



Queensland Government
Department of **Energy**

Electricity Industry Code

made under the *Electricity Act 1994*

**First Edition: made 9 December 2004
effective 1 January 2005**

This First Edition of the Electricity Industry Code—

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Electricity Industry Code

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Electricity Industry Code

CHAPTER 1: THIS CODE

1 Introduction

1.1 Purpose

The purpose of this *Code* is to:

- (a) require the preparation of annual management plans relating to a *distribution entity's supply network*;
- (b) set *minimum service standards* for a *distribution entity*;
- (c) set *guaranteed service levels* which require a *distribution entity* to provide a rebate to a *non-contestable customer* where those service levels are not met; and
- (d) require a *distribution entity* to report to the *regulator* on its performance against the *minimum service standards* and *guaranteed service levels*.

1.2 Authority

This *Code* is made by the *regulator* under section 64FA of the *Electricity Act*.

1.3 Date of effect

Subject to section 64FC of the *Electricity Act*, this *Code* takes effect on and from 1 January 2005.

1.4 Application

- (a) Each *distribution entity* must comply with this *Code* as a condition of its *distribution authority*.
- (b) Each *retail entity*, who sells electricity to a *non-contestable customer*, must comply with clause 5 of this *Code* as a condition of its *retail authority*.

1.5 *Distribution entity's obligation to remedy*

If a *distribution entity* breaches this *Code*, it must remedy that breach as soon as practicable.

1.6 Amendment of *Code*

- (a) Subject to clause 1.6(b), the *regulator* may amend this *Code* on its own initiative or in response to a proposal by a *distribution entity* or other interested persons.
- (b) The *regulator* will not amend this *Code* unless:
 - (i) the following persons have been given a reasonable opportunity to make representations to the *regulator* concerning the amendment:

- (A) all *distribution entities* and *retail entities* affected by the proposed amendments; and
 - (B) if *customers* are affected by the proposed amendments, relevant customer representative groups; and
- (ii) those representations have been taken into account.
- (c) Paragraph (b) does not apply if the *regulator* is satisfied on reasonable grounds that an amendment is either:
 - (i) urgently required; or
 - (ii) not material.
 - (d) In accordance with section 64FC of the *Electricity Act*, the *regulator's* amendments must be approved by regulation.

1.7 Interpretation

Words appearing like *this* are defined in clause 7.

1.8 Other relevant instruments

Not all aspects of a *distribution entity's* obligations are regulated by this *Code*. A *distribution entity's* obligations and some aspects of the relationship between a *customer* and a *distribution entity* are also affected by:

- (a) the *Electricity Act*;
- (b) the *Electricity Regulation*;
- (c) the *Electrical Safety Act*;
- (d) the *Electrical Safety Regulation*;
- (e) the *National Electricity Law*;
- (f) the *National Electricity Code*; and
- (g) a *distribution entity's distribution authority*.

CHAPTER 2: MANAGEMENT OF DISTRIBUTION BUSINESSES

2 Summer preparedness plans

2.1 *Summer preparedness plan*

If requested by the *regulator* before 31 May in any year, a *distribution entity* must prepare and submit a *summer preparedness plan* in accordance with this clause detailing how it plans to:

- (a) prepare its *supply network* for the upcoming summer to minimise outages of *customers'* electricity supply;
- (b) manage and minimise the impact of extreme weather events on *customers'* electricity supply;
- (c) identify and respond to *emergencies* that have the potential to impact on *customers'* electricity supply; and
- (d) keep *customers* informed of electricity supply issues over summer.

2.2 *Content of summer preparedness plan*

A *distribution entity* must include the following information in the *summer preparedness plan* (unless specified otherwise by the *regulator*):

- (a) specific activities to be undertaken before the start of summer and a timetable for implementing those activities, including:
 - (i) capital expenditure programs and initiatives; and
 - (ii) operational or maintenance expenditure programs and initiatives;
- (b) the capacity of the *distribution entity* to manage and respond to extreme weather events and *emergencies*, including:
 - (i) *emergency* response programs;
 - (ii) the capacity of existing telephone and other customer information systems over summer;
 - (iii) its public communications strategy; and
 - (iv) staffing levels over summer and the ability to call on extra resources; and
- (c) such other matters reasonably notified by the *regulator*.

