

Network Performance and Operations/Asset Performance
Our Reference: AJK

201 Elizabeth Street (cnr Park St)
PO Box A1000 Sydney South
New South Wales 1235 Australia
Facsimile (02) 9284 3456
Telephone (02) 9284 3000
Web <http://www.transgrid.com.au>
DX1122 Sydney

Mr Mike Buckley
General Manager – Network Regulation North
Australian Energy Regulator
GPO Box 520
Melbourne VIC 3001

Dear Mr Buckley

Annual Performance Incentive Scheme Report – 2007 Calendar Year

I am pleased to submit TransGrid's Service Standards Incentive Scheme report for the 2007 calendar year. The report has been prepared consistent with the parameters defined in the service standards templates.

As requested TransGrid has listed in the templates all outages proposed for exclusion. Supporting reports regarding all unplanned outages are attached. In this year's report TransGrid has also listed planned outages of its assets requested by third parties, as required by the template guidelines, which was not done for earlier report formats in previous years. Due to the large number of these planned outages TransGrid wishes to discuss a suitable approach to reference of supporting information with the AER and its consultant during the review.

If you have any questions regarding this report, please contact Andrew Kingsmill on (02) 9620 0208.

Yours faithfully,



John Byrne
Acting/Managing Director

31/1/08