

Network outage review - system response to 13 February storms

Terms of reference

Introduction

1. An extreme weather event in Victoria on Tuesday 13 February 2024 resulted in storm damage to distribution networks causing widespread outages. At its peak, over 530,000 electricity customers were offline, and some customers were offline for more than week.
2. The Network Outage Review – System response has been established to inquire into and make recommendations in respect to the operational response of transmission and distribution businesses, including contingency planning, timely and effective management of the incident, and restoration of supply.

Definitions

3. In these Terms of Reference-

Review means the Network Outage Review-System Response to 13 February storms advisory Review, established by the Minister by these Terms of Reference

Code of Conduct means the *Directors' Code of Conduct and Guidance Notes* issued by the Victorian Public Sector Commission¹;

Department means the Department of Energy, Environment and Climate Action or its successor.

Appointment and Remuneration Guidelines means the Government's *Appointment and Remuneration Guidelines*, as updated from time to time².

Member means a member of the Review and includes a reference to the Chairperson unless the contrary intention is expressed.

Minister means the Minister for Energy and Resources;

PAA means the *Public Administration Act 2004*;

Public sector employee has the meaning given in section 4(1) of the PAA.

Secretary means the Secretary to the Department.

Establishment of Review

4. The Minister establishes the Network Outage Review-System Response to 13 February storms from the date of these Terms of Reference.
5. The Review is classified as a Group D Band 3 non-departmental entity under the Appointment and Remuneration Guidelines.

¹ published at: <http://vpssc.vic.gov.au/resources/directors-code-of-conduct-and-guidance-notes/>

² available at: <http://www.dpc.vic.gov.au/index.php/policies/governance/appointment-and-remuneration-guidelines>

Functions

6. The functions of the Review are to provide recommendations that address –
 - a. The operational response of transmission and distribution businesses, including contingency planning, their timely and effective management of the incident, and restoration of supply (including temporary supply via generators).
 - b. For Distribution businesses:
 - i. The process for enacting State emergency management restoration priorities in accordance with the Emergency Management Act (primacy of life, communications, etc).
 - ii. The efficacy of control room operations and escalation model to manage and direct the business wide response to the event.
 - iii. The availability and number of field crews and technical expertise, fleet and equipment, operating depot size and locations and comparative benefits in the operating model of energy network companies, including through insourced, outsourced or shared service provider models, and consequent speed of deployment.
 - iv. Whether there were material opportunities to enable more rapid restoration of supply to customers through the use of mutual aid and resource sharing within Victoria, or from interstate resources, and the extent to which there was adequate contingency planning for mutual aid, including the ability to incorporate surge capacity into the response.
 - v. The tools and systems to communicate proactively with customers and external authorities, including SMS, call centres and effective information platforms and services, such as outage trackers
 - vi. The capacity to provide support and resources to offer in-field communication and support to heavily impacted communities (via mobile community response vehicles or community centres).
 - vii. Preparedness to administer the Prolonged Power Outage Payment program and other forms of Relief and Customer Support.
 - viii. The extent to which customers who were affected by the 13th February storms should be and were adequately prioritised in subsequent outages.
 - ix. In light of the above, the identification of best practice systems, resources and technologies for managing extended outages, and the need for industry wide adoption.
 - c. Matters that supplement and avoid duplication with Network Resilience Review undertaken after the 2021 events.
7. The Review should have regard to the need for timely completion and so, if required, may recommend a limited number of significant areas for further detailed investigation.
8. The Review should facilitate direct input from the community and stakeholders, including through Public Panel meetings and accepting written contributions to inquire into the matters identified at clause 6 above. The location of the public meetings will be determined in consultation with the Department of Energy, Environment and Climate Action.
9. The Review should facilitate input from the Australian Energy Market Operator, Australian Energy Regulator, Energy Safe Victoria, the Essential Services Commission, and other regulators as appropriate.
10. The Review should provide an interim report to the Minister by June 2024 and a final Report by August 2024.
11. Both the interim and final reports should be provided to the Department for review and consideration before they are provided to the Minister.