



TEMPLATE EXPLANATION

These templates form part of the information requirements of the AER as part of its annual compliance review against the service standards in Transend's revenue cap decision.

Yellow worksheets (**'Inputs- Performance' and 'Inputs- Exclusions'**) are for inputs, including performance and exclusion information. Transend only needs to enter data on these sheets.

Purple worksheets **'S1' to 'S4'** are the s-factors results based on the performance inputs from the 'Inputs - Performance' sheet.

Blue worksheet **'Revenue Calculation'** quantifies the appropriate revenue to be applied to the s-factor results adjusted for CPI.

Red worksheet **'Outcomes'** shows the total performance, s-factor and financial incentive results based on the TNSP's performance in 'Inputs-Performance' and 'Revenue Calculation.'

Orange worksheet **'Exclusion Definitions'** are the defined exclusions for Transend which should form the basis of exclusion requests under 'Inputs-Exclusions.'

TRANSEND - SERVICE STANDARDS PERFORMANCE 2006

PERFORMANCE MEASURE	S	2006 Performance (Without exclusions)	2006 Performance (With exclusions)
Transmission circuit availability	S1	98.230000%	99.210000%
Transformer availability	S2	98.800000%	98.800000%
Frequency of loss of supply events (Events > 0.1 system minutes)	S4	17.000000	16.000000
Frequency of loss of supply events (Events > 2.0 system minutes)	S3	2.000000	1.000000

Date prepared:	23 January 2007
Revision date:	

NOTES:

Performance should be based on 2006 calendar year data.

Pink cells- Input performance without any events excluded from performance data

Orange cells- Input performance with any proposed events excluded from performance data

Green cell (C12) input date that template data was entered. Enter date of any revisions from original version (C13).

TRANSEND - Proposed exclusions for 2006

CIRCUIT AVAILABILITY MEASURES		Event proposed for exclusion	Description of the event and its impact on the network and performance	Cause of the event	Start date	Start time	End date	End time	Circuit effected	Reactive plant or transformer	Quantitative impact	Reasons for exclusion request	Further references
Name of any circuit availability measures applying to Transend		Name of the event	A brief outline of the event. Such as: the action of any third parties, the actions of the TNSP, assets damaged or interrupted.	A brief description of the cause of the event	Start date and time of event		End date and time of event		Name of circuit affected	Name of any reactive plant or transformer affected	Number of mins interrupted	Reason for excluding this event. Should include a reference to the defined exclusions (see Exclusion definition tab). Eg. Exclusion 1.3 Third party event	A TNSP may provide further details of an exclusion event. TNSP to provide reference.
S1	Transmission circuit availability	Generator Request and Generator Shared	Various, see Outage Month 2006 Spreadsheet	Multiple circuit outages (98), see Outage Month Query 2006 Report for details.					Various	Various	440215 cct mins	Defined Exclusion 1.3 Third Party Outage	For details see Outage Month Query 2006 for AER Report.
		DNSP Request	PROMS 105003 emergency outage at request of DNSP due to miners trapped underground at Beaconsfield.	Transmission line switching was halted while the rescue of trapped miners was in progress.	26/04/2006	7:55	1/06/2006	13:37	Various	Various	81647 cct mins	Defined Exclusion 1.3 Third Party Outage	For details see Outage Month Query 2006 for AER Report.
S2	Transformer availability												

LOSS OF SUPPLY EVENT FREQUENCY		Event proposed for exclusion	Description of the event and its impact on the network and performance	Cause of the event	Start date	Start time	End date	End time	Circuit effected	Loss of Supply		Reasons for exclusion request	Further references
Name of any loss of supply measures applying to Transend		Name of the event	A brief outline of the event. Such as: the action of any third parties, the actions of the TNSP, assets damaged or interrupted.	A brief description of the cause of the event	Start date and time of event		End date and time of event		Name of circuit or plant affected	The loss of supply (system minutes) that resulted from the event		Reason for excluding this event. Should include a reference to the defined exclusions (see Exclusion definition tab). Eg. Exclusion 1.3 Third party event	A TNSP may provide further details of an exclusion event. TNSP to provide reference.
S3	Frequency of loss of supply (events > 0.1 system minutes)	NEMMCO Outage	IR300 - UFLS initiated at various customer sites due to drop in system frequency resulting from Generator and NEMMCO activities.	Frequency excursion due to NEMMCO operation.	23/05/2006	7:59	23/05/2006	8:17	Nil	3.54		Defined Exclusion 3.3 Third party outage	IR300 refers
S4	Frequency of loss of supply (events > 2.0 system minutes)	NEMMCO Outage	IR300 - UFLS initiated at various customer sites due to drop in system frequency resulting from Generator and NEMMCO activities.	Frequency excursion due to NEMMCO operation.	23/05/2006	7:59	23/05/2006	8:17	Nil	3.54		Defined Exclusion 4.3 Third party outage	IR300 refers

