Reset RIN Response – STPIS

2018/19 – 2022/23

TransGrid

Schedule 1: 14 Service Target Performance Incentive Scheme

14.1 For the service component of the STPIS, provide the values that TransGrid proposes to be attributed to the performance incentive scheme parameters for the purposes of the application to TransGrid of the STIPIS in the attached Workbook 1 – regulatory determination, regulatory template 7.9 in two parts:

(a) data for 2012 to 2016, and the proposed scheme parameters based on that data is to be provided by 31 January 2017

(b) data for 2013 to 2017, and the proposed scheme parameters based on that data is to be provided by 31 January 2018

(c)the data required in response to paragraphs 14.1 (a) and (b) is to be submitted using the regulatory template 7.9 STIPIS (table 7.9.1) in the attached Workbook 1 – regulatory determination.
(d) an explanation of how the proposed values to be attributed to those performance incentive scheme parameters comply with the requirements of the STPIS;
(e) an explanation of the method used to calculate the proposed values to be attributed to those performance incentive scheme parameters and provide supporting calculations;
(f) performance data (including the underlying outage and exclusion data) used to calculate the proposed performance targets in Excel spreadsheet format;
(g) for each exclusion claim, please provide supporting evidence which shows how the proposed exclusion claim meets the requirements of the relevant exclusion clause. If such evidence has previously been provided to the AER TransGrid may refer to its previous submission, and is not required to resubmit the evidence;

All supporting evidence for exclusion claims has been submitted in the following STPIS annual performance reports:

(h) an explanation that data provided in paragraph 14.1(d) are consistently recorded based on the parameter definitions that apply to TransGrid under the service component of the STPIS.

The data provided in paragraph 14.1(d) for the Revenue Reset RIN are consistently recorded based on the parameter definitions that apply to TransGrid under the AER Service Target Performance Incentive Scheme Version 5.

14.2 For the market impact component of the STPIS, provide performance data in accordance with Appendix C of the STPIS for the seven calendar years in two parts:

(a) data for 2010 to 2016 is to be provided by 31 January 2017

(b) data for 2011 to 2017 is to be provided by 31 January 2018
(c) The data required in response to 14.2 (a) and (b) is to be submitted using regulatory template 7.9 STIPIS (table 7.9.4) in the attached Workbook 1 – regulatory determination and the Market Impact Component excel workbook (Workbook 2 – MIC) at Appendix A to this notice.
(d) TransGrid is to:
(i) make a copy of the Workbook 2 – MIC for each relevant year and label each copy as provided for in Workbook 2 – MIC;
(ii) complete each copy of the Workbook 2 – MIC as provided for in the Workbook 2 – MIC;
(iii) submit to the AER completed copies of Workbook 2 – MIC with its response to this notice.
(e) For each exclusion claim, please provide supporting evidence which shows how the proposed exclusion claim meets the requirements of the relevant exclusion clause. IF such evidence has previously been provided to the AER TransGrid may refer to its previous submission, and is not required to resubmit the evidence.

All supporting evidence for exclusion claims has been submitted in the following STPIS annual performance reports:

14.3 For the network capability component of the scheme:
(a) provide a network capability incentive parameter action plan (NCIPAP) as required under clause 5.2(b) of the STPIS, which must include:
(i) for every transmission circuit or injection point on TransGrid's network, an explanation of the reason for the limit for each transmission circuit or injection point.
(ii) a description of the process that TransGrid undertook to identify the limit for each transmission circuit or injection point.
(iii) a list of proposed priority projects to be undertaken in the relevant regulatory control period to improve the limit of the transmission circuits and injection points identified in
(i) in table 7.9.2 of regulatory template 7.9.
(iv) a list of project details for each proposed priority project using the sample format below: [see RIN]

The network capability incentive parameter action plan (NCIPAP) has been provided as an appendix to the revenue proposal TransGrid – Appendix Y - NCIPAP including AEMO Approval - 0117 – PUBLIC.

