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Table of Contents

1	Exe	cutive Summary	6
2	Intro	oduction	7
	2.1	Purpose	7
	2.2	AusNet Electricity Services Pty Ltd	7
3	Elec	tricity Distribution Network	8
	3.1	Network Location	8
	3.2	High Voltage Sub-Transmission Network	
	3.3	Protection	
	3.4	Medium Voltage Distribution Network	10
	3.5	Low Voltage Distribution Network	13
	3.6	Communications Network	14
	3.7	Distribution Asset Summary	15
	3.8	Methodologies used in preparing the Distribution Annual Planning Report	16
	3.9	Significant changes in aspects of forecasts and information provided	25
4	Fore	ecasts for the Forward Planning Period	29
	4.1	Demand Forecasting Methodology	29
	4.2	Spatial Demand Forecasting Process	
	4.3	Forecasting methodology planned improvements	31
	4.4	Network Capacitive Current Forecasting Methodology	31
	4.5	Network Capacitive Current Forecasts	32
	4.6	Asset Loading Forecasts	33
	4.7	Asset Loading Forecasts	44
	4.8	Forecasts of the DNSP performance against STPIS reliability targets	45
	4.9	Factors that may have material impact on distribution network	46
5	Netv	work Asset Retirements and De-ratings	52
	5.1	Individual asset retirement and de-ratings	52
	5.2	Grouped asset retirement and de-ratings	52
6	Syst	tem Limitations for Sub-Transmission Lines and Zone Substations	53
	6.1	Sub-transmission line limitations	53
	6.2	Zone substation limitations	60
7	Ove	rloaded Primary Distribution Feeders	70
	7.1	Demand reduction required to defer overload by 12 months	72
8	Reg	ulatory Investment Tests	75
	8.1	RIT-D projects recently completed or in progress	75
	8.2	Future RIT-D projects	
9	Con	npleted, Committed and Planned Zone Substation Developments	77
	9.1	Bairnsdale Zone Substation rebuild and REFCL installation	77
	9.2	Barnawartha Zone Substation REFCL installation	78
	9.3	Bayswater Zone Substation rebuild	78
	9.4	Belgrave Zone Substation REFCL installation	78
	9.5	Benalla Zone Substation rebuild and REFCL installation	78
	9.6	Clyde North Zone Substation Capacity Augmentation	79
	9.7	Eltham Zone Substation REFCL installation	79

	9.8	Ferntree Gully Zone Substation REFCL installation	80
	9.9	Kilmore South Zone Substation REFCL installation	80
	9.10	Kinglake Zone Substation REFCL installation	80
	9.11	Lilydale Zone Substation REFCL installation	81
	9.12	Maffra Zone Substation rebuild	81
	9.13	Moe Zone Substation rebuild and REFCL installation	81
	9.14	Morwell Terminal Station 22 kV and Morwell Power Station 66/11/22 kV rebuild	82
	9.15	Myrtleford Zone Substation rebuild and REFCL installation	83
	9.16	Newmerella Zone Substation rebuild	
	9.17	Ringwood North Zone Substation REFCL installation	83
	9.18	Rubicon A Zone Substation REFCL installation	
	9.19	Seymour Zone Substation rebuild and REFCL installation	84
	9.20	Thomastown Zone Substation rebuild	84
	9.21	Traralgon Zone Substation rebuild	
	9.22	Wangaratta Zone Substation REFCL installation	
	9.23	Warragul Zone Substation rebuild	
	9.24	Watsonia Zone Substation rebuild	
	9.25	Wodonga Terminal Station REFCL installation	
	9.26	Woori Yallock Zone Substation REFCL installation	
	9.27	Wonthaggi Zone Substation rebuild and REFCL installation	
	9.28	Yallourn Power Station 11 kV switchyard rebuild	
	9.29	Further REFCL installation and geographic footprint	87
10	Joint	planning with the Transmission Network Service Provider	90
11	Joint	planning with other Distribution Network Service Providers	91
	11.1	Distribution Network Service Providers' Joint Planning Process	91
	11.2	Jointly planned projects	91
	11.3	Additional Information on Jointly Planned Projects	91
12	Perfo	ormance of AusNet Services' Network	92
	12.1	Reliability measures and standards in applicable regulatory instruments	92
	12.2	Performance against reliability measures and standards	
	12.3	Corrective Actions – Reliability	97
	12.4	Quality of supply standards	98
	12.5	Performance against quality of supply measures and standards	101
	12.6	Corrective Action – Quality of Supply	102
	12.7	Processes to ensure compliance with the measures and standards	106
	12.8	Service Target Performance Incentive Scheme Information from the EDPR	106
13	Asse	t Management	108
	13.1	Asset Management System	108
	13.2	Scope of the Asset Management System	108
	13.3	Asset Management Framework	108
	13.4	Asset Management Methodology	109
	13.5	Key Asset Management Strategies	110
	13.6	Distribution losses	112
	13.7	Further information on Asset Management	113
14	Dem	and Management Activities	114
	14.1	Non-Network Solutions	114

14.2	Key issues arising from applications to connect embedded generation	114
14.3		
14.4	· · · · · · · · · · · · · · · · · · ·	
14.5		
15 Info	rmation Technology and Communication Systems	
15.1	Expenditure in the current regulatory period	117
15.2		
16 Reg	ional Development Plan	
16.1	AusNet Services' Network - Sub-transmission line limitations included	123
16.2	AusNet Services' Network – Zone Substation and Feeder limitations included	125
Appendix	A Glossary	127
Appendix	B Schedule 5.8 of the National Electricity Rules Version 102	129
Appendix	C Asset Management Strategy Reference	134
Appendix	D Asset retirement and de rating asset groupings	136
Appendix	E Retired or de-rated grouped assets	138
E.1	Poles	138
E.2	Cross-arms	138
E.3	Insulators	138
E.4	Surge Arrestors	139
E.5	Pole Top Capacitors	139
E.6	Conductors and associated Hardware	139
E.7	Gas Switches and Automatic Circuit Reclosers	139
E.8	Isolators	139
E.9	Underground Cables	140
E.10	Distribution Transformers	140
E.11	Service Cables	140
E.12	Protection and Control Room Equipment and Instrumentation	140
E.13		
E.14	Surge Arresters in Zone Substations	141
Appendix	F Contacts	142

1 Executive Summary

AusNet Services is a regulated Victorian Distribution Network Service Provider that serves approximately 730,000 customers. AusNet Services' distribution network covers eastern rural Victoria and the fringe of the northern and eastern Melbourne metropolitan area. This report, the Distribution Annual Planning Report 2020-2024, is prepared in accordance with the requirements of clause 5.13.2 and schedule 5.8 of the National Electricity Rules (NER).

The report includes a description of our network, asset management approach, planning and forecasting methods and forecasts, and a summary of demand management activities. It also provides information on the capacity of the network and system limitations for sub-transmission lines, zone substations and 22 kV feeders, along with the options being considered to address those limitations. Information on our planned asset replacement, retirement and de-rating works, along with our metering and information technology systems expenditure plans and our network performance and targets in the areas of power quality and reliability is also provided.

The report also covers our obligations under clause 3.5 of the Victorian Electricity Distribution Code.

Information regarding planning for transmission to distribution connection points, required by clause 5.13 of the NER, is covered in the Transmission Connection Planning Report (TCPR)¹.

This Distribution Annual Planning Report identifies one zone substation and eighteen distribution feeders requiring demand driven augmentation, five new zone substation developments and works six other zone substations to achieve and maintain rapid earth fault current limiter (REFCL) compliance obligations, in addition to the works previously identified at the twenty-two REFCL designated zone substations, and eight zone substations required asset replacement works to maintain acceptable service levels over the next five-year period.

The report also outlines major network developments completed in the past twelve-month period, which included implementation of rapid earth fault current limiter (REFCL) technology to achieve regulatory compliance at six zone substations, retirement of Morwell Terminal Station 22 kV (MWT) and Morwell Power Station (MPS) assets, and establishment on a new Morwell Zone Substation (MWL).

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¹ A copy of the 2019 Transmission Connection Planning Report and Terminal Station Demand Forecasts can be viewed at AusNet Services' website: https://www.ausnetservices.com.au/en/Misc-Pages/Links/About-Us/Publications

2 Introduction

This Distribution Annual Planning Report 2020-2024 is prepared by AusNet Electricity Services Pty Ltd in regard to its electricity distribution network and in accordance with the requirements of clause 5.13.2 of the National Electricity Rules².

2.1 Purpose

The purpose of this report is to describe AusNet Services' distribution network, explain the approach to network planning, provide forecasts for the forward planning period, describe constraints on the network and detail plans to address these constraints.

2.2 AusNet Electricity Services Pty Ltd

AusNet Services is a diversified energy infrastructure business that owns and operates the primary regulated Victorian electricity transmission network as well as an electricity distribution network in eastern Victoria and a gas distribution network in western Victoria.

AusNet Electricity Services Pty Ltd, a member of the AusNet Services' group of companies, holds an electricity distribution licence in Victoria issued by the Essential Services Commission (ESC) in October 1994. The licence authorises AusNet Electricity Services Pty Ltd to distribute electricity in its distribution area subject to certain conditions. These include requirements that AusNet Electricity Services Pty Ltd:

- Provide specified distribution services to electricity users within the distribution area, including connection services, services to other distributors and public lighting services.
- Offer to enter into a use of system agreement for the use of its distribution network on request by a retailer.
- Comply with codes and guidelines issued by the ESC including the Victorian Electricity Distribution Code (EDC), which regulates the provision of distribution services and connection to AusNet Electricity Services Pty Ltd.'s distribution network by electricity users.

Revenues derived from AusNet Electricity Services Pty Ltd.'s distribution network are regulated by the Australian Energy Regulator (AER) in accordance with the National Electricity Rules (NER) and other jurisdictional obligations set out in the Victorian Electricity Industry Act 2000.

AusNet Electricity Services Pty Ltd is obliged to comply with the NER and is also required to meet the technical requirements of the Electricity Safety Act 1998.

Hereafter, AusNet Electricity Services Pty Ltd will be referred to as AusNet Services.

² A copy of the National Electricity Rules can be found at the Australian Energy Market Commission's website: http://www.aemc.gov.au/Electricity/National-Electricity-Rules/Current-Rules.html

3 Electricity Distribution Network

This section presents an overview of AusNet Services' electricity distribution network, in accordance with the requirements of schedule 5.8 (a) of the National Electricity Rules.

3.1 Network Location

AusNet Services operates and manages an electricity distribution network serving the fringe of the northern and eastern Melbourne metropolitan area and the eastern half of rural Victoria (see Figure 1) delivering electricity to approximately 730,000 consumers.

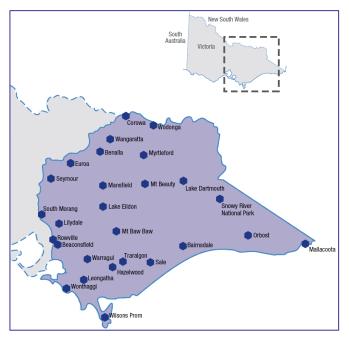


Figure 1: AusNet Services' Electricity Distribution Network

AusNet Services' distribution network is split into three regions, Central, East and North, as shown in Figure 2 below.

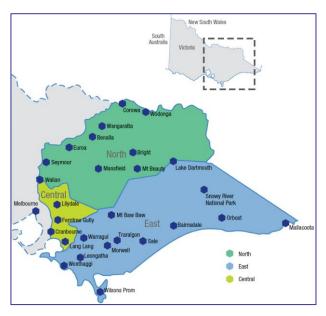


Figure 2: AusNet Services' Service Delivery Regions

The distribution network is located in a climate which is classified as temperate. The network area does not span across different classifications of climate.

The distribution network is located in areas where the average annual rainfall ranges from 600 mm to 1,200 mm. Some parts of the network in the Northern and Eastern regions are affected by flooding hazards. Approximately 35% of all network feeders have some parts in flood hazardous areas.

Approximately two-thirds of the distribution network is in areas designated as Bushfire Prone.

There are around 360 distribution feeders, of which 14% are classified as Long Rural, 42% are classified as Short Rural and 44% are classified as Urban. A large proportion of feeders supply low density (lot sizes > 2000 m²) customer areas. Twenty-nine percent of distribution feeders have less than ten customers per kilometre of line length. Customers supplied in these areas amount to 16% of the total customers served by AusNet Services.

The electricity network comprises a 'sub-transmission' network that consists of predominantly overhead lines that operate at 66 kV, and a 'distribution' network, which generally operates at a voltage of 22 kV and consists mainly of overhead lines but also includes underground cables. Some customers in remote and low population density rural areas are supplied by Single Wire Earth Return (SWER) Medium Voltage (12.7 kV) distribution networks. The majority of customers are supplied by Low Voltage reticulation via distribution transformers.

3.2 High Voltage Sub-Transmission Network

The sub-transmission network is supplied at eleven connection points from the Extra High Voltage (500 kV, 330 kV, 275 kV and 220 kV) transmission network that is owned and operated by AusNet Transmission Group Pty Ltd.

The sub-transmission network consists of overhead electricity lines operating at 66 kV, which are generally formed in loops fed from individual terminal stations. Although more interconnections have recently been established, these sub-transmission loops are generally not interconnected except under abnormal or emergency conditions. The loop configuration serves to maximise the reliability of the sub-transmission network by providing most zone substations with at least two sources of supply.

The length of each 66 kV sub-transmission loop depends on the proximity of the load centres to the terminal stations. The sub-transmission network has been developed over many years and therefore incorporates differing technologies, design standards, and plant and equipment types. As a result of these variations in the network, it has differing supply capacities. The capacity of each network loop is determined by a number of factors, including:

- Design working temperature
- Design of the particular network (which may impose loading or operational constraints)
- Thermal loading under outage conditions
- Voltage stability under outage conditions
- Conductor size and type
- Plant and equipment ratings.

Zone substations are generally supplied from more than one incoming 66 kV line, which are connected to the buses via circuit breakers. Within the zone substation, the incoming supply is transformed via one or several 66/22 kV transformers, ranging in size from 5 MVA to 33 MVA, and typically connected in parallel, unless separated to manage fault current levels to within regulatory and asset limits. The 22 kV windings of the transformers are usually 'star' connected and earthed directly or via a Neutral Earthing Resistor (NER) or a Ground Fault Neutraliser (GFN), to limit the phase-ground fault current. The majority of transformers are equipped with on-load tap changing (OLTC) facilities to provide automatic control of the operating voltage. Additional reactive power support is provided by capacitor banks installed at these stations.

3.3 Protection

Protection of the sub-transmission system is achieved by a combination of current and voltage transformers, circuit breakers and protection devices arranged in schemes, which monitor the voltages and currents for abnormal conditions and initiate disconnection of supply in accordance with pre-established protocols. Protection schemes include:

- Distance
- Differential
- Over Current
- Earth Fault

- Residual Over Voltage/Neutral Displacement.
- Under / Over Voltage and Under Frequency to initiate Load Shedding.

The protection applied to the sub-transmission network is duplicated and coordinated with that at the terminal stations, other zone substations and associated distribution network feeders. As per the existing industry practice, bare conductor overhead lines are fitted with automatic reclose facilities to minimise the impact of transient faults.

3.3.1 Earthing

Plant and equipment within the sub-transmission network employ local earthing whereby each piece of electrical equipment and conductive structure is directly connected to the general mass of earth via a dedicated earth connection. The 66 kV networks are referenced to earth via the connection transformers within the transmission network, which have their 66 kV winding star-points connected directly to the respective terminal station earthing grids.

The sub-transmission network is an 'effectively' earthed system. In the event of a fault to earth on this network the earthing assets enable the flow of electricity to the general mass of earth, under such circumstances that step, touch and transfer voltages are managed, fire ignition is minimised and electrical protection systems operate to limit network damage.

3.4 Medium Voltage Distribution Network

The 22 kV distribution network is currently supplied by fifty-seven zone substations, which are located near to the load centres. Additionally, three terminal stations supply 22 kV distribution feeders. Three 22/6.6 kV stepdown substations supply the Mount Dandenong area via three 6.6 kV feeders. The Latrobe Valley power stations and mines are in part supplied via dedicated substations.

The Medium Voltage (MV) distribution network consists of approximately 360 feeders. These feeders predominately operate at 22 kV, with three 6.6 kV feeders supplying the Mt. Dandenong area and a further seven 6.6 kV and two 11 kV feeders supplying the coal fired power stations, associated mines, and support workshops within the Latrobe Valley. A total of approximately 463 customers are partly served by feeders from adjacent Distribution Network Service Providers, one United Energy feeder (NW13) and two Essential Energy (EE) feeders in New South Wales in the state's north east (TRC01 and BOM8M3³, BM8B31, BM8B32, BM8B33).

Distribution feeders are generally operated in radial mode. In urban areas they can often be operated in open-loop arrangement via switches installed to provide alternative points of supply and thus improve the reliability of the network.

In rural areas, the average feeder length is 156 km (including spurs) with few alternative points of supply. Distribution feeders are usually three phase but some spur lines, especially in rural areas, are 'single-phase' supplied from two of the three available phases.

Remote and low population density rural areas are often supplied by Single Wire Earth Return (SWER) MV distribution networks. AusNet Services over 500 SWER networks. The SWER networks are supplied from two phases of the three-phase network via an isolating transformer, which provides the appropriate voltage transformation, regulation and electrical isolation between the two networks. The SWER networks operate at 12.7 kV, with the majority of overhead lines constructed using 3/2.75 mm steel conductor.

3.4.1 Distribution Substations

Distribution substations are located throughout the MV distribution network and provide transformation from the 22 kV reticulation to the customer's nominal service voltage (230/400 V or 230/460 V).

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 $^{^{\}rm 3}$ AusNet Services identifies EE's BOM8M3 feeder as BM8B31, BM8B32 and BM8B33 feeders.

They range in capacity from 10 kVA to 2000 kVA and are classified into the following major types:

- Pole Mounted
- Ground Mounted
- Kiosk
- Indoor.

Distribution transformers on the three phase network have a 'delta-star' winding arrangement with a common voltage rating of $22 \, \text{kV}$ / $433\text{-}250 \, \text{V}$, while those on a single-phase network generally have a centre point earthed secondary winding and the voltage rating of $22 \, \text{kV}$ / $250 \, \text{V}$ / $500 \, \text{V}$ is common. Distribution transformers installed on the SWER circuits commonly have voltage ratings of $12.7 \, \text{kV}$ / $250 \, \text{V}$ / $500 \, \text{V}$. The off-load voltage taps on each transformer are capable of delivering the nominal voltage standard of $230 \, \text{V}$ / $400 \, \text{V}$ and $230 \, \text{V}$ / $460 \, \text{V}$ within +10%/-6% at the customers' point of connection.

3.4.2 Protection

Protection equipment, including protective relaying schemes, in conjunction with circuit breakers, automatic circuit reclosers, sectionalisers and fuses are applied to the distribution system to:

- Ensure safety of the general public and electricity workers by minimising any hazardous step, touch or transfer potential by isolating the faulted section of the plant within the protected zone.
- Ensure service continuity by sectionalising faulted elements of the network from unaffected portions of the network and therefore minimise disruption to the majority of customers.
- Minimise equipment damage.

3.4.3 Earthing

Within zone substations the star-point of the 22 kV windings are connected to the station earth grid, directly or via a neutral earthing resistor, and thus to the general mass of earth.

Metallic MV equipment frames, switch handles, cable screens, conductive structures (e.g. concrete poles), surge diverters, exposed metal parts containing or supporting the MV conductors, and all interconnected metallic parts, are directly connected to a local MV earth and thus to the general mass of earth. These earthing systems are designed to:

- Ensure correct functioning of the protection systems.
- Limit over-voltages during fault conditions.
- Manage step, touch and transfer potential in high risk and well frequented areas.
- Co-ordinate transfer voltages with other authorities' assets in the vicinity.

3.4.4 Rapid Earth Fault Current Limiter (REFCL)

AusNet Services is installing Rapid Earth Fault Current Limiter (REFCL) technology at twenty-two zone substations. The electrical protection technology is designed to minimise the fault current (energy) dissipated from phase to earth (wire to ground) faults on the 22kV network in order to reduce the risk of fire ignition associated with network incidents. Implementation and testing by government of two different types of REFCL technology was completed at Kilmore South zone substation on a limited 40km section of network in 2014. Based upon a sample period of network fault data, analysis undertaken by the Government and CSIRO predict network fire related incidents associated with the nominated zone substations can be reduced by between 50-55%.

The Ground Fault Neutraliser (GFN) is a product that falls under the Rapid Earth Fault Current Limiter (REFCL) technology umbrella which reduces single phase to earth fault currents on a network. The GFN does this by using resonant earthing with an enhanced 'residual current compensation feature' that injects current into an arc suppression coil (ASC) at 180° out of phase with the residual fault current. The GFN instantaneously eliminates the large fault current, reducing to under 25 A and then close to 0 A within 3 cycles or 60ms. Its operation causes the phase voltage of the faulted phase to be reduced to near earth potential (zero volts), whilst the healthy phases rise by 173% nominally from 12.7kV to 22kV. The implication of higher voltages on the healthy phases means that implementation of the REFCL technology can require significant asset replacement investment to ensure that all assets are rated for the higher phase voltages that they would be exposed to under fault conditions.

3.4.5 Overhead Lines

There are approximately 410,017 poles supporting distribution and sub-transmission networks.

The majority of overhead lines utilise aluminium conductors, although copper was previously used and remains in service in some (generally older) areas. Steel conductors are predominantly utilised in rural (including SWER circuits) distribution areas.

The most common conductors used in the MV overhead network are; Steel Conductor (SC) - 3/2.75, Aluminium conductor steel-reinforced (ACSR) - 3/4/2.5, 6/1/2.5, 6/1/3.0, 6/1/3.75, 6/1/4.75 and 6/4.75/ 7/1.60 and All Aluminium Conductor (AAC) - 7/2.5, 7/3.0, 19/3.25,19/3.75, 37/3.75, 7/4.75 and 19/4.75.

High Voltage Aerial Bundled Cable (HV ABC) is utilised for some 22 kV lines in environmentally sensitive treed areas, such as the Dandenong Ranges, to mitigate fire risk and minimise the incidence of tree and bark related faults. The main sizes of HV ABC used on the networks are 35 mm² and 185 mm² with aluminium conductors and non-metallic screens. A new type of HV ABC has been introduced to improve reliability. The new type is the Light Duty Metallic Screened HDME sheathed HVABC. This is generally known as LD MS HVABC and the standard conductor sizes are 35 mm² Al & 185 mm² Al. These cables can be used as the standard form of construction for both new overhead HV and for replacement of bare overhead HV in AusNet Services HV distribution network.

AusNet Services has also trialled and introduced the Spacer Cable System as a standard MV cable system permitted for use on AusNet Services' distribution network. The 22 kV Spacer Cable System consists of three covered conductors which are separated using a 'Spacer' and the whole system is supported by a tensioned catenary (messenger) wire. Spacers are generally placed every 10-12 metres along the span hung on the messenger wire. This system is suitable for heavy tree areas including where tree overhang is present (56Ms). The standard conductor sizes are 35 mm² Al, 50 mm² Al & 150 mm² Al.

AusNet Services for the first time introduced a Hybrid Underground system during 2015. The hybrid system is a system which contains underground HV cables and where the existing substations, protection devices and low voltage network is left pole mounted and overhead. The hybrid system is an alternative supply arrangement in areas where the overhead medium voltage (22 kV, 11 kV or 6.6 kV) network is replaced with underground cable and where there is no space available to install kiosk substations. The standard conductor sizes are 35 mm² Al, 185 mm² Al, 240 mm² Al & 300 mm² Al and the cable types are standard underground cables.

3.4.6 Underground Lines

Approximately 2,300 km (route length) of medium voltage underground cables are utilised for distribution in new urban residential developments and where other circumstances may apply such as visual impact, vegetation management, etc. The cables have cross-linked polyethylene (XLPE) insulation, aluminium conductors and 3-core construction. The main sizes are 35 mm², 185 mm², 240 mm² and 300 mm². There are also significant quantities of HSL (Hochstadter type cable - Paper insulation, screen type and lead sheath on each core, steel wire armour) underground cables utilised in the underground distribution network.

