



Proposed Changes to Incident Reporting Guideline for the  
Tasmanian Electricity Supply Industry

2022

Consultation Paper

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# INVITATION TO MAKE SUBMISSIONS

It is the Tasmanian Economic Regulator's policy to publish all submissions on the Office of the Tasmanian Economic Regulator's (OTTER) website unless the author of the submission requests confidentiality in relation to the submission (or any part of the submission). Those parts of a submission that are requested to be confidential should be submitted as an attachment to that part suitable for publication.

The Regulator will not publish submissions which contain material that the Regulator believes is, or could be, derogatory or defamatory.

Submissions should be sent so that are received by close of business on 7 October 2022.

To facilitate the publication of submissions on OTTER's website, submissions by email are preferred. Submissions and enquires may be made to:

[office@economicregulator.tas.gov.au](mailto:office@economicregulator.tas.gov.au)

or to:

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Copies of this Consultation Paper and the *Incident Reporting Guideline for the Electricity Supply Industry, July 2019* are also available on the Regulator's website: [www.economicregulator.tas.gov.au](http://www.economicregulator.tas.gov.au).

Following consideration of submissions, if changes are made, they will be incorporated into the *Incident Reporting Guideline for the Electricity Supply Industry* and published on OTTER's website.



# 1 BACKGROUND

The *Incident Reporting Guideline for the Tasmanian Electricity Supply Industry, July 2019* (the Guideline) specifies when licenced Tasmanian electricity entities must investigate and report on an incident that has, or has the potential to have, a significant adverse impact on a licensee or customers in Tasmania. The Guideline establishes:

- the trigger thresholds for generating a report to the Regulator;
- the information to be provided in such a report;
- the reporting timeframes; and
- the procedure for further investigation and disseminating information to the public.

The Guideline establishes different criteria and reporting requirements for incidents relating to generation, the transmission system, the distribution network on mainland Tasmania, and Basslink.

TasNetworks has requested changes to the notification and reporting requirements for incidents that affect the distribution network.

TasNetworks, as the operator of the distribution network on mainland Tasmania, is currently required to notify the Regulator of an incident that affects the distribution network, whether or not the cause was the in the distribution network, if it:

- causes a loss of one or more busbars at a firm zone substation; or
- causes a loss of load that adds at least one minute to SAIDI.

The System Average Interruption Duration Index (SAIDI) is a measure of the proportion the network's customers that is affected and for how long. If more customers are affected, a shorter outage is needed to reach the threshold of adding at least one minute to SAIDI for a distribution network. For example, one minute of SAIDI for the Tasmanian mainland distribution network equates to approximately 5 000 customers experiencing a 60 minute outage, or 10 000 customers experiencing a 30 minute outage.

TasNetworks is currently required to provide an initial report by close of business the next business day and a follow-up report within 14 days that provides any information that was required in the initial report, but was not included in that report.

If required by the Regulator, TasNetworks must investigate a notifiable incident and prepare a full report on the findings of that investigation.

## 2 PROPOSED CHANGES

The Guideline currently requires TasNetworks, as the distribution network operator on mainland Tasmania, to notify the Regulator of each incident that affects the distribution network and exceeds either of two notification thresholds. TasNetworks is required to provide an initial report by close of business the following business day and to provide a follow-up report containing any required information that was not provided in the initial report within 14 days.

It is proposed to amend the Guideline to provide for monthly reporting of incidents that meet the revised notification threshold and for reporting within 48 hours when a widespread event occurs.

### 2.1 Monthly Report

It is proposed to remove the requirement for TasNetworks to provide an initial report of a notifiable incident by close of business the next business day and to remove the requirement to provide a follow-up report within 14 days.

Instead, it is proposed that TasNetworks be required to provide a report summarising the notifiable incidents that occurred during the preceding month by the 14<sup>th</sup> day of each month. Notifiable incidents may include outages that exceed the notification threshold in their own right but are also part of a widespread event (see section 2.2 below).

For each notifiable incident, it is proposed that the monthly report must include:

- the time, location, duration, nature and impact or potential impact of the incident;
- the cause of incident, or if the cause is as yet unknown, preliminary comments regarding possible cause;
- the estimated increase to SAIDI arising from the incident;
- the estimated number of customers affected; and
- any actions proposed to prevent the incident re-occurring (both immediately and systematically).

If TasNetworks is unable to provide the information within the timeframe, it must notify the Regulator in its report why the information is not available.

The Regulator's power to require TasNetworks to investigate and provide a full report on any incident is to be retained.

It is also proposed to amend the distribution network notification thresholds to remove the requirement to notify the Regulator of an incident that causes the loss of one or more busbars at a firm zone substation. This threshold is arbitrary and may not necessarily include an incident that has a significant impact on customers. Where such an incident does have a significant impact on customers, it will remain a notifiable incident under the existing requirement to notify the Regulator of an incident that causes a loss of load that adds at least one minute to SAIDI.

## 2.2 Widespread events

It is proposed that when a widespread event, such as a storm or series of storms, affects the distribution network, TasNetworks is to be required to provide a report to the Regulator once the event has concluded, or within 48 hours, whichever occurs first.

It is proposed that the initial report is to include:

- the time, location, likely duration, nature and forecast impact of the incident or incidents;
- the cause of incident or incidents, or if the cause is as yet unknown, preliminary comments regarding the possible cause;
- the estimated number of customers affected; and
- immediate actions being taken to minimise the impact on customers.

It is proposed that TasNetworks be required to provide a follow-up report by the end of the following month if the incident is assessed as having caused a loss of load that is sufficient for the day to have exceeded the Australian Energy Regulator's Major Event Day (MED) boundary for the distribution network. The method of calculating the MED boundary is set out in Appendix D of the [AER's Service Target Performance Incentive Scheme, Version 2](#).

Over the five years from 2016-17 to 2020-21, the average TasNetworks MED boundary has been an increase of 6.7 minutes to SAIDI<sup>1</sup> (equivalent to 16 000 customers affected for two hours). Over the same period, TasNetworks has experienced an average of 3.6 MEDs per annum.

It is proposed that the follow-up report is to include:

- the total number of customers affected;
- how long customers were without supply, on average;
- the maximum period that customers were without supply;
- information on the communities affected, including information on the most severely affected communities;
- the cause or causes of the incident or incidents;
- the number of Guaranteed Service Level payments that were made as a consequence of the incident; and
- any actions proposed to prevent the incident re-occurring (both immediately and systematically).

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<sup>1</sup> Data submitted to OTTER to support its annual *Electricity Transmission and Distribution Network Performance Report*.

## **3 PROPOSED ACTION**

The Regulator proposes to amend the Guideline as set out above. This includes amendments to the Glossary to insert a definition of Major Event Day and Guaranteed Service Level payments and delete the definitions of Busbar and Zone Substation and amendments to clauses 2.4.1 to 2.4.5. A marked-up version of the Guideline is attached.

In determining whether or not to amend the Guideline, the Regulator will take into account any submissions received in response to this consultation, which are due by 7 October 2022.