2.3 *Submission of summer preparedness plans to regulator*

If the *regulator* has requested a *summer preparedness plan* under clause 2.1, then a *distribution entity* must:

- (a) submit a draft *summer preparedness plan* for the upcoming summer to the *regulator* by 31 July of that year;
- (b) consider in good faith any reasonable changes to the draft *summer preparedness plan* recommended by the *regulator* and if the *distribution entity* does not propose to include the recommended changes in its final plan, it must give the *regulator* written reasons why it rejected the recommended changes;
- (c) submit a final *summer preparedness plan* to the *regulator* by 31 August of that year; and
- (d) publish the final *summer preparedness plan* on its website and, on request by a *customer*, must provide the *customer* with a copy of the final *summer preparedness plan*. The *distribution entity* may impose a reasonable charge for providing a *customer* with a copy of the *summer preparedness plan*.

2.4 Compliance and reporting

- (a) A *distribution entity* must use its best endeavours to implement a final *summer preparedness plan*.
- (b) By 1 April of each year, a *distribution entity* must give a report to the *regulator* on the effectiveness, and its compliance with the implementation, of a *summer preparedness plan* (if any) for the previous summer.

3 Network management plans

3.1 Network management plans

- (a) Before the start of each *financial year*, the *distribution entity* must prepare and submit a *network management plan* in accordance with this clause.
- (b) Each *network management plan* must detail how the *distribution entity* will manage and develop its *supply network* with the objective of delivering an adequate, economic, reliable and safe connection and supply of electricity to its *customers* over the following five *financial years*.

3.2 Content of a *network management plan*

The *distribution entity* must include the following information in each *network management plan* (unless otherwise specified by the *regulator*):

- (a) an explanation of the background to the *network management plan* and its purpose;
- (b) general information about the *distribution entity's supply network*;
- (c) the operating environment including growth forecasts;

- (d) a statement of the *distribution entity's* planning policy and a qualitative assessment of its compliance with that policy;
- (e) a statement of the *distribution entity's* asset management policy (including its current key programs) and a qualitative assessment of its compliance with that policy;
- (f) the *distribution entity's* demand management strategy, including a description of the existing and planned programs and opportunities for demand side participation;
- (g) an analysis of the historical reliability performance for the previous five year period;
- (h) a statement of the reliability targets for the next five years and a description of major existing and planned reliability improvement programs, including details of major capital and operating and maintenance expenditure initiatives;
- (i) an evaluation of the *distribution entity's* performance in the preceding *financial year* against the *network management plan* for that year, including its implementation of major capital and operating and maintenance expenditure initiatives;
- (j) a risk assessment of the major constraints in the *distribution entity's* network and how they may be alleviated;
- (k) how worst performing feeders are defined and an analysis of the performance of worst performing feeders in the past *financial year* and of worst performing feeders identified in the preceding *network management plan*;
- (l) certification by the chief executive officer of the *distribution entity* that:
 - (i) the *network management plan* meets the *distribution entity's* obligations under its *distribution authority*;
 - (ii) the *network management plan* accurately represents the relevant policies of the *distribution entity*;
 - (iii) the *distribution entity* has complied with those policies or details of where it has not complied; and
 - (iv) the *distribution entity* is committed to implementing the *network management plan*; and
- (m) such other matters reasonably notified by the *regulator*.

3.3 Submission of *network management plans* to *regulator*

- (a) The *distribution entity* must submit a draft *network management plan* for each five year period to the *regulator* by 30 April each year.

- (b) The *distribution entity* must consider in good faith any changes to the draft *network management plan* recommended by the *regulator*. If the *distribution entity* does not propose to include the recommended changes in its final *network management plan*, it must give the *regulator* written reasons why it rejected the recommended changes.
- (c) The *distribution entity* must submit a final *network management plan* for the five year period to the *regulator* by 30 June each year to take effect by 1 July of that year.
- (d) The *distribution entity* must publish the final *network management plan* on its website and, on request by a *customer*, provide the *customer* with a copy. The *distribution entity* may impose a reasonable charge for providing a *customer* with a copy of the *network management plan*.

3.4 Compliance

The *distribution entity* must use its best endeavours to comply with its most recent final *network management plan*.

4 Minimum service standards

4.1 Purpose

- (a) The purpose of the *minimum service standards* is to:
 - (i) provide a standard against which a *distribution entity's* performance, by *feeder type*, will be assessed across the *supply network*; and
 - (ii) enable annual comparisons of a *distribution entity's* performance.
- (b) The *minimum service standards* do not constitute standards which are enforceable against a *distribution entity* by individual *customers*.

