TEMPLATE EXPLANATION

This template must be used by Transend to report service performance information for the 2007 calendar year.

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

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

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 Transend's performance in 'Inputs-Performance' and 'Revenue Calculation' worksheets.

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

TRANSEND - SERVICE STANDARDS PERFORMANCE

PERFORMANCE PARAMETERS	S	Performance (Without exclusions)	Performance (With exclusions)
Transmission circuit availability	S1	97.79%	98.99%
Transformer availability	S2	99.47%	99.55%
Frequency of loss of supply events (Events > 0.1 system minutes)	S4	11	10
Frequency of loss of supply events (Events > 2.0 system minutes)	S3	0	0

Date prepared:	14 February 2008
Revision date:	

NOTES:

Pink cells- Input performance without exclusions from performance data

Orange cells- Input performance with exclusions from performance data

Green cells- Input date that template data was entered and date of any revisions from original version.

Performance is measured on a calendar year basis

TRANSEND - Proposed exclusions for 2007

CIRCUIT AVAILABILITY		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	Circuits affected	Reactive plant or transformer	Quantitative impact	Reasons for exclusion request	Further references
		Name of the event	Detail of the event. Such as: the action of any third parties, the actions of the TNSP, assets damaged or interrupted.	A description of the cause of the event	Start date and time of event		End date and time of event		Name of circuits affected	Name of any reactive plant or transformer affected	Number of hours, mins etc interrupted	Full details of the reason/s for excluding this event. Should include a reference to the defined exclusions and explain how it meets this exclusion definition (see Exclusion definition tab). Eg. Exclusion 1.2 Third party event.	A TNSP may provide further details of an exclusion event. TNSP to provide reference.
S1	Transmission circuit availability	Generator Requested outages and Generator Shared outages	Various, see Outage Month Query Data 2007 Spreadsheet	Multiple circuit outages, see Outage Month Query Data 2007 Spreadsheet for details.					Various	Various	636,525 cct minutes	Defined Exclusion 1.3 Third Party Outage	For details see Outage Month Query Data 2007 Spreadsheet.
		Major Industrial (MI) Requested outages	Third party request for circuit outage	Work on third party assets					Various	Various	1,188 cct minutes	Defined Exclusion 1.3 Third Party Outage	For details see Outage Month Query Data 2007 Spreadsheet.
		West Coast Supply Interruption	Force Majeure	Lightning strike	22/02/2007	17:02	22/02/2007	17:35	Various	Various	188 cct minutes	Defined Exclusion 1.4 Force Majeure	For details see Investigation Report IR391 and Outage Month Query Data 2007 Spreadsheet.
S2	Transformer availability	Generator Requested outages and Generator Shared outages	Planned outage of Arthurs Lake AL 110/6.6 kV T1 transformer circuit by Generator	Work on third party assets	15/10/2007	12:00	13/11/2007	12:00		Arthurs Lake AL 110/6.6 kV T1 transformer circuit	41,760 cct minutes	Defined Exclusion 1.3 Third Party Outage	For details see Outage Month Query Data 2007 Spreadsheet.

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	Circuits effected	Maximum system demand	Quantitative impact	Demand shed and time	Reasons for exclusion request	Further references
		Name of the event	Detail 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 circuits or plant affected	The loss of supply (system minutes) that resulted from the event.	Number of hours, mins etc interrupted	The (MW) demand shed and the duration it was shed for.	Full details of the reason/s for excluding this event. Should include a reference to the defined exclusions and explain how it meets this exclusion definition (see Exclusion definition tab). Eg. Exclusion 1.2 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)	West Coast Supply Interruption	Force Majeure	Lightning strike	22/02/2007	17:02	22/02/2007	17:35	Various	1.04	49 minutes	Rosebery 44kV (11.40 MW 37mins), Queenstown (8.66 MW, 27 mins), Newton (3.16 MW, 49 mins), Savage River (19.51 MW, 43 mins), Que (4.74 MW, 43 mins)	Defined Exclusion 1.4 Force Majeure	For details see Investigation Report IR391 and Outage Month Query Data 2007 Spreadsheet.
S4	Frequency of loss of supply (events > 2.0 system minutes)													

NOTES:

This worksheet should include a list all events that are proposed for exclusion.

