

TEMPLATE EXPLANATION



This template must be used by ElectraNet to report service performance information for the 2007 calendar year.

Yellow worksheets (**'Inputs- Performance'** and **'Inputs- Exclusions'**) are for inputs, including performance and exclusion information. ElectraNet only needs to enter data on these worksheets.

Purple worksheets **'S1' to 'S4'** are the s-factors results based on the performance inputs from the 'Inputs - Performance' worksheet.

Blue worksheet **'Revenue Calculation'** quantifies the appropriate revenue to be applied to the s-factor results adjusted for CPI.

Red worksheet **'Outcomes'** shows the total performance, s-factor and financial incentive results based on ElectraNet's performance in 'Inputs-Performance' and 'Revenue Calculation' worksheets.

Orange worksheet **'Exclusion Definitions'** are the defined exclusions for ElectraNet which should form the basis of exclusion requests under 'Inputs-Exclusions' worksheet.

ELECTRANET - SERVICE STANDARDS PERFORMANCE

PERFORMANCE PARAMETER	S	<i>Performance (Without exclusions)</i>	<i>Performance (With exclusions)</i>
Total circuit availability	S1	99.250%	99.377%
Loss of supply event frequency (>0.2 system minute)	S2	2	1
Loss of supply event frequency (>1.0 system minute)	S3	0	0
Average outage duration (mins)	S4	288	270

Date prepared:	23 January 2008
Revision date:	1 February 2008

NOTES:

Pink cells- Input performance without exclusions from performance data.

Orange cells- Input performance with exclusions from performance data.

Green cells - input date that template data was entered. Enter date of any revisions from original version.

Performance should be measured on a calendar year basis.

22/04/2008

ELECTRANET- S1 - Total circuit availability

Performance Targets	Graph start	Collar	Target	Cap	Graph end
Total circuit availability	98.30%	98.50%	99.25%	99.60%	100.00%
Weighting	-0.35%	-0.35%	0.00%	0.35%	0.35%

Performance Formulae	Formulae						Conditions	S- Calc 1	S- Calc 2
Performance	=	-0.003500					When: Availability < 98.50%	-0.003500	-0.003500
	=	0.466667	x	Availability	+	-0.463167	98.50% ≤ Availability ≤ 99.25%	0.000000	0.000594
	=	1.000000	x	Availability	+	-0.992500	99.25% ≤ Availability ≤ 99.60%	-0.000001	0.001272
	=	0.003500					99.60% < Availability	0.003500	0.003500

Performance Outcomes		Performance (Without Exclusions)	Performance (Exclusions)
Total circuit availability	=	99.249934%	99.377205%
S-Factor Result	=	0.000000	0.001272

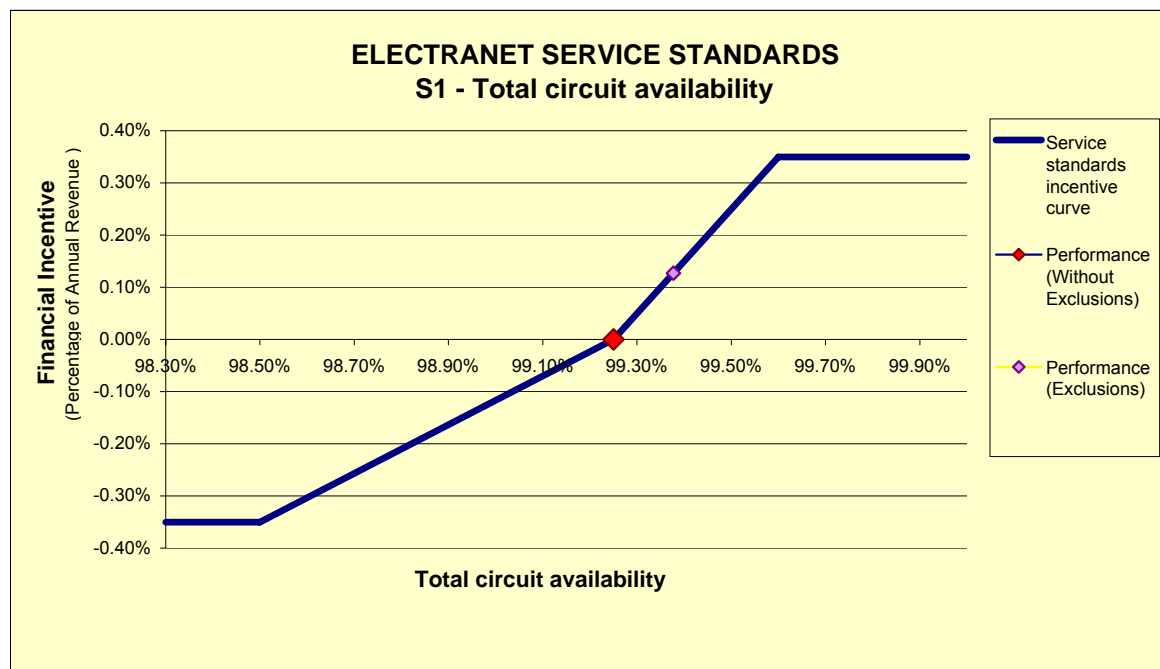
NOTE: This sheet will automatically update based on data in input sheets.

