

# Minimum Service Standards & Guaranteed Service Levels Quarterly Report

July- September 2009

Submitted to QCA by  
**Ergon Energy Corporation Limited**  
in accordance with the Electricity Industry Code



everything in our power



## Table of Contents

<b>Administrative Data</b> .....	3
<b>Network Performance</b> .....	3
Reliability Measures – 3 months to September 2009 .....	3
Reliability Measures – Financial Year to Date (1 July 2009 to 30 September 2009) .....	4
Details of Interruptions Excluded - 3 Months to September 2009 .....	5
Details of Interruptions Excluded for the Financial Year to Date (1 July 2009 to 30 September 2009) .....	6
Description of any major event days.....	7
Explanation of reasons for exceeding minimum service standards and proposals to improve performance .....	7
SAIDI and SAIFI Run Rate Graphs for the Financial Year to Date .....	8
<b>Guaranteed Service Levels (GSLs)</b> .....	9
GSL Claims Breakdown for the Quarter and Financial Year to Date (1 July 2009 to 30 September 2009) .....	9
Explanation for Rejection of GSL Claims - 3 months to September 2009.....	9

## Administrative Data

ITEM NO	MEASURE	UNIT	VALUE
1.1	<i>Distribution Network Service Provider</i>	Name	Ergon Energy Corporation Limited
1.2	<i>First day of reporting period</i>	Date	01-07-2009
1.3	<i>Last day of reporting period</i>	Date	30-09-2009

## Network Performance

(Reporting obligations under clause 2.6.2(a)(i) (A), (B), (C), (D) & (E) of the Queensland Electricity Industry Code, Fourth Edition effective 4 August 2008 ('The Code'))

### Reliability Measures – 3 months to September 2009

(Results effective as at 6 October 2009, for the period ending 30 September 2009)

ITEM NO.	MEASURE	UNIT	ACTUAL NETWORK PERFORMANCE	NETWORK PERFORMANCE LESS EXCLUSIONS
	<b>System Average Interruption Duration Index (SAIDI)</b>		<i>(minutes)</i>	
	<i>Distribution system – total</i>			
	Urban	Minutes	81.45	80.87
	Short Rural	Minutes	140.35	139.41
	Long Rural	Minutes	209.45	208.11
	<i>Distribution system – planned</i>			
	Urban	Minutes	39.27	39.27
	Short Rural	Minutes	79.67	79.67
	Long Rural	Minutes	123.20	123.20
	<i>Distribution system – unplanned</i>			
	Urban	Minutes	42.18	41.59
	Short Rural	Minutes	60.68	59.74
	Long Rural	Minutes	86.24	84.90
	<b>System Average Interruption Frequency Index (SAIFI)</b>		<i>(number)</i>	
	<i>Distribution system – total</i>			
	Urban	Number	0.64	0.64
	Short Rural	Number	1.06	1.04
	Long Rural	Number	1.62	1.61
	<i>Distribution system – planned</i>			
	Urban	Number	0.20	0.20
	Short Rural	Number	0.35	0.35
	Long Rural	Number	0.62	0.62
	<i>Distribution system – unplanned</i>			
	Urban	Number	0.44	0.43
	Short Rural	Number	0.71	0.69
	Long Rural	Number	1.00	0.99

## Reliability Measures – Financial Year to Date (1 July 2009 to 30 September 2009)

(Results effective as at 6 October 2009, for the period ending 30 September 2009)

<u>ITEM NO.</u>	<u>MEASURE</u>	<u>UNIT</u>	<u>ACTUAL NETWORK PERFORMANCE</u>	<u>NETWORK PERFORMANCE LESS EXCLUSIONS</u>
	<b>System Average Interruption Duration Index (SAIDI)</b>		<b>(minutes)</b>	
	<i>Distribution system – total</i>			
	Urban	Minutes	81.45	80.87
	Short Rural	Minutes	140.35	139.41
	Long Rural	Minutes	209.45	208.11
	<i>Distribution system – planned</i>			
	Urban	Minutes	39.27	39.27
	Short Rural	Minutes	79.67	79.67
	Long Rural	Minutes	123.20	123.20
	<i>Distribution system – unplanned</i>			
	Urban	Minutes	42.18	41.59
	Short Rural	Minutes	60.68	59.74
	Long Rural	Minutes	86.24	84.90
	<b>System Average Interruption Frequency Index (SAIFI)</b>		<b>(number)</b>	
	<i>Distribution system – total</i>			
	Urban	Number	0.64	0.64
	Short Rural	Number	1.06	1.04
	Long Rural	Number	1.62	1.61
	<i>Distribution system – planned</i>			
	Urban	Number	0.20	0.20
	Short Rural	Number	0.35	0.35
	Long Rural	Number	0.62	0.62
	<i>Distribution system – unplanned</i>			
	Urban	Number	0.44	0.43
	Short Rural	Number	0.71	0.69
	Long Rural	Number	1.00	0.99