Each proposed exclusion 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" worksheet.

Each exclusion should be entered onto one row for each parameter. Where one exclusion event applies to more than one parameter, the relevant details of the event should be entered under each of the parameter 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 source of information should be referenced in this template.

Green cells - input description impact

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%
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%	-0.016375	-0.001375
	=	0.000000					99.10% ≤	Availability	≤	99.20%	0.000000	0.000000
	=	1.250000	x	Availability	+	-1.240000	99.20% ≤	Availability	≤	99.40%	-0.017625	-0.002625
	=	0.002500					99.40% <	Availability			0.002500	0.002500

| Performance Outcomes		Performance (Without Exclusions)	Performance (With Exclusions)
Transmission circuit availability	=	97.790000%	98.990000%
S-Factor	=	-0.250000%	-0.137500%

NOTE: This sheet will automatically update based on data in input sheets.

Blue cells show Transend's performance targets and weightings

Yellow/Green cells show Transend's performance formulae and related formula conditions based on performance targets and weightings

Pink cells show Transend's performance outcomes without any events excluded from performance data

Orange cells show Transend's performance outcomes with events excluded from performance data

TRANSEND SERVICE STANDARDS
S1 - Transmission circuit availability
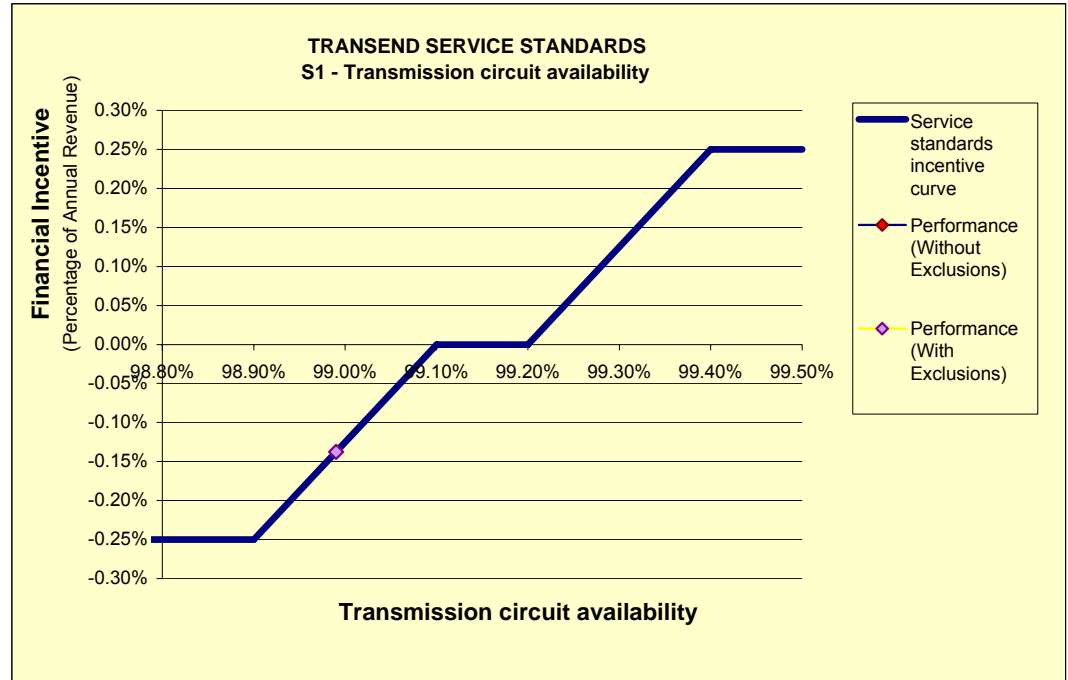
TRANSEND- S2 - Transformer availability

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%
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%	0.003525	0.004125
	=	0.0000					99.00%	≤	Availability	≤	99.10%	0.000000	0.000000
	=	0.3750	x	Availability	+	-0.371625	99.10%	≤	Availability	≤	99.50%	0.001388	0.001688
	=	0.0015					99.50%	<	Availability			0.001500	0.001500

| Performance Outcomes		Performance (Without Exclusions)	Performance (With Exclusions)
Transformer availability	=	99.470000%	99.550000%
S-Factor	=	0.138750%	0.150000%

