

Attachment 10

Service Target Performance Incentive Scheme

2020-25 Revised
Regulatory Proposal
10 December 2019

This section outlines:

- › the proposed application and components of the Service Target Performance Incentive Scheme that will apply to SA Power Networks for the 2020-25 Regulatory Control Period.

Company information

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Disclaimer

This document forms part of SA Power Networks' Regulatory Proposal to the Australian Energy Regulator for the 1 July 2020 to 30 June 2025 regulatory control period. The Proposal and its attachments were prepared solely for the current regulatory process and are current as at the time of lodgement.

This document contains certain predictions, estimates and statements that reflect various assumptions concerning, amongst other things, economic growth and load growth forecasts. The Proposal includes documents and data that are part of SA Power Networks' normal business processes and are therefore subject to ongoing change and development.

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Note

This attachment forms part of our Proposal for the 2020-25 Regulatory Control Period. It should be read in conjunction with the other parts of the Proposal.

Our Proposal comprises the overview and attachments listed below, and the supporting documents that are listed in Attachment 18:

Document	Description
	Regulatory Proposal overview
Attachment 1	Annual revenue requirement and control mechanism
Attachment 2	Regulatory Asset Base
Attachment 3	Rate of Return
Attachment 4	Regulatory Depreciation
Attachment 5	Capital expenditure
Attachment 6	Operating expenditure
Attachment 7	Corporate income tax
Attachment 8	Efficiency Benefit Sharing Scheme
Attachment 9	Capital Expenditure Sharing Scheme
Attachment 10	Service Target Performance Incentive Scheme
Attachment 11	Demand management incentives and allowance
Attachment 12	Classification of services
Attachment 13	Pass through events
Attachment 14	Alternative Control Services
Attachment 15	Negotiated services framework and criteria
Attachment 16	Connection Policy
Attachment 17	Tariff Structure Statement Part A
Attachment 17	Tariff Structure Statement Part B - Explanatory Statement
Attachment 18	List of Proposal documentation

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10 Service Target Performance Incentive Scheme

10.1 Overview

Table 10-1 sets out and compares SA Power Networks' regulatory proposal (**Original Proposal**) for the 2020-25 regulatory control period (**RCP**), the AER's position in its draft decision on our Original Proposal (**Draft Decision**) and SA Power Networks' response (**Revised Proposal**) in relation to the AER's Service Target Performance Incentive Scheme (**STPIS**).

Table 10-1: Summary of SA Power Networks' Original Proposal, AER's Draft Decision and SA Power Networks' Revised Proposal

Original Proposal	AER Draft Decision	Revised Proposal
Apply version 2 of the STPIS (2018 STPIS) ¹ for the 2020-25 RCP to: <ul style="list-style-type: none"> • Reliability; and • Customer service 	Accepted	Accept- no change required
2018 STPIS to apply for the 2020-25 RCP	Accepted	Accept- no change required
Revenue at Risk \pm 5.0%	Accepted	Accept- no change required
Network segmented by feeder categories (CBD, Urban, Rural Short and Rural Long)	Accepted	Accept- no change required
STPIS guaranteed service level (GSL) regime will not apply to 2020-25 RCP, as a jurisdictional regime applies	Accepted	Accept- no change required
Targets based on historical performance over the last five regulatory years and adjusted in accordance with the 2018 STPIS	Accepted (subject to minor target modifications)	Accept, noting that CBD and Urban feeder category targets require adjustment due to the Essential Services Commissioner of South Australia (ESCoSA) altering the feeders categorised as CBD. Adjust targets to reflect the cessation of a jurisdictional derogation (which currently excludes <15 minute planned interruptions). Adjustment to telephone answering parameter, as the STPIS outcome of this parameter was capped 0.50%.
Incentive rates based on AEMO's value of customer reliability (VCR from September 2014)	Accepted (but noted that the final decision will use new AER VCR's (expected December 2019))	Accept, incentives rates to be calculated using AER's (December 2019) VCR rates.
Proposed adjustment to reliability targets resulting from reliability improvement expenditure	Did not accept, as the AER rejected the two proposed reliability programs	Propose adjustment to reliability targets due to revised reliability improvement expenditure.

10.2 Improvements in STPIS performance targets for the benefit of customers

This section highlights the benefits to customers resulting from the operation of the STPIS regime, since the 2010–15 RCP. It details the annual STPIS performance outcomes for the whole network operated by SA Power Networks, for the four feeder categories of CBD, Urban, Rural Short and Rural Long as per the

¹ AER, *Electricity distribution network service providers—Service target performance incentive scheme, version 2.0 November 2018*.

scheme's definitions, and for the telephone response Grade of Service (**GOS**) for the period from 2005/06 to 2018/19. It also includes the STPIS targets for each RCP, including the proposed 2020–25 STPIS targets which are based on the average performance over the last five regulatory years, and includes adjustments for the actual 2014/15 year reaching the revenue cap and the amendment to the momentary interruption definition as specified in the AER's Draft Decision. The quoted percentage improvements are based on the change in the STPIS targets from the initial 2010–15 RCP to the AER's Draft Decision for the 2020–25 RCP.

The graphs in this section are normalised by excluding the service performance on Major Event Days (**MEDs**²) which are based on the natural logarithm (**LN**) method for determining the MED Unplanned System Average Interruption Duration Index (**USAIDI**) threshold (**T_{MED}**). Further details in relation to this method and the adjustments made to STPIS performance are set out in section 10.3.

Some graphs highlight an uplift in Unplanned System Average Interruption Frequency Index (**USAIFI**) and USAIDI targets from the 2010-15 RCP to the 2015-20 RCP for some feeder categories. This adjustment results from a transition from the 2010–15 to the 2015–20 RCP, where there was a change in how MEDs were determined. See Section 10.3 for more detail.

