

17 January 2014

Mr Andrew Reeves  
Chairman  
Australian Energy Regulator  
GPO Box 520  
Melbourne VIC 3001

Dear Mr Reeves

**RE: Response to Draft Regulatory Information Notice for NSW DNSP regulatory proposals**

Ausgrid, Endeavour Energy and Essential Energy (the NSW DNSPs) welcome the opportunity to provide written submissions on the draft regulatory proposal Regulatory Information Notice (RIN) issued by the AER to each DNSP on 6 December 2013. We note that the draft RIN will be used to make the determinations applying to each NSW DNSP for the 2014-15 to 2018-19 regulatory control period, to assess benchmark capital and operating expenditure and to publish annual benchmarking reports.

Our primary concern relates to the far-reaching nature of the RIN and the fact that the AER has not clearly stated why it requires each element of the information. In particular, we note that the RIN requires us to complete 41 worksheets most of which contain over 100 rows of data, and respond to over 600 written questions. Further the far-reaching nature of the RIN suggests that the AER may use it as the primary basis for making our distribution determinations.

This concern is based on the extensive level of additional information requested and the fact that the RIN unnecessarily replicates certain National Electricity Rules (NER or Rule) requirements in relation to the regulatory proposal. The primary document for making a distribution determination is the DNSP's regulatory proposal and the associated supporting documentation. The RIN should not be used to effectively set aside our regulatory proposal.

We consider that we have had insufficient time to undertake a comprehensive review of the AER's draft RIN. The AER has not previously consulted on the written questions that have been identified in the RIN. Accordingly, we can only provide high level comments and suggested amendments to the notice, as set out below.

**Additional time to complete RIN**

The release of this draft RIN comes only months before the NSW DNSPs are required to submit their substantive regulatory proposals in May 2014. This is particularly concerning given the breadth and voluminous nature of the RIN requirements that, in several instances, requests information not required for the NSW DNSPs' operational purposes. This is compounded by the AER duplicating existing rule provisions into the RIN. An example of this is the requirement for the customer overview paper in section 32 of Schedule 1, which repeats exactly the Rule requirement in clause 6.8.2(c1).

We wish to note that the tight timelines may create a risk that we cannot provide the information on time, or that errors may occur in providing the information, particularly given that we are also preparing a regulatory proposal in parallel. As such, we contend that the AER should provide additional time to respond to the RIN to ensure we are provided with a fair opportunity to comply with the request. We consider a date of **30 June 2014** would be more reasonable.

We would also like to advise the AER that while every effort will be undertaken to ensure future reporting meets the AER's requirements, there will be some instances where 'best estimates' will need to be used until such time as the necessary systems are purpose built to capture the data. In some instances, the first full financial year of actual data may be not available until after 30 June 2016, covering the 2015-16 financial year. In such instances, and where previously advised, we believe that 'best estimates' would be considered as compliant for the purposes of the notice.



## **The AER should clearly state the purpose for collecting information**

We are concerned that the draft RIN does not adequately demonstrate that the AER has discharged its obligations under the NEL to only serve a RIN where it is reasonably necessary for the performance or exercise of the AER's functions or powers. Whilst the AER has asserted that the information is necessary for the performance or exercise of its functions, it has not addressed this requirement in any substantive way beyond this high level assertion.

We would like to highlight that the requirement to provide reasons (imposed by section 28K of the National Electricity Law (NEL or Law)) is in addition to and separate from the initial requirement (of 28F of the NEL) that the information is reasonably necessary for the performance or exercise of its functions under the Law or Rules. The obligation to provide reasons for requiring information is additional to the initial requirement that the AER considers that a notice is reasonably necessary for the performance or exercise of the AER's functions. The obligation to provide reasons specifically relates to information described in the instrument and requires the reasons for requiring all of the information described in the notice. Appendix D to the notice, consisting of six short paragraphs, purports to state the reasons why the AER considers it reasonably necessary for the information described in the notice to be provided, prepared, maintained in the manner and form specified. However, this approach mixes two separate obligations under sections 28F and 28K of the NEL.