4.2 Minimum service standards

Subject to clause 4.3, a *distribution entity* must use its best endeavours to ensure that it does not exceed in a *financial year* the:

- (a) *SAIDI Limits*; and
- (b) *SAIFI Limits*,

applicable to its *feeder types* set out in the relevant table in Schedule 1.

4.3 Exclusions from *minimum service standards*

In determining whether a *distribution entity* has exceeded its *SAIDI Limits* or *SAIFI Limits*, the following *interruptions* will not be taken into account:

- (a) an *interruption* of a duration of one minute or less;

- (b) an *interruption* resulting from:
 - (i) load shedding due to a shortfall in generation;
 - (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*;
 - (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
 - (iv) a failure of the shared *transmission grid*;
- (c) any *interruption* to the supply of electricity on a *distribution entity's supply network* which commences on a *major event day*; and
- (d) an *interruption* caused by a *customer's electrical installation* or failure of that *electrical installation*.

4.4 Review of *minimum service standards*

- (a) Before 1 July 2007, the *regulator* must review the *minimum service standards* to apply from that date. From then on, the *regulator* must review the *minimum service standards* every two years.
- (b) The *regulator* must consult with the *distribution entities* in conducting a review under paragraph (a).

5 Guaranteed service levels

5.1 *Distribution authorities and retail authorities*

This clause 5 constitutes a guaranteed service levels regime notified by the *regulator* for the purposes of a *distribution authority* and *retail authority*.

5.2 Application

- (a) Subject to paragraph (c), this clause 5 applies to a *non-contestable customer*:
 - (i) who is the named electricity account holder for a *premises*; or
 - (ii) if there is a card operated meter at a *premises*, who is the occupier of that *premises*.
- (b) A *distribution entity* is required to give only one *GSL rebate* per electricity account for each event giving rise to a *GSL rebate* regardless of the number of account holders or *premises* listed on the account affected by the event.
- (c) A *non-contestable customer* is not eligible for a *GSL rebate* for a *premises* which does not have a meter.

5.3 Wrongful disconnection

- (a) If a *distribution entity* wrongfully disconnects a *non-contestable customer*, then that *customer* is eligible for a *GSL rebate* of \$100 from the *distribution entity*.
- (b) A *distribution entity* wrongfully disconnects a *non-contestable customer* when:
 - (i) it was not entitled to do so under *electricity legislation* or relevant contractual arrangements with that *customer*; or
 - (ii) it fails to comply with the procedures for disconnection required of the *distribution entity* under the relevant contractual arrangements with that *customer*.

5.4 Connections

If:

- (a) a *non-contestable customer* is entitled, and has taken all necessary steps, to have its *premises* connected; and
- (b) that *customer's premises* do not require any extension of, or augmentation to, the *supply network* to enable the *customer's premises* to be connected; and
- (c) a *distribution entity* does not connect that *customer's premises* on the day agreed (or subsequently agreed) with that *customer*,

then that *customer* is eligible for a *GSL rebate* of \$40 from the *distribution entity* for each day it is late.

5.5 Customer reconnection

If:

- (a) a *non-contestable customer's premises* has been disconnected and the *customer* is entitled, and has taken all necessary steps, to have the *premises* reconnected; and
- (b) a *distribution entity* does not reconnect the *premises* within the time required in the table below,

then that *customer* is eligible for a *GSL rebate* of \$40 from the *distribution entity* for each day it is late.

<i>Feeder type through which the customer's premises is supplied</i>	<i>Time required for reconnection</i>
<i>CBD feeder / urban feeder</i>	If the request is made by 1.00pm on a <i>business day</i> , then on the same day or as otherwise agreed with the <i>customer</i> . If the request is made after 1.00pm on a <i>business day</i> , then by the next <i>business day</i> or as otherwise agreed with the

Feeder type through which the customer's premises is supplied	Time required for reconnection
	<i>customer</i> . If the request is made on a non- <i>business day</i> , then on the next <i>business day</i> or as otherwise agreed with the <i>customer</i> .
<i>short rural feeder</i>	By the next <i>business day</i> after the <i>customer's</i> request or as otherwise agreed with the <i>customer</i> .
<i>long rural feeder / isolated feeder</i>	By the <i>business day</i> agreed with the <i>customer</i> .

5.6 **Hot water supply**

- (a) Subject to paragraph (b), if:
- (i) a *non-contestable customer* makes an inquiry to a *distribution entity* about a loss of *hot water supply*; and
 - (ii) the *distribution entity* fails to attend the *premises* within the time required in the following table,

then that *customer* is eligible for a *GSL rebate* of \$40 from the *distribution entity* for each day it is late.

