

Electricity Industry Code Minimum Service Standards & Guaranteed Service Levels Quarterly Report

October – December 2008

Ergon Energy Corporation Limited



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	01-10-2008
1.3	<i>Last day of reporting period</i>	Date	31-12-2008

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 December 2008

(Results effective as at 16 January 2009, for the period ending 31 December 2008)

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	100.83	58.21
	Short Rural	Minutes	204.01	167.57
	Long Rural	Minutes	491.25	370.12
	<i>Distribution system – planned</i>			
	Urban	Minutes	9.25	8.94
	Short Rural	Minutes	33.61	32.39
	Long Rural	Minutes	68.35	66.03
	<i>Distribution system – unplanned</i>			
	Urban	Minutes	91.58	49.27
	Short Rural	Minutes	170.40	135.17
	Long Rural	Minutes	422.90	304.09
	System Average Interruption Frequency Index (SAIFI)		<i>(number)</i>	
	<i>Distribution system – total</i>			
	Urban	Number	0.99	0.60
	Short Rural	Number	1.79	1.43
	Long Rural	Number	2.92	2.41
	<i>Distribution system – planned</i>			
	Urban	Number	0.05	0.05
	Short Rural	Number	0.16	0.15
	Long Rural	Number	0.30	0.28
	<i>Distribution system – unplanned</i>			
	Urban	Number	0.95	0.56
	Short Rural	Number	1.64	1.28
	Long Rural	Number	2.63	2.12

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Reliability Measures – Financial Year to Date (1 July 2008 to 31 December 2008)

(Results effective as at 16 January 2009, for the period ending 31 December 2008)

<u>ITEM NO.</u>	<u>MEASURE</u>	<u>UNIT</u>	<u>ACTUAL NETWORK PERFORMANCE</u>	<u>NETWORK PERFORMANCE LESS EXCLUSIONS</u>
	System Average Interruption Duration Index (SAIDI)		(minutes)	
	<i>Distribution system – total</i>			
	Urban	Minutes	132.22	89.13
	Short Rural	Minutes	297.43	260.07
	Long Rural	Minutes	679.94	557.02
	<i>Distribution system – planned</i>			
	Urban	Minutes	17.64	17.33
	Short Rural	Minutes	68.00	66.78
	Long Rural	Minutes	127.87	125.56
	<i>Distribution system – unplanned</i>			
	Urban	Minutes	114.59	71.80
	Short Rural	Minutes	229.42	193.29
	Long Rural	Minutes	552.07	431.47
	System Average Interruption Frequency Index (SAIFI)		(number)	
	<i>Distribution system – total</i>			
	Urban	Number	1.30	0.91
	Short Rural	Number	2.44	2.08
	Long Rural	Number	4.01	3.48
	<i>Distribution system – planned</i>			
	Urban	Number	0.10	0.10
	Short Rural	Number	0.30	0.29
	Long Rural	Number	0.57	0.56
	<i>Distribution system – unplanned</i>			
	Urban	Number	1.21	0.81
	Short Rural	Number	2.14	1.78
	Long Rural	Number	3.43	2.92

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Details of Interruptions Excluded - 3 Months to December 2008

(Results effective as at 16 January 2009, for the period ending 31 December 2008)

	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	5.11	2.08	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	36.77	33.08	118.64
(d) an interruption caused by a customer's electrical installation or failure of that electrical installation.	0.74	1.29	2.50
Total SAIDI for all Exclusion Events	42.62	36.45	121.14
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	0.19	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	0.20	0.28	0.51
(d) an interruption caused by a customer's electrical installation or failure of that electrical installation.	0.01	0.01	0.01
Total SAIFI for all Exclusion Events	0.39	0.36	0.52

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 31 December 2008)

(Results effective as at 16 January 2009, for the period ending 31 December 2008)