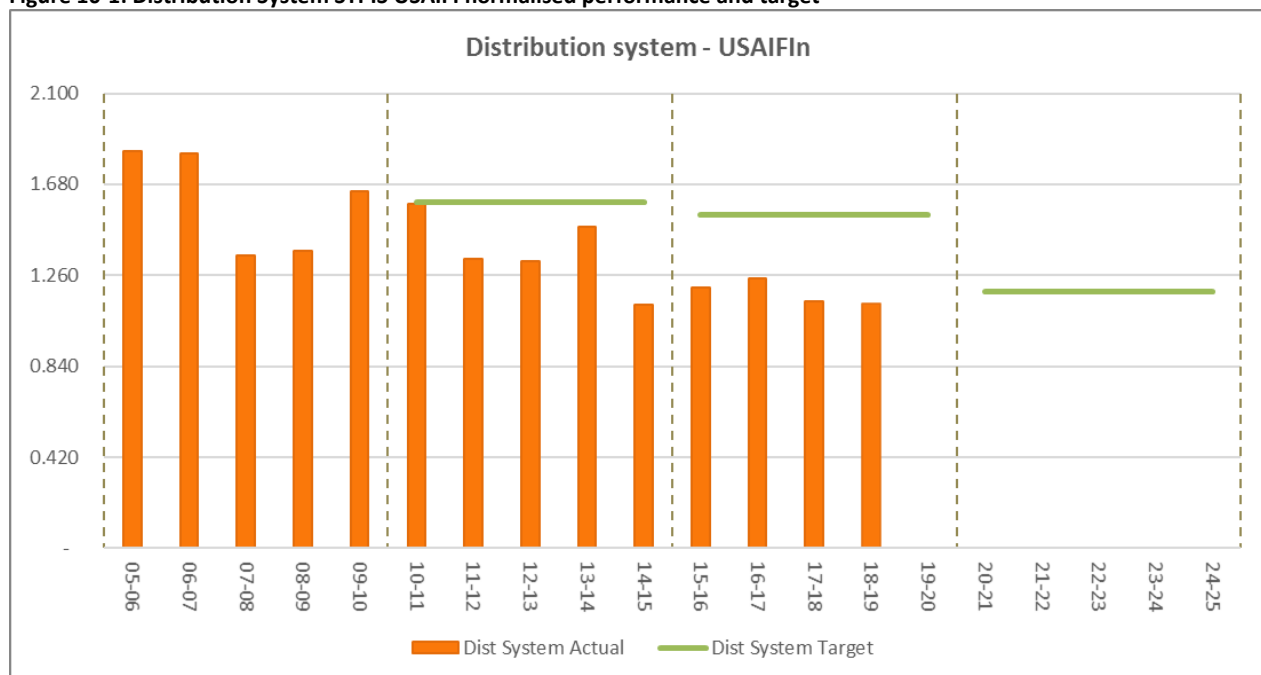
10.2.1 Distribution System reliability performance

This subsection details the STPIS annual reliability performance of SA Power Networks' distribution system, and the applicable performance since 1 July 2005 and the applicable targets for each RCP.

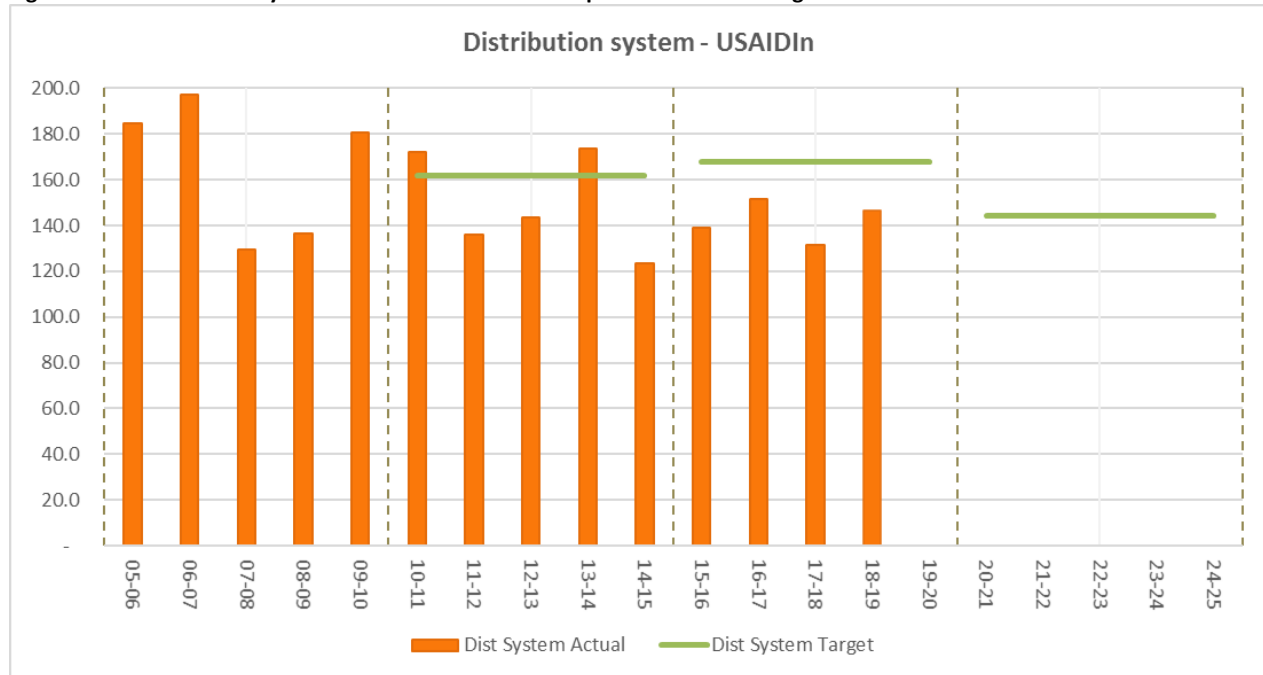
Figure 10-1 and Figure 10-2 below highlight that for the whole of our network there has been an average improvement in USAIFI (ie reduction in the number of customer supply interruptions) of 26% and an improvement in USAIDI of 11% (ie reduction in customer minutes without supply).

The incentive provided by the STPIS has resulted in, on average, 360,000 fewer customer interruptions since the STPIS first applied to SA Power Networks in the 2010–15 RCP. This improved performance is reflected in lower forecast performance targets for the 2020–25 RCP compared to the 2010–15 RCP performance targets.