Whilst section 28K of the NEL does not require the instrument to state why the AER considers it is reasonably necessary for the information to be provided, it does require that the instrument state the AER's reasons for actually requiring the specific information described in the instrument. In any case, Appendix D does not provide detailed reasons why the AER considers it reasonably necessary for the information to be provided. A close examination of Appendix D reveals that it does no more than re-state the functions and powers of the AER. This does not satisfy the obligation to provide reasons for requiring the information described.

The NSW DNSP's submission is that the AER must provide reasons for each information category required and those reasons should address why the information is required. Generally, the AER should provide reasons why it requires the additional information to that required as part of the Regulatory Proposal. This is particularly important given the full information provided in the RIN templates for the current determination have never been utilised to our knowledge, despite the time and effort put into completing them as part of the initial submission.

To address our concerns, the draft RIN requires amendment so that the basis for requesting the information (and consequently the information requested) can fully demonstrate that the information is reasonably necessary for the AER to carry out its functions and powers and that each category of information has been supported by reasons.

In the absence of the AER significantly reducing the volume of required information in the RIN, we request that the AER's final RIN provide more detail on how it intends to use each tab of the data requirements. This will also assist our understanding of how the information will be used, and can help us to notify the AER on when a 'best estimate' will result in a misleading conclusion. It will also provide NSW DNSPs with an opportunity to understand the models that will be applied to its determination.

## **We should not be compelled to provide information that is unreliable and misleading**

It is also concerning that the AER has failed to take into account many of our concerns raised in multiple forums over the past 18 months. These forums have provided the AER with information on where we cannot provide certain information or where our systems cannot provide information in the manner required by the AER.

We consider the AER should not require our businesses to provide information the AER knows we may not be able to prepare and which we know to be unreliable and inaccurate. This is important in the context of the legal nature of a RIN, which has substantial penalties for provision of false and misleading information. To assist the AER in understanding what forms of information may be of poor quality, we have attached comments in Attachment A of our submission.



We submit that the draft RIN instrument should note that a DNSP has a 'reasonable excuse' not to provide information in cases where it can demonstrate that the data is unreliable or misleading. This is because our view of the NEL is that a DNSP is only obligated to provide information that is available, or can be derived from, data which has been historically collected in our systems. In cases, where that information cannot be provided in the form required by the AER from our systems, we would have a reasonable excuse under section 28(5) of the NEL not to comply with that element of the notice. We have strong doubts that a RIN can require a business to prepare information by way of estimate that cannot be reasonably derived from information currently held in its systems. We do not consider it appropriate for businesses to be required to collect new data types retrospectively that have not had the benefit of systematic, mature and controlled business collection and recording processes.

Our understanding of the term 'prepare' relates to a power the AER has to compel a DNSP to collect information in the form required by the AER for future periods (for example, by developing new systems) rather than to manipulate historical data in potentially inaccurate ways. We suggest that the AER should give more careful consideration to whether it has appropriately informed itself of the distinction under section 28L of the NEL between the ability of a RIN to require existing information to be provided and the ability to require information to be prepared, maintained and kept on a going forward basis. In any case, we consider a 'best estimate' should only be provided when a DNSP is confident that the data is of a reasonable quality for the purpose required by the AER. As noted above, we consider that the AER should not require us to provide information that we know to be unreliable.

A further concern is that an assurance review will likely find shortcomings due to the inability of our systems to provide data required by the AER. We submit that this information should be excluded from an external assurance process.

#### **AER should undertake a meaningful cost benefit analysis**

We are very concerned that the draft RIN does not adequately demonstrate that the AER has discharged its obligations under the NEL to have regard to the efficient costs in complying with the RIN. To address our concern, the AER would need to demonstrate how it has taken into account NSW DNSPs' likely costs in preparing, providing and maintaining information in the form required by the RIN.

In particular, the AER would need to recognise the requirement for each DNSP to engage two separate auditors for the financial and non-financial information, the need to purpose-build systems in the future to capture information not required for the NSW DNSP's operational activities as well as the additional staff/external consultant resourcing requirements to meet the AER's request. As the costs of complying with the RIN are ultimately borne by consumers, it is important that the AER meets its obligations in this regard.