NOTES:

This spreadsheet should include a list all events that are proposed for exclusion. This is consistent with the reporting information requirements contained in section 4.2 of the AER's Service Standards Guidelines.

Each proposed exclusion event should include a description of the event, a description of the impact and quantification of the impact on the network and performance. The descriptive elements should also include reasons for the exclusion request making reference to the "Exclusion Definitions" tab.

Each exclusion should be entered onto one row for each measure. Where one exclusion event applies to more than one measure, the relevant details of the event should be entered under each of the measure headings.

The TNSP must provide details for all events requested for exclusion in this template. In the event that the TNSP wishes to provide further details of an exclusion, this should be provided with the TNSP's performance report. The reason

The TNSP must provide details for all events requested for exclusion in this template. In the event that the TNSP wishes to provide further details of an exclusion, this should be provided with the TNSP's performance report. The source of information should be referenced in this template.

Green cells - input description impact

Orange cells - input reasons for the exclusion request

TRANSEND- S1 - Transmission circuit availability

Performance Targets	Graph start	Collar	Target	Knee Bend	Cap	Graph end
Transmission circuit availability	98.75%	98.90%	99.10%	99.20%	99.40%	99.50%
Measure Weighting	-0.25%	-0.25%	0.00%	0.00%	0.25%	0.25%

Performance Formulae	Formulae					Conditions	S- Calc 1	S- Calc 2
Performance	=	-0.002500				When: Availability < 98.90%	-0.002500	-0.002500
	=	1.250000	x	Availability	+	-1.238750 98.90% ≤ Availability ≤ 99.10%	-0.010875	0.001375
	=	0.000000				99.10% ≤ Availability ≤ 99.20%	0.000000	0.000000
	=	1.250000	x	Availability	+	-1.240000 99.20% ≤ Availability ≤ 99.40%	-0.012125	0.000125
	=	0.002500				99.40% < Availability	0.002500	0.002500

Performance Outcomes		Performance (Without Exclusions)	Performance (With Exclusions)
Transmission circuit availability	=	98.230000%	99.210000%
S-Factor Result	=	-0.250000%	0.012500%

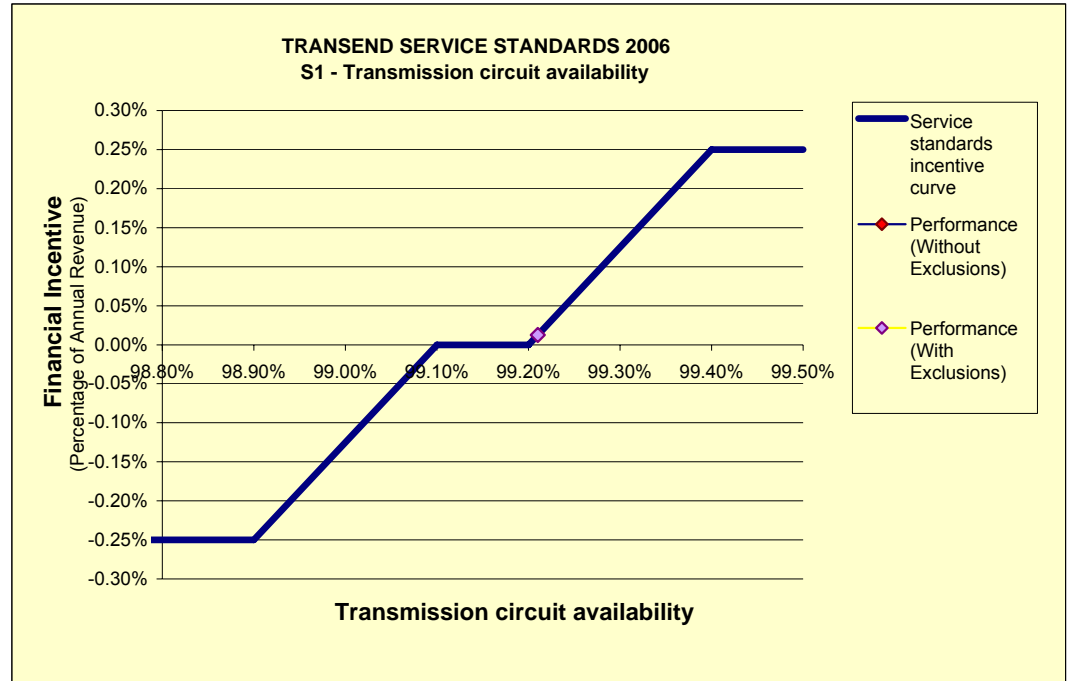
NOTES:

Blue cells show Transend's performance targets (C4:F4) and measure weightings (C5:E5) [See Table 8.4 of revenue cap]

Yellow/Green cells (Rows 8:12) show Transend's performance formulae and related formula conditions based on performance targets and measure weightings

Pink cells (C15, C16) show Transend's performance outcomes without any events excluded from performance data

Orange cells (D15, D16) show Transend's performance outcomes with events excluded from performance data



TRANSEND- S2 - Transformer availability

Performance Targets	Graph start	Collar	Target	Knee Bend	Cap	Graph end
Transformer availability	98.60%	98.80%	99.00%	99.10%	99.50%	99.80%
Measure Weighting	-0.15%	-0.15%	0.00%	0.00%	0.15%	0.15%

Performance Formulae	Formulae					Conditions	S- Calc 1	S- Calc 2
Performance	=	-0.0015				When: Availability < 98.80%	-0.001500	-0.001500
	=	0.7500	x	Availability	+ -0.742500	98.80% ≤ Availability ≤ 99.00%	-0.001500	-0.001500
	=	0.0000				99.00% ≤ Availability ≤ 99.10%	0.000000	0.000000
	=	0.3750	x	Availability	+ -0.371625	99.10% ≤ Availability ≤ 99.50%	-0.001125	-0.001125
	=	0.0015				99.50% < Availability	0.001500	0.001500

Performance Outcomes		Performance (Without Exclusions)	Performance (With Exclusions)
Transformer availability	=	98.800000%	98.800000%
S-Factor	=	-0.150000%	-0.150000%

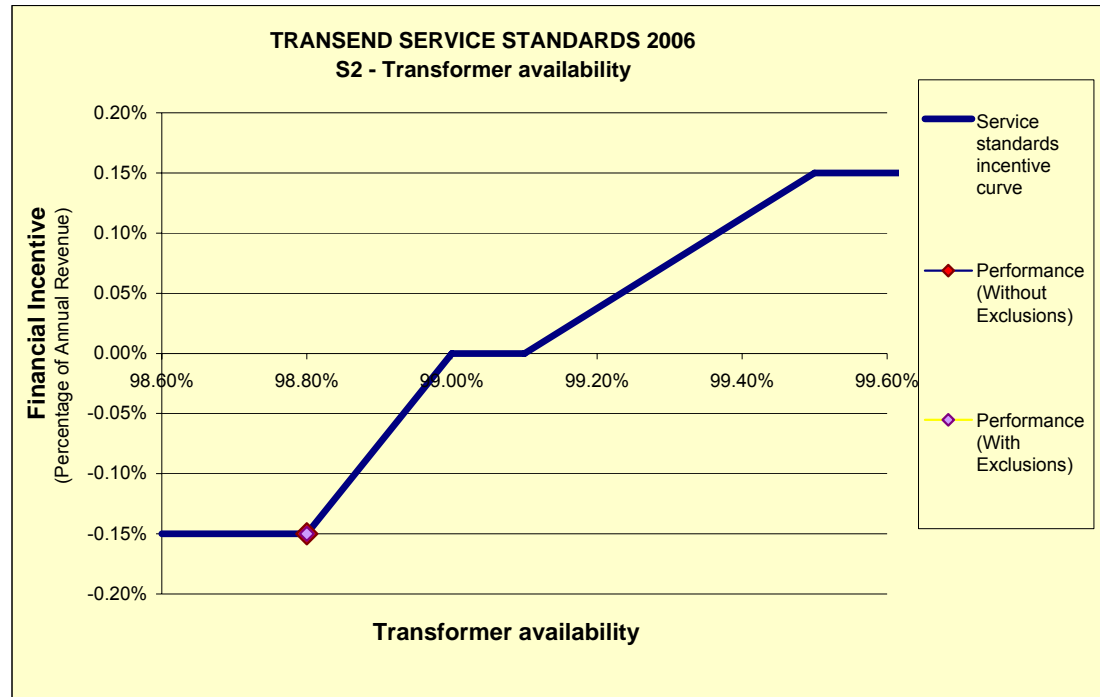
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TRANSEND- S3 - Frequency of loss of supply events (>0.1 system minutes)

