



# **DRAFT DECISION**

## **TasNetworks Transmission Determination 2019 to 2024**

### **Attachment 10 Service target performance incentive scheme**

September 2018

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AER reference 60153

## Note

This attachment forms part of the AER's draft decision on TasNetworks' 2019–24 transmission determination. It should be read with all other parts of the draft decision.

The draft decision includes the following attachment:

Overview

Attachment 1 – Maximum allowed revenue

Attachment 2 – Regulatory asset base

Attachment 3 – Rate of return

Attachment 4 – Regulatory depreciation

Attachment 5 – Capital expenditure a

Attachment 6 – Operating expenditure

Attachment 7 – Corporate income tax

Attachment 8 – Efficiency benefit sharing scheme

Attachment 9 – Capital expenditure sharing scheme

Attachment 10 – Service target performance incentive scheme

Attachment 11 – Pricing methodology

Attachment 12 – Pass through events

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## Shortened forms

| Shortened form | Extended form                                      |
|----------------|--|
| AEMC           | Australian Energy Market Commission                |
| AEMO           | Australian Energy Market Operator                  |
| AER            | Australian Energy Regulator                        |
| capex          | capital expenditure                                |
| CCP            | Consumer Challenge Panel                           |
| CCP13          | Consumer Challenge Panel, sub panel 13             |
| CESS           | capital expenditure sharing scheme                 |
| CPI            | consumer price index                               |
| DMIAM          | demand management innovation allowance (mechanism) |
| DMIS           | demand management incentive scheme                 |
| EBSS           | efficiency benefit sharing scheme                  |
| ERP            | equity risk premium                                |
| F&A            | framework and approach                             |
| MAR            | maximum allowed revenue                            |
| NEL            | national electricity law                           |
| NEM            | national electricity market                        |
| NEO            | national electricity objective                     |
| NER            | national electricity rules                         |
| opex           | operating expenditure                              |
| RBA            | Reserve Bank of Australia                          |
| RIN            | regulatory information notice                      |
| STPIS          | service target performance incentive scheme        |
| TNSP           | transmission network service provider              |
| TUoS           | transmission use of system                         |

## 10 Service target performance incentive scheme

The service target performance incentive scheme (STPIS) provides a financial incentive to transmission network services providers (TNSPs) to maintain and improve service performance. The current version of the STPIS, version 5, includes three components: a service component, market impact component and network capability component.<sup>1</sup>

The service component provides a reward/penalty of +/- 1.25 per cent of Maximum Allowable Revenue (MAR) to improve network reliability, by focussing on unplanned outages. The service component is designed to encourage TNSPs to seek to reduce the number of unplanned network outages and to promptly restore the network in the event of unplanned outages that result in supply interruptions. This component is also designed to indicate potential reliability issues.

The market impact component (MIC) provides an incentive to TNSPs to minimise the impact of transmission outages that can affect wholesale market outcomes. The MIC measures performance against the market impact parameter which is the number of dispatch intervals where an outage on the TNSP's network results in a network outage constraint with a marginal value greater than \$10/MWh (MIC count).<sup>2</sup>

Each TNSP's annual MIC count is measured against its target, where the target is calculated by averaging the median five of the last seven years' performance.<sup>3</sup> Further, the dollars per dispatch interval (\$/DI) associated with the reward/penalty for each count can be directly calculated for the regulatory control period from the MIC target, and the MAR. Both the target and the \$/DI are fixed for the regulatory control period.

TNSPs receive a reward or penalty of up to 1 per cent of MAR for the relevant calendar year. Under clause 4.2(a) of the STPIS, a TNSP must submit, in its revenue proposal, data for the preceding seven calendar years to calculate the target as noted above.

The network capability component is designed to encourage TNSPs to develop projects (up to a total of one per cent of the proposed MAR per year) in return for a pro-rata incentive payment of up to 1.5 per cent of MAR depending on the successful completion of proposed projects. This component encourages TNSPs to examine their networks to identify suitable low cost one-off operational and capital expenditure projects that improve the capability of the transmission network at times when it is most needed.

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<sup>1</sup> AER, *Final – Service Target Performance Incentive Scheme*, October 2015, cl. 2.2(a)(1–3).

<sup>2</sup> AER, *Final – Service Target Performance Incentive Scheme*, October 2015, Appendix C.