3.4.7 Electric Line Construction (Codified) Areas

Amendments to the Electricity Safety (Bushfire Mitigation) Regulations 2013 introduced 1 May, 2016 require any planned conductor replacement (1kV to 22kV) of four or more consecutive spans or any new medium voltage electric line to be constructed with insulated or covered conductor within codified areas.

The locations of medium voltage lines specified within the regulations are defined as those lines being within an "electric line construction area" (codified area). The codified areas within AusNet Services' franchise area are illustrated in Figure 3 (red shaded areas). Further information may be found in AusNet Services' "Bushfire Mitigation Plan – Electricity Distribution Network"

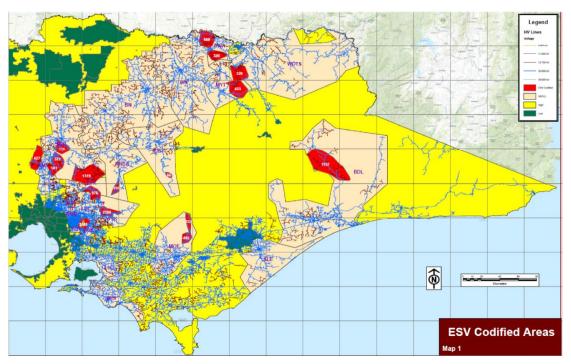


Figure 3: Codified Areas within AusNet Services' Franchise Area

3.5 Low Voltage Distribution Network

In urban and some rural locations reticulation at Low Voltage (LV) is utilised to supply small groups of customers. The LV lines are typically either three-phase (400 V) or two-phase (460 V) [with +10%/-6% voltage band] circuits with a neutral conductor. Insulated customer service cables are connected to these LV lines.

There is generally no permanent connection between adjacent LV circuits in urban areas although switching devices enable interconnections between some areas and load transfers in emergency conditions.

The LV overhead reticulation network consists of both open (bare) wire and insulated wire, Low Voltage Aerial Bundled Cable (LV ABC), construction.

- Bare Conductor Most of the LV bare conductors are of aluminium construction; although, some copper
 is in service in older areas. Typically, the standard conductor utilised for LV reticulation is 19/3.25 mm all
 aluminium conductor (AAC); although, there are other types and sizes of conductors still in service that
 were utilised on the LV network in the past.
- LV ABC LV ABC is cross linked polyethylene (XLPE) insulation over each of four aluminium cores.
 Typical conductor sizes are 95 mm² and 150 mm².
- LV Cable LV underground cables are sized to suit the application but are generally 185 mm² and 240 mm² with aluminium conductors and XLPE insulation.

3.5.1 Protection

The LV network protection is provided by fuses or in some cases moulded case circuit breakers installed on the LV side of the distribution transformers. The fuses are rated and the circuit breaker tripping is set to suit the application, substation loading and coordination with MV fuses. Other considerations such as LV circuit lengths and fault current limits are also considered.

3.5.2 Earthing

The following types of earthing are applied within the LV distribution network:

- Individual Multiple Earthed Neutral (IMEN) An earthing arrangement where the LV neutral conductor is permanently connected to earth at the substation supplying the system, all customers' premises and an auxiliary earth at the remote end of the LV reticulation Network.
- Interconnected Multiple Earthed Neutral An earthing arrangement where the LV neutral conductor is permanently connected to earth at the multiple substations supplying the system, all customers' premises and at any point throughout the neutral system as required.

- Common Multiple Earthed Neutral (CMEN) An earthing arrangement where all the MV and LV
 equipment is permanently connected to a common earth. The LV neutral conductor is connected to
 earth as per interconnected Multiple Earthed Networks and is used to bond other MV earthing points
 within the Network.
- Direct Earth An earthing system where the customer's neutral conductor is directly connected to the Distribution Substation earth via underground cable sheath or dedicated overhead earth conductor.

3.5.3 Services

Connection from the customer point of supply to the LV distribution network is achieved via 'service cables'. Service cables may be placed either overhead or underground. The aerial service cables are typically XLPE insulated 2 core or 4 core construction with aluminium conductors of 25 mm² and 35 mm² and, as required, 95 mm² and 150 mm² aerial bundled cables. The underground service cables are tapped from the underground LV reticulation cables using tee joints. Standard service cables are 16 mm², 35 mm² and 50 mm² with copper conductors and XLPE insulation.

3.6 Communications Network

The communication network provides services for the following applications:

- Power system protection signalling.
- System Control and Data Acquisition (SCADA) for zone substations, Automatic Circuit Reclosers, and Sectionalisers.
- Operational Voice communications.
- Power Quality monitoring.
- Asset condition monitoring.
- 'Smart' metering.

These services are provided by either the private communication network or third party leased services. Third party leased services can be used for all applications except power system protection signalling because of the stringent technical requirements. Where there is no requirement for power system protection, the choice of using the private network or leased services is determined on lowest economic cost.

The majority of zone substations are connected by optical fibre. Eleven zone substations and about 300 pole top devices are connected by TRIO point-to-multipoint radio. There are 85 WiMAX base stations and 86 sites connected by point-to-point microwave radio.

3.6.1 Communication Asset Types

Communication assets include telephone exchanges, Ethernet switches, routers, and communication network nodes. The communication network nodes used are Plesiochronous Digital Hierarchy (PDH), Synchronous Digital Hierarchy (SDH), and Wave Division Multiplexers (WDM). Other assets include WiMAX point-to-multipoint radio, TRIO point-to-multipoint, and point-to-point microwave radios. There are two types of optical fibre assets installed to support the communications network, All Dielectric Self Supporting (ADSS) and Optical Ground Wire (OPGW). Both of these are supported on the distribution network poles.

3.7 Distribution Asset Summary

Table 1 lists common asset types, sub-types, and quantities.

ш	Accet Tune	Description	Number
#	Asset Type	Description	
1	Connection Points	Terminal Stations (66 kV Connection Point)	11
2	Connection Points	Terminal Stations (22 kV Connection Point)	2
3	Connection Points	Terminal Stations (11 kV Connection Point)	1
4	Connection Points	Zone Substations (66/22 kV)	57
5	Connection Points	Substations (22/6.6 kV)	3
6	Connection Points	Zone Substations (Single Customer)	9
7	Connection Points	Switching Station	1
8	Transformers	Zone Substations Transformers	155
9	Transformers	Distribution Transformers (Pole Mounted)	56,720
10	Transformers	Distribution Transformers (Kiosk, Ground Outdoor or Indoor Chamber Mounted)	4,649
11	Circuit Breakers	High Voltage (>22 kV)	254
12	Circuit Breakers	Medium Voltage (≤22 kV)	2,190
13	Feeders	Number of 22 kV feeders	348
14	Feeders	Number of 11 kV feeders	2
15	Feeders	Number of 6.6 kV feeders	10
16	Conductors	Overhead (Low Voltage, <1 kV) (km)	6,625
17	Conductors	Overhead (SWER) (km)	6,466
18	Conductors	Overhead (Medium Voltage) (km)	22,613
19	Conductors	Overhead (High Voltage) (km)	2,504
20	Conductors	Underground (Low Voltage) (km)	4,583
21	Conductors	Underground (Medium Voltage) (km)	2,314
22	Conductors	Underground (High Voltage) (km)	11
23	Conductors	Number of Overhead Service Lines	209,409
24	Poles	Wood Poles	185,588
25	Poles	Concrete Poles	126,010
26	Poles	Steel Poles (Towers)	404
27	Poles	Public Lighting Poles	90,467
28	Poles	Cross-arms	405,074
29	Communications	Optical fibre – ADSS, OPGW (km)	680
30	Communications	Point to point radio links - Zone Substations	23
31	Communications	Point to point radio links - Zone Substations	63
32	Communications	WiMAX base stations - AMI	85
33	Communications	TRIO base stations	19
34	Communications	Network Nodes (SDH, WDM and PDH)	244

35	Communications	Routers and Switches	164
36	Communications	Telephone exchanges	6

Table 1: Number and types of assets

3.8 Methodologies used in preparing the Distribution Annual Planning Report

The DAPR covers a five-year forward planning period. The annual planning process commences after the extended summer season ending 31 March each year. The demand forecasts for connections points, zone substations, sub-transmission lines and distribution feeders are developed using the method described in Section 4.1, and network limitations are identified using the Probabilistic Planning Philosophy.

3.8.1 Planning Process

The planning activities are discussed in this section of the report and consist of the following steps:

- Review the long-term strategy for the distribution system with due consideration of network reliability, network capacity, quality of supply, network safety, environmental requirements, and asset management and regulatory strategies.
- Forecast the load demand for the next ten-year period.
- Forecast the network capacitive current for the next ten-year period.
- Confirm the capability of the existing network.
- Identify network constraints or network performance issues.
- Formulate options to resolve network constraints or needs.
- Seek non-network options including demand side options. Publish a non-network options report under RIT-D requirements where appropriate.
- Study these options to ensure compliance with technical limits, planning philosophies, regulatory criteria
 and guidelines, reliability and quality of supply standards and asset management strategies.
- Develop cost estimates for each option as well as cost savings and benefits of each option and establish
 the most cost-effective alternative that meets the technical and other requirements.
- Investigate the economic viability of the most cost-effective option by comparing the economic cost of the
 probability weighted energy at risk due to the contingency, reliability or performance gap with the cost of
 reducing this risk or improving the network performance.
- Prepare a planning report documenting all considerations and recommendations.
- Prioritise the different distribution projects based on the company's business strategy and funding guidelines.
- Obtain approval of the recommended plans, document plans and initiate execution of the projects in the plan.
- Publish draft and final project assessment reports under RIT-D requirements as appropriate.

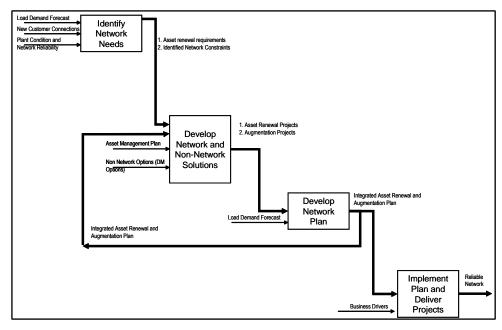


Figure 4: Distribution Network Planning Process

3.8.2 Identification of network needs or constraints

Network augmentation is essentially required to provide additional power transfer capacity to meet increasing customer load or, in the case of rapid earth fault current limiter (REFCL) protected zone substation, additional capacity to meet network capacitive current growth. Asset retirement and, where economically justified, replacement is required when the deteriorated condition of existing assets poses a service level risk, driven by reliability, safety, network security, environmental and plant damage risks, that outweighs the cost of retirement and/or replacement. The need for network augmentations or asset retirement and replacement is generally driven by the following factors:

- Increased load demand at existing supply points.
- New loads connecting to the distribution network.
- New network, resulting in capacitive current growth, to supply new connections.
- New generation connections or increased generation at existing connection points.
- Meeting quality of supply requirements.
- Improving the reliability of the network in response to the regulatory incentive scheme.
- High network losses supporting the justification for network augmentation based on reduced energy and demand losses as well as environmental benefits.
- Environmental requirements.
- Deteriorating condition of ageing assets.
- Risk mitigation.
- Increased penetration of Solar PV and other forms of generation have resulted in significant reverse
 power flow at light load conditions in some parts of the network. The full impact of bi-directional power
 flow is yet to be observed, but it is envisaged that network augmentation may be required in future to
 cater for this emerging change in power system behaviour.
- In response to the reduction in minimum demand and changes in the load shape driven by increased penetration of Distribution Energy Resources (DER), AusNet Services intends to develop 'minimum demand' forecasts to better understand this new phenomenon.

3.8.3 Overall objective of network planning

The planning standards and criteria applied in network development are a significant determinant of network-related costs. Costs associated with distribution connection facilities can be considered to comprise of two parts:

• The direct cost of the service (as reflected in network use of system charges and the costs of losses).

Indirect costs borne by customers as a consequence of supply interruptions caused by network faults.

In developing and applying their planning standards and investment criteria, AusNet Services' aims to develop network facilities in an efficient manner that minimises the total (direct plus indirect) life-cycle cost of network service borne by customers.

This basic concept is illustrated in Figure 5 below.

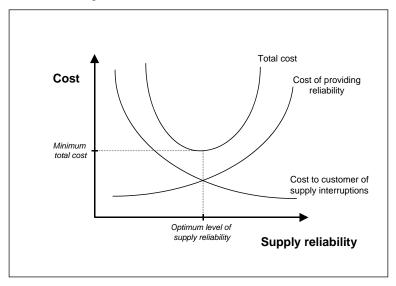


Figure 5: Balancing the direct cost of service and the indirect cost of service level risks including supply interruption

Additionally, AusNet Services' distribution connection investment decisions aim to maximise the net present value to customers, having regard to the costs and benefits of non-network alternatives to augmentation. Such alternatives include, but are not limited to, demand-side management and embedded generation.

3.8.4 Overall approach to distribution planning and investment evaluation

AusNet Services uses a probabilistic planning approach. This is consistent with the Australian Energy Market Operator (AEMO) that applies a probabilistic approach⁴ to planning the shared transmission network⁵ in Victoria.

Under the probabilistic approach, the deterministic N-1 criterion applied in some networks is relaxed and simulation studies are undertaken to assess the amount of energy that would not be supplied if an element, or elements, of the network were out of service. The application of this approach often leads to the deferral of augmentation that would otherwise proceed under a deterministic standard. Under a probabilistic network planning approach, conditions often exist where some the load cannot be supplied with a network element out of service (hence the N-1 criterion is not met); however, the value of the energy not supplied is insufficient to justify additional investment, taking into account the probability of a forced outage of a particular element of the network.

The transmission connection assets for which the Distribution Network Service Providers (DNSP) have planning responsibility form part of the Victorian electricity transmission network⁶. Given that AEMO applies a

⁴ A copy of the Victorian Transmission Network Planning Criteria can be obtained from the Australian Energy Market Operator's (AEMO) website at: http://www.aemo.com.au/Electricity/Policies-and-Procedures/Planning-Victorian-Transmission-Network-Planning-Criteria

⁵ The 'Shared Transmission Network' is the Victorian Transmission System, excluding the transmission facilities that connect the distribution networks and the generators to the High Voltage network. The distribution network service providers and the generators are responsible for the planning and development of the relevant transmission connection facilities.

⁶ The transmission and distribution licences issued by the Essential Services Commission define the term 'electricity transmission system' as "a transmission system in Victoria at nominal voltage levels of above 66 kV which the holder of a transmission licence may use to transmit electricity."

probabilistic network planning approach to the development of the shared transmission network, the Victorian DNSPs consider it appropriate to adopt a similar approach to transmission connection planning and investment decision analysis⁷.

AusNet Services considers it is appropriate to plan the distribution network (i.e. zone substations and subtransmission lines) in a manner consistent with the planning for the 'upstream' network and connection points. Implicit in the use of a probabilistic approach is acceptance of the risk that there may be circumstances (such as the loss of a transformer during a high demand period) when the available zone substation or 66 kV loop capacity will be insufficient to meet actual demand and significant load shedding could be required.

The distribution feeder risk assessment is based on feeder load carrying capability under peak load conditions. In this regard a more traditional deterministic planning approach is applied.

3.8.5 Valuing supply reliability from the customer's perspective

In order to determine the 'economically optimal' level and configuration of network capacity (and hence the supply reliability that will be delivered to customers), it is necessary to place a value on supply reliability from the customer's perspective.

Estimating the marginal value to customers of reliability is inherently difficult, and ultimately requires the application of some judgement. Nonetheless, there is information available (principally, surveys designed to estimate the costs faced by consumers as a result of electricity supply interruptions) that provides a guide to the likely value.

In September 2014, AEMO published its final report on its 2013–2014 review of the Value of Customer Reliability (VCR). AEMO conducted the review at the request of the former Standing Council on Energy and Resources (SCER), now the Council of Australian Governments (COAG) Energy Council. AEMO's final report explained that⁸

"The VCR represents, in dollar terms, the estimated aggregated value that customers place on the reliable supply of electricity. The actual value will vary by the type of customer and the characteristics of the outages being considered. The VCR at different points on the grid would then vary based on the mix of customer types at that point. As customers cannot directly specify the value they place on reliability, the VCR plays an important role in determining the efficient level of investment in, and efficient operation and use of, electricity services required by customers in the National Electricity Market (NEM)."

AEMO's final report summarised its findings as follows9:

"AEMO's assessment of the survey findings includes the following:

- Residential VCR values are similar across all NEM states.
- The most important outage characteristics affecting residential VCR values are length of outage and whether the outage occurred at the time of the NEM daily peak.

⁷ In some cases (for instance, signals to upgrade circuit breakers due to fault levels), the distribution network service providers may continue to apply a deterministic standard. The application of such standards will be justified on the basis of their economic costs and benefits.

⁸ AEMO, Value of Customer Reliability Review Final Report, September 2014, page 6. The report is available from AEMO's website at the following address: http://www.aemo.com.au/Electricity/Planning/Value-of-Customer-Reliability-review

⁹ Ibid, page 1.

- Residential VCR values have not substantially changed since the 2007–08 values. However, survey feedback indicates that residential customers are concerned about the rise in electricity prices since 2007–08, which has resulted in an increased customer focus on implementing energy efficiency measures.
- Business VCR values on average continue to be higher than the residential values, consistent with other Australian and international studies.
- Business VCR values for the commercial and agricultural sectors are notably lower than the 2007–08 values
- Drivers include increased electricity costs since 2007–08 and the implementation of energy efficiency savings by businesses in these sectors.
- Larger businesses tend to have a lower VCR value than smaller businesses, reflecting the likelihood that larger businesses are better equipped to mitigate against the impact of power outages.
- The survey indicates the majority of residential and business customers are satisfied with their current level of reliability and consider it to be of a high standard.
- The VCR values are broadly consistent with international and Australian VCR studies, where a similar survey methodology and approach has been used."

Table 2 below shows AEMO's sector and composite VCR estimates for 2019.

	2019 VCR (\$/kWh)		
Sector	(Source: AEMO's September 2014 VCR Review Final Report, adjusted for annual indexation in accordance with s.5.2 of AEMO's December 2014 VCR Application Guide)		
Residential	26.80		
Commercial	48.41		
Agricultural	51.60		
Industrial	47.70		
Composite – all sectors	42.76		

Table 2: VCR estimates by sector for 2019.

AusNet Services notes that between the 2007-08 VCR review (conducted by CRA International, on behalf of AEMO's predecessor VENCorp) and AEMO's 2013-14 review, there was a significant reduction in the VCR estimates for the commercial and agricultural sectors, as shown in Figure 6.

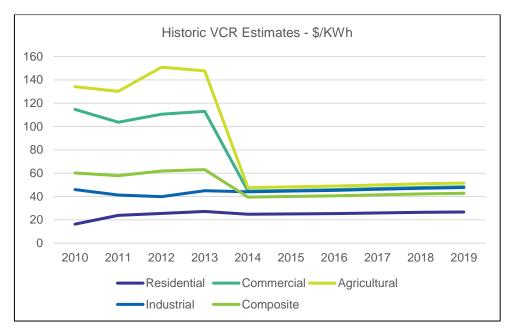


Figure 6: Historic VCR estimates for the period 2010 - 2018.

AusNet Services applies VCR values at the zone substation level, which are calculated by combining the annual energy consumption per zone substation and customer sector with AEMO's sectorial VCRs presented in Table 2. The per zone substation VCR values are applied in monetising the cost of expected unserved energy associated with zone substation and sub-transmission and feeder line constraints.

AusNet Services also notes that in July 2018, a final rule determination on the VCR came into effect. Under the new Rule:

- The AER became responsible for developing and publishing a VCR methodology and VCR estimates.
- The AER must conduct a review of the VCR estimation methodology every five years and publish updated VCR estimates following each review.
- As part of the VCR methodology, the AER must also specify a method for adjusting the VCR on an annual basis.
- By 31 December 2019, the AER must complete its first review of the VCR methodology and publish the VCR estimates.

Upon completion and publication of the AER's new VCRs, AusNet Services will apply the newly developed VCRs in its planning assessments.

3.8.6 Application of the probabilistic approach to distribution network planning

The probabilistic planning approach involves estimating the probability of various network conditions coinciding, such as plant outages coinciding with peak loading conditions, and weighting the service level costs of such events by their probability of occurrence to assess:

- The energy at risk of not being supplied if no risk mitigation action is undertaken; and
- Whether it is economic to invest in risk mitigation action to reduce the forecast service level risk.

The quantity and value of energy at risk is a critical parameter in assessing a prospective risk mitigation investment. Probabilistic planning aims to ensure that an economic balance is struck between the cost of:

- Providing supply redundancy and increased levels of safety to manage service level risk; and
- Exposure to the conditions (plant outages or network loading levels) that result in the identified supply level risk being realised.

In other words, recognising that plant outages and very extreme loading conditions may occur for only a few hours in each year, it may be uneconomic to retire and replace poor condition plant or provide additional capacity to cover the possibility of a network outage under extreme conditions. Rather, the probabilistic approach indicates that service level risk mitigation action should take place only when the service level risk has

increased to the extent that the value of expected unserved energy and risk exceeds the investment cost to reduce the level of expected unserved energy and risk.

This approach provides a sound estimate of the expected net present value to consumers of distribution system augmentation, retirement or replacement. However, implicit in its use is acceptance of the risk that there may be circumstances when the available distribution network will be insufficient to meet actual demand. The extent to which investment should be committed to mitigate that risk is a balance between engineering and economic analysis; having regard for:

- The results of probabilistic and deterministic studies of possible outcomes, and the inherent uncertainty of those outcomes;
- Regulatory and other legal compliance obligations;
- The potential costs and other impacts that may be associated with very low probability events, such as single or coincident transformer outages at times of peak demand, and catastrophic plant failure leading to extended periods of plant unavailability;
- The availability and technical feasibility of cost-effective contingency plans and other arrangements for management and mitigation of risk; and
- The Victorian DNSPs' obligation (under clause 5.2 of the Victorian Electricity Distribution Code) to use best endeavours to meet, among other things, reasonable customer expectations of reliability of supply.

3.8.7 Methodology for assessing risk at Zone Substations

The methodology includes assessing magnitude, probability and impact of loss of load at each zone substation.

The following key data are calculated for each zone substation:

- Energy at risk: This is the amount of energy, weighted by the demand conditions considered (10% POE and 50% POE), that would not be supplied from a zone substation if outage of a transformer, circuit breaker or instrumentation transformer occurs at that station in that particular year. This statistic provides an indication of the magnitude of energy that would not be supplied in the unlikely event of a major network outage.
- **Expected unserved energy:** This is the energy at risk weighted by the probability of potential network outages. This statistic provides an indication of the amount of energy, on average, that will not be supplied in a year taking into account the low probability that a transformer, circuit breaker or instrumentation transformer at the zone station fails and is out of service.

Risk assessments for each zone substation provide estimates of energy at risk and expected unserved energy based on the demand forecasts.

3.8.8 Interpreting 'energy at risk'

As noted above, 'energy at risk' is an estimate of the amount of energy that would not be supplied if a zone substation network asset was out of service during the critical loading season(s), for a given demand forecast. Generally the worst-case outage for zone substation risk is outage of a transformer, and this condition is referred to as its 'N-1' rating. The capability of the station with all transformers in service is referred to as its 'N' rating. The relationship between the N and N-1 ratings of a station and the energy at risk is depicted in Figure 7.

N rating Energy at risk is represented by the shaded area N-1 rating Demand forecast Full "N" capacity expected to be available, on average, for 99.7% of the time

Relationship between N rating, N-1 rating and energy at risk

Figure 7: Relationship between N rating, N-1 rating and energy at risk

In 10 years

Time

While it depends on the condition of the individual asset, it is expected that:

Today

- On average over the long term, each transformer will be unavailable for 19 hours per year.
- Under normal operating conditions, there will typically be more than adequate zone substation capacity to supply all demand.
- The risk of prolonged outages of a zone substation transformer leading to load interruption is typically very low.

3.8.9 Assessing service level risk

AusNet Services' risk-cost model quantifies the benefits of potential investment options by comparing base service level risk, assuming no risk mitigation action is taken, with the reduced service level risk assuming the credible option is place. The investment cost to implement the credible option is then subtracted from the monetised benefit to compare credible options and identify the option that maximises the net economic benefit (the proposed preferred option).