Figure 10-1: Distribution System STPIS USAIFI normalised performance and target

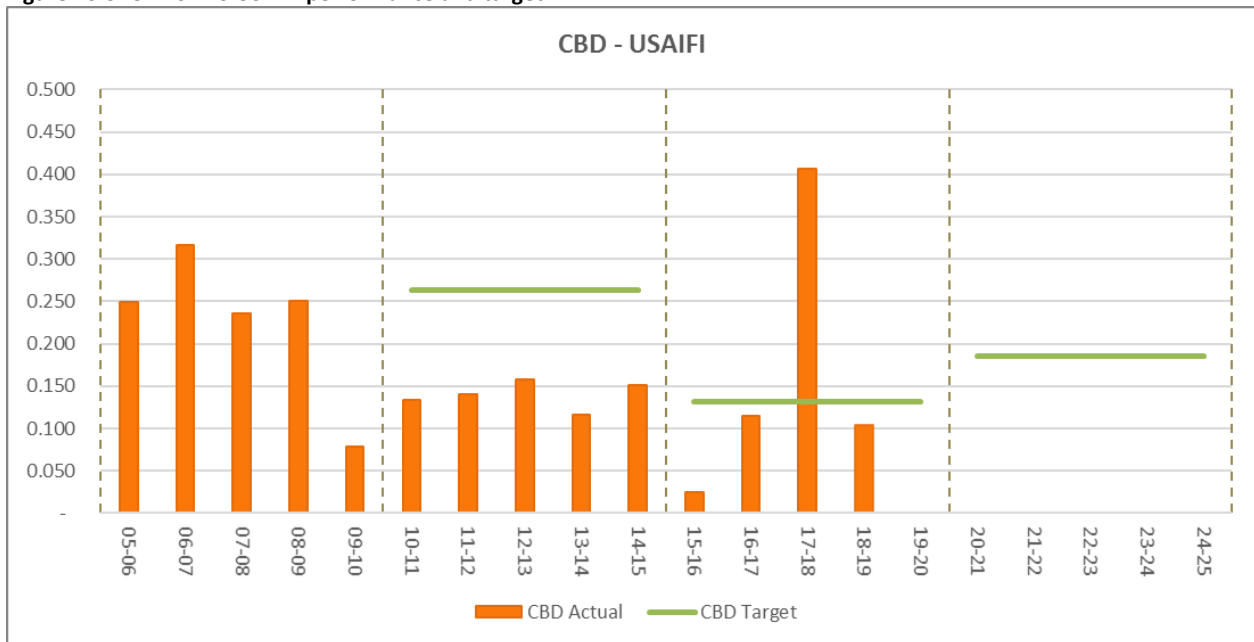
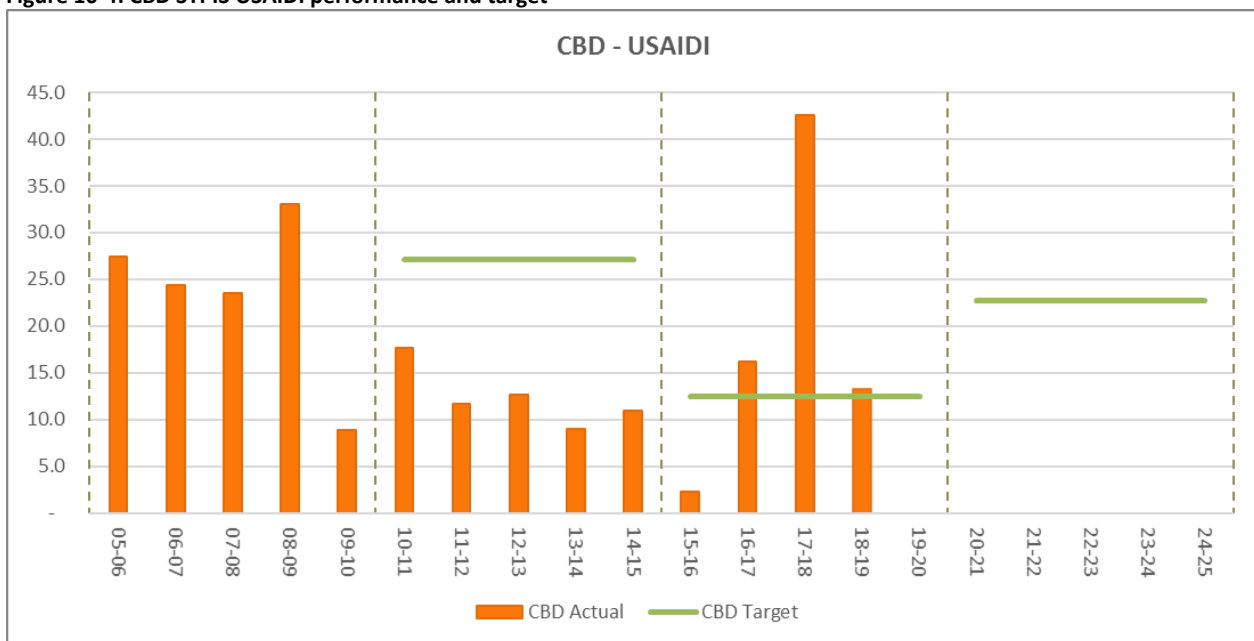


² MEDs are determined using the 2018 STPIS 'safe harbour' LN method. This LN method was not used for the 2010–15 RCP, when we sought, and the AER agreed to use the Box-Cox method to determine MEDs.

Figure 10-2: Distribution System STPIS USAIDI normalised performance and target

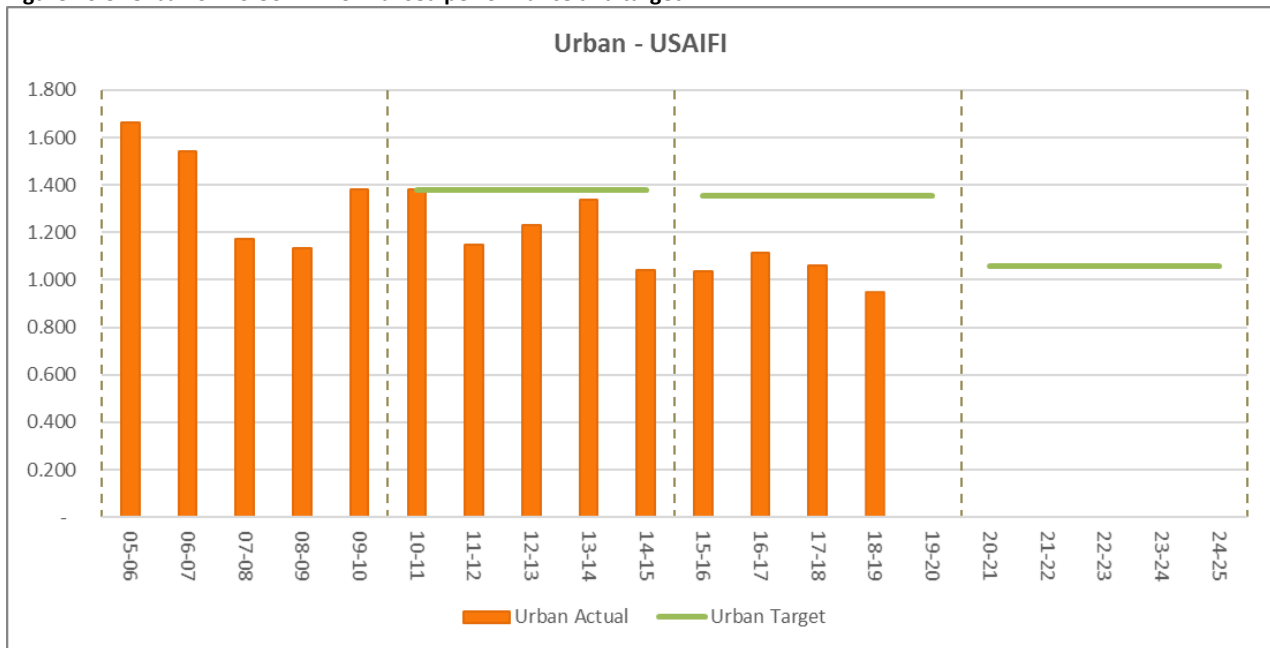
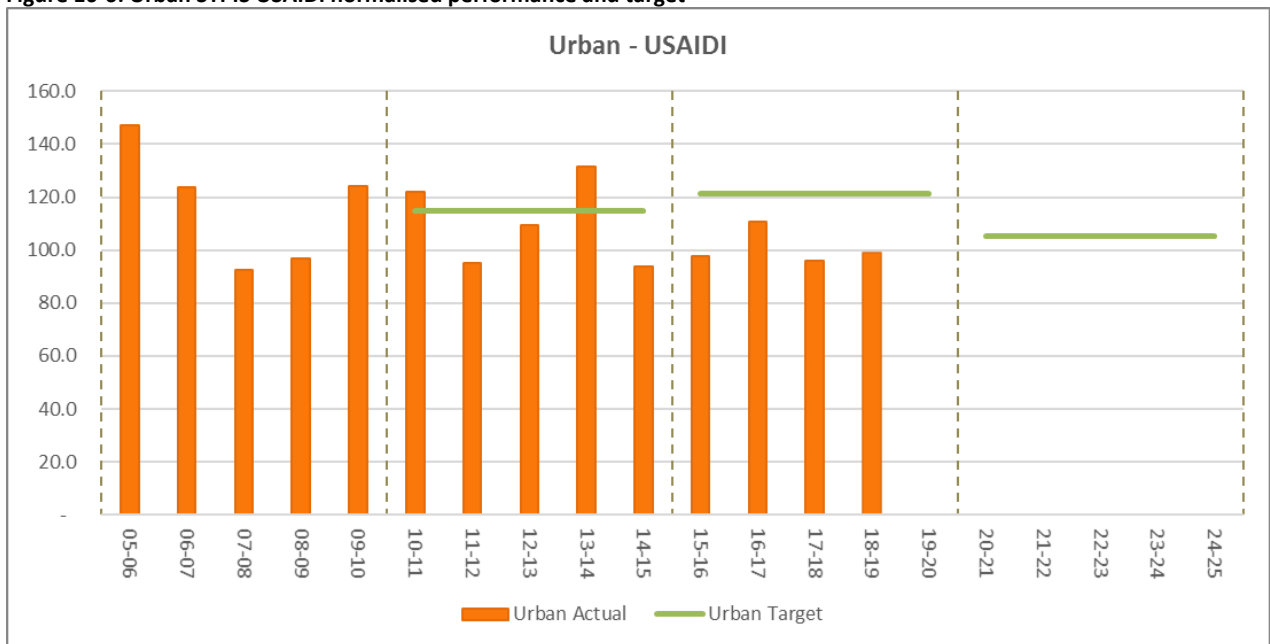
10.2.2 CBD feeder category reliability performance