It should be noted that, because of the truncated timeframe in which to provide comments on the draft RIN, there has been insufficient time for us to provide detailed costings of compliance, particularly in relation to capturing and keeping information that we do not currently capture. The NSW DNSPs will be in a better position to provide these costings to the AER at the time of submission of the RIN, however we estimate these costs to be approximately \$1-2 million dollars across the businesses.

As a general comment on costs, we are also concerned with the number of RINs, and the far-reaching level of information requested within each RIN. Our understanding of the AER's intentions on future annual reporting is that DNSPs will be required to submit three RINs each year; the completion and submission of an annual benchmarking RIN, the completion and submission of the current annual RIN and the possible completion and submission of the category analysis RIN. We submit that not only does this place significant regulatory burden on the NSW DNSPs, it also seems to be a costly duplication of effort and information which would contribute to the ongoing costs for customers.



## **Likelihood of regulatory error from the use of estimates in the application of economic benchmarking models**

In relation to the AER's intention to use the RIN for economic benchmarking and category analysis we reiterate our concerns from our 18 October 2013 submission on the draft economic benchmarking RIN; specifically, that the AER is requiring DNSPs to submit estimates in cases where data cannot be accurately and reliably provided. In our view this would lead to a greater likelihood of regulatory error in the application of economic benchmarking models. Moreover, we contend that economic benchmarking tools such as Total Factor Productivity (TFP) can not be used to infer relative efficiency of DNSPs over time as such models cannot adequately normalise for differences between DNSPs, and do not provide meaningful assessment of the apparent differences in productivity levels. As a result, we consider that the application of economic benchmarking to guide regulatory decision making would result in error, leading to outcomes that are detrimental to the long term interests of customers.

### **Statutory declaration**

We consider that the pro-forma statutory declaration does not enable us to adequately identify information that is likely to be unreliable, inaccurate or misleading. We consider the final RIN should not require a DNSP officer to sign a pro-forma statutory declaration. Rather, each DNSP should have the ability to develop its own statutory declaration such that the officer can be in a position to truthfully verify the quality of information that has been provided. This is extremely important given the sanctions an officer faces for providing misleading information, and the nature of the AER's request which requires a DNSP to provide information that has not been collected or recorded in its systems.

As a final matter we note that the AER should contact each business prior to finalising the RIN to ensure that the appropriate NSW business entity has been served the notice. In particular, the AER should amend the draft RIN to make clear that the registered Network Service Provider for the purposes of the notice is Ausgrid (ABN 67 505 337 385) rather than Ausgrid Pty Ltd.

We look forward to further bilateral consultations on our proposed amendments to the draft RIN prior to the AER issuing a final notice. If you would like to discuss our submission further, please contact Mr Mike Martinson, Group Manager Regulation at Networks NSW on (02) 9249 3120 or via email at [michael.martinson@endeavourenergy.com.au](mailto:michael.martinson@endeavourenergy.com.au). The relevant operational contacts for each of the businesses are Jane Smith from Ausgrid who can be reached on (02) 9269 2023 or via email at [jsmith@ausgrid.com.au](mailto:jsmith@ausgrid.com.au), Jon Hocking from Endeavour Energy who can be reached on (02) 9853 4386 or via email at [Jon.Hocking@endeavourenergy.com.au](mailto:Jon.Hocking@endeavourenergy.com.au) and Natalie Lindsay from Essential Energy who can be reached on (02) 6589 8419 or via email at [Natalie.Lindsay@essentialenergy.com.au](mailto:Natalie.Lindsay@essentialenergy.com.au).