	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	5.11	2.08	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	36.77	33.08	118.64
(d) an interruption caused by a customer's electrical installation or failure of that electrical installation.	1.21	2.20	4.29
Total SAIDI for all Exclusion Events	43.10	37.35	122.93
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	0.19	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	0.20	0.28	0.51
(d) an interruption caused by a customer's electrical installation or failure of that electrical installation.	0.01	0.01	0.02
Total SAIFI for all Exclusion Events	0.40	0.37	0.52

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

Description of any major event days

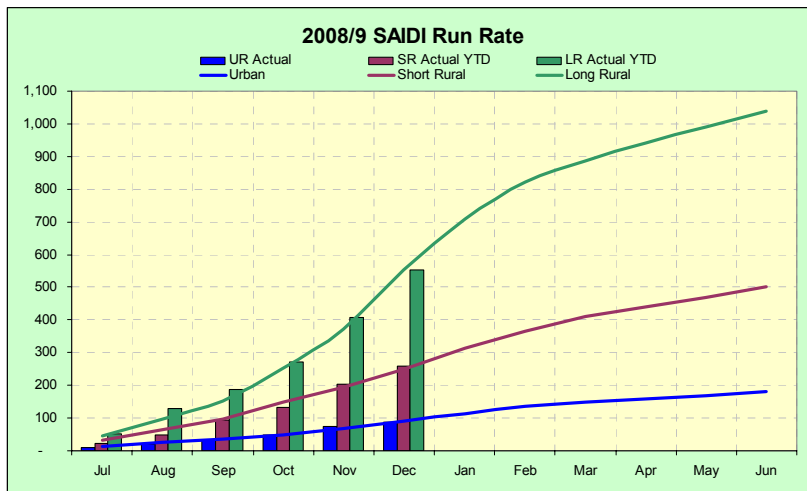
During the December 2008 quarter, reliability performance was adversely influenced by severe and widespread storm activity, which caused widespread damage and affected large volumes of Ergon Energy customers across the state. Ergon Energy registered three Major Event Days (MED) during the December quarter 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. One of the MEDs (8th December 2008) resulted in a daily SAIDI of 20.55 SAIDI minutes alone (more than double the required TMED threshold). The other two MEDs on the 20th November and 7th of December resulted in a daily SAIDI of 12.86 and 9.35 SAIDI minutes respectively.

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

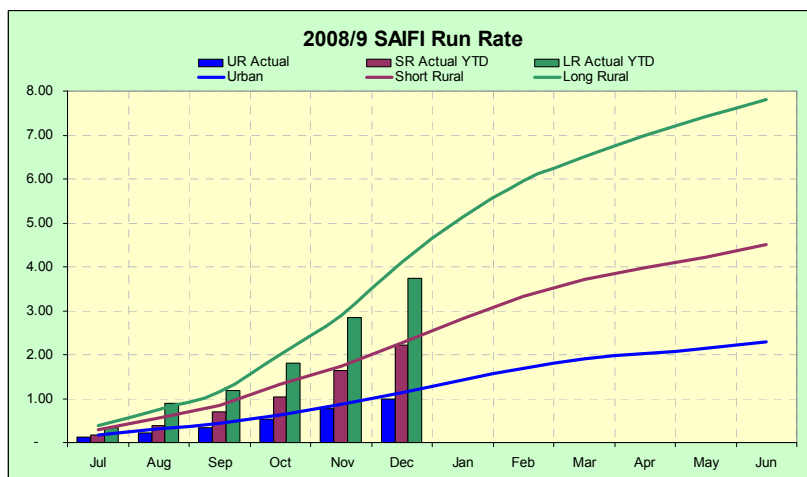
Sustained storm activity during November and December has had an adverse impact on network reliability, with a number of severe storm related interruptions experienced in Ergon Energy's supply area not being significant enough to qualify as a major event day. Despite the extreme weather conditions, as at the end of the December quarter reliability performance for SAIFI remains favourable to the 2008-09 MSS targets for all three feeder categories. The total Urban and Long Rural SAIDI is tracking tightly with the MSS targets, with Urban SAIDI in alignment with the MSS target, and the Long Rural SAIDI marginally unfavourable (+0.7%) to the MSS target. Short Rural SAIDI is slightly unfavourable (+4%) to the MSS target.