Feeder type through which the customer's premises is supplied	Time required to attend
<i>long rural feeder / isolated feeder</i>	By the <i>business day</i> agreed with the <i>customer</i> .
All other <i>feeder types</i>	Within one <i>business day</i> of the inquiry or as otherwise agreed with the <i>customer</i> .

- (b) A *distribution entity* is not required to attend the *premises* in response to a *hot water supply* inquiry under paragraph (a), if the *distribution entity* reasonably believes the fault is not caused by its *supply network* or associated control equipment.

5.7 **Appointments**

- (a) This clause 5.7 applies to an appointment which:
- (i) is made between a *distribution entity* and a *non-contestable customer* who has an existing account for the *premises*; and
 - (ii) relates to the *distribution entity* attending the *premises* for the purpose of:
 - (A) reading, testing, maintaining or inspecting the meter; or

- (B) inspecting, altering or adding to the *customer's electrical installation*.
- (b) This clause 5.7 does not apply if a *non-contestable customer* is eligible for a *GSL rebate* under clauses 5.4 to 5.6.
- (c) When making an appointment, a *distribution entity* must specify a time or time period for the appointment. Any time period must not exceed the following:
 - (i) for *ENERGEX* - a five hour period within a day; and
 - (ii) for *Ergon Energy* - a day.
- (d) A *distribution entity* may reschedule an appointment provided it notifies the *customer* before the day scheduled for the appointment.
- (e) Subject to paragraph (d), if a *distribution entity* makes an appointment and does not attend the *premises* at the specified time, or within the specified time period, then the *non-contestable customer* is eligible for a *GSL rebate* of \$40.

5.8 Planned *interruptions*

- (a) Except in the case of *emergencies*, if a *distribution entity* does not give a *non-contestable customer* at least 2 *business days'* notice of a *planned interruption* to that *customer's premises*, then the *non-contestable customer* is eligible for a *GSL rebate* from the *distribution entity* as follows:
 - (i) \$20 in the case of *domestic customers*; and
 - (ii) \$50 in the case of *business customers*.
- (b) A notice may be given by mail, letterbox drop, press advertisement or any other means which are appropriate and reasonable in the circumstances.
- (c) If a notice is sent by post, a *non-contestable customer* is taken to have received it on the second *business day* after posting.

5.9 Reliability

- (a) This clause 5.9 takes effect on 1 July 2005.
- (b) Subject to paragraphs (c) and (d), a *non-contestable customer* is eligible for a *GSL rebate* of \$80 from its *distribution entity* in either of the following circumstances:
 - (i) each *interruption* to its *premises* which, if connected to:
 - (A) a *CBD feeder* - lasts longer than 8 hours;
 - (B) an *urban* or *short rural feeder* - lasts longer than 18 hours; or

(C) a *long rural* or *isolated feeder* - lasts longer than 24 hours,

(“*interruption duration GSL*”); or

(ii) once that *customer* experiences the relevant number of *interruptions* at its *premises* in a *financial year* as set out in the following table (“*interruption frequency GSL*”).

<i>Distribution entity</i>	<i>Feeder type through which the customer’s premises is supplied</i>	<i>Number of interruptions in a financial year *</i>
<i>ENERGEX</i>	<i>CBD</i>	10
	<i>Urban</i>	10
	<i>Short Rural</i>	16
<i>Ergon Energy</i>	<i>Urban</i>	13
	<i>Short Rural</i>	21
	<i>Long Rural</i>	21
	<i>Isolated</i>	21
	* A customer is not entitled to more than one <i>GSL rebate</i> under clause 5.9(b)(ii) in a <i>financial year</i> .	

(c) The following types of *interruptions* are excluded from paragraph (b):

(i) an *interruption* of a duration of one minute or less;

(ii) an *interruption* resulting from:

(A) load shedding due to a shortfall in generation;

(B) 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*;

(C) 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

(D) a failure of the shared *transmission grid*;

(iii) a *planned interruption*;

(iv) an *interruption* requested, or initiated, by a *non-contestable customer*;

(v) an *interruption* caused by a *non-contestable customer’s electrical installation* or failure of that *electrical installation*;

- (vi) an *interruption*:
 - (A) to a *non-contestable customer's premises* within a region in which a natural disaster has occurred; and
 - (B) the Queensland Minister for Emergency Services has notified the Commonwealth of the occurrence of an eligible disaster under the *Natural Disaster Relief Arrangements* in respect of that natural disaster for that region; and
 - (C) the *interruption* occurred during the period for which the *Natural Disaster Relief Arrangements* have been notified.
- (d) A *non-contestable customer* must make a claim from the *distribution entity* to be entitled to a *GSL rebate* under this clause 5.9. If the claim relates to an *interruption duration GSL*, then it must be made within one month of the relevant *interruption*.