The initial screening assessments presented in the DAPR only present the base level risk, without attempting to quantify of the residual risk, and therefore net benefit, of the various options presented.

The areas of service level risk costs, and risk cost reduction benefits, that AusNet Services considers include:

- Supply risk;
- Safety risk;
- Collateral damage risk;
- Reactive replacement;
- Environment risk;
- Operations and maintenance costs; and
- Losses.

3.8.10 Reliability statistics for zone substation assets

To provide a consistent assessment of the condition of an asset, AusNet Services applies a common condition scoring methodology. This methodology uses the known condition details of each asset and grades that asset against common asset condition criteria.

Asset condition is measured with reference to an asset health index on a declining condition scale from C1 to C5, as outlined in Table 1.

Condition Score	Condition	Condition Summary
C1 Very good Initial service condition		Initial service condition
C2	Good	Deterioration has minimal impact on asset performance. Minimal short-term asset failure risk.
C3 Average		Functionally sound showing some wear with minor failures, but asset still functions safely at adequate level of service.
C4	Poor	Advanced deterioration – plant and components function but require a high level of maintenance to remain operational.
C5	Very Poor	Extreme deterioration approaching end of life with failure imminent.

Table 3: Asset condition scoring methodology.

These conditions scores are then used to determine an effect condition-based age for each asset, which is in turn used calculate individual asset failure rates using the Weibull Hazard Function, as presented in Equation 1.

Equation 1: Weibull Hazard Function

$$r(t) = \frac{\beta t^{\beta - 1}}{\eta^{\beta}}$$

Where:

t = Time (condition-based age)

 η = Characteristic life (Eta)

 β = Shape Parameter (Beta)

A Beta (β) value of 3.5 has been used to calculate the failure rates of all assets considered in the zone substation risk-cost model.

The condition-based age (t) depends on the specific asset's condition and characteristic life (η), where the characteristic life represents the average asset age at which 63% of the asset class population is expected to have failed. **Error! Reference source not found.** presents the characteristic life values for each asset class c onsidered in the zone substation risk-cost model.

Equipment	Characteristic Life (η) (years)
Power transformers	50
Circuit breakers	45
Voltage transformers	40
Current transformers	30

Table 4: Zone Substation Equipment Characteristic Life Values

3.8.11 Methodology for assessing sub-transmission loop risk

The methodology includes assessing magnitude, probability and impact of loss of load for each sub-transmission loop. Sub-transmission loops are expected to fail with consequent loss of supply to all customers if an outage occurs whilst the loop is operating above its N-1 voltage collapse limit or above its N-1 thermal rating.

The following key data are calculated for each sub-transmission line:

- Hours at risk: For a given demand forecast, this is the number of hours per annum that a subtransmission loop operates above its firm rating.
- Load at risk: For a given demand forecast, this is the amount of load that would be lost should a failure
 of the 66 kV loop occur due to an outage occurring coincident with operation of the loop above its N-1
 rating.
- Repair time: This is the time taken to repair and restore a 66 kV loop's supply once it has failed.
- **Expected unserved energy:** For a given demand forecast, this is the probability that an outage occurs whilst the loop is operating above its N-1 rating multiplied by the load at risk and the repair time. This statistic provides an indication of the amount of energy, on average, that will not be supplied in a year.

Risk assessments for each individual sub-transmission loop provide estimates of energy at risk and expected unserved energy based on the demand forecasts.

3.8.12 Cost of sub-transmission line outages

In estimating the expected cost of sub-transmission line outages, this report considers the first order contingency condition ('N-1') only. It is recognised that there is a significant amount of energy at risk if two lines of a sub-transmission loop are out of service at the same time, due to a major outage. However, the probability of such an event occurring during peak load periods is very low and is therefore not considered in the initial screening studies presented in the DAPR. Where relevant, multiple contingency risk is included in detailed assessments undertaken prior to network investment.

3.8.13 Base reliability statistics for sub-transmission lines

Estimates of the expected unserved energy of each sub-transmission loop must be based on the expected reliability performance of the relevant sub-transmission lines. The basic reliability data for sub-transmission lines has been established and is shown in Table 5.

Major plant item	Expected Sub-transmission Line unavailability due to a major outage per line-year	Interpretation	
Urban Sub- transmission Line	1hr/line/year	On average, each line would be expected to have one failure per annum each with a duration of one hour.	
Rural Sub- transmission Line	2hrs/line/year	On average, each line would be expected to have two failures per annum each with a duration of one hour each.	

Table 5: Statistical reliability data for sub-transmission lines

3.8.14 Feasible options for meeting forecast demand

Developed options for a project may include demand management or other non-network solutions, refurbishment, replacement, augmentation, or a combination of these solutions. The options for zone substation and sub-transmission loop energy at risk are economically assessed to identify feasible solutions.

Network support in the form of demand management contracts and/or embedded generation, may individually or in combination with network augmentation, form feasible options for the elimination or mitigation of constraints.

3.9 Significant changes in aspects of forecasts and information provided

This section provides details required by schedule 5.8 (a) (5) in covering any aspects of forecasts and information provided in the Distribution Annual Planning Report that have changed significantly from those presented in the preceding year.

3.9.1 Demand forecasting methodology description

While the methodology itself is largely unchanged from that presented in last year's report, the demand forecasting methodology description has been refined to more clearly and accurately describe the process and inputs. The level of detail provided in this year's report is considered more appropriate for the target audience, and more detail is available on request.

3.9.2 Zone substation assessment methodology

Updates to the planning methodology sections have been made to better align the DAPR assessment and risk reporting with the approach undertaken for the Electricity Distribution Price Review (EDPR) submission. The methodology presenting in previous DAPRs was a higher-level screening assessment that focussed only on supply risk from a single transformer outage at a zone substation. It also applied network wide average transformer unavailability rates.

In line with the EDPR assessment approach, in addition to supply risk the updated methodology accounts for other key risk factors such as safety, collateral damage and reactive replacement risk to present an overall service level risk applicable to the zone substation. It also applies unavailability rates based on individual asset condition scores and Weibull Hazard Curves to more accurately estimate the service level risk at each zone substation.

3.9.3 Maximum demand forecast

The latest maximum demand forecasts have resulted in a small increase compared to the 2018 maximum demand forecasts. This change is primarily driven by a higher 2019/20 starting point due to inclusion of the latest summer actual demand data. Figure 9 presents a comparison of the 2018 and 2019 summer non-coincident 50% POE maximum demand forecasts, along with the 2018 and 2019 actual maximum demand.

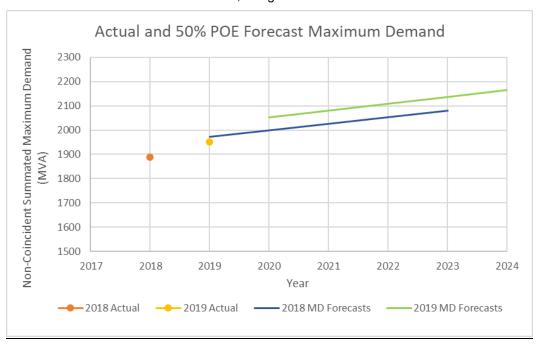


Figure 8 – 2018 Actual 50% POE forecast demand comparison

Table 6 presents the change in forecast demand forecasts, comparing last year's 50% POE maximum demand forecasts to this year's 50% POE maximum demand forecasts.

Table 6 – 50% POE summer maximum demand forecast comparison (2018 to 2019)

	2018 MD Forecast (MVA)	2019 MD Forecast (MVA)	Change
2020	2000	2053	2.7%
2021	2026	2080	2.7%
2022	2053	2108	2.7%
2023	2080	2136	2.7%
Five-year average growth rate	1.3%	1.3%	0.0%

3.9.4 Changes relating to network development plans

Following more detailed assessment of zone substation service level risk, key changes to network development plans reported in this DAPR include:

- Doreen Zone Substation capacity: deferral, from 2025, of the proposed third 66/22 kV transformer installation at Doreen Zone Substation, which is now proposed to be commissioning around 2027.
- Warragul Zone Substation rebuild: project scope and cost increase of the Warragul Zone Substation rebuild. The scope now includes two new 66 kV circuit breakers to form a ring bus, resulting in an estimated cost increase from \$12.6 million to \$13.7 million.
- Maffra Zone Substation rebuild: project scope and cost reduction of the proposed Maffra Zone Substation rebuild. Replacement of the two transformers has been delayed, reducing the project cost from \$19.5 million to \$11.5 million.
- Watsonia Zone Substation rebuild: project scope and cost reduction of the proposed Watsonia Zone Substation rebuild. Replacement of the two transformers has been delayed, reducing the project cost from \$22.0 million to \$15.3 million.
- Numeralla Zone Substation rebuild: project scope and cost increase, and project delay. Replacement of
 the transformer and 66 kV switchgear has been added to the scope of the proposed preferred solution,
 increasing the cost from \$6 million to \$12.9 million. However, the entire project has been delayed from
 2024 and is now planned to be commissioned by 2026.
- Bairnsdale Zone Substation rebuild and REFCL installation: the rebuild component of this project has been brought forward, from 2023 to 2021, to coincide with the REFCL works and the 22 kV switchgear replacement has been reclassified as REFCL replacement works following more detailed asset condition assessment showing that these assets required replacement to be able to withstand the higher REFCL voltages.

Following development of a network capacitive current forecasting methodology, and subsequent development of network capacitive current forecasts, AusNet Services has identified significant additional works required to achieve and maintain REFCL compliance, including the following network development plans that are new to this year's DAPR publication:

- Rowville Zone Substation (RVE): to maintain compliance at FGY it is proposed to establish a new non-REFCL Rowville Zone Substation (RVE) by September 2020 at an estimated cost of \$22.6 million. This option includes feeder transfers from FGY to RVE.
- Lakes Entrance Zone Substation (LKE): to maintain compliance at BDL it is proposed to establish a new REFCL protected Lakes Entrance (LKE) Zone Substation by 2022 at an estimated cost of \$23.1 million. This option includes feeder transfers from BDL to LKE.
- Diamond Creek Zone Substation (DCK): to achieve and maintain compliance at ELM it is proposed to
 establish a new REFCL protected Diamond Creek (DCK) Zone Substation by 2025 at an estimated cost
 of \$21.5 million. This option includes feeder transfers from ELM to DCK.
- Kalkallo North Zone Substation (KLN): to achieve and maintain compliance at KLO it is proposed to
 establish a new REFCL protected Kalkallo North (KLN) Zone Substation by 2023 at an estimated cost of
 \$46.7 million. This option includes transfer of all overhead feeders away from KLO to KLN such that KLO
 would only supply underground feeders, would not be REFCL protected, and would be exempt from the
 regulations.
- Baranduda Zone Substation (BDA): to maintain compliance at WOTS it is proposed to establish a new REFCL protected Baranduda Zone Substation (BDA) by 2021 at an estimated cost of \$29.3 million.
- BGE to maintain compliance at BGE it is proposed to reconfigure and augment feeders BGE11 and BGE12, and complete permanently transfers from BGE to Ferntree Gully (FGY) zone substation, at an estimated cost of \$1.3 million.
- KLK to maintain compliance at KLK it is proposed to install a remote REFCL to effectively reduce the
 capacitive current seen at KLK's 22 kV bus. Installation of the remote REFCL is proposed by 2021 at an
 estimated cost of \$9.0 million.
- KMS to maintain compliance at KMS it is proposed to replace the existing arc suppression coil (ASC) with a larger capacity ASC by 2023 at an estimated cost of \$1.8 million.
- LDL to maintain compliance at LDL it is proposed to install an isolation transformer on feeder LDL21, beyond switch LD727, by 2024 at an estimated cost of \$1.8 million.

- RWN to maintain compliance at RWN it is proposed to install a second REFCL at RWN by 2021 at an estimated cost of \$5.2 million.
- WGI to maintain compliance at WGI it is proposed to install a second REFCL at WGI by 2021 at an
 estimated cost of \$7.0 million. This option also includes replacing the No.2 66/22kV transformer with a
 higher capacity (20/33 MVA) unit to avoid thermal overload during the split bus arrangement required to
 achieve REFCL compliance on total fire band days.

4 Forecasts for the Forward Planning Period

This section summarises the methodology applied in developing demand forecasts, and presents the actual and forecast demands for the five-year forward looking period, as required under schedule 5.8 (b) of the National Electricity Rules (NER).

4.1 Demand Forecasting Methodology

Ten-year forward-looking demand forecasts are prepared annual for AusNet Services' zone substations and feeders. They are prepared for 10% Probability of Exceedance (POE) and 50% POE conditions, for both summer and winter, to reflect the temperature sensitivity of demand. At a high level, the following inputs are incorporated:

- Load demand growth information of future economic trends in the relevant area, including information from government agencies regarding identified growth areas and long-term development plans;
- Actual maximum demands for the most recent twelve-month period;
- Daily maximum demands for the past three to five years are weather normalised to establish relationships between demand and temperature;
- Recent load growth trends over the previous five-year period;
- Any known specific new loads expected to connect to the network.

Terminal station demand forecasts are currently based on AEMO's Transmission Connection Point Forecasts¹⁰, which AusNet Services cross-checks against the bottom-up zone substation forecasts to ensure consistency in growth rates and reasonable agreement of magnitude.

4.2 Spatial Demand Forecasting Process

Spatial demand forecasts, at the zone substation and feeder level, are prepared by analysing actual network demand and advanced metering infrastructure (AMI) interval data. Customer growth forecasts are mapped to zone substations and apportioned at feeder level. These operational data sets are then subjected to detailed analytical modelling techniques and trended forward for predicting future maximum demand. The applied analytical modelling considers customer classes, energy profiles and weather regions. Segmentation by build year is used when predicting demand for future residential dwellings.

A bottom-up approach to maximum demand is then derived using the cumulative thermal effect described by the Cooling Degree Day (CDD) (Summer) or Heating Degree Day (HDD) (Winter) calculations, which specify a relationship between demand and temperature. Finally, this output is adjusted by a delta factor that represents losses and unmetered loads to account for the difference between historical (actual) network loading and AMI interval data.

The fundamental steps in the current spatial and trend analysis forecasting process is outlined in more detailed in the sections that follow, and include:

- Extract historical customer numbers;
- Create spatial customer forecasts informed by government growth estimates;
- Extract historical demand data;
- Extract ambient temperature data and generate temperature metrics;
- Curate historical demand data to determine representative days;
- Correlate historical demand and ambient temperature metrics;
- Generate spatial demand forecasts for asset type; and
- Validate spatial demand forecasts.

¹⁰ AEMO. Transmission Connection Point Forecasts for Victoria. Available: https://www.aemo.com.au/Electricity/National-Electricity-Market-NEM/Planning-and-forecasting/Transmission-Connection-Point-Forecasting/Victoria

4.2.1 Extract historical customer numbers

Customer numbers and growth rates are a major driver of future demand, particularly spatial demand, forecasts. Historic customer numbers are extracted by asset and customer type from the tariff database and spatial asset database to provide both a launch point for the forecasts and a trend on which to inform projections over the forecast period.

4.2.2 Create spatial customer forecasts informed by government growth estimates

Customer number forecasts are compiled with reference to both the historical trend in customer growth and the Victorian government's projections of structured private dwellings (SPD) in the Victoria in Future (VIF) planning publication.¹¹ Where there is evidence that the VIF forecast growth rates are not reflective of actual growth, more weight may be given to historical trends and local knowledge of customer connection inquiry volumes including reference to annual local government authority (LGA) and monthly Australian Bureau of Statistics (ABS) data estimates.

4.2.3 Extract historical demand data

Demand data is extracted at several levels. Half-hourly customer consumption data is sourced from the interval meter database and commercial metering data. Demand on various network elements (such as feeders and zone substations) is sourced from OSI-Pi, which records Supervisory Control and Data Acquisition (SCADA) sensor data. After extraction, these data sets are cleansed of any abnormal readings, which can arise from data errors or temporary changes to network configuration, and corrected to account for known embedded generation. The resultant dataset is used as the basis for estimating the demand per customer, which is a key element of the forecast.

4.2.4 Extract ambient temperature data and generate temperature metrics

Ambient temperature data relevant to each feeder and zone substation is extracted from OSI-Pi, which is populated by time series Bureau of Meteorology (BOM) data, in a similar manner to the extract process for demand data and is validated via comparison to backup weather station data and published BOM data. Three primary BOM weather stations are used to represent the three major geographical network areas of North, Central and East. Temperature data is used to calculate Cooling Degree Days (CDDs) and Heating Degree Days (HDDs) which are in turn used to produce forecasts at probability of exceedance levels of 50% POE and 10% POE.

The CDD is calculated as the average temperature excursion above 21°C across a day, and the HDD is calculated as the average temperature deficit below 18°C across a day. The CDD is calculated as both a CDD across a single day (CDD1) and across two days (CDD2) to reflect that cooling demand can in some cases be driven by the cumulative heat absorption of buildings across multiple days.

4.2.5 Curate historical demand data to determine representative days

Selection of an appropriate representative day for load demand for an asset is critical for upscaling loads based on thermal impacts; non-representative thermal demands can lead to the calculation of poor POE values. Demand can be affected by various non-thermal impacts such as public holidays, event days, school holidays, weekends, public announcements related to energy conservation and weather conditions that cause abnormal patterns of solar photovoltaic (PV) energy production. For each asset subject to demand forecasts, the observed maximum demand days are compared to CDD values to identify outliers that may warrant being excluded, and to develop a curated set of data that is representative of the relation between maximum demand and CDD for the asset in question. This process relies on subject matter expertise to identify abnormalities and select the curated data set that has loads driven by high temperature events, such as the exclusion of hot water peaks in summer.

4.2.6 Correlate historical demand and temperature

Unitised maximum demands from residential customers have been found to correlate best to a combination of CDD1 and CDD2, rather than to just CDD1 or to maximum temperature. For each asset in question, a customised temperature metric equation is developed that combines CDD1 and CDD2 in such a way to

¹¹ https://www.planning.vic.gov.au/land-use-and-population-research/victoria-in-future

maximise the degree of correlation between the temperature metric and unitised maximum demand. The 50% POE and 10% POE years are determined by calculating the maximum CDD1 and CDD2 for each of the historical years of temperature data. Average demand per residential customer is produced for both 50% POE and 10% POE conditions.

The relationship between CDD and demand for non-residential customers is diverse dependent on different types and sizes of businesses. Specific knowledge of each business type in a localised area is required to effectively forecast both current and future demand. This leads to a very high level of complexity and is currently unfeasible to address due to sporadic distribution of different businesses. In forecasting current and future demands for commercial customers, unitised maximum demands have been determined for the most recent period in localised areas.

4.2.7 Generate spatial demand forecasts

Demand forecasts are based on a summation of profiles to determine an overall maximum demand that, over time, may shift during the day as dominant factors change. The unitised residential customer maximum demands for 50% POE and 10% POE conditions are multiplied by the residential customer number forecast to derive the total residential customer demand on an asset, in the form of a profile. The build-year of dwellings is also factored into this process via a matrix that sets out the unitised demand for dwellings of a particular build-year, including assumptions for future demand levels. This allows the addition and subtraction of different aged residences over time to be included in the residential demand.

Commercial demand is determined from the commercial unitised demands, estimated at the localised level, and customer number forecasts, in the form of a profile. This is added to the residential demand.

New commercial builds are based on localised maximum demands applied to network unitised profiles. The maximum demand for the summed profiles is determined and then a delta offset, to capture losses and unmetered loads, is applied to determine total demand.

This process is undertaken by automated toolsets in order to provide a consistent and repeatable outcome across the network and reduce manual processing.

4.2.8 Validate spatial demand forecasts

Regional network planning engineers, in conjunction with the sub-transmission planning engineer, validate the relevant forecasts. Validation involves magnitude and trend checks informed by knowledge of the loadings and network configuration changes recently completed and planned. Adjustments may be undertaken to improve the accuracy of the forecast by addressing factors such as:

- Large customers that are known to have connected recently or will connect in the near term;
- Impact of known network projects that have recently been undertaken or are in train, such as feeder reconfigurations;
- Inconsistencies in AMI data that lead to offsets in the final forecast.

4.3 Forecasting methodology planned improvements

AusNet Services adopts a continuous improvement model to the demand forecasting methodology in order to progressively improve the forecasts and respond to changing parameters, such as the impact of new technologies and the availability of new data sets.

The improvements that are planned to be incorporated over the next few years include:

- Less manual, more automated processing;
- Faster data curation processing;
- More efficient process for collection of historical maximum demand data, including demand, dates, times and other relevant information:
- Incorporate distributed energy resource uptake into the demand forecasts; and
- Develop and implement a method of forecasting minimum demand in addition to maximum demand.

4.4 Network Capacitive Current Forecasting Methodology

To ensure the ongoing compliance of the REFCLs (refer Section 4.9.1), a forecast of network capacitive current was developed. The forecasts were prepared following a capacitive current forecasting methodology developed by AusNet Services with input from The Centre for International Economics (The CIE).

The forecasting methodology considers the following three components which are considered the primary drives of capacitive current growth:

- Network growth;
- Replacement programs; and
- Network augmentation.

Network growth considers the impact of new underground residential developments and the new cables and substations required to supply these newly developed areas. In line with the demand forecasting methodology, this network growth forecast uses AusNet Services' customer growth forecast, which is informed by government growth estimates.

In developing the network growth forecasting methodology, a back-casting assessment of network growth compared to customer number growth, between 2015 and 2019, was undertaken. From this assessment, a direct link to the customer number growth forecast was established, with a network growth rate of:

- 12 meters of new underground cable per customer for rural areas; and
- 8 meters of new underground cable per customer for urban areas.

Replacement programs include programs where existing overhead conductors are replaced by covered conductor or underground cable, usually driven by bushfire mitigation programs.

Network augmentation accounts for the replacement of pole top transformers with larger units, to meet increases in demand, and the construction of any new distribution feeders and zone substations.

4.5 Network Capacitive Current Forecasts

Table 7 presents the capacitance current forecast for each REFCL zone substation. The grey shaded cells highlight where the capacitance forecast exceeds the arc suppression coil (ASC) limits for the number of ground fault neutralisers (GFNs) installed at the zone substation. For zone substations that do not yet have a GFN installed, and are therefore yet to have their ASC limit determined through field measurement, an ASC limit of 100A has been assumed.

Table 7: Capacitance Forecast Results (as at 1 November 2019)

zss	Region	Number of Feeders	Number of GFNs	ASC Limit	2019 Capacitive Current	2025 Capacitive Current
BDL	East	8	2	100	234	248
BGE	Central	6	2	100	219	220
BN	Central	5	1	100	81	83
BWA	North	4	1	129	72	73
ELM	Central	8	2	100	223	252
FGY	Central	10	2	100	150	156
KLK	Central	3	1	85	72	130
KLO	Central	7	2	100	321	367
KMS	North	2	1	80	70	105
LDL	Central	8	2	100	193	210
LLG	Central	3	1	100	68	83
MSD	North	8	2	100	60	69
MOE	East	8	2	100	134	138
MYT	North	4	1	122	59	60

zss	Region	Number of Feeders	Number of GFNs	ASC Limit	2019 Capacitive Current	2025 Capacitive Current
RUBA	North	3	1	130	79	81
RWN	Central	7	1	100	109	117
SLE	Central	4	1	100	67	75
SMR	North	6	2	134	160	178
WGI	East	8	1	148	144	158
WN	North	7	2	152	193	199
WOTS	North	6	2	100	223	235
WYK	Central	4	2	130	248	251

4.6 Asset Loading Forecasts

The asset loading forecasts presented herein are for the five-year forward planning period. They address summer and winter separately and provide observations (actual loadings) from 2019 and forecasts for the five-year forward planning period of 2020-2024.

50% POE and 10% POE represents the probability of exceedance demands (or load). Each demand is expressed as the probability or the likelihood the forecast would be met or exceeded. For example, a 50% probability of exceedance (POE) demand, represented in the table as 50% POE, implies there is a 50% probability of the forecast maximum demand being met or exceeded¹².