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

(Results effective as at 16 January 2009, for the period ending 31 December 2008)



Feeder Type	SAIDI Network Performance less MSS exclusions (Actual)	SAIDI MSS Run Rate Target
Urban (UR)	89	89
Short Rural (SR)	260	250
Long Rural (LR)	557	553



Feeder Type	SAIFI Network Performance less MSS exclusions (Actual)	SAIFI MSS Run Rate Target
Urban (UR)	0.91	1.12
Short Rural (SR)	2.08	2.28
Long Rural (LR)	3.48	4.10

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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 31 December 2008)¹

Type of GSL	October 2008 to December 2008				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) ²	7	6	1	\$300.00	22	18	4	\$900.00
Planned Interruption (Res) ²	87	83	4	\$1,660.00	200	182	18	\$3,640.00
Connection	13	10	3	\$960.00	43	37	6	\$3,560.00
Wrongful Disconnection	57	51	6	\$5,100.00	108	95	13	\$9,500.00
Reconnection	6	6	0	\$280.00	9	8	1	\$360.00
Hot Water Supply	3	2	1	\$80.00	4	3	1	\$120.00
Appointments	6	5	1	\$200.00	17	15	2	\$600.00
Reliability - Frequency	19	15	4	\$1,200.00	52	39	13	\$3,120.00
Reliability - Duration	151	151	0	\$12,080.00	152	151	1	\$12,080.00
Total	349	329	20	\$21,860.00	607	548	59	\$33,880.00

- The large number of GSL claims during the December 2008 quarter is largely attributed to the extraordinarily high number of GSL claims paid for interruption duration the quarter (151 claims). On removal of these claims, the total number of valid GSLs for the December quarter reduces to 178 claims and \$9,780 in payments. The majority of the interruption duration GSL claims paid were associated with storm related damage and extended outages experienced in Baralaba, Boolburra, Woorabinda and Glenden (Central Queensland) on the 7th December 2008. This particular day was subsequently registered as one of the three eligible Major Event Days for the quarter, however under clause 2.3.9 of the Electricity Industry Code, such GSL payments are still required to be paid to customers.

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.

² Ergon Energy has recently identified an error which impacts the Planned Interruption GSL figures previously reported in the MSS & GSL Quarterly Report July – September 2008. Review and correction of the classification of two Planned Interruption (Bus) GSL claims (previously recorded as Planned Interruption (Res)) have been adjusted in the Financial Year to Date figures to 31 December 2008.

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Explanation for Rejection of GSL Claims - 3 months to December 2008

Ergon Energy rejected 20 GSL claims during the December 2008 quarter. Of these, 11 related to GSL claims made by customers. The remaining 9 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:

- **1 Planned Interruption (Bus) GSLs**
 - 1 x Customers were notified of Outage
- **4 Planned Interruption (Res) GSLs**
 - 4 x Customers were notified of Outage
- **3 Customer Connection GSLs**
 - 1 x Mechanic connected premises on time
 - 1 x Sub-Division not ready for connection
 - 1 x Customer denied access
- **6 x Wrongful Disconnection GSLs**
 - 4 x initially incorrectly recorded as rejected, but were subsequently raised then paid under separate (new) GSL claim
 - 1 x customer was not disconnected
 - 1 x Mechanic disconnected correct premises
- **1 Hot Water Supply GSL**
 - 1 x Initial incorrectly recorded as rejected, but were subsequently raised and paid under separate (new) GSL claim
- **1 Appointment GSL**
 - 1 x Account was not current (legislation states the customers account must be current)
- **4 Reliability Frequency GSLs**
 - 4 x Customers did not meet Government regulated threshold for Frequency GSL.

Please direct queries or feedback on this report to:

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