

Review of the Electricity Industry Performance Code – Consultation Paper

Submission by: Power and Water Corporation

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1 | Administrative and Minor Improvements

Question 1

Are there any administrative or minor improvements to the EIP code that stakeholders have identified and would like to bring to the Commission's attention?

Power and Water's position

Power and Water raises two areas of concern relating to interruptions and call data in the network performance indicators.

Interruptions

Power and Water flags a minor inconsistency between the Australian Energy Regulator (AER) and the Commission regarding the definition of 'interruption'.

The AER excludes interruptions caused by issues with the customer's electrical equipment, whereas the EIP Code does not include an explicit exclusion. To maintain alignment and clarity, Power and Water suggests the Commission considers updating the definition of interruption in the EIP Code to reflect this explicitly.

Additionally, in section 7.2.3(d), it may be helpful to include examples related to safety obligations, such as those outlined under the *Electrical Safety Act*. This would provide further clarity and practical guidance to stakeholders.

Call data issues

While Power and Water understands the Utilities Commission (the Commission) is not focusing on network performance indicators in detail at this stage, Power and Water flags concerns regarding the phone answering performance indicators.

As a multi-utility provider, Power and Water serves customers across electricity, water, and sewerage services, which can lead to complexities in call handling and reporting. While our call system has prompts in place to guide customers to correct queues, the nature of our business makes it difficult to categorise abandoned calls as they could have been calls for remote retail, trade waste or any other category outside the regulated network.

Customers call for different services, and while our call system directs customers to appropriate queues, the requirement may affect the reported data for phone answering performance. For example, listening to the appropriate prompts to be guided into the correct queues can often take longer than 30 seconds and can impact how Power and Water meets 'calls answered within 30 seconds'. There are also limitations on how abandoned calls can be categorised given Power and Water services a wide range of customer not within the scope of the EIP code.

Power and Water suggests that, as a minor improvement, the Commission considers adding some clarity to these network performance indicators so that they trigger from when the customer is placed in the appropriate queue for their inquiry.

2 | Exemption Clause

Question 2

Is the current reporting exemption provision under clause 5.1.3 of the EIP code appropriate for licensees in terms of ensuring EIP code reporting compliance? Why or why not?

Power and Water's position

Power and Water understands that the exemption clause 5.1.3 is appropriate in compliance reporting but could be broadened to improve broader flexibility.

Question 3

Should there be a broader exemption clause in the EIP Code to cover more than reporting obligations? Why or why not?

Power and Water's position

Power and Water supports a broader exemption in the EIP Code. While the exemption provision under clause 5.1.3 does allow the Commission to grant exemptions or extensions against meeting reporting indicators, it is limited in scope.

For example, in the case of an independent audit, the Commission can give an electricity entity notice of the audit and its scope. However, it cannot grant extensions to these due dates without triggering a non-compliance.

Expanding this extension granting power would provide the Commission further control to regulate the industry with increased flexibility and adaptability.

Question 4

If the answer to question 3 is yes, should the EIP Code include criteria or principles that the Commission must consider when granting an exemption? If so, are the criteria/principles outlined appropriate? Why or why not?

Power and Water's position

Power and Water agrees that the inclusion of clear criteria or principles for granting exemptions would enhance transparency and consistency in decision-making.

Criteria/principles outlined could be aligned with the core objectives of the Commission.

For example, a key principle could be that the Commission may grant an exemption provided it does not lead to unacceptable risks to market competition or facilitate the misuse of monopoly power.

When assessing whether an exemption is appropriate, the Commission could take into account the following factors:

- **System limitations or challenges** faced by the entity applying for the exemption.
- The **cost-benefit** of granting the exemption on both taxpayers and on the reporting entity, considering the operational and financial impacts.
- The potential **impact on customers** or other regulated entities ensures that customer service and reliability are not compromised.
- **Best industry practice** in other domestic or analogous jurisdictions.

3 | Reporting Requirements

Question 5

Should the EIP Code be more explicit in requiring historical data to be segmented in the same manner as the reporting period data? Why or why not?

Power and Water's position

Should this segmentation be useful to the Commission, Power and Water does not see any issues segmenting this information.

Question 6

What challenges, if any, do entities face in segmenting historical data, such as quarterly? How could these challenges be addressed?

