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9 January 2018

David Chan
Director, Australian Energy Regulator
Casselden Place
Level 17, 2 Lonsdale St
Melbourne VIC 3000

Via email: david.chan@aer.gov.au

Dear David

Re: ESV Validation of AusNet Services' 2016-17 Fire Report

Thank you for the opportunity to provide a response to the Energy Safe Victoria's (ESV) validation report submitted to the Australian Energy Regulator. A response to each of ESV's findings, summarised in Table 3 of their report, is provided in the attachment.

In summary, AusNet Services consider its calculation of 148.68 Ignition Risk Units is correct and in compliance with the AER's reporting requirements. ESV has identified a difference in IRU value of 0.02 based upon application of Bureau of Meteorology fire danger rating data that was not available until after the 2016/17 reporting period. AusNet Services accepts that the BOM data source should be utilised for future reporting as originally intended under the Order In Council.

Differences identified in other fire reporting data will be addressed through liaison with ESV to establish consistent interpretations of incident classifications and alignment of reporting requirements and systems between ESV and AusNet Services.
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Should you have any further enquiries concerning this information please do not hesitate to contact Mr Phillip Bryant, Manager Network Safety on (03) 9695 6219.

Sincerely,

C. Eddy

Charlotte Eddy
Manager Economic Regulation
AusNet Services

Attachment – AusNet Services' Response to ESV's 'Table 3 Summary of Findings'

Reference	ESV finding	AusNet Services' (AST) response
Clause 6(3)(d) **Request from AER**	The fire start report addressed the AusNet Services distribution system separately from other systems managed by the service provider.	No further comment.
Clause 6(3)(e)(i) **Comparative analysis – non-IRU factors**	There were eight discrepancies between the assessment of the ESV fire start category made by AusNet Services and that made by ESV. There were **83** discrepancies between the assessment of the fire type made by AusNet Services and that made by ESV. Most of these related to a same misclassification. These discrepancies **were not material to the calculation of the total IRU amount.**	The '*Fire start by ESV category*' within the AER's reporting template is a summary of a number of detailed data fields contained in ESV's incident reporting system (OSIRIS). AST will discuss with ESV opportunities to minimise interpretational differences. 79 of the incidents were attributed by AST to the category '*Otherwise started by a distribution system*'. The Order In Council also provides a category described as '*Started in or originated from a distribution system*' which ESV believes should have been used. AST will seek clarification from ESV as the two categories appear interchangeable.
Clause 6(3)(e)(ii) **Comparative analysis – IRU specific factors**	While there were a significant number of differences between the fire start report and OSIRIS data sets, there were only three discrepancies material to calculation of the total IRU amount.	AST's Fire Danger Ratings (FDR) are supplied by CFA in compliance with the AER's reporting requirements. ESV has validated FDR data against a new data source supplied by the Bureau of Meteorology (BOM), established post the F-factor reporting period. Whilst AST accept the BOM data is intended to be the authoritative source in future, the AER, in consultation with ESV and distribution businesses, chose the CFA as the source for 2016/17 reporting as the only available and auditable source at the time. Differences in locational information (lat/long) are due to ESV's reporting system (OSIRIS) automatically generating lat/long information from entry of street/road addresses whereas AST's lat/long information is generated from asset location involved in incidents. AST consider asset locations appropriate and correct. AST advised ESV that times provided in the AER's reporting template are correct. AST

		will review time data between ESV's OSIRIS and AST systems to identify causes for difference. Alignment and automation of data upload into ESV's OSIRIS will reduce the incidence of future data variation between reporting systems.
Reference	**ESV finding**	**AusNet Services' (AST) response**
Clause 6(3)(e)(iii) **Comparative analysis – Non-IRU factors**	There were 29 discrepancies between the fire start report and OSIRIS in relation to pole identification number. There were 33 discrepancies between the fire start report and OSIRIS in relation to polyphase electric line identification number. These discrepancies were not material to the calculation of the total IRU amount.	AST will consult with ESV to establish a consistent nomenclature for line and pole identification within ESV's OSIRIS which is currently non-mandatory. Alignment and automation of data upload into ESV's OSIRIS will reduce the incidence of data variation between reporting systems.
Clause 6(3)(e)(iv) **Comparative analysis – Non-IRU factors**	There was one discrepancy between the fire start report and OSIRIS in relation to voltage of the line involved in the fire. This discrepancy was not material to the calculation of the total IRU amount.	AST has re-opened and corrected voltage details for ESV ref 20170217SPN_01 within ESV's reporting system (OSIRIS). The incident description states the fire was the result of a 66kV flashover caused by a possum.
Clause 6(3)(e)(v) **Verification of IRU amount**	The total IRU amount provided in the AusNet Services 2016-2017 fire start report needs to be amended from 148.68 to 148.70.	AST maintain the reported 148.68 IRU value is correct and calculated in compliance with the AER's reporting requirements. Refer AST response to 6(3)(e)(ii) above.
Clause 6(3)(f) **Completeness assessment**	AusNet Services had reported all fires to ESV as the relevant entity.	No further comment.