Yours sincerely



**Vince Graham**  
**Chief Executive Officer**  
**Ausgrid, Endeavour Energy and Essential Energy**

*Attachment A: NSW DNSPs' Comments on Each Tab*



## Attachment A: NSW DNSPs' Comments on Each Tab

RIN template	Issues with template
<b>Table 2.2.1</b>	<p>We understand that the REPEX template is intended to capture "Replacement" driver expenditure only (i.e. it excludes Augmentation projects). We will report on that basis.</p> <p>Definition of Asset Failures: The definition of a failure does not align to conditional or functional failures. "Conditional" failure is when an asset has exceeded its minimum technical specification (for example a pole inspection reveals residual strength is less than the specified minimum). An equivalent example of a "Functional" failure is when a pole physically fails (i.e. falls down).</p> <p>The AER should clarify the definition of Asset Failures in terms of "conditional" (exceed specifications) and "functional" (physical) failures and the relationship with the reported expenditure.</p>
<b>Table 2.2.1 – Poles</b>	Expenditure will need to be allocated for poles at a sub-transmission level since costs are not booked on a voltage basis.
<b>Table 2.2.1 – Overhead Conductors</b>	Detailed information is available on numbers and failures by voltage and type, however, expenditure would need to be allocated at a sub-transmission level since costs are not booked on a voltage basis.
<b>Table 2.2.1- Transformers</b>	<p>Kiosks and pole transformers include switchgear and other equipment. If these are to be separated out it would need to be done on an allocation basis.</p> <p>Civil construction costs would need to be allocated since they are part of the overall building costs.</p>
<b>Table 2.2.1-Switchgear</b>	<p>Some lower voltage and value categories would need to be estimated on the basis of material costs.</p> <p>Civil construction costs would need to be allocated since they are part of the overall building costs.</p> <p>"Load Break Switches"; This definition should include "Non-Load Break Switch" data due to inherent difficulties in separating it from Load Break Switches. We therefore propose the following definition to replace "Load Break Switches" - "Permanent Switch - A purpose built switch such as an Isolator, Air Break Switch or enclosed switch that can be operated to switch the network without the use of tools. For the purposes of this definition only operating sticks are not considered tools."</p> <p>We also note that there are a number of duplicated rows in this category.</p>
<b>Table 2.2.1- Underground Cables</b>	The definition makes no reference to cable termination pillars. We note that underground cable termination pillars were included as part of the underground cable network in previous RINs. The AER should include cable termination pillars as part of the definition of "underground cables".
<b>Table 2.2.2 - Input costs by asset groups</b>	Input costs for some asset categories, particularly higher voltage equipment (> 33kV) would involve significant allocations since these replacements are generally done as integrated projects that often involve shared infrastructure e.g. buildings and other civil structures.



<b>Table 2.2.3 - Total replacement internal labour costs</b>	Reporting at a job category level is not currently undertaken and would involve extensive development to generate this. We would propose that this item should be removed.
<b>Table 2.2.4 - Replacement expenditure by asset group</b>	Expenditure for some asset categories, particularly higher voltage equipment (> 33kV) would involve significant allocations since these replacements are generally done as integrated projects that often involve shared infrastructure for example, . buildings and other civil structures.
<b>Table 2.3.1 Augex asset data - Subtransmission substations, switching stations and zone substations</b>	<p>We request guidance on how to deal with multiple project triggers (for example if the project was partly driven by voltage issues and partly by asset condition issues).</p> <p>While we assume that costs and volumes would be allocated on a proportionate basis to align with allocation of total expenditure by driver, it would mean that the same project would be reported in multiple sheets (albeit on an allocated basis).</p>
<b>Table 2.3.2 - Augex asset data – Sub-transmission lines</b>  <b>Table 2.3.3 - Augex data - HV feeders</b>	We do not currently undertake weather correction at a feeder level so it would need to be estimated.
<b>Table 2.3.7 - Total Augex - internal labour costs</b>	Reporting at a job category level is not currently undertaken for operational purposes. Extensive development would be required to generate this data. We would propose that this item should be removed.
<b>Table 2.4.1 - Augex model inputs - asset status - sub transmission lines</b>	<p>Weather correction of Demand data at a line or feeder level is not currently undertaken so it would need to be estimated. This process would need to be developed.</p> <p>Network reconfiguration, particularly at the distribution level will mean that sections of a feeder will change from one feeder to another.</p>
<b>Table 2.5.1 Connection Metrics</b>	<p>Residential Connection (Volume):</p> <ul style="list-style-type: none"> <li>○ We do not currently forecast connections by network type (CBD/Urban/Rural).</li> <li>○ Could be estimated but high level of accuracy could not be assured.</li> </ul> <p>Underground/ Overhead split would need to be derived from materials information.</p> <p>Project reporting does not currently include transformer capacity but could be generated on the basis of an investigation of materials expenditure. As a result, forecasting has not been undertaken to this level of detail.</p>



