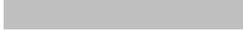


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Our Ref: 61920, 61921  
Your Ref:  
Contact Officer: Paul Dunn  
Contact Phone: 

7 June 2018

Dr John Hamill  
Chief Executive Officer  
Essential Services Commission Victoria  
Lvl 37 / 2 Lonsdale Street  
MELBOURNE VIC 3000

  
Dear Dr Hamill

**Re: AER Submission on Electricity Distribution Code (EDC) – Review of voltage standards for bushfire mitigation – Draft Decision**

The AER supports the ESCV's Draft Decision on the potential reforms to the voltage standards for bushfire mitigation.

In our submission dated 6 April on the Project Scope we stated that we consider electricity customers would be best served if the EDC is modified to the minimum extent necessary to deal with overvoltage events driven by the operation of REFCLs where mandated under the Bushfire Mitigation Regulations. We were concerned any broader changes may lead to unintended consequences which could increase costs for HV customers without an offsetting direct benefit. We consider that the draft decision achieves this objective.

We also proposed that a modified approach be adopted to “reasonable precautions” that clarifies the onus on customers to modify their networks to suit REFCL operation. We are pleased to note that the Draft Decision has adopted an approach consistent with our view.

We note that based on international practice, you propose to not apply any phase-to-earth voltage limit when a REFCL is operating. Although the Commission has not adopted our proposed phase-to-earth voltage limits for REFCL operation, we recognise the superior merit of your alternative and support its adoption.

We consider that your proposed provisions to address customer information, reporting and monitoring requirements are sound and support their inclusion in the final decision, subject to any amendments that the Commission deems appropriate.

The AER would be pleased to continue to provide assistance to the Commission on this important area of work. If you would like to discuss any aspect of this submission please contact Paul Dunn, Director, Network Pricing, Policy and Compliance, on [REDACTED].

Yours sincerely

A handwritten signature in black ink, appearing to read 'Chris Pattas', written in a cursive style.

Chris Pattas  
General Manager  
Networks

Sent by email on: 07.06.2018