial & Business Development.