



Independent Pricing and Regulatory Tribunal  
New South Wales

# Electricity networks reporting manual – Transmission reliability standard – Annual reporting and additional information requirements

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## Tribunal Members

The Tribunal members for this review are:

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Mr Ed Willett

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## Amendment record

Issue	Date issued	Amendments made
ENRM – Transmission reliability standard	October 2017	First issue of the new reporting manual for transmission reliability.
ENRM – Transmission reliability standard	April 2018	Inserting sign-off requirements on reports. Minor formatting improvements.
ENRM – Transmission reliability standard – Annual reporting and other information requirements	March 2019	Transmission reliability reporting manual split into two reporting manuals to separate initial reporting against the Transmission Reliability and Performance Standard, and annual reporting. Also includes reporting requirements for flexibility plans implemented under sections 5 and 6 of the Standard.



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# 1 Compliance with transmission reliability and performance standard

Reporting requirements outlined in this document apply to TransGrid<sup>1</sup> only.

Chapter 2 sets out TransGrid's annual reliability reporting requirements and Chapter 3 sets out TransGrid's reporting requirements where IPART requests information.

TransGrid is required, under condition 3 of its operating licence, to comply with any transmission reliability and performance standard issued by the Minister. The *NSW Electricity Transmission Reliability and Performance Standard 2017* (Standard) was issued by the Minister for Energy and Utilities on 1 June 2017, to apply from 1 July 2018. The Independent Pricing and Regulatory Tribunal (IPART) intends to review the Standard periodically.

TransGrid is also required under condition 11 of its operating licence to prepare and submit reports in accordance with any applicable reporting manuals issued by IPART. The reporting requirements outlined in this reporting manual and the *Electricity networks reporting manual – Transmission reliability standard – Reset reporting* will assist IPART to determine whether or not the licence holder is complying with the Standard.

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<sup>1</sup> NSW Electricity Networks Operations Pty Limited (ACN 609 169 959) as trustee for the NSW Electricity Networks Operations Trust.

## 2 Annual reliability reporting

For IPART to assess compliance with the Standard, TransGrid must report in accordance with this reporting manual and the *Electricity networks reporting manual – Transmission reliability standard – Reset reporting*.

Detailed compliance information as detailed by the *Electricity networks reporting manual – Transmission reliability standard – Reset reporting*, is only required in the first financial year after any revision of the *Transmission Reliability and Performance Standard*. TransGrid must also report in accordance with this reporting manual, in the financial year after any revision of the Standard.

This reporting manual addresses the requirements for annual compliance reports, and additional information that may be required. Reports must address the requirements in sections 2.1 and 2.2 below.

### 2.1 Annual reliability reporting

#### 2.1.1 Variation reporting

If the calculated expected unserved energy (EUE) or redundancy of a bulk supply point (BSP) has changed since the previous report, TransGrid must provide details in the annual reliability report. TransGrid must identify the BSP and provide information detailed in Appendix B, where applicable, for that BSP. This information does not need to be reported in the first financial year after the revision of the Standard, as details will be provided in the reset report provided in accordance with the *Electricity networks reporting manual – Transmission reliability standard – Reset reporting*.

#### 2.1.2 Progress on flexibility plans

Where the Tribunal has approved TransGrid's flexibility plan under section 5 or 6 of the Standard, or TransGrid's variation to an approved flexibility plan, the Tribunal may also specify reporting milestones, or dates when additional reporting is required. This may include the requirement for TransGrid to provide annual reporting of progress against the flexibility plan. Where there is a requirement for TransGrid to provide annual reporting of progress against the flexibility plan, TransGrid must report on its progress in the annual reliability report. Please note that TransGrid does not need to include reporting against a flexibility plan in its annual reliability report if the plan was fully implemented during the year, and a final report has already been submitted to IPART.



### 2.1.3 Declaration of compliance

TransGrid is required to submit an annual reliability compliance statement. This statement is exception-based, meaning that only non-compliances against the Standard are to be reported. Appendix A provides a template for this statement.

The CEO or equivalent (eg, Managing Director if there is no CEO), must sign the statement of compliance. Where the CEO (or equivalent) has delegated this responsibility, IPART may request evidence of the delegation.

The annual reliability report must disclose all instances where TransGrid fails to comply with any obligations in the Standard, describing:

- ▼ the extent and nature of the non-compliance including how many customers and/or other network operators are affected
- ▼ the reasons for non-compliance
- ▼ the actions taken, or proposed, to rectify the non-compliance and to prevent it reoccurring, and
- ▼ the anticipated date of full compliance and the state of the remedial action as at 30 June of the reporting year.