## Details of Interruptions Excluded - 3 Months to September 2009

(Results effective as at 6 October 2009, for the period ending 30 September 2009)

	Urban	SR	LR
<b>System Average Interruption Duration Index (SAIDI)</b>			
<i>(minutes)</i>			
(a) an interruption of a duration of one minute or less;	0.00	0.00	0.00
(b) an interruption resulting from:			
(i) load shedding due to a shortfall in generation;	0.00	0.16	0.00
(ii) a direction by NEMMCO, a system operator or any other body exercising a similar function under the Electricity Act, National Electricity Code or National Electricity Law;	0.00	0.00	0.00
(iii) automatic shedding of load under the control of under frequency relays following the occurrence of a power system under-frequency condition described in the power system security and reliability standards; or	0.00	0.00	0.00
(iv) a failure of the shared transmission grid; or	0.00	0.07	0.05
(v) a direction by a police officer or another authorised person exercising powers in relation to public safety;	0.00	0.00	0.00
(c) any interruption to the supply of electricity on a distribution entity's supply network which commences on a major event day; and	0.00	0.00	0.00
(d) an interruption caused by a customer's electrical installation or failure of that electrical installation.	0.59	0.71	1.34
<b>Total SAIDI for all Exclusion Events</b>	<b>0.59</b>	<b>0.94</b>	<b>1.34</b>
<b>System Average Interruption Frequency Index (SAIFI)</b>			
<i>(number)</i>			
(a) an interruption of a duration of one minute or less;	0.00	0.00	0.00
(b) an interruption resulting from:			
(i) load shedding due to a shortfall in generation;	0.00	0.01	0.00
(ii) a direction by NEMMCO, a system operator or any other body exercising a similar function under the Electricity Act, National Electricity Code or National Electricity Law;	0.00	0.00	0.00
(iii) automatic shedding of load under the control of under frequency relays following the occurrence of a power system under-frequency condition described in the power system security and reliability standards; or	0.00	0.00	0.00
(iv) a failure of the shared transmission grid; or	0.00	0.01	0.00
(v) a direction by a police officer or another authorised person exercising powers in relation to public safety;	0.00	0.00	0.00
(c) any interruption to the supply of electricity on a distribution entity's supply network which commences on a major event day; and	0.00	0.00	0.00
(d) an interruption caused by a customer's electrical installation or failure of that electrical installation.	0.01	0.01	0.01
<b>Total SAIFI for all Exclusion Events</b>	<b>0.01</b>	<b>0.02</b>	<b>0.01</b>

Note: Ergon Energy does not currently record momentary (<1 minute) outages.

## Details of Interruptions Excluded for the Financial Year to Date (1 July 2009 to 30 September 2009)

(Results effective as at 6 October 2009, for the period ending 30 September 2009)