Figure 10-3 and Figure 10-4 below highlight that for CBD classified distribution feeders there has been an average improvement in USAIFI (ie reduction in the number of customer supply interruptions) of 30% and an improvement in USAIDI of 18% (ie reduction in customer minutes without supply). This improved performance is reflected in lower forecast performance targets for the 2020–25 RCP as compared to the 2010–15 RCP performance targets. However, several condition related cable failures in the 2017/18 regulatory year resulted in poor performance in that regulatory year contributing to a higher average performance for the 2015–20 RCP and consequently the 2020–25 RCP forecast performance target is higher than the 2015–20 RCP performance target. The USAIDI performance in 2019/20 has already exceeded the 2015–20 RCP targets, due to further condition related cable failures. SA Power Networks has proposed expenditure in the CBD its Revised Proposal to address the decline. The poor performance in the 2017/18 regulatory year has resulted in a STPIS penalty for the CBD feeder category.

Figure 10-3: CBD STPIS USAIFI performance and target**Figure 10-4: CBD STPIS USAIDI performance and target**

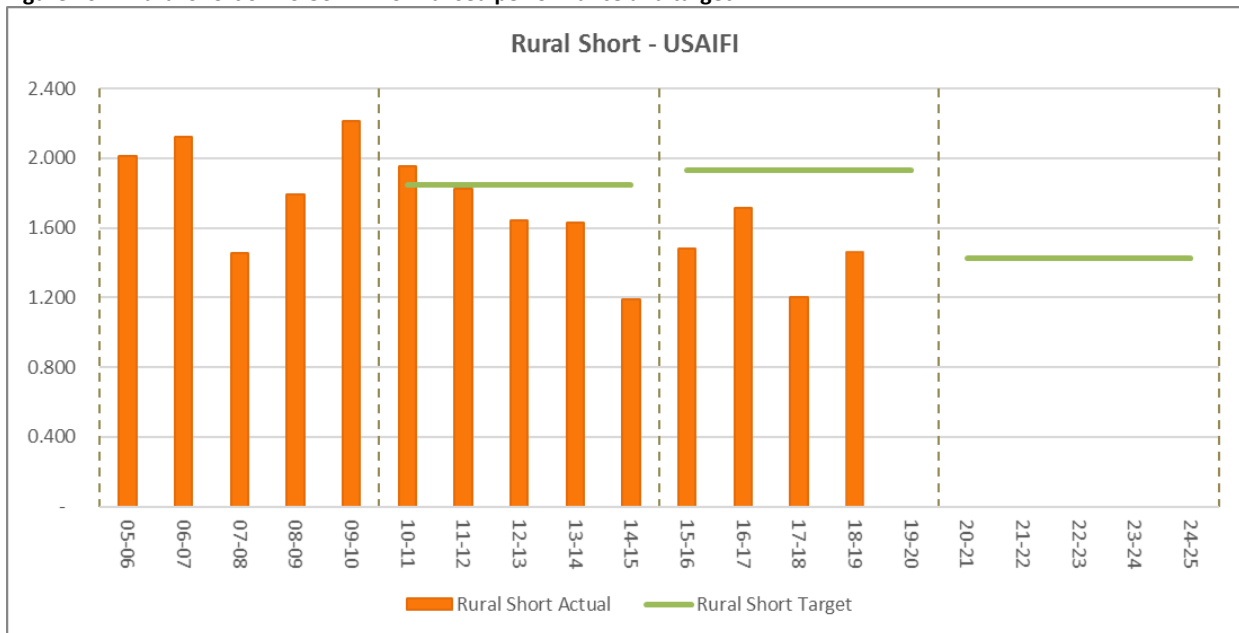
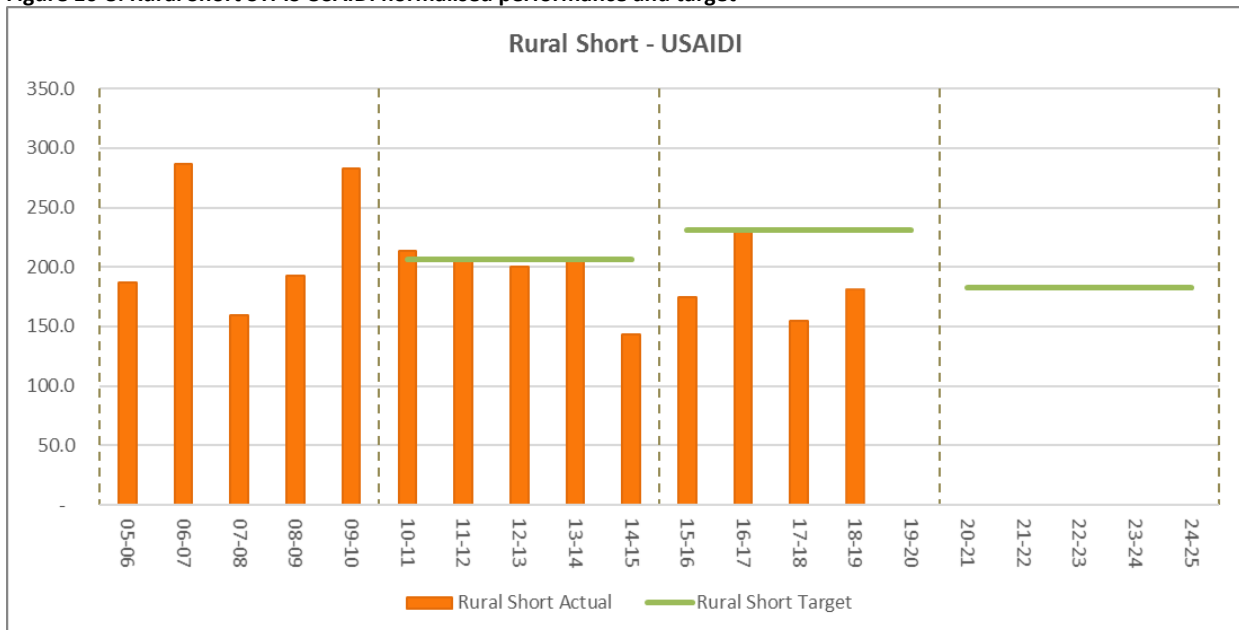
10.2.3 Urban feeder category reliability performance

