

GPO Box 520
Melbourne VIC 3001
Telephone: (03) 9290 1444
Facsimile: (03) 9290 1457
www.aer.gov.au

Our Ref: D2011-00197184
Contact Officer: Luke Stevens
Contact Phone: (03) 9290 1485

20 April 2011

Mr Stuart Dodds
Operations Manager Power Transmission
APA Group
PO Box 6569
Upper Mount Gravatt
QLD 4122

Dear Mr Dodds,

Re: Transmission service standards review for 2010

I am writing to inform you of the outcome of the Australian Energy Regulator's (AER) review of Murraylink's performance against its transmission service standards incentive scheme for the 2010 calendar year.

In conducting the review, AER staff considered Murraylink's revenue cap decision, dated 1 October 2003, the ACCC's *Statement of Principles for the regulation of transmission revenues: Service Standard Guidelines*, published in November 2003, and Murraylink's performance report for 2010 (submitted to the AER 31 January 2011).

After conducting the review of Murraylink's transmission service performance, I endorse the service standards factor ("s-factor") applying to Murraylink's service component of 1.0 per cent for the 2010 calendar year. The application of this s-factor results in an additional amount of \$135,786 to Murraylink's maximum allowed revenue for the 2011-12 financial year.

I would like to thank Murraylink for its open and active participation in this year's audit process. Should you have any further enquiries please contact Luke Stevens on (03) 9290 1485.

Yours sincerely,



Chris Pattas
General Manager