



EXCEL TEMPLATE EXPLANATION

This workbook is for TransGrid to report its service performance against the market impact parameter of the service target performance incentive scheme.

It only applies for TransGrid's first six months of service target performance in the 2009—14 regulatory control period (July to December 2009). TransGrid will also need to submit raw data in a clear layout for validation (either in database or csv).

DATABASE TEMPLATE EXPLANATION

Below is an example of a database table format suitable for verification by the AER.

The table lists ALL binding constraints that are used to manage TNSP's XYZ equipment on a 5 minute resolution. The TNSP is able to enter the exclusion clause number in the 'EXCLUSION CLAUSE' field and provide comment . If the outage should be included in the benchmark, the TNSP simply leave the exclusion field blank.

NOTE: All dispatch intervals with a marginal value greater than \$10/MWh, classified as an OUTAGE and has no exclusion clause entered, will be used to calculate the TNSP's Market Impact Parameter.

DATABASE NAME: TNSP XYZ
TABLE NAME: TNSP XYZ Service Performance data

DATA:

SOURCE	SETTLEMENTDATE	CONSTRAINTID	EQUIPMENTNAME	EFFECTIVEDATE	VERSIONNO	MARGINAL VALUE	CLASSIFICATION	EXCLUSION CLAUSE	COMMENTS
TNSP XYZ	1/01/2007 12:30 PM	X>X-22_LK 1	LINE 22	1/01/2007	1	12	OUTAGE		
TNSP XYZ	1/01/2008 12:35 PM	X>X-NIL_RU		1/01/2006	2	120	SYSTEM NORMAL		
TNSP XYZ	1/01/2008 12:35 PM	X>>X-54	LINE 54	1/01/2004	1	200	OUTAGE	6	Line out of service to provide greater network capacity
TNSP XYZ	1/01/2008 12:55 PM	X>X_NSA_01	LINE 33	1/02/2004	1	5000	OUTAGE	7	Network Support constraint
TNSP XYZ	1/01/2007 12:30 PM	X>Y-22_LK 1	LINE 22	1/01/2007	1	12	OUTAGE		TNSP YYY is also responsible for this outage

TransGrid - SERVICE STANDARDS PERFORMANCE SUMMARY

Date prepared:	15 December 2009
Revision date:	22 January 2010

SERVICE TARGET PERFORMANCE INCENTIVE SCHEME DATA						
Year	Month	Market impact parameter count (DI) (without exclusions)	Market impact parameter count (DI) (with exclusions)	Non-market impact parameter count (DI)	Market impact paramters (Hrs)	Non-market impact paramters (Hrs)
2009	July	52	52	109	4.33	9.08
	August	753	753	368	62.75	30.67
	September	30	30	2444	2.50	203.67
	October	24	24	858	2.00	71.50
	November	284	276	1179	23.00	98.25
	December	22	11	12	0.92	1.00
	Total		1165	1146	4970	95.50

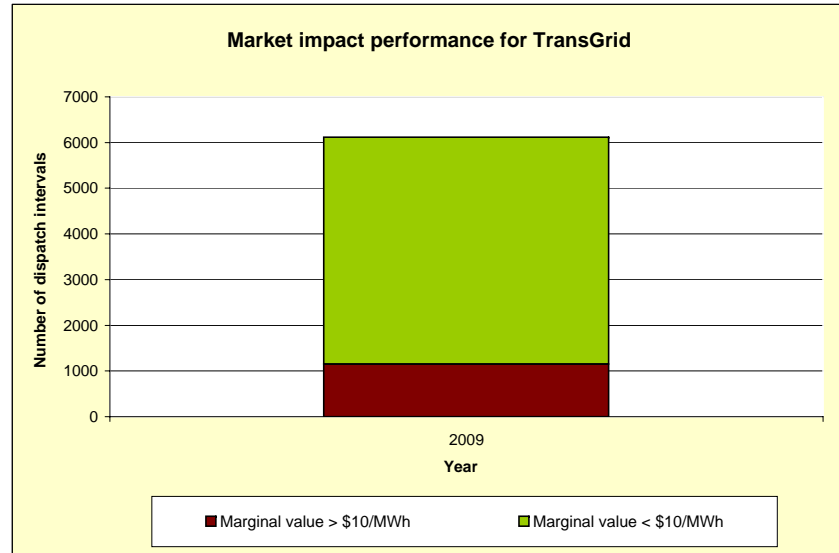
Summary

Date	Marginal value > \$10/MWh	Marginal value < \$10/MWh	Market impact paramters (Hrs)	Non-market impact paramters (Hrs)
2009	1146	4970	95.50	414.17

NOTES:

Yellow cells - Enter market impact parameter performance data

Note: Performance is measured on a calendar year basis.



