



# SP AusNet

## Performance Against

### Service Standards

## 2006

31 January 2007

## **1. RESULTS FOR CALENDAR YEAR 2006**

SP AusNet's detailed results for 2006 are shown in the AER supplied tables attached in Appendix A. The results are presented with and without exclusions.

Without exclusions, the scheme would result in a penalty of \$558,690. With exclusions, the scheme would result in a penalty of \$496,298. Exclusions are dealt with in detail in section 2.

In calculating this amount, SP AusNet has used its revenues without including the pass-through amount approved by the AER for the recovery of the new easement land tax in Victoria. That revenue was \$299,884,678 for the 2006 calendar year (ex-easement land tax pass-through).

The following commentary is provided on the individual measures. It should be noted that SP AusNet is reporting against inter-regional and intra-regional constraint measures (measures 4 and 5 in the AER service standards framework) under a separate process.

### **1.1 Total Circuit Availability**

Target = **99.20%**

Result (without exclusions) = **99.237%**

Result (with exclusions) = **99.251%**

This target was met.

### **1.2 Peak Critical Availability**

Target = **99.90%**

Result (without exclusions) = **99.873%**

Result (with exclusions) = **99.878%**

This target was not met. However, SP AusNet delivered much higher availability for its transmission network elements during peak and intermediate periods than off-peak periods as the Company responded to the performance incentive scheme. The results illustrate the importance SP AusNet places on ensuring the transmission system capacity is available during times that are most likely to be important to the

National Electricity market, therefore, helping minimise market prices at these times and greatly improving the security of supply to customers.

### **1.3 Peak Non-Critical Availability**

Target = **99.85%**

Result (without exclusions) = **99.589%**

Result (with exclusions) = **99.786%**

This target was not met. Availability outcomes were driven by planned maintenance outages.

### **1.4 Intermediate Critical Availability**

Target = **99.85%**

Result (without and with exclusions) = **99.541%**

Target was not met. Availability outcomes were driven by planned capex outages. In particular, there were large increases in capex outages to incorporate the increased capex program in this regulatory period relative to the previous regulatory period. Again, the company achieved higher levels of availability for the intermediate period relative to off-peak periods.

### **1.5 Intermediate Non-Critical Availability**

Target = **99.75%**

Result (without exclusions) = **98.595%**

Result (with exclusions) = **98.972%**

Target was not met. Availability outcomes were driven by planned capex outages. In particular, there were large increases in capex outages to incorporate the increased capex program in this regulatory period relative to the previous regulatory period.

## 1.6 System Minutes

Target >0.05 minutes per annum = **2**      Result = **5**

Target >0.30 minutes per annum = **1**      Result = **2**

Date	Event	MW	Mins	Sys Mins
14-Aug-06	BATS: Loss of station. A human error occurred as an incorrect current transformer ratio was applied for the project work.	123	16	0.23
23-Oct-06	TGTS 1-2 220kV Bus Tie CB failure. A circuit breaker failed resulting in the loss of a station.	75	269	2.31
21-Nov-06	RWTS: Loss of both 22kV Buses. A possum caused a flashover on the 22kV bus tie circuit breaker resulting in the loss of both buses.	28	69	0.22
30-Nov-06	BATS: 66kV CT exploded on BAN1 66kV CB. A current transformer exploded. The first feeder correctly tripped but the second feeder incorrectly tripped resulting in the loss of the BAN substation.	60	16	0.11
18-Dec-06	RCTS: Tripping 66kV Buses The 66kV bus bars tripped due to a maloperation of the bus overload protection system.	70	66	0.69

## 1.7 Average Outage Duration – lines

Target = **10 hours**

Result (without exclusions) = **33.379 hours**

Result (with exclusions) = **30.926 hours**

Result (with exclusions and the RTS-BTS cable) = **3.488 hours**

This target was not met.

SP AusNet's performance for average outage duration was affected by a single major fault on the Richmond and Brunswick (BTS RTS) cable. The large amount of time associated with the excavation work required to locate and repair this fault accounted for almost 50 percent of 2006 forced outage hours.

The cable is buried under the Hoddle Street/Punt Road. This is a major road carrying huge traffic flows in peak periods. Any opening of the road to access a joint bay requires negotiation and approval by Vic Roads. This depends on many other events happening in the City and takes time to complete and extends the repair time.

Further, this type of work is limited by the availability of skilled joint contractors. Olex Cables Australia is the only realistic contractor and the nearest tender for similar work lacks the experience of Olex. Therefore, the repair time depends on the availability of Olex jointers.

The target would have been met in the absence of this very unusual event.

### **1.8 Average Outage Duration – Transformers**

Target = **10 hours**

Result (with exclusions) = **7.692 hours**

Result (without exclusions) = **7.184 hours**

This target was met.

## 2. EXCLUSIONS

SP AusNet has excluded the following events for the purposes of calculating the performance bonus/penalty under its performance incentive scheme.

### 2.1 Outages on shunt reactors

Measures affected: Intermediate Non-Critical Availability

No. hours to be excluded = **220.467 Intermediate Non-Critical hours**

Increases Intermediate Non-Critical Availability by **0.377%**

Effect on performance bonus/penalty: **0**

These pieces of reactive equipment are actually required to help balance the system when demand on the system is low (off-peak). This is the reverse situation to the majority of reactive plant such as capacitor banks and Static Var Compensators. Therefore, it is actually beneficial to the operation of the network if outages are taken in peak and intermediate periods rather than off-peak periods. This exclusion will remove a penalty for following good electricity practice. This mirrors the rebate scheme with VENCORP – rebates are high during off-peak times and set at zero during peak and intermediate periods.

## 2.2 Force Majeure - Bushfires

Measures affected: Total circuit availability  
Peak critical availability  
Peak non-critical availability  
Average outage duration for lines  
Average outage duration for transformers

No. hours to be excluded = **255.117 Total circuit availability**  
**6.45 Peak critical availability**  
**103.316 Peak non-critical availability**  
**2.453h Average outage duration for lines**  
**(13 events)**  
**0.508h Average outage duration for transformers**  
**(3 events)**

Increases Total circuit availability by **0.014%**

Increases Peak critical availability by **0.005%**

Increases Peak non-critical availability by **0.197%**

Increases Average outage duration for lines by **2.453 hours**

Increases Average outage duration for transformers by **0.508 hours**

Effect on performance bonus/penalty: **\$62,392 +**

## Appendix A