

Email received from ETSA Utilities following discussions with ESCOSA and ElectraNet further to ElectraNet's submission to the Draft Decision.

From: Cox, Grant (ETSA)
Sent: Monday, 28 November 2011 1:08 PM
To: Wilson, Adam (ESCOSA); McPherson, Stuart (ESCOSA)
Cc: [REDACTED] (ETSA); [REDACTED] (ETSA)
Subject: Transmission Code

Adam and Stuart,

A) Suggested change to the Transmission Code for Category 5 connection points:

Add to the following existing clauses:

1. "2.9.1 (a) (ii) (A) restore at least 65% of "N" equivalent line capacity within 4 hours of commencement of the interruption" &
2. "2.9.1.(b) (ii) (A) restore at least 65% of "N" equivalent transformer capacity within 4 hours of commencement of the interruption"

Logic: the emergency capacity of the existing Distribution network supplying the CBD without the two transmission sources in the CBD in service (N-2) is approximately 65% of the forecasted CBD AMD in 2020. This assumes all existing distribution assets will still be available in 2020 (with some minor improvements - less than \$2M), including the Magill to Whitmore Square 66kV oil filled cable (which was going to be retired in 2013). To improve % will need additional major distribution augmentation. Note: also likely to need to replace the Magill to Whitmore cable in next 5 years if no longer plan to retire, (environmental and network risk).

Note: Worse case scenario is when State load is at 100% CBD load must be less than or equal to 65%. However, when the state load is 80% of peak the CBD load may also be up to 80% of peak. Consequently we have adopted for the code 65%.

However, we expect the State and CBD daily peak load to be below the threshold of 80% of peak approximately 335 days of the year in 2020, i.e. greater than 90%.

B) Comments on any additional obligation for ETSA Utilities in the Transmission Code

At our joint meeting with ElectraNet and ESCOSA it was accepted that ETSA Utilities and ElectraNet should be responsible for delivering, owning, operating and funding the distribution and transmission components of ETC driven network augmentations respectively as regulated investments, and that the timing obligations for delivery of the transmission and distribution components should align.

However, there should not be any reliability or security of supply obligations imposed on ETSA Utilities in the Transmission Code except where as the result of a Transmission constraint RIT-T ETSA Utilities is required to implement its share of the solution. This would normally be understood by the AER and may not require any specific reference in the Transmission Code. Suggested solution: a simple generic statement like: "If Electranet are required to augment network to resolve a Transmission Code constraint then ETSA Utilities are also required to support that resolution by installing the appropriate Distribution assets."

ETSA Utilities remains concerned over service incentive payment impacts (under the AER's Service Target Performance Incentive Scheme and ESCOSA's Guaranteed Service Level scheme) and is seeking indemnity / exclusion from these impacts for distribution works or under transmission outage situations. Where the distribution network provides support following failure of the transmission network (eg the new Category 5 load serving the CBD) the STPIS applicable to ElectraNet is the only regime that should apply.

Grant Cox
Manager Regulatory Affairs
ETSA Utilities