TRANSGRID- Market Impact parameter s-factor

Performance Targets	Graph start	Target (six months)	Cap	Graph end
market impact parameter	3000	1429	0	0
Parameter weighting	0.00%	0.00%	2.00%	2.00%

Performance Formulae	Formulae				Conditions	S- Calc 1	S- Calc 2
Performance	=	0.000000		When:	1429	< No of dipatch intervals	0.000000
	=	-0.000014	x	no of dipatch intervals	1429	≤ No of dipatch intervals < 0	0.003695
	=	0.020000	+	0.020000		No of dipatch intervals = 0	0.020000

Performance Outcomes		Performance (Without Exclusions)	Performance (Exclusions)
number of dispatch intervals	=	1165	1146
S-Factor	=	0.3695%	0.3961%

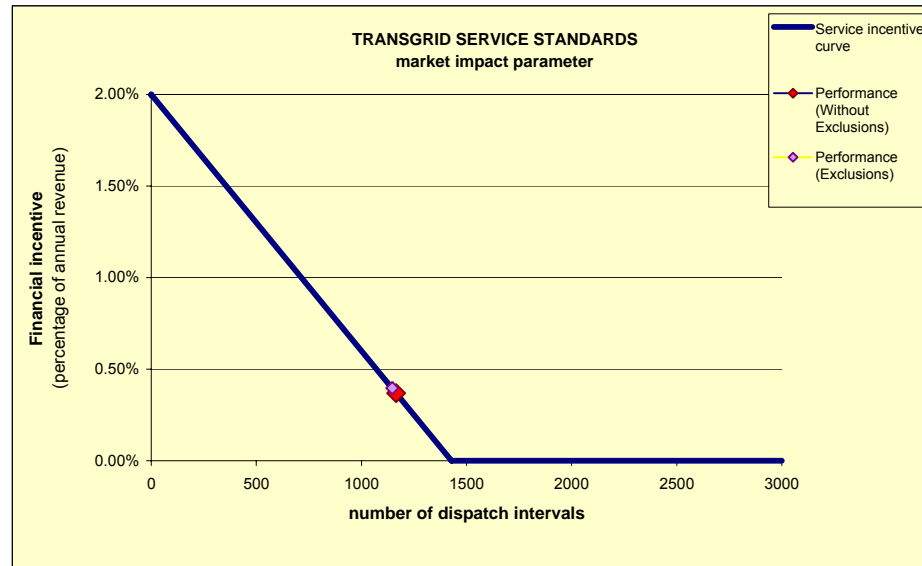
NOTES:

Blue cells show Transgrid's performance target and maximum financial incentive. In accordance with the service target performance incentive scheme, TransGrid's performance target has been halved as performance for 2009-10 has only been measured over a six month period.

Yellow/Green cells show Transgrid's performance formula and related formula conditions based on performance targets and the maximum financial incentive

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



TRANSGRID - Revenue calculation

Revenue cap information	
Base revenue	\$678,400,000
Base year	2009-10
X-factor	-5.61%
Revised X-factor	
Decision CPI	2.47%

Annual revenue adjusted for CPI		Mar-09
CPI		166.2
		2009-10
AR		\$678,400,000

Calendar year revenue		2009
Revenue		\$339,200,000

NOTES:

Grey cells show calendar year revenue

Green cells are for formula

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TRANSGRID- Market impact parameter performance outcomes

Revenue calendar year **\$339,200,000**

Performance parameter	Target (six months)	Performance without exclusions			Performance with exclusions			Impact of exclusions
		Performance	S-Factor	Final Incentive	Performance	S-Factor	Final Incentive	
Market impact parameter	1,429	1165	0.369489%	\$1,253,307	1146	0.396081%	\$1,343,507	0.026592%

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	0.396081%
Bonus for market impact parameter	\$1,343,507
Financial year to affect revenue	2010-11

Service Target Performance Incentive Scheme - Definition of Force Majeure

Definition of Force Majeure	Comments
<p>For the purpose of applying the <i>service target performance incentive scheme</i>, force majeure events means any event, act or circumstance or combination of events, acts and circumstances which (despite the observance of good electricity industry practice) is beyond the reasonable control of the part affected by any such event, which may include, without limitation, the following:</p> <ul style="list-style-type: none"> - fire, lightning, explosion, flood, earthquake, storm, cyclone, action of the elements, riots, civil commotion, malicious damage, natural disaster, sabotage, act of a public enemy, act of God, war (declared or undeclared), blockage, revolution, radioactive contamination, toxic or dangerous chemical contamination or force of nature. - action or inaction by a court, government agency (including denial, refusal or failure to grant any authorisation, despite timely best endeavour to obtain same) - strikes, lockouts, industrial and/or labour disputes and/or difficulties, work bans, blockades, picketing - acts or omissions (other than failure to pay money) of a party other than the TNSP, which party either is connected to or uses the high voltage grid or is directly connected to or uses a system for the supply of electricity that in turn is connected to the high voltage grid - where those acts or omissions affect the ability of the TNSP to perform its obligation under the service standard by virtue of that direct or indirect connection to or use of the high voltage grid <p>In determining what force majeure events should be excluded the AER will consider the following:</p> <ul style="list-style-type: none"> - was the event unforeseeable and its impact extraordinary, uncontrollable and not manageable? - does the event occur frequently? If so, how did the impact of the particular event differ? - could the TNSP, in practice, have prevented the impact (not necessarily the event itself)? - could the TNSP have effectively reduced the impact of the event by adopting better practices? 	