Telstra submission to the Australian Energy Regulator's consultation on the Network Resilience Guidelines

22 July 2026

Executive summary

Telstra welcomes the opportunity to participate in the AER's consultation for the Network Resilience Guidelines (the Guidelines). As the 22nd largest electricity user in Australia and a critical infrastructure provider that is highly dependent on mains power, Telstra has a meaningful interest in energy network resilience. Telecommunications and energy networks are highly interdependent, particularly during natural disasters. Telecommunications networks require continuous electricity supply to operate our critical infrastructure, and electricity networks rely on our services for network monitoring, outage management, field work dispatch, and restoration activities.

Telstra supports the AER's recognition that climate-driven events can have significant localised impacts, and that resilience is a shared responsibility. Our submission recommends the Guidelines reflect the interdependence between electricity distribution networks and critical infrastructure, including telecommunications infrastructure. This will help ensure Distribution Network Service Provider (DNSP) investment decisions are assessed against their full community benefit.

Our submission is structured around our core proposition that community resilience during and after severe weather events depends on the coordinated performance of multiple interdependent sectors. We note that the impact of an electricity outage on communities is exacerbated when telecommunications services are also unavailable. We therefore start with responding to question 8 (definition of community resilience) and use this as a foundation for our responses to question 6 (evidence for DNSPs' preferred resilience solutions), question 9 (factors for assessing community resilience proposals), and question 10 (Distribution Annual Planning Reports). A summary of our responses to each question is below, with further detail of our positions contained in the submission:

Question 8 – Definition of community resilience

We recommend the definition explicitly recognises the interdependence of essential services and critical infrastructure, including telecommunications, and the coordinated effort required to prepare for and support communities during severe weather events.

Question 6 – Evidence for DNSPs' preferred resilience solutions

We recommend that, when assessing whether a proposed resilience solution results in the greatest net benefit to consumers, the Guidelines give regard to the broader system benefits of maintaining supply to locations hosting critical infrastructure that depends on the electricity distribution network for supply.

Question 9 – Factors for assessing community resilience proposals

We recommend the Guidelines require DNSPs to include evidence of engagement with critical infrastructure providers who depend on the energy distribution network to deliver their services, including telecommunications operators, as a factor when assessing resilience proposals.

Question 10 – Distribution Annual Planning Reports (DAPRs)

We recommend DAPRs include information on DNSPs' identification of critical dependent infrastructure and engagement with critical infrastructure operators.

About Telstra and why we are engaging

Telstra is Australia's largest telecommunications network operating fixed and mobile networks that connect households, businesses, emergency services, and government agencies across metropolitan, regional, and remote Australia. Telstra's telecommunication network relies overwhelmingly on the mains power supplied through the energy distribution network.

We acknowledge that while external collaboration between sectors is an important component of improving community resilience outcomes, Telstra remains responsible for the management and resilience of its own network and continues to take proactive measures within its area of control.

Telstra invests substantially in the resilience of our own network - including backup batteries, permanent generators at critical sites, a national portable generator fleet, and 24/7 monitoring and assurance. We do this because the impacts of mains power outages on the availability of our telecommunications services within communities are often some of those most acutely felt.

Telstra experiences over 150,000 power related interruptions to our network annually. Our internal power resilience enables us to withstand the vast majority of these impacts. In the remaining events, which can occur severe weather events, our network and services can experience impacts.

A substantial part of Telstra's network footprint is situated in regional and remote areas. The electricity distribution networks connecting many of our facilities include long and, in some cases, ageing electricity feeders. The resilience challenges this creates flow directly through to connectivity outcomes for the communities we serve.

Fundamentally, resilience depends on both the measures undertaken by individual infrastructure providers and the reliability of interconnected networks outside their direct control. During severe weather events, telecommunications providers often face the same access, safety and environmental constraints as DNSPs, limiting the ability to deploy backup power or restore services until conditions are safe and sites become accessible. This highlights the need for resilience planning that considers impacts of energy outages across interconnected critical infrastructure sectors.

Defining community resilience

The AER's 2022 Guidance Note defines community resilience as 'the ability of communities to withstand and recover from the impacts of natural disasters'.