Blue cells show TNSP's performance targets and weightings.

Yellow/Green cells show TNSP's performance formulae and related formula conditions based on performance targets and weightings

Pink cells show TNSP performance outcomes without any events excluded from performance data

Orange cells show TNSP's performance outcomes with events excluded from performance data



ELECTRANET- S2 - Loss of supply event frequency (>0.2 system minute)

Performance Targets	Graph start	Collar	Knee Bend	Target	Knee Bend	Cap	Graph end
Loss of supply event frequency (>0.2 system minute)	15	10	6	5	5	1	0
Weighting	-0.10%	-0.10%	0.00%	0.00%	0.00%	0.10%	0.10%

Performance Formulae	Formulae				Conditions				S- Calc 1	S- Calc 2
Performance	=	-0.001000		When:	10	<	Loss of supply event frequency		-0.001000	-0.001000
	=	-0.000250	x	Loss of supply event frequency	6	≤	Loss of supply event frequency	≤ 10	0.001000	0.001250
	=	0.000000			5	≤	Loss of supply event frequency	≤ 6	0.000000	0.000000
	=	-0.000250	x	Loss of supply event frequency	1	≤	Loss of supply event frequency	≤ 5	0.000750	0.001000
	=	0.001000					Loss of supply event frequency	< 0	0.001000	0.001000

Performance Outcomes	Performance (Without Exclusions)	Performance (Exclusions)
Loss of supply event frequency (>0.2 system minute)	2	1
S-Factor	0.000750	0.001000

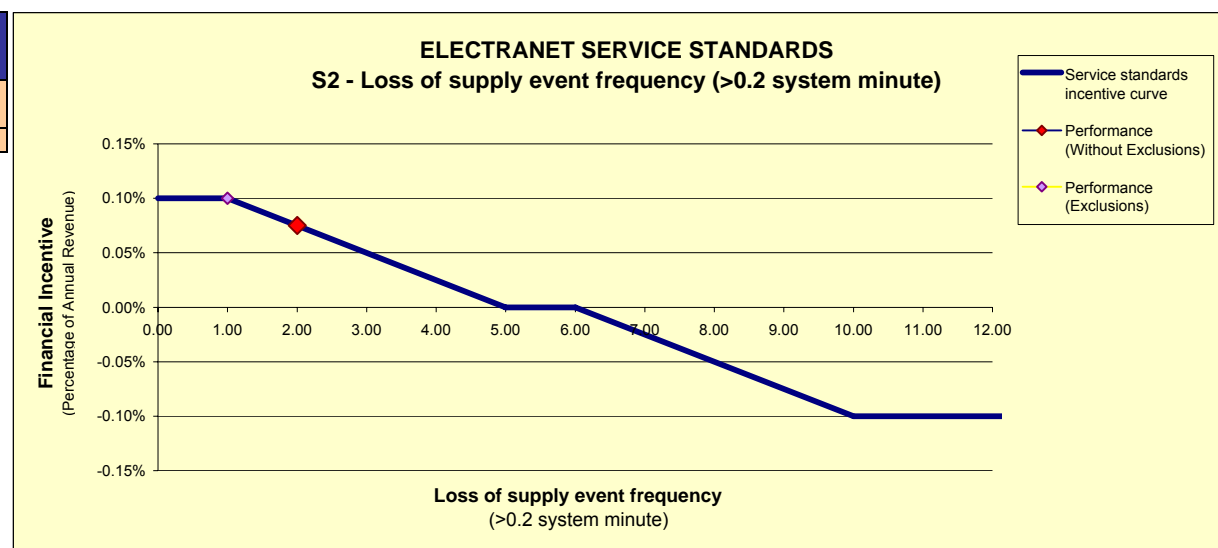
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ELECTRANET- S3 - Loss of supply event frequency (>1.0 system minute)

