

Our Ref: C2007/2155
Contact Officer: Simon Bell
Contact Phone: 02 6243 1232

28 April 2008

Mr Rainer Korte
NEM Development and Regulation Manager
ElectraNet
PO Box 7096
Hutt Street Post Office
ADELAIDE SA 5000

By email: Rainer.Korte@electranet.com.au

Dear ~~Mr~~ ^{Rainer} Korte

Re: Transmission service standards compliance review for 2007

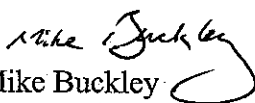
I am writing to inform you of the outcome of the Australian Energy Regulator's (AER) review of ElectraNet's performance for the 2007 calendar year under the service standards incentive scheme.

In conducting the review, AER staff considered ElectraNet's revenue cap decision (11 December 2002), ElectraNet's service standards report (1 February 2008), the service standards guidelines (12 November 2003) and additional supporting documentation provided by ElectraNet staff.

After conducting a review of ElectraNet's performance report for 2007, I endorse ElectraNet using a service standards factor (s-factor) of 0.277 per cent for the 2007 calendar year and consequently adding a bonus amount of \$504 036 to apply to its maximum allowed revenue for the 2008-09 financial year.

I would like to thank ElectraNet for its open and active participation throughout the review process. Should you have any questions please contact Simon Bell on (02) 6243 1232.

Yours sincerely


Mike Buckley
General Manager
Network Regulation North