Figure 10-5 and Figure 10-6 below highlight that for Urban distribution feeders there has been an average improvement in USAIFI (ie reduction in the number of customer supply interruptions) of 23% and improvement in USAIDI of 9% (ie reduction in customer minutes without supply). This improved performance is reflected in lower forecast performance targets for the 2020–25 RCP as compared to the 2010–15 RCP performance targets.

Figure 10-5: Urban STPIS USAIFI normalised performance and target**Figure 10-6: Urban STPIS USAIDI normalised performance and target**

10.2.4 Rural Short feeder category reliability performance

Figure 10-7 and Figure 10-8 below highlight that for Rural Short distribution feeders there has been an average improvement in USAIFI (ie reduction in the number of customer supply interruptions) of 23% and an improvement in USAIDI of 12% (ie reduction in customer minutes without supply). This improved performance is reflected in lower forecast performance targets for the 2020–25 RCP as compared to the 2010–15 RCP performance targets.

Figure 10-7: Rural Short STPIS USAIFI normalised performance and target**Figure 10-8: Rural Short STPIS USAIDI normalised performance and target**

10.2.5 Rural Long feeder category reliability performance

Figure 10-9 and Figure 10-10 below highlight that for Rural Long distribution feeders there has been an average improvement in USAIFI (ie reduction in the number of customer supply interruptions) of 33% and improvement in USAIDI of 11% (ie reduction in customer minutes without supply). This improved performance is reflected in lower forecast performance targets for the 2020–25 RCP compared to the 2010–15 RCP performance targets.

Figure 10-9: Rural Long STPIS USAIFI normalised performance and target

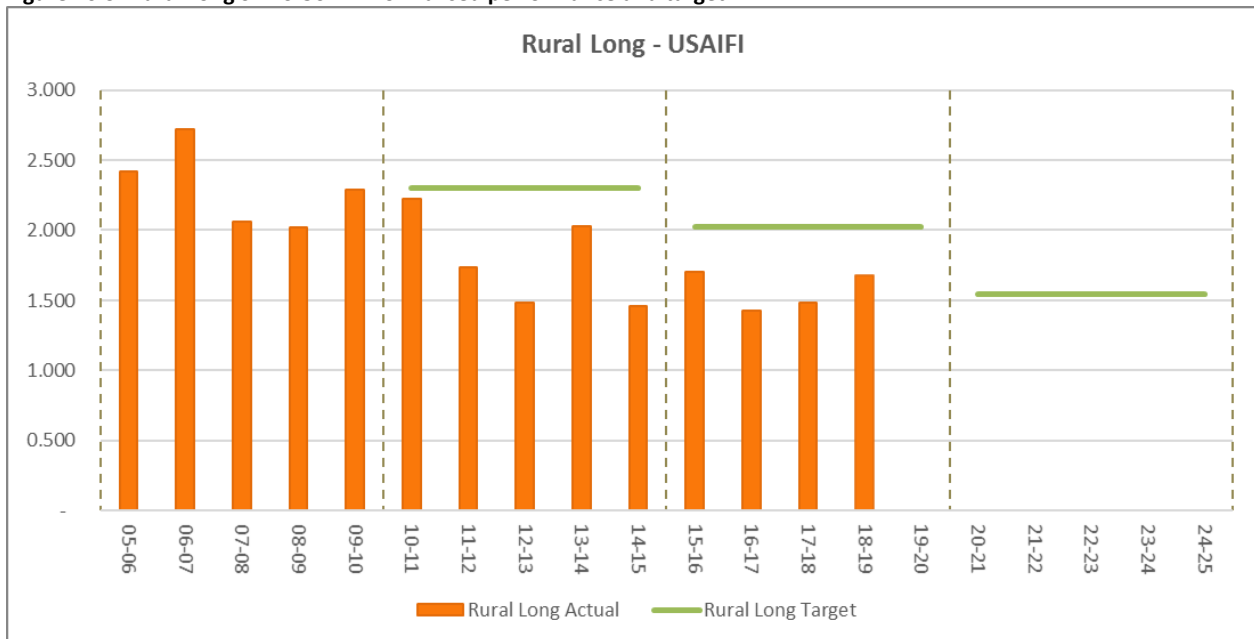
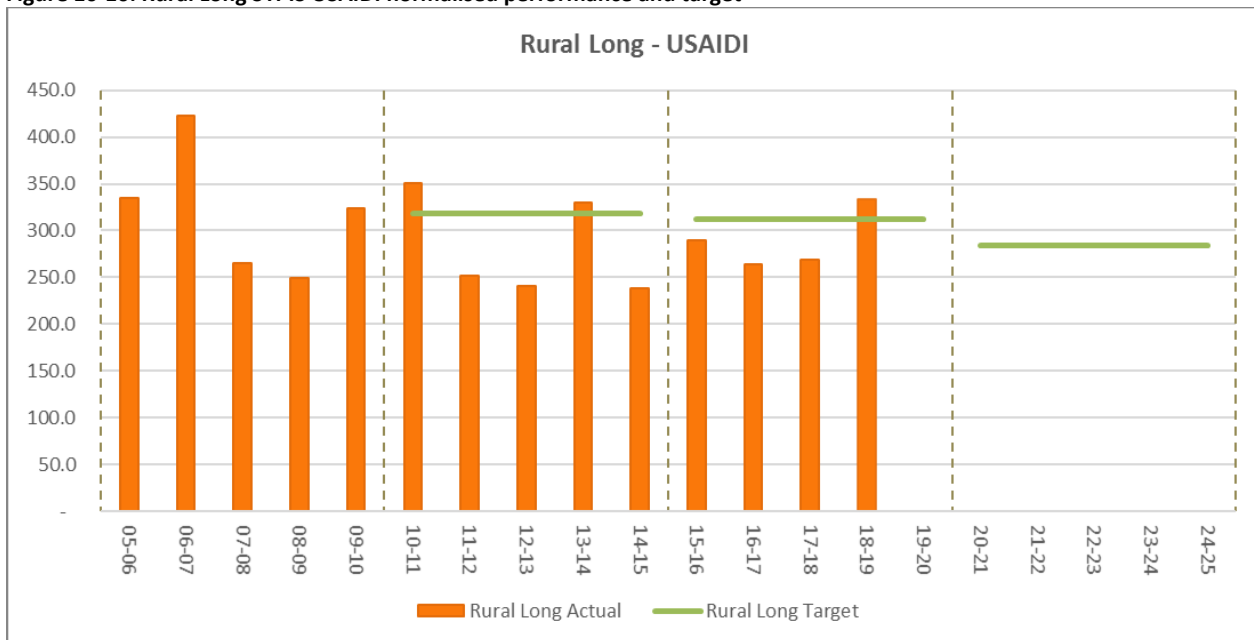