	Urban	SR	LR
<b>System Average Interruption Duration Index (SAIDI)</b>			
<i>(minutes)</i>			
(a) an interruption of a duration of one minute or less;	0.00	0.00	0.00
(b) an interruption resulting from:			
(i) load shedding due to a shortfall in generation;	0.00	0.16	0.00
(ii) a direction by NEMMCO, a system operator or any other body exercising a similar function under the Electricity Act, National Electricity Code or National Electricity Law;	0.00	0.00	0.00
(iii) automatic shedding of load under the control of under frequency relays following the occurrence of a power system under-frequency condition described in the power system security and reliability standards; or	0.00	0.00	0.00
(iv) a failure of the shared transmission grid; or	0.00	0.07	0.00
(v) a direction by a police officer or another authorised person exercising powers in relation to public safety;	0.00	0.00	0.00
(c) any interruption to the supply of electricity on a distribution entity's supply network which commences on a major event day; and	0.00	0.00	0.00
(d) an interruption caused by a customer's electrical installation or failure of that electrical installation.	0.59	0.71	1.34
<b>Total SAIDI for all Exclusion Events</b>	<b>0.59</b>	<b>0.94</b>	<b>1.34</b>
<b>System Average Interruption Frequency Index (SAIFI)</b>			
<i>(number)</i>			
(a) an interruption of a duration of one minute or less;	0.00	0.00	0.00
(b) an interruption resulting from:			
(i) load shedding due to a shortfall in generation;	0.00	0.01	0.00
(ii) a direction by NEMMCO, a system operator or any other body exercising a similar function under the Electricity Act, National Electricity Code or National Electricity Law;	0.00	0.00	0.00
(iii) automatic shedding of load under the control of under frequency relays following the occurrence of a power system under-frequency condition described in the power system security and reliability standards; or	0.00	0.00	0.00
(iv) a failure of the shared transmission grid; or	0.00	0.01	0.00
(v) a direction by a police officer or another authorised person exercising powers in relation to public safety;	0.00	0.00	0.00
(c) any interruption to the supply of electricity on a distribution entity's supply network which commences on a major event day; and	0.00	0.00	0.00
(d) an interruption caused by a customer's electrical installation or failure of that electrical installation.	0.01	0.01	0.01
<b>Total SAIFI for all Exclusion Events</b>	<b>0.01</b>	<b>0.02</b>	<b>0.01</b>

Note: Ergon Energy does not currently record momentary (<1 minute) outages.

## Description of any major event days

During the September 2009 quarter, there were no Major Event Days (MED) registered using the 2.5 beta exclusion event method, which classifies a MED to be any day with a daily SAIDI value greater than the 2009-10 MED Threshold (TMED) of 7.49 system minutes.

## Explanation of reasons for exceeding minimum service standards and proposals to improve performance

Following two years of solid performance well ahead of the MSS limits, Ergon Energy recorded unfavourable performance against the MSS for the 2008-09 financial year, arising from the combined impact of several factors, namely:

- a higher than usual level of unplanned interruptions during an unusually severe, record breaking and extended storm season;
- the suspension of Live Line work from 19 February 2009 (undertaken as a precautionary safety measure), heavily affecting planned work practices; and
- operational restrictions on particular makes and types of Air Break Switches (ABS's) as a result of union related actions.

Despite best endeavours to date, it is evident from reported performance for the September quarter that suspension of live line work and operational restrictions on ABS's continue to influence 2009-10 performance, putting achievement of the MSS targets at risk. The phased re-introduction of Live Line capability has seen some improvement in August and September 2009, however, the overall year to date performance remains adversely impacted from planned outages results from the previous months. The level of planned outages for the quarter remained at very high levels compared with previous years and this is due to the Live Line and operating restrictions.

In relation to planned outages, the following mitigating actions have or are being implemented in 2009/10 to improve the reliability performance of the network now and into the future and to help bring our performance back into MSS compliance:

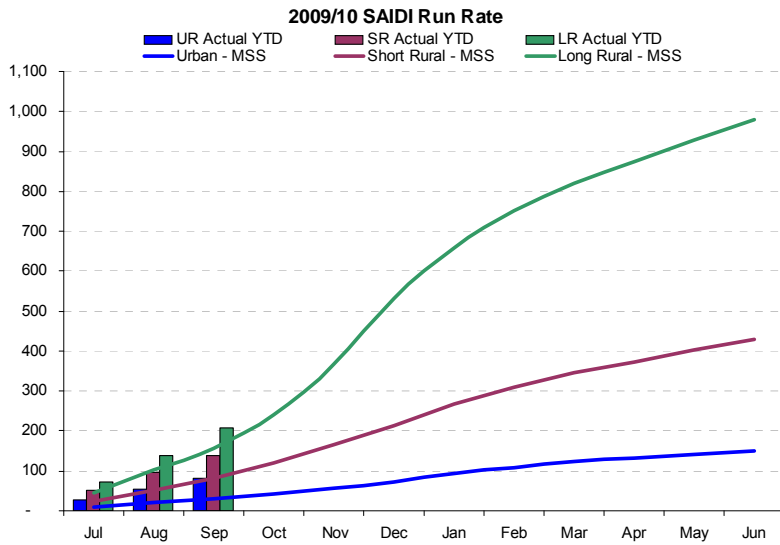
- Prioritise the resurrection of live line work in the supply regions with a large number of critical planned works for 2009-10, with further prioritisation for the radial network segments.
- Defer all the non-critical planned works until such time that the live line work practice is fully operational.
- Maximise the utilisation of mobile generators currently owned by Ergon Energy.
- Continue to reduce sectional multiple planned shutdowns by maximising defect repairs and maintenance works within the section or radial component of a line and resourcing up to complete all works.
- Increasing monitoring and analysis of planned outages and options.

