

13 October 2026

Kami Kaur
Executive General Manager Network Regulation
Australian Energy Regulator
GPO Box 3131
CANBERRA ACT 2601

Dear Kami

Re: Draft Network Resilience Guidelines

TasNetworks welcomes the opportunity to provide feedback to the Australian Energy Regulator's (AER) Draft Network Resilience Guidelines (**the Guidelines**). As the Distribution Network Service Provider (DNSP) in Tasmania, TasNetworks is aware of the significant impact severe weather events can have on our network and consumers. The Guidelines will support DNSPs in developing evidence-based resilience proposals whilst ensuring consumers receive a net benefit from resilience expenditure.

TasNetworks endorses Energy Networks Australia's submission and makes the following additional comments.

TasNetworks considers the Guidelines provide a good framework for developing resilience expenditure proposals. TasNetworks supports:

- The updated definition of network resilience;
- the Guidelines not applying to Transmission Network Service Providers at this stage;
- the updated definition of community resilience; and
- the level of consumer engagement expected in support of DNSPs' resilience proposals.

Given that the prudence and efficiency of network investments are always at the forefront of the AER's decision making, TasNetworks supports the inclusion of the prudence and efficiency principles in the Guidelines. Whilst we also support the guidance on the information the AER expects DNSPs to provide to support prudence and efficiency, we consider the AER should allow flexibility in how these expectations are met. Flexibility will be important as it will allow DNSPs with differing levels of access to evidence and historical data to develop proposals that meet the principles and their consumers' preferences.

The AER acknowledges in the Explanatory Statement to the Guidelines that the amount of resilience expenditure proposed by DNSPs will vary. On this basis, we would like to emphasise the importance of ensuring that information required in support of proposed network resilience expenditure remains proportionate to the scale of the proposed expenditure. This will ensure that DNSPs proposing relatively modest resilience investments are not subject to the same level of evidentiary burden as those proposing significantly larger investments.

In TasNetworks' submission to the Consultation Paper on the Guidelines, we expressed concern around an expectation that an investment in resilience would correspond with higher reliability targets under the Service Target Performance Incentive Scheme (**STPIS**). We support the position reflected in the Guidelines whereby this expectation will not apply if the DNSP demonstrates that there is no double-counting of reliability benefits. When considering the impact of resilience investment on STPIS targets, it will also be important for the AER to consider the fact that when a resilience investment also benefits reliability, that investment may not occur until mid-way through or near the end of a regulatory control period. In this case, it will be important that STPIS targets reflect the fact that there will be no reliability benefits realised until after the investment is made.

The Value of Network Resilience (**VNR**) framework is critical to the success of the Guidelines. Therefore, we are concerned that a review of the VNR framework will not be completed until 2029. TasNetworks considers that the review should be brought forward to inform regulatory proposals due before 2029. If the review is not completed in time for TasNetworks to use the updated values as part of its 2029–2034 regulatory proposal, we consider the VNR framework should receive less weighting in assessing resilience investment.

Thank you for the opportunity to provide our feedback to the Guidelines. If you wish to discuss this submission further, please contact Calvin Godwin, Senior Economic Policy Analyst at

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Yours sincerely

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Julie Morrison
Acting Head of Regulation