5.10 Claiming a *GSL rebate* on or before 30 June 2005

A *non-contestable customer* who becomes eligible for a *GSL rebate* under clauses 5.3 to 5.8 on or before 30 June 2005 must make a claim from the *distribution entity* within one month of the event giving rise to the claim to be entitled to that *GSL rebate*.

5.11 Claiming a *GSL rebate* after 30 June 2005

- (a) This clause 5.11 applies if a *non-contestable customer* becomes eligible for a *GSL rebate* under clauses 5.3 to 5.8 after 30 June 2005.
- (b) A *distribution entity* must use best endeavours to automatically give a *GSL rebate* to a *non-contestable customer* eligible for it under clauses 5.3 to 5.6. However, a *non-contestable customer* may make a claim for a *GSL rebate* where a *distribution entity* has not done so.
- (c) A *non-contestable customer* who becomes eligible for a *GSL rebate* under clauses 5.7 or 5.8 must make a claim from the *distribution entity* within one month of the event giving rise to the claim to be entitled to that *GSL rebate*.

5.12 How a *GSL rebate* is paid

- (a) A *distribution entity* must give a *GSL rebate* to a *non-contestable customer* entitled to it by crediting, or arranging for that *customer's retail entity* to credit, that *customer's* next electricity bill (after allowing for the time necessary to process that *GSL rebate*).
- (b) Subject to paragraph (c), if a *non-contestable customer's GSL rebate* exceeds the amount owing in its next bill, then the *distribution entity* or *retail entity* (as the case may be) must continue to apply any remaining amount of the *GSL rebate* against future bills.

- (c) If a *non-contestable customer* is no longer the account holder for the *premises*, a *distribution entity* or *retail entity* (as the case may be) does not need to pay out any amount of a *GSL rebate* remaining after the final bill and that amount is cancelled.
- (d) A *GSL rebate* may only be credited against electricity consumption charges. For example, it cannot be credited against charges for the purchase of electricity appliances included on an electricity bill.

5.13 Customers with card operated meters

- (a) This clause 5.13 applies to *non-contestable customers* who have card operated meters instead of clauses 5.10 to 5.12.
- (b) A *non-contestable customer* who becomes eligible for a *GSL rebate* under clauses 5.3 to 5.8 must make a claim from the *distribution entity* within one month of the event giving rise to the claim to be entitled to that *GSL rebate*.
- (c) To remove doubt, if there are multiple occupiers of a *premises*, a *distribution entity* is only required to give one *GSL rebate*.
- (d) A *distribution entity* must give, or arrange for that *customer's retail entity* to give, a *non-contestable customer* entitled to a *GSL rebate* a card or cards for use in the card operated meter to the value of the *GSL rebate*.

5.14 Processing claims

A *distribution entity* must process a claim for a *GSL rebate* promptly.

5.15 Caps on entitlements

- (a) Subject to paragraph (b), a *non-contestable customer* is not entitled to receive more than \$320 worth of *GSL rebates* in any one *financial year* per electricity account.
- (b) *GSL rebates* received by a *non-contestable customer* in respect of wrongful disconnection under clause 5.3 are not to be taken into account in determining whether that *customer* has reached the cap under paragraph (a).

5.16 GST

All amounts specified in this clause 5 include *GST*.

5.17 Effect of a *GSL rebate*

- (a) A *non-contestable customer's* receipt of a *GSL rebate* does not in any way alter or diminish any rights which it may have against any person under trade practices or other applicable legislation, common law or contract.
- (b) A *distribution entity* does not make any admission of legal liability in giving a *GSL rebate*.

- (c) This clause 5 does not alter, vary or exclude the operation of sections 97 and 97A of the *Electricity Act* and section 78 of the *National Electricity Law*, or any other limitations of liability or immunities granted to a *distribution entity* under *electricity legislation*.