4.6.1 Load forecasts at the transmission-distribution connections points

Schedule 5.8 (b)(2)(i) of the NER requires load forecasts at the transmission-distribution connections points. However, clause 5.13.2(d) stipulates that a Distribution Network Service Provider (DNSP) is not required to include in its Distribution Annual Planning Report information required in relation to transmission-distribution connection points if it is required to do so under jurisdictional electricity legislation.

DNSPs in Victoria are required, under clause 3.4 the Victorian Electricity Distribution Code (EDC)¹³, to publish load forecasts at the transmission-distribution connection points in the Transmission Connection Planning Report (TCPR). The current TCPR covers the period of 2020-2029 and to avoid duplication the forecasts are generally not repeated in this report.

4.6.2 Load forecasts for sub-transmission lines

This section provides details required by schedule 5.8(b)(2)(ii) of the NER in covering load forecasts for sub-transmission lines and provides the additional information specified by (iv) to (ix). Sub-transmission lines are grouped into normally interconnected loops or circuits.

Table 8 and Table 9 present:

- The installed capacity of the AusNet Services' sub-transmission lines or loops (aggregate line rating);
- the firm capacity of sub-transmission loops (the capacity of the loop with the worst-case line outage and rating being reached on one of the remaining lines, N-1);

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Regional Demand Definition, https://www.aemo.com.au/Electricity/National-Electricity-Market-NEM/Data/Market-Management-System-MMS/Generation-and-Load

¹³ A copy of the Victorian Electricity Distribution Code can be viewed at the Victorian Essential Services Commission's website: https://www.esc.vic.gov.au/document/energy/36109-electricity-distribution-code-version-9-3/

- historical peak load of the line or loop (non-diversified aggregate loop zone substation loading), the line or loop power factor at peak load; and
- the load forecasts for winter and summer inclusive of line losses under single contingency (nondiversified aggregate loop zone substation 50%POE loading).

Table 10 and Table 11 present:

- The load transfer capacity (to zone substations outside the 66 kV line or loop at time of need, 50%POE);
- embedded generation capacity; and
- estimated hours per year that 95% of peak line or loop load is expected to be reached in winter and summer.

		Winter							
			Historical		Forecast 50%POE (MVA)				
Subtransmission Lines	Subtransmission Lines	Firm Capacity Winter (MVA)	2019 Power Factor	2019 Maximum Demand (MVA)	2020	2021	2022	2023	2024
CBTS-LYD-NRN-PHM- OFR-BWN-LLG-CLN- CBTS	Cranbourne Terminal Station - Lysterfield - Narre Warren - Berwick North - Pakenham - Officer - Lang Lang - Clyde North	283	1.00	207.3	193.0	196.0	199.2	202.2	205.2
RWTS-LDL-WYK-CPK- RWN	Ringw ood Terminal Station - Ringw ood North - Chirnside Park - Lilydale - Woori Yallock	190	0.99	146.9	139.4	139.1	138.7	138.3	137.9
ERTS-BGE-FGY-ERTS	East Row ville Terminal Station - Ferntree Gully - Belgrave	109	1.00	80.7	86.1	85.5	84.9	84.3	83.6
ERTS-DN-HPK-DSH- DVY-ERTS	East Row ville Terminal Station - Hampton Park - Dandenong - Dandenong Valley - Dandenong South	379	0.98	269.2	266.9	295.4	297.3	296.9	297.4
RWTS-BRA-BWR-CYN- RWTS	Ringw ood Terminal Station - Croydon - Baysw ater - Boronia	291	0.97	146.6	167.6	167.8	167.9	168.1	168.1
TSTS-SLF	Templestow e Terminal Station - Sugarloaf	0	1.00	20.0	20.6	20.6	20.6	20.6	20.6
TSTS-ELM	Templestow e Terminal Station - Eltham	77	1.00	51.6	48.0	47.7	47.4	47.1	46.7
SMTS-DRN-KLK-MDI- RUBA-YEA-SMR-KMS- KLO-SMTS	South Morang Terminal Station - Doreen - Kinglake - Murrindindi - Rubicon - Yea - Seymour - Killmore South - Kalkallo	300	0.99	65.6	71.5	72.4	73.5	74.5	75.5
SMTS-EPG	South Morang Terminal Station - Epping	126	1.00	45.2	56.9	57.9	58.8	59.5	60.2
TTS-NEI-NH-WT-TTS	Thomastow n Terminal Station - Watsonia - North Heidelberg - Nilsen Electrical Industries	126	0.99	90.9	98.6	99.3	100.0	100.9	101.4
ттѕ-тт	Thomastow n Terminal Station - Thomastow n	91	0.96	69.2	65.6	66.0	66.5	66.8	67.2
GNTS-BN	Glenrow an Terminal Station - Benalla	112	0.99	57.8	64.8	64.8	64.8	65.0	64.9
BN-MSD	Benalla - Mansfield	0	0.99	31.9	33.6	33.5	33.4	33.4	33.3
MSD-MJG GNTS-WN	Mansfield - Merrijig Glenrow an Terminal Station - Wangaratta	83	1.00	73.8	78.8	15.7 78.5	15.5 78.2	77.9	15.2 77.5
WN-MYT-BRT-MBTS	Mount Beauty Terminal Station - Bright - Myrtleford - Wangaratta	49	1.00	39.8	36.1	36.0	35.9	35.7	35.5
MBTS-MBY	Mount Beauty Terminal Station - Mount Beauty	0	1.00	9.8	9.9	9.8	9.8	9.8	9.7
WOTS-HPS	Wodonga Terminal Station - Hume Pow er Station	0	1.00	50.0	51.5	51.5	51.5	51.5	51.5
WOTS-WO	Wodonga Terminal Station - Wodonga	87	0.99	46.0	51.0	50.9	50.8	50.6	50.4
WO-BWA	Wodonga - Barnaw artha	0	0.99	10.4	10.6	10.6	10.6	10.5	10.5
MBTS-CLPS-CF	Mount Beauty Terminal Station - Clover Flat - Clover Pow er Station	0	0.98	29.0	29.9	29.9	29.9	29.9	29.9
MWTS-YPS-MOE-WGL- MWTS	Morw ell Terminal Station - Yallourn - Moe - Warragul	130	0.99	76.4	82.5	83.3	84.2	84.9	85.6
MWTS-TGN-SLE-MFA- BDSS-BDL	Morw ell Terminal Station -Traralgon - Sale - Maffra - Bairnsdale - Bairnsdale Switching Station	120	0.98	139.7	152.2	153.1	153.9	154.6	155.4
BDL-NLA	Bairnsdale - New merella	0	1.00	11.1	11.7	11.7	11.7	11.7	11.7
NLA-CNR	New merella - Cann River	0	1.00	2.5	2.8	2.8	2.8	2.8	2.8
DRN-KLK-MDI-RUBA- YEA-SMR-KMS	Doreen - Kinglake - Murrindindi - Rubicon - Yea - Seymour - Killmore South	35	0.99	65.0	74.1	74.6	75.0	75.3	75.6
MWTS-LGA-FTR-MWTS	Morw ell Terminal Station - Leongatha - Foster	131	0.96	117.2	116.8	116.4	116.0	115.6	115.2
LGA-WGI	Leongatha - Wonthaggi	43	0.93	50.7	54.7	54.4	54.0	53.7	53.3
WGI-PHI	Wonthaggi - Phillip Island	0	0.95	17.3	18.5	18.5	18.5	18.4	18.4

Table 8: AusNet Services' Sub-transmission Lines – Historic and Forecast Demand (MVA) – Winter

		Summer							
			Historical		Forecast 50%POE (MVA))
Subtransmission Lines	Subtransmission Lines	Firm Capacity Summer (MVA)	2019 Power Factor	2019 Maximum Demand (MVA)	2020	2021	2022	2023	2024
CBTS-LYD-NRN-PHM- OFR-BWN-LLG-CLN- CBTS	Cranbourne Terminal Station - Lysterfield - Narre Warren - Berwick North - Pakenham - Officer - Lang Lang - Clyde North	243	0.97	247.9	293.3	302.5	311.6	321.4	331.1
RWTS-LDL-WYK-CPK- RWN	Ringw ood Terminal Station - Ringw ood North - Chirnside Park - Lilydale - Woori Yallock	177	0.98	164.5	176.8	177.9	179.0	180.1	181.3
ERTS-BGE-FGY-ERTS	East Row ville Terminal Station - Ferntree Gully - Belgrave	102	0.98	100.3	111.9	112.8	113.5	114.4	115.2
ERTS-DN-HPK-DSH- DVY-ERTS	East Row ville Terminal Station - Hampton Park - Dandenong - Dandenong Valley - Dandenong South	352	0.98	271.3	326.2	328.7	328.9	329.9	334.0
RWTS-BRA-BWR-CYN- RWTS	Ringw ood Terminal Station - Croydon - Baysw ater - Boronia	260	0.97	194.6	217.5	218.4	219.4	220.2	221.0
TSTS-SLF	Templestow e Terminal Station - Sugarloaf	0	1.00	20.0	20.6	20.6	20.6	20.6	20.6
TSTS-ELM	Templestow e Terminal Station - Eltham	77	0.97	71.5	78.8	79.6	80.4	81.1	81.9
SMTS-DRN-KLK-MDI- RUBA-YEA-SMR-KMS- KLO-SMTS	South Morang Terminal Station - Doreen - Kinglake - Murrindindi - Rubicon - Yea - Seymour - Killmore South - Kalkallo	268	0.74	89.4	92.2	94.2	96.1	98.0	100.0
SMTS-EPG	South Morang Terminal Station - Epping	117	0.98	62.0	73.2	75.0	77.0	78.9	80.8
TTS-NEI-NH-WT-TTS	Thomastow n Terminal Station - Watsonia - North Heidelberg - Nilsen Electrical Industries	117	0.99	124.5	135.1	135.9	136.8	137.1	138.2
ттѕ-тт	Thomastow n Terminal Station - Thomastow n	88	1.00	79.2	83.9	84.2	84.5	84.8	85.2
GNTS-BN	Glenrow an Terminal Station - Benalla	105	0.94	53.9	60.2	60.5	60.9	61.1	61.3
BN-MSD	Benalla - Mansfield	0	0.90	18.1	19.5	19.6	19.8	19.9	20.1
MSD-MJG GNTS-WN	Mansfield - Merrijig Glenrow an Terminal Station -	0 83	0.83	77.9	2.2 75.5	76.0	76.6	77.0	2.2 77.4
WN-MYT-BRT-MBTS	Wangaratta Mount Beauty Terminal Station -	33	0.99	26.9	22.1	22.3	22.5	22.6	22.8
MBTS-MBY	Bright - Myrtleford - Wangaratta Mount Beauty Terminal Station -	0	0.81	5.7	1.6	1.6	1.6	1.6	1.6
WOTS-HPS	Mount Beauty Wodonga Terminal Station - Hume Pow er Station	0	1.00	50.0	51.5	51.5	51.5	51.5	51.5
wors-wo	Wodonga Terminal Station - Wodonga	65	0.98	58.0	54.2	54.7	55.2	55.7	56.2
WO-BWA	Wodonga - Barnaw artha	0	0.96	11.9	10.8	10.9	11.0	11.0	11.1
MBTS-CLPS-CF	Mount Beauty Terminal Station - Clover Flat - Clover Power Station	0	0.00	29.0	29.9	29.9	29.9	29.9	29.9
MWTS-YPS-MOE-WGL- MWTS	Morw ell Terminal Station - Yallourn - Moe - Warragul	114	0.99	96.7	121.4	123.8	126.0	128.4	130.7
MWTS-TGN-SLE-MFA- BDSS-BDL	Morw ell Terminal Station -Traralgon - Sale - Maffra - Bairnsdale - Bairnsdale Switching Station	120	0.98	172.8	199.8	201.6	203.4	205.1	206.9
BDL-NLA	Bairnsdale - New merella	0	0.99	11.6	12.4	12.5	12.5	12.5	12.6
NLA-CNR	New merella - Cann River	0	0.98	3.4	3.6	3.6	3.6	3.6	3.6
DRN-KLK-MDI-RUBA- YEA-SMR-KMS	Doreen - Kinglake - Murrindindi - Rubicon - Yea - Seymour - Killmore South	35	0.80	79.0	82.9	83.7	84.4	85.2	85.9
MWTS-LGA-FTR-MWTS	Morw ell Terminal Station - Leongatha - Foster	92	0.99	107.8	133.8	135.2	136.5	137.8	139.1
LGA-WGI WGLPHI	Leongatha - Wonthaggi Wonthaggi - Phillip Island	32 0	0.99 0.99	56.5 20.1	70.9 25.6	71.8 25.9	72.6 26.3	73.4 26.5	74.3 26.8
WGI-PHI	vvoritraggi - Prillip Island	U	0.99	ZU. I	20.0	20.9	۷۵.۵	20.5	∠0.0

Table 9 AusNet Services' Sub-transmission Lines – Historic and Forecast Demand (MVA) – Summer

					Wi	nter	
Subtransmission Lines	Subtransmission Lines	Terminal Station	Installed capacity (MVA)	Firm Capacity Winter (MVA)	Load Transfer Capacity (MVA)	Embedded Generation Capacity (MVA)	Estimated Hours at 95% of Peak Load
CBTS-LYD-NRN-PHM-OFR- BWN-LLG-CLN-CBTS	Cranbourne Terminal Station - Lysterfield - Narre Warren - Berwick North - Pakenham - Officer - Lang Lang - Clyde North	CBTS	406	283	47.9	0	7.2
RWTS-LDL-WYK-CPK-RWN	Ringw ood Terminal Station - Ringw ood North - Chirnside Park - Lilydale - Woori Yallock	RWTS	438	190	32.3	0	1.2
ERTS-BGE-FGY-ERTS	East Row ville Terminal Station - Ferntree Gully - Belgrave	ERTS	203	109	23.6	0	3.0
ERTS-DN-HPK-DSH-DVY- ERTS	East Row ville Terminal Station - Hampton Park - Dandenong - Dandenong Valley - Dandenong South	ERTS	469	379	12.4	0	3.6
RWTS-BRA-BWR-CYN- RWTS	Ringw ood Terminal Station - Croydon - Baysw ater - Boronia	RWTS	453	291	40.7	0	3.9
TSTS-SLF	Templestow e Terminal Station - Sugarloaf	TSTS	54	0	0	4	0.0
TSTS-ELM	Templestow e Terminal Station - Eltham	TSTS	154	77	20.9	0	4.4
SMTS-DRN-KLK-MDI-RUBA- YEA-SMR-KMS-KLO-SMTS	South Morang Terminal Station - Doreen - Kinglake - Murrindindi - Rubicon - Yea - Seymour - Killmore South - Kalkallo	SMTS	385	300	37.9	0	2.3
DRN-KLK-MDI-RUBA-YEA- SMR-KMS	Doreen - Kinglake - Murrindindi - Rubicon - Yea - Seymour - Killmore South	SMTS	93	35	2.7	0	2.5
SMTS-EPG	South Morang Terminal Station - Epping	SMTS	234	126	15.7	0	0.4
TTS-NEI-NH-WT-TTS	Thomastow n Terminal Station - Watsonia - North Heidelberg - Nilsen Electrical Industries	TTS	234	126	16.5	0	1.5
ттѕ-тт	Thomastow n Terminal Station - Thomastow n	TTS	176	91	11.2	0	1.7
GNTS-BN	Glenrow an Terminal Station - Benalla	GNTS	209	112	2.3	0	3.3
BN-MSD	Benalla - Mansfield	GNTS	65	0	0.5	0	1.2
MSD-MJG	Mansfield - Merrijig	GNTS	64	0	9	0	0.4
GNTS-WN	Glenrow an Terminal Station - Wangaratta	GNTS	205	83	4.3	0	1.0
WN-MYT-BRT-MBTS	Mount Beauty Terminal Station - Bright - Myrtleford - Wangaratta	MBTS	73	49	1.6	0	0.7
MBTS-MBY	Mount Beauty Terminal Station - Mount Beauty	MBTS	41	0	0	0	0.6
WOTS-HPS	Wodonga Terminal Station - Hume Pow er Station	WOTS	65	0	0	50	0.0
WOTS-WO	Wodonga Terminal Station - Wodonga	WOTS	139	87	0.5	0	0.6
WO-BWA	Wodonga - Barnaw artha	WOTS	64	0	7.1	0	2.1
MBTS-CLPS-CF	Mount Beauty Terminal Station - Clover Flat - Clover Power Station	MBTS	20	0	0	29	0.0
MWTS-YPS-MOE-WGL- MWTS	Morw ell Terminal Station - Yallourn - Moe - Warragul	MWTS	214	130	4.3	0	1.2
MWTS-TGN-SLE-MFA-BDSS- BDL	Morw ell Terminal Station -Traralgon - Sale - Maffra - Bairnsdale - Bairnsdale Sw itching Station	MWTS	295	120	9	109.3	2.9
BDL-NLA	Bairnsdale - New merella	MWTS	19	0	2	0	5.8
NLA-CNR	New merella - Cann River	MWTS	48	0	3	0	2.1
MWTS-LGA-FTR-MWTS	Morw ell Terminal Station - Leongatha - Foster	MWTS	245	131	3	21	0.8
LGA-WGI	Leongatha - Wonthaggi	MWTS	82	43	3	106.6	2.7
WGI-PHI	Wonthaggi - Phillip Island	MWTS	41	0	8.6	0	3.9

Table 10: AusNet Services' Sub-transmission Lines - Additional Information - Winter

				Summer				
Subtransmission Lines	Subtransmission Lines	Terminal Station	Installed capacity (MVA)	Firm Capacity Summer (MVA)	Load Transfer Capacity (MVA)	Embedded Generation Capacity (MVA)	Estimated Hours at 95% of Peak Load	
CBTS-LYD-NRN-PHM-OFR- BWN-LLG-CLN-CBTS	Cranbourne Terminal Station - Lysterfield - Narre Warren - Berwick North - Pakenham - Officer - Lang Lang - Clyde North		406	243	47.9	0	11.38	
RWTS-LDL-WYK-CPK-RWN	Ringw ood Terminal Station - Ringw ood North - Chirnside Park - Lilydale - Woori Yallock	RWTS	438	177	32.3	0	11.91	
ERTS-BGE-FGY-ERTS	East Row ville Terminal Station - Ferntree Gully - Belgrave	ERTS	203	102	23.6	0	12.43	
ERTS-DN-HPK-DSH-DVY- ERTS	East Row ville Terminal Station - Hampton Park - Dandenong - Dandenong Valley - Dandenong South	ERTS	469	352	12.4	0	5.88	
RWTS-BRA-BWR-CYN- RWTS	Ringw ood Terminal Station - Croydon - Baysw ater - Boronia	RWTS	453	260	40.7	0	6.79	
TSTS-SLF	Templestow e Terminal Station - Sugarloaf	TSTS	54	0	0	4	0.00	
TSTS-ELM	Templestow e Terminal Station - Eltham	TSTS	154	77	20.9	0	8.57	
SMTS-DRN-KLK-MDI-RUBA- YEA-SMR-KMS-KLO-SMTS	South Morang Terminal Station - Doreen - Kinglake - Murrindindi - Rubicon - Yea - Seymour - Killmore South - Kalkallo	SMTS	385	268	37.9	0	14.84	
DRN-KLK-MDI-RUBA-YEA- SMR-KMS	Doreen - Kinglake - Murrindindi - Rubicon - Yea - Seymour - Killmore South	SMTS	93	35	2.7	0	11.70	
SMTS-EPG	South Morang Terminal Station - Epping	SMTS	234	117	15.7	0	0.84	
TTS-NEI-NH-WT-TTS	Thomastow n Terminal Station - Watsonia - North Heidelberg - Nilsen Electrical Industries	TTS	234	117	16.5	0	8.78	
ттѕ-тт	Thomastow n Terminal Station - Thomastow n	TTS	176	88	11.2	0	5.22	
GNTS-BN	Glenrow an Terminal Station - Benalla	GNTS	209	105	2.3	0	3.67	
BN-MSD	Benalla - Mansfield	GNTS	65	0	0.5	0	5.43	
MSD-MJG	Mansfield - Merrijig	GNTS	64	0	9	0	22.15	
GNTS-WN	Glenrow an Terminal Station - Wangaratta	GNTS	205	83	4.3	0	0.21	
WN-MYT-BRT-MBTS	Mount Beauty Terminal Station - Bright - Myrtleford - Wangaratta	MBTS	73	33	1.6	0	5.88	
MBTS-MBY	Mount Beauty Terminal Station - Mount Beauty	MBTS	41	0	0	0	2.09	
WOTS-HPS	Wodonga Terminal Station - Hume Pow er Station	WOTS	65	0	0	50	0.00	
WOTS-WO	Wodonga Terminal Station - Wodonga	WOTS	139	65	0.5	0	0.21	
WO-BWA	Wodonga - Barnawartha	WOTS	64	0	7.1	0	2.09	
MBTS-CLPS-CF	Mount Beauty Terminal Station - Clover Flat - Clover Power Station	MBTS	20	0	0	29	0.00	
MWTS-YPS-MOE-WGL- MWTS	Morw ell Terminal Station - Yallourn - Moe - Warragul	MWTS	214	114	4.3	0	12.85	
MWTS-TGN-SLE-MFA-BDSS- BDL	Morw ell Terminal Station -Traralgon - Sale - Maffra - Bairnsdale - Bairnsdale Switching Station	MWTS	295	120	9	109.3	7.71	
BDL-NLA	Bairnsdale - New merella	MWTS	19	0	2	0	2.93	
NLA-CNR	New merella - Cann River	MWTS	48	0	3	0	2.51	
MWTS-LGA-FTR-MWTS	Morw ell Terminal Station - Leongatha - Foster	MWTS	245	92	3	21	10.03	
LGA-WGI	Leongatha - Wonthaggi	MWTS	82	32	3	106.6	7.52	
WGI-PHI	Wonthaggi - Phillip Island	MWTS	41	0	8.6	0	6.69	

Table 11: AusNet Services' Sub-transmission Lines - Additional Information - Summer

4.6.3 Load forecasts zone substations

This section provides details required by schedule 5.8(b)(2)(ii) of the NER in covering load forecasts for zone substations and provides the additional information specified by (iv) to (ix).

Table 12 and Table 13 present:

- The capacity of the AusNet Services' zone substations (total station nameplate capacity);
- the firm capacity of the zone substation (the capacity of the station with the worst-case transformer outage and rating being reached on one of the remaining transformers, (N-1);

- the historical peak load of the zone substation;
- the power factor at peak load; and
- the load forecasts (50% POE) for winter and summer.

Table 12 and Table 13 present:

- The load transfer capacity at time of need (50% POE);
- embedded generation capacity; and
- estimated hours per year that 95% of peak load is expected to be reached in winter and summer.

