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Mr Mark Allen
Manager Regulatory
APA Group

By email mark.allen@apa.com.au

Dear Mr Allen

**Proposed revocation and substitution of Murraylink's transmission determination
2018–2023**

On 30 April 2018 the Australian Energy Regulator (**AER**) made its transmission determination for Murraylink for the regulatory control period 1 July 2018 to 30 June 2023.

Subsequent to making the determination, and following discussions with yourself and AER staff on 12 June 2018, we are aware of an error in the description of the STPIS service parameters set out in the transmission determination. Table 1.4 Final decision – Service Component Capex, floors and targets for 2018–2023, contained incorrect parameters. These are not consistent with our final decision as outlined in the overview:

Murraylink accepted our draft decision on the application of STPIS. Our final decision is to apply all components of Version 5 of the STPIS to Murraylink for the 2018–23 regulatory control period. Under this version of the scheme, the network capability component does not apply to Murraylink. We have also updated Murraylink's performance targets to include its latest audited performance data for 2017 for this final decision.

The STPIS parameters for our final decision are set out in section 1.6 of the transmission determination. [Final decision, overview, p. 29]

Under subclause 6A.15(a) of the National Electricity Rules (**NER**), the AER may revoke a transmission determination where there has been a material error or deficiency of one or more of the following kinds:

- (1) a clerical mistake or an accidental slip or omission;
- (2) a miscalculation or misdescription;
- (3) a defect in form; or
- (4) a deficiency resulting from the provision of false or materially misleading information to the *AER*.

For the purposes of subclause 6A.15(a), we consider the identified error is material and would come within the scope of a 'clerical mistake or an accidental slip or omission'.

The AER considers it appropriate to revoke the determination under subclause 6A.15(a) of the NER and substitute it with a new determination. The substituted determination may only vary from the prior determination to the extent necessary to correct the relevant material error or deficiency and having first consulted with Murraylink before doing so.

We provided Murraylink with the corrected table 1.4 by email on 15 June 2018 and Murraylink responded on 18 June indicating that the revised table appears broadly consistent with the draft determination outcomes updated for the additional year of data. Further, Murraylink supported the republication of the transmission determination. This table is reproduced below.

Table 1-4 Final decision — Service Component Caps, floors and targets for 2018–2023

Parameter	Cap	Target	Floor
Unplanned outage circuit event rate:			
Circuit event rate – fault	0%	200%	500%
Circuit event rate - forced	0%	200%	500%
Proper operation of equipment (number of events):			
Failure of protection system ^a	0	1	4
Material failure of SCADA ^a	0	0	2

^a These measures are weighted at zero percent in terms of reward and penalty under STPIS.

Source: AER analysis

We intend to make a determination to correct the identified error under subclause 6A.15(a) of the NER as soon as possible.

If you have any queries on this matter please contact Adam Petersen, Director AER Networks, on (08) 213 3458.

Yours sincerely



Chris Pattas
General Manager
Networks