Australian Telecommunications Alliance

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AUSTRALIAN TELECOMMUNICATIONS ALLIANCE SUBMISSION

To: The Australian Energy Regulator

Re: Consultation on the draft Network Resilience Guidelines

15 October 2026



TABLE OF CONTENTS

1. AUSTRALIAN TELECOMMUNICATIONS ALLIANCE 3

2. EXECUTIVE SUMMARY 3

3. PRINCIPLE 3: IDENTIFY MATERIAL DEPENDENT-SERVICE IMPACTS 4

4. PRINCIPLE 4: COMPARE FEASIBLE RESPONSES ON A CONSISTENT BASIS 5

4.1 Comparing feasible options 5
4.2 recognising relevant costs and benefits 6
4.3 Consumer engagement and trade-offs 7
4.4 Suggested worked example 7

5. PROPORTIONATE EVIDENCE FOR RESILIENCE PROPOSALS 8

6. PRINCIPLE 6: A LIMITED BRIDGE TO THE DNDP FRAMEWORK 9

7. RECOMMENDATIONS 9

1. AUSTRALIAN TELECOMMUNICATIONS ALLIANCE

The Australian Telecommunications Alliance (ATA) is the peak body of the Australian telecommunications industry. We are the trusted voice at the intersection of industry, government, regulators, and consumers. Through collaboration and leadership, we shape initiatives that grow the Australian telecommunications industry, enhance connectivity for all Australians, and foster the highest standards of business behaviour. For more details, visit www.austelco.org.au.

For questions on this submission, please contact Victoria Robertson, Head of Government Relations and Policy, [redacted]

2. EXECUTIVE SUMMARY

The ATA welcomes the opportunity to respond to the Australian Energy Regulator's (AER) September 2026 draft Network Resilience Guidelines (Guidelines) and explanatory statement.

The ATA also welcomes the AER's acknowledgement that electricity networks have important linkages with telecommunications and other essential service providers, including its recognition of collaboration, information sharing, and community resilience initiatives. These are material advances from the consultation paper.

However, the draft Guidelines do not yet consistently translate that acknowledgement into the assessment framework. In particular, they do not explain how foreseeable impacts on dependent essential services should inform:

- the identification of need under Principle 3;
- the consistent comparison of feasible options under Principle 4;
- the evidence required to demonstrate costs or benefits; or
- proportionate reporting during the transition from Distribution Annual Planning Reports (DAPRs) to Distribution Network Development Plans (DNDPs).

The ATA does not seek to reopen the definitions of network resilience or community resilience, expand Distribution Network Service Provider (DNSP) responsibilities beyond network services, or propose a different application of the existing incentive schemes. The ATA supports the AER's clarification that a Service Target Performance Incentive Scheme (STPIS) adjustment should apply only to the reliability component of a proposal, and not where a measure only mitigates the effects of prolonged outages.

The ATA's concern is narrower. Once a material dependency and associated consumer impact have been established, the Guidelines should ensure that feasible electricity-network, operational, and sector-specific backup response are compared consistently. This comparison should consider relevant whole-of-system costs and benefits across interconnected essential services, including avoided duplication, cost allocation, operational constraints, and residual risk, without assuming that any particular type of response is preferable.

For telecommunications infrastructure, sector-specific backup may include batteries, fixed or mobile generators, temporary facilities, and associated deployment and refuelling arrangements. These measures remain essential but have finite capability. Telecommunications providers already invest substantially in resilience measures, including backup power, network hardening, operational preparedness and, from October 2026, Temporary Disaster Roaming arrangements. While these initiatives can reduce the impact of outages on consumers and communities, they do not remove underlying dependencies on electricity supply. The assessment task is therefore to determine which combination of electricity-network, operational and sector-specific measures provides the greatest net benefit to consumers, and which party is best placed to act.

The ATA therefore recommends four targeted changes to the final Guidelines:

- **Principle 3:** Allow the identified need to include material, reasonably foreseeable impacts on dependent essential services where the dependency and causal link to loss of electricity supply are demonstrated.
- **Principle 4:** Require feasible electricity-network, operational, and sector-specific backup options to be compared consistently, including relevant whole-of-eco-system costs, avoided duplication, cost allocation, operational constraints, and residual risk. The Guidelines should include a worked example demonstrating how this comparison could apply to infrastructure supporting a dependent essential service.
- **Proportionate evidence:** Clarify that evidence requirements should reflect the scale, cost, and type of proposal. Supported qualitative and operational evidence should be able to supplement quantitative analysis and, for low-cost or operational measures, may be sufficient where more elaborate analysis would be disproportionate.
- **Principle 6:** Include a limited, aggregated reporting requirement for material essential-service dependencies, how they have informed planning or investment, and material post-event lessons during the transition from DAPRs to DNDPs.

