

[REDACTED]

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**From:** [REDACTED]  
**Sent:** Friday, 15 January 2021 10:39 PM  
**To:** [REDACTED]  
**Cc:** [REDACTED]  
**Subject:** RE: Draft amendments to the Compliance and Performance Reporting Guideline

Dear [REDACTED],

Thank you for providing draft breach reporting templates relating to an update of the Essential Services Commission's (Commission) Compliance and Performance Reporting Guideline (CPRG).

In the Commission's CPRG, regulatory obligations are classified as type 1, type 2 or type 3 obligations. Type 1 regulatory obligations are considered to be those obligations where non-compliance would have a critical impact on customers, and where the impact of that non-compliance increases over time if it is not rectified quickly. Distributors must provide initial notification of all type 1 breaches within two business days of identification, and a full report of all type 1 breaches on a quarterly basis.

The CPRG also classifies for retailers type 2 regulatory obligations as those obligations where non-compliance could have a moderate impact on customers, and where the impact of that non-compliance increases over time. Retailers report type 2 breaches bi-annually. Retailers also have type 3 regulatory obligations which are assumed to have a lesser impact if breached and are required to be reported annually.

In relation to the 'Type 1' obligations for electricity distributors, we note that of the 35 reportable obligations listed in the draft breach reporting template, 26 are new. We do not consider many of these obligations to warrant a 'type 1' classification. Rather they should be classified as type 2, type 3 or not be required to be reported at all as the breach could have little impact on the customer. Reporting of Type 1 breaches is time consuming and may not represent the best use of time and resources where the impact of the breach on customers is minor or negligible.

We would be pleased to discuss this further with you to understand why the Commission has classified some of these regulatory obligations as type 1. Please advise when you would be available. Many thanks,

Kind regards

[REDACTED]  
**Compliance Analyst Regulation**  
**T:** [REDACTED] | **M:** [REDACTED]  
**CitiPower, Powercor Australia and United Energy**  
40 Market Street, Melbourne, Victoria 3000  
**E:** [REDACTED]



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**From:** [REDACTED] >  
**Sent:** Wednesday, 9 December 2020 14:40  
**Subject:** Draft amendments to the Compliance and Performance Reporting Guideline

Dear stakeholder

**Draft amendments to the Compliance and Performance Reporting Guideline**

As per our email of 3 December and presentation this morning, we are pleased to share draft amendments to the [Compliance and Performance Reporting Guideline](https://www.esc.vic.gov.au/electricity-and-gas/codes-guidelines-and-policies/compliance-and-performance-reporting-guideline/compliance-and-performance-reporting-guideline-review-2020) with you for comment. Attached to this email are the slides from this morning's presentation (also available on our <https://www.esc.vic.gov.au/electricity-and-gas/codes-guidelines-and-policies/compliance-and-performance-reporting-guideline/compliance-and-performance-reporting-guideline-review-2020>), and draft breach reporting templates for gas and electricity retailers and distributors.

The draft breach reporting templates contain tracked changes in red (predominantly in the 'obligations' tabs) to reflect proposed changes. Please note that before publishing the final versions of these templates, we will ensure administrative parts of the template are up-to-date (e.g. to include new reference codes and ensure formulae work as they should).

We welcome your feedback by return email by **15 January 2021**. If you need more time than this, or have any questions that you would like to discuss in person, please get in touch with us.

Many thanks

**Energy team**



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