



Economic Regulation Authority

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NOTICE

Draft Decision on Western Power's Proposed Access Arrangement Revisions

CORRIGENDA

The Economic Regulation Authority has today published an amended version of its Draft Decision on Western Power's Proposed Access Arrangement Revisions, issued on 16 July 2009.

The amended version of the draft decision incorporates corrections as detailed in the [corrigenda](#) attached to this notice.

The corrections do not materially alter the Authority's draft decision and apply as of 13 August 2009. All copies of the draft decision obtained from the Authority's web site prior to this notice should be corrected accordingly.

The amended draft decision is available from the Authority's [web site](#).

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LYNDON ROWE
CHAIRMAN

13 August 2009

Corrigenda for the Draft Decision on Proposed Revisions to the Access Arrangement for the South West Interconnected Network

1) Table 61 (page 168)

Transmission wood poles amount for 2008/09 of “1619” deleted and replaced with “**16.19**”.

2) Paragraph 615 (page 170)

Delete “\$0.31 million in 2007/08” (third line) and replace with “**\$0.31 million in 2006/07**” and delete “\$1.80 million in 2006/07” (third line) and replace with “**\$1.80 million in 2007/08**”.

3) Table 84 (page 210)

“Debt margin (including debt transaction costs, %)” deleted and replaced with “**Debt margin costs (excluding debt transaction costs, %)**”.

4) Tables 89 and 90 (page 216)

Column heading years of “2008/09”, “2009/10” and “2010/11” deleted and replaced with “**2009/10**”, “**2010/11**” and “**2011/12**” respectively.

5) Table 94 (page 224)

Adjustment to target revenue amounts of “6.92” and “11.11” deleted and replaced with “**6.46**” and “**10.38**” respectively.

6) Table 100 (page 233)

Investment adjustment mechanism of “(7.11)” deleted and replaced with “**7.11**”.

7) Required Amendment 33 (page 241)

Delete “transmission network” (second bullet point) and replace with “**distribution network**”.

Note: this correction is also made on page 7 of the Draft Decision.

8) Paragraph 1013 (page 272)

Delete “0.17” (fourth line) and replace with “**0.26**” and delete “0.26” (fifth line) and replace with “**0.39**”.

9) Paragraph 1014 (page 273)

Delete “25 for transmission services” (ninth line) and replace with “**2.5 for transmission services**”.

10) Required Amendment 35 (page 273)

Delete “25 for transmission services” (part (c), second line) and replace with “**2.5 for transmission services**”.

Note: this correction is also made on page 9 of the Draft Decision.

11) Paragraph 1188 (page 313)

Delete “section 5.17A(d)” (third line) and replace with “**section 5.17D(d)**”.

12) Required Amendment 46 (page 319)

Delete “clause 1.3” (second line) and replace with “**clause 4.3**”.

Note: this correction is also made on page 11 of the Draft Decision.

13) Illustrative example of the Service Standard Adjustment Mechanism (pages 329, 330, 331 and 332)

Delete and replace working example tables on pages 329, 330, 331 and 332 with the following tables:

Transmission (page 329)

Service standard parameter	Year	Achieved service standard	Dead-band bound	Difference	Incentive rate (\$ per 0.1% circuit availability and per 0.1 system minutes interrupted)	Penalty
Circuit availability (%)	2009/10	97.0	97.5	-0.5	165,094	825,470
	2010/11	97.0	97.5	-0.5	218,215	1,091,275
	2011/12	97.0	97.5	-0.5	288,532	1,442,660
System minutes interrupted (meshed network)	2009/10	11.2	10.2	-1.0	84,322	843,220
	2010/11	11.2	10.2	-1.0	111,474	1,114,740
	2011/12	11.2	10.2	-1.0	147,369	1,473,690
System minutes interrupted (radial network)	2009/10	1.7	1.5	-0.2	29,481	58,962
	2010/11	1.7	1.5	-0.2	38,974	77,948
	2011/12	1.7	1.5	-0.2	51,524	103,048
Annual penalties	2009/10					1,727,652
	2010/11					2,283,963
	2011/12					3,019,398
Present value of penalties at discount rate of 7.06 per cent						6,066,976
Present value of reference service revenue as determined under this Draft Decision						771,650,880
Penalties as per cent of reference tariff revenue						0.79

Distribution (page 330)