6 Reporting and monitoring

6.1 *Distribution entity* must monitor performance

- (a) A *distribution entity* must monitor:
- (i) its performance against the *minimum service standards*; and
 - (ii) its compliance with the *guaranteed service levels*,
- to enable it to provide the reports to the *regulator* specified in clause 6.2.
- (b) A *distribution entity* must monitor its compliance with, and implementation of, any current and final *summer preparedness plan* and *network management plan* to enable it to meet its reporting obligations under clauses 2.4 and 3.2(i) respectively.

6.2 Reporting requirements

- (a) Within two months of the end of each *quarter*, a *distribution entity* must submit a report to the *regulator* detailing the following for the preceding *quarter* and for the *financial year* to the end of that *quarter*:
- (i) compliance with *minimum service standards* outlined in clause 4, including:
 - (A) performance against the *SAIDI Limits* and *SAIFI Limits*, by *feeder type*, including those *interruptions* listed in clause 4.3;
 - (B) performance against the *SAIDI Limits* and *SAIFI Limits*, by *feeder type*, excluding those *interruptions* listed in clause 4.3;
 - (C) details of the *interruptions* excluded under clause 4.3, including the number of minutes and *interruptions* excluded by *feeder type* and category of exclusion;
 - (D) a description of any *major event days*; and
 - (E) an explanation of reasons for a *distribution entity* exceeding (where applicable) those *minimum service standards* and proposals to improve performance;
 - (ii) compliance with the *guaranteed service levels*, including:

- (A) the number of *GSL rebates* given by category and the amount of such rebates;
 - (B) the number of *GSL rebate* claims by category; and
 - (C) the number of rejected *GSL rebate* claims by category; and
- (iii) any other matter reasonably notified by the *regulator*.
- (b) The *distribution entity* must also provide any other further reports reasonably required by the *regulator* in respect of the *minimum service standards* or *guaranteed service levels* from time to time.
 - (c) Each report must be submitted in the format determined by the *regulator*.

6.3 Audit of *minimum services standard* performance

- (a) Subject to paragraph (b), a *distribution entity* must appoint an independent auditor to audit the *distribution entity's* performance against the *minimum service standards* promptly after the end of each *financial year*.
- (b) A *distribution entity's* obligation under paragraph (a) applies until such time as the independent auditor confirms that the *distribution entity's* reported performance is accurate within + / - 5%.
- (c) After paragraph (b) applies, the *regulator* may appoint, or require the *distribution entity* to appoint, an independent auditor to audit the *distribution entity's* performance against the *minimum service standards* when the *regulator* reasonably considers it necessary (but no more than once in any 12 month period).
- (d) If a *distribution entity* has appointed an independent auditor under this clause, the *distribution entity* must promptly give the *regulator* a copy of the independent auditor's report after it has been received.

CHAPTER 3: GENERAL

7 Definitions and interpretation

7.1 Definitions

business customer means a *customer* who is not a *domestic customer*.

business day means a day, other than a Saturday, a Sunday or a public holiday in the local authority area where the *premises* is located.

CBD feeder means a feeder supplying predominantly commercial high-rise buildings, supplied by a predominantly underground *supply network* containing significant interconnection and redundancy when compared to urban areas.

Code means this Electricity Industry Code.

contestable customer has the meaning given under the *Electricity Act*.

customer has the meaning given in the *Electricity Act*.

customer connection services has the meaning given in the *Electricity Act*.

distribution authority has the meaning given under the *Electricity Act*.

distribution entity means an entity that holds a *distribution authority*.

domestic customer means a *customer* who acquires electricity for predominantly domestic use.

electrical installation has the meaning given in the *Electricity Act*.

Electrical Safety Act means the Electrical Safety Act 2002 (Qld).

Electrical Safety Regulation means the Electrical Safety Regulation 2002 (Qld).

Electricity Act means the Electricity Act 1994 (Qld).

electricity legislation means the *Electricity Act*, *Electricity Regulation*, *Electrical Safety Act* and *Electrical Safety Regulation*.

Electricity Regulation means the Electricity Regulation 1994 (Qld).

emergency means an emergency due to the actual or imminent occurrence of an event which in any way endangers or threatens to endanger the safety or health of any person, or normal operation of the *supply network* or *transmission grid*, in the state of Queensland or which destroys or damages, or threatens to destroy or damage, any property in the state of Queensland.

ENERGEX means ENERGEX Limited (ACN 078 849 055).

Ergon Energy means Ergon Energy Corporation Limited (ACN 087 646 062).

feeder type means a *CBD feeder, isolated feeder, long rural feeder, short rural feeder* or *urban feeder* as the case may be.

financial year means a year commencing 1 July and ending 30 June.