<sup>3</sup> The target is to be calculated from the average of the five values remaining from the last seven years of data excluding the largest and smallest annual values. Clause 4.2(f)(1) of the STPIS.

## 10.1 Draft decision

We will apply all components of version 5 of the STPIS to TasNetworks for the 2019–24 regulatory control period in accordance with our Framework and Approach for TasNetworks.

Our draft decision is based on the 2011–2017 audited data and are outlined in the tables below. For the final decision, we require TasNetworks to submit its 2018 data under version 5 of the STPIS with its revised revenue proposal.

**Table 10-1 Draft decision — Service Component Caps, floors and targets for 2018/19 – 2022/23**

| Parameter   | Floor  | Target | Cap   |
|---|--------|--------|-------|
| <b>Average circuit outage rate</b>                                |        |        |       |
| Lines event rate – fault  | 33.46% | 18.52% | 8.86% |
| Transformer event rate – fault                                    | 14.41% | 9.52%  | 6.01% |
| Reactive plant outage rate - fault                                | 39.90% | 13.32% | 0.68% |
| Lines outage rate - forced  | 17.38% | 9.54%  | 2.64% |
| Transformer outage rate - forced                                  | 18.62% | 11.54% | 4.80% |
| Reactive plant outage rate - forced                               | 89.87% | 30.00% | 1.54% |
| <b>Loss of supply events</b>                                      |        |        |       |
| > (x) system minutes  | 10     | 6.0    | 2     |
| > (y) system minutes  | 5      | 2.0    | 0     |
| Average outage duration (minutes)                                 | 464.02 | 172.4  | 14.30 |
| <b>Proper operation of equipment</b>                              |        |        |       |
| Failure of protection system                                      | 8      | 4.0    | 1     |
| Material failure of SCADA   | 6      | 3.0    | 0     |
| Incorrect operational isolation of primary or secondary equipment | 12     | 7.0    | 3     |

Source: AER analysis

**Table 10-2 Draft decision — MIC parameter values for 2018/19 – 2022/23**

| Calendar year                         | adjusted performance count |
|---------------------------------------|----------------------------|
| Target (draft decision, place holder) | 1559                       |
| Cap for unplanned outages             | 267                        |
| Dollar per dispatch interval          | \$1,078                    |

Source: AER analysis

**Table 10-3 Draft decision — Network capability priority projects for 2018/19 – 2022/23 (\$2018-19)**

| Priority projects ranking assigned by TasNetworks | Project   | Description  | Improvement target  | Capex \$  | Opex \$ | Total \$  |
|---|---|--|---|-----------|---------|-----------|
| 2   | Weather Station for Burnie-Smithton 110 kV transmission corridor                                    | Install a new weather station near Smithton to enable dynamic rating of Burnie Smithton and Burnie–Port Latta–Smithton 110 kV transmission circuits  | Dynamic thermal ratings to the Burnie–Smithton and Burnie–Port Latta–Smithton 110 kV transmission circuits, resulting in an expected average 26 MVA increase to line thermal capacity.  | 364,927   | 1,825   | 366,752   |
| 3   | Lightning Withstand Capability Improvement on Norwood–Scottsdale–Derby 100 kV Transmission Corridor | Improve footing resistance to the earth at selected towers on the Norwood–Scottsdale–Derby 110 kV transmission circuits to improve power transfer capacity and circuit availability.                 | With improved footing resistance, Norwood–Scottsdale 110 kV circuits will be able to withstand 98% of lightning strikes.  | 800,000   | 0       | 800,000   |
| 5   | Transmission Line Ground Clearances Improvement Program   | This project aims to improve ground clearances at identified sites on the 110 kV and 220 kV transmission lines by ground profiling, conductor tensioning, waist extension and raising tower heights. | Improved ground clearances to re-establish transmission circuit operation to its design temperature; thereby increasing transmission capacity, decreasing safety and environmental risks and meeting transmission circuit clearance compliance. | 3,000,000 | 0       | 3,000,000 |
| Total   |   |  |   | 4,164,927 | 1,825   | 4,166,752 |

## 10.2 TasNetworks proposal

TasNetworks' revenue proposal adopted our Framework and Approach paper and proposed to apply version 5 of the STPIS to all components. It accepted the application of STPIS version 5 and also submitted two changes to the STPIS for consideration. Firstly, it proposed common reporting periods for the transmission and distribution STPIS. Secondly, TasNetworks applied to strengthen the loss of supply event



measurement threshold in the service component to increase the incentive to improve that parameter.<sup>4</sup>

## 10.3 Assessment approach

A revenue determination for a TNSP is to specify, amongst other things, the annual building block revenue requirement for each regulatory year of the regulatory control period.<sup>5</sup> In turn, the annual building block revenue requirement must be determined using a building blocks approach, under which one of the building blocks is the revenue increments or decrements (if any) for that year arising from the application of any STPIS (and other schemes).<sup>6</sup> We have assessed TasNetworks' revenue proposal against the requirements of version 5 of the STPIS.

