

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

July – September 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	01-07-2008
1.3	<i>Last day of reporting period</i>	Date	30-09-2008

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 September 2008

(Results effective as at 8 October 2008, for the period ending 30 September 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	31.35	30.88
	Short Rural	Minutes	95.06	94.13
	Long Rural	Minutes	187.20	185.41
	<i>Distribution system – planned</i>			
	Urban	Minutes	8.34	8.34
	Short Rural	Minutes	33.98	33.98
	Long Rural	Minutes	59.52	59.52
	<i>Distribution system – unplanned</i>			
	Urban	Minutes	23.01	22.54
	Short Rural	Minutes	61.07	60.14
	Long Rural	Minutes	127.68	125.89
	System Average Interruption Frequency Index (SAIFI)		<i>(number)</i>	
	<i>Distribution system – total</i>			
	Urban	Number	0.31	0.30
	Short Rural	Number	0.67	0.66
	Long Rural	Number	1.08	1.08
	<i>Distribution system – planned</i>			
	Urban	Number	0.05	0.05
	Short Rural	Number	0.15	0.15
	Long Rural	Number	0.28	0.28
	<i>Distribution system – unplanned</i>			
	Urban	Number	0.26	0.26
	Short Rural	Number	0.52	0.51
	Long Rural	Number	0.81	0.80

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

(Results effective as at 8 October 2008, for the period ending 30 September 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)		<i>(minutes)</i>	
	<i>Distribution system – total</i>			
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	Urban	Minutes	8.34	8.34
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	Long Rural	Minutes	59.52	59.52
	<i>Distribution system – unplanned</i>			
	Urban	Minutes	23.01	22.54
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	<i>Distribution system – planned</i>			
	Urban	Number	0.05	0.05
	Short Rural	Number	0.15	0.15
	Long Rural	Number	0.28	0.28
	<i>Distribution system – unplanned</i>			
	Urban	Number	0.26	0.26
	Short Rural	Number	0.52	0.51
	Long Rural	Number	0.81	0.80

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Details of Interruptions excluded 3 Months to September 2008

(Results effective as at 8 October 2008, for the period ending 30 September 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	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.	0.47	0.93	1.79
Total SAIDI for all Exclusion Events	0.47	0.93	1.79
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	0.01	0.01
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 September 2008)

(Results effective as at 8 October 2008, for the period ending 30 September 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	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.	0.47	0.93	1.79
Total SAIDI for all Exclusion Events	0.47	0.93	1.79
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	0.01	0.01
Total SAIFI for all Exclusion Events	0.00	0.01	0.01

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

Description of any major event days

Ergon Energy registered no Major Event Days (MED) during the September 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.

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

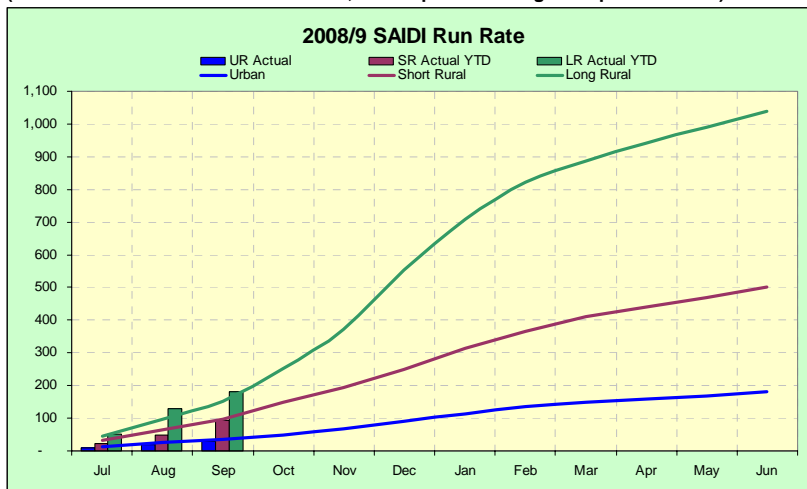
Given the inherent variability of reliability measures, caution should be exercised in drawing conclusions about relative underlying reliability performance based on short periods of measurement such as three months. Nevertheless, it is worth noting that the year to date SAIDI/SAIFI performance of both the Urban and Short Rural feeder remain favourable to the MSS targets. The overall year to date SAIDI for the Long Rural feeders remains unfavourable to the MSS target whilst the SAIFI is favourable to the MSS target.

