

6 April 2010

The Committee Secretary
Senate Standing Committee on the Environment,
Communications and the Arts
CANBERRA ACT 2601



Dear Sir

**Inquiry into the Telecommunications Legislation Amendment
(Fibre Deployment) Bill 2010**

ENERGEX is pleased to respond to the Committee's invitation to make a submission to the inquiry into the Telecommunications Legislation Amendment (Fibre Deployment) Bill 2010.

Telecommunications is a vital requirement for the safe and efficient operation of an electricity network. ENERGEX's electricity network strategy includes the provision of an end-to-end telecommunications network for protection, remote network monitoring and control, communications to field staff, network equipment and to customer premises especially for demand management. These requirements support the concepts known as 'Smart Grid' or 'Smart Infrastructure' and are essential for the ongoing provision of an efficient, reliable and robust electricity supply in the twenty-first century.

There are many direct economic and public benefits from the provision of a safe and reliable supply of electricity. The demand of society and the digital economy on electricity networks are such that it is imperative that networks be modernised through the use of smart infrastructure. This is dependent upon access to or development of communications infrastructure and services.

The provision of these telecommunications requirements in an efficient and reliable manner to meet the needs of electricity utilities is a pre-requisite for utilities to be able to use infrastructure provided by others. In the past, utilities world wide have, in the main, resorted to providing their own infrastructure due to technical, reliability and costs associated with third party networks.

The provision of a ubiquitous National Broadband Network (NBN) provides the opportunity for a direct relationship between utilities and the NBN Company (NBNCo) to provide services for many of the utilities' needs. If utilities have to either obtain services through various retail service providers (RSPs) and/or through various network owners (eg in Greenfield estates or infill developments) then the overheads of servicing a multitude of



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relationships and networks would make it difficult and unlikely for utilities to use the infrastructure provided.

In particular, the well established utility model for new estates and land redevelopments would provide a perfect model for fibre installations within Greenfield sites. In this model developers are responsible for providing infrastructure within their developments and then hand the assets to the local utility or council depending on the service – roads to council, water to water utility, electricity to the local electricity network service provider. The builder of the residence or commercial premises then provides the connections from the developer provided assets to the buildings – driveway, water, electricity.

In the same way, a developer could provide the street reticulation and hand it over to the NBNCo, the builder could make the connection into the house and install the ONT and could pass these to the NBNCo. This would create economies of scale and RSPs and utilities would only have a single network operator to deal with.

ENERGEX has already identified that the use of the NBN could be a technically and economically viable option for operation and monitoring of its distribution network (downstream) from its major substations and possibly for future customer metering and related demand management. As ENERGEX's network serves all customers within its area of supply, complete coverage is essential. In addition, the most important use of telecommunications is at times of interruptions to the electricity supply, therefore the reliability and security of telecommunications systems is essential. A connection from Fibre Access Nodes (FANs) with a secure and backed up power supply is the most secure and reliable point to connect ENERGEX's high reliability network to a third party network. Any proposals that include telecommunications systems relying on remotely located switches or connections will not be acceptable.

In summary, ENERGEX is keen to see Greenfield developments be reticulated with fibre and connected and managed by NBNCo to provide a level of service and reliability that is suitable for use by all potential customers including electricity utilities.

If you require any further information, please contact Mike Gregg, Manager Network Performance Strategy, on 07 3407 4237.

Yours sincerely

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