



Disclosure of Telecommunications Infrastructure Data

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1. Introduction

SA Power Networks is the Electricity Distribution licence holder in South Australia and is responsible for the Distribution of medium to low voltage Electricity to South Australian corporate, government, business and household customers.

To ensure that the operation and maintenance of the Electricity Distribution network meets customer expectations a private communication network has been deployed. This network is provided for operation of the company SCADA, protection, corporate and field communications.

2. Background

SA Power Networks prior to September 2012 operated as ETSA Utilities.

SA Power Networks owns and operates a fibre optic network, with the primary purpose being for the carriage of services for the Monitoring and Control of the South Australian Electricity Distribution Network.

In 2003 ETSA Telecoms was formed and provided high speed data services within Adelaide connecting Government, Corporate and major business customer premises these services were provided at the time utilising spare fibre capacity available at that time.

In 2005 a decision was made by SA Power Networks to divest the Telecommunications business to Silk telecom, this was effective from the 31st of December 2005.

SA Power Networks retained ownership of the core fibre assets and divested the customers and fibre tails entering customer premises. SA Power Networks provided Dark Fibre services to Silk telecom for the continued provision of services under a commercial agreement.

Since the divestment of ETSA Telecoms, SA Power Networks has not actively marketed any telecommunications products. SA Power Networks is not intending to market or lease additional access to our fibre network for commercial telecommunications services. As the need for greater control and monitoring of a Electricity Distribution Network grows it is planned that our current and expanding fibre network will be solely used for the delivery of Smart Electricity Network solutions.

Silk telecoms was sold to Nextgen networks in 2006, SA Power Networks continues to provide services to Nextgen networks on previously leased dark Fibre. SA Power Networks is continuing to reduce the fibre capacity available to Nextgen networks based on our growing need for the use of, the fibre cores for the management of the Electricity Distribution network.

All telecommunications infrastructure now being and planned to be installed is purely for the management and control of the Electricity Distribution business.

3. Data Collection

SA Power Networks Telecommunication infrastructure carries SCADA and Electrical Protection services that have the capability of impacting network reliability. As an essential service it is imperative that data collected for regulatory compliance is not able to be used to the detriment of the organisation. Security of the company's assets should be maintained and data not provided to the public. Financial penalties for service interruptions placed on Electrical Distribution Businesses by the AER are considerable. Cases of malicious damage at this stage are minimal, but with the increased pressure on Utilities via the media there is the possibility that these may increase. It would be prudent to ensure that such like individuals do not have the information readily available to attack network integrity.

SA Power Networks is aware that licensed radio link details are published on the ACMA's WEB site, and that there are some private entities that take this public information and reproduce it in a user friendly medium for access to all. SA Power Networks would prefer not to have our private fibre networks replicated in the public domain.

4. Record Keepers

A large portion of Utilities now include telecommunications networks so that real time management of the infrastructure is available, it would appear that the currently proposed list is selective. A clear understanding should be provided of what constitutes a requirement for an organisation and specifically a utility to disclose information on its telecommunication infrastructure.

A concise description of who and why companies have been selected needs to be addressed.

5. Issues for Comment – Infrastructure Record Keeping rules

- Are the proposed amendments to the list of telecommunications infrastructure providers required to report under the RKR appropriate?

SA Power Networks can not comment for others business entities; however we do request that SA Power Networks be removed from the proposed list due to primary usage of our Telecommunications infrastructure (Fibre and Microwave Radio) network being for the management and control of the Electricity Distribution business.

SA Power Networks no longer, or has any plans to market commercial or wholesale telecommunications solutions. SA Power Networks has no commercial third party services carried on our Radio networks and is progressively reducing its Dark Fibre services provided to Nextgen networks as contracts expire.

It is not SA Power Networks intention to provide further third party access to our fibre Optic Network.

With this in mind SA Power networks can see no value in reporting on our telecommunications infrastructure as a means for improving competition in the back haul arena.

- Are there additional entities that are not included on the proposed list but who's should be included on the list?

SA Power Networks does not feel it is appropriate to comment on who should or should not be included on the reporting list, as our primary business focus is within the Electrical Distribution arena.

However we believe it is important that consistent criteria is applied in determining who should or should not be included. All parties included should be based on meeting a set of published transparent criteria and not based on another business recommendation for inclusion.

- Should any entities on the proposed list not be required to report? For what reason?

SA Power Networks requests to be removed from the list, due to the following reasons:

- SA Power Networks does not and has no plans to market commercial or wholesale access to our telecommunications assets, and;
- SA Power Networks has no plans to provide further third party access to our telecommunications assets (including Fibre);

Consequently, SA Power Networks believes there would be no benefit as a means to support competition by reporting our network information

- Should the information reported under the RKR be updated to include the identification of CAN and core infrastructure deployment in the preceding 12 months?

SA Power Networks does not identify any telecommunications assets as CAN, all are considered core to our Electricity Distribution business.

- Should the identification of major infrastructure ownership, lease and operating arrangements be reported separately?

SA Power Networks believes there is no benefit and, suggests that many agreements may have confidentiality clauses included which would require agreements to be reviewed and potentially re-negotiated to allow the reporting of additional information.

Additionally in the case of leasing access the lessee may not have access to detailed route information and the lessor may have security reasons for not divulging detailed route information such as a utility that utilises the network for critical management and control functions.

- Are there any obstacles that might prevent record keepers reporting the decommissioning of infrastructure assets in the preceding 12 months?

Project timing may impact ability to provide accurate decommissioning records at time of RKR delivery. It must also be recognised that detailed reports may need to be developed in order to identify decommissioned assets, especially if this is to be represented in a GIS format.

- Is the additional six months allowed for compliance with the amended RKR sufficient time to lodge returns? If not what are the impediments are there to meeting this timeframe and what period of time would be needed?

For new reporters 12 months notification should be provided to allow suitable time to assess formats and costs associated in providing this detail. Some reporters may need to spend significant time and money in developing these reports.

SA Power Networks would need to review the costs associated with providing this detail and would need to seek cost recovery either from the ACCC or the Energy Regulator.

- Do you have any additional comments on the proposed changes to the Infrastructure RKR as marked up in the attached draft instrument?

SA Power Networks believes that the disclosure of all telecommunication infrastructure data is a network security risk, with this risk expected to increase with the added pressures on Electricity pricing. In addition the development of Smart Grids/Networks will place significant importance on telecommunications infrastructure.

SA Power Networks is concerned about placing this information into an open arena, especially when there is no intention of providing additional access to our telecommunications assets.

SA Power Networks is happy to discuss our responses further, please contact Geoffrey Axon for further clarification, contact details are provided below.

Yours Sincerely,



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