
# SP AusNet

# Performance Against

# Service Standards

# 2005

31 January 2006

## 1. RESULTS FOR CALENDAR YEAR 2005

SP AusNet's detailed results for 2005 are shown in the AER supplied tables attached in Appendix A. The results are presented with and without exclusions.

Without exclusions, the scheme would result in a bonus of $253,890. With exclusions, the scheme would result in a bonus of $267,961. Exclusions are dealt with in detail in section 2.

In calculating this amount, SP AusNet has used its revenues without including the pass-through amount approved by the AER for the recovery of the new easement land tax in Victoria. That revenue was $288,631,150 for the 2005 calendar year (ex-easement land tax pass-through).

The following commentary is provided on the individual measures. It should be noted that SP AusNet is reporting against inter-regional and intra-regional constraint measures (measures 4 and 5 in the AER service standards framework) under a separate process.

### 1.1 Total Circuit Availability

Target = **99.20%**

Result (no exclusions) = **99.343%**

This target was met.

### 1.2 Peak Critical Availability

Target = **99.90%**

Result (no exclusions) = **99.945%**

This target was met. Availability outcomes were driven by minimising planned capital and maintenance outages. The company has responded to incentives and much higher levels of availability were achieved for the peak period relative to off-peak periods.

### 1.3 Peak Non-Critical Availability

Target = **99.85%**

Result (without exclusions) = **99.810%**

Result (with exclusions) = **99.857%**

Target was met with exclusions. Availability outcomes were driven by planned maintenance outages. Much higher levels of availability were achieved for the peak period relative to off-peak periods and relative to the previous year.

### 1.4 Intermediate Critical Availability

Target = **99.85%**

Result (no exclusions) = **99.745%**

Target was not met. Availability outcomes were driven by planned capex outages. In particular, there were large increases in capex outages to incorporate the increased capex program in this regulatory period relative to the previous regulatory period. Again, the company achieved higher levels of availability for the intermediate period relative to off-peak periods.

### 1.5 Intermediate Non-Critical Availability

Target = **99.75%**

Result (without exclusions) = **97.946%**

Result (with exclusions) = **98.210%**

Target was not met. Availability outcomes were driven by planned capex outages, in particular a major refurbishment of the BLTS Synchronous Condenser (990 hours out of a total of 1,199 hours). This type of planned outage is non-typical occuring once during the plants 40-year effective life, therefore, it will not have been included in the historical figures used to set the target for this measure.

### 1.6 System Minutes

Target >0.05 minutes per annum = **2** Result = **5**

Target >0.30 minutes per annum = **1** Result = **2**

| Date | Event | MW | Mins | Sys Mins |
|---|---|---|---|---|
| 23-Feb-05 | BLTS: Loss of No. 5 Transformer Group (Smorgans).<br>Pilot wire protection problem after car hit supervisory cable in street. | 60.0 | 68 | 0.475 |
| 25-Feb-05 | RCTS: Loss of 1 & 2 66kV Busses.<br>Back-up earth leakage tripped busses on energisation of 66kV capacitor bank due to 4th harmonic currents. | 50.0 | 9 | 0.052 |
| 24-Apr-05 | BLTS : Loss of No. 5 Transformer Group (Smorgans).<br>Civil contractor damaged oil cooler on transformer with Bob Cat while installing bund walls around transformer. | 70.0 | 54 | 0.441 |
| 20-Jun-05 | BLTS: Loss of Air Liquide.<br>Relay under test issued an open command due to a software glitch. | 9.5 | 51 | 0.056 |
| 04-Nov-05 | KGTS: Loss of 22kV Bus.<br>Back-up earth leakage operated incorrectly before DB feeder protection. Settings revised. | 6 | 72 | 0.053 |

### 1.7 Average Outage Duration – lines

Target = **10 hours**

Result (no exclusions) = **7.635 hours**

This target was met.

### 1.8 Average Outage Duration – Transformers

Target = **10 hours**

Result (no exclusions) = **6.644 hours**

This target was met.

## 2. EXCLUSIONS

SP AusNet has excluded the following events for the purposes of calculating the performance bonus/penalty under its performance incentive scheme.

### 2.1 Outages on shunt reactors

Measures affected: Peak Non-Critical Availability
Intermediate Non-Critical Availability

No. hours to be excluded = **24.666 Peak Non-Critical hours**
= **153.717 Intermediate Non-Critical hours**

Increases Peak Non-Critical Availability by **0.047%**
Increases Intermediate Non-Critical Availability by **0.264%**

Effect on performance bonus/penalty: **+ $14,071**

These pieces of reactive equipment are actually required to help balance the system when demand on the system is low (off-peak). This is the reverse situation to the majority of reactive plant such as capacitor banks and Static Var Compensators. Therefore, it is actually beneficial to the operation of the network if outages are taken in peak and intermediate periods rather than off-peak periods. This exclusion will remove a penalty for following good electricity practice. This mirrors the rebate scheme with VENCorp – rebates are high during off-peak times and set at zero during peak and intermediate periods.

## Appendix A