Performance Targets	Graph start	Collar	Target	Knee Bend	Cap	Graph end
Frequency of loss of supply events (>0.1 system minutes)	25	20	16	13	9	4
Measure Weighting	-0.20%	-0.20%	0.00%	0.00%	0.20%	0.20%

Performance Formulae	Formulae						Conditions			S- Calc 1	S- Calc 2		
Performance	=	-0.002000					20.00	<	Frequency		-0.002000	-0.002000	
	=	-0.000500	x	Frequency	+	0.008000	16.00	≤	Frequency	≤	20.00	-0.000500	0.000000
	=	0.000000					13.00	≤	Frequency	≤	16.00	0.000000	0.000000
	=	-0.000500	x	Frequency	+	0.006500	9.00	≤	Frequency	≤	13.00	-0.002000	-0.001500
	=	0.002000							Frequency	<	9.00	0.002000	0.002000

Performance Outcomes		Performance (Without Exclusions)	Performance (With Exclusions)
Frequency of loss of supply events (>0.1 system minutes)	=	17.000000	16.000000
S-Factor	=	-0.050000%	0.000000%

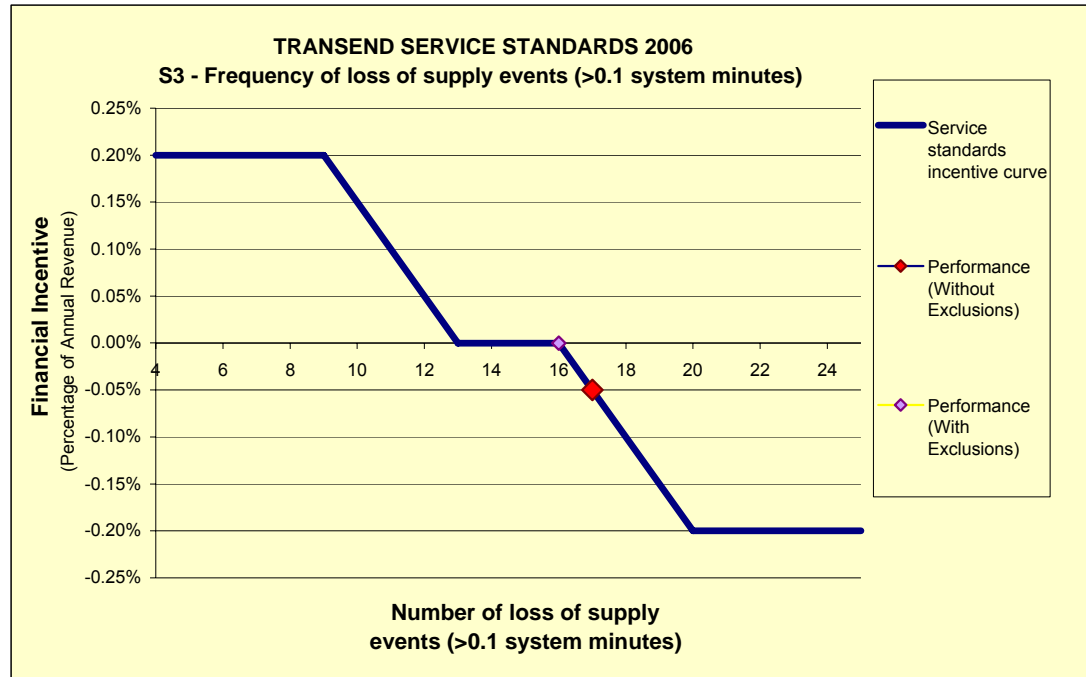
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TRANSEND- S4 - Frequency of loss of supply events (>2.0 system minutes)