In the time remaining to influence the unplanned performance before the storm season, Ergon Energy is working hard to ensure that the operational measures are in place to address the unplanned performance likely to arise due to adverse weather. Mitigating actions being undertaken in relation to unplanned outages include:

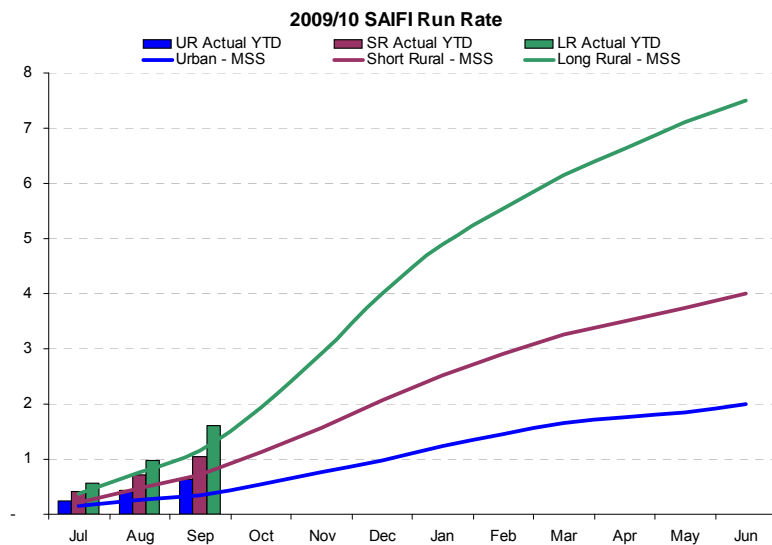
- The identification of any beneficial network performance augmentation projects and a focus on completing them before the 2009-10 storm season as part of the Summer Preparedness Program.
- Undertaking a pre-storm season aerial inspection of the significant sub-transmission network segments mostly in the radial part of the network to identify any potential defects and target these for remediation prior to the storm season.
- Consideration of the summer preparation of outage response based upon likely weather patterns.

## SAIDI and SAIFI Run Rate Graphs for the Financial Year to Date

(Results effective as at 5 October 2009, for the period ending 30 September 2009)



Feeder Type	SAIDI Network Performance less MSS exclusions (Actual)	SAIDI MSS Run Rate Limits
Urban (UR)	81	29
Short Rural (SR)	139	81
Long Rural (LR)	208	155



Feeder Type	SAIFI Network Performance less MSS exclusions (Actual)	SAIFI MSS Run Rate Limits
Urban (UR)	0.64	0.36
Short Rural (SR)	1.04	0.73
Long Rural (LR)	1.61	1.16



## Guaranteed Service Levels (GSLs)

(Reporting obligations under clause 2.6.2(a)(ii) (A), (B) & (C) of The Code)