These amendments would give practical effect to the AER's acknowledgement of critical-infrastructure interdependency while preserving regulatory boundaries, consumer safeguards, and the focus on prudent and efficient expenditure.

3. PRINCIPLE 3: IDENTIFY MATERIAL DEPENDENT-SERVICE IMPACTS

Principle 3 requires evidence that resilience expenditure is needed to reduce the risk and impact on consumers of power outages caused by severe weather events. The supporting requirements focus on network exposure, outage history, climate risk, asset management, consumer engagement, and the DNSP's experience in severe events.

That framework should also allow a DNSP to demonstrate that the consumer impact of an outage is materially increased where electricity-dependent essential services are lost or degraded. This is relevant because the resilience expenditure factors concern both the risk and impact of power outages on consumers, and that impact is highly likely to extend beyond the electricity connection point where loss of supply causes the loss or degradation of a service on which consumers rely.

This need not create an open-ended assessment. The guidance can require the DNSP to demonstrate:

- a material dependency between the relevant electricity supply and the essential service;
- a reasonably foreseeable consequence for consumers if that service is lost or degraded;
- the expected duration and limitations of existing mitigation arrangements, where relevant; and
- that the proposed electricity-network or operational measure is directed to reducing the identified outage risk or impact.

Materiality should be assessed having regard to the scale and duration of the potential service impact; the consumers and essential services affected; the adequacy of existing mitigation; and any implications for safety, emergency communications, or restoration. Consideration should be limited to impacts that are reasonably foreseeable, materially connected to the identified electricity-supply risk, and capable of being reduced by the proposed electricity-network or operational measure.

For telecommunications, relevant evidence may include feeder and site dependencies, historical outage experience, expected backup duration, access or refuelling constraints, service reach, and the functions supported.

This is important because the electricity load or number of electricity customers connected at a site may not reflect the number of consumers or essential functions affected if the communications services supported by that site are lost. Identifying service significance should inform planning and options assessment, but should not create an automatic restoration priority. Operational decisions must continue to account for safety, network conditions, feasibility, and competing essential-service needs.

ATA Position

The supporting guidance for Principle 3 should identify material impacts on dependent essential services as evidence that may establish the need for resilience expenditure, where the dependency and causal link to loss of electricity supply are demonstrated.

4. PRINCIPLE 4: COMPARE FEASIBLE RESPONSES ON A CONSISTENT BASIS

Once a material dependency and associated consumer impact have been established under Principle 3, the available responses should be compared consistently under Principle 4. The preferred option must provide the greatest net benefit to consumers when tested against other feasible options, including non-network solutions.

The ATA supports this approach. However, the final Guidelines should explain how the comparison applies where the identified need involves dependent critical infrastructure.

4.1 COMPARING FEASIBLE OPTIONS

The relevant counterfactual may not be a simple business-as-usual case. Depending on the identified need, the feasible options may include:

- an electricity-network measure;
- an operational or restoration measure;
- sector-specific backup;
- a combination of measures;
- the base case with no additional response.

For telecommunications infrastructure, sector-specific backup may include batteries, fixed or mobile generators, temporary facilities, and associated deployment and refuelling arrangements.

A comparison that considers only the cost of the proposed DNSP measure, without examining the relevant costs, constraints, and residual risks of the feasible alternatives, is unlikely to identify the option or combination of options that provides the greatest net benefit.

Telecommunications batteries and generators remain essential resilience measures, but their capability is finite. Relevant constraints include battery duration, safe access, fuel availability, local deployment and storage, workforce capacity, refuelling requirements, and performance during multiple, simultaneous outages. These factors do not establish that an electricity-network measure is always preferable. They are relevant to determining which party is best placed to act and which response provides the greatest net benefit.

Table 1: Options and matters relevant to comparison

Option category	Matters relevant to comparison
Electricity-network measure	Cost; reduction in outage probability or duration; customers and services benefiting; implementation lead time; safety and network constraints
Operational or restoration measure	Cost, information, and coordination requirements; operational discretion; feasibility during severe events; expected reduction in restoration time or consumer impact
Sector-specific backup measure	Capital and operating cost; achievable duration; access, fuel, workforce, and safety constraints; performance during concurrent outages; residual service risk
Base case or no additional measure	Expected consumer impacts; existing mitigation; duration and likelihood of service degradation; party bearing the remaining cost and risk

4.2 RECOGNISING RELEVANT COSTS AND BENEFITS

The comparison should consider relevant whole-of-eco-system costs, including avoided duplication. For example, a targeted network or operational measure may avoid or reduce multiple generator deployments, repeated refuelling activity, and duplicated backup investment across affected service providers.