GSL rebate means a *guaranteed service level* rebate to be given in accordance with clause 5.

GST has the meaning it has in the *A New Tax System (Goods and Services Tax) Act 1999 (Cwlth)*.

guaranteed service level means a guaranteed service level set out in clause 5.

hot water supply means a hot water supply connected on a controlled supply tariff, for example Tariff 31 or Tariff 33.

interruption means any temporary unavailability of electricity supply to a *customer* associated with an outage of the *supply network* including outages affecting a single *premises*, but does not include disconnection.

interruption duration GSL has the meaning given in clause 5.9.(b)(i).

interruption frequency GSL has the meaning given in clause 5.9.(b)(ii).

isolated feeder means a feeder which is not connected to the national grid, but excludes the Mt Isa-Cloncurry *supply network*, as that network is defined in the *Electricity Act*.

long rural feeder means a feeder which is not a *CBD feeder, urban feeder* or *isolated feeder* with a total feeder route length greater than 200 km.

major event day means a day determined under clause 3 of Schedule 1.

minimum service standard means a service standard set out in clause 4.

National Electricity Code means the code of conduct or rules made under the *National Electricity Law* applied as the law of Queensland.

National Electricity Law has the meaning given under the *Electricity - National Scheme (Queensland) Act 1997 (Qld)*.

Natural Disaster Relief Arrangements means Natural Disaster Relief Arrangements, administered by the Commonwealth Department of Transport and Regional Services.

NEMMCO means the National Electricity Market Management Company Limited (ACN 072 010 327).

network management plan means the plan outlined in clause 3.

non-contestable customer has the meaning given under the *Electricity Act*.

planned interruption means an *interruption* for which the *distribution entity* has, or should have, given a notice under clause 5.8 or which the *distribution*

entity is excused from giving a notice under this *Code*, or *electricity legislation* or contractual arrangements with a *customer*.

power system security and reliability standards has the meaning given in the *National Electricity Code*.

premises means the address at which *customer connection services* are provided to a *customer* and, to avoid doubt, may include a *customer's electrical installation*.

quarter means a period of three months commencing 1 January, 1 April, 1 July and 1 October as the case may be.

regulator has the meaning given under the *Electricity Act*.

retail authority has the meaning given under the *Electricity Act*.

retail entity means an entity that holds a *retail authority*.

SAIDI means the sum of the duration of each *interruption* (measured in minutes) divided by the total number of *customers* (averaged over the *financial year*) of that *distribution entity*.

SAIDI Limits mean the limits set out in clause 1 of Schedule 1.

SAIFI means the total number of *interruptions* divided by the total number of *customers* (averaged over the *financial year*) of that *distribution entity*.

SAIFI Limits mean the limits set out in clause 2 of Schedule 1.

short rural feeder means a feeder with a total feeder route length less than 200 km, and which is not a *CBD feeder*, *urban feeder* or an *isolated feeder*.

summer preparedness plan means the plan outlined under clause 2.

supply network has the meaning given in the *Act*.

system operator means a person who *NEMMCO* has appointed as an agent under Chapter 4 of the *National Electricity Code* and who is registered as a system operator with *NEMMCO* under Chapter 2 of the *National Electricity Code*.

transmission grid has the meaning given in the *Electricity Act*.

urban feeder means a feeder with annual actual maximum demand per total feeder route length greater than 0.3 MVA/km and which is not a *CBD feeder*, *short rural feeder*, *long rural feeder* or an *isolated feeder*.

7.2 Interpretation

Unless the contrary intention appears, a reference in this *Code* to:

- (a) **(headings)** headings are for convenience only and do not affect the interpretation of this *Code*;

- (b) **(variations or replacement)** a document (including this *Code*) includes any variation or replacement of it;
- (c) **(clauses and schedules)** a clause or schedule is a reference to a clause in or schedule to this *Code*;
- (d) **(reference to statutes)** a statute, ordinance, code or other law includes regulations and other instruments under it and consolidations, amendments, re-enactments or replacements of any of them;
- (e) **(law)** law means common law, principles of equity, and laws made by parliament (and laws made by parliament include State, Territory and Commonwealth laws and regulations and other instruments under them, and consolidations, amendments, re-enactments or replacements of any of them);
- (f) **(singular includes plural)** the singular includes the plural and vice versa;
- (g) **(person)** the word “person” includes an individual, a firm, a body corporate, a partnership, a joint venture, an unincorporated body or association, or any government agency;
- (h) **(dollars)** \$ is a reference to the lawful currency of Australia;
- (i) **(calculation of time)** if a period of time dates from a given day or the day of an act or event, it is to be calculated exclusive of that day;
- (j) **(reference to a day)** a day is to be interpreted as the period of time commencing at midnight and ending 24 hours later;
- (k) **(meaning not limited)** the words “include”, “including” or “for example” are not used as, nor are they to be interpreted as, words of limitation, and, when introducing an example, do not limit the meaning of the words to which the example relates to that example or examples of a similar kind;
- (l) **(next business day)** if an event under this agreement must occur on a stipulated day which is not a *business day* then the stipulated day will be taken to be the next *business day*;
- (m) **(reference to anything)** anything (including any amount) is a reference to the whole and each part of it.