Figure 10-10: Rural Long STPIS USAIDI normalised performance and target

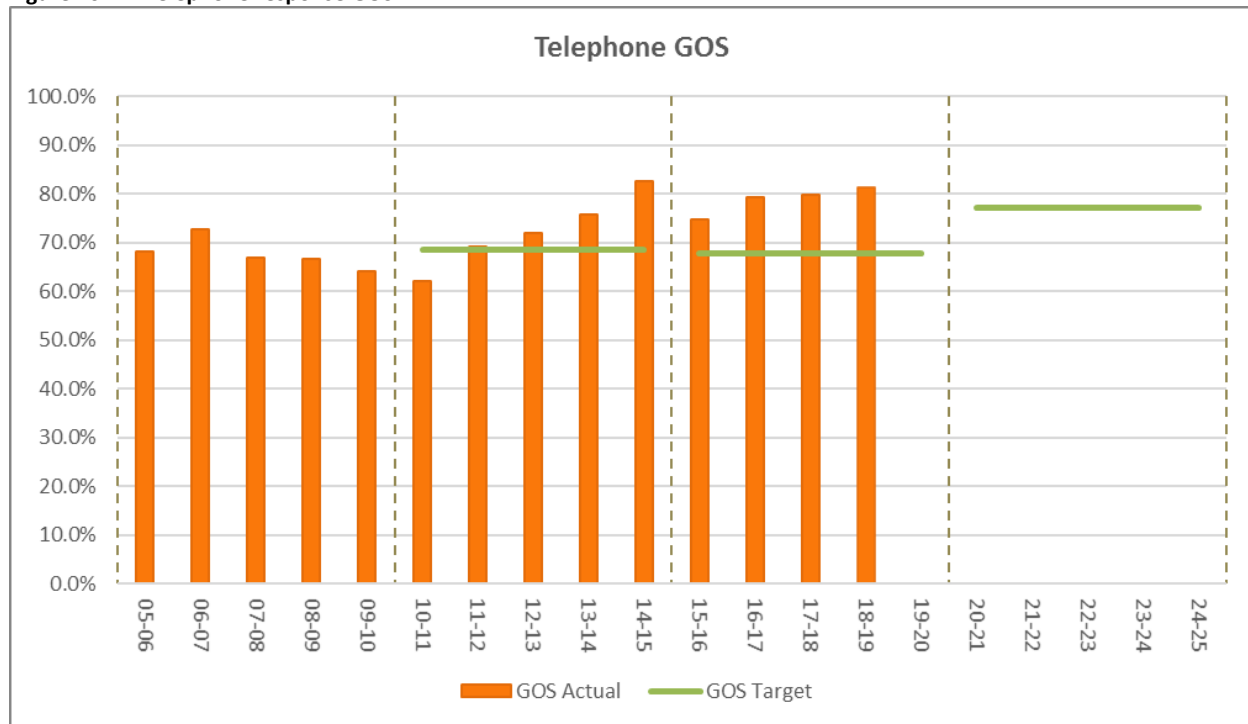


10.2.6 Telephone response GOS

This subsection details the STPIS telephone response GOS performance, the average performance over the target setting period (TSP) and the applicable performance target since 1 July 2005 (or indicative target for the 2020–25 RCP).

Figure 10-11 below highlights a 12% improvement in the percentage of agent calls answered within 30 seconds (ie the telephone response GOS). This improved performance is reflected in higher performance targets for the 2020–25 RCP compared to the 2010–15 RCP performance targets.

Figure 10-11: Telephone response GOS



10.3 Original Proposal

In its Original Proposal, SA Power Networks:

- proposed that the 2018 STPIS apply for the 2020-25 RCP;
- proposed that annual revenue at risk be $\pm 5\%$, as specified in the 2018 STPIS, with a maximum of $\pm 0.5\%$ of the 5% allocated to customer service parameter;
- used STPIS incentive rates based on AEMO's value of customer reliability (**VCR**) from September 2014 but proposed that the incentive rates determined in the AER's final decision for the 2020-25 RCP (**Final Decision**) should be based on the VCR determined by the AER's current review which will be released in December 2019, as it will reflect the latest values of customers' willingness to pay (**WTP**);
- set the STPIS performance parameter targets based on our average performance over the last five regulatory years, but adjusted the parameter targets to cater for the:
 - actual performance in the 2014-15 regulatory year which exceeded the revenue at risk cap (ie ± 3 percent for the 2010-15 RCP);
 - the change in the definition of a momentary interruption to one where the duration is three minutes or less, instead of the previous one minute or less; and
- proposed that the STPIS GSL regime will not apply as a jurisdictional GSL scheme applies to SA Power Networks.

As part of its distribution determination for SA Power Networks for the 2010-15 RCP (**2010 Distribution Determination**), the AER approved that Major Event Days (which are excluded from the STPIS performance measures' results) would be determined using the Box-Cox (**BC**) method for calculating the MED daily SAIDI threshold (ie any day where the daily SAIDI exceeded the threshold was classified as a MED).³ This was a variation to the standard STPIS methodology, which determined the SAIDI threshold by using the natural logarithm (**LN**) method.

The STPIS financial outcome for any year is based on the difference between the actual parameters' performance for that year and each parameter's fixed annual targets as established in the distribution determination for that RCP. The STPIS parameters fixed annual targets for each RCP are based on the actual STPIS performance for each of the preceding five years, provided there is no capping of the STPIS outcome for any of those years.

The AER specified in its Framework and Approach paper that the standard STPIS would apply to SA Power Networks during the 2015-20 RCP. This required a re-calculation of the STPIS annual parameters' actual performance that was previously determined using the BC method. In addition, it invoked the requirement for a suitable method to transition the STPIS parameter targets from the 2010-15 RCP to the 2015-20 RCP and also to the 2020-25 RCP (ie the parameters' actual performance from the 2014-15 regulatory year is used to establish the STPIS targets for the 2020-25 RCP).

A suitable transition method was required as the LN method resulted in fewer MEDs than the BC method. Because of the fewer MEDs, seven of the nine years' STPIS parameters' actual performances required amendment, including those used to establish the STPIS parameter targets for each regulatory year of the 2010-15 RCP. The STPIS that applied to SA Power Networks' distribution determination for the 2015-20 RCP (version 1.2) did not specify a method to transition from one RCP to the next RCP in these circumstances.