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Orange cells show Transend's performance outcomes with events excluded from performance data

TRANSEND SERVICE STANDARDS
S2 - Transformer availability
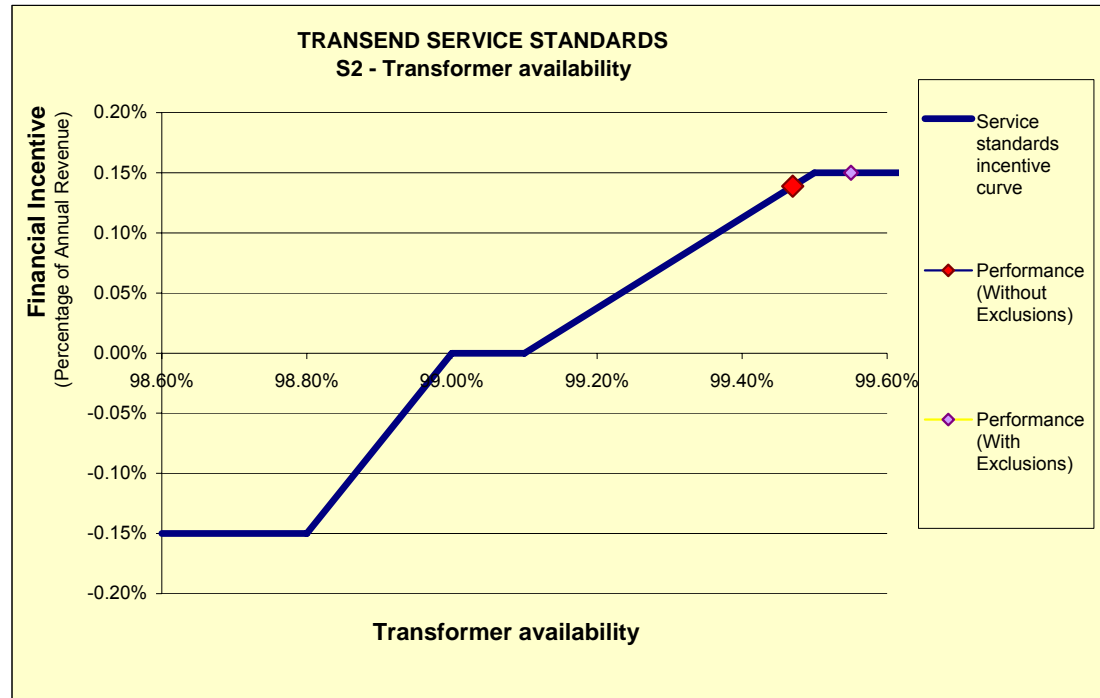
TRANSEND- S3 - Frequency of loss of supply events (>0.1 system minutes)

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
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	0.002500	0.003000
	=	0.000000					13.00	≤	Frequency	≤ 16.00	0.000000	0.000000
	=	-0.000500	x	Frequency	+	0.006500	9.00	≤	Frequency	≤ 13.00	0.001000	0.001500
	=	0.002000							Frequency	< 9.00	0.002000	0.002000