### 10.3.1 Service component

We assessed whether TasNetworks' proposed performance targets, caps and floors comply with the STPIS requirements for:<sup>7</sup>

- average circuit outage rate, with six sub parameters<sup>8</sup>
- loss of supply event frequency, with two loss of supply event sub-parameters<sup>9</sup>
- average outage duration
- proper operation of equipment, with three sub-parameters.<sup>10</sup>

Under the STIPIS, we must accept TasNetworks' proposed parameter values if they comply with the requirements of the STPIS. We may reject them if they are inconsistent with the objectives of the STPIS.<sup>11</sup> We measure actual performance for the 'average circuit outage rate' and 'average outage duration' parameters on a two calendar year rolling average in accordance with appendix E of the STPIS.

We assessed TasNetworks' service component proposal against the requirements of the STPIS — that is, whether:

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<sup>4</sup> TasNetworks, Revenue Proposal, Transmission STPIS transitional approach Regulatory Control Period: 1 July 2019 to 30 June 2024, January 2018, p. 4.

<sup>5</sup> NER, cl. 6A.4.2(a)(2).

<sup>6</sup> NER, cll. 6A.5.4(a)(5), 6A.5.4(b)(5) and 6A.7.4.

<sup>7</sup> AER, *Final – Service Target Performance Incentive Scheme*, October 2015, clause 3.2.

<sup>8</sup> Six parameters include Line event rate–fault, Reactive plant event rate – fault, Lines event rate – forced, Transformer event rate –forced and Reactive plant event rate – forced.

<sup>9</sup> They are the number of events greater than 0.01 system minutes per annum and the number of events greater than 1.00 system minutes per annum.

<sup>10</sup> They are failure of protection system, material failure of SCADA system and incorrect operational isolation of primary or secondary equipment.

<sup>11</sup> AER, *Final – Service Target Performance Incentive Scheme*, October 2015, cl. 3.2.

- TasNetworks' data recording systems and processes produce accurate and reliable data and whether the data is recorded consistently based on the parameter definitions under the STPIS<sup>12</sup>
- the proposed performance targets were equal to the average of the most recent five years of performance data<sup>13</sup>
- any adjustments to the proposed targets are warranted and reasonable<sup>14</sup>
- TasNetworks' applied a sound methodology, with reference to the performance targets, to calculate the proposed caps and floors<sup>15</sup>
- any adjustment to a performance target was applied to the cap and floor of that parameter.<sup>16</sup>

### 10.3.2 Market impact component

We assessed TasNetworks' market impact component proposal against the requirements of the STPIS — that is, whether:

- data used to calculate the market impact parameter is accurate and reliable, and consistently recorded based on the parameter definition in Appendix C<sup>17</sup>
- the proposed performance target was calculated in accordance with the requirements of clause 4.2(f) in version 5 of the STPIS
- the proposed unplanned outage event limit has been calculated in accordance with the requirements of clause 4.2(h) in version 5 of the STPIS
- the proposed dollar per dispatch interval has been calculated in accordance with clause 4.2(j) in version 5 of the STPIS.

Where TasNetworks' proposed values for the market impact parameter do not comply with the requirements of the STPIS or is otherwise inconsistent with the objectives of the scheme<sup>18</sup>, we will reject the proposed values and provide substitute values which comply with the STPIS.

### 10.3.3 Network capability component

We assessed TasNetworks' network capability component against the STPIS requirements to take into account:<sup>19</sup>

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<sup>12</sup> AER, *Final – Service Target Performance Incentive Scheme*, October 2015, cl. 3.2(d).

<sup>13</sup> AER, *Final – Service Target Performance Incentive Scheme*, October 2015, cl. 3.2(g).

<sup>14</sup> AER, *Final – Service Target Performance Incentive Scheme*, October 2015, cl. 3.2(j).