Equally, sector-specific backup may be the more efficient response where an electricity-network measure is costly, provides limited shared benefit, or transfers costs inappropriately to electricity consumers. The assessment should make that trade-off transparent.

Relevant whole-of-eco-system costs should include costs that differ materially between the feasible options, and are causally connected to the identified outage risk or impact. The assessment should:

- distinguish genuine resource savings from a transfer of costs between electricity consumers, telecommunications providers (and other providers of critical infrastructure), and governments;
- identify which party is best placed to manage the relevant risk;
- account for the residual risk remaining under each option; and
- ensure avoided costs and service-continuity benefits are not counted more than once.

Benefits should remain connected to the proposed electricity network or operational measure. Where supported by evidence, they may include:

- reduced telecommunications outages attributable to mains-power loss;
- reduced outages of infrastructure and services that depend on telecommunications services and may be critical in disaster situations (e.g. systems providing health- or weather-related data, geo-location data, payments systems, etc.)
- continuity of access to emergency communications and information;
- improved restoration coordination;
- avoided deployment of temporary backup deployment; and
- reduced disruption to productive activity.

Maintaining supply to telecommunications infrastructure can preserve productive activity that may not be reflected by the electricity consumed at the relevant connection point. Electricity underpins almost all activity. Therefore, the loss of its supply has significant cascading downstream effects. Connectivity supports transactions, healthcare, workforce coordination, supply-chain activity, access to digital services, and restoration operations.

Where these effects arise directly from the proposed electricity-network or operational measure, affect electricity consumers or communities experiencing the outage, and can be demonstrated without double-counting, they should inform the assessment of net benefits to consumers.

4.3 CONSUMER ENGAGEMENT AND TRADE-OFFS

Where consumer engagement is proportionate to the proposal, it should explain:

- the service consequences of each feasible option;
- the costs and residual risks;
- the proposed allocation of responsibility between the relevant parties; and
- how the trade-offs informed the preferred response.

Engagement should not assume that either an electricity-network measure or additional sector-specific backup is preferable. It should enable consumers to understand the trade-offs between the options, and why the response is considered prudent and efficient.

4.4 SUGGESTED WORKED EXAMPLE

The final Guidelines would benefit from a worked example showing how the Principle 4 comparison could apply to a feeder supplying material telecommunications infrastructure. The example could compare:

- a targeted electricity-network measure;
- an operational or restoration measure;
- additional telecommunications backup; and
- the base case.

It should illustrate how costs, service reach, backup constraints, avoided duplication, cost allocation, and residual risk can be assessed without presuming which option should be preferred.

ATA Position

The supporting guidance for Principle 4 should require feasible electricity network, operational, and sector-specific options to be compared consistently, including relevant whole-of-eco-system costs, avoided duplication, cost allocation, operational constraints, and residual risk, to the extent those matters are causally connected to the identified power-outage risk or impact. Benefits should be recognised only where they arise from the proposed measure and are not double-counted.

The final Guidelines should include a worked example demonstrating how this comparison could be applied to infrastructure supporting a dependent essential service.

5. PROPORTIONATE EVIDENCE FOR RESILIENCE PROPOSALS

The comparison required by Principle 4 will only be effective if the evidentiary burden is proportionate, and the assessment can recognise material benefits not adequately captured by existing valuation tools. We note the AER proposes to review the Value of Network Resilience (VNR) methodology alongside the Values of Customer Reliability (VCR) methodology, and publish updated values by the end of 2029. The ATA supports transparent quantitative analysis based on reasonable and verifiable inputs. A DNSP relying on benefits outside the current values should identify the benefit, explain why it is not adequately captured by the applicable value, and provide proportionate evidence of its materiality and connection to the proposed measure. The ATA also welcomes the explanatory statement's recognition that supporting evidence should be proportionate to the size and type of investment.

The final Guidelines should make that proportionality explicit in their application of Principle 4. A low-cost information-sharing or restoration-coordination measure should not require the same modelling effort as a material capital program. Otherwise, the cost of demonstrating the benefit may discourage modest measures that can be assessed from existing operational evidence.

Table 2: Proportionate evidence by proposal type

Scale and type of proposal	Proportionate supporting evidence
Low-cost coordination measure	Documented operational need, affected parties, implementation cost, expected decision or restoration benefit, and a process for post-event review
Targeted operational measure	Dependency and outage evidence, alternative operational responses, cost comparison, practical constraints, and measurable outcomes
Material capital investment	Forward-looking risk analysis, transparent cost-benefit modelling, feasible alternatives, sensitivities, consumer engagement, and post-implementation review

The final Guidelines should therefore explain how proposals lodged before updated values are available may substantiate material benefits not captured by current values.

