



File Ref. No:
TRIM Ref. No: CC14/601

4 December 2014

Mr Vince Graham
Chief Executive
Networks NSW
51 Huntingwood Drive,
HUNTINGWOOD NSW 2148

Email: Paula.Conboy@aer.gov.au

Dear Mr Graham

I refer to the release of the Australian Energy Regulator's (AER) draft determinations for electricity distribution businesses in NSW, and seek urgent clarification from you about possible ramifications should the determinations ultimately be enacted. Specifically, I have noted the draft proposals to substantially reduce operating expenditure by up to 39%. I understand that my colleague Commissioner Shane Fitzsimmons from the NSW Rural Fire Service will be writing to you on behalf of the NSW Bushfire Coordinating Committee, on which Fire & Rescue NSW is represented, in relation to concerns about the possible impact on vegetation management in bushfire-prone areas of NSW.

I will therefore confine my comments to other areas relating to electricity transmission infrastructure, but please note that Fire & Rescue NSW shares significant concerns about the possibility of increased bushfire ignitions should there be a reduction in essential vegetation management.

You would no doubt be aware that in the event of major storm activity in metropolitan areas and major regional centres resulting in infrastructure damage, Fire & Rescue NSW is often inundated with emergency 000 calls seeking various forms of assistance. The most common types of callouts in these situations are "wires down" and "tree down on powerlines".

In recent weeks there have been 2 major storm events that impacted Sydney and the Illawarra. On each occasion there were hundreds of emergency callouts and every available fire appliance and crew had to be simultaneously deployed in the field, seriously degrading overall response capacity. Because of the danger from downed live powerlines, on many occasions fire crews had to remain on scene for extended periods awaiting repair crews from the utilities. On one of these occasions a major bushfire was simultaneously in progress at Katoomba, and our ability to respond firefighting resources was hampered. Additionally, response times blew out from the normal target of 10 minutes, to, in some cases, more than 30 minutes. I am sure that you can appreciate what this would mean in the event of a house fire with people trapped, a situation which was realised some years ago during a storm on Sydney's northern beaches. On that occasion, because all local fire crews were committed at "wires down" incidents, there was an extended response time to a house fire at Avalon and a person perished in the fire. The Avalon fire crew was 5 minutes away from the burning house



but could not be released to respond due to the possibility of people coming into contact with downed live powerlines at their location, and the lack of availability of personnel from the network provider to release the firefighters.

Fire & Rescue NSW has raised the issue of long response times for utility repair crews on several occasions over the years, as I do not believe that this is a valid use of Fire & Rescue NSW emergency response crews. I have continually asked that utilities take more responsibility, not less, in this area so that availability of fire crews for life threatening emergencies is maximised.

I fear that the impact of the draft determination could be a greater reliance on Fire & Rescue NSW in storm situations, due to smaller numbers of available utility staff and less vegetation management activities. As illustrated above, I am deeply concerned that this could lead directly to greater loss of life and property in the community due to fire crews being engaged for even longer periods at "wires down" incidents.

I am hopeful that you will be able to provide some reassurance that this will not be the case. You may also be able to advise whether or not the AER plans to consult more widely on its draft determination, and whether detailed risk assessments of the broader impacts of its draft determination have or will be conducted. I am available at short notice to meet and discuss this significant issue. Please do not hesitate to contact my office on (02) 9265 2930.

Yours sincerely

Yours sincerely



Greg Mullins AFSM
Commissioner

CC:
Ms Paula Conboy
Chair
Australian Energy Regulator
GPO Box 520
Melbourne VIC 3001