

Minimum Service Standards & Guaranteed Service Levels Quarterly Report

April - June 2009

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



everything in our power



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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	01-04-2009
1.3	<i>Last day of reporting period</i>	Date	30-06-2009

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 June 2009

(Results effective as at 8 July 2009, for the period ending 30 June 2009)

ITEM NO.	MEASURE	UNIT	ACTUAL NETWORK PERFORMANCE	NETWORK PERFORMANCE LESS EXCLUSIONS
	System Average Interruption Duration Index (SAIDI)		<i>(minutes)</i>	
	<i>Distribution system – total</i>			
	Urban	Minutes	54.52	54.15
	Short Rural	Minutes	162.22	161.54
	Long Rural	Minutes	219.08	218.15
	<i>Distribution system – planned</i>			
	Urban	Minutes	28.70	28.70
	Short Rural	Minutes	96.99	96.99
	Long Rural	Minutes	133.91	133.91
	<i>Distribution system – unplanned</i>			
	Urban	Minutes	25.82	25.45
	Short Rural	Minutes	65.23	64.54
	Long Rural	Minutes	85.17	84.24
	System Average Interruption Frequency Index (SAIFI)		<i>(number)</i>	
	<i>Distribution system – total</i>			
	Urban	Number	0.56	0.56
	Short Rural	Number	1.23	1.22
	Long Rural	Number	1.67	1.66
	<i>Distribution system – planned</i>			
	Urban	Number	0.17	0.17
	Short Rural	Number	0.46	0.46
	Long Rural	Number	0.68	0.68
	<i>Distribution system – unplanned</i>			
	Urban	Number	0.40	0.40
	Short Rural	Number	0.77	0.76
	Long Rural	Number	0.99	0.98

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Reliability Measures – Financial Year to Date (1 July 2008 to 30 June 2009)

(Results effective as at 8 July 2009, for the period ending 30 June 2009)

ITEM NO.	MEASURE	UNIT	ACTUAL NETWORK PERFORMANCE	NETWORK PERFORMANCE LESS EXCLUSIONS
	System Average Interruption Duration Index (SAIDI)		(minutes)	
	<i>Distribution system – total</i>			
	Urban	Minutes	317.45	216.85
	Short Rural	Minutes	684.11	608.54
	Long Rural	Minutes	1254.20	1107.96
	<i>Distribution system – planned</i>			
	Urban	Minutes	60.96	60.64
	Short Rural	Minutes	205.83	204.60
	Long Rural	Minutes	331.90	329.58
	<i>Distribution system – unplanned</i>			
	Urban	Minutes	256.49	156.21
	Short Rural	Minutes	478.28	403.94
	Long Rural	Minutes	922.30	778.37
	System Average Interruption Frequency Index (SAIFI)		(number)	
	<i>Distribution system – total</i>			
	Urban	Number	3.50	2.33
	Short Rural	Number	5.78	4.93
	Long Rural	Number	8.49	7.73
	<i>Distribution system – planned</i>			
	Urban	Number	0.34	0.34
	Short Rural	Number	1.05	1.04
	Long Rural	Number	1.63	1.61
	<i>Distribution system – unplanned</i>			
	Urban	Number	3.15	1.99
	Short Rural	Number	4.74	3.89
	Long Rural	Number	6.87	6.12

Details of Interruptions Excluded - 3 Months to June 2009

(Results effective as at 8 July 2009, for the period ending 30 June 2009)

	Urban	SR	LR
System Average Interruption Duration Index (SAIDI)			
<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	0.00	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	0.10	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.	0.37	0.59	0.89
Total SAIDI for all Exclusion Events	0.37	0.68	0.94
System Average Interruption Frequency Index (SAIFI)			
<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	0.00	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	0.00	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.	0.00	0.00	0.00
Total SAIFI for all Exclusion Events	0.00	0.01	0.01

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

Details of Interruptions Excluded for the Financial Year to Date (1 July 2008 to 30 June 2009)

(Results effective as at 8 July 2009, for the period ending 30 June 2009)