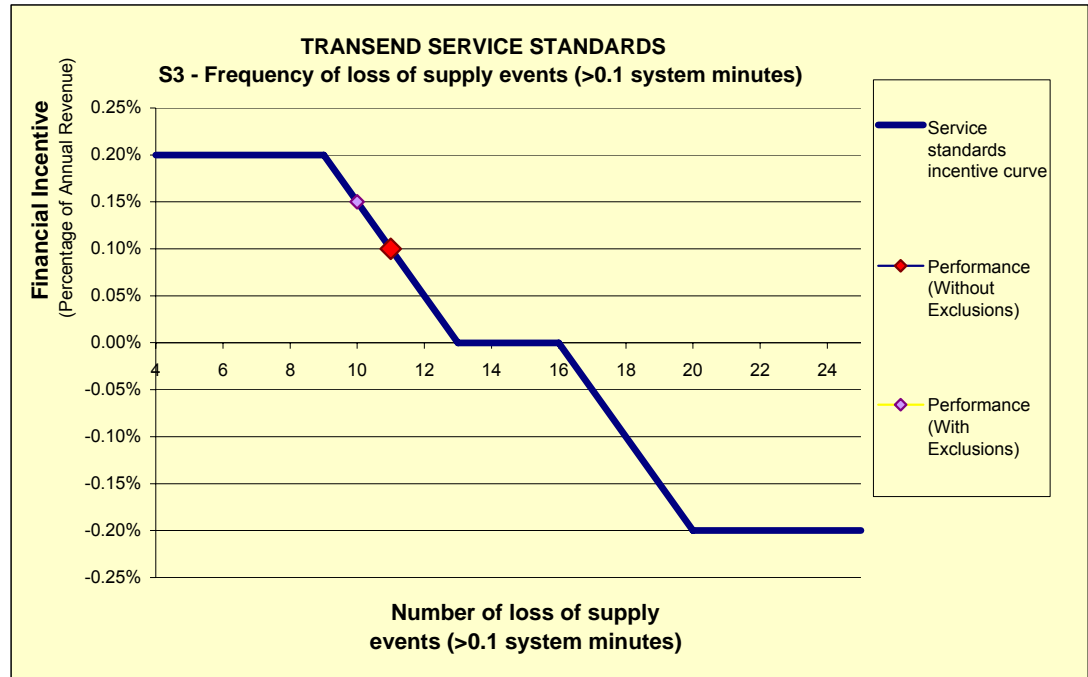| Performance Outcomes		Performance (Without Exclusions)	Performance (With Exclusions)
Frequency of loss of supply events (>0.1 system minutes)	=	11.000000	10.000000
S-Factor	=	0.100000%	0.150000%

NOTE: This sheet will automatically update based on data in input sheets.

Blue cells show Transend's performance targets and weightings

Yellow/Green cells show Transend's performance formulae and related formula conditions based on performance targets and weightings

Pink cells show Transend's performance outcomes without any events excluded from performance data

Orange cells show Transend's performance outcomes with events excluded from performance data

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

Financial Incentive (Percentage of Annual Revenue)

Number of loss of supply events (>0.1 system minutes)

Legend:
— Service standards incentive curve
♦ Performance (Without Exclusions)
◇ Performance (With Exclusions)

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)	?	5	3	2	0	0
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	+	0.006000	3.00	≤	Frequency	≤ 5.00	0.006000	0.006000
	=	0.000000					2.00	≤	Frequency	≤ 3.00	0.000000	0.000000
	=	-0.002000	x	Frequency	+	0.004000	0.00	≤	Frequency	≤ 2.00	0.004000	0.004000
	=	0.004000							Frequency	< 0.00	0.004000	0.004000

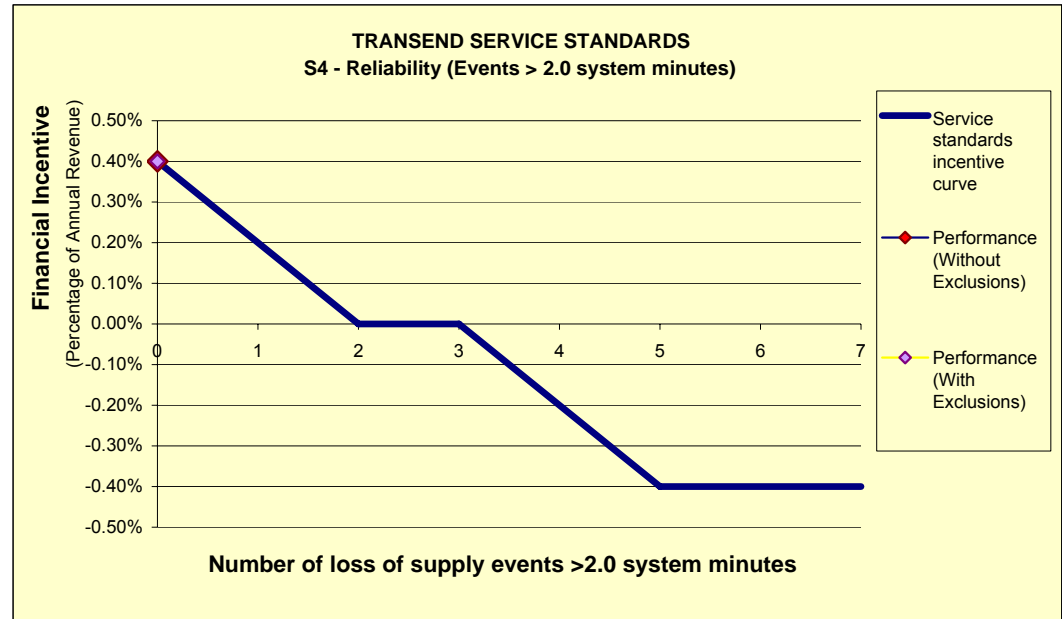| Performance Outcomes		Performance (Without	Performance (With
Frequency of loss of supply events (>2.0 system minutes)	=	0.000000	0.000000
S-Factor	=	0.400000%	0.400000%