	<p>Net Circuit length added by customer type &amp; MVA added: would need to be estimated on the basis of GIS data.</p> <p>Subdivision Connections: not currently reported or forecast on this basis. Information could be obtained but a new reporting process would need to be developed.</p>
<b>Table 2.5.2 Connections Expenditure</b>	<p>Connections expenditure is not readily classified into Simple, Complex LV &amp; Complex HV connections. Could be derived by an investigation of materials booked to programs or projects.</p> <p>Contestable work is not undertaken by Ausgrid so the only costs would relate to contestability support and interfacing with non-contestable network (i.e. inside zone &amp; distribution substations).</p> <p>Subdivision Connections: not currently reported or forecast on this basis.</p> <p>Embedded generation connections: not currently reported or forecast on this basis.</p> <p>Ausgrid undertook major system changes in 2008/9 so data for this year is likely to be less reliable.</p>
<b>Table 2.5.3 - New customer connections input and contract costs - breakdown</b>	<p>Ausgrid undertook major system changes in 2008/9 so data for this year is likely to be less reliable.</p>
<b>Table 2.5.5 - Total Connections - internal labour costs</b>	<p>Breakdown of labour costs by skill level is not currently undertaken at the Program level. This would involve extensive development of a new reporting process.</p>
<b>Table 2.11 Input cost escalations</b>	<p>The PTRM requires that capex is escalated on a calendar year basis but opex is escalated on a financial year basis (year-end). This would require escalators to be expressed on a different basis even though they may be equivalent.</p>
<b>Table 3.6 Energy not supplied</b>	<p>We do not currently forecast planned or unplanned energy not supplied. We would propose that this item should be removed.</p>
<b>Table 3.6 System Losses</b>	<p>Historical data will be used as the basis for projecting future system losses.</p>
<b>Template 4.1</b>	<p>AER defined:-</p> <ul style="list-style-type: none"> <li>Major roads as being under the control of RMS,</li> <li>Minor roads as being under the control of Local Councils.</li> </ul>
<b>Template 4.2 Metering</b>	<p>Note 1: Type 1-4 Metering is not part of FY14/19 Regulatory Submission</p> <p>Note 2: Prior to 14/15 expenditure was a mixture of standard control services (SCS) with monopoly fees. Post 14/15 expenditure will be broken down into SCS and alternative control services (ACS). It would be preferable for the spreadsheet to include separate tables for Metering related SCS and ACS as future years will have both i.e. incoming data processing to allow for Network Billing will remain SCS but undertaken</p>