SA Power Networks proposed a suitable transition method in our Original Proposal for the 2015-20 RCP. The method effectively determined the annual STPIS parameter performance for each year of the 2010-15 RCP by reproducing an equivalent average difference between that regulatory year's performance and the re-calculated parameter targets. This method matched the STPIS outcomes (ie the percentage of the

³ AER, *Final Decision for SA Power Networks Distribution Determination 2015-2020*, Attachment 11: Service target performance incentive scheme, page 10.

revenue decrement or increment) for each regulatory year of the 2010-15 RCP as if the LN method had applied to the 2010-15 RCP. This method ensured that SA Power Networks and its customers were kept financially neutral. The AER accepted our transition method in its distribution determination for the 2015-20 RCP.⁴

SA Power Networks has used this method (ie LN to determine MEDs) to determine the raw STPIS outcome for the 2014-15 regulatory year. The raw STPIS outcome for the 2014-15 regulatory year exceeded the 3% STPIS cap that applied to the 2010-15 RCP. The AER's 2018 STPIS now includes the method for adjusting STPIS parameters' targets in forthcoming RCPs where the raw STPIS outcome is capped by the annual revenue at risk. The 2018 STPIS method was used to adjust the 2020-25 RCP parameter's targets for both reliability and telephone response.

The AER, in the 2018 STPIS, altered the definition of momentary interruptions to be an interruption where the duration is three minutes or less (previously it was one minute) provided that a distributor can back cast data to exclude these momentary interruptions from the historic performance. Momentary interruptions are excluded from the STPIS reliability measures. SA Power Networks proposed an adjustment to the 2020-25 RCP targets to exclude interruptions where the duration was greater than one minute but no more than three minutes.

SA Power Networks also proposed adjustments to the STPIS parameters' targets, as required by the 2018 STPIS, to cater for two proposed reliability improvements projects. The two projects were to improve the reliability performance of feeders which were determined to be long-term Low Reliability Feeders (LRFs) and to harden the network to mitigate some of the interruptions resulting from severe weather events.

10.4 AER's Draft Decision

The AER determined (in its Draft Decision) to:⁵

- apply the latest version of the 2018 STPIS for the 2020-25 RCP;
- set revenue at risk at ± 5 percent, with a cap of ± 0.5 percent for the customer service parameter;
- use the reliability and customer service components of the STPIS, with the:
 - reliability component using the unplanned SAIDI and unplanned SAIFI parameters by feeder category (ie CBD, Urban, Short Rural and Long Rural); and
 - customer service component using the telephone response parameter;
- provide indicative incentive rates⁶ (based on AEMO's 2014 VCR) in the Draft Decision but to update the rates in the Final Decision to reflect the AER's review of the VCR, due for completion in December 2019;
- set performance parameter targets based on SA Power Networks' average performance over the last five regulatory years, but adjust the parameter targets to cater for the:
 - actual performance in the 2014-15 regulatory year which exceeded the revenue at risk cap (ie ± 3 percent for the 2010-15 RCP);
 - the change in the definition of a momentary interruption to one where the duration is three minutes or less, instead of the previous one minute or less;
- not apply the STPIS GSL regime, as a jurisdictional GSL scheme applies to SA Power Networks; and
- rejected the proposed two reliability improvement projects, so did not apply the proposed adjustments to the STPIS parameter targets.

⁴ Ibid, page 10.

⁵ AER, *Draft Decision for SA Power Networks Distribution Determination 2020-2025*, Attachment 10: Service target performance incentive scheme (**Attachment 10**), page 5.

⁶ Refer to AEMO, *Value of customer reliability review, Final Report*, September 2014, page 30. VCR values have been escalated to the June 2018 quarter and will be updated for the Final Decision.

The AER's decisions on incentive rates⁷ and targets⁸ as set out in its Draft Decision to be applied to SA Power Networks for the 2020-25 RCP are reproduced in Table 10-2 and Table 10-3 below.

Table 10-2: AER Draft Decision—STPIS incentive rates for SA Power Networks for the 2020-25 RCP

	CBD	Urban	Short Rural	Long Rural
SAIDI	0.0005	0.0434	0.0081	0.0081
SAIFI	0.4293	2.8058	0.6646	1.0070
Customer service	-0.040			

Source: AER analysis

Table 10-3: AER Draft Decision—STPIS parameter targets for SA Power Networks for the 2020-25 RCP

	CBD	Urban	Short Rural	Long Rural
Reliability				
SAIDI	22.730	105.132	182.347	284.393
SAIFI	0.122	1.084	1.481	1.524
Telephone answering				
% calls answered in 30 seconds	78.2%			

Source: AER analysis

10.5 SA Power Networks' response to the AER's Draft Decision

SA Power Networks largely accepts the STPIS incentive rates provided in the AER's Draft Decision and notes that the reliability incentive rates will be recalculated in the AER's final decision for the 2020-25 RCP to apply the VCR values determined in its current VCR review that is to be concluded in December 2019.

SA Power Networks agrees that the reliability component parameters and customer service component parameter targets are based on SA Power Networks' average reliability performance over the last five regulatory years and include:

- an appropriate adjustment for:
 - the 2014-15 regulatory year performance exceeding the revenue at risk cap;
 - the amended definition of a momentary interruption; and
- a customer service parameter with an appropriate adjustment for the 2014-15 regulatory year performance exceeding the revenue at risk cap; and
- do not include an adjustment to the telephone answering parameter which is required as the 2018-19 result was capped at 0.50% compared to a raw outcome of 0.54%.

SA Power Networks proposes some additional adjustments to the AER's reliability targets as set out in its Draft Decision in the following section. An adjustment to telephone answering parameter is proposed to cater for the performance outcome being capped in 2018-19.

10.6 Revised Proposal

The following sections detail proposed adjustments to the AER's STPIS targets as set out in its Draft Decision to cater for adjustment to our regulatory obligations and proposed reliability improvement expenditure.

⁷ Attachment 10, page 6 and Table 10.1.

⁸ Ibid, pages 6 and 7 and Table 10.2.

10.6.1 Adjustment for change to feeders categorised as CBD

ESCoSA, in its final decision on SA Power Networks reliability standards review (**Reliability Standards Review**), increased the area of the Adelaide Business Area (**ABA**)⁹ and in a change to its draft decision on the Reliability Standards Review¹⁰ decided to continue to set reliability service standards based on the four feeder categories being CBD, Urban, Short Rural and Long Rural.

As a result of the increase in the area of the ABA, SA Power Networks has subsequently agreed with ESCoSA which feeders will be designated as CBD feeders from 1 July 2020. We recast the historic reliability performance of both the CBD and Urban feeder categories, to enable ESCoSA to set service standards, based on the new ABA boundary. This recasting of the CBD feeders has increased the number of customers supplied by these feeders by around 30% (ie from an average of 5,148 to 6,876 for the 2018-19 regulatory year).

The AER required distributors to adjust historic performance for the amendment to the definition of 'momentary interruption' in the 2018 STPIS. Consequently, we propose an adjustment to the historic performance for the alteration to the feeders that will be categorised as CBD from 1 July 2020.