Performance Targets	Graph start	Collar	Target	Knee Bend	Cap	Graph end
Frequency of loss of supply events (>2.0 system minutes)	7	5	3	2	0	0
Measure Weighting	-0.40%	-0.40%	0.00%	0.00%	0.40%	0.40%

Performance Formulae	Formulae				Conditions	S- Calc 1	S- Calc 2
Performance	=	-0.004000			5.00 < Frequency	-0.004000	-0.004000
	=	-0.002000	x	Frequency	+ 3.00 ≤ Frequency ≤ 5.00	0.002000	0.004000
	=	0.000000			2.00 ≤ Frequency ≤ 3.00	0.000000	0.000000
	=	-0.002000	x	Frequency	+ 0.00 ≤ Frequency ≤ 2.00	0.000000	0.002000
	=	0.004000			Frequency < 0.00	0.004000	0.004000

Performance Outcomes		Performance (Without)	Performance (With)
Frequency of loss of supply events (>2.0 system minutes)	=	2.000000	1.000000
S-Factor	=	0.000000%	0.200000%

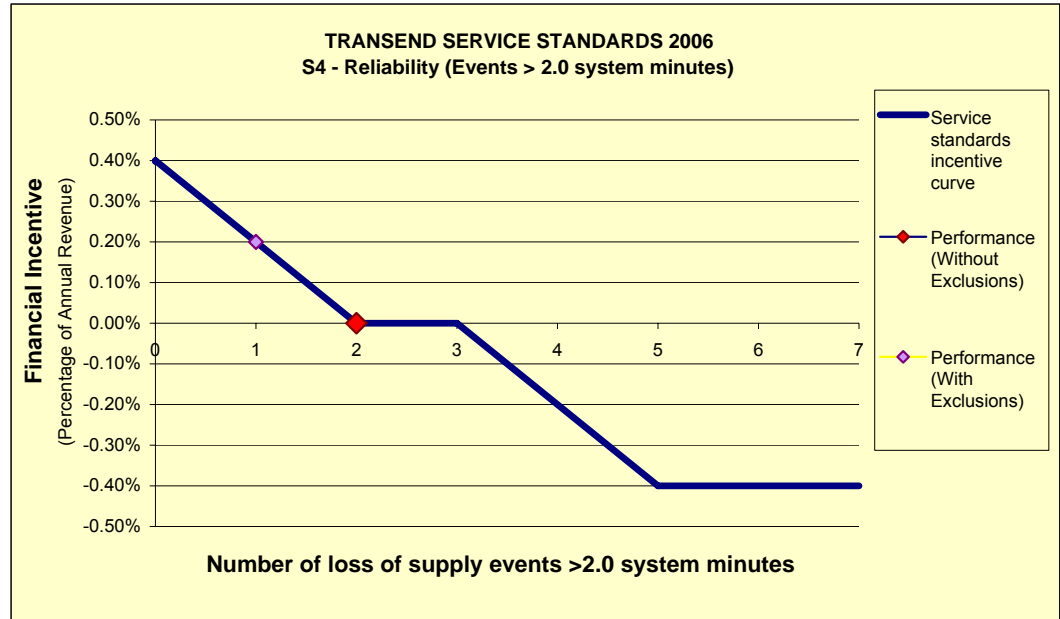
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Yellow/Green cells (Rows 8:12) show Transend's performance formulae and related formula conditions based on performance targets and measure weightings

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TRANSEND - Revenue Calculation

Revenue cap information	
Base revenue (AR) - nominal	\$ 100,200,709
Base year	2003-04
X-factor	-4.15821075%
Commencement of regulatory period	1-Jan-04
End of 2003-04 financial year	30-Jun-04

Annual revenue adjusted for CPI	Mar-03	Mar-04	Mar-05	Mar-06
CPI	141.3	144.1	147.5	151.9
	2003-04	2004-05	2005-06	2006-07
Annual Revenue	\$ 50,100,355	\$ 106,435,407	\$ 113,476,955	\$ 121,721,400

Calendar year revenue	2004	2005	2006
Revenue	\$ 103,318,058	\$ 109,956,181	\$ 117,599,178

NOTES:

Grey cells show calendar year revenue

Green cells are for formula

Blue cells are a drop down menu

TRANSEND- Performance outcomes 2006

Revenue calendar year 2006 (\$) **\$117,599,178**

Performance measure	S	Target	Performance without exclusions			Performance with exclusions			Impact of exclusions
			Performance	S-Factor	Final Incentive	Performance	S-Factor	Final Incentive	
Transmission circuit availability	S1	99.10%	98.230000%	-0.250000%	-\$293,998	99.210000%	0.012500%	\$14,700	0.262500%
Transformer availability	S2	99.00%	98.800000%	-0.150000%	-\$176,399	98.800000%	-0.150000%	-\$176,399	0.000000%
Frequency of loss of supply events (>0.1 system minutes)	S3	16	17	-0.050000%	-\$58,800	16	0.000000%	\$0	0.050000%
Frequency of loss of supply events (>2.0 system minutes)	S4	3	2	0.000000%	\$0	1	0.200000%	\$235,198	0.200000%
TOTALS				-0.450000%	-\$529,196		0.062500%	\$73,499	0.512500%

NOTE:

THIS PAGE WILL AUTOMATICALLY UPDATE BASED ON DATA IN INPUT WORKSHEETS

Grey cell (C3) show relevant calendar year revenue

Green cells (C7:C10) show performance measure targets

Pink cells (Columns D:F) show performance, s-factor results and financial incentive without exclusions

Orange cells (Columns G:I) show performance, s-factor results and financial incentive with exclusions

Blue cells show the impact of exclusions on revenue

Performance outcome for 2006

S-factor	0.062500%
Bonus (penalty)	\$73,499
Financial year to affect revenue	2007-08

TRANSEND - Defined exclusions

Measure 1- Transmission circuit availability			
No.	Defined exclusions	Further description of exclusion	Reference
1.1	Unregulated transmission assets		Appendix G Revenue Cap Decision
1.2	Dedicated connection assets	Exclude dedicated connection assets that supply a customer who has negotiated a higher (or lower) level of service required by the Rules, where a customer has agreed to the cost (or discount) for that higher (or lower) level of service. Any outages caused by a 3rd party such as intertrip signals, generator outage, customer installation, customer request or NEMMCO direction.	Appendix G Revenue Cap Decision
1.3	Third party outage		Appendix G Revenue Cap Decision
1.4	Force majeure		Appendix G Revenue Cap Decision
Measure 2- Transformer availability			
No.	Defined exclusions	Further description of exclusion	Reference
2.1	Unregulated transmission assets		Appendix G Revenue Cap Decision
2.2	Dedicated connection assets	Exclude dedicated connection assets that supply a customer who has negotiated a higher (or lower) level of service required by the Rules, where a customer has agreed to the cost (or discount) for that higher (or lower) level of service. Any outages caused by a 3rd party such as intertrip signals, generator outage, customer installation, customer request or NEMMCO direction.	Appendix G Revenue Cap Decision
2.3	Third party outage		Appendix G Revenue Cap Decision
2.4	Force majeure		Appendix G Revenue Cap Decision
Measure 3- Loss of supply frequency (>0.1 minute)			
No.	Defined exclusions	Further description of exclusion	Reference
3.1	Unregulated transmission assets		Appendix G Revenue Cap Decision
3.2	Dedicated connection assets	Exclude dedicated connection assets that supply a customer who has negotiated a higher (or lower) level of service required by the Rules, where a customer has agreed to the cost (or discount) for that higher (or lower) level of service. Any outages caused by a 3rd party such as intertrip signals, generator outage, customer installation, customer request or NEMMCO direction.	Appendix G Revenue Cap Decision
3.3	Third party outage		Appendix G Revenue Cap Decision
3.4	Planned outages		Appendix G Revenue Cap Decision
3.5	Force majeure		Appendix G Revenue Cap Decision
Measure 4- Loss of supply frequency (>2.0 minute)			
No.	Defined exclusions	Further description of exclusion	Reference
4.1	Unregulated transmission assets		Appendix G Revenue Cap Decision
4.2	Dedicated connection assets	Exclude dedicated connection assets that supply a customer who has negotiated a higher (or lower) level of service required by the Rules, where a customer has agreed to the cost (or discount) for that higher (or lower) level of service. Any outages caused by a 3rd party such as intertrip signals, generator outage, customer installation, customer request or NEMMCO direction.	Appendix G Revenue Cap Decision
4.3	Third party outage		Appendix G Revenue Cap Decision
4.4	Planned outages		Appendix G Revenue Cap Decision
4.5	Force majeure		Appendix G Revenue Cap Decision