We consider this definition a strong foundation. However, we recommend that the AER expand it to expressly recognise how the loss of other services communities rely upon during power outages can affect overall community resilience.

We support the framing in the AER's consultation paper that 'many different entities have a role in supporting communities to withstand and recover from the impacts of natural disasters'. We also agree that collaboration between essential service and critical infrastructure providers is a key aspect of providing support for community resilience. We encourage the AER to reflect this explicitly in the definition of community resilience adopted in the Guidelines.

Telstra proposes the following definition of community resilience:

Community resilience is the ability of communities to prepare for, withstand and recover from the impact of natural disasters. It is fundamentally dependent on the coordinated performance of the essential services and critical infrastructure on which communities rely, including electricity, telecommunications, water, and emergency services.

Evidence for DNSPs' preferred resilience solutions

The AER's consultation paper sets out the evidence it currently has regard to in assessing DNSPs' preferred resilience solutions. Telstra supports the evidentiary criteria outlined by the AER and recommend three additional considerations to strengthen the Guidelines below.

The impact of a mains power outage on the community extends beyond direct electricity supply.

The AEMC's rule change requires the AER to have regard to 'the extent to which the capital or operating expenditure forecast will efficiently reduce the risk and impact on consumers of power outages caused

by severe weather events'. The concept of 'impact on consumers' is central to how DNSPs justify their preferred resilience solutions in cost-benefit terms.

We consider that the 'impact on consumers' of a severe weather mains power outage cannot be adequately measured by only calculating the number of lost connections - it must also take into account the broader community impact of the outage. When power is lost to a location that hosts critical dependent infrastructure, such as a mobile base station, the consequences are experienced beyond consumers who lose electricity supply, and include other users that depend on those critical services.

A single telecommunications facility may appear on a DNSP's system as one metered customer, but this doesn't adequately reflect that the facility may support thousands of telecommunications users across the surrounding community. Therefore, any assessment regarding 'impact on consumers' must ensure that the wider community impact of losing supply to a telecommunications facility are adequately reflected. If a DNSP's benefit assessment treats that facility as a single connection, it will systematically and significantly undervalue the community consequences of losing supply to it.

The same logic applies to other critical dependent infrastructure, such as water, hospitals, and aged care facilities. In each case, the number of electricity connections is an inadequate proxy for the number of people whose services depend on continuity of supply.

Recognising broader system benefits in DNSP options analysis

DNSPs frequently need to choose between feasible resilience options that deliver similar direct network benefits but different downstream community consequences.

Consider a DNSP choosing between hardening one of two comparable feeders in a bushfire-prone region. Feeder A serves 500 households. Feeder B serves 500 households and a mobile base station covering 20,000 people. Under a benefit assessment framework that counts only direct electricity connections, the feeders look similar. Under a framework that recognises the community consequences of losing supply to critical dependent infrastructure, Feeder B is clearly the priority investment.

Recognising the broader system benefits in the evidence framework in the Guidelines would enable DNSPs to make a more informed case for the value of resilience investments that support locations hosting critical dependent infrastructure. This would also align the AER's assessment more closely with the way communities experience the impact of mains power outages during severe weather.

Recognising repeated impacts on communities and critical dependent infrastructure

A related but distinct point is where on a DNSP's network the risk and impact on consumers is greatest. DNSPs' reliability performance is typically reported and assessed as state-level averages and network-aggregate reliability metrics. While these are useful measures of overall performance, they can obscure important patterns of localised severe weather impact. Regional and remote communities typically experience repeated or acute impacts from severe weather that do not necessarily register at the network aggregate level, but which have significant consequences for those communities and the services on which they depend.

Where communities experience repeated and demonstrable impacts from electricity outages, we consider that the AER's evidentiary framework should encourage DNSPs to demonstrate a targeted planning review or engagement process to assess underlying network vulnerabilities and identify resilience uplift opportunities. Such reviews should explicitly consider the impacts on critical dependent infrastructure, including telecommunications networks, and support coordinated long-term planning for resilience investments that address the underlying network vulnerabilities driving repeated impacts. This will ensure that localised issues become visible during resilience planning rather than becoming obscured by aggregate reporting.