<sup>15</sup> AER, *Final – Service Target Performance Incentive Scheme*, October 2015, cl. 3.2(e).

<sup>16</sup> AER, *Final – Service Target Performance Incentive Scheme*, October 2015, cl. 3.2(e).

<sup>17</sup> AER, *Final – Service Target Performance Incentive Scheme*, October 2015, cl. 4.2(c).

<sup>18</sup> AER, *Final – Service Target Performance Incentive Scheme*, October 2015, cl 4.2(d).

<sup>19</sup> AER, *Final – Service Target Performance Incentive Scheme*, October 2015, cll. 5.2(l) and 5.2(m).

- the likely effect of the priority project improvement on wholesale market outcomes, including inter-regional outcomes
- the likely effect of the priority project improvement in ensuring that the transmission network can meet demand at an injection point without major network augmentation or replacement
- whether the priority project improvement is appropriate, taking into account the forecast changes in demand at a relevant injection point
- the benefits to consumers resulting from the priority project improvement
- the extent to which a TNSP would be incentivised or required to undertake such a project under the NER or any other applicable regulatory obligations
- the time taken for a project to have a net positive benefit
- any relevant information contained in the TNSP's most recent annual planning report.

## 10.4 Interrelationships

The STPIS takes into account any other incentives provided for in the NER that TNSPs have to minimise capital or operating expenditure. One of the objectives of the STPIS is to assist in the setting of efficient capital and operating expenditure allowances by balancing the incentive to reduce actual expenditure with the need to maintain and improve reliability for customers and reduce the market impact of transmission congestion.

The STPIS will interact with the Capital Expenditure Sharing Scheme (CESS) and the opex Efficiency Benefit Sharing Scheme (EBSS). The STPIS allows us to adjust the performance targets of the service component for the expected effects on the TNSP's performance from any increases or decreases in the volume of capital works planned during the regulatory control period. In conjunction with CESS and EBSS, the STPIS will ensure that:

- any additional investments to improve service quality are based on prudent economic decisions
- reductions in capex and opex are achieved efficiently, rather than at the expense of service levels to the network users.

## 10.5 Reasons for draft decision

We will apply version 5 of the STPIS to TasNetworks and the reasons for our draft decision are outline below.

Our draft decision is based on the relevant data for the 2011–2017 years. We require TasNetworks to submit its 2018 data under version 5 of the STPIS with its revised revenue proposal for the final decision.

## 10.5.1 Service component

Performance targets must equal the TNSP's average performance history over the past five years unless they are subject to adjustment under clause 3.2(i) or (j) of the STPIS.<sup>20</sup> We generally approve performance targets that are the arithmetic mean of the past five years' performance data.

We accept TasNetworks' performance targets for the next regulatory control period as it is consistent with the methodology outlined in version 5 of the STPIS.

### Caps and floors

Proposed caps and floors must be calculated with reference to the proposed performance targets using a sound methodology. We have generally accepted approaches that use five years of performance data to determine a statistical distribution that best fits that data—with the caps and floors set at two standard deviations either side of the mean (if using a normal distribution); or at the 5th and 95th percentiles (if using a distribution other than the normal distribution).

We tested TasNetworks' data using our @risk software to calculate the caps and floors. Our outputs were not consistent with TasNetworks' revenue proposal because TasNetworks appears to have:

- Selected targets based on the (rounded) average of the raw data
- Generally selected caps and floors based on taking the target and adding or subtracting one (rounded) standard deviation of the raw data. Where this would have given a cap with a negative value TasNetworks has instead given a value of zero to the cap, and changed the floor to be the same distance from the target as the cap.

As such, we consider TasNetworks' method unsound and is not consistent with the STPIS.<sup>21</sup> Our draft decision is thus to calculate the caps and floors using a fitted distribution and 5th, 50th and 95th percentiles of that fitted distribution and not based solely on the underlying raw data and simple addition and subtraction of one standard deviation. This is consistent with our other transmission determinations on STPIS.

Table 10-4 sets out the caps and floors for TasNetworks.

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<sup>20</sup> AER, *Final – Service Target Performance Incentive Scheme*, October 2015, cl. 3.2.