Performance Targets	Graph start	Collar	Target	Cap	Graph end
Loss of supply event frequency (>1.0 system minute)	6	5	2	0	0
Weighting	-0.30%	-0.30%	0.00%	0.30%	0.30%

Performance Formulae	Formulae					Conditions	S- Calc 1	S- Calc 2
Performance	=	-0.003000			When:	5 < Loss of supply event frequency	-0.003000	-0.003000
	=	-0.001000	x	Loss of supply event frequency	+	0.002000 2 ≤ Loss of supply event frequency ≤ 5	0.002000	0.002000
	=	-0.001500	x	Loss of supply event frequency	+	0.003000 0 ≤ Loss of supply event frequency ≤ 2	0.003000	0.003000
	=	0.003000				Loss of supply event frequency < 0	0.003000	0.003000

Performance Outcomes		Performance (Without Exclusions)	Performance (Exclusions)
Loss of supply event frequency (>1.0 system minute)	=	0	0
S-Factor	=	0.003000	0.003000

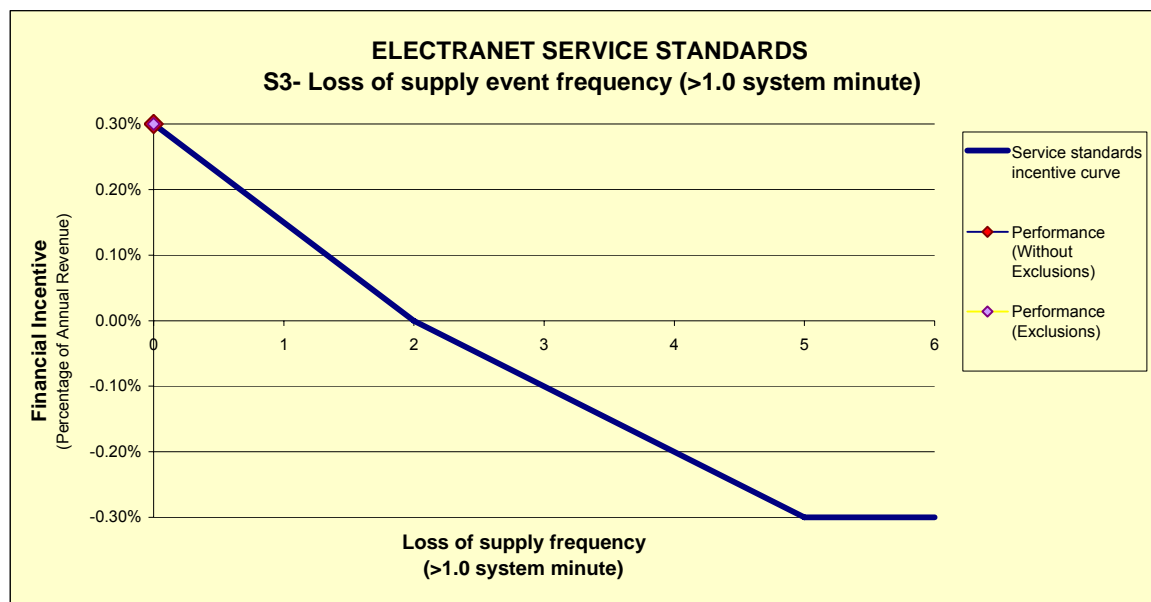
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ELECTRANET- S4 - Average outage duration

Performance Targets	Graph start	Collar	Knee Bend	Target	Knee Bend	Cap	Graph end
Average outage duration	300	190	110	100	100	70	50
Weighting	-0.25%	-0.25%	0.00%	0.00%	0.00%	0.25%	-0.25%

Performance Formulae	Formulae					Conditions	S- Calc 1	S- Calc 2
Performance	=	-0.002500				190 < Average outage duration	-0.002500	-0.002500
	=	-0.000031	x	Average outage duration	+	0.003438 110 ≤ Average outage duration	-0.005556	-0.004998
	=	0.000000				100 ≤ Average outage duration	0.000000	0.000000
	=	-0.000083	x	Average outage duration	+	0.008333 70 ≤ Average outage duration	-0.015648	-0.014162
	=	0.002500				Average outage duration < 70	0.002500	0.002500

Performance Outcomes		Performance (Without Exclusions)	Performance (Exclusions)
Average outage duration	=	288	270
S-Factor	=	-0.002500	-0.002500