While the Long Rural SAIDI is tracking above the year to date MSS target, the actual reliability performance (both SAIDI/SAIFI) of Long Rural Feeders have improved compared to the September 2007 results and also remain more favourable to the MSS compared to the previous year. A large proportion of the Long Rural SAIDI is attributable to the planned works taking place before the storm season.

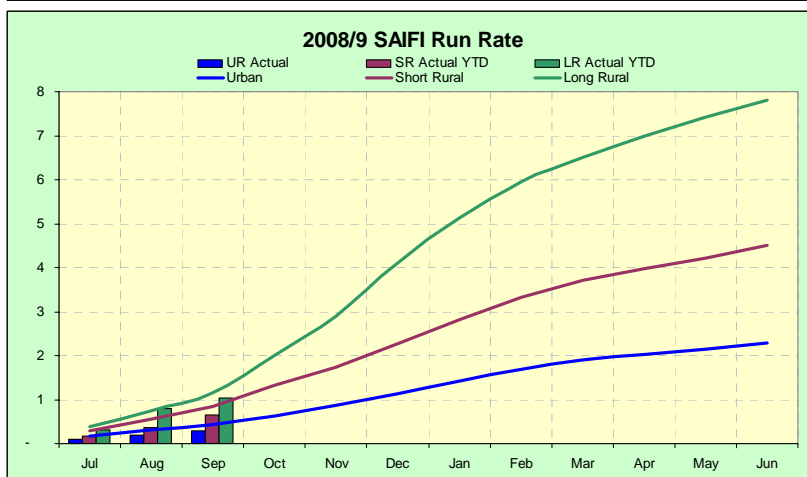
Ergon Energy will be in a better position to assess the underlying performance to the MSS targets from the second quarter of the **2008-09 financial year**.

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

(Results effective as at 8 October 2008, for the period ending 30 September 2008)



Feeder Type	SAIDI Network Performance less MSS exclusions (Actual)	SAIDI MSS Run Rate Target
Urban (UR)	30.88	36
Short Rural (SR)	94.13	98
Long Rural (LR)	185.41	152



Feeder Type	SAIFI Network Performance less MSS exclusions (Actual)	SAIFI MSS Run Rate Target
Urban (UR)	0.30	0.43
Short Rural (SR)	0.66	0.83
Long Rural (LR)	1.08	1.16

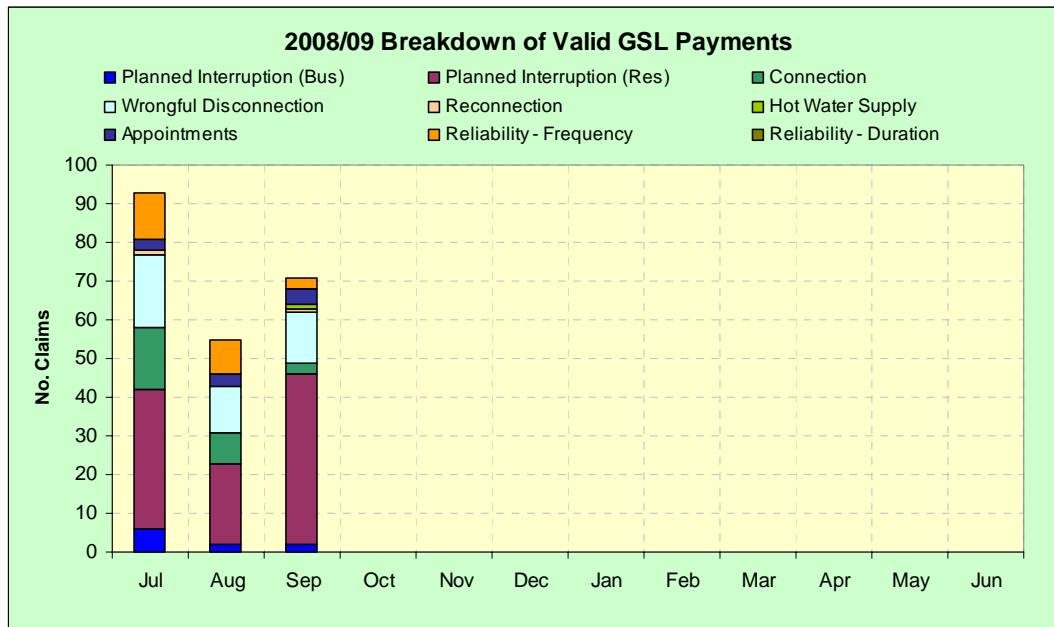
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Guaranteed Service Levels (GSLs)

