

22 June 2018

Our reference: COR/18/

Your reference:



Hazelwood Road
PO Box 348
Traralgon Victoria 3844

www.gippswater.com.au

Essential Service Commission
Level 37, 2 Lonsdale Street
MELBOURNE VIC 3000

Dear Sir / Madam

Rapid Earth Fault Current Limiter (REFCL) – Impact Assessment

Gippsland Water owns and maintains high voltage assets at our Blue Rock site in the Gippsland Region. We were recently notified by AusNet Services of the upcoming REFCL system and the requirement for high voltage equipment to be upgraded.

Gippsland Water has engaged Middleton Group to undertake an assessment of the costs of upgrading equipment to comply with the new REFCL requirements. The current cost estimate is \$312,000 (excl GST) +/- 30%. This includes replacement of two transformers, protection equipment, design, transport, installation and testing costs.

Gippsland Water was advised by AusNet Services that at a briefing session in the Gippsland Region information was provided that indicated that the costs of upgrading equipment would be borne by the customers. Gippsland Water believes that it should not be responsible for these costs as they are not the owners of the infrastructure, no information has been provided in the past indicating that these costs would have to be borne by the customer and they are a new requirement to what the organisation is currently operating under.

Yours faithfully


Chris Madsen
MANAGER ASSET PLANNING