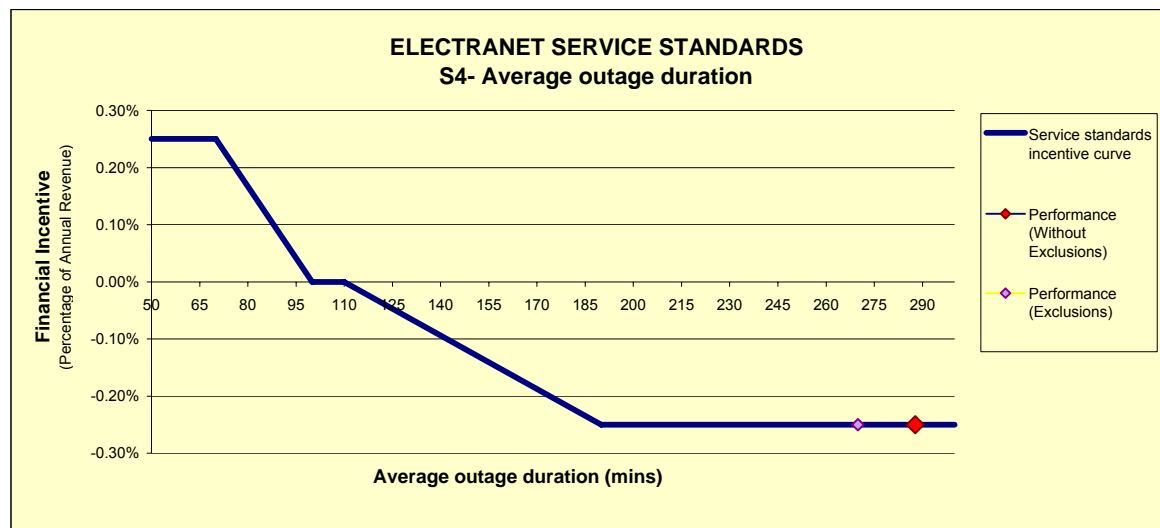
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Orange cells show TNSP's performance outcomes with events excluded from performance data



ELECTRANET - Revenue Calculation

Revenue cap information	
Base revenue (AR)	\$ 148,010,000
Base year	2002-03
X-factor	-1.96%
Commencement of regulatory period	1-Jan-03

Annual revenue adjusted for CPI	Mar-02	Mar-03	Mar-04	Mar-05	Mar-06	Mar-07
CPI	136.6	141.3	144.1	147.5	151.9	155.6
	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08
AR	\$74,005,000	\$156,103,395	\$162,316,995	\$169,403,298	\$177,876,035	\$185,780,054

Calendar year revenue	2003	2004	2005	2006	2007
Revenue	\$152,056,697	\$159,210,195	\$165,860,146	\$173,639,666	\$181,828,045

NOTES:

This sheet will automatically update based on data on input sheets.

Grey cells show calendar year revenue

Green cells are for formula

ELECTRANET- Performance outcomes

Revenue calendar year (\$) **\$181,828,045**

Performance parameter	S	Target	Performance without exclusions			Performance with exclusions			Impact of exclusions
			Performance	S-Factor	Final Incentive	Performance	S-Factor	Final Incentive	
Total circuit availability	S1	99.25%	0.992499	0.000000	-\$56	0.993772	0.001272	\$231,294	0.001272
Loss of supply event frequency (>0.2 system minute)	S2	5	2.000000	0.000750	\$136,371	1.000000	0.001000	\$181,828	0.000250
Loss of supply event frequency (>1.0 system minute)	S3	2	0.000000	0.003000	\$545,484	0.000000	0.003000	\$545,484	0.000000
Average outage duration (mins)	S4	100	287.777778	-0.002500	-\$454,570	269.944444	-0.002500	-\$454,570	0.000000
TOTALS				0.001250	\$227,229		0.002772	\$504,036	0.001522

NOTE:

This sheet will automatically update based on data in input sheets.