### GSL Claims Breakdown for the Quarter and Financial Year to Date (1 July 2009 to 30 September 2009)<sup>1</sup>

Type of GSL	July 2009 to September 2009				Financial Year to Date			
	No. of Claims Raised	No. of Claims Accepted and Paid	No. of Claims Investigated and Not Paid	Amount Paid	No. of Claims Raised	No. of Claims Accepted and Paid	No. of Claims Investigated and Not Paid	Amount Paid
Planned Interruption (Bus)	11	9	2	\$450	11	9	2	\$450
Planned Interruption (Res)	183	144	38	\$2,880	183	144	38	\$2,880
Connection	22	18	4	\$1,800	22	18	4	\$1,800
Wrongful Disconnection	86	61	24	\$6,100	86	61	24	\$6,100
Reconnection	4	4	0	\$160	4	4	0	\$160
Hot Water Supply	1	1	0	\$320	1	1	0	\$320
Appointments	14	11	3	\$440	14	11	3	\$440
Reliability - Frequency	3	1	2	\$80	3	1	2	\$80
Reliability - Duration	2	0	2	\$0	2	0	2	\$0
<b>Total</b>	<b>326</b>	<b>249</b>	<b>75</b>	<b>\$12,230</b>	<b>326</b>	<b>249</b>	<b>75</b>	<b>\$12,230</b>

During the September quarter, the claims for reliability GSL's were minimal which could be expected at the start of a financial year as a customers eligibility to claim is based on a cumulative number of interruptions exceeding the Electricity Industry Code annual threshold by feeder type. As such, the reliability claims are a carry-over of the 2008-09 interruption-frequency GSL. Planned interruption GSL claims experienced in the residential area during the quarter were impacted by an additional planned outage which was required immediately following a scheduled outage (on identification of a phasing issue), as well as two other outages during August for which not all customers received notification.

### Explanation for Rejection of GSL Claims - 3 months to September 2009

Ergon Energy rejected 75 GSL claims during the September 2009 quarter. Of these, 48 related to GSL claims made by customers. The remaining 27 GSL claims rejected related to GSL claims automatically identified and raised for investigation by Ergon Energy which were subsequently assessed and rejected. Reasons for rejection of each of these GSL claims are summarised below:

- 3 Customer Connection
  - 1 x Builders Pole was non-compliant
  - 1 x Changed Target date wasn't updated
  - 1 x Depot error when keying service order
- 24 Wrongful Disconnection
  - 3 x Customer did not make application on property
  - 1 x Incorrectly raised by representative as part of another claim
  - 4 x Customer disconnected for debt - payment arrangements not kept
  - 1 x Customer made application through 3rd party who did not send through request
  - 2 x Meters incorrectly identified by 3rd party
  - 1 x Customer advised premises was disconnected when they made application

#### Definitions / Notes:

<sup>1</sup> Figures reported include both GSL claims made / raised by customers and GSL claims automatically identified and raised for investigation and payment by Ergon Energy (as per clause 2.5.11(a) of the Electricity Industry Code).

The Number of Claims Investigated and Not Paid reflect claims raised for investigation, which are subsequently found not to be valid GSL claims as per requirements under the Electricity Industry Code (rejected GSLs). Rejected GSLs can arise from both customer initiated GSL claims and corporate initiated GSL claims. Refer to the "Explanation for Rejection of GSL Claims" for further details on rejected GSL claims.

- 5 x Premises weren't actually disconnected and main switch was still on
- 1 x Customer's mechanic incorrectly wired meter connection
- 1 x Ergon followed correct process
- 3 x Customer was not disconnected (does not meet GSL requirements)
- 1 x Possible internal fault at customer's premises
- 1 x Large customer not eligible
- 38 Planned Interruption (Res)
  - 31 x Customer was advised of Outage
  - 2 x Already paid on another claim
  - 1 x Customer didn't make application so notification was sent to current listed tenant
  - 1 x Incorrectly raised - claim raised instead
  - 1 x Unplanned Outage
  - 1 x Large customer not eligible
  - 1 x Application made after notification sent to premise address
- 2 Planned Interruption (Bus)
  - 1 x Customer was advised of Outage
  - 1 x Incorrectly raised as GSL instead of claim
- 3 Appointment
  - 1 x Customer's lawyer faxed advise for date change
  - 1 x Ergon Energy's records show Appointment times met successfully
  - 1 x No appointment existed
- 1 Connection
  - 1 x Incorrectly raised as GSL instead of claim
- 2 Reliability of Supply (Freq)
  - 2 x Customer did not meet Government regulated threshold for Frequency GSL
- 2 Reliability of Supply (Dur)
  - 1 x Customer did not meet Government regulated time threshold for Duration GSL
  - 1 x Emergency repairs extended the duration of outage

Please direct queries or feedback on this report to:

Tony Pfeiffer

General Manager Regulatory Affairs

Ergon Energy Corporation Limited

+ 61 (07) 3228 7711