Power and Water's position

Power and Water sees no challenges in reporting historical data in this manner, beyond a minor increase in reporting workloads.

4 | IEEE 2.5 beta events for network entities

Question 7

Would requiring network entities to provide their workings and associated data for calculating the occurrence of a natural event under the IEEE 2.5 beta method cause any concerns? If so, what are the concerns?

Power and Water's position

Power and Water currently provides the necessary workings and associated data for calculating natural events under the IEEE 2.5 beta method.

Power and Water foresees no issues in continuing to provide this information moving forward.

Question 8

Would requiring network entities to report both unadjusted SAIDI and SAIFI metric inclusive and exclusive of natural events (or major event days) cause any concerns? If so, what are the concerns?

Power and Water's position

Power and Water has previously reported both adjusted and unadjusted SAIDI and SAIFI metrics and does not foresee any issues with continuing to do so. For performance monitoring purpose, Power and Water suggests the Commission only considers adjusted SAIDI and SAIFI performance metrics after the exclusions of Major Event Days.

5 | Schedule 2: Generation Services Performance Indicators

Question 9

Should generators continue to be required to report their performance under the EIP Code, particularly given the evolving market dynamics in the Darwin-Katherine, Alice Springs, and Tennant Creek power systems? Why or why not from a cost-benefit perspective?

Power and Water's position

Generators should continue to report under the EIP Code. This reporting ensures transparency and accountability within the power systems, supporting informed decision-making and regulatory oversight. Additionally, it provides valuable data that can be used to support business cases for maintenance or upgrades to generation assets.

Regular performance reporting also helps identify areas where investment is needed to maintain system reliability, which can be especially important in systems experiencing significant market changes.

Question 10

What happens in other Australian jurisdictions and relevant jurisdictions around the world regarding generator performance reporting? Are there any alternative approaches that the Commission should consider?

Power and Water's position

The Commission could consider adopting a flexible approach where reporting requirements are tailored to different types of generators or technologies to ensure they remain relevant.

Question 11

Has the entry of new privately-owned generation competitors in the Darwin-Katherine power system changed the need for generation performance oversight in that power system?

Power and Water's position

The entry of new privately owned competitors in the Darwin-Katherine power system necessitates revisiting performance reporting requirements to ensure they remain relevant for the industry.

However, reporting should not be effectively reduced. It should only be adjusted for relevance, as these measures are important for forecasting purposes, which is critical to the management of power system security and reliability.

Question 12

Should the three power systems in the Territory be treated differently in terms of generation performance reporting requirements? Why or why not?

Power and Water's position

The generation performance reporting requirements for the three power systems (Darwin-Katherine, Alice Springs, and Tennant Creek) should remain consistent. While competition has changed in some of these networks, consistency is important to support system security and allow appropriate security analysis.

Question 13

Should Territory Generation be treated differently in terms of reporting requirements due to its government ownership and majority position, particularly where it is the only licensed generator in the Alice Springs and Tennant Creek power systems? Why or why not?

Power and Water's position

Territory Generation should not be subject to reduced reporting requirements due to its government ownership and majority position.

Government ownership should not exempt any entity from complete transparency, especially when it is the sole licensed generator in specific regions. Maintaining consistent oversight ensures accountability and helps uphold public confidence in the reliability and performance of the power systems.

Question 14

Are the current generating unit availability-related performance indicators (AF, UAF, EAF, FOF, EFOF) suitable for all types of generation, including solar PV and batteries? Why or why not?

Power and Water's position

The current performance indicators may not fully capture the unique characteristics of inverter-based technologies like solar PV and batteries.

These technologies have different operational considerations. For example, a solar farm may technically be 'available' during low sunlight hours but produce minimal output.

Performance indicators need to account for these differences to accurately reflect the availability and reliability of renewable energy resources.

Question 15

If the answer to question 14 is no, should the relevant licensees be excluded from generating unit availability reporting, or are there other more relevant performance indicators?

Power and Water's position

Relevant licensees should not be excluded from generating unit availability reporting. Specific performance indicators tailored to inverter-based technologies could be incorporated instead.

For instance, reporting on 'solar spill' (unused solar energy due to curtailment) could provide more meaningful insights into the availability and performance of these resources.