	Urban	SR	LR
System Average Interruption Duration Index (SAIDI) (minutes)			
(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	0.00	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	61.74	38.79	20.45
(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	36.77	33.02	118.54
(d) an interruption caused by a customer's electrical installation or failure of that electrical installation.	2.09	3.76	7.26
Total SAIDI for all Exclusion Events	100.59	75.57	146.24
System Average Interruption Frequency Index (SAIFI) (number)			
(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	0.00	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	0.94	0.54	0.21
(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	0.21	0.29	0.53
(d) an interruption caused by a customer's electrical installation or failure of that electrical installation.	0.02	0.03	0.03
Total SAIFI for all Exclusion Events	1.17	0.85	0.77

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

Description of any major event days

During the June quarter, Ergon Energy registered no Major Event Days (MED) for the period using the 2.5 beta exclusion event method, which classifies a MED to be any day with a daily SAIDI value greater than the 2008-09 MED Threshold (TMED) of 8.94 system minutes.

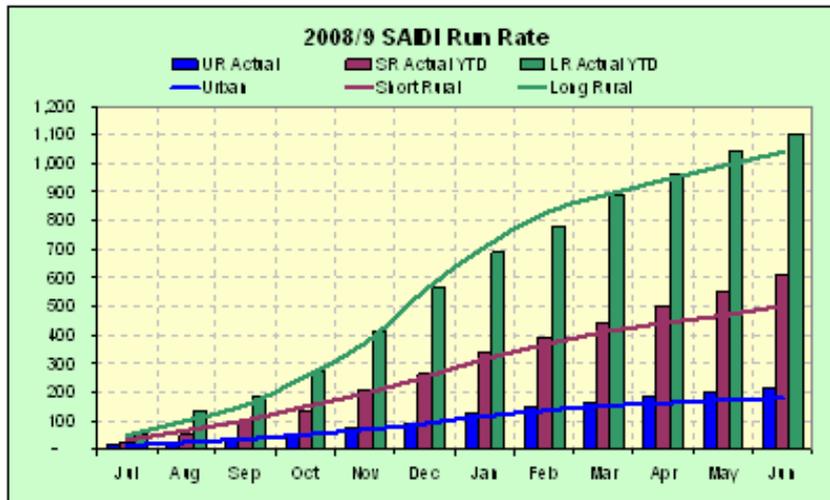
Explanation of reasons for exceeding minimum service standards and proposals to improve performance

Quarterly and year to date reliability performance was adversely impacted by the increase in planned outages across the state as a result of the suspension of live line work practices. As discussed in prior quarters, on 19 February 2009, Ergon Energy suspended all live-line work to address an increase in live-line related safety incidents. Since the suspension of the live line work there has been a notable increase in planned outages. Furthermore, there are also bans on operations of a particular type of Air Break Switch (ABS) associated with torsional failure (used to break the distribution of power between two sets of lines for maintenance works to be conducted), which is contributing to longer planned outage durations.

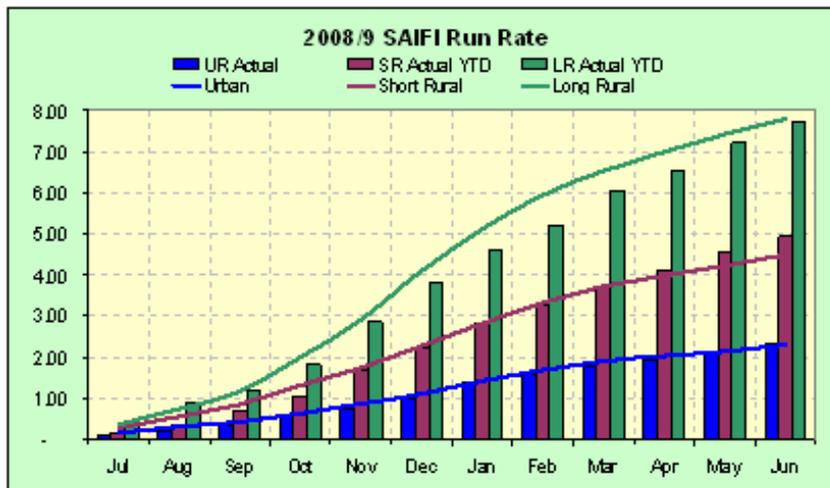
When coupled with the effects of the extended wet season on the unplanned performance, the outturn year end SAIDI for all three feeder categories, and SAIFI for both Urban and Short Rural feeder categories were unfavourable to the End of Year (EOY) MSS limits. The Long Rural feeder category remained favorable against the 2008-09 EOY SAIFI limits.