NOTE: This sheet will automatically update based on data in input sheets.

Blue cells show Transend's performance targets and weightings

Yellow/Green cells show Transend's performance formulae and related formula conditions based on performance targets and weightings

Pink cells show Transend's performance outcomes without any events excluded from performance data

Orange cells show Transend's performance outcomes with events excluded from performance data

TRANSEND SERVICE STANDARDS
S4 - Reliability (Events > 2.0 system minutes)

Financial Incentive (Percentage of Annual Revenue)

Number of loss of supply events >2.0 system minutes

Legend:
- Service standards incentive curve
- Performance (Without Exclusions)
- Performance (With Exclusions)

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	Mar-07
CPI	141.3	144.1	147.5	151.9	155.6
	2003-04	2004-05	2005-06	2006-07	2007-08
Annual Revenue	$ 50,100,355	$ 106,435,407	$ 113,476,955	$ 121,721,400	$ 129,871,025

Calendar year revenue		2004	2005	2006	2007
Revenue		$ 103,318,058	$ 109,956,181	$ 117,599,178	$ 125,796,213

NOTES:

This sheet will automatically update based on data on input sheets.

Grey cells show calendar year revenue

Green cells are for formula

TRANSEND- Performance outcomes

Revenue calendar year ($)	$125,796,213

Performance parameter	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%	97.790000%	-0.250000%	-$314,491	98.990000%	-0.137500%	-$172,970	0.112500%
Transformer availability	S2	99.00%	99.470000%	0.138750%	$174,542	99.550000%	0.150000%	$188,694	0.011250%
Frequency of loss of supply events (>0.1 system minutes)	S3	16	11	0.100000%	$125,796	10	0.150000%	$188,694	0.050000%
Frequency of loss of supply events (>2.0 system minutes)	S4	3	0	0.400000%	$503,185	0	0.400000%	$503,185	0.000000%
TOTALS				0.388750%	$489,033		0.562500%	$707,604	0.173750%

NOTE: This sheet will automatically update based on data in input sheets.

Grey cell shows relevant calendar year revenue

Green cells show performance parameter 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	0.562500%
Bonus (penalty)	$707,604
Financial year to affect revenue	2008–09

TRANSEND - Defined exclusions

No.	Measure 1- Transmission circuit availability		
	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.	Appendix G Revenue Cap Decision
1.3	Third party outage	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
1.4	Force majeure		Appendix G Revenue Cap Decision

	Measure 2- Transformer availability		
	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.	Appendix G Revenue Cap Decision
2.3	Third party outage	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
2.4	Force majeure		Appendix G Revenue Cap Decision

	Measure 3- Loss of supply frequency (>0.1 minute)		
	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.	Appendix G Revenue Cap Decision
3.3	Third party outage	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
3.4	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)		
	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.	Appendix G Revenue Cap Decision
4.3	Third party outage	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
4.4	Planned outages		Appendix G Revenue Cap Decision
4.5	Force majeure		Appendix G Revenue Cap Decision