			Winter							
				Histo	rical		Forecas	st 50%PO	E (MVA)	
		Name Plate	Firm Canacity	2019						
ZSS	Name	Rating (MVA)	Firm Capacity Winter (MVA)	Power Factor	2019	2020	2021	2022	2023	2024
BDL	Bairnsdale	81.0	95.2	0.97	48.4	49.9	50.4	50.8	51.1	51.5
BGE	Belgrave	66.0	47.3	1.00	24.4	25.5	25.3	25.1	25.0	24.8
BN	Benalla	40.5	36.8	0.98	25.9	26.9	27.0	27.1	27.3	27.3
BRA	Boronia	99.0	86.1	0.99	48.8	49.9	49.9	49.9	49.8	49.7
BRT	Bright	40.0	30.0	1.00	22.4	15.3	15.3	15.2	15.2	15.1
BWA	Barnaw atha	33.0	0.0	0.99	10.4	10.1	10.1	10.1	10.0	10.0
BWN	Berwick North	33.0	48.1	1.00	23.7	15.7	15.6	15.5	15.4	15.3
BWR	Baysw ater	81.0	78.6	0.96	45.6	50.9	51.1	51.2	51.5	51.7
CF	Clover Flat	10.0	7.3	0.98	9.0	9.2	9.1	9.0	9.0	8.9
CLN	Clyde North	66.0 10.0	47.8 0.0	1.00	46.8	45.1 2.6	46.9 2.7	48.9 2.7	51.0 2.6	53.1 2.6
CNR	Cann River	66.0	48.6	1.00	2.5 27.8	27.1	27.3	27.4	27.5	27.6
CPK	Chirnside Park	66.0	46.3	1.00	37.5	33.7	34.1	34.5	34.9	35.2
CRE	Cranbourne Croydon	99.0	94.0	0.97	52.2	57.3	57.3	57.3	57.3	57.2
DRN	Doreen	66.0	49.1	1.00	47.4	46.7	47.7	48.9	50.0	51.1
ELM	Eltham	99.0	89.1	1.00	51.6	45.2	45.0	44.7	44.4	44.1
EPG	Epping	99.0	92.4	1.00	45.2	53.6	54.6	55.5	56.2	56.8
FGY	Ferntree Gully	93.0	67.4	0.99	56.4	55.8	55.4	55.0	54.5	54.1
FTR	Foster	66.0	49.0	0.99	18.9	19.4	19.2	19.1	19.0	18.8
HPK	Hampton Park	99.0	90.7	0.99	47.6	33.3	33.1	32.9	32.7	32.5
KLK	Kinglake	10.0	7.4	0.99	6.3	6.2	6.2	6.1	6.0	6.0
KLO	Kalkallo	66.0	49.1	1.00	25.9	23.6	24.3	24.9	25.5	26.1
KMS	Kilmore South	30.0	14.5	0.98	12.3	8.7	8.7	8.8	8.8	8.9
LDL	Lilydale	99.0	96.9	0.99	68.1	53.3	53.0	52.7	52.3	51.9
LGA	Leongatha	73.0	41.6	1.00	47.6	37.1	37.2	37.3	37.4	37.5
LLG	Lang Lang	33.0	0.0	0.99	20.6	21.0	21.1	21.3	21.4	21.5
LYD	Lysterfield	33.0	0.0	1.00	17.2	13.8	13.8	13.8	13.7	13.7
MBY	Mt Beauty	30.0	21.4	1.00	9.8	9.8	9.8	9.7	9.7	9.6
MDI	Murrindindi	10.0	0.0	0.00	0.2	4.9	4.9	4.9	4.9	4.8
MFA	Maffra	40.0	37.8	0.97	26.6	25.9	26.1	26.2	26.4	26.5
MJG	Merrijig	20.0	0.0	0.98	14.6	15.0	14.9	14.8	14.7	14.5
MOE	Moe	40.5	36.3	0.99	26.8	23.6	23.4	23.3	23.1	22.9
MSD	Mansfield	26.0	19.2	1.00	17.3	17.0	17.0	17.0	17.1	17.2
MWL	Morw ell	66.0	49.5	0.93	24.1	0.0	0.0	0.0	0.0	0.0
MYT	Myrtleford	20.0	12.9	1.00	17.4	19.1	19.0	18.9	18.8	18.7
NLA	New merella	10.0	7.5	1.00	8.6	8.5	8.5	8.5	8.5	8.5
NRN	Narre Warren	33.0	48.1 48.8	0.99	25.2	16.0	15.9	15.7	15.6	15.5
OFR	Officer	66.0		1.00	36.1	35.5	36.5	37.4	38.3	39.1
PHI	Phillip Island Pakenham	26.0 66.0	16.3 47.3	0.95 1.00	17.3 37.7	17.7 35.0	17.6 35.2	17.6 35.3	17.6 35.4	17.5 35.5
RUBA	Rubicon 'A'	40.0	30.2	0.98	11.6	9.6	9.5	9.5	9.4	9.3
RWN	Ringw ood North	66.0	45.2	0.98	34.7	34.8	34.7	34.5	34.3	34.1
SLE	Sale	60.0	38.7	0.94	21.8	22.2	22.1	22.0	21.9	21.7
SMG	South Morang	66.0	49.1	1.00	31.4	23.4	23.3	23.2	23.1	23.0
SMR	Seymour	38.5	29.8	0.97	26.2	28.7	28.6	28.4	28.3	28.1
TGN	Traralgon	60.0	36.7	1.00	34.5	31.8	32.1	32.4	32.7	33.0
TT	Thomastow n	84.0	68.4	0.96	69.2	63.7	64.1	64.5	64.9	65.2
WGI	Wonthaggi	40.5	38.9	0.91	33.4	32.0	31.8	31.5	31.2	31.0
WGL	Warragul	84.0	70.5	0.99	49.6	51.4	52.3	53.2	54.1	54.9
WN	Wangaratta	66.0	43.4	0.99	34.1	37.2	37.1	37.0	36.8	36.6
wo	Wodonga	99.0	81.5	0.99	35.6	38.0	37.9	37.8	37.7	37.6
WOTS	Wodonga TS	70.4	50.5	0.95	39.4	37.8	38.2	38.4	38.7	38.9
WT	Watsonia	109.0	83.7	0.99	47.7	45.1	45.6	46.0	46.4	46.9
WYK	Woori Yallock	66.0	48.2	1.00	30.4	25.0	24.8	24.6	24.4	24.2
Total		3,059.4	2,373.2		1,651.5	1,545.7	1,552.3	1,558.1	1,563.4	1,567.6
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Table 12: AusNet Services' Zone Substations – Historic and Forecast Demand (MVA) – Winter

			Summer							
				Histo	rical		Forecas	st 50%PO	E (MVA)	
				2019	l		1 Orcous	3t 00 / ar 0 !	_ (111 774)	
zss	Nam e	Name Plate Rating (MVA)	Firm Capacity Summer (MVA)	Power Factor	2019	2020	2021	2022	2023	2024
BDL	Bairnsdale	81.0	88.0	1.00	60.2	62.3	62.7	63.2	63.7	64.3
BGE	Belgrave	66.0	40.4	0.97	27.2	31.3	31.5	31.6	31.7	31.9
BN	Benalla	40.5	30.7	1.00	35.8	36.2	36.3	36.5	36.5	36.7
BRA	Boronia	99.0	77.8	0.99	72.1	72.6	73.0	73.4	73.7	74.0
BRT	Bright	40.0	27.9	1.00	10.9	8.9	9.0	9.2	9.2	9.2
BWA	Barnaw atha	33.0	0.0	0.96	11.9	10.3	10.3	10.4	10.5	10.6
BWN	Berwick North	33.0	38.9	0.98	27.3	29.4	29.9	30.3	30.6	31.0
BWR	Baysw ater	81.0	66.2	0.97	58.4	59.8	59.9	60.1	60.1	60.2
CF	Clover Flat	10.0	6.7	0.00	1.6	1.5	1.5	1.5	1.5	1.5
CLN	Clyde North	66.0	43.5	1.00	64.3	73.4	77.6	81.9	86.3	90.8
CNR	Cann River	10.0	0.0	0.98	3.4	3.5	3.5	3.5	3.4	3.4
CPK	Chirnside Park	66.0	48.8	1.00	44.1	44.8	45.3	45.8	46.4	46.9
CRE	Cranbourne	66.0	41.1	1.00	48.9	57.5	60.0	62.6	65.3	67.9
CYN	Croydon	99.0	83.0	0.96	64.1	72.7	73.1	73.5	73.9	74.2
DRN	Doreen	66.0	45.9	0.98	70.0	70.9	72.8	74.7	76.5	78.5
ELM	Eltham	99.0	80.7	0.97	71.5	74.3	75.1	75.9	76.5	77.2
EPG	Epping	99.0	82.0	0.98	62.0	69.0	70.8	72.6	74.5	76.3
FGY	Ferntree Gully	93.0	61.8	0.99	73.1	74.3	74.9	75.6	76.2	76.8
FTR	Foster	66.0	49.1	0.99	18.9	22.1	22.2	22.4	22.6	22.7
HPK KLK	Hampton Park	99.0 10.0	81.6 7.4	0.99	52.8 5.7	62.1 6.2	62.5 6.2	62.9 6.2	63.3 6.3	63.6
KLO	Kinglake	66.0	49.1	1.00	31.2	32.8	33.4	34.0	34.6	35.2
KMS	Kalkallo Kilmore South	30.0	16.6	0.92	15.2	13.3	13.7	14.2	14.8	15.4
LDL		99.0	90.1	0.92	61.3	65.2	65.4	65.7	65.9	66.1
LGA	Lilydale Leongatha	73.0	41.5	0.98	32.4	35.1	35.4	35.7	35.9	36.2
LLG	Lang Lang	33.0	0.0	0.98	18.6	24.4	24.8	25.3	25.9	26.4
LYD	Lysterfield	33.0	0.0	0.98	20.8	23.2	23.5	23.8	24.1	24.4
MBY	Mt Beauty	30.0	19.9	0.81	5.7	1.6	1.6	1.6	1.6	1.6
MDI	Murrindindi	10.0	0.0	0.00	0.3	0.2	0.2	0.2	0.2	0.2
MFA	Maffra	40.0	31.1	0.96	26.8	29.9	30.1	30.3	30.4	30.6
MJG	Merrijig	20.0	0.0	0.83	1.9	2.1	2.1	2.1	2.1	2.1
MOE	Moe	40.5	33.2	1.00	34.4	34.9	35.1	35.4	35.6	35.9
MSD	Mansfield	26.0	18.1	0.98	16.2	16.5	16.6	16.8	16.9	17.0
MWL	Morw ell	66.0	49.5	0.91	26.9	32.1	32.2	32.4	32.5	32.7
MYT	Myrtleford	20.0	13.4	0.96	16.0	12.2	12.2	12.3	12.4	12.4
NLA	New merella	10.0	7.5	0.99	8.2	8.4	8.4	8.4	8.5	8.5
NRN	Narre Warren	33.0	38.9	0.87	26.2	26.2	26.5	26.8	27.1	27.4
OFR	Officer	66.0	48.6	0.99	46.4	50.5	52.2	54.0	55.9	57.8
PHI	Phillip Island	26.0	14.6	0.99	20.1	24.4	24.7	25.0	25.2	25.5
PHM	Pakenham	66.0	43.9	1.00	44.3	49.6	50.8	51.9	53.2	54.4
RUBA	Rubicon 'A'	40.0	30.0	0.99	13.4	9.7	9.6	9.5	9.4	9.4
RWN	Ringw ood North	66.0	41.0	1.00	38.3	41.1	41.3	41.5	41.7	41.9
SLE	Sale	60.0	39.7	0.94	31.1	33.0	33.4	33.8	34.1	34.5
SMG	South Morang	66.0	45.0	1.00	38.6	39.8	40.1	40.5	40.8	41.2
SMR	Seymour	38.5	25.4	1.00	35.5	33.2	33.3	33.5	33.6	33.7
TGN	Traralgon	60.0	36.2	1.00	45.8	47.7	48.2	48.8	49.3	49.8
TT	Thomastow n	84.0	58.6	1.00	79.2	81.5	81.7	82.0	82.4	82.7
WGI	Wonthaggi	40.5	38.2	0.98	36.4	40.1	40.6	41.0	41.5	42.0
WGL	Warragul	84.0	61.9	0.99	62.3	75.5	77.4	79.2	81.1	82.8
WN	Wangaratta	66.0	37.2	1.00	51.0	47.6	47.9	48.2	48.4	48.7
WO	Wodonga	99.0	74.9	1.00	46.1	40.9	41.3	41.7	42.1	42.4
WOTS	Wodonga TS	70.4	44.0	0.00	37.8	34.0	34.3	34.6	34.9	35.2
WT	Watsonia	109.0	81.6	0.99	67.2	70.5	71.1	71.7	72.2	72.7
WYK	Woori Yallock	66.0	46.2	0.96	31.3	32.6	32.7	32.8	32.9	32.9
Total		3,059.4	2,177.4		1,951.1	2,052.6	2,080.3	2,108.2	2,135.9	2,164.3
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Table 13: AusNet Services' Zone Substations - Historic and Forecast Demand (MVA) - Summer

			Winter					
zss	Nam e	Name Plate Rating (MVA)	Firm Capacity Winter (MVA)	Load Transfer Capacity (MVA)	Embedded Generation Capacity(MVA)	Estimated Hours at 95% of Peak Load		
BDL	Bairnsdale	81.0	95.2	3.5	0.0	16.0		
BGE	Belgrave	66.0	47.3	15.4	3.8	8.7		
BN	Benalla	40.5	36.8	1.6	0.2	20.2		
BRA	Boronia	99.0	86.1	22.9	2.0	4.2		
BRT	Bright	40.0	30.0	2.0	0.0	2.0		
BWA	Barnaw atha	33.0	0.0	7.1	0.0	2.5		
BWN	Berwick North	33.0	48.1	26.9	0.0	1.2		
BWR	Baysw ater	81.0	78.6	24.6	0.0	12.0		
CF	Clover Flat	10.0	7.3	0.0	0.0	5.5		
CLN	Clyde North	66.0	47.8	30.1	0.0	21.2		
CNR	Cann River	10.0	0.0	3.0	0.0	3.0		
CPK	Chirnside Park	66.0	48.6	21.5	0.0	1.5		
CRE	Cranbourne	66.0	46.3	25.8	0.0	22.0		
CYN	Croydon	99.0	94.0	34.2	0.0	4.8		
DRN	Doreen	66.0	49.1	27.3	0.0	17.7		
ELM	Eltham	99.0	89.1	20.9	0.0	10.2		
EPG		99.0	92.4	15.7	9.8	1.0		
	Epping							
FGY	Ferntree Gully	93.0	67.4	24.2	0.0	21.0		
FTR	Foster	66.0	49.0	3.0	0.0	0.5		
HPK	Hampton Park	99.0	90.7	12.4	8.8	4.0		
KLK	Kinglake	10.0	7.4	1.0	0.0	0.0		
KLO	Kalkallo	66.0	49.1	9.6	0.0	1.5		
KMS	Kilmore South	30.0	14.5	5.2	0.0	1.3		
LDL	Lilydale	99.0	96.9	21.4	7.2	14.2		
LGA	Leongatha	73.0	41.6	3.0	1.8	12.0		
LLG	Lang Lang	33.0	0.0	24.6	0.0	12.5		
LYD	Lysterfield	33.0	0.0	24.7	0.2	9.0		
MBY	Mt Beauty	30.0	21.4	3.5	0.0	2.5		
MDI	Murrindindi	10.0	0.0	0.0	0.0	0.7		
MFA	Maffra	40.0	37.8	6.5	3.9	26.5		
MJG	Merrijig	20.0	0.0	9.0	0.0	0.0		
MOE	Moe	40.5	36.3	4.3	10.8	6.5		
MSD	Mansfield	26.0	19.2	1.5	0.0	3.0		
MWL	Morw ell	66.0	49.5	8.0	0.5	5.3		
MYT	Myrtleford	20.0	12.9	1.6	0.0	3.5		
NLA	New merella	10.0	7.5	3.2	0.0	14.7		
NRN	Narre Warren	33.0	48.1	26.9	6.8	1.2		
OFR	Officer	66.0	48.8	17.2	0.0	8.0		
PHI	Phillip Island	26.0	16.3	6.0	0.0	3.2		
PHM	Pakenham	66.0	47.3	20.6	0.0	9.7		
RUBA	Rubicon 'A'	40.0	30.2	0.5	19.9	0.7		
RWN	Rubicon A Ringw ood North	66.0	45.2	15.8	0.0	14.7		
	1				0.0			
SLE	Sale	60.0	38.7	2.5		14.0		
SMG	South Morang	66.0	49.1	18.2	0.0	1.0		
SMR	Seymour	38.5	29.8	4.5	0.0	6.2		
TGN	Traralgon	60.0	36.7	9.7	10.0	10.0		
TT	Thomastow n	84.0	68.4	11.2	0.0	30.7		
WGI	Wonthaggi	40.5	38.9	4.0	12.0	0.2		
WGL	Warragul	84.0	70.5	3.2	0.0	10.5		
WN	Wangaratta	66.0	43.4	4.3	2.3	16.0		
WO	Wodonga	99.0	81.5	3.5	0.0	1.0		
WT	Watsonia	109.0	83.7	16.5	0.0	5.3		
WYK	Woori Yallock	66.0	48.2	0.0	0.9	2.0		

Table 14: AusNet Services' Zone Substations - Additional Information - Winter

			Summer						
zss	Nam e	Name Plate Rating (MVA)	Firm Capacity Summer (MVA)	Load Transfer Capacity (MVA)	Embedded Generation Capacity(MVA)	Estimated Hours at 95% of Peak Load			
BDL	Bairnsdale	81.0	88.0	3.5	0.0	7.0			
BGE	Belgrave	66.0	40.4	15.4	3.8	1.8			
BN	Benalla	40.5	30.7	1.6	0.2	6.0			
BRA	Boronia	99.0	77.8	22.9	2.0	5.3			
BRT	Bright	40.0	27.9	2.0	0.0	0.5			
BWA	Barnaw atha	33.0	0.0	7.1	0.0	2.5			
BWN	Berwick North	33.0	38.9	26.9	0.0	5.3			
BWR	Baysw ater	81.0	66.2	24.6	0.0	4.3			
CF	Clover Flat	10.0	6.7	0.0	0.0	0.0			
CLN	Clyde North	66.0	43.5	30.1	0.0	3.0			
CNR	Cann River	10.0	0.0	3.0	0.0	2.5			
СРК	Chirnside Park	66.0	48.8	21.5	0.0	5.0			
CRE	Cranbourne	66.0	41.1	25.8	0.0	8.5			
CYN	Croydon	99.0	83.0	34.2	0.0	15.2			
DRN	Doreen	66.0	45.9	27.3	0.0	2.8			
ELM	Eltham	99.0	80.7	20.9	0.0	5.3			
EPG	Epping	99.0	82.0	15.7	9.8	0.5			
FGY	Ferntree Gully	93.0	61.8	24.2	0.0	5.5			
FTR	Foster	66.0	49.1	3.0	0.0	0.8			
HPK	Hampton Park	99.0	81.6	12.4	8.8	6.3			
KLK	Kinglake	10.0	7.4	1.0	0.0	3.0			
KLO	Kalkallo	66.0	49.1	9.6	0.0	3.3			
KMS	Kilmore South	30.0	16.6	5.2	0.0	0.9			
LDL	Lilydale	99.0	90.1	21.4	7.2	1.5			
LGA	Leongatha	73.0	41.5	3.0	1.8	1.0			
LLG	i	33.0	0.0	24.6	0.0	2.3			
LYD	Lang Lang	33.0	0.0	24.7	0.0	3.3			
MBY	Lysterfield Mt Beauty	30.0	19.9	3.5	0.0	0.8			
MDI	Murrindindi	10.0	0.0	0.0	0.0	0.0			
MFA		40.0	31.1	6.5	3.9	0.5			
MJG	Maffra	20.0	0.0	9.0	0.0	0.0			
MOE	Merrijig	40.5	33.2	4.3	10.8	1.5			
	Moe Mansfield	26.0	18.1	1.5	0.0	2.8			
MSD		66.0	49.5		0.5				
MWL	Morw ell		13.4	8.0		3.1 7.0			
MYT	Myrtleford	20.0	7.5	1.6 3.2	0.0				
NLA	New merella	10.0 33.0	38.9	26.9	0.0 6.8	1.5 5.3			
NRN	Narre Warren		38.9 48.6	26.9 17.2		5.3 4.8			
OFR	Officer	66.0		6.0	0.0	4.8 0.8			
PHI	Phillip Island	26.0	14.6 43.9		0.0	0.8 3.1			
PHM	Pakenham	66.0		20.6	0.0				
RUBA	Rubicon 'A'	40.0	30.0	0.5	19.9	0.0			
RWN	Ringw ood North	66.0	41.0	15.8	0.0	2.5			
SLE	Sale	60.0	39.7	2.5	0.0	3.0			
SMG	South Morang	66.0	45.0	18.2	0.0	0.5			
SMR	Seymour	38.5	25.4	4.5	0.0	2.0			
TGN	Traralgon	60.0	36.2	9.7	10.0	1.8			
TT	Thomastow n	84.0	58.6	11.2	0.0	3.0			
WGI	Wonthaggi	40.5	38.2	4.0	12.0	0.8			
WGL	Warragul	84.0	61.9	3.2	0.0	1.8			
WN	Wangaratta	66.0	37.2	4.3	2.3	7.0			
WO	Wodonga	99.0	74.9	3.5	0.0	11.0			
WT	Watsonia	109.0	81.6	16.5	0.0	6.1			
WYK	Woori Yallock	66.0	46.2	0.0	0.9	3.5			

Table 15: AusNet Services' Zone Substations – Additional Information – Summer

4.7 Asset Loading Forecasts

This section provides details regarding the forecast for future assets. It covers schedule 5.8 (b)(3) of the NER and includes transmission-distribution connection points, future sub-transmission lines and zone substations.

4.7.1 Transmission to distribution connection points

Clause 5.13.2(d) of the NER stipulates that a DNSP is not required to include in its Distribution Annual Planning Report information required in relation to transmission-distribution connection points if it is required to do so under jurisdictional electricity legislation. DNSPs in Victoria are required by the Victorian Electricity Distribution Code (EDC) Clause 3.4¹⁴ to publish load forecasts at the transmission-distribution connection points in the TCPR covering the period 2020-2029¹⁵.

In the next five years, AusNet Services has commenced a Regulatory Investment Test for Transmission (RIT-T), jointly with United Energy and in consultation with AEMO, to assess options to mitigate the thermal loading risk on the Cranbourne Terminal Station (CBTS) 220/66 kV connection assets transformers. This RIT-T is expected to result in risk mitigation action within the next five years.

4.7.2 Sub-transmission lines

In the next five years, AusNet Services plans to commence two Regulatory Investment Tests for Distribution (RIT-Ds) to investigate options to secure supply in the East Gippsland 66 kV loop, emanating from Morwell Terminal Station, and in the Cranbourne, Pakenham, Lang Lang 66 kV loop, emanating from Cranbourne Terminal Station.

Depending on the outcome of these RIT-Ds, it may be economically feasible to augment these 66 kV sub-transmission networks.

4.7.3 Zone Substations

In the next five years, AusNet Services plans to commission five new zone substations, augment capacity at seven existing zone substation (one for demand growth and six for network capacitance growth), undertake major asset replacement within eight existing zone substations, install and achieve compliance at the remaining sixteen of its twenty-two REFCL designated zone substations, and further augment six existing zone substation to maintain REFCL compliance through to 2026.

The five new zone substations planned to be built in the next five-year period are required achieve REFCL compliance, and include:

- Rowville Zone Substation (RVE): to maintain compliance at FGY it is proposed to establish a new non-REFCL Rowville Zone Substation (RVE) by September 2020 at an estimated cost of \$22.6 million. This option includes feeder transfers from FGY to RVE.
- Lakes Entrance Zone Substation (LKE): to maintain compliance at BDL it is proposed to establish a new REFCL protected Lakes Entrance (LKE) Zone Substation by 2022 at an estimated cost of \$23.1 million. This option includes feeder transfers from BDL to LKE.
- Diamond Creek Zone Substation (DCK): to achieve and maintain compliance at ELM it is proposed to establish a new REFCL protected Diamond Creek (DCK) Zone Substation by 2025 at an estimated cost of \$21.5 million. This option includes feeder transfers from ELM to DCK.
- Kalkallo North Zone Substation (KLN): to achieve and maintain compliance at KLO it is proposed to
 establish a new REFCL protected Kalkallo North (KLN) Zone Substation by 2023 at an estimated cost of
 \$46.7 million. This option includes transfer of all overhead feeders away from KLO to KLN such that KLO
 would only supply underground feeders, would not be REFCL protected, and would be exempt from the
 regulations.
- Baranduda Zone Substation (BDA): to maintain compliance at WOTS it is proposed to establish a new REFCL protected Baranduda Zone Substation (BDA) by 2021 at an estimated cost of \$29.3 million.

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¹⁴ A copy of the Victorian Electricity Distribution Code can be viewed at the Victorian Essential Services Commission's website: https://www.esc.vic.gov.au/document/energy/36109-electricity-distribution-code-version-9-3/

¹⁵ A copy of the 2018 Transmission Connection Planning Report can be viewed at AusNet Services' website: http://www.ausnetservices.com.au/About+Us/Regulatory+Publications.html

The zone substation where capacity augmentation is proposed is:

 Clyde North Zone Substation (CLN): The loading at CLN is forecast to reach 68.8 MVA by summer 2018/19, increasing to 82.2 MVA by 2022/23 and it's expected to be economic to install a third 20/33 MVA transformer and third 22 kV switchboard at the station by December 2023.

This proposed augmentation is subject to the outcome of a future RIT-D assessment.

