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By email Mr. Scott Young (scott.young@apa.com.au)

Dear Scott

Transmission service standards review for 2015 – Murraylink

I am writing to inform you of the outcome of our review of Murraylink's performance against the transmission service standards performance incentive scheme (STPIS) for the 2015 calendar year. We conducted the annual compliance review in accordance with clause 5.3 of the scheme.

Outcome of the 2015 compliance review

Component	Period	STPIS version	Murraylink submitted		AER endorsed	
			s-factor	\$	s-factor	\$
Service	2015	STPIS v3	0.1666	22,320	0.1463	19,603
Market impact	2015	STPIS v3	0.6169	82,669	0.6092	81,641
Total				104,989		101,244

AER adjustments

On 11 November 2015 there was a trip and reclose of the Horsham to Red Cliffs 220kV line which Murraylink has claimed as a third party (unplanned) exclusion in both the service component and the market impact component (3 DIs). We found that the events surrounding this claim do not qualify for an exclusion from the performance measures.

The trip caused the Murraylink very fast runback scheme (VFRB) to operate and Murraylink was reduced to zero. After this occurred the constraint ID VSML_ZERO (of constraint set I-ML_ZERO) was invoked. AEMO confirmed that the constraint was invoked because the circuit breaker at the Murraylink end of the line opened. The VFRB scheme wasn't able to run due to the loss of auxiliary supply. This may or may not have been caused by lightning in the area at the time. However, whether or not the failure was caused by lightning does not qualify as a third party (unplanned) exclusion under the service component nor in the market impact component. We have amended the parameters accordingly.

Furthermore, we also made some adjustments to the way Murraylink had classified input data, but that did not affect the s-factor outcome (no change in financial outcome). ElectraNet, Murraylink and AusNet Services all claimed an exclusion of 25 DIs for an

unplanned outage of Murraylink on 21 July 2015. Upon investigation, ElectraNet agreed that this should be included into its performance measure. Murraylink's data set was adjusted to show the DIs coded as "99" but with no financial impact.

We would like to thank APA for its participation in this compliance review. Should you have any further enquiries please contact Fiona Kostidis on (03) 9290 6986.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Peter Adams', with a stylized flourish at the end.

Peter Adams
General Manager
Wholesale Markets Branch