



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

Via email: [David.Chan@aer.gov.au](mailto:David.Chan@aer.gov.au)

Dear David,

### **2016-17 Fire Start Validation Reports**

We have reviewed the validation reports prepared by Energy Safe Victoria (**ESV**) and provide the following response.

#### **CitiPower 2016-2017 Fires Start Report**

We acknowledge that ESV has not found any discrepancies in the IRU amounts and number of fire starts in our F-Factor Scheme Report 2016-17. The IRU amount of 0.52 and the 12 fire starts reported to the AER was correct.

While ESV noted a “significant number of differences between the fire start report and OSIRIS data sets” (*Validation Report for the CitiPower 2016-2017 Fire Start Report, Table 3, Pg. 13*), ESV has also acknowledged that none of the discrepancies between the GPS data sets impacted the calculation of the total IRU amount. The slight differences in GPS co-ordinates between our and OSIRIS’s location data is explained by us using the exact GPS location of the asset responsible for the fire start, while OSIRIS relies on automatically populated GPS location data based on the nearest address of the incident.

Changes to our report have been highlighted in yellow in Attachment 1: ‘2017 CP F-Factor RIN (Ver 1.2 Post ESV Validation Report).xlsx’.

#### **Powercor 2016-2017 Fires Start Report**

ESV has noted a “significant number of differences” (83% discrepancy rate) between our fire start report and ESV OSIRIS location data sets (GPS coordinates) (*Validation Report for the Powercor 2016-2017 Fire Start Report, Table 2, Pg. 12*). We use the GPS location of the nearest pole or asset responsible of the start of the fire, while OSIRIS automatically populates GPS location data based on the nearest address of the incident. This causes ESV’s system to introduce an error as it places the GPS coordinate into the middle of the property or its’ frontage and not the asset responsible for the fire. This issue was previously communicated to ESV through an email to Peter Greilach (Senior Data and Process Analyst) on 27 November 2017 (please refer to Attachment 2). None of the 83% discrepancies have caused an error in the f-factor calculation.

ESV has also noted four discrepancies material to the calculation of the total IRU amount (*Validation Report for the Powercor 2016-2017 Fire Start Report, Table 4, Pg. 16*). We can confirm that whilst the ‘Fire Danger Rating’ was based on the best available data from the CFA at the time, we have now confirmed a data error in the CFA’s email notification system. This has resulted in wrong ‘Fire Danger Ratings’ to be forwarded to us and consequently used in fire start reports for four fire events. The error has been acknowledged by us and the newly implemented ‘EM-COP’ website is now the new source for accurate Fire Danger Ratings.

#### **REGISTERED OFFICE**

40 Market Street, Melbourne VIC Australia Telephone: (03) 9683 4444 Facsimile: (03) 9683 4499  
Address all Correspondence to: Locked Bag 14090 Melbourne VIC 8001  
CitiPower Pty Ltd ABN 76 064 651 056 General Enquiries 1300 301 101 [www.citipowercor.com.au](http://www.citipowercor.com.au)  
Powercor Australia Ltd ABN 89 064 651 109 General Enquiries 13 22 06 [www.powercor.com.au](http://www.powercor.com.au)

As a result of the CFA errors, the following corrections have been made to the Powercor F-Factor Scheme Report 2016-17:

- **Fire Start #33 (ESV incident 20161104PWA\_01):**  
Changed the 'Fire danger rating' and corresponding 'Danger Multiplier' value from 'No Forecast 0.1' to 'Low-moderate 0.2'. This change resulted in a new IRU value of 0.04 (up from previous amount of 0.02).
- **Fire Start #154 (ESV incident 20170328PWA\_06):**  
Changed the 'Fire danger rating' and corresponding 'Danger Multiplier' value from 'Low-moderate 0.2' to 'High 0.5'. This change resulted in a new IRU value of 2.3 (up from previous amount of 0.92).
- **Fire Start #184 (ESV incident 20170504PWA\_01):**  
Changed the 'Fire danger rating' and corresponding 'Danger Multiplier' value from 'No Forecast 0.1' to 'Low-moderate 0.2'. This change resulted in a new IRU value of 0.92 (up from previous amount of 0.46).
- **Fire Start #196 (ESV incident 20161104PWA\_01):**  
Changed the 'Fire danger rating' and corresponding 'Danger Multiplier' value from 'No Forecast 0.1' to 'Low-moderate 0.2'. This change resulted in a new IRU value of 0.04 (up from previous amount of 0.02).

Corrections to the four above incidents increased the total IRU amount by 1.88 IRU i.e. an increase from 156.64 to 158.52 IRUs.

ESV has indicated that one fire start (incident 20170314PWA\_05) was not reported to AER as part of our F-Factor Scheme Report 2016-17 and notes that "after discussion with the AER, ESV added this incident to the fire start report for the purposes of calculating its total IRU amount" (*Validation Report for the Powercor 2016-2017 Fire Start Report, Table 3, Pg. 11*).

Originally our consensus was that this incident did not meet AER reporting criteria. The incident did not clearly meet AER reporting criteria: 'fire triggered by any asset failure caused by lightning' as no apparent asset failure was caused by the lightning strike that could have started the fire. This view was communicated to the ESV through an email to Peter Greilach (Senior Data and Process Analyst) on the 3 November 2017 (please refer to Attachment 3).

Upon further review of evidence and re-assessment of arguments provided by ESV in their validation report (*refer Validation Report for the Powercor 2016-2017 Fire Start Report, Pg. 11*), we decided to add the incident to the our F-Factor Scheme Report 2016-17. (Refer fire start # 197 in the updated Powercor F-Factor Scheme Report 2016-17.) Adding this incident caused an increased in total IRU amount by 0.2, up from 158.52 to a new total of 158.72.

Please note that ESVs' validation report states that this incident was added by ESV to the fire start report for the purposes of calculating the total IRU amount (*Validation Report for the Powercor 2016-2017 Fire Start Report, Pg. 11*). ESV has calculated the total IRU amount to be 158.52 if all IRU corrections are made. However the correct total IRU amount sums to 158.72 if incident 20170314PWA\_05 (fire start # 197) is included along with corrections to fire starts #33, #154, #184 and #196. It appears that ESV has made an error in their total IRU calculations.

Upon review of ESVs *Validation Report for the Powercor 2016-2017 Fire Start Report*, we recognise that certain IRU calculations in the Powercor F-Factor Scheme Report 2016-17 require amendment. Changes to our report, additional to the last submission to the AER on the 3 Nov 2017, have been highlighted in yellow in Attachment 4: '2017 PAL F-Factor RIN (Ver 1.3 Post ESV Validation Report).xslm'.



In addition to the above, a detailed summary table of our comments to ESVs' summary of findings has also been attached – refer Attachment 5 – “CP PAL Comments to ESVs Summary of Findings in Validation Report.docx”.

If you require further information with respect to this matter, please contact Wendy Cotton on (03) 9683 4288 or via email [wcotton@powercor.com.au](mailto:wcotton@powercor.com.au).

Yours sincerely

A handwritten signature in black ink that reads "J Parry". The signature is written over a horizontal line.

Joanne Parry  
**Manager Compliance**

*Attachments*

Attachment 1: '2017 CP F-Factor RIN (Ver 1.2 Post ESV Validation Report).xlsm'

Attachment 2: 'RE Fire start reporting information request – Powercor.pdf'

Attachment 3: 'FW F-factor reporting-Powercor.pdf'

Attachment 4: '2017 PAL F-Factor RIN (Ver 1.3 Post ESV Validation Report).xlsm'.

Attachment 5: “CP PAL Comments to ESVs Summary of Findings in Validation Report.docx”.

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