The fourteen zone substations where major asset replacement is expected in the next five-year period, due to deteriorated assets, are:

 Bairnsdale (BDL), Bayswater (BWR), Benalla (BN), Maffra (MFA), Moe (MOE), Myrtleford (MYT), Newmerella, (NLA), Seymour (SMR), Thomastown (TT), Traralgon (TGN), Warragul (WGL), Watsonia (WT) and Wonthaggi (WGI).

The twenty-two zone substation where REFCL implementation is required are:

Wonthaggi (WGI), Seymour (SMR), Wangaratta (WN), Myrtleford (MYT), Kinglake (KLK), Kilmore South (KMS), Rubicon A (RubA), Barnawartha (BWA), Woori Yallock (WYK), Ringwood North (RWN), Eltham (ELM), Ferntree Gully (FGY), Wodonga 22 kV (WOTS), Moe (MOE), Belgrave (BGE), Lilydale (LDL), Bairnsdale (BDL), Lang Lang (LLG), Sale (SLE), Mansfield (MSD), Benalla (BN) and Kalkallo (KLO).

Of the twenty-two REFCL designated zone substations, REFCL compliance has already been achieved at SMR, WN, MYT, KMS, RubA and BN.

In addition to the REFCL augmentations required to achieve compliance, further augmentation at six zone substations is required to maintain REFCL compliance through to 2026, including:

- BGE to maintain compliance at BGE it is proposed to reconfigure and augment feeders BGE11 and BGE12, and complete permanently transfers from BGE to Ferntree Gully (FGY) zone substation, at an estimated cost of \$1.3 million.
- KLK to maintain compliance at KLK it is proposed to install a remote REFCL to effectively reduce the
 capacitive current seen at KLK's 22 kV bus. Installation of the remote REFCL is proposed by 2021 at an
 estimated cost of \$9.0 million.
- KMS to maintain compliance at KMS it is proposed to replace the existing arc suppression coil (ASC) with a larger capacity ASC by 2023 at an estimated cost of \$1.8 million.
- LDL to maintain compliance at LDL it is proposed to install an isolation transformer on feeder LDL21, beyond switch LD727, by 2024 at an estimated cost of \$1.8 million.
- RWN to maintain compliance at RWN it is proposed to install a second REFCL at RWN by 2021 at an estimated cost of \$5.2 million.
- WGI to maintain compliance at WGI it is proposed to install a second REFCL at WGI by 2021 at an
 estimated cost of \$7.0 million. This option also includes replacing the No.2 66/22kV transformer with a
 higher capacity (20/33 MVA) unit to avoid thermal overload during the split bus arrangement required to
 achieve REFCL compliance on total fire band days.

4.8 Forecasts of the DNSP performance against STPIS reliability targets

This section provides details required in schedule 5.8 (b)(4) of the NER covering forecasts of performance against reliability targets in the Service Target Performance Incentive Scheme (STPIS). Details of the STPIS are found at the Australian Energy Regulators website¹⁶.

Table 16 shows AusNet Services' network reliability performance against STPIS targets for the period 2016-2020.

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¹⁶ A copy of the Electricity Distribution Network Service Providers' Service Target Performance Incentive Scheme can be viewed at the Australian Energy Regulator's website: http://www.aer.gov.au/

Measure	Feeder Class	2017 2018		18	2019	2020	
		Target	Actual*	Target	Forecast **	Target	Target
Unplanned SAIDI	Urban	81.22	81.23	80.90	80.39	80.58	80.26
SAIDI	Rural Short	187.59	124.19	187.14	227.30	186.68	186.23
	Rural Long	233.36	212.11	232.74	218.41	232.12	231.50
Unplanned SAIFI	Urban	1.09	0.97	1.09	0.93	1.08	1.08
SAIFI	Rural Short	2.28	1.63	2.28	2.58	2.27	2.26
	Rural Long	2.82	2.50	2.81	2.61	2.80	2.79
Unplanned	Urban	2.79	2.83	2.79	2.57	2.79	2.79
MAIFI	Rural Short	5.82	4.92	5.81	6.00	5.81	5.80
	Rural Long	11.37	9.67	11.36	9.69	11.36	11.35

^{*} Actual after removing exclusions

Table 16: AusNet Services' network reliability performance against STPIS targets. 17

AusNet Services has achieved improved performance against SAIDI and SAIFI targets in recent years. This is due to an increase in reliability centred capital investments along with somewhat favourable weather conditions. This is a good outcome for customers who have received improved reliability performance.

4.9 Factors that may have material impact on distribution network

This section provides details of factors other than demand growth that may have a material impact on the AusNet Services' network. These factors include network capacitive current, fault levels, voltage levels, other power system security requirements, quality of supply, ageing and potentially unreliable assets. The contents of this section covers schedule 5.8 (b)(5) of the NER.

Network capacitive: With the implementation of rapid earth fault current limiter (REFCL) technology, the size and balance of network capacitance has become increasingly important and has and is expected to continue to be a primary driver of network augmentation into the future.

Fault levels: Fault levels in certain areas of the distribution network are reaching its allowable limits due to connection of new embedded generators and network augmentations.

Voltage levels: Voltage levels are generally maintained within the distribution code limits. However, in certain areas voltages are outside code limits and corrective actions are taken when these violations are observed. A survey undertaken by an external agency shows that the steady state voltage received by customers are generally closer to the upper boundary of the allowable limits and need to be carefully managed.

Other security system requirements: There are number of zone substations fed from a single sub-transmission line and/or single transformer or un-switched zone substations. These sites will have supply

^{**} End of year forecast based on year-to-date performance as at 31 October 2018

¹⁷Average Annual Target – FINAL DECISION AusNet Services distribution determination 2016 to 2020. Attachment 11 – Service target performance incentive scheme, May 2016 p. 11-9.

security issues when a credible contingency occurs. Improvements in system security for these sites will be considered when an augmentation is proposed either due to increase loading or ageing assets.

Quality of supply to other network users: Comprehensive system studies are carried out prior to connecting disturbing loads to determine suitability of the proposed new customer connections and corrective actions are taken where necessary to maintain quality of supply to all customers within the code requirements.

Ageing and potentially unreliable assets: AusNet Services' Asset Management strategy outlines the process undertaken to manage ageing and potentially unreliable assets.

These factors are discussed in more detail below:

4.9.1 Network capacitive current

The installation and application of REFCL technology are governed by two key pieces of legislation:

- Electricity Safety Act 1998; and
- Electricity Safety (Bushfire Mitigation) Regulations 2013.

The Electricity Safety (Bushfire Mitigation) Regulations 2013 defines part of the "Required Capacity" as, in the event of a phase-to-ground fault on a polyphase electric line, the ability to reduce the voltage on the faulted conductor in relation to the station earth when measured at the corresponding zone station for high impedance (25.4 $\rm k\Omega$) faults to 250V within 2 seconds.

For the REFCL to operate within the criteria, the magnitude of network dissymmetry (or network capacitive balance) must be reduced significantly and maintained within a narrow band. Moreover, the size (total capacitance) of the network must also be limited.

Compliance is achieved through the sensitivity equation:

$$R_f = \frac{U_{ph}}{I_{CE}} \left[\frac{\left(\frac{1}{U_{ENt}} - 1\right)}{d + k} \right]$$

Where:

 R_f (fault resistance) is legislated to 25.4k Ω

Uph (phase voltage) is fixed at 12.7kV

UENt (trigger neutral voltage) is 3 times Uen (standing neutral voltage) in per unit

d (damping) is a network construction parameter (resistive leakage current) in per unit

k (dissymmetry) is mostly the capacitive imbalance in per unit

ICE (total capacitance to earth) is the tune point in Amps

Of the equation, the two variables that are easiest to manipulate are k (capacitive balance) and IcE (network capacitance size).

k (capacitive balance)	Should be large enough for the REFCL to tune (typically greater than 30mA).				
	Should be small enough to detect to allow the REFCL to detect faults (less than 80mA but can be extend if I_{CE} is reduced).				
	Should be balanced by remote controlled switching section, so the network stays compliant and the ground fault neutraliser does trip the feeder if a field device operates.				
Ice (network capacitance size)	Should not be less than 20A because coil cannot tune well below this level.				
	In general and from a forward planning perspective should not be more than 100A, although the actual limit is location specific because it is affected by network damping and the level of capacitive balance.				

A capacitance forecast has been developed to assist in determining when the network capacitive current is nearing the limit of the sensitivity equation that defines the ability to achieve compliance and indicates augmentation is required.

4.9.2 Fault Levels

Fault level at any given point of the electric power supply network is the current that would flow in case of a short circuit fault at that point. The purpose of fault level calculations is:

- For selecting short circuit protective devices of adequate short circuit breaking capacity
- For selecting circuit breakers & switches of adequate short circuit making capacity
- For selecting busbars, busbar supports, cables & switches, designed to withstand thermal & mechanical stresses because of short circuit and
- To carry out current based discrimination between protective devices
- To indicate the level of system strength and a location's ability to facilitate new generation

Fault levels are determined utilising a number of factors including:

- Installed generation
- Impedance of transmission and distribution network assets
- Connected load including motors; and
- Network voltage.

Switchgear, plant and lines in an electrical network have a maximum allowable three phase and single-phase to ground short circuit fault level rating. The EDC also specifies that embedded generators must not cause fault levels to exceed levels in the distribution network specified in Table 17. Fault levels at some terminal station 66 kV and 22 kV buses exceed these limits by agreement in Use of System Agreements for those stations. Fault level studies are carried out to ensure that the distribution system is operated within plant ratings and EDC requirements.

Voltage Level (kV)	System Fault Level (MVA)	Short Circuit Level (kA)
66	2500	21.9
22	500	13.1
11	350	18.4
6.6	250	21.9
<1	36	50

Table 17: Distribution System Fault Levels

The requirements place an obligation on system planners to ensure that:

- Any augmentation to the network will maintain short circuit fault levels within allowable limits.
- The addition of distributed generation or embedded generation which increases fault levels is assessed for each new connection to ensure limits are not infringed.
- When an augmentation such as a new zone substation, line upgrade or new transformer is contemplated that fault levels are checked to ensure that they do not exceed the allowable limits.

Fault levels are commonly managed by splitting buses at stations when fault level would otherwise exceed limits.

4.9.3 Network Fault Level Issues

Fault Levels at a number of stations are reaching the allowable limits as described in Table 17 above. The stations with fault level issues are listed below, including the mitigation arrangements.

Watsonia Zone (WT) Substation Fault Level Issue

Watsonia zone substation has a fault level mitigation arrangement where one transformer is maintained as a hot spare and does not share load with the other two transformers. This arrangement will continue into the foreseeable future to maintain fault levels within limits on 22 kV switchgear (assets).

Morwell Terminal Station (MWTS) Fault Level Issue

Similarly, 66 kV buses at MWTS have been opened between Buses 1 and 2 and between 2 and 3 to maintained fault levels within allowable limits.

Ringwood Terminal Station (RWTS) Fault Level Issue

Series reactors have been installed at RWTS on each of the 22 kV feeders to maintain fault levels below 13.1 kA. A new Neutral Earth Resistor (NER) has also been installed to further reduce Phase to Ground fault levels.

Epping Zone Substation (EPG) Fault Level Issue

EPG zone substation 22 kV bus fault level is reaching the upper limit of 13.1 kA and the margin available at present is 0.4 kA. The margin of 0.4 kA occurs during operation of the Wollert generator (8.8 MVA) which is connected to EPG32 feeder. The generator could be permanently transferred to a KLO zone substation feeder if the fault level limit of 13.1 kA was likely to be exceeded. It is connected permanently to EPG zone substation at present due to improved utilisation of the network. This status will be reviewed annually and necessary actions will be taken to maintain fault levels within allowable limits.

When fault levels reaches the designed limits as outlined in the EDC (ref Table 17), the following corrective actions will be investigated and appropriate fault level mitigation measured will be taken to comply with the code. These corrective actions include:

- Install 66 kV line reactors or 22 kV transformer reactors or 22 kV feeder reactors to reduce the fault levels.
- Shift the 22 kV feeder open points to transfer generation to a neighbouring station with a higher fault level margin.
- Operate the station with a normally open bus tie.
- Operate the station with one transformer as a hot standby.

As noted previously, comprehensive network studies are undertaken prior to connecting embedded generators and the proponents are advised of the corrective actions required to maintain fault levels within safe limits.

4.9.4 Voltage Levels

Electricity distributors are obliged to maintain customer voltages within specified limits. The Victorian Electricity Distribution Code specifies the voltage levels that must be maintained at the point of supply to the customer's electrical installation. These levels are discussed in Section 12.4 of this report.

Network voltage can be affected due to a number of factors as described below;

- Customer load
- Generation of electricity into the network (at various voltage levels)
- Transmission and distribution line impedances
- Transformer impedances
- Capacitors in the network (or static var compensators)

Voltage levels from the respective connection points to customers' point of connections are managed by application of on-load-tap changes in zone substation transformers, reactive power compensations at various points in the network; line voltage regulators and utilising off-load taps in distribution transformers.

Due to increased penetration of solar PV over the last few years, maintaining voltage within code limits at customers' point of connections has become a challenge. However, these issues are identified and corrective actions are taken to minimise the impact on customers.

AusNet Services actively undertakes works to improve supply quality for customers connected to its distribution network. These works are carried out when voltage issues are identified through AMI meters or to respond to customer complaints regarding supply voltage. There are no specific areas where these issues are emerging at

present. The steady state voltages monitored through dedicated power quality monitoring instruments and customers' AMI meters have revealed that there are a large number of customers experiencing voltages close to the upper limit of the code requirements. As part of network planning activity, steady state voltages are brought back well within the code limits where possible.

4.9.5 Negative Sequence Voltage

Based on investigations in 2010, the following sub-transmission loops have been identified as having negative sequence voltage issues:

- East Gippsland sub-transmission network zone substations NLA and CNR.
- TTS-KLK-Rub A-KMS sub-transmission loop zone substations KLK, Rub A and SMR.
- South Gippsland sub-transmission loop zone substations FTR, LGA, WGI and PHI.
- GNTS-BN-MSD loop zone substations MSD and MJG.
- WOTS–WO loop zone substation WO.
- RWTS–RWN loop zone substation RWN.
- RWTS-LDL-WYK loop zone substation LDL.
- RWTS-BRA-BWR loop zone substations BRA and BWR.

Although these loops were identified as having negative sequence voltage issues, AusNet Services has not received complaints from customers supplied from these loops and zone substations. However, several measures have been taken to minimise the negative sequence voltage deviation, including implementing transpositions on 66 kV sub-transmission lines and load balancing.

4.9.6 Other power system security requirements

The National Electricity Rules under clause 4.3.4 (g) - (i) requires DNSPs to plan and operate their networks in accordance with network stability guidelines published by the Australian Energy Market Operator. AusNet Services carries out its planning and network operations in accordance with these guidelines.

4.9.7 Quality of supply to other network users

AusNet Services undertakes system studies as part of the connection process when connecting disturbing loads such as embedded generators or large industrial customers to investigate the impact on quality of supply to other network users. The network studies described above can also be undertaken by a consultant nominated by the customer in consultation with AusNet Services. The required network data will be provided to the respective consultant and the final report will be reviewed by AusNet Services and approved before the customer is allowed to be connected.

4.9.8 Ageing and potentially unreliable assets

AusNet Services' three energy networks are accredited to ISO 55001, the international standard for Asset Management. Adoption of this standard enables AusNet Services to achieve its objectives through effective and efficient management of its assets. AusNet Services' ongoing commitment to maintain ISO 55001 Asset Management accreditation ensures an auditable asset management system facilitating customer's expectations to safely maintain the quality, reliability and security of supply in an economic manner.

AusNet Services has an ageing electricity distribution network, with a significant proportion of these assets approaching the end of their technical lives.

ISO 55001 requires the asset management plans to include specific tasks and activities required to optimise costs, risks and performance of the assets. A key activity carried out to optimise the costs, risk and performance of ageing and potentially unreliable assets is the development of asset category risk profiles based on asset condition data.

Condition monitoring techniques are utilised to detect early stages of asset degradation before poor condition becomes a significant risk to the safety of personnel, network reliability and the environment. A range of condition monitoring techniques is used to monitor and analyse the mechanical and electrical condition and performance of the various asset classes in order to accurately forecast future augmentation and replacement requirements.

Zone substation plant and equipment is subject to a combination of periodic and duty cycle inspection and maintenance programs derived from manufacturer recommendations and industry experience. Line assets are

subject to cyclic inspection and other techniques such as automated image processing using high resolution aerial images, Smart Aerial Imaging and Processing (SAIP), for conductor condition assessment.

The risks associated with network assets are quantified through the application of dependability management techniques incorporating reliability centred maintenance (RCM) process. Dependability management requires the analysis of availability performance and the influencing factors of reliability, maintainability and maintenance support under given conditions over a specified period of time for individual network assets. Failure Mode Effect Analysis (FMEA) of historical asset failure data determines typical root causes of functional failures and the effects these causes have on key performance measures including network safety, reliability and availability. Asset condition data collected during scheduled maintenance tasks is used to determine dynamic time-based probability of failures and percentage of remaining service potential (RSP) of the asset in that lifecycle phase.

Dependability models output risk profiles for each asset category which are used to establish optimised maintenance and asset replacement plans.

5 Network Asset Retirements and De-ratings

This section, coupled with Section 9, addresses the requirements for reporting of network asset retirements and de-ratings as described in Schedule 5.8 (b1) and (b2) of the National Electricity Rules. The information is presented in two categories: Individual assets and Grouped assets.

The assets categories reflect the relative size or significance of the asset and the approach to management of asset retirement and replacement. Items listed in the individual asset category are usually the subject of a proactive planned retirement process. These assets are typically retired and, where proven to be economically feasible replaced. Items listed in the grouped asset category are usually retired and replaced as part of a program of work in response to inspection programs throughout the network.

The assets assigned to the individual and grouped asset categories are listed in Appendix D.

5.1 Individual asset retirement and de-ratings

Individual assets include zone substation transformers, circuit breakers, instrumentation transformers and capacitor banks. Transformers, circuit breakers and instrumentation transformers are assessed on individual failure rates depending on their overall asset condition. AMS 10-13, Condition Monitoring, describes AusNet Services' strategy and approach to monitoring the condition of assets as summarised in this section. Asset condition is measured with reference to an asset health index, on a scale of C1 to C5. As described in Section 3.8.10, the C1 to C5 condition range is consistent across asset types and relates to the remaining service potential of the asset.

Where AusNet Services is planning or has committed to retire and, where economically justified, replace individual assets, these works are summarised in Section 9.

In 2018, AusNet Services reviewed and revised its zone substation transformer cyclic ratings. The ratings are reflected in the firm capacity MVA ratings, presented in the tables of Section 4.6.3, and the network limitations identified in Section 6.2. The cyclic ratings are based on daily load curves for each zone substation, and are prepared in line with Australian Standard AS 2374.7 – 1997 Loading Guide for Power Transformers, as outlined in AusNet Services' asset management strategy AMS 20-101.

5.2 Grouped asset retirement and de-ratings

Information describing the process for asset retirement and de-ratings of Grouped assets is contained in Appendix E. The asset statement for each Group provides an overview of the methodologies and assumptions used in the development of the asset management strategies that influence the retirement or de-rating of the asset group. The complete asset management strategies are available upon request to the contacts outlined in Appendix F of this report. The complete asset management strategies were provided to the Australian Energy Regulator as part of the Electricity Distribution Price Reset submission.

6 System Limitations for Sub-Transmission Lines and Zone Substations

This section provides details required by schedule 5.8 (c) of the National Electricity Rules covering information on system limitations for sub-transmission lines and zone substations. The assessments and information on the limitations cover what is required in (1) to (5) and include:

- Estimates of the location and timing of the system limitations.
- Analysis of any potential load transfer capacity between supply points that may decrease the impact of the system limitation or defer the requirement for investment.
- A brief discussion of the types of potential solutions that may address the system limitation in the forward planning period.

Where an estimated reduction in forecast load would defer a forecast system limitation for a period of at least twelve months, the following has been provided:

- An estimate of the month and year in which a system limitation is forecast to occur.
- The relevant connection points at which the estimated load reduction may occur.
- The estimated reduction in forecast load (MW) or improvements in power factor needed to defer the forecast system limitation.

None of the system limitations identified in Section 6 have an impact on the capacity at transmission-distribution connection points.

6.1 Sub-transmission line limitations

This section discusses sub-transmission line limitations. It assesses the limitation, its impact and, where possible, suggests potential solutions.

6.1.1 CBTS-LYD-NRN-PHM-OFR-BWN-LLG-CLN-CBTS 66 kV loop

The Cranbourne Terminal Station (CBTS) to Lysterfield (LYD) to Narre Warren (NRN) to Pakenham (PHM) to Officer (OFR) to Berwick North (BWN) to Lang Lang (LLG) to Clyde North (CLN) 66 kV loop supplies 91,504 customers via the seven zone substations listed. This 66 kV loop has energy at risk over the summer period from December to March. The worst-case outage is the loss of the CBTS-LYD 66 kV line where loading on the CBTS-BWN 66 kV line will exceed its rating at maximum demand. The firm capacity of this loop is 243 MVA. The summer 2019/20 forecast total peak coincident 66 kV loop maximum demand under single contingency outage is 293.3 MVA increasing to 331.1 MVA in summer 2023/24.

The level of overload exceeds the load transfer capacity to zone substations supplied from other adjacent 66 kV loops, and AusNet Services is investigating options to mitigate the network limitation and identified supply risk. Figure 9 shows the single line diagram of this loop along with the constrained line segments (coloured in red) under single order contingency.

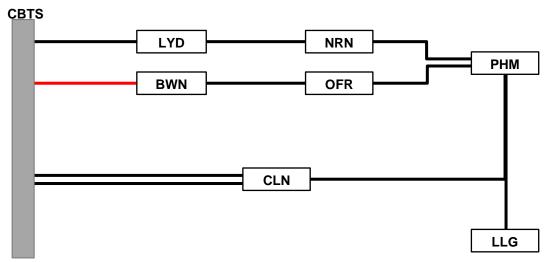


Figure 9: CBTS-LYD-NRN-PHM-OFR-BWN-LLG-CLN 66 kV Loop

A contingency plan has been developed to transfer load away via 22 kV links to the adjacent zone substations up to a maximum transfer capacity of 49.9 MVA, including 2 MVA support from United Energy, in the event of a line outage.

AusNet Services is also investigating an option to extend the 66 kV network to allow Lysterfield Zone Substation (LYD) and Narre Warren Zone Substation (NRN) to be supplied from East Rowville Terminal Station (ERTS), thereby offloading this CBTS 66 kV loop, during peak demand periods and network contingency events.

Longer term options being considered to mitigate the identified supply risk, include:

- Establish a third CBTS-CLN 66 kV line and a second CLN-LLG 66 kV line.
- Establish a second PHM-LLG 66 kV line.
- Re-conductor the existing CBTS-LYD 66 kV line.
- Generator or demand response network support.

These, and any other, potential supply risk mitigation options will be subject to the outcome of a future RIT-D assessment.

6.1.2 LGA-WGI-PHI 66 kV loop

The Leongatha (LGA) to Wonthaggi (WGI) loop and radial 66 kV line to Phillip Island (PHI) supplies over 30,000 customers via the two zone substations at Wonthaggi and Phillip Island. This LGA – WGI 66 kV loop has energy at risk over the peak tourism seasons including school holidays, long weekends and special events such as the motorcycle Grand Prix. An outage of either the LGA – LSSS, LSSS - WGI or LGA - LSSS/WGI

66 kV lines will result in voltage collapse of this network and loss of supply at both zone substations if loading exceeds 56.0 MVA, and load shedding if the thermal loading exceeds 32.0 MVA. Maximum coincident demand occurs in summer and is expected to reach 70.9 MVA in summer 2019/20, increasing to 74.3 MVA in summer 2023/24. The BHWF output also reduces risk in this part of the network. Figure 10 shows the single line diagram of this loop along with the constrained line segment (coloured in red) under single order contingency.

