

Our Ref: E2009/875
Contact Officer: Pradeep Fernando
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30 April 2010

Mr Trevor Armstrong
Executive General Manager
System Planning and Regulation
EnergyAustralia
Level 9, 570 George Street
SYDNEY, NSW 2000

Dear Mr ^{Trevor}Armstrong

Transmission service standards 2009


I am writing to inform you of the outcome of the Australian Energy Regulator's (AER) review of EnergyAustralia's performance against the service standards incentive scheme for the 2009 calendar year. I note that the incentive scheme only applies to EnergyAustralia in the first half of the 2009 calendar year as the second half is subject to the AER's distribution determination for the period 2009–2014.

In conducting the review, the AER staff considered EnergyAustralia's revenue cap decisions (27 April 2005), EnergyAustralia's service standards report (submitted 1 February 2010) and the AER's *Service standards guideline*.

Following the review of EnergyAustralia's performance report for 2009 and supporting information, I endorse EnergyAustralia using a service standards factor of 0.377 per cent for the 2009 calendar year, resulting in a financial incentive adjustment of \$252 182 to apply to its maximum allowed revenue for the 2010–11 financial year.

I would like to thank you for your staff's open and active participation and assistance, notably the prompt provision of information throughout this years review process. Should you have any queries, please contact Pradeep Fernando on (02) 6243 1264 to discuss further.

Yours sincerely


Mike Buckley
General Manager
Network Regulation North