	<p>within metering.</p> <p>Note 3 - purchased meters (pre 2014) can be used at any type (1-6) site based on purchase records i.e. meters only and excludes labour. Indicated volumes are based upon the number of purchased meters (i.e. purchase order amounts and \$'s). That is; a small number of meters purchased may have been installed as Type 1-4 and placed in the contestable metering asset base. Also, this figure does not include refurbished meter numbers. Supplementary Note - during the indicated period, no type 6 meters have been purchased. FY2015 and onward are based upon the AER draft submission</p> <p>Note 4- type 5 meter is defined as the volume of purchased interval capable meters irrespective of whether installed in the NEM as a type 5 or type 6 site.</p> <p>Note 5 - type 6 meter is defined as an accumulation only meter Routine Maintenance - Contestable Sites (Type 1-4) - Not part of FY14/19 regulatory submission.</p> <p>Note 6 - Indicated type 5 meter tests also include type 6 meter tests at a National Metering Identifier (NMI) level (we are unable to separate meter tests into separate categories) – We may therefore have to apportion costs relating to customer driven and Meter Asset Management Plan (MAMP) tests.</p> <p>Data taken from Ausgrid's Shared Services Data Mart (SSDM) (includes Sample Meter Testing but not ZMET's (SAP software term for a requested meter test) which are covered in the ancillary services table - tab 4.3). Customer requested meter tests - identified as ZMET Service Orders are detailed as an Ancillary Service and documented in tab 4.3 Fee-based services</p> <p>Meter Testing is defined as Sample Meter Testing. No distinction has been made in the past with the collection of financial data between testing Interval Meters and Accumulation meters, therefore FY09-FY14 data must be lumped into "Type 5 and Type 6 Combined Testing".</p> <p>The AER Regulatory Submission has not made a direct distinction between testing of Interval or Accumulation metering, as the process is the same in both cases. Cost allocations for the purpose of projections are based on the proportional meter population volumes only. Thus for FY15-FY19, Type 5 and Type 6 must be collated together.</p> <p>Note 7 - Ausgrid does not have a specific projection at this stage (inclusive of customer driven or maintenance driven activities)</p> <p>Note 8 - Indicates type 5 meter investigations also include type 6 meter investigations at a NMI level (unable to separate meter tests into separate categories)</p> <p>Note 9 - Scheduled means routine meter reads (including either monthly or quarterly). Costs inclusive of associated data processing.</p> <p>Note 10 - Meter type 5 volumes means scheduled routine reading on a NMI basis. Cost is per read excluding special meter reads (i.e. cost per read + data processing). Cost includes quality assurance (QA), overheads etc.</p> <p>Note 11 - Meter type 6 volumes means scheduled reading on a NMI basis. Cost is per read excluding special meter reads (i.e. cost per read + data</p>
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	<p>processing). Cost includes QA, overheads etc</p> <p>Note 12 – Type 5&amp;6 Special Meter Reading: detailed in sheet 4.3 Fee-Based Services</p>
<b>Template 5.4 Maximum Demand &amp; Utilisation Spatial</b>	We are concerned about the amount of data that has been requested to populate this worksheet. Data requested for each zone substation, sub-transmission substation and feeder, and HV feeder will result in 10,000's of lines of data requested over a 15 year period. Providing this amount of data is not achievable in the time available.
<b>Template 5.5 Material Projects</b>	<p>We understand Material Projects is defined as:-</p> <ul style="list-style-type: none"> <li>o &gt;\$500K for Distribution Substation projects</li> <li>o &gt;\$1M for all other projects (e.g. HV Feeder Projects)</li> </ul>
<p><b>Table 6.2.1- Unplanned minutes off supply (SAIDI) - Actual, target and proposed reliability</b></p> <p><b>Table 6.2.2 - Unplanned interruptions to supply (SAIFI) - Actual, target and proposed reliability</b></p>	We do not forecast TMEDS and Exclusions. Reliability statistics are heavily affected by environmental / weather conditions (more so than investment). For example, over the past 3-years the Ausgrid supply area has experienced relatively mild weather conditions resulting in favourable SAIFI & SAIDI data. Therefore extrapolating the past 3-years will provide very low forecasts. Extrapolating over a longer period (for example 5-years) would be expected to provide a more robust forecast. We recommend to not forecast TMEDS and Exclusions as Historical TMEDS and Exclusions SAIDI / SAIFI are readily available.
<b>Table 6.2.2 SAIFI</b>	SAIFI is not measured in "Total Minutes off Supply". SAIFI is a measure of average interruptions per customer per year.
<b>Table 6.2.3 MAIFI</b>	<p>MAIFI is not measured in "Total Minutes off Supply". MAIFI, like SAIFI, is a measure of the number of events (not durations)</p> <p>We believe that MAIFIE (number of events) rather than MAIFI (number of momentary interruptions) is a better measure. MAIFIE treats unsuccessful reclose attempts as a single event, where MAIFI treats each reclose attempt as a separate interruption.</p> <p>Total "value of excluded events +MEDS" should read "Total number of excluded events".</p>
<b>Table 6.2.5 Customer Service</b>	The "Number of calls received" is not a reliability measure. Telephone answering data will be reported on Template 6.1.
<b>Table 6.2.6 Estimated data % accuracy</b>	Data accuracy may be estimated for past years. Data accuracy cannot be estimated (i.e.. Forecast) for future years.
<b>Table 6.3 Interruptions to Supply</b>	<p>Ausgrid's reasons for outage differ to the "Reasons for Interruption" listed in the RIN template.</p> <p>It is not possible to reclassify Ausgrid's reasons for outage to match the AER's examples as data does not exist.</p> <p>Ausgrid will complete Template 6.3 using Ausgrid's "Reasons for Interruption" classifications</p>