SA Power Networks has determined the adjustment to the average performance for the last five regulatory years to accommodate for the feeders that will be categorised as CBD from 1 July 2020, that previously were categorised as Urban. Table 10-4 below details the adjustment that needs to be added to the AER's targets in its Draft Decision to accommodate this re-categorisation.

Table 10-4: Adjustment to 2020-25 RCP STPIS targets because of amendments to feeders categorised as CBD

New CBD feeders list	CBD	Urban	Short Rural	Long Rural
SAIDI	- 0.190	0.227	n/a	n/a
SAIFI	- 0.012	0.003	n/a	n/a

10.6.2 Adjustment for expiry of derogation

SA Power Networks is permitted under a current derogation from the National Energy Retail Rules¹¹ to interrupt supply to customers, without notification, and treat that interruption as a planned interruption provided that the duration of the interruption is less than 15 minutes. These interruptions are excluded from the STPIS reliability parameter measures.

The derogation has a sunset clause which states that the derogation will expire at 30 June 2020 (ie at the expiry of the current 2015-20 RCP). If the derogation is not extended for the 2020-25 RCP, then either we would need to notify these customers and incur additional costs or continue with our current practice (ie not notify customers of the short duration planned outage), and include these minor planned interruptions as unplanned interruptions, for which we would be penalised under the STPIS regime. We have analysed the impact of the expiry of this derogation and the impact on our historic reliability performance. We seek an adjustment to our STPIS reliability parameter targets if the derogation is not extended.

SA Power Networks has applied to the South Australian Government to extend the derogation for the duration of the 2020-25 RCP. We will keep the AER informed on our progress and whether an extension has been, or will be, granted (and consequently, whether an adjustment to our STPIS reliability parameter targets will be required).

⁹ ESCoSA, *Final Decision on SA Power Networks' Reliability Standards Review* (January 2019) page 57.

¹⁰ ESCoSA was proposing to set reliability standards based on nine regional areas.

¹¹ Regulation 14(b) of the *National Energy Retail Law (Local Provisions) Regulations 2013* (SA).

SA Power Networks has determined the impact on SAIDI and SAIFI of planned interruptions with a duration of less than 15 minutes and more than 3 minutes were treated as unplanned interruptions for the last five regulatory years.

Table 10-5: Impact on unplanned SAIDI and SAIFI if derogation expires

New CBD feeders list	CBD	Urban	Short Rural	Long Rural
SAIDI	0.057	0.186	0.401	0.776
SAIFI	0.008	0.024	0.058	0.122

10.6.3 Adjustment for proposed reliability improvement expenditure – Low reliability feeders (if approved)

Clause 3.2.1(1A) of the 2018 STPIS requires that the performance targets that will apply during the 2020-25 RCP must be modified by any completed or planned reliability improvements where the planned reliability improvements are:

- included in the expenditure program proposed by SA Power Networks in its regulatory proposal for the 2020-25 RCP; and
- expected to result in a material improvement in supply reliability.

SA Power Networks has proposed expenditure to improve the reliability of feeders in the low reliability feeder category for several years (Attachment 5 – Capital expenditure, section 5.4.7) and this proposed expenditure meets the requirements in clause 3.2.1(1A) of the 2018 STPIS.

We have determined the improvement in the STPIS reliability targets if the improvements had been in place for the full five years from 2013/14 to 2018/19 and propose that if the AER approves our proposed 'low reliability feeder expenditure' then our STPIS targets for the 2020–25 RCP should be adjusted by adding the amounts in Table 10-6 below to the AER's targets in its Draft Decision. The amounts shown are half the total forecast improvements, as the improvements are planned to be implemented evenly over the 2020–25 RCP.

Table 10-6: Adjustment to STPIS targets for the 2020-25 RCP if low reliability feeder expenditure (if approved)

% of Revenue	CBD	Urban	Rural Short	Rural Long
USAIDI	0.000	-0.266	-0.452	-6.545
USAIFI	0.000	-0.002	-0.002	-0.018

10.6.4 Adjustment for proposed reliability improvement expenditure – Hardening the network (if approved)

SA Power Networks has proposed expenditure to improve the reliability of its distribution network during major storms (refer to Attachment 5 – Capital expenditure, section 5.4.7) and this proposed expenditure meets the requirements in clause 3.2.1(1A) of the 2018 STPIS. This proposed expenditure mainly targets interruptions on MEDs but has some benefit on non-MED days.

We have determined the improvement in the STPIS reliability targets if the improvements had been in place for the full five years from 2013/14 to 2018/19 and propose that if the AER approves our proposed 'hardening of the network expenditure' then our STPIS targets for the 2020–25 RCP should be adjusted by adding, the amounts in Table 10-7 below to the AER's targets as set out in its Draft Decision. The amounts shown are half the total forecast improvements, as the improvements are planned to be implemented evenly over the 2020–25 RCP.

Table 10-7: Adjustment to STPIS targets for the 2020-25 RCP if hardening the network expenditure approved

% of Revenue	CBD	Urban	Rural Short	Rural Long
USAIDI	0.000	0.543	0.345	-0.371
USAIFI	0.000	0.000	-0.003	-0.004

10.6.5 Adjustment to the telephone answering parameter

SA Power Networks telephone response performance for 2018-19 should have resulted in a STPIS outcome of 0.54% increase in annual revenue. However, under the STPIS Guideline v 1.2 the performance is capped at 0.50%. Consequently, the STPIS telephone answering parameter target for the 2020-25 RCP requires adjustment to ensure that customers and SA Power Networks are kept economically neutral.

Table 10-8: Proposed telephone answering target 2020-25 RCP

Telephone answering Parameter	AER Draft Decision	Adjustment (for 2018-19)	Amended Target
Target	78.20%	-0.20%	78.00%

Shortened Forms

2018 STPIS	<i>Version 2 of STPIS published 14 November 2018</i>
BC	<i>Box-Cox</i>
CESS	<i>Capital Expenditure Sharing Scheme</i>
DNSP	<i>Distribution Network Service Provider</i>
EBSS	<i>Efficiency Benefit Sharing Scheme</i>
ESCoSA	<i>Essential Services Commission of South Australia</i>
F&A	<i>Framework and Approach</i>
GOS	<i>Grade of Service</i>
GSL	<i>Guaranteed Service Level</i>
LN	<i>Natural Logarithm</i>
MAIFI	<i>Momentary Average Interruption Frequency Index</i>
MED	<i>Major Event Days</i>
NER	<i>National Electricity Rules</i>
R@R	<i>Revenue at Risk</i>
RCP	<i>Regulatory Control Period</i>
RIN	<i>Regulatory Information Notice</i>
SAIDI	<i>System Average Interruption Duration Index</i>
SAIFI	<i>System Average Interruption Frequency Index</i>
STPIS	<i>Service Target Performance Incentive Scheme</i>
T _{MED}	<i>MED USAIDI Threshold</i>
TSP	<i>Target Setting Period</i>
USAIDI	<i>Unplanned System Average Interruption Duration Index</i>
USAIFI	<i>Unplanned System Average Interruption Frequency Index</i>
VCR	<i>Value of Customer Reliability</i>