



Review of Guaranteed Service Level Scheme

Terms of Reference

The Tasmanian Economic Regulator is conducting a review of the Guaranteed Service Level Scheme (GSL), which requires TasNetworks, as the distribution network service provider (DNSP) for mainland Tasmania (including Bruny Island), to make payments to customers affected by outages when the frequency or duration of outages experienced by a customer exceed prescribed thresholds.

Background

Section 8.5 of the Tasmanian Electricity Code provides that a DNSP must comply with any guideline, issued by the Regulator, which sets out the minimum level of network reliability performance to be provided to a customer by a DNSP. The GSL, which sets out such minimum levels of network reliability performance, is established in the Regulator's *Guaranteed Service Level (GSL) Scheme Guideline, July 2012 (Version 3)*.

Clause 1.4 of the Guideline provides that it may be reviewed by the Regulator after consultation with relevant interested parties.

Scope of Review

The Regulator, in conducting the Review, will consider the following matters:

1. the performance of TasNetworks against GSL requirements;
2. GSL arrangements in other Australian jurisdictions;
3. the level of GSL thresholds for the frequency and duration of outages;
4. whether there is a need for additional or different guaranteed service levels;
5. revisions to the 101 supply reliability areas that take into account changes to population and load since the area boundaries were developed;
6. the financial value of GSL payments; and
7. any other matters the Regulator considers relevant.

The Review will not consider revisions to the five supply reliability categories or the supply reliability standards prescribed in section 8.6.11 of the Tasmanian Electricity Code.

In conducting the inquiry, the Regulator will carry out public consultation and liaise directly with key stakeholders, including TasNetworks, electricity retailers operating in the Tasmanian market and members of the OTTER Customer Consultative Committee.

Outputs

A draft report, which includes discussion of proposed amendments to supply reliability areas, thresholds and payments to be published by 23 February 2024.

A revised Guideline to be published and commence on 1 July 2024.

A revised set of supply reliability area maps.

Timelines

The proposed timelines for the Inquiry are as follows:

Milestone	Target dates
Regulator releases terms of reference	Mid-September 2023
Regulator conducts research and liaises with TasNetworks TasNetworks prepares draft revised supply reliability areas based on agreed criteria	September 2023 to November 2023
Regulator releases draft report	23 February 2024
Consultation	24 February 2024 to 15 March 2024
Regulator approves revised GSL guideline	17 April 2024
Regulator publishes revised GSL Guideline	1 July 2024
Revised GSL Guideline commences	1 July 2024