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

(Results effective as at 8 July 2009, for the period ending 30 June 2009)



Feeder Type	SAIDI Network Performance less MSS exclusions (Actual)	SAIDI MSS Run Rate Limits
Urban (UR)	217	180
Short Rural (SR)	608	500
Long Rural (LR)	1106	1040



Feeder Type	SAIFI Network Performance less MSS exclusions (Actual)	SAIFI MSS Run Rate Limits
Urban (UR)	2.33	2.30
Short Rural (SR)	4.93	4.50
Long Rural (LR)	7.72	7.80

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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 2008 to 30 June 2009)¹

Type of GSL	April 2009 to June 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)	14	9	5	\$450	37	26	11	\$1,300
Planned Interruption (Res)	107	93	14	\$1,860	358	318	40	\$6,450
Connection	12	11	1	\$1,120	70	62	8	\$5,720
Wrongful Disconnection	91	72	19	\$7,200	252	213	39	\$21,300
Reconnection	8	7	1	\$280	25	20	5	\$1,160
Hot Water Supply	6	6	0	\$320	13	11	2	\$520
Appointments	11	8	3	\$320	44	37	7	\$1,480
Reliability - Frequency	22	16	6	\$1,280	247	214	33	\$17,120
Reliability - Duration	11	0	11	\$0	421	361	60	\$28,880
Total	282	222	60	\$12,830	1,467	1,262	205	\$83,930

The number of GSL claims returned to a more normal level during the June 2009 quarter, following the volatility seen in the preceding March quarter as a result of severe weather activity as well as flora/fauna issues.

Explanation for Rejection of GSL Claims - 3 months to June 2009

Ergon Energy rejected 60 GSL claims during the June 2009 quarter. Of these, 40 related to GSL claims made by customers. The remaining 20 GSL claims rejected related to GSL claims automatically identified and raised for investigation by Ergon Energy which were subsequently assessed and rejected. Reason for rejection of each of these GSL claims is summarised below:

- 19 Wrongful Disconnection
 - 2 x Customer requested incorrect premises
 - 5 x Customer did not make application for supply
 - 4 x Initially rejected, paid after further investigation
 - 1 x Does not meet GSL requirements
 - 1 x Possible internal fault at customer's premises
 - 1 x Customer disconnected for debt - payment arrangements not kept
 - 1 x Incorrectly labelled meters due to 3rd party alterations
 - 2 x Customer not eligible
 - 1 x Main Switch turned off by 3rd party
 - 1 x Main Switch turned off to install Hot Water System as requested by customer
- 1 Reconnection
 - 1 x Service Order instigated GSL however, issue was fixed before payment was needed

Definitions / Notes:

¹ 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.

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- 14 Planned Interruption (Res)
 - 10 x Customer notified of Outage
 - 1 x Unplanned Outage caused by Planned Outage
 - 2 x Forced Outage
 - 1 x Already paid on another claim
- 5 Planned Interruption (Bus)
 - 3 x Customer notified of Outage
 - 1 x Forced Outage
 - 1 x Large customer not eligible
- 6 Reliability - Frequency
 - 4 x Customer did not meet Government regulated threshold for Frequency GSL
 - 1 x Large customer not eligible
 - 1 x Should have been logged as Liability Claim
- 11 Reliability - Duration
 - 9 x Customer did not claim within one month of event
 - 1 x Initially rejected, paid after further investigation
 - 1 x Investigation identified Liability Claim should have been raised instead
- 1 Connection
 - 1 x Customer requested incorrect premises
- 3 Appointments
 - 1 x Mechanic attended as per appointment customer wasn't aware job completed
 - 1 x Initially rejected, paid after further investigation
 - 1 x No appointment existed

Please direct queries or feedback on this report to:

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General Manager Regulatory Affairs

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