<sup>21</sup> AER, *Final – Service Target Performance Incentive Scheme*, October 2015, cl. 3.2 (e)

**Table 10-4 Draft decision — Caps and floors and targets for 2018/19 – 2022/23**

| Average circuit outage rate                                       | Distribution             | Floor  | Cap   |
|---|--------------------------|--------|-------|
| <b>Average circuit outage rate</b>                                |                          |        |       |
| Lines event rate – fault  | Lognorm                  | 33.46% | 8.86% |
| Transformer event rate – fault                                    | Pearson5                 | 14.41% | 6.01% |
| Reactive plant outage rate - fault                                | Exponential (1st on AIC) | 39.90% | 0.68% |
| Lines outage rate - forced  | Triangular               | 17.38% | 2.64% |
| Transformer outage rate - forced                                  | Weibull                  | 18.62% | 4.80% |
| Reactive plant outage rate - forced                               | Exponential              | 89.87% | 1.54% |
| <b>Loss of supply events</b>                                      |                          |        |       |
| > (x) system minutes  | Poisson                  | 10     | 2     |
| > (y) system minutes  | Poisson                  | 5      | 0     |
| Average outage duration (minutes)                                 | Weibull                  | 464.02 | 14.30 |
| <b>Proper operation of equipment</b>                              |                          |        |       |
| Failure of protection system                                      | Poisson                  | 8      | 1     |
| Material failure of SCADA   | Poisson                  | 6      | 0     |
| Incorrect operational isolation of primary or secondary equipment | Poisson                  | 12     | 3     |

Source: AER analysis

### A reduction in the loss of supply event frequency thresholds

TasNetworks' revenue proposal considered that a performance measure that identifies loss of supply events that exceed x and y thresholds of 0.1 and one system minutes, respectively are inappropriate. It stated, inter alia, that the parameters do not provide appropriate incentives to improve and maintain performance. In effect, the parameters provide an 'all or nothing' incentive scheme with limited scope to manage network service performance over time.<sup>22</sup>

We consider this to be an issue with the scheme rather than a regulatory determination issue. This proposed change will require an alteration to the transmission STPIS, which will require comprehensive stakeholder consultation prior to implementation.

<sup>22</sup> TasNetworks, Revenue Proposal, Transmission STPIS transitional approach Regulatory Control Period: 1 July 2019 to 30 June 2024, January 2018, pp. 4–5.

Consequently, we intend to consider this issue when we review the transmission STPIS in the future.

### Common reporting periods for transmission and distribution

TasNetworks' revenue proposal submitted a proposal to align the transmission performance reporting of the STPIS with the distribution STPIS to a financial year basis. It also outlined an approach to transition the service components parameters to cater for the proposed change.<sup>23</sup>

We consider this also an issue with the scheme and guideline design rather than a regulatory determination issue. This proposed change will require an alteration to the information guidelines, transmission STPIS and Regulatory Information Notice that will require extensive stakeholder consultation prior to implementation.

STPIS requires that TNSPs report their performance on a calendar year basis. To change this, we need to amend the STPIS and our information guidelines—which require TNSPs to provide information on their performance on a calendar year basis. We explored the idea of moving to a financial year assessment in our final decision for STPIS version 5.<sup>24</sup> However, we did not do so at that time as it required amending the information guidelines, which was beyond the scope of that review.

Further, changing from calendar year to financial year measurement approach would introduce a 6-month gap for the transition. The treatment of this 6-month transition period must also be considered as a part of the proposed change.

### 10.5.2 Market impact component

TasNetworks' revenue proposal submitted that the performance target to apply for the next regulatory control period will be based on average performance of the median five years from 2011–17. The final performance targets for the next regulatory control period require 2018 data which is currently not available and will be decided in our final decision.

We reviewed the data provided by TasNetworks for the calculation of its MIC target, Cap for unplanned outages, and Dollar per Dispatch Interval for the next regulatory control period. We found that the information and calculation methods are consistent with the scheme's requirements.

The placeholder performance targets to apply are at Table 10-2.

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<sup>23</sup> TasNetworks, Revenue Proposal, Transmission STPIS transitional approach Regulatory Control Period: 1 July 2019 to 30 June 2024, January 2018, p. 4 and 6–8.

<sup>24</sup> AER, *Final Decision Electricity transmission network service providers' service target performance incentive scheme*, September 2015, p. 44.

## 10.5.3 Network capability component

### 10.5.3.1 Approved Network capability priority projects

We accept the following projects in TasNetworks' Network Capability Incentive Parameter Action Plan (NCIPAP) because they meet the objectives of the STPIS. Table 10-3 above, outlined the values of these projects.