Service standard parameter	Year	Achieved service standard	Dead-band bound	Difference	Incentive rate (\$ per SAIDI minute or SAIFI event)	Penalty
SAIDI – CBD	2009/10	46	42	-4	89,845	359,380
	2010/11	46	42	-4	118,877	475,508
	2011/12	46	42	-4	155,200	620,800
SAIDI – Urban	2009/10	193	177	-16	89,845	1,437,520
	2010/11	180	165	-15	118,877	1,783,155
	2011/12	170	156	-14	155,200	2,172,800
SAIDI – Rural Short	2009/10	304	278	-26	3,416	88,816
	2010/11	280	256	-24	4,548	109,152
	2011/12	266	244	-22	5,906	129,932
SAIDI – Rural Long	2009/10	719	659	-60	3,416	204,960
	2010/11	680	624	-56	4,548	254,688
	2011/12	658	603	-55	5,906	324,830
SAIFI – CBD	2009/10	0.29	0.26	-0.03	4,216,767	126,503
	2010/11	0.29	0.26	-0.03	5,587,216	167,616
	2011/12	0.29	0.26	-0.03	7,313,110	219,393
SAIFI – Urban	2009/10	2.26	2.07	-0.19	4,216,767	801,186
	2010/11	2.11	1.94	-0.17	5,587,216	949,827
	2011/12	2.00	1.84	-0.16	7,313,110	1,170,098
SAIFI – Rural Short	2009/10	3.66	3.36	-0.30	183,284	54,985
	2010/11	3.40	3.11	-0.29	243,520	70,621
	2011/12	3.24	2.97	-0.27	317,136	85,627
SAIFI – Rural Long	2009/10	5.87	5.38	-0.49	183,284	89,809
	2010/11	5.57	5.10	-0.47	243,520	114,454
	2011/12	5.36	4.92	-0.44	317,136	139,540
Annual penalties	2009/10					3,163,159
	2010/11					3,925,021
	2011/12					4,863,019
Present value of penalties at discount rate of 7.06 per cent						10,341,993
Present value of reference service revenue under this Draft Decision						1,293,448,610
Penalties as per cent of reference tariff revenue						0.80

Transmission (page 331)

Service standard parameter	Year	Achieved service standard	Target	Difference	Incentive rate (\$ per 0.1% circuit availability and per 0.1 system minutes interrupted)	Penalty
Circuit availability (%)	2009/10	97.0	98.0	-1.0	412,735	4,127,350
	2010/11	97.0	98.0	0	545,538	0
	2011/12	97.0	98.0	0	721,330	0
System minutes interrupted (meshed network)	2009/10	11.2	9.3	-1.9	210,805	4,005,295
	2010/11	11.2	9.3	0	278,685	0
	2011/12	11.2	9.3	0	368,423	0
System minutes interrupted (radial network)	2009/10	1.7	1.4	-0.3	73,703	221,108
	2010/11	1.7	1.4	0	97,435	0
	2011/12	1.7	1.4	0	128,810	0
Annual penalties	2009/10					8,353,753
	2010/11					0
	2011/12					0
Present value of penalties at discount rate of 7.06 per cent						7,802,870
Present value of reference service revenue under this Draft Decision						771,650,880
Penalties as per cent of reference tariff revenue						1.01

Distribution (page 332)

Service standard parameter	Year	Achieved service standard	Target	Difference	Incentive rate (\$ per SAIDI minute or SAIFI event)	Penalty / (Reward)
SAIDI – CBD	2009/10	46	38	-8	224,612	1,796,900
	2010/11	46	38	0	297,192	0
	2011/12	46	38	0	388,000	0
SAIDI – Urban	2009/10	193	161	-32	224,612	7,187,600
	2010/11	180	150	2	297,192	(594,385)
	2011/12	170	142	2	388,000	(776,000)
SAIDI – Rural Short	2009/10	304	253	-51	8,540	435,540
	2010/11	280	233	4	11,370	(45,480)
	2011/12	266	244	3	14,765	(44,295)
SAIDI – Rural Long	2009/10	719	599	-120	8,540	1,024,800
	2010/11	680	567	7	11,370	(79,590)
	2011/12	658	548	3	14,765	(44,295)
SAIFI – CBD	2009/10	0.29	0.24	-0.05	10,541,918	527,096
	2010/11	0.29	0.24	0	13,968,040	0
	2011/12	0.29	0.24	0	18,282,775	0
SAIFI – Urban	2009/10	2.26	1.88	-0.38	10,541,918	4,005,929
	2010/11	2.11	1.76	0.03	13,968,040	(419,041)
	2011/12	2.00	1.67	0.02	18,282,775	(365,655)
SAIFI – Rural Short	2009/10	3.66	3.05	-0.61	458,210	279,508
	2010/11	3.40	2.83	0.04	608,800	(24,352)
	2011/12	3.24	2.70	0.03	792,840	(23,785)
SAIFI Rural Long	2009/10	5.87	4.89	-0.98	458,210	449,046
	2010/11	5.57	4.64	0.05	608,800	(30,440)
	2011/12	5.36	4.47	0.04	792,840	(31,714)
Annual penalties	2009/10					15,706,418
	2010/11					(1,193,288)
	2011/12					(1,285,744)
Present value of penalties at discount rate of 7.06 per cent						12,581,786
Present value of reference service revenue under this Draft Decision						1,293,448,610
Penalties as per cent of reference tariff revenue						0.97