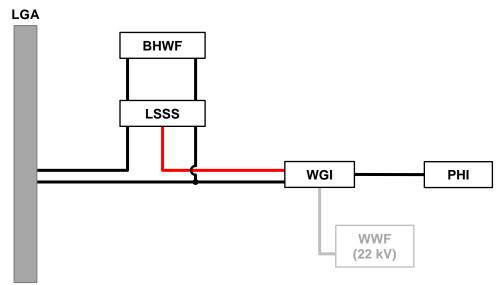


Figure 10: LGA-WGI-PHI 66 kV Loop

AusNet Services has been examining options to address this summer constraint and the following options are being considered:

- Re-conductor up to 27 kilometres of existing 6/1/.186 ACSR conductor to 19/4.75 AAC conductor in the LSSS – WGI and LGA – LSSS/WGI 66 kV lines.
- Contract network support via embedded generation connected to WGI or PHI to reduce demand during risk periods.
- Contract for network support via demand management to reduce demand during risk periods.

It is not expected that any of these options will be implemented in the next five years as they are not yet economic considering the probabilistic planning approach.

A contingency plan has been developed to transfer load away via 22 kV links to the adjacent zone substations up to a maximum transfer capacity of 3.0 MVA in the event of a line outage.

6.1.3 MWTS-LGA-FTR-WGI-PHI 66 kV loop

The Morwell Terminal Station (MWTS) to Leongatha (LGA) to Foster (FTR) to Wonthaggi (WGI) to Phillip Island (PHI) 66 kV network supplies 50,672 customers via the four zone substations at Leongatha, Foster, Wonthaggi and Phillip Island. This 66 kV loop has energy at risk over the peak tourism season of Christmas and early January. An outage of either of the MWTS-LGA No. 1 or the No. 3 66 kV line will result in thermal overload of the MWTS-LGA No. 2 66 kV line, requiring load shedding if loading exceeds 92.3 MVA. Maximum coincident demand under single contingency outage in summer is expected to reach 133.8 MVA in summer 2019/20 increasing to 139.1 MVA in summer 2023/24. The 106 MW Bald Hills Wind Farm (BHWF), connected into this 66 kV loop in 2015, generates sufficient output to eliminate the risk of overload under single contingency, and for most of the time.

Figure 11 shows the single line diagram of this loop along with the constrained line segment (coloured in red) under single order contingency.

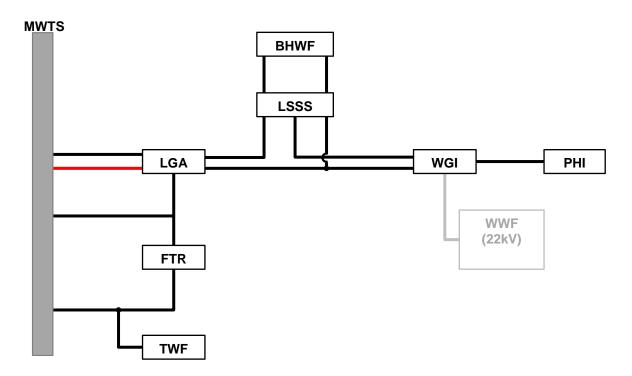


Figure 11: MWTS-LGA-FTR-WGI-PHI 66 kV Loop

AusNet Services has been examining options to address this summer constraint and the following are being considered:

- Re-conductor up to 22 kilometres of existing 6/1/.186 ACSR conductor to 19/4.75 AAC conductor MWTS-LGA No. 2 66 kV line.
- Contract network support via embedded generation connected to LGA, WGI or PHI, to offset demand during risk periods.
- Contract for network support via demand management, to reduce demand during supply risk periods.

It is not expected that any of these options will be implemented in the next five years as they are not yet economic considering the probabilistic planning approach.

A contingency plan has been developed to transfer load away via 22 kV links to the adjacent zone substations up to a maximum transfer capacity of 3.0 MVA in the event of a line outage.

6.1.4 MWTS-TGN-SLE-MFA-BDSS-BDL-NLA-CNR 66 kV loop

The East Gippsland 66 kV network, which emanates from Morwell Terminal Station (MWTS), supplies over 66,000 customers via six AusNet Services zone substations, including Traralgon (TGN), Sale (SLE), Maffra (MFA), Bairnsdale (BDL), Numeralla (NLA) and Cann River (CNR).

Demand in this loop is currently supported by local embedded generation, including through a network support agreement with Bairnsdale Power Station (BPS). The network support agreement has been in place since March 2000, and will expire in March 2020. Network support is provided at levels between 20 MW and 40 MW to supply the afternoon and evening peaks, and the overnight water heating peak.

The loop has a forecast maximum demand of 199.8 MVA in summer 2019/20, increasing to 206.9 MVA by summer 2023/24. The most onerous contingency is an outage of the MWTS-SLE 66 kV line which, with no local embedded generation supply the loop, will result in voltage collapse of the 66 kV loop, and loss of support to all six zone substations for demand exceeding 113 MW.

With the existing network support agreement expiring in March 2020, AusNet Services has commenced a Regulatory Investment Test for Distribution (RIT-D) to assess potential options to secure supply against the existing thermal and voltage capacity limitations within this 66 kV network. Potentially feasible options for investigation include full or partial re-conductor of the TGN-MFA 66 kV line, potentially with partial re-conductor

of the MWTS-TGN No.1 66 kV line, or a new network support agreement with BPS or an alternative network support provider.

Figure 12 shows the single line diagram of this loop along with the constrained line segment (coloured in green) under single order contingency.

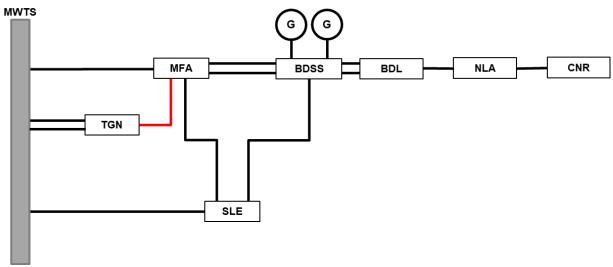


Figure 12: MWTS-TGN-SLE-BDSS-BDL-NLA-CNR 66 kV Loop

6.1.5 SMTS-DRN-KLK-MDI-RubA-YEA-SMR-KMS 66 kV loop

The Doreen (DRN) to Kinglake (KLK) to Rubicon A (RubA) to Seymour (SMR) to Kilmore South (KMS) 66 kV loop supplies approximately 18,000 customers via the four zone substations at Kinglake, Rubicon A, Murrindindi, and Seymour. The supplies to KLO, KMS and DRN are secured by duplicated 66 kV lines, but the sections beyond these stations are at risk. This 66 kV loop has energy at risk over the summer period from December to March inclusive as well as the winter period from June to August inclusive. An outage of the KMS-SMR 66 kV line results in voltage collapse of the network and loss of these four zone substations if the combined loading on these four zone substations exceeds 35.0 MVA. No other line outage is expected to result in loss of customer load. Maximum coincident demand in summer is expected to reach 82.9 MVA under single order contingency in summer 2019/20 increasing to 85.9 MVA in summer 2023/24. Figure 13 shows the single line diagram of this loop along with the constrained line segment (coloured in green) under single order contingency. It also shows the new KLO-DRN 66 kV line, which was commissioned in July 2018.

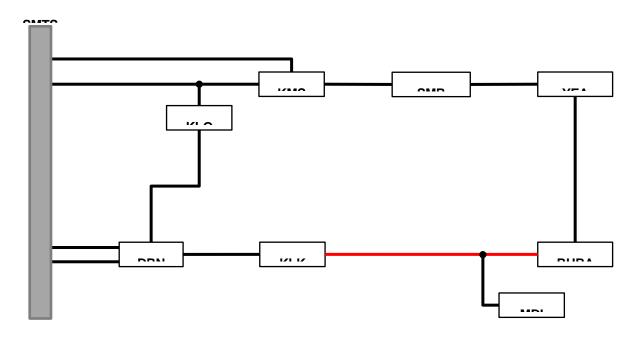


Figure 13: SMTS-DRN-KLK-MDI-RUBA-YEA-SMR-KMS 66 kV Loop

AusNet Services has been examining options to address the voltage collapse constraint, and the following have been considered:

- Construct new KMS-SMR No. 2 66 kV line. This option is expected to cost in excess of \$30 million and is not currently considered economically feasible.
- Contract network support via embedded generation connected at Seymour, to reduce network loading during risk periods.
- Contract for network support via demand management, to reduce demand during risk periods.

It is not expected that any work will be implemented in the next five years as they are not yet economic considering the probabilistic planning approach. A contingency plan has been developed to transfer load away via 22 kV links to the adjacent zone substations in the event of a line outage, however this is only for a maximum transfer capacity of 1 MVA.

6.1.6 TTS-WT-NH 66 kV loop

The Thomastown Terminal Station (TTS) to Watsonia (WT) to North Heidelberg (NH) to TTS 66 kV loop supplies approximately 45,000 customers (including around 25,000 AusNet Services customers) via the two zone substations at Watsonia and North Heidelberg. The NH zone substation is owned by Jemena. This 66 kV loop has energy at risk over the summer period from December to March inclusive. Both the TTS-WT (line owned by AusNet Services) and TTS-NH (line owned by Jemena) 66 kV lines have a rating of 1,025 amps (117.2 MVA) in summer. The maximum coincident demand is forecast to reach 135.1 MVA in summer 2019/20, growing slowly to 138.2 MVA by summer 2023/24. Figure 14 shows the single line diagram of this loop along with the constrained line segments (coloured in red) under single order contingency.

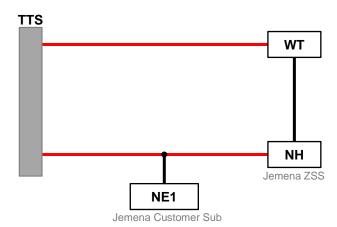


Figure 14: TTS-WT-NH 66 kV Loop

A contingency plan has been developed to transfer load away via 22 kV links to the adjacent zone substations up to a maximum transfer capacity of 16.5 MVA (AusNet Services) in the event of a line outage. A further 11 MVA transfer capacity is available through the Jemena network.

6.1.7 MWTS-YPS-MOE-WGL-MWTS

The Morwell Terminal Station (MWTS) to Yallourn Power Station (YPS) to Moe (MOE) to Warragul (WGL) 66 kV loop supplies close to 40,000 customers. This 66 kV loop has energy at risk over the summer period from December to March. The worst-case outage is the loss of the YPS-WGL No.1 66 kV line where loading on the YPS-WGL/MOE 66 kV line between YPS and the tee point will exceed its rating at maximum demand. The firm capacity of this loop is 114 MVA. The summer 2019/20 forecast total peak coincident 66 kV loop maximum demand under single contingency outage is 121.4 MVA increasing to 130.7 MVA in summer 2023/24.

The level of overload exceeds the load transfer capacity to zone substations supplied from other adjacent 66 kV loops, and AusNet Services is investigating options to mitigate the network limitation and identified supply risk. Figure 9 shows the single line diagram of this loop, including the normally open section of line (dashed) and the single order contingency constrained line segment (coloured in red).

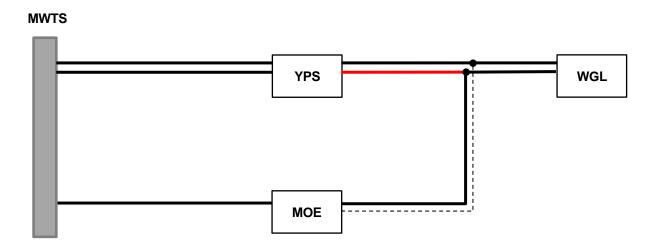


Figure 15: MWTS-YPS-MOE-WGL 66 kV Loop

A contingency plan has been developed to transfer load away via 22 kV links to adjacent zone substations up to a maximum transfer capacity of 4.3 MVA in the event of a line outage.

AusNet Services is currently examining options to address the thermal constraint including:

- Thermally uprate the YPS-WGL/MOE 66kV line between YPS and the tee point.
- Reconductor the YPS-WGL/MOE 66kV line between YPS and the tee point.

- Contract network support via embedded generation connected to WGL or MOE, to offset demand during risk periods.
- Contract for network support via demand management, to reduce demand during supply risk periods

6.1.8 Radial 66 kV lines

AusNet Services has nine zone substations, including Barnawartha (BWA), Cann River (CNR), Clover Flat (CF), Lang Lang (LLG), Mansfield (MSD), Merrijig (MJG), Mount Beauty (MBY), Numeralla (NLA) and Phillip Island (PHI), which are supplied via single radial 66 kV lines. All of these lines have sufficient capacity over the next five years to supply the forecast demand, however all customers supplied from these zone substations face outages whenever the 66 kV supply line has an outage. Reinforcing these radial 66 kV networks with the construction of a second 66 kV line depends on the reliability performance of the existing radial 66 kV line, and the resultant expected unserved energy.

In each of the nine cases, AusNet Services' planning criteria shows that it is not currently economic to duplicate the 66 kV line. While 66 kV line duplication is not economic, we are open to network support and other innovative options to mitigate the supply risks.

To support the NLA and CNR radial 66 kV network, AusNet Services is installing a large-scale battery to be known as Mallacoota Area Grid Storage (MAGS). MAGS is an innovative project that is expected to improve power reliability in Mallacoota by around 90 per cent. The project involves the establishment of a power storage facility, made up of a large-scale battery, generator, and associated equipment, connected to the AusNet network in Mallacoota.

The heart of MAGS is a lithium ion battery array with a total storage capacity of 1 MWh. The MAGS battery will be charged from the grid and will then feed power back into the grid during local outages. The facility will be located at the East Gippsland water treatment plant, just outside the Mallacoota township.

For this project, AusNet services has been able to re-purpose the battery used at Thomastown for the grid energy storage system (GESS) trial which was completed in 2017. The battery will be moved to Mallacoota in early 2019 and is expected to be operational around by the end of 2019.

6.2 Zone substation limitations

This section presents the zone substations that are carrying, or are forecast to carry, significant service level risk in the five-year forward planning period. This service level risk is also quantified alongside commentary outlining the primary drivers of the identified risk.

In many cases the load transfer capacity is sufficient to cover the N-1 supply risk. However, the service level risk and supply risk cost also considers and quantifies other risk factors such as safety, collateral damage and reactive replacement costs.

Where AusNet Services considers it economic to do so, network development plans are outlined in Section 9 of this DAPR.

6.2.1 Clyde North Zone Substation (CLN)

Clyde North (CLN) Zone Substation consists of two 66/22 kV 20/33 MVA transformers supplying two 22 kV buses and seven 22 kV feeder circuits. The substation supplies approximately 30,000 residential, commercial, industrial and agricultural customers in Victoria's southeast growth corridor.

CLN Zone Substation is a summer peaking substation with a forecast maximum demand growth rate averaging 4.4% per annum over the next 10-year period. The growth in demand is predominately driven by the significant expansion of residential and commercial development in Melbourne's southeast growth corridor. The load transfer capability of the feeder interconnections between CLN and its neighbouring zone substations is 28.5 MW

Table 18 shows the estimated magnitude of energy at risk, annual hours at risk and both the magnitude and cost of expected unserved energy (EUE).

CLN	2020	2021	2022	2023	2024
50% POE Max Load at Risk (MVA)	29.9	34.1	38.4	42.8	47.3
50% POE Max Overload (%)	69%	78%	88%	98%	109%
Hours at Risk (h)	14	42	74	106	141
EUSE (MWh)	3.7	5.1	7.2	11.7	28.2
Cost of EUSE (\$M)	0.13	0.18	0.26	0.42	1.01

Table 18: Estimated energy at risk at CLN Zone Substation

A summary of the condition of key assets at CLN Zone Substation is provided in Figure 16 below.

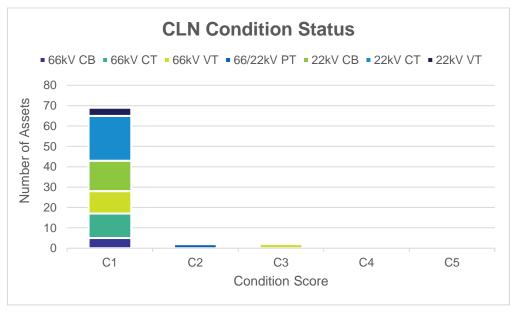


Figure 16: Estimated energy at risk at CLN Zone Substation

Upon thorough options analysis, the chosen option works will include establishing a new 66/22 kV transformer, a 66 kV circuit breaker to facilitate connection of the new transformer, and a new 22 kV switchboard to facilitate connection of the new transformer and separation of the temporarily piggybacked feeders that are currently in the construction phase.

6.2.2 Maffra Zone Substation (MFA)

Maffra (MFA) is located approximately 220km east of Melbourne supplying approximately 8,350 customers. The load at MFA includes town and rural based residential, with some town based commercial, industrial and farming.

MFA is a summer peaking station and the peak electrical demand reached 36.1MVA in the summer of 2017/18. The recorded peak demand during the winter of 2018 was 26.2MVA. MFA demand is forecast to grow steadily at around 1% per annum. The load transfer capability of the feeder interconnections between MFA and its neighbouring zone substations is 6.5 MW.

Table 19 shows the estimated magnitude of energy at risk, annual hours at risk and both the magnitude and cost of expected unserved energy (EUE).

MFA	2020	2021	2022	2023	2024
50% POE Max Load at Risk (MVA)	0.0	0.0	0.0	0.0	0.0
50% POE Max Overload (%)	0%	0%	0%	0%	0%
Hours at Risk (h)	0	0	0	0	0
EUE (MWh)	47.5	52.4	57.7	63.3	69.4
Cost of EUE (\$M)	2.11	2.33	2.56	2.81	3.08

Table 19: Estimated energy at risk at MFA Zone Substation

A summary of the condition of key assets at MFA Zone Substation is provided in Figure 17 below. Approximately 48% of asset at MFA Zone Substation are in poor to very poor condition, C4 and C5 respectively.

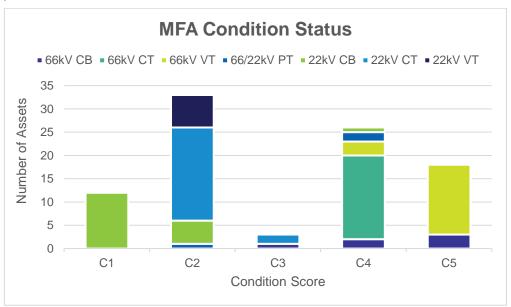


Figure 17: Estimated energy at risk at MFA Zone Substation

The service level risk to customers supplied from MFA Zone Substation is forecast to grow to unacceptable levels. Consequently, the options analysis identified the preferred option as replacing the 66kV circuit breakers by 2020.

6.2.3 Thomastown Zone Substation (TT)

Thomastown (TT) Zone Substation is located in the northern suburbs of metropolitan Melbourne. It is the main source of electricity for the suburbs of Thomastown, Lalor, Reservoir, Kingsbury and Bundoora. TT supplies approximately 28,600 customers, split evenly with AusNet Services supplying approximately 14,100 customers and Jemena supplying approximately 14,500 customers. The load at TT is urban in nature and includes mostly residential and industrial load with some commercial loads.

TT zone substation is a summer peaking station and the peak electrical demand reached 75.6MVA in the summer of 2017/18. The peak demand at TT is forecast to increase slowly at approximately 0.4% per annum. The load transfer capability of the feeder interconnections between TT and its neighbouring zone substations is 11.2 MW.

Table 20 shows the estimated magnitude of energy at risk, annual hours at risk and both the magnitude and cost of expected unserved energy (EUE).

π	2020	2021	2022	2023	2024
50% POE Max Load at Risk (MVA)	22.9	23.1	23.4	23.8	24.1
50% POE Max Overload (%)	39%	39%	40%	41%	41%
Hours at Risk (h)	57	58	59	61	62
EUE (MWh)	86.7	95.4	105.0	115.4	126.7
Cost of EUE (\$M)	3.70	4.07	4.48	4.93	5.41

Table 20: Estimated energy at risk at TT Zone Substation

A summary of the condition of key assets at TT Zone Substation is provided in Figure 18 below. Approximately 73% of asset at TT Zone Substation are in poor to very poor condition, C4 and C5 respectively.

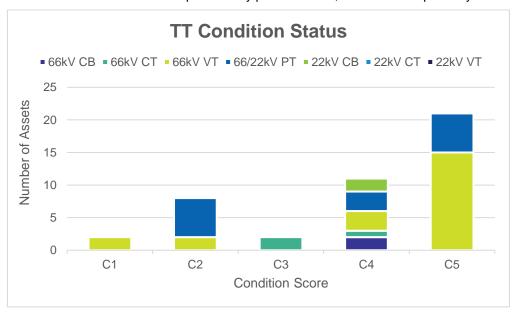


Figure 18: Estimated energy at risk at TT Zone substation

The service level risk to customers supplied from TT Zone Substation is forecast to grow to unacceptable levels. Consequently, the options analysis identified the preferred option as replacing both the 66kV and 22kV circuit breakers by 2021.

6.2.4 Watsonia Zone Substation (WT)

Watsonia (WT) Zone Substation is located in the northern suburbs of metropolitan Melbourne approximately 20km north of Melbourne. WT is the main source of supply for the suburbs of Watsonia, Greensborough, Montmorency, Lower Plenty, Macleod and Bundoora. WT supplies approximately 23,460 AusNet Services customers and 145 Jemena customers. The load at WT includes mostly residential and commercial urban load with some industrial loads and a few farm loads.

WT is a summer peaking station and the peak electrical demand reached 61.2MVA in the summer of 2017/18. The recorded peak demand in winter 2018 was 43MVA. The demand at WT is forecast to increase slowly at a growth rate of less than 1% per annum. The load transfer capability of the feeder interconnections between WT and its neighbouring zone substations is 16.4 MW.

Table 21 shows the estimated magnitude of energy at risk, annual hours at risk and both the magnitude and cost of expected unserved energy (EUE).

WT	2020	2021	2022	2023	2024
50% POE Max Load at Risk (MVA)	0.0	0.0	0.0	0.0	0.0
50% POE Max Overload (%)	0%	0%	0%	0%	0%

Hours at Risk (h)	0	0	0	0	0
EUE (MWh)	33.2	35.7	38.5	41.3	44.4
Cost of EUE (\$M)	1.27	1.37	1.48	1.59	1.70

Table 21: Estimated energy at risk at WT Zone Substation

A summary of the condition of key assets at WT Zone Substation is provided in Figure 19 below. Approximately 70% of asset at WT Zone Substation are in poor to very poor condition, C4 and C5 respectively.

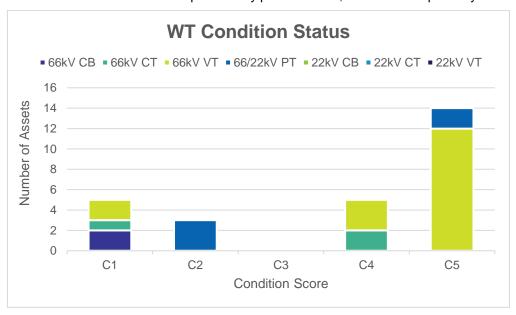


Figure 19: Estimated energy at risk at WT Zone substation

The service level risk to customers supplied from WT Zone Substation is forecast to grow to unacceptable levels. Consequently, the options analysis identified the preferred option as replacing the 22kV circuit breakers by 2020.

6.2.5 Benalla Zone Substation (BN)

Benalla (BN) is located approximately 212 km north-east of Melbourne and is the main source of supply for the rual towns of Benalla, Euroa, Lima South, Tatong, and Goormbat townships. BN supplies approximately 12,100 AusNet Services' customers. The customer base supplied from BN is predominately made up of residential (66%) and farming (24%), with some commercial and industrial.

BN is a summer peaking station and the peak electrical demand reached 36.2MVA in summer 2018/19, and is forecast to grow slowly at approximely 0.3% per annum to 36.7MVA by 2024/25. The load transfer capability of the feeder interconnections between BN and its neighbouring zone substations is 1.6 MW.

Table 22 shows the estimated magnitude of energy at risk, annual hours at risk and both the magnitude and cost of expected unserved energy (EUE).