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

Valid GSL Claims – Claim Type Breakdown for the Financial Year to Date (1 July 2008 to 30 September 2008)

Yearly Breakdown of Valid GSL Claims for Ergon Energy – 2008/2009 Financial Year													
Type of GSL	July	August	September	October	November	December	January	February	March	April	May	June	Cumulative Total
Planned Interruption (Bus)	6	2	2										10
Planned Interruption (Res)	36	21	44										101
Connection	16	8	3										27
Wrongful Disconnection	19	12	13										44
Reconnection	1	0	1										2
Hot Water Supply	0	0	1										1
Appointments	3	3	4										10
Reliability - Frequency	12	9	3										24
Reliability - Duration	0	0	0										0
Monthly Total	93	55	71										219



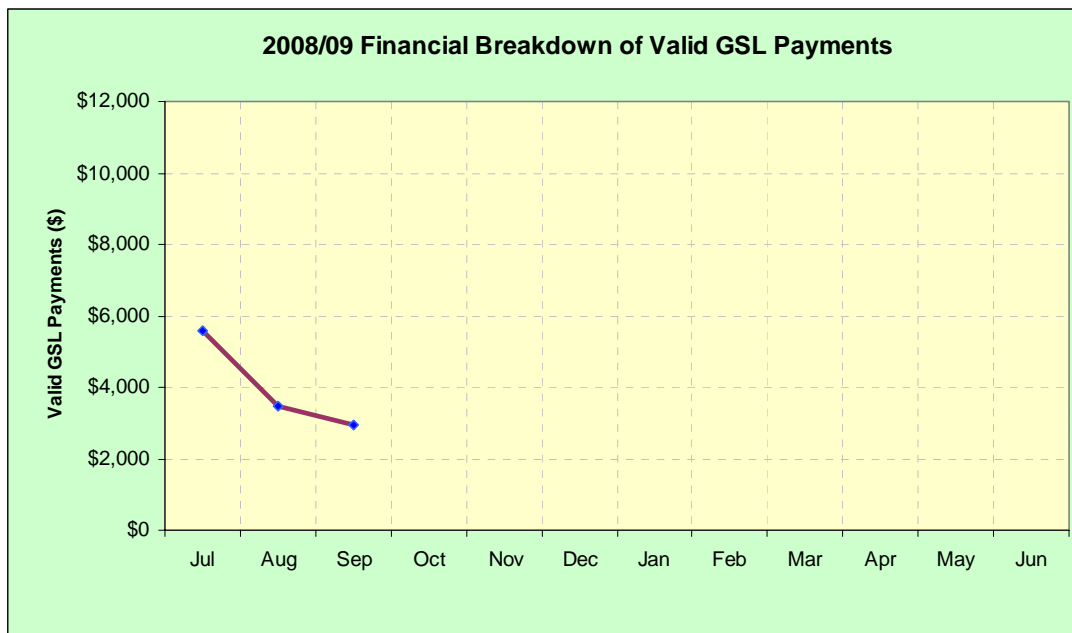
During the September quarter, Ergon Energy paid an additional 24 interruption-frequency GSL claims to customers affected by the Yeppoon outages during 2007/08. The interruption-frequency GSLs paid followed several outages on a high voltage feeder emanating from the Yeppoon zone substation, which resulted in a select number of customers supplied by the feeder exceeding the Electricity Industry Code required threshold of allowable interruptions to supply.

Along with the carry-over of 2007/08 interruption-frequency GSLs, Ergon Energy experienced a relatively high number of planned interruption GSL claims during the September quarter. A number of the planned interruption GSLs paid related to an incident in Kingaroy, where 70 customers were not notified of a scheduled outage. Ergon Energy sent a letter to all customers affected by outage, apologising for the inconvenience and advising of their eligibility to claim a GSL. In addition to the Kingaroy incident, a small number of customers did not receive notification of their applicable planned outage due to inaccurate system standing data on customer details. Customer details that were found to be inaccurate have now been corrected in databases, ensuring the affected customers will receive notification for future planned outages.

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Valid GSL Claims – Financial Claim Breakdown for the Financial Year to Date (1 July 2008 to 30 September 2008)

Financial Breakdown of Valid GSL Payments for Ergon Energy - 2008/2009 Financial Year													
Type of GSL	July	August	September	October	November	December	January	February	March	April	May	June	Cumulative Total
Planned Interruption (Bus)	\$300.00	\$100.00	\$100.00										\$500.00
Planned Interruption (Res)	\$720.00	\$480.00	\$880.00										\$2,080.00
Connection	\$1,560.00	\$840.00	\$200.00										\$2,600.00
Wrongful Disconnection	\$1,900.00	\$1,200.00	\$1,300.00										\$4,400.00
Reconnection	\$40.00	\$0.00	\$40.00										\$80.00
Hot Water Supply	\$0.00	\$0.00	\$40.00										\$40.00
Appointments	\$120.00	\$120.00	\$160.00										\$400.00
Reliability - Frequency	\$960.00	\$720.00	\$240.00										\$1,920.00
Reliability - Duration	\$0.00	\$0.00	\$0.00										\$0.00
Monthly Total	\$5,600.00	\$3,460.00	\$2,960.00										\$12,020.00



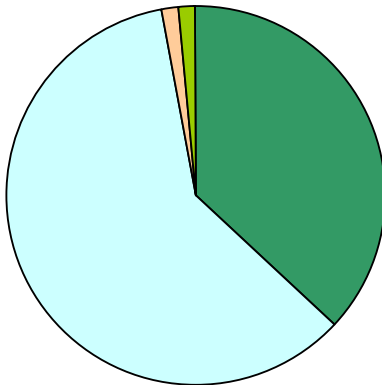
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Corporation Initiated GSL Claims Breakdown

Type of GSL	July 2008 to September 2008				Financial Year to Date			
	Number of Claims Raised	Number of Claims Accepted (Valid GSL)	Number of Claims Investigated and Not Paid	Amount Paid	Number of Claims Raised	Number of Claims Accepted (Valid GSL)	Number of Claims Investigated and Not Paid	Amount Paid
Connection	28	27	1	\$2,600.00	28	27	1	\$2,600.00
Wrongful Disconnection	51	44	7	\$4,400.00	51	44	7	\$4,400.00
Reconnection	1	1	0	\$40.00	1	1	0	\$40.00
Hot Water Supply	1	1	0	\$40.00	1	1	0	\$40.00
Total	81	73	8	\$7,080.00	81	73	8	\$7,080.00

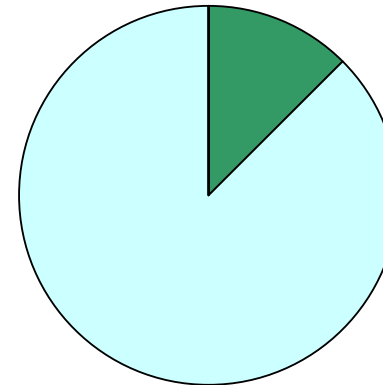
**Corporation Initiated
Number of Valid GSL Claims Paid - Jul to Sep 2008**

■ Connection ■ Wrongful Disconnection ■ Customer Reconnection ■ Hot Water Supply



**Corporation Initiated
Number of Valid GSL Claims Paid - Jul to Sep 2008**

■ Connection ■ Wrongful Disconnection ■ Customer Reconnection ■ Hot Water Supply



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Corporation Initiated GSL Claims – Rejection Reasons, July 2008 to September 2008

There were 8 Corporation Initiated GSL claims investigated and not paid due to:

- 7 Wrongful Disconnections
 - 2 x Ergon not notified about council address change
 - 1 x Incorrectly raised by representative as part of another claim
 - 1 x Main switch turned off by non-employee
 - 1 x Incorrectly entered into system (another claim raised and paid)
 - 2 x Initially rejected however investigation revealed valid claim (another claim raised and paid)

- 1 Customer Connection
 - 1 x Customer connected within time allowances

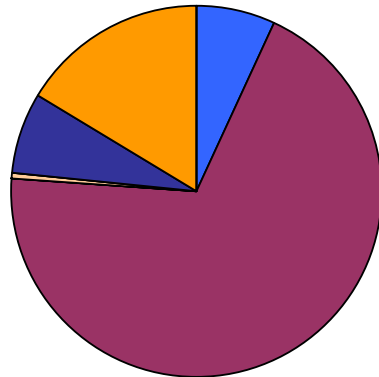
Customer Initiated GSL Claims Breakdown

Type of GSL	July 2008 to September 2008				Financial Year to Date			
	Number of Claims Raised	Number of Claims Accepted (Valid GSL)	Number of Claims Investigated and Not Paid	Amount Paid	Number of Claims Raised	Number of Claims Accepted (Valid GSL)	Number of Claims Investigated and Not Paid	Amount Paid
Planned Interruption (Bus)	13	10	3	\$500.00	13	10	3	\$500.00
Planned Interruption (Res)	115	101	14	\$2,080.00	115	101	14	\$2,080.00
Connection	2	0	2	\$0.00	2	0	2	\$0.00
Wrongful Disconnection	0	0	0	\$0.00	0	0	0	\$0.00
Reconnection	2	1	1	\$40.00	2	1	1	\$40.00
Hot Water Supply	0		0	\$0.00	0	0	0	\$0.00
Appointments	11	10	1	\$400.00	11	10	1	\$400.00
Reliability - Frequency	33	24	9	\$1,920.00	33	24	9	\$1,920.00
Reliability - Duration	1		1	\$0.00	1	0	1	\$0.00
Total	177	146	31	\$4,940.00	177	146	31	\$4,940.00

Customer Initiated

Number of Valid GSL Claims Paid - Jul to Sep 2008

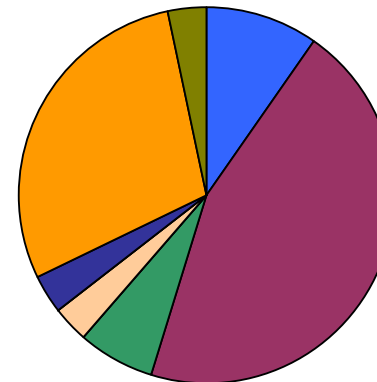
- Planned Interruption (Bus)
- Planned Interruption (Res)
- Connection
- Wrongful Disconnection
- Reconnection
- Hot Water Supply
- Appointments
- Reliability - Frequency
- Reliability - Duration



Customer Initiated

Number of GSL Claims Not Paid - Jul to Sep 2008

- Planned Interruption (Bus)
- Planned Interruption (Res)
- Connection
- Wrongful Disconnection
- Reconnection
- Hot Water Supply
- Appointments
- Reliability - Frequency
- Reliability - Duration



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Customer Initiated GSL Claims – Rejection Reasons, July 2008 to September 2008

There were 31 Customer Initiated GSL claims investigated and not paid due to:

- 3 Planned Interruption (Bus)
 - 1 x Customer did not advise correct postal address
 - 2 x Customer was advised of Outage
- 14 Planned Interruption (Res)
 - 7 x Customer was advised of Outage
 - 7 x Initially rejected however investigation revealed valid claim (another claim raised and paid)
- 9 Reliability of Supply (Freq)
 - 9 x Customer has not reached Government regulated threshold
- 1 Reliability of Supply (Dur)
 - 1 x Customer agreed to not claim after explanation by Customer Service Investigation Officer
- 1 Reconnection
 - 1 x Incorrectly entered into system (another claim raised and paid)
- 1 Appointment
 - 1 x Customer connected on time (main switch was left off as there was a power extension cord running from the house next door)
- 2 Customer Connection
 - 2 x Connected within allowed timeframe

Please direct queries or feedback on this report to:

Tony Pfeiffer
 General Manager Regulatory Affairs
 Ergon Energy Corporation Limited
 + 61 (07) 3228 822

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