

Ms Clare Savage
Chair
Australian Energy Regulator
GPO Box 520
Melbourne VIC 3001

Dear Chair,

NELSON POWER SUPPLY QUALITY

I write as the Cross Border Commissioner for the State Government of Victoria, concerning the potential consequences and incentives that the AER's SAPN decision may provide for distribution services in South Australia that supply service to the Powercor network into Nelson in south-west Victoria. As I understand it, the service into Nelson is not otherwise connected to the rest of the Victorian network.

Performance data available on the AER's website shows the poor performance of both the Powercor feeder to Nelson, and the SAPN feeder that supplies it. There is a particular problem with long outages in Nelson, which affects not only the power supply but also causes mobile telephony outages. This area's population expands dramatically in the summer months with holiday makers, raising the consequences of fire.

I understand that SAPN's revised proposal contains a program to upgrade its poorer performing feeders. While I am not in the business of forming a view on the particulars of such a program, I do encourage the AER to consider the implications of its decision for service to these more isolated communities.

In this case, that includes the implications for customers relying on the feeder, but located within another jurisdiction. A common finding in my role is that border communities are subject to service discontinuities and friction between jurisdictional boundaries, within frameworks that provide no obvious avenue to raise, let alone resolve, the problem. This is sometimes because the cycle and method for review on each side of the border differs, whereas border problems typically require a coordinated response (if not simultaneous).

However, I have also found that engaging regulators committed to quality outcomes, on behalf of border communities, encourages those regulators to work together to find some advance on the problem. I trust that the AER is such a regulator.

In this case the AER is its own counterpart, although I have also raised this matter with the ESC and ESCOSA given their ongoing roles with distribution licensing, as well as making an enquiry of SAPN itself.

I would be pleased to discuss this situation with you further if needed, but in any case trust that you will have due regard to the circumstances facing consumers in both south-east South Australia and in the Nelson area of Victoria.

Kind regards,



Luke Wilson
Cross Border Commissioner

9 / 1 / 20