

"Wahroonga"

PO Box 200

NARROMINE NSW 2821

1 December 2011

Australian Energy Market Commission
PO Box A2449
Sydney South NSW 1235

Dear Sir

Review of Distribution Reliability Outcomes and Standards

I write as the nominated representative of the Essential Energy Rural Advisory Group. The Group has been established by Essential Energy to provide feedback on issues affecting consumers in regional and rural (including far west) NSW. Membership is in an honorary capacity and members are selected to represent the wide range of geographical locations and consumer profiles that are served by Essential Energy.

The Rural Advisory Group of Essential Energy appreciates the opportunity to provide a response to the Australian Energy Market Commission's (AEMC's) issues paper on the Review of Distribution Reliability Outcomes and Standards ('the paper').

The Rural Advisory Group assists Essential Energy understand the needs of its rural and remote customers. We meet on a quarterly basis at various rural locations within the Essential Energy network area and assist to develop new business approaches and solutions that reflect customer priorities within the Essential Energy network. Our focus on rural and remote New South Wales means that we are well placed and pleased to assist the AEMC determine the level of reliability that most effectively balances the costs of incremental investment and ongoing maintenance with the benefits of reliability.

At the most recent meeting of the Rural Advisory Group, Essential Energy provided an outline of the paper together with their draft response. The Rural Advisory Group agrees with Essential Energy that from a customer's perspective, reliability is the main barometer of service provided by distribution networks. Accordingly we would like to support the Essential Energy's proposition that the scope of the paper be expanded to consider customer service standards from a different perspective to that contained in Essential Energy's current licence conditions.

We agree with Essential Energy that customer service standards and reliability are related. The current review provides the AEMC with the opportunity to investigate how increased customer engagement can reduce overall network costs. Increasing communication with customers during, and at the end of, planned and unplanned outages may reduce the necessity for expensive network upgrades and augmentation resulting in a better overall outcome for rural customers.

The Rural Advisory Group would be pleased to discuss this matter further. Should you require further information please feel free to contact me on 0418 469 041 or by email at murray.fedd@gmail.com.

Yours sincerely



Murray FEDDERSEN

Representative

Essential Energy Rural Advisory Group