14.3 (b) in relation to the limits identified in paragraph 14.3(a)(i) of Schedule 1 provide the following network limits information in table 7.9.3 of regulatory template 7.9:
(i) Limit identification: If a thermal limit, identify injection point and/or transmission element (line, cable, transformer). If not a thermal limit, identify the cut set (transmission lines) over which the limit is defined and identify the type of limit; e.g. short term voltage, long term voltage, transient, oscillatory, etc.
(ii) Define limit: If a thermal limit, specify ratings. The ratings are those provided to AEMO for operational purposes. If not a thermal limit, provide the limit equation or upper limit on the cut set.
(iii) Reason for limit: If a thermal limit, provide an explanation of the reason for the limit, including:
(A) Identify whether the rating is caused by primary or secondary equipment
(B) Specify the equipment that is setting the rating
(C) For ratings other than continuous ratings of transmission lines and transformers, specify the time applicable for the given ratings (i.e. EMER and LDSH ratings)
(D) If the limiting element is the transmission line, provide details on the number of spans that would require uprating to increase the rating to the conductor design temperature
(E) What assumptions were used in the calculation of the line ratings (e.g. ambient temperature, wind speed, wind direction)
(F) Does the line have weather monitoring? If so, what is being measured? Are dynamic ratings applied operationally?
(iv) If not a thermal limit, provide a description of the limiting phenomena; e.g. voltage collapse in area X for trip of element Y / generator Y
(v) To understand the asset configuration, thermal ratings and secondary plant limits, provide following supporting information:
(A) Single line diagram of terminal stations and substations with major assets (e.g. switchgears, transformers, CT, VT)
(B) Single line diagram of distribution substations connection
(C) Plant data information of all major assets (e.g. current, MVA & voltage ratings, short circuit capability, transformer parameters)
(D) Secondary plant information (e.g. CT and protection limits)
(E) Other plant information (e.g. interplant connections, connecting element between line and station)
(F) Circuit data information (e.g. conductor type, impedance parameters, ratings, route length, easements)
(G) Details of ability to transfer load from one station to another station
(vi) To understand the asset performance, provide supporting information:
(A) Plant outage investigation report
(B) Plant unplanned outage data (e.g. for each historical outage, date and time of outage, type of unplanned outage, duration of unavailability of plant of each of the outages)
(vii) Is limit addressed by priority project: Indicate whether the limit is addressed by a priority project in the NCIPAP. Provide project name. If not, please provide an explanation of why this limit has not been addressed by a priority project.

Network limits information is provided in table 7.9.3 of TransGrid-18_19 to 22_23 Final Regulatory Information Notice Templates-0117-PUBLIC

14.3 (c) State whether TransGrid has consulted with AEMO regarding the NCIPAP.

TransGrid has consulted with AEMO regarding the NCIPAP

(d) State whether AEMO has disagreed with TransGrid as to:
(i) whether a project should be classified as a priority project;
(ii) whether a priority project improvement target will result in a material improvement, or
(iii) the ranking of the priority projects,
and, if so, identify each disagreement and the grounds for the disagreement.

For 10 priority projects, TransGrid and AEMO have disagreed on the grounds of the wholesale market benefit outcomes (and whether the projects should be classified as a priority project).

The 10 projects that are the subject of disagreement, identified by project ranking and name are:

- 1:Over Voltage Control After AUFLS Event
- 2:Deniliquin full SCADA Augmentation
- 5:Remote or self reset of Bus Protection
- 6:Two way disconnector to replace line tee connection to Morven substation
- 8:Finley Full SCADA Augmentation
- 9:Installation of two way disconnector to replace line 976 tee connection to Murrumbateman substation
- 18:Remote relay interrogation
- 20:Construction of Two-way Disconnector On Line 94M for Ilford Tee
- 24:Construction of Two-way Disconnector On Line 96L for Casino Tee
- 25:Construction of Two-way Disconnector On Line 96C for Dorrigo Tee

(e) Explain how TransGrid has considered the impacts of the proposed priority projects on its proposed forecast capex and opex for the forthcoming regulatory control period.

Had TransGrid not proposed the priority projects within the NCIPAP, TransGrid would have proposed the projects in the forecast capex and opex for the forthcoming regulatory control period, the impact is therefore a reduction in the forecast capex and opex for the forthcoming regulatory control period.

(f) State whether the costs of the proposed priority projects are included in the proposed forecast capex and opex for the forthcoming regulatory control period.

The cost of the proposed priority projects are not included in the proposed forecast capex and opex for the forthcoming regulatory control period.

(g) State whether the benefits and improved limit values for each proposed priority project are solely to be attributable to the priority project and not any other work which TransGrid is undertaking on the transmission network.

The benefits and improved limit values for each proposed priority project are solely to be attributable to the priority project and not any other work which TransGrid is undertaking on the transmission network.