Quantification should be used where it is reasonably practicable and reliable. Supported qualitative and operational evidence should be permitted to supplement quantitative analysis and, for low-cost or operational measures, may be sufficient where a more elaborate quantitative assessment would be disproportionate to the proposal. A proportional assessment should still identify the feasible alternatives, explain the basis for selecting the preferred response, and provide enough evidence for the AER and consumers to understand the expected benefit and residual risk. The proposal should explain the evidence used, the limitations and uncertainties, and how double-counting has been avoided.

ATA Position

The form and depth of evidence should be proportionate to the scale, cost, and type of proposal. Supported qualitative and operational evidence should be permitted to supplement quantitative analysis and, for low-cost or operational measures, may be sufficient where more elaborate quantitative analysis would be disproportionate.

6. PRINCIPLE 6: A LIMITED BRIDGE TO THE DNDP FRAMEWORK

The ATA recognises that detailed distribution planning and reporting requirements will be developed through the separate DNDP guideline process. It is therefore unnecessary for the final Guidelines to prescribe detailed interdependency reporting or reopen the design of the future framework.

Nevertheless, Principle 6 should include a limited bridging requirement so that material essential-service dependencies are not omitted during the transition from DAPRs to DNDPs. The ATA proposes that the following three aggregated reporting items be added to Principle 6 or its supporting guidance, and carried forward when the relevant obligations transition from the DAPR to the DNDP framework. At an appropriately aggregated level, a DNSP should report:

- whether it has identified material electricity-supply dependencies involving essential service infrastructure;
- how those dependencies informed resilience planning, operational arrangements, or proposed investment; and
- any material lessons from severe weather events and how those lessons have informed, or are expected to inform, future planning, operational arrangements or expenditure.

This information should be integrated into existing reporting rather than collected through a duplicative template. Aggregated public reporting should be distinguished from the more detailed information that may be required by the AER for regulatory assessment, or exchanged between authorised operators for planning and response. Public reporting should not disclose precise site locations, vulnerabilities, backup durations, or other security-sensitive information. Detailed operational information can continue to be exchanged securely between authorised operators through existing or equivalent arrangements. The Guidelines should encourage DNSPs to build on existing, secure information-sharing and coordination arrangements rather than establish duplicative processes solely for regulatory reporting.

ATA Position

The supporting guidance for Principle 6 should include a principles-based, aggregated requirement covering material essential-service dependencies, how they have informed planning, and material post-event lessons. Detailed reporting design should be left to the DNDP guideline process.

7. RECOMMENDATIONS

The ATA recommends four targeted amendments to the final Guidelines. Together, they would give practical effect to the AER's acknowledgement of critical infrastructure interdependencies, without expanding DNSP responsibilities or duplicating future DNDP work.

Table 3: ATA recommendations

No.	Recommendation	Why it matters
1	**Identify impacts on dependent essential services** Amend the Principle 3 guidance to recognise material, reasonably foreseeable impacts on dependent essential services where the	Reflects the actual impact of an electricity outage while retaining a clear network-service boundary.

	dependency and causal link to loss of electricity supply are demonstrated.	
2	**Compare feasible responses consistently** Amend the Principle 4 guidance to compare electricity-network, operational, and sector-specific backup options based on relevant whole-of-system costs, avoided duplication, cost allocation, operational constraints, and residual risk. Include a worked example involving infrastructure supporting a depending essential service.	Supports selection of the option or combination of options providing the greatest net benefit, without presuming which sector should act.
3	**Apply proportionate evidence requirements** Allow qualitative and operational evidence to supplement quantitative analysis or, for low-cost measures, to be sufficient where more elaborate analysis would be disproportionate. The assessment should still address feasible alternatives, expected benefits, and residual risk.	Enables modest measures to be assessed efficiently without reducing regulatory scrutiny.
4	**Bridge the transition to the DNDP framework** Require aggregated reporting on material essential-service dependencies, how they have informed planning or investment, and relevant post-event lessons, with detailed design left to the DNDP guideline process.	Avoids an implementation gap without duplicating reporting or disclosing sensitive operational information.

The draft Guidelines appropriately acknowledge the linkages between electricity networks, telecommunications and other essential services. ATA does not seek to reopen the resilience definitions, transfer telecommunications responsibilities to DNSPs or presume that an electricity-network response will always be preferable.

The four targeted amendments proposed by ATA would translate that acknowledgement into practical guidance on identifying material consumer impacts, comparing feasible responses, applying proportionate evidence requirements and reporting essential-service dependencies. They would support selection of the response providing the greatest net benefit while preserving regulatory boundaries, consumer safeguards and the focus on prudent and efficient expenditure.

ATA stands ready to work constructively with the AER and other resilience partners on the final wording and a practical worked example for Principle 4.

Ends

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