Question 16

Is the reporting of SAIDI and SAIFI by generators relevant and appropriate? Why or why not?

Power and Water's position

It is relevant and appropriate for generators to report SAIDI and SAIFI as it can provide insights into generation-related contributions to overall system reliability.

However, reporting should also capture generation capacity and the impact on system performance.

Question 17

Does the interconnected nature of power systems with multiple generators create challenges in accurately reporting generators' SAIDI and SAIFI? If yes, what are the challenges and how might they be overcome?

Power and Water's position

The interconnected nature of power systems with multiple generators can pose challenges in accurately attributing SAIDI and SAIFI metrics to specific generators.

However, Power and Water has no specific comments on these operational challenges faced by impacted generators.

Question 18

Is the level of performance already captured by network reporting of SAIDI and SAIFI sufficient, particularly regarding generation-related outages? If not, could network reporting requirements be reasonably modified to sufficiently capture generation performance?

Power and Water's position

This may only partially capture the nuances of generation-related outages, particularly regarding capacity impacts.

The reporting requirements could be enhanced by including more detailed data on generation capacity during outages, distinguishing between different causes of interruptions, and considering factors unique to each generation type.

6 | Schedule 3: Network Services Performance Indicators

Question 19

Do stakeholders agree with the proposed explicit calculation methodology for SAIDI for individual feeders as outlined above? Why or why not?

Power and Water's position

Power and Water has no concerns with the proposed explicit calculation methodology for SAIDI.

Power and Water has addressed the issue previously highlighted by the Commission and will continue to use this methodology moving forward unless otherwise directed by the Commission.

Question 20

Are there any challenges or concerns with implementing this methodology in stakeholders' reporting processes? If so, what are these?

Power and Water's position

Power and Water foresees no challenges or concerns with implementing this methodology, as it is already being utilised in our current reporting processes.

7 | Schedule 4: Retail Services Performance Indicators

Question 21

How might the proposed changes to the AER's performance reporting procedures and guidelines impact stakeholders' associated operations and reporting under the EIP Code?

Power and Water's position

Power and Water has no comment.

Question 22

Are there specific challenges stakeholders foresee with implementing the AER's proposed changes to relevant indicators and are associated refinements to the EIP Code required?

Power and Water's position

Power and Water has no comment.

Question 23

Should customer service-related indicators be expanded to capture modern communication methods? If so, why?

Power and Water's position

Power and Water supports expanding service-related indicators to capture modern communication methods. These are progressive changes but need to be considered in detail as to their specific performance metrics.

Question 24

Do stakeholders support the introduction of a Territory-specific overarching meter-related complaint category rather than no meter-related complaint category or multiple meter-related categories consistent with the AER Guidelines? Why or why not?

Power and Water's position

Power and Water supports the introduction of a territory-specific meter complaint category. However, such a category should list Power and Water as the Local Network Service Provider responsible for metering rather than how the NEM leaves this responsibility to the retailer.

In creating this category, metering complaints should be very explicitly defined to clarify what a meter-related complaint is as opposed to other categories, such as billing.

Furthermore, a single overarching meter-related complaints category may not provide a sufficient distinction between the various roles performed by market participants. Power and Water suggests there be three sub-categories for meter related complaints.

Power and Water has a role in the first two categories, while the third is to capture other instances in which Power and Water has no direct role aside from providing meter data to the participants:

- Meter installation – Complaints raised in relation to the installation or replacement of a smart meter.
- Meter De-energisation – Complaints about customers being de-energised as a direct result of a smart meter installation or replacement.
- Other Meter Complaints – Complaints raised in relation to Meter readings, estimates or any other retailer information.

Question 25

Should the EIP Code include a definition of 'energy bill debt'? Why or why not?

Power and Water's position

Power and Water supports including a definition of 'energy bill debt' in the EIP Code, as it would improve clarity for all stakeholders.

A clear and consistent definition will help ensure that reporting and compliance obligations are interpreted uniformly across the industry, reducing potential discrepancies in data reporting.

Question 26

If the answer to question 25 is yes, should the definition be consistent with what Territory retailers are currently reporting or align with updated AER guidelines, which would require more detailed/segmented data?

Power and Water's position

Power and Water supports aligning the 'energy bill debt' definition with the AER's updated guidelines, including the more detailed and segmented data requirements.

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