



# Changes to SA Power Networks' Guaranteed Service Level (GSL) scheme from 1 July 2020

### What is the GSL scheme?

SA Power Networks is required to automatically make payments to its customers when certain<sup>1</sup> service levels are not met under its Guaranteed Service Level (GSL) scheme

From 1 July 2020, GSL payments will be made to customers that experience the following service issues:

GSL category	Amount (GST inc)
Total annual duration of supply interruption > 20 and ≤ 30 hours	\$100
Total annual duration of supply interruption > 30 and ≤ 60 hours	\$150
Total annual duration of supply interruption > 60 hours	\$300
Frequency of supply interruptions > 9 interruptions pa	\$100
Promptness of providing infrastructure to enable a new connection – within 6 business days	\$65 per day to a max. of \$325
Timeliness of street light repairs – metropolitan areas – within 5 business days	\$25 per 5 business day period
Timeliness of street light repairs – all other places/areas – within 10 business days	\$25 per 10 business day period

GSL payments for supply interruptions are made in respect of a customer's supply address. If a customer moves to a new address, the calculation of the total duration or frequency of interruptions in a year is reset at the new supply address.

The GSL scheme is funded by all of SA Power Networks' customers. Payment amounts have been set at a level to acknowledge the inconvenience customers experience with these service issues, rather than providing 'insurance-style' compensation for any loss or damage that a customer may suffer.

SA Power Networks has a separate compensation scheme that may be able to assist customers who have suffered loss or damage. However, there are limitations on the payments made under this scheme (further details are provided overleaf).

### Some interruptions are excluded from the GSL scheme

SA Power Networks does not need to make GSL payments for the following types of interruptions:

- ▶ transmission and generation failures
- ▶ disconnections required in an emergency situation (for example, a bushfire)
- ▶ faults that are caused by, and only affect, a single customer
- ▶ momentary interruptions (that is, less than three minutes)
- ▶ planned interruptions (where prior written notice is provided to customers), and
- ▶ partial interruptions (for example, that affect one or two phases at an address with three

<sup>1</sup> SA Power Networks is required to comply with the GSL scheme under the Electricity Distribution Code: <https://www.escosa.sa.gov.au/industry/electricity/codes-guidelines/codes>.

phase supply, or that affect one connection point at an address with multiple connection points).

GSL payments are also adjusted in situations where SA Power Networks cannot safely access its equipment (eg due to flooding, blocked roads, or an authority preventing access). In these instances, only part of an interruption will be counted when GSL payments are calculated.

### How the GSL scheme will change from 1 July 2020

From 1 July 2020, GSL scheme costs will fall by approximately 40 percent. This equates to an annual contribution of around \$5 per customer.

Total duration of interruption GSL payments will start when a customer experiences more than 20 hours of interruptions over one financial year. This will replace current payments for one-off outages lasting more than 12 hours.

A further flat payment will be made when a customer experiences more than nine individual interruptions in a financial year. This will replace current payments that increase depending on whether a customer experiences more than nine, more than 12 or more than 15 interruptions in a financial year.

GSL payments for timeliness of appointments will be removed from 1 July 2020.

### Why have these changes been made?

Better targeting GSL payments will reduce the costs of the GSL scheme, which customers have told the Commission is important.

The cost of the GSL scheme will be reduced by better targeting the payments to customers experiencing ongoing, persistent reliability issues. GSL payments will no longer be made to customers who typically have average or good reliability, but experience a one-off outage (of less than 20 hours). Scheme costs will be further reduced by changes to GSL payments for frequency of interruptions to electricity supply.

Payments for timeliness of appointments have been removed because SA Power Networks now has few direct appointments with customers.

### Changes will not affect how quickly power is restored

The redesigned GSL scheme will not affect how quickly SA Power Networks restores power.

When an interruption occurs, SA Power Networks is required to restore supply as soon as possible. It prioritises safety and restoring high voltage lines, critical customers (including communications and water supply), and then turns to parts of the network where it can restore the most customers in the shortest time.

### SA Power Networks' customer compensation scheme

As GSL payments do not provide compensation for customers that experience loss or damage, SA Power Networks also has a small-claims compensation scheme.

SA Power Networks may be liable for loss or damage resulting from supply abnormalities or failures caused by its negligence or bad faith. This means SA Power Networks will consider the fair and reasonable costs associated with loss or damage resulting from:

- ▶ incorrect action by SA Power Networks, or
- ▶ failure or inappropriate operation of SA Power Networks' equipment.

SA Power Networks does not compensate customers for any loss or damage that occurs as a result of events or circumstances outside its control. This includes, but is not limited to:

- ▶ impact by a falling tree or part of a tree
- ▶ interference by birds or animals
- ▶ motor vehicles colliding with power poles
- ▶ bushfires lightning, storms, wind-borne debris
- ▶ events caused by pollution, and
- ▶ any third party interference with the electricity system.

**In these circumstances, SA Power Networks will advise customers to contact their private insurance companies.**

**Further information** about SA Power Networks' customer compensation scheme is available at [www.sapowernetworks.com.au](http://www.sapowernetworks.com.au) or on 13 12 61.

## Energy and Water Ombudsman SA

If you have a concern or are in dispute with SA Power Networks about the operation of the GSL scheme or SA Power Networks' compensation scheme, you should:

- ▶ first ask for your dispute to be escalated within SA Power Networks, then
- ▶ if your dispute remains unresolved, contact the Energy and Water Ombudsman SA.

The Energy and Water Ombudsman SA is an independent, free service for energy and water customers who want to resolve a problem with their provider. If the Energy and Water Ombudsman SA cannot assist you, it will try to find an appropriate contact that can help.

**Further information** about the Energy and Water Ombudsman SA is available at [www.ewosa.com.au](http://www.ewosa.com.au) or on **1800 665 565**.

The Essential Services Commission is an independent statutory authority with functions in a range of essential services including water, sewerage, electricity, gas, rail and maritime services, and also has a general advisory function on economic matters. For more information, visit [www.escosa.sa.gov.au](http://www.escosa.sa.gov.au).

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