#### Weather Station for Burnie-Smithton 110 kV transmission corridor

This project involves installing a new weather station near Smithton to enable dynamic rating of Burnie Smithton 110 kV transmission line. It will enable dynamic rating of the Burnie-Smithton transmission circuit by changing current AEMO workbook rating to thermal rating calculator program.<sup>25</sup>

AEMO considered that a 30 MW of additional new generation can be dispatched once the dynamic rating is applied to the Burnie-Smithton 110 kV transmission circuit.<sup>26</sup>

We agree with AEMO's assessment and consider this project will meet the STPIS requirement to facilitate improvements in the capability of transmission assets.<sup>27</sup>

#### Lightning withstand capability improvement on Norwood-Derby-Scottsdale 110 kV transmission corridor

This project aims to improve footing earthing at selected towers on the Norwood Scottsdale Derby transmission circuits. This is likely to reduce the unplanned outages and re-classification of transmission circuit due to lightning strikes.

AEMO considered that this would improve transfer capability and accepted the cost benefits analysis. We agree with AEMO's findings and accept this priority project because it met the STPIS requirement to facilitate improvements in the capability of transmission assets.<sup>28</sup>

#### Transmission line ground clearances improvement program

This project aims to improve ground clearances at identified sites on the 110 kV and 220 kV transmission lines by ground profiling, conductor tensioning, waist extension and raising tower heights.

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<sup>25</sup> AEMO, AEMO review of TasNetworks' Network Capability Incentive Parameter Action Plan (NCIPAP) for 1 July 2019 to 30 June 2024, 18 December 2017, p. 2.

<sup>26</sup> AER, Final – Service Target Performance Incentive Scheme, October 2015, cl. 5.2(l).

<sup>27</sup> AER, Final – Service Target Performance Incentive Scheme, October 2015, cl. 5.2(l).

<sup>28</sup> AER, Final – Service Target Performance Incentive Scheme, October 2015, cl. 5.2(n); AEMO, AEMO review of TasNetworks' Network Capability Incentive Parameter Action Plan (NCIPAP) for 1 July 2019 to 30 June 2024, 18 December 2017, p. 2.

AEMO considered that this project will improve safety, reliability of supply and transfer capability.<sup>29</sup>

We accept this project as it met the STPIS requirement to facilitate improvements in the capability of transmission assets and provides increased transfer levels of hydro generation.<sup>30</sup>

### 10.5.3.2 Not approved network capability priority projects

We have not approved the following TasNetworks' network capability priority projects for the next regulatory control period.

#### Waratah Tee Switching Station disconnecter motorisation

This project involves replacing manually operated disconnectors at the Waratah Tee Switching Station with remotely-operated, motorised disconnectors. It also involves the installation of AC and DC supplies and telecommunications to Waratah Tee Switching Station.

AEMO considered that the benefit should be reduced unserved energy (USE).<sup>31</sup>

Since this project mainly improves reliability rather than increasing network capacity, we consider this project has not met the STPIS requirement to facilitate improvements in the capability of transmission assets.

#### Farrell Substation 220 kV second bus coupler installation

This project involves the installation of a second 220 kV bus coupler in series with the existing bus coupler and modify protection and control schemes as required at Farrell 220 kV Substation.

AEMO considered that the benefit should be reduced unserved energy (USE).<sup>32</sup>

Since this project mainly improves reliability rather than increasing network capacity, we consider this project has not met the STPIS requirement to facilitate improvements in the capability of transmission assets.

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<sup>29</sup> AEMO, AEMO review of TasNetworks' Network Capability Incentive Parameter Action Plan (NCIPAP) for 1 July 2019 to 30 June 2024, 18 December 2017, p. 2.

<sup>30</sup> AER, *Final – Service Target Performance Incentive Scheme*, October 2015, cl. 5.2(l).

<sup>31</sup> AEMO, AEMO review of TasNetworks' Network Capability Incentive Parameter Action Plan (NCIPAP) for 1 July 2019 to 30 June 2024, 18 December 2017, p. 2.

<sup>32</sup> AEMO, AEMO review of TasNetworks' Network Capability Incentive Parameter Action Plan (NCIPAP) for 1 July 2019 to 30 June 2024, 18 December 2017, p. 2.