<b>Table 7.7.1 Indicative Impact of Distribution Charges and Electricity Bills</b>	Ausgrid will complete this table by reference to 3 rate tariffs.
<b>Table 8.4.3.2 Annual system maximum demand characteristics at the terminal station level – MW measure</b>	<p>We note that there is an inconsistency in terminology compared to the economic benchmarking RIN. In the economic benchmarking RIN, tables 5.3.2 &amp; 5.3.4 refer to “transmission connection points” where as this table refer to “terminal station”. The AER should ensure consistency of terminology and define the appropriate term.</p> <p>As there is no business requirement to forecast maximum demand at the levels requested in the templates, the businesses will have to “construct” a forecast for the purposes of the notice. The level at which forecasts are required to be made for business planning purposes is at the zone substation level.</p>
<b>Table 8.4.3.4 Annual system maximum demand characteristics at the terminal station – MVA measure</b>	<p>We note that there is an inconsistency in terminology compared to the economic benchmarking RIN. In the economic benchmarking RIN, tables 5.3.2 &amp; 5.3.4 refer to “transmission connection points” where as this table refer to “terminal station”. The AER should ensure consistency of terminology and define the appropriate term.</p> <p>As there is no business requirement to forecast maximum demand at the levels requested in the templates, the businesses will have to “construct” a forecast for the purposes of the notice. The level at which forecasts are required to be made for business planning purposes is at the zone substation level.</p>
<b>Appendix G - Definitions</b>	<p><b>Distribution</b> - Refers to 22kV and below however we have 33 kV distribution feeders. Some of these also serve as subtransmission feeders due to the number of customers on them.</p> <p><b>Excluded Interruption definition</b> - now includes "or a <i>customer</i> fault". Does this mean we now have to include customer faults in our "no exclusions" figures? This may be contradictory to the definition for STPIS of an interruption. This should be clarified.</p> <p><b>Customers</b> Definition on page 82 in contradiction to that provided in Explanatory Statement that accompanies Economic Benchmarking RIN section 6.2.1. Should customer numbers include or exclude NMIs without an active tariff assigned (meaning they are billable sites for deriving revenue).</p>
<b>Schedule 1</b>	
<b>32.1 Customer Overview</b>	This provision directly replicates the requirement imposed by 6.8.2.(c1) and is therefore unnecessary and should be deleted.



<b>37 Transitional Issues</b>	The nature and extent of this requirement is not clear, the AER should explain or define what is meant by a transitional issue.
<b>38 Confidential Information</b>	<p>These requirements replicates the obligation upon DNSPs to comply with the AER's Confidentiality Guidelines and is unnecessary.</p> <p>38.1 To the extent that the RIN purports to impose obligations in relation to the form and manner of confidentiality claims over submissions that would be outside the power of the RIN.</p> <p>38.3 It is not clear what this provision means, we do not understand what it means to provide any details of a claim for confidentiality in response to clause 1.2 at the same time as making the claim for confidentiality.</p> <p>38.4 The requirement that a DNSP confirm in writing that it consents to the AER disclosing all of its information which is not the subject of a confidentiality claim is not a request for information but a requirement that it act in a certain way and is outside the power of a Regulatory Information.</p>