BN	2020	2021	2022	2023	2024
50% POE Max Load at Risk (MVA)	5.5	5.5 5.6 5.8 5.8		5.8	6.0
50% POE Max Overload (%)	18%	18%	19%	19%	19%
Hours at Risk (h)	58	60	63	64	66
EUE (MWh)	26.8	29.1	31.6	34.2	37.0
Cost of EUE (\$M)	1.14	1.24	1.34	1.45	1.57

Table 22: Estimated energy at risk at BN Zone Substation

A summary of the condition of key assets at BN Zone Substation is provided in Figure 20 below. Approximately 58% of asset at BN Zone Substation are in poor to very poor condition, C4 and C5 respectively.

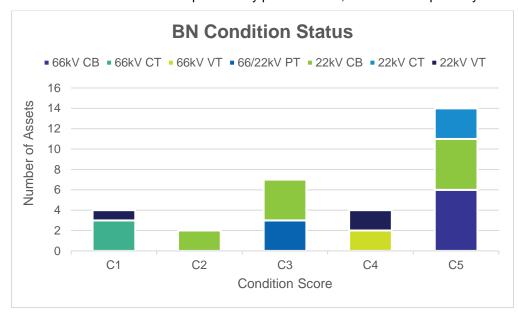


Figure 20: Estimated energy at risk at BN Zone substation

The service level risk to customers supplied from BN Zone Substation is forecast to grow to unacceptable levels. Consequently, the options analysis identified the preferred option as replacing both the 66kV and 22kV circuit breakers by 2020.

6.2.6 Bayswater Zone Substation (BWR)

Bayswater (BWR) is located in the eastern suburbs of metropolitan Melbourne approximately 29km east of Melbourne and is the main source of supply for the suburbs of Bayswater, Croydon South, Kilsyth South, Wantirna and Heathmont. BWR supplies approximately 16,800 AusNet Services' customers. The load at BWR includes mostly residential and commercial urban load with some industrial loads.

BWR is a summer peaking station and the peak electrical demand reached 58.4MVA in the summer of 2017/18. The recorded peak demand in winter 2018 was 43MVA. The demand at BWR is forecast to increase slowly at a growth rate of less than 0.5% per annum. The load transfer capability of the feeder interconnections between BWR and its neighbouring zone substations is 24.6 MW.

Table 23 shows the estimated magnitude of energy at risk, annual hours at risk and both the magnitude and cost of expected unserved energy (EUE).

BWR	2020	2021	2022	2023	2024
50% POE Max Load at Risk (MVA)	0.0	0.0	0.0	0.0	0.0
50% POE Max Overload (%)	0%	0%	0%	0%	0%
Hours at Risk (h)	0	0	0	0	0
EUE (MWh)	38.4	41.4	44.5	47.9	51.3
Cost of EUE (\$M)	1.63	1.76	1.89	2.04	2.18

Table 23: Estimated energy at risk at BWR Zone Substation

A summary of the condition of key assets at BWR Zone Substation is provided in Figure 21 below. Approximately 65% of asset at BWR Zone Substation are in poor to very poor condition, C4 and C5 respectively.

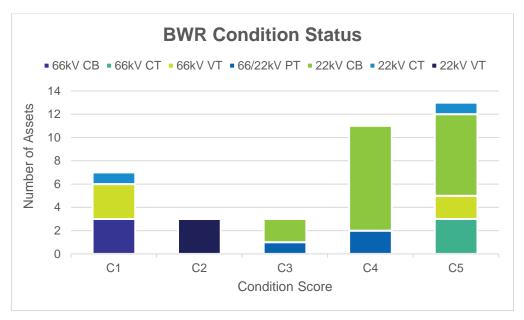


Figure 21: Estimated energy at risk at BWR Zone substation

The service level risk to customers supplied from BWR Zone Substation is forecast to grow to unacceptable levels. Consequently, the options analysis identified the preferred option as replacing the 22kV switchgear by 2020.

6.2.7 Traralgon Zone Substation (TGN)

Traralgon (TGN) is located approximately 170km east of Melbourne and is the main source of supply for Traralgon, Glengarry, Calilgnee, Gormandale, Rosedale and surrounding areas. TGN supplies approximately 17,500 customers. The load at TGN includes town and rural based residential, with some town based commercial, industrial and farming.

TGN is a summer peaking station and the peak electrical demand reached 45MVA in the summer of 2017/18. The recorded peak demand during the winter of 2018 was 31MVA. The demand at TGN is forecast to grow at approximately 1% per annum. The load transfer capability of the feeder interconnections between TGN and its neighbouring zone substations is 9.6 MW.

Table 24 shows the estimated magnitude of energy at risk, annual hours at risk and both the magnitude and cost of expected unserved energy (EUE).

TGN	2020	2021	2022	2023	2024
50% POE Max Load at Risk (MVA)) 11.5 12.0		12.6	13.1	13.6
50% POE Max Overload (%)	32% 33%		35%	36%	38%
Hours at Risk (h)	16	22	29	35	40
EUE (MWh)	22.4	24.6	27.0	29.7	32.6
Cost of EUE (\$M)	0.88	0.96	1.05	1.16	1.27

Table 24: Estimated energy at risk at TGN Zone Substation

A summary of the condition of key assets at TGN Zone Substation is provided in Figure 22 below. Approximately 27% of asset at TGN Zone Substation are in poor to very poor condition, C4 and C5 respectively.

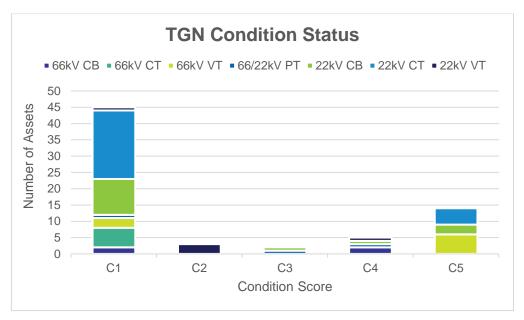


Figure 22: Estimated energy at risk at TGN Zone substation

The service level risk to customers supplied from TGN Zone Substation is forecast to grow to unacceptable levels. Consequently, the options analysis identified the preferred option as replacing two transformers, 66kV circuit breakers and 22kV switchgear by 2020.

6.2.8 Warragul Zone Substation (WGL)

Warragul (WGL) is located approximately 100km south east of Melbourne and is the main source of supply for the suburbs of Warragul, Drouin, Longwarry, Bunyip, Darnum, Noojee and surrounding areas. WGL supplies approximately 23,300 AusNet Services' customers. The load at WGL includes mostly residential with some farming, commercial and industrial loads.

WGL is a summer peaking station and the peak electrical demand reached 66.2MVA in the summer of 2017/18. The recorded peak demand in winter 2018 was 50MVA. The demand at WGL is forecast to increase at a growth rate of approximately 3% per annum. The load transfer capability of the feeder interconnections between WGL and its neighbouring zone substations i 3.1 MW.

Table 25 shows the estimated magnitude of energy at risk, annual hours at risk and both the magnitude and cost of expected unserved energy (EUE).

WGL	2020	2021	2022	2023	2024
50% POE Max Load at Risk (MVA)	13.6	15.5	17.3	19.2	20.9
50% POE Max Overload (%)	22%	25%	25% 28%		34%
Hours at Risk (h)	35	41	46	51	57
EUE (MWh)	39.4	47.9	58.1	70.5	85.0
Cost of EUE (\$M)	1.63	1.98	2.41	2.92	3.52

Table 25: Estimated energy at risk at WGL Zone Substation

A summary of the condition of key assets at WGL Zone Substation is provided in Figure 23 below. Approximately 25% of asset at WGL Zone Substation are in poor to very poor condition, C4 and C5 respectively.

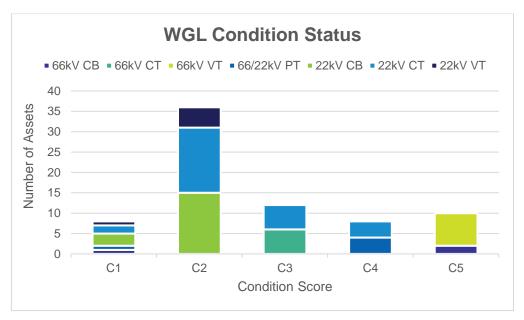


Figure 23: Estimated energy at risk at WGL Zone substation

The service level risk to customers supplied from WGL Zone Substation is forecast to grow to unacceptable levels. Consequently, the options analysis identified the preferred option as replacing four transformers with two transformers, replace the existing capacitor bank and install two new 66kV circuit breakers by 2020.

6.2.9 Newmerella Zone Substation (NLA)

Newmerella (NLA) is located approximately 370km east of Melbourne (VicRoads map reference 85 H-5) and is the main source of supply for Newmerella, Orbost, Bemm River, Lake Tyers and surrounding areas. NLA supplies 3,717 customers in total. The load at NLA includes town and rural based residential, with some town based commercial, industrial and farming.

NLA is a winter peaking station and the peak electrical demand reached 8.5MVA in winter 2018. The recorded peak demand during the summer of 2017/18 was 7.3MVA. The demand growth at NLA is forecast to be flat. The load transfer capability of the feeder interconnections between NLA and its neighbouring zone substations is 3.2 MW.

Table 26 shows the estimated magnitude of energy at risk, annual hours at risk and both the magnitude and cost of expected unserved energy (EUE).

NLA	2020	2021	2022	2023	2024
50% POE Max Load at Risk (MVA)	(MVA) 1.0		1.0	1.0	1.0
50% POE Max Overload (%)	13% 13% 14		14%	14%	14%
Hours at Risk (h)	0	0	0	0	0
EUE (MWh)	16.7	18.4	20.2	22.1	24.2
Cost of EUE (\$M)	0.61	0.68	0.74	0.81	0.89

Table 26: Estimated energy at risk at NLA Zone Substation

A summary of the condition of key assets at NLA Zone Substation is provided in Figure 24 below. Approximately 76% of asset at NLA Zone Substation are in poor to very poor condition, C4 and C5 respectively.

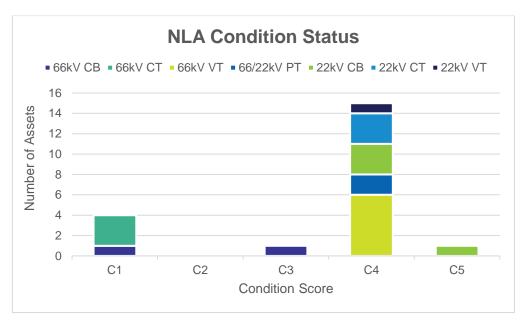


Figure 24: Estimated energy at risk at NLA Zone substation

The service level risk to customers supplied from NLA Zone Substation is forecast to grow to unacceptable levels. Consequently, the options analysis identified the preferred option as replacing the transformers and 22kV switchgear by 2026.

7 Overloaded Primary Distribution Feeders

This section outlines the primary distribution feeders that are currently overloaded or are forecast to become overloaded within the next two years. This section addresses the requirements of the National Electricity Rules schedule 5.8 (d).

Distribution feeders that are overloaded or are forecast to become overloaded in the next **two years** are presented in Table 27, along with the extend of overload forecast and the number of customer that the feeder supplies.

	ners		Based on 2019 Summer Maximum Demand Forecasts						
der	custo	mer g (A)		50%POE			10%POE		
Feeder	Number of customers connected	Summer Rating (A)	2019/20	2020/21	2021/22	2019/20	2020/21	2021/22	
	Numk		%	%	%	%	%	%	
CLN13	7162	344	92	102	112	95	106	116	
CLN14	4440	325	96	99	102	99	102	106	
CLN21	5695	358	98	99	100	102	103	103	
CLN22	3170	375	81	89	96	83	90	98	
CLN23	4135	323	91	103	115	94	107	119	
CRE31	5592	375	87	92	98	90	95	101	
CRE33	3236	335	80	88	97	82	91	100	
DRN11	6280	326	99	105	111	102	108	113	
EPG13	6152	365	91	98	104	93	101	107	
FGY21	2519	350	99	101	102	102	103	103	
KLO14	4556	260	107	110	113	109	112	116	
BN1	4621	285	116	116	117	118	119	119	
MYT21	1763	210	107	108	108	108	109	110	
RUBA12	2612	220	102	102	102	103	103	103	
WOTS25	3220	260	118	120	122	120	122	124	
TGN11	3606	280	93	95	98	96	99	101	
WGL15	2606	280	104	105	106	106	107	108	
WGL21	7162	365	95	96	98	98	100	102	

Table 27: Overloaded feeders for 50% and 10% probability of exceedance conditions.

There are no feeders during winter periods that are currently or forecast to overload by 2021/22.

Potential solutions to the feeder overloads identified are highlighted in Table 28. This covers the types of potential solutions that may address the overload or forecast overload. Common solutions include feeder

reconfiguration, utilising embedded generation (temporarily or permanently), demand management and circuit augmentation.

Feeder	Potential Solutions
CLN13	The forecast feeder overload is due to the expected new housing growth in the area fed from this feeder. The following options are considered to address the overload: 1. New CLN11E Feeder in 2021 2 Explore Non-network solutions.
CLN14	The forecast feeder overload is due to the expected new housing growth in the area fed from this feeder. The following options are considered to address the overload: 1. New CLN24 Feeder in 2020 2 Explore Non-network solutions.
CLN21	The forecast feeder overload is due to the expected new housing growth in the area fed from this feeder. The following options are considered to address the overload: 1. New CLN24 Feeder in 2020 2 Explore Non-network solutions.
CLN22	The forecast feeder overload is due to the expected new housing growth in the area fed from this feeder. The following options are considered to address the overload: 1. New CLN11E Feeder in 2020 2 Explore Non-network solutions.
CLN23	The forecast feeder overload is due to the expected new housing growth in the area fed from this feeder. The following options are considered to address the overload: 1. New Feeder CLN24 in 2021. 2. Explore Non-network solutions.
CRE31	The forecast feeder overload is due to the expected new housing growth in the area fed from this feeder. The following options are considered to address the overload: 1. New CRE24 Feeder in 2023 2 Explore Non-network solutions.
CRE33	The forecast feeder overload is due to the expected new housing growth in the area fed from this feeder. The following options are considered to address the overload: 1.Risk Manage the feeder up to 2021 2 Explore Non-network solutions.
DRN11	The forecast feeder overload is due to the expected new housing growth in the area fed from this feeder. The following options are considered to address the overload: 1. New DRN24 Feeder in 2020 2 Explore Non-network solutions.
EPG13	The forecast feeder overload is due to the expected new housing growth in the area fed from this feeder. The following options are considered to address the overload: 1. Feeder reconfiguration in 2020. 2. Explore Non-network solutions.

Feeder	Potential Solutions
	The forecast feeder overload is due to the expected new housing growth in the area fed from this feeder. The following options are considered to address the overload:
FGY21	New Rowville Zone sub feeder in Feeder in 2021
	2 Explore Non-network solutions.
	The forecast feeder overload is due to the expected new housing growth in the area fed from this feeder. The following options are considered to address the overload:
KLO14	1. Uprate the feeder in 2020
	2 Explore Non-network solutions.
BN1	1. Temporary generation of 1.6 MW is currently deployed during the peak periods to limit the feeder load currents below the 285A feeder rating.
DIVI	2. As required under the 2019/20 maximum demand forecasts, another 1.6 MW of temporary generation will be deployed during the summer peak period.
MYT21	This feeder may experience overload during extreme weather conditions. The following switching is proposed to transfer loads out of MYT21 feeder to manage the over loading situation
	Close switch MY058 and open switch MY057 to transfer approximately 96A to MYT11
	The forecast feeder overload is small and in the range of 102% to 103%
RUBA12	It is proposed to risk manage the feeder, during above overloading situations to manage the over loading situation.
	The forecast feeder overload is due to the expected new housing growth in the area fed from this feeder. The following options are considered to address the overload:
WOTS25	Feeder reconfiguration to transfer load to WO31 and WOTS12
	2. Explore Non-network solutions.
	The following options will be considered to address the forecast overload:
TGN11	Feeder reconfiguration to transfer load to TGN43 and TGN12
	Explore Non-network solutions.
WGL15	A customer-initiated project was completed in December . This increased the rating of this feeder from 280A to 360A, thereby solving the forecast overload issue.
	There loading on Warragul feeders heading West is high, limiting the options to transfer load to other feeders. The following options will be considered to address the forecast overload:
WGL21	1. A new feeder for the area West of Warragul.
	2. Explore Non-network solutions

Table 28: Potential solutions for overloaded feeders.

7.1 Demand reduction required to defer overload by 12 months

Table 29 provides details of the estimated reduction in forecast load that would be required to eliminate a forecast feeder overload for a period of 12 months. The table covers a summary of the location of relevant connection points at which the estimated reduction in forecast load would defer the overload and the estimated reduction in forecast load in MW needed to defer the forecast system limitation. The estimate of the year in which the overload is forecast to occur is apparent from the forecast loads.

Feeder	Forecast Overload Timing	Load Reduction Required for 12- month Deferral (MW)	Comments
CLN13	December 2021	2.2	Feeder can be risk managed until 2021. The proposed new feeder may be completed in 2020.
			Non-network solutions will be considered.
CLN14	December, 2023	1.6	Feeder can be risk managed until 2023. The proposed new feeder may be completed in 2020.
			Non-network solutions will be considered.
CLN21	December, 2023	0.7	Feeder can be risk managed until 2023. The proposed new feeder may be completed in 2020.
			Non-network solutions will be considered.
CLN22	December, 2023	2.4	Feeder can be risk managed until 2023. The proposed new feeder may be completed in 2020.
			Non-network solutions will be considered.
CLN23	December, 2021	2.4	Feeder can be risk managed until 2021. The proposed new feeder may be completed in 2020.
			Non-network solutions will be considered.
CRE31	December, 2023	1.8	Feeder can be risk managed until 2023 The proposed new feeder may be completed in 2020.
			Non-network solutions will be considered.
CRE33	December, 2023	2.6	Feeder can be risk managed until 2023. The proposed new feeder may be completed in 2023.
			Non-network solutions will be considered.
DRN11	December, 2023	2.6	Feeder can be risk managed until 2023. The proposed new feeder may be completed in 2023.
			Non-network solutions will be considered.
EPG13	December, 2022	1.8	Feeder reconfiguration by December 2020.
			Non-network solutions will be considered.
FGY21	December, 2021	1.7	Feeder can be risk managed until 2021. The proposed new feeder may be completed in 2020.
			Non-network solutions will be considered.
KLO14	December, 2023	0.7	Feeder can be risk managed until 2023. The proposed new feeder may be completed in 202.
			Non-network solutions will be considered.

BN1	December 2019	2.0	Approximately 3.2 MW Temporary generation support is used on days when the feeder load reaches over 275 A, depending on over loaded amount. A contract has also been signed for Demand Management with a large customer.
MYT21	December 2019	0.7	Transfer of 3.0 MW to MYT will eliminate the over loading situation.
RUBA12	December 2019	0.3	RMR will be in force during peak load conditions, and the overloading situation will be managed accordingly.
WOTS25	December, 2018	2.2	Transfer load to WOTS 12 approximately 30A and WO 31 feeder approximately 28A. Feeder reconfiguration works are to be completed in before December 2019. Non-network solutions will be considered.
TGN11	December, 2021	0.15	Reconfigure feeder. Non-network solutions will be considered.
WGL15	December, 2019	N/A	Feeder has now been upgraded such that there is no forecast overload.
WGL21	December, 2021	0.3	New feeder required. Non-network solutions will be considered.

Table 29: Details of Load Reduction required to defer overload.

8 Regulatory Investment Tests

The RIT-D was initially introduced in March 2013, with Version 55 of National Electricity Rules (NER), with a focus on augmentation expenditure, and was amended in September 2017 to include replacement expenditure planning.

8.1 RIT-D projects recently completed or in progress

This section provides details required by schedule 5.8 (e) in covering projects where the Regulatory Investment Test for Distribution (RIT-D) has been completed in the preceding year or is in progress:

 In October 2018 AusNet Services published a notice advising there is no credible non-network alternatives to Tranche 2 of the REFCL installation projects. Completion of the Draft Project Assessment Report (DPAR) and Final Project Assessment Report (FPAR) are in progress.

8.2 Future RIT-D projects

This section provides details required by schedule 5.8 (f) for each identified system limitation for which a Distribution Network Service Provider has determined will require a Regulatory Investment Test for Distribution (RIT-D) that is expected to commence in the next five-year period to 2023.

AusNet Services expects to commence fourteen RIT-Ds in the five-year period to 2023, as outline in Table 30.

System Limitation	Proposed Project Commissioning	Estimated RIT-D Commencement	Section reference
East Gippsland 66 kV network limitations	To be determined	February 2020	6.1.4
Ferntree Gully Zone Substation REFCL compliance limitation	September 2020	February 2020	4.7.3
Bairnsdale Zone Substation REFCL compliance limitation	2022	September 2020	4.7.3
Eltham Zone Substation REFCL compliance limitation	2025	February 2023	4.7.3
Kalkallo Zone Substation REFCL compliance limitation	2023	February 2021	4.7.3
Wodonga Zone Substation REFCL compliance limitation	2021	May 2021	4.7.3
Clyde North Zone Substation capacity limitation	2023	September 2020	Error! Reference source not found.
Cranbourne 66 kV network limitations	To be determined	August 2020	6.1.1
Doreen Zone Substation capacity limitation	2025	February 2022	Error! Reference source not found.
Bairnsdale Zone Substation asset condition risk	2021	September 2019	9.1
Bayswater Zone Substation asset condition risk	2022	February 2020	9.3
Benalla Zone Substation asset condition risk	2022	February 2020	9.5
Maffra Zone Substation asset condition risk	2022	February 2020	9.12
Moe Zone Substation asset condition risk	2021	September 2019	9.13
Newmerella Zone Substation asset condition risk	2024	June 2021	9.16
Thomastown Zone Substation asset condition risk	2021	September 2019	9.20
Traralgon Zone Substation asset condition risk	2023	September 2020	9.21
Warragul Zone Substation asset condition risk	2023	September 2020	9.23
Watsonia Zone Substation asset condition risk	2023	June 2020	9.24

Table 30: Identified system limitations that are subject to the RIT-D

9 Completed, Committed and Planned Zone Substation Developments

This section provides details required by schedule 5.8 (b1), for individual assets planned to retired, and for schedule 5.8 (g) being for projects within the forward planning period where investments of over \$2 million in value are being implemented to address a refurbishment need, replacement need, or an urgent or unforeseen investment. Fourteen projects have been identified that are being, or are planned to be, implemented to address a refurbishment or replacement need. Some of these stations have a cross-over with the twenty-two REFCL stations, as identified.

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9.1 Bairnsdale Zone Substation rebuild and REFCL installation

AusNet Services completed a partial rebuild of Bairnsdale Zone Substation (BDL) in December 2016. This rebuild replaced half of the outdoor 22 kV switchgear with a new 22 kV indoor switchboard, and installation of a new 20/33 MVA 66/22 kV transformer, in addition to older three 10/16 MVA transformers.

AusNet Services now plans to retire and replace the remaining 22 kV outdoor assets and 66 kV circuit breakers at the Bairnsdale Zone Substation. The condition of these assets has deteriorated considerably, and they now have an elevated risk of failure. These assets pose unacceptable safety, network security, environmental, and plant damage risks from possible explosive failure and subsequent oil fires.

A project to address these issues was planned to be implemented by 2023, but has now been brought forward to 2021 to coincide with the Rapid Earth Fault Current Limiter (REFCL) works planned for this station.

The asset replacement works have been brought forward to coincide with the REFCL works for two key reasons:

- Following detailed assessment of the 22 kV assets, it was identified that the 22 kV switchgear requires
 replacement to ensure the assets are capable of withstanding the higher REFCL voltages; and
- There is a cost advantage to completing the 66 kV asset replacement works at the same time as the REFCL works, due to project and crew establishment cost savings.

BDL is a tranche two REFCL nominated station, and AusNet Services has scoped its REFCL and associated asset replacement works to ensure that the station can withstand the higher phase-to-ground voltages that the un-faulted (healthy) phases are subjected to under fault conditions with the REFCL in service.

The REFCL is planned to be implemented by 2021, and includes the following key scope items:

- Replace remaining 22 kV outdoor switchgear with a new 22 kV indoor switchboard.
- Install two ground fault neutraliser (GFN) Arc Suppression Coil (ASC) units.
- Install two 22 kV switched neutral bus kiosks.
- Install two new 750 kVA kiosk type