

7 February 2017

Our ref: C/17/2355

Ms Hannah Williams
Manager Compliance & Projects
Powercor Australia Ltd
40 Market Street
Melbourne VIC 3000

By email: hwilliams@powercor.com.au

Dear Ms Williams,

Re: Electricity Distribution Code Compliance and Rapid Earth Fault Current Limiters (REFCLs)

I write in relation to your request for:

1. amendment of the 'Phase to Earth' voltage variation thresholds contained in clause 4.2.2 of the *Electricity Distribution Code (EDC)* for consistency with the *Bushfire Safety (Bushfire Mitigation) Amendment Regulations 2016* (the Bushfire Mitigation Regulations); and
2. a letter of no action in relation to potential breaches of clause 4.2.2 of the EDC associated with the introduction of Rapid Earth Fault Current Limiters (REFCLs) for the period until the EDC has been amended.

1. Review of the EDC

You have requested that the Commission amend clause 4.2.2 of the EDC to ensure consistency with the Bushfire Mitigation Regulations. You are concerned that the operation of the REFCLs on the network may result in a breach of this clause.

You will understand that any amendments to the EDC must be properly considered and consulted upon in line with our *Charter of Consultation and Regulatory Practice*.

We do not intend to undertake a review of the EDC in relation to this specific issue. Rather, we anticipate undertaking a more comprehensive review of the EDC to consider a number of changes. At that time the Commission will consider whether and what, if any, changes are appropriate to be made to the 'Phase to Earth' voltage variation thresholds in clause 4.2.2 of the EDC.

The timing of this will be considered in our planning for 2017-18.

2. Letter of no action in relation to potential breaches of clause 4.2.2 EDC

In relation to the second request, we are of the view that a letter of no action is not appropriate as it may unduly fetter the Commissions' ability to consider the circumstances of breaches of clause 4.2.2 of the EDC.

It is important to note that we fully recognise the obligations on AusNet Services to comply with the Bushfire Mitigation Regulations.

Accordingly, AusNet Services should continue to report any breaches of clause 4.2.2 of the EDC. If such breach was a result of compliance with the Bushfire Mitigation Regulations and not some other matter, you should provide that information when reporting the breach. In this regard I refer you to section 3.2.1(k) of the Commission's *Energy Compliance and Enforcement Policy*.

Yours sincerely



Cara O'Shanassy
Manager, Licensing and Standards