



MMRE17D00369

Mr Adam Wilson
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Dear Mr Wilson

Adam,

I am writing to formally refer an Inquiry into the reliability and quality of electricity supply on the Eyre Peninsula to the Essential Services Commission of South Australia (ESCOSA). Set out in this written notice are my referral, terms of reference and requirements for the Inquiry.

As you are aware, electricity customers on the Eyre Peninsula have recently been affected by a number of prolonged power outages, and have expressed concern about the reliability and quality of their electricity supply. I share their concern and look forward to the results of your Inquiry.

Referral

I, Tom Koutsantonis, Minister for Mineral Resources and Energy, refer to the Commission the matter described in paragraph (a) of the Terms of Reference, including consideration of those matters in paragraph (b) of the Terms of Reference, and subject to the Requirements set out in this Notice.

Terms of Reference

The following are the Terms of Reference for the Inquiry:

- a) The Commission is to inquire into prudent and efficient options for improving the reliability and quality of electricity supply to electricity customers on the Eyre Peninsula.
- b) The Commission is to consider, in particular, the following matters:
 - i. Electricity reliability and quality of supply outcomes to customers on the Eyre Peninsula during the period 1 January 2007 to 31 December 2016.
 - ii. Prudent and efficient options for improving the incentives to ElectraNet and SA Power Networks, to upgrade current network infrastructure and restore supply following an outage.
 - iii. Possible technical solutions for improving reliability and quality of electricity supply on the Eyre Peninsula and potential costs to consumers of implementing those solutions.

iv. Any other matters that the Commission considers relevant to the Inquiry.

Requirements for the Inquiry

In undertaking the Inquiry, the Commission must:

- a) Establish and have regard to advice from an Inquiry reference group, consisting of representatives of Eyre Peninsula councils and other representatives as considered appropriate by the Commission.
- b) Have regard to advice from the Technical Regulator on matters relating to the quality of electricity supply to customers on the Eyre Peninsula.
- c) Conduct public consultation, in a manner considered appropriate by the Commission.
- d) Submit a draft report on the Inquiry to me by 31 May 2017.
- e) Submit a final report on the Inquiry to me by 6 October 2017.

I look forward to the results of your Inquiry into the reliability and quality of electricity supply on the Eyre Peninsula.

Yours sincerely


Hon Tom Koutsantonis MP
Minister for Mineral Resources and Energy

9 March 2017