

Ms Donella Greer
Director, Regulation Network North
Australian Energy Regulator
PO Box 3131
Canberra ACT 2601

Dear Ms Greer,

The Service Target Performance Incentive Scheme (STPIS) requires a TNSP to submit any proposed amendments applicable in the next regulatory control period at least 22 months before the commencement of the next regulatory control period.

TransGrid advises that at this time it does not wish to propose amendments to add, remove or vary a parameter or vary the revenue at risk applicable to the TNSP for the next regulatory control period. However, it does wish to consolidate the definitions for existing parameters to a similar format to that used by other TNSPs in Appendix B which comprehensively define the parameter.

Accordingly, please find attached TransGrid's proposed section of Appendix B, consolidating its existing parameters.

TransGrid recognises that additional parameters will be required to meet requirements of the National Electricity Rules with regard to the times when transmission network users place greatest value on the reliability of the transmission system and elements of the transmission system that are most important to determining spot prices.

TransGrid's preference is for the proposed Market Impact of Transmission Congestion (MITC) scheme to meet these requirements if suitably developed in the required timeframe. However, should a MITC scheme not be finalised in the required timeframe, TransGrid's fallback position would be to include the following additional sub-parameter:

"Transmission line availability (peak critical)"

Should this sub-parameter eventuate, TransGrid's intention would be to propose a list of critical transmission lines in its next revenue application.

Should you have any questions on the above, please contact Mr Andrew Kingsmill on (02) 9620 0208.



Peter McIntyre
General Manager/Network Development and Regulatory Affairs

Attachment 1: TransGrid’s Proposal for Appendix B, Part 4

Part 4 - TransGrid

Parameter 1	Transmission circuit availability
	This definition applies instead of the standard definition.
Sub-parameters	Transmission line availability Transformer availability Reactive plant availability
Unit of measure	Percentage of total possible hours available.
Source of data	TNSP outage reports and system for circuit availability Agreed schedule of critical circuits and plant Nominated peak/off-peak hours Currently peak-7:00 am to 10:00 pm weekdays Or as otherwise defined by the TNSP/ <i>NEMMCO</i> Off peak-all other times May include intermediate time periods and seasonal periods
Definition/formula	Formula: $\frac{\text{No. of hours per annum defined (critical/non-critical) circuits are available}}{\text{Total possible no. of defined circuit hours}} \times 100$ Definition: The actual circuit hours available for defined (critical/noncritical) transmission circuits divided by the total possible defined circuit hours available.
Inclusions	‘Circuits’ includes overhead lines, underground cables, power transformers, phase shifting transformers, static var compensators, capacitor banks, and any other primary transmission equipment essential for the successful operation of the transmission system (TNSP to provide lists) Circuit ‘unavailability’ to include outages from all causes including planned, forced and emergency events, including extreme events
Exclusions	Unregulated transmission assets Exclude from ‘circuit unavailability’ any outages shown to be caused by a fault or other event on a ‘3 rd party system’ e.g. intertrip signal, generator outage, customer installation (TNSP to provide lists) Outages to control voltages within required limits, both as directed by <i>NEMMCO</i> and where <i>NEMMCO</i> does not have direct oversight of the network (in both cases only where the element is available for immediate energisation if required) <i>Force majeure events</i> Transient interruptions less than one (1) minute The opening of only one end of a transmission circuit (eg where the transmission circuit remains energised and available to carry power with immediate manual or automatic return to service) Auxiliary transformers

Static Var Compensator transformers (which are counted as part of the SVC)

The opening of only one or both sides of a transformer for operational purposes, such as to control losses, fault levels, incompatibility of tapchanges etc but where the transformer remains available to carry power on immediate manual or automatic return to service

The period where a transformer is made available for service, but not switched in, at the end of each day of a multi-day planned outage

Capacitor banks and reactors operating less than 66kV

Reactive plant switched out by System Operations, or left out after repairs that make it available for service for operational purposes

Outages for remedial repairs to an underground power cable damaged by an external party are capped at 14 days if the external party did not enquire with 'dial-before-you-dig' or enquired and received accurate information

Parameter 2 Loss of supply event frequency

This definition applies instead of the standard definition.

Unit of measure Number of significant events per annum.

Source of data TNSP outage reports and system for circuit availability

Definition/formula Number of events greater than 0.05 system minutes per annum
Number of events greater than 0.4 system minutes per annum

Inclusions All unplanned outages exceeding the specified impact (that is, 0.05 minutes and 0.4 minutes)
Unplanned outages on all parts of the regulated transmission system
Extreme events
Forced outages where notification to affected customers is less than 1 hour (except where *NEMMCO* reschedules the outages after notification has been provided).

Exclusions Unregulated transmission assets (e.g. some connection assets)
Successful reclose events (less than 1 minute duration)
Any outages shown to be caused by a fault or other event on a '3rd party system' e.g. intertrip signal, generator outage, customer installation
Planned outages
Force majeure events
Where TransGrid protection operates correctly due to a fault on a customer's or a third party system
Pumping station supply interruption
Outage caused by customer's own control system during a transient voltage fluctuation

Parameter 3 Average outage duration

This definition applies instead of the standard definition.

Sub-parameters Total average outage duration

Unit of measure Minutes

Source of data TNSP outage reports and system

Definition/formula Formula:
$$\frac{\text{Aggregate minutes duration of all unplanned outages}}{\text{No. of events}}$$

Definition: The cumulative summation of the outage duration time for the period, divided by the number of outage events during the period
Events will be capped at 7 days.

Inclusions Faults on all parts of the regulated transmission system (connection assets, interconnected system assets)
All forced and fault outages whether or not loss of supply occurs

Exclusions Planned outages
Momentary interruptions (less than one minute)
Force majeure events
Any outages shown to be caused by a fault or other event on a '3rd party system' e.g. intertrip signal, generator outage, customer installation, customer request or *NEMMCO* direction
Outages for capacitor banks and reactors operating at less than 66kV