Assessing community resilience proposals

Community resilience is a related but distinct concept to network resilience. The AER's consultation paper acknowledges that community resilience is shaped by the coordinated performance of multiple actors, including DNSPs, other critical infrastructure and essential service providers, governments, and communities themselves.

The AER's consultation paper sets out factors it has regard to when assessing community resilience proposals from DNSPs, including restoration of services, consideration of findings from government reviews, and evidence of consumer engagement and their support for the proposed expenditure.

We support these factors and recommend the AER expand them to reflect the interdependence of essential services and critical infrastructure and shared responsibility for community resilience outcomes.

Evidence of engagement with critical dependent infrastructure providers

DNSPs' engagement on community resilience proposals should include engagement with critical infrastructure providers who rely on the electricity network, such as telecommunications infrastructure.

Telstra considers that communities are more resilient when DNSPs understand not only what their consumers value, but how their investment decisions affect the wider system of essential and critical services on which communities rely. Critical infrastructure providers, such as telecommunications, have direct visibility of how mains power outages affect community outcomes. DNSPs may not otherwise have access to this information when designing community resilience solutions.

We note that many DNSPs already engage constructively with Telstra and other telecommunications providers at an operational level. Reflecting engagement with critical dependent infrastructure providers in the AER's assessment factors would support and encourage this practice and would help ensure resilience investments are designed with a full understanding of their community benefit.

Information sharing arrangements with other resilience actors

The AER's consultation paper notes the AER has previously accepted DNSP expenditure related to 'enhanced information sharing between NSPs and other resilience actors. We strongly support this precedent and encourage the AER to reinforce it in the Network Resilience Guidelines. Information sharing between DNSPs and other essential service and critical infrastructure providers improves the speed, accuracy, and effectiveness of the response, and delivers better outcomes for communities.

Telstra is engaged in ongoing discussions with energy distributors aimed at enabling real-time sharing of information during natural disasters and severe weather events, improving restoration coordination, and developing a better understanding of vulnerabilities and interdependencies across our respective networks. These activities support more informed resilience investment decisions and improve collective preparedness for and response during these events.

The energy and telecommunication sectors already engage in a level of information sharing and operational engagement, however, greater resilience benefits could be achieved through formalised information-sharing frameworks that support consistent, secure, and timely exchange of operational information. Enhanced access to near real-time information would improve situational awareness, strengthen coordination between sectors, and support the prioritisation and restoration of critical infrastructure during mass disruption events.

Distribution Annual Planning Reports (DARPs)

Noting that the purpose of DARPs is to improve accountability and transparency, Telstra considers they can be used as a valuable mechanism for embedding the interdependencies of essential services and critical infrastructure into DNSPs' business as usual planning cycles.

We recommend that DARPs include information that supports transparency about DNSPs' consideration of critical dependent infrastructure and cross-sector coordination:

- Identification of critical dependent infrastructure on the DNSP's network, including telecommunications sites where power supply is essential to the continuity of the service. Given the sensitive nature of some critical infrastructure locations this doesn't need to be publicly identifying at the site level, but should indicate that DNSPs have considered critical dependent infrastructure in their resilience planning.
- Engagement with critical infrastructure operators in resilience planning, including any information sharing or operational coordination arrangements in place.
- Identification of, and response to, localised patterns of severe weather impact on communities and critical dependent infrastructure. Consistent with our suggestion in response to question 6, this would help ensure that recurring localised issues become visible during resilience planning rather than being obscured by aggregate reporting.

This information would help stakeholders (including other essential service and critical infrastructure providers, jurisdictional governments, and communities) understand how each DNSP's resilience strategy fits within the broader system of arrangements on which community resilience depends. It would also encourage DNSPs to consider these interdependencies as part of their business-as-usual planning as opposed to ad hoc considerations.

Conclusion

Telstra thanks the AER for the opportunity to contribute to this important work. Community resilience before, during and after severe weather events is a shared responsibility across the electricity, telecommunications, and broader essential services sectors, and we welcome the AER's leadership in developing a framework that reflects that reality.

We look forward to continuing this conversation and welcome the opportunity to discuss any of the perspectives outlined in this submission with the AER team.