Grey cell shows relevant calendar year revenue

Green cells show performance targets

Pink cells show performance, s-factor results and financial incentive without exclusions

Orange cells show performance, s-factor results and financial incentive with exclusions

Blue cells show the impact of exclusions on revenue

Aggregate outcome

S-factor	0.002772
Bonus (penalty)	\$504,036
Financial year to affect revenue	2008-09

ElectraNet - Defined exclusions

No. Parameter 1- Transmission circuit availability		
Defined exclusions	Further description of exclusion	Reference
1.1 Transient interruptions less than one (1) minute	Any outages caused by a 3rd party such as intertrip signals, generator outage, customer installation, customer request or NEMMCO direction.	Appendix 5 Revenue cap decision
1.2 Unregulated transmission assets.		Appendix 5 Revenue cap decision
1.3 3rd party outage		
1.4 Switching to control fault levels	Switching to control voltages and fault levels within required limits, both as directed by NEMMCO and where NEMMCO does not have direct oversight of the network (in both cases only where the element is available for immediate energisation if required).	Exclusion applied by ElectraNet in line with historical practice
1.5 Circuit opening for operational purposes	The opening of only one end of a transmission circuit (e.g. where the transmission circuit remains energised and available to carry power with immediate manual or automatic return to service).	Exclusion applied by ElectraNet in line with historical practice
1.6 Decommissioned line	Transmission lines decommissioned for an extended period of time for major line rebuilding activities, such as restringing, reinsurance or multiple structure replacements.	Exclusion applied by ElectraNet in line with historical practice and past AER/Audit decisions
1.7 Force majeure		Appendix 5 Revenue cap decision
Parameter 2- Loss of supply event frequency (>0.2 system minutes)		
Defined exclusions	Further description of exclusion	Reference
2.1 Transient interruptions less than one (1) minute	Any outages caused by a 3rd party such as intertrip signals, generator outage, customer installation, customer request or NEMMCO direction.	Exclusion applied by ElectraNet in line with historical practice
2.2 Unregulated transmission assets		Appendix 5 Revenue cap decision
2.3 3rd party outage		Appendix 5 Revenue cap decision
2.4 Planned outages	For supply outages resulting from an interconnector outage, the Period of the Interruption is capped at half an hour. This is done to include the impact of automatic under-frequency load shedding, but to exclude the impact of any market failure to respond and restore load within required timeframes (ie. excluding factors outside of ElectraNet's control).	Appendix 5 Revenue cap decision
2.5 Interconnector outages supply interruptions		Exclusion applied by ElectraNet in line with historical practice
2.6 Pumping station supply interruptions	Pumping station supply interruptions were excluded from historical data due to the highly irregular nature of these loads, which makes accurate estimation of load profiles unreliable.	Exclusion applied by ElectraNet in line with historical practice
2.7 Force majeure		Appendix 5 Revenue cap decision
Parameter 3- Loss of supply event frequency (>1.0 system minutes)		
Defined exclusions	Further description of exclusion	Reference
3.1 Transient interruptions less than one (1) minute	Any outages caused by a 3rd party such as intertrip signals, generator outage, customer installation, customer request or NEMMCO direction.	Exclusion applied by ElectraNet in line with historical practice
3.2 Unregulated transmission assets		Appendix 5 Revenue cap decision
3.3 3rd party outage		Appendix 5 Revenue cap decision
3.4 Planned outages	For supply outages resulting from an interconnector outage, the Period of the Interruption is capped at half an hour. This is done to include the impact of automatic under-frequency load shedding, but to exclude the impact of any market failure to respond and restore load within required timeframes (ie. excluding factors outside of ElectraNet's control).	Appendix 5 Revenue cap decision
3.5 Interconnector outages supply interruptions		Exclusion applied by ElectraNet in line with historical practice
3.6 Pumping station supply interruptions	Pumping station supply interruptions were excluded from historical data due to the highly irregular nature of these loads, which makes accurate estimation of load profiles unreliable.	Exclusion applied by ElectraNet in line with historical practice
3.7 Force majeure		Appendix 5 Revenue cap decision
Parameter 4 - Average outage duration		
Defined exclusions	Further description of exclusion	Reference
4.1 Momentary interruptions less than one (1) minute	Any outages due to a 3rd party such as intertrip signals, generator outage, customer installation, customer request or NEMMCO direction.	Appendix 5 Revenue cap decision
4.2 Unregulated transmission assets.		Exclusion applied by ElectraNet in line with historical practice
4.3 3rd party outage		Exclusion applied by ElectraNet in line with historical practice
4.4 Planned outages.	For supply outages resulting from an interconnector outage, the Period of the Interruption is capped at half an hour. This is done to include the impact of automatic under-frequency load shedding, but to exclude the impact of any market failure to respond and restore load within required timeframes (ie. excluding factors outside of ElectraNet's control).	Appendix 5 Revenue cap decision
4.5 Interconnector outages supply interruptions		Exclusion applied by ElectraNet in line with historical practice