Schedule 1 - Reliability limits

1 SAIDI Limits

1.1 ENERGEX

<i>feeder type</i>	2004/5	2005/6	2006/7	2007/8	2008/9	2009/10
<i>CBD</i>	20	20	20	20	20	20
<i>urban</i>	162	155	145	134	122	110
<i>short rural</i>	272	265	255	244	232	220

1.2 Ergon Energy

<i>feeder type</i>	2004/5	2005/6	2006/7	2007/8	2008/9	2009/10
<i>urban</i>	220	215	205	195	180	150
<i>short rural</i>	610	590	570	550	500	430
<i>long rural</i>	1,180	1,150	1,130	1,090	1,040	980

2 SAIFI Limits

2.1 ENERGEX

<i>feeder type</i>	2004/5	2005/6	2006/7	2007/8	2008/9	2009/10
<i>CBD</i>	0.33	0.33	0.33	0.33	0.33	0.33
<i>urban</i>	1.78	1.73	1.64	1.54	1.43	1.32
<i>short rural</i>	2.84	2.77	2.70	2.63	2.56	2.50

2.2 Ergon Energy

Feeder	2004/5	2005/6	2006/7	2007/8	2008/9	2009/10
<i>urban</i>	2.75	2.70	2.60	2.50	2.30	2.00
<i>short rural</i>	5.70	5.40	5.20	5.00	4.50	4.00
<i>long rural</i>	9.00	8.75	8.60	8.50	7.80	7.50

3 Determination of a *major event day*

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3.1 Explanation and Purpose

The following process ("**Beta Method**") is used to identify *major event days* which are to be excluded from the *minimum service standards* under clause 4.3(c).

Its purpose is to allow major events to be studied separately from daily operation, and in the process, to better reveal trends in daily operation that would be hidden by the large statistical effect of major events.

A *major event day* under the Beta Method is one in which the daily total system (ie, not on a *feeder type* basis) *SAIDI* value ("**daily SAIDI value**") exceeds a threshold value, T_{MED} . The *SAIDI* index is used as the basis of determining whether a day is a *major event day* since it leads to consistent results regardless of utility size and because *SAIDI* is a good indicator of operational and design stress.

In calculating the daily total system *SAIDI*, any *interruption* that spans multiple days is deemed to accrue on the day on which the *interruption* begins. That is, all minutes without supply resulting from an *interruption* beginning on a *major event day* are deemed to have occurred on the *major event day*, including those minutes without supply occurring on following days.

3.2 Determining a *major event day*

The *major event day* identification threshold value T_{MED} is calculated at the end of each *financial year* for each *distribution entity* for use during the next *financial year* as follows:

- (a) Collect daily *SAIDI* values for the last five *financial years*. If fewer than five years of historical data are available, use all available historical data for the lesser period.
- (b) Only those days that have a daily *SAIDI* value will be used to calculate the T_{MED} (ie, days that did not have any *interruptions* are not included).
- (c) Take the natural logarithm (\ln) of each daily *SAIDI* value in the data set.
- (d) Find α (Alpha), the average of the logarithms (also known as the log-average) of the data set.

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- (e) Find β (Beta), the standard deviation of the logarithms (also known as the log-standard deviation) of the data set.
- (f) Complete the *major event day* threshold T_{MED} using the following equation:

$$T_{MED} = e^{(\alpha + 2.5 \beta)}$$

- (g) Any day with daily *SAIDI* value greater than the threshold value T_{MED} which occurs during the subsequent *financial year* is classified as a *major event day*.*

3.3 Treatment of a *major event day*

To avoid doubt, a *major event day*, and all *interruptions* beginning on that day, are excluded from the calculation of a *distribution entity's SAIDI* and *SAIFI* in respect of all of its *feeder types*.

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