

22 Douglas Street
New Town
TAS 7008
12 August 2011

The Chairman Attention: Warwick Anderson.
General Manager Network Regulation
Australian Energy Regulator
GPO Box 520
Melbourne VIC 3001

Dear Sir,

Submission to Australian Energy Regulator

Attached is my submission to the AER in which I address some of the points raised in the public seminar in Hobart in July 2011.

In brief, my submission is that the efficiency and effectiveness of the Tasmanian electricity industry is constrained by the current business boundary between Transend and Aurora, and that Tasmanian electricity customers are burdened both in a financial sense and in poor service delivery relative to the electricity industry elsewhere in Australia.

In Aurora's presentation, it was clear that they are doing what they can to improve service to Tasmanian customers. However, it is apparent to me that while Aurora has control of only 30% of distribution feeder circuit breakers (CBs), Aurora is beholden to Transend for some steps in almost all distribution feeder operations. With the best of goodwill, the transmission operator is always going to place a higher priority on transmission matters. Aurora crews will be delayed, daily task times extended, supply restorations extended. The accompanying slides illustrate many of the situations encountered.

What is not apparent is the frustration encountered by businesses and institutions such as hospitals and schools. All customers suffer longer supply interruptions than is necessary, even in city areas. In Hobart, where many of the distribution feeders are controlled by Aurora, there are distribution feeders located inside transmission substations in between Zone substations. This situation means that Aurora can respond quickly to a point until the adjacent feeder supply is controlled by Transend. The 11kV CBs may be identical in both substations, but the inappropriate business boundary prevents Aurora from locating the fault, isolating the faulty section and transferring load without asking Transend for help.

The alternative, that Aurora installs a duplicate control device just outside the transmission substation would be ridiculous and a substantial cost to Tasmanian customers.

No other distribution network service provider (DNSP) in Australia has to ask for third party assistance in these operations.

The same situation now applies to every-day field tasks. For every live-line operation, safety measures are taken – the auto-reclose is switched off – and in Tasmania, Aurora has to ask the transmission operator to perform these tasks, and wait whenever there is a higher priority transmission activity. Given that there may be 20-30 distribution operations daily, the requests of Transend are considerable in number and a poor outcome for Tasmanian customers. All tasks should be done by the one operational team.

Looking to the future, the current operational boundary between Transend and Aurora will inhibit the development of “smart network” technology in the distribution network, again because 66% of the distribution HV circuit breakers are owned and operated by the transmission operator, Transend.

In my view, realignment of the operating boundary between the transmission and distribution networks is an essential action in minimising the impact on cost of living for Tasmanian electricity customers, and facilitating introduction of “smart networks”.

While I understand it is not within AER’s jurisdiction to change the business boundary in Tasmania, it would be most appropriate for AER to recognise that service performance by Aurora could improve further if they had full control of distribution feeders, and that with current operational boundaries Tasmanian customers will benefit very little from the “smart network technologies” that other DNSPs are starting to implement.

Yours faithfully

David Asten
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Chartered Professional Engineer.