### 2.1.4 Timing and lodgement

TransGrid must provide an annual reliability report covering the previous financial year as part of its annual licence compliance report. The report is to be submitted no later than 31 August, or another date approved by IPART.

TransGrid must submit annual reliability reports by email to [energy@ipart.nsw.gov.au](mailto:energy@ipart.nsw.gov.au). It should provide contact details (phone, email) of the primary contact as well as an alternative contact for those times when the primary contact is unavailable.

## 3 Additional information

TransGrid may be requested to provide information, within a reasonable timeframe nominated by IPART, which IPART considers to be necessary. Such requests may be made under clause 7 of the Standard, or other powers available to IPART.

Examples of the information that may be requested include:

- ▼ information on annual asset failure rates and risk profiles for major asset classes, and
- ▼ estimated EUE for a new BSP where there is insufficient historical information for the load the BSP is expected to supply. In this case, IPART will consider the use of a load duration curve from an existing BSP with a similar load type, scaled to the anticipated maximum demand.

We note that Clause 7(d) of the Standard requires TransGrid to:

- ▼ submit a proposal for any new BSP that proposes a level of redundancy and EUE for the new BSP
- ▼ provide reasons justifying the proposal, and
- ▼ submit the proposal at least 90 days before entering into any contract for the construction of the new BSP.

For clarity, we consider the relevant construction contracts to be those associated with the civil and electrical construction works.



## Appendices



# A Annual Reliability Compliance Statement Pro Forma

## Annual Compliance Report for 20

Submitted by [*Name of network*] ACN:

To: The Chief Executive Officer  
Independent Pricing and Regulatory Tribunal of NSW  
PO Box K35  
Haymarket Post Shop NSW 1240

[*Name of network*] reports as follows:

1. This report documents compliance at 1 July [*year*] with all obligations of the *Transmission reliability and performance standard*, including compliance with any approved flexibility plan issued under section 5 or 6.
2. This report has been prepared by TransGrid with all due care and skill in full knowledge of conditions to which it is subject and in compliance with IPART's *Electricity networks reporting manual – Transmission reliability standard – Annual reporting and other information requirements*.
3. Schedule A provides information on all obligations with which TransGrid did not fully comply at 1 July [*year*].
4. Other than the information provided in Schedule A, TransGrid has complied with all conditions to which it is subject.

DATE: .....

Signed: .....

Name: .....

Designation:.....

*Note: The signatory must be CEO or equivalent (eg, Managing Director if there is no CEO), or a duly authorised staff member. Where the CEO (or equivalent) has delegated this duty, IPART may request evidence of the delegation.*



## B Details required in variation reports

The following details must be provided only where they are different from the previously reported values.

### **Information regarding compliance with clause 3 of the Standard – Level of redundancy**

For each bulk supply point (BSP), TransGrid is required to:

- ▼ report on the level of planned redundancy in respect of that BSP, and
- ▼ provide a network/circuit diagram depicting how that level of redundancy is achieved.

For a BSP where non-network solutions are relevant to the level of redundancy achieved, TransGrid is required to submit documentation to demonstrate how the non-network solutions contribute to achieving the level of redundancy, such as any relevant third party agreements. For third party agreements, we will consider what the arrangement is and how it will impact on compliance with the redundancy requirements of the reliability standard. We will also have regard to minutes from joint planning meetings that evidence the network arrangement and the term of the arrangement.

### **Information regarding compliance with clause 4 of the Standard – Expected Unserved Energy (EUE)**

#### **Agreements for the sharing of assets**

Where the EUE calculation includes the use of assets controlled by a party other than TransGrid, TransGrid shall submit documentation supporting an agreement to use these assets. For these agreements, we will consider documentation outlining:

- ▼ the network arrangement, and the duration of that arrangement, where the agreement is for compliance with redundancy requirements, or
- ▼ an asset's contribution to the EUE calculations of a BSP.

Such supporting documents could include signed meeting minutes of joint planning meetings between TransGrid and a network operator, or an exchange of letters. Supporting documents shall be submitted to IPART as an attachment to the annual reliability report.



## **Non-network solutions**

For a BSP where non-network solutions are relevant to the calculation of EUE, TransGrid shall provide supporting documentation of how the non-network solutions contribute to the level of EUE of the BSP.

## **Network/circuit diagrams relevant to compliance with the Standard**

TransGrid is required to report network/circuit diagrams in the annual compliance self-report, where a permanent change to the network is made that impacts compliance with the Standard. TransGrid is not required to submit all network/circuit diagrams when a change has been made, only those that have been altered by the change. Such changes include the commissioning or decommissioning of a line or BSP that is relied upon to meet redundancy requirements, EUE allowances, or plans that have been approved by the Tribunal.