

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

January – March 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	01-01-2008
1.3	<i>Last day of reporting period</i>	date	31-03-2008

Network Performance

(Reporting obligations under clause 2.6.2(a)(i) (A), (B), (C), (D) & (E) of the Queensland Electricity Industry Code, Third Edition effective 1 July 2007 ('The Code'))

Reliability Measures – 3 months to March 2008

(Results effective as at 13 May 2008, for the period ending 31 March 2008)

During the March 2008 quarter, Ergon Energy's network endured significant challenges with the continuation of the wet season which brought wide spread rain and flooding across the tropics. Due to the extended flooding, there were a number of authorised forced outages to ensure the public safety during the March quarter. Forced outage events for public safety which did not qualify within the two major event days during the quarter are outlined within the Details of Interruptions Excluded tables of this report.

Additionally, during the process of identifying the Code's authorised forced outage events for the March quarter, Ergon Energy discovered a number of other forced outage events which were erroneously omitted from the December 2007 quarter. The problem has been rectified for future reporting and in the interests of comparability with previous periods, Ergon Energy will provide revised reliability results to the affected quarter (December 2007).

ITEM NO.	MEASURE	UNIT	ACTUAL NETWORK PERFORMANCE	NETWORK PERFORMANCE LESS EXCLUSIONS
	System Average Interruption Duration Index (SAIDI)			
	<i>Distribution system – total</i>			
	Urban	Minutes	97.17	45.88
	Short Rural	Minutes	189.01	164.41
	Long Rural	Minutes	307.29	290.68
	<i>Distribution system – planned</i>			
	Urban	Minutes	9.01	9.01
	Short Rural	Minutes	24.90	24.68
	Long Rural	Minutes	42.55	40.37
	<i>Distribution system – unplanned</i>			
	Urban	Minutes	88.17	36.87
	Short Rural	Minutes	164.10	139.72
	Long Rural	Minutes	264.74	250.31
	System Average Interruption Frequency Index (SAIFI)			
	<i>Distribution system – total</i>			
	Urban	Number	0.90	0.70
	Short Rural	Number	1.37	1.21
	Long Rural	Number	1.76	1.69

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<u>ITEM NO.</u>	<u>MEASURE</u>	<u>UNIT</u>	<u>ACTUAL NETWORK PERFORMANCE</u>	<u>NETWORK PERFORMANCE LESS EXCLUSIONS</u>
	<i>Distribution system – planned</i>			
	Urban	Number	0.04	0.04
	Short Rural	Number	0.11	0.11
	Long Rural	Number	0.21	0.20
	<i>Distribution system – unplanned</i>			
	Urban	Number	0.86	0.66
	Short Rural	Number	1.26	1.10
	Long Rural	Number	1.54	1.49

Reliability Measures – Financial Year to Date (1 July 2007 to 31 March 2008)

(Results effective as at 13 May 2008, for the period ending 31 March 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>Distribution system – total</i>			
	Urban	Minutes	227.75	130.79
	Short Rural	Minutes	486.26	376.64
	Long Rural	Minutes	1009.25	862.79
	<i>Distribution system – planned</i>			
	Urban	Minutes	38.21	37.81
	Short Rural	Minutes	85.85	84.07
	Long Rural	Minutes	165.80	160.53
	<i>Distribution system – unplanned</i>			
	Urban	Minutes	189.54	92.99
	Short Rural	Minutes	400.41	292.57
	Long Rural	Minutes	843.45	702.26
	System Average Interruption Frequency Index (SAIFI)			
	<i>Distribution system – total</i>			
	Urban	Number	2.02	1.55
	Short Rural	Number	3.57	2.94
	Long Rural	Number	5.76	5.02
	<i>Distribution system – planned</i>			
	Urban	Number	0.18	0.18
	Short Rural	Number	0.48	0.46
	Long Rural	Number	0.87	0.83
	<i>Distribution system – unplanned</i>			
	Urban	Number	1.84	1.37
	Short Rural	Number	3.10	2.49
	Long Rural	Number	4.88	4.19

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Details of Interruptions excluded 3 Months to March 2008

(Results effective as at 13 May 2008, for the period ending 31 March 2008)

EXCLUSION MEASURE	TOTAL		
	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	0.16	0.51	0.24
(v) a direction by a police officer or another authorised person exercising powers in relation to public safety;	19.36	3.38	0.89
(c) any interruption to the supply of electricity on a distribution entity's supply network which commences on a major event day; and	30.66	18.73	8.32
(d) an interruption caused by a customer's electrical installation or failure of that electrical installation.	1.11	1.98	7.16
Total SAIDI for all Exclusion Events	51.29	24.60	16.61
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	0.01	0.01	0.01
(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	0.18	0.13	0.04
(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	0.20	0.16	0.06

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

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Details of Interruptions excluded for the Financial Year to Date (1 July 2007 to 31 March 2008)

(Results effective as at 13 May 2008, for the period ending 31 March 2008)

EXCLUSION MEASURE	TOTAL		
	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;	0.04	0.24	0.21
(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	0.23	0.75	0.85
(v) a direction by a police officer or another authorised person exercising powers in relation to public safety;	19.36	3.38	0.89
(c) any interruption to the supply of electricity on a distribution entity's supply network which commences on a major event day; and	72.59	99.38	128.51
(d) an interruption caused by a customer's electrical installation or failure of that electrical installation.	4.73	5.87	16.02
Total SAIDI for all Exclusion Events	96.95	109.62	146.47
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	0.01	0.02
(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	0.02	0.05	0.09
(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	0.43	0.54	0.59
(d) an interruption caused by a customer's electrical installation or failure of that electrical installation.	0.02	0.02	0.04
Total SAIFI for all Exclusion Events	0.48	0.63	0.74

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

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Description of any major event days

During the March quarter heavy rains and serious floods affected a large geographical area of Ergon Energy's service area. Ergon Energy registered two major Event Days (MED) during the quarter using the 2.5 beta exclusion event method, which requires a MED to be any day with a daily SAIDI value greater than the 2007-08 MED Threshold (TMED) of 9.94 system minutes. The Major Event Days occurred on the 8th and 15th of February 2008.

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

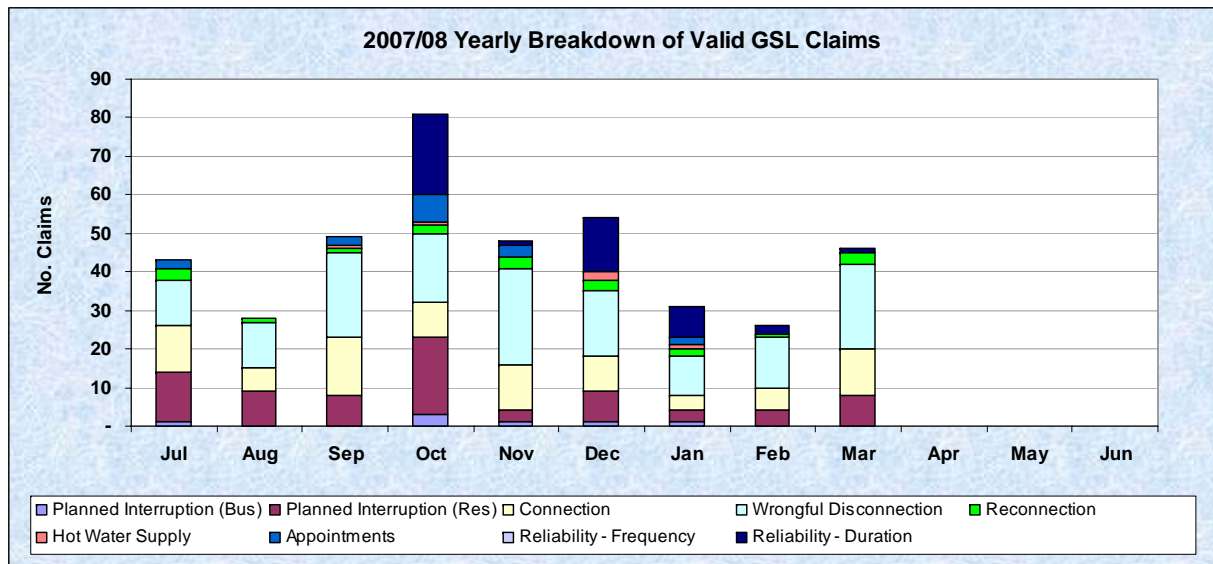
Despite the extreme weather conditions experienced during the March quarter, Ergon Energy's year to date reliability performance for both SAIDI and SAIFI are tracking favourably to the 2007-08 MSS targets for all three feeder categories. The favourable year to date network performance results are a product of relatively benign weather conditions during the rest of the quarters coupled with a strong performance in the delivery of network maintenance and capital works. The planned work contribution to the overall performance during the March quarter was considerably limited due to the extended rain and floods in Ergon Energy's supply areas.

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

Yearly Breakdown of Valid GSL Claims for Ergon Energy – 2007/2008 Financial Year													
Type of GSL	July	August	September	October	November	December	January	February	March	April	May	June	Cumulative Total
Planned Interruption (Bus)	1	0	0	3	1	1	1	0	0	0	0	0	7
Planned Interruption (Res)	13	9	8	20	3	8	3	4	8	0	0	0	76
Connection	12	6	15	9	12	9	4	6	12	0	0	0	85
Wrongful Disconnection	12	12	22	18	25	17	10	13	22	0	0	0	151
Reconnection	3	1	1	2	3	3	2	1	3	0	0	0	19
Hot Water Supply	0	0	1	1	0	2	1	0	0	0	0	0	5
Appointments	2	0	2	7	3	0	2	0	0	0	0	0	16
Reliability - Frequency	0	0	0	0	0	0	0	0	0	0	0	0	0
Reliability - Duration	0	0	0	21	1	14	8	2	1	0	0	0	47
Monthly Total	43	28	49	81	48	54	31	26	46	0	0	0	406



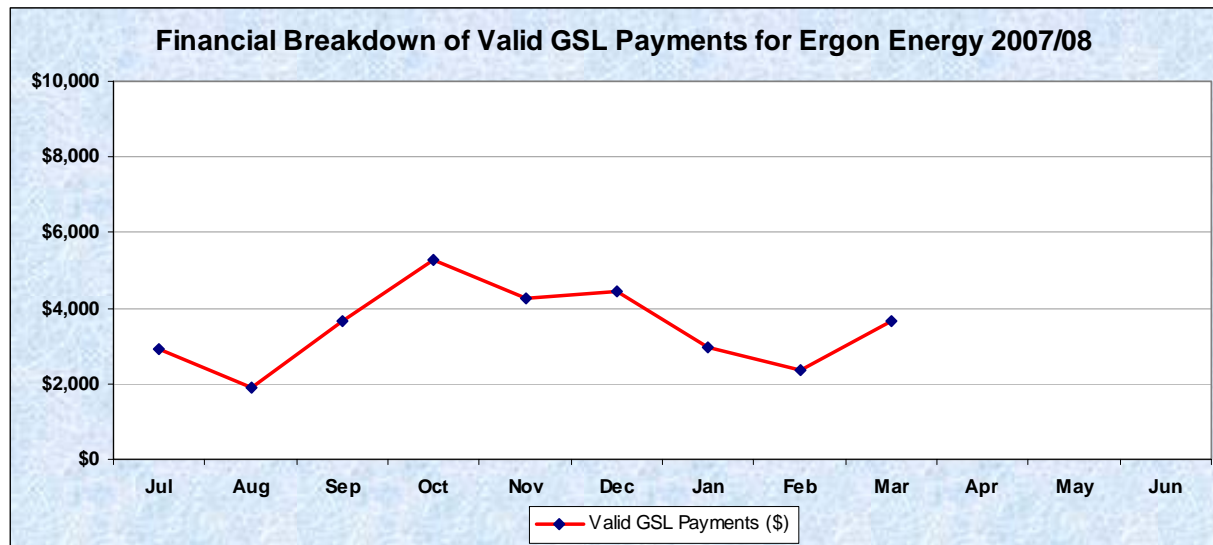
The above figures represent the total number of valid GSL claims paid for the quarter as defined under the Electricity Industry Code (the Code).

During the March quarter, Ergon Energy paid an additional 212 ex-gratia claims (\$6,030 in payments). The large majority of the ex-gratia claims were paid as a good will gesture as a result of the cancellation of a scheduled planned outage in Morven, South West Queensland. Ex-gratia payments are excluded from valid GSL claim statistics.

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Valid GSL Claims – Financial Claim Breakdown for the Financial Year to Date

Financial Breakdown of Valid GSL Payments for Ergon Energy - 2007/2008 Financial Year													
Type of GSL	July	August	September	October	November	December	January	February	March	April	May	June	Cumulative Total
Planned Interruption (Bus)	\$50.00	\$0.00	\$0.00	\$150.00	\$50.00	\$50.00	\$50.00	\$0.00	\$0.00				\$350.00
Planned Interruption (Res)	\$260.00	\$180.00	\$160.00	\$400.00	\$60.00	\$160.00	\$60.00	\$80.00	\$160.00				\$1,520.00
Connection	\$1,210.00	\$480.00	\$1,080.00	\$840.00	\$1,320.00	\$880.00	\$720.00	\$800.00	\$1,080.00				\$8,410.00
Wrongful Disconnection	\$1,200.00	\$1,200.00	\$2,200.00	\$1,800.00	\$2,500.00	\$1,700.00	\$1,000.00	\$1,300.00	\$2,200.00				\$15,100.00
Reconnection	\$120.00	\$40.00	\$40.00	\$80.00	\$120.00	\$280.00	\$360.00	\$40.00	\$120.00				\$1,200.00
Hot Water Supply	\$0.00	\$0.00	\$120.00	\$40.00	\$0.00	\$240.00	\$40.00	\$0.00	\$0.00				\$440.00
Appointments	\$80.00	\$0.00	\$80.00	\$280.00	\$120.00	\$0.00	\$80.00	\$0.00	\$0.00				\$640.00
Reliability - Frequency	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00				\$0.00
Reliability - Duration	\$0.00	\$0.00	\$0.00	\$1,680.00	\$80.00	\$1,120.00	\$640.00	\$160.00	\$80.00				\$3,760.00
Monthly Total	\$2,920.00	\$1,900.00	\$3,680.00	\$5,270.00	\$4,250.00	\$4,430.00	\$2,950.00	\$2,380.00	\$3,640.00				\$31,420.00



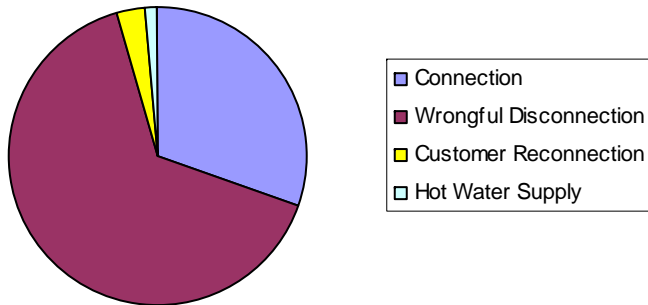
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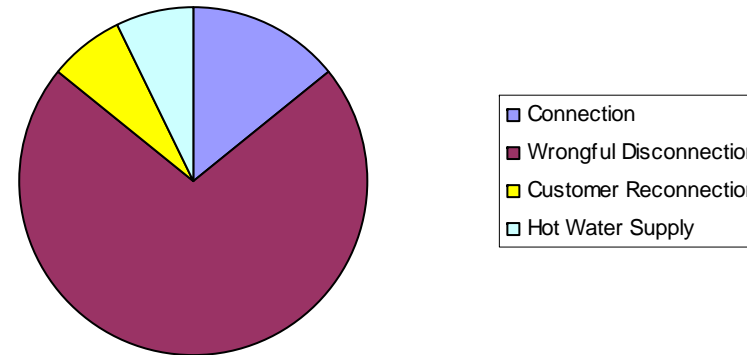
Corporation Initiated GSL Claims Breakdown

Type of GSL	January 2008 to March 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	23	21	2	\$2,560.00	87	82	5	\$8,280.00
Wrongful Disconnection	55	45	10	\$4,500.00	181	151	30	\$15,100.00
Reconnection	3	2	1	\$80.00	13	9	4	\$440.00
Hot Water Supply	2	1	1	\$40.00	7	5	2	\$440.00
Total	83	69	14	\$ 7,180.00	288	247	41	\$ 24,260.00

**Corporation Initiated
Number of Valid GSL Claims - Jan to Mar 2008**



**Corporation Initiated
Number of GSL Claims Not Paid - Jan to Mar 2008**



Corporation Initiated GSL Claims – Rejection Reasons, January 2008 to March 2008

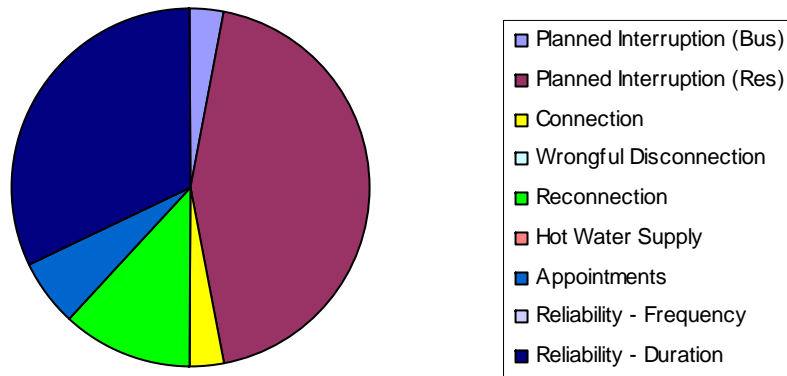
There were 14 Corporation Initiated GSL claims investigated and not paid due to:

- 10 x Wrongful Disconnections
 - 3 x Correctly disconnected for debt
 - 2 x Customer not disconnected by Ergon Energy (third party or customers responsibility)
 - 1 x Typographical error - paid twice
 - 1 x Account not correctly reinstated by customer
 - 1 x Renovations causing address changes (Local Council responsibility)
 - 1 x Customer made application to wrong premises
 - 1 x Customer not calling to make payment arrangement
- 2 x Connections
 - 1 x no access by customer
 - 1 x premise connected as per agreed arrangements
- 1 x Hot Water Supply (incorrect Service Order Type raised)
- 1 x Reconnection (Service Order raised incorrectly when updated)

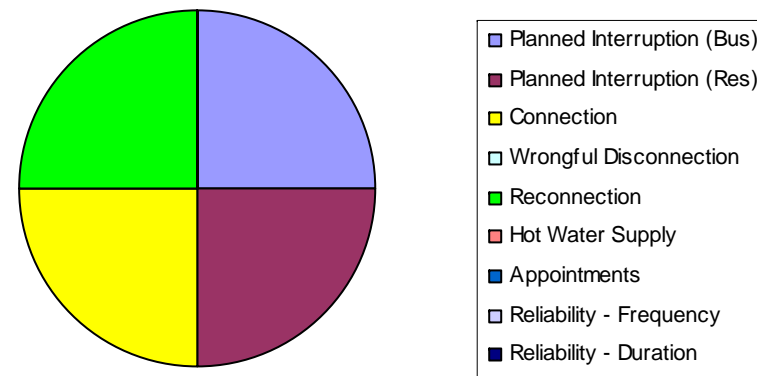
Customer Initiated GSL Claims Breakdown

Type of GSL	January 2008 to March 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)	2	1	1	\$50.00	11	7	4	\$350.00
Planned Interruption (Res)	16	15	1	\$300.00	85	76	9	\$1,520.00
Connection	2	1	1	\$40.00	7	3	4	\$130.00
Wrongful Disconnection	0	0	0	\$0.00	0	0	0	\$0.00
Reconnection	5	4	1	\$440.00	17	10	7	\$760.00
Hot Water Supply	0	0	0	\$0.00	0	0	0	\$0.00
Appointments	2	2	0	\$80.00	18	16	2	\$640.00
Reliability - Frequency	0	0	0	\$0.00	0	0	0	\$0.00
Reliability - Duration	11	11	0	\$880.00	47	47	0	\$3,760.00
Total	38	34	4	\$ 1,790.00	185	159	26	\$ 7,160.00

**Customer Initiated
Number of Valid GSL Claims - Jan to Mar 2008**



**Customer Initiated
Number of GSL Claims Not Paid - Jan to Mar 2008**



Customer Initiated GSL Claims – Rejection Reasons, January 2008 to March 2008

There were 4 Customer Initiated GSL claims investigated and not paid due to -

- 2 Planned Interruptions
 - 1 x Customer was sent notification letter by Australia Post
 - 1 x Does not meet Regulatory Requirements (Large Customer)
- 1 Connection (Automatically generated and paid as Corporation Initiated GSL)
- 1 Reconnection (Attempts to contact customer failed, customer did not respond to any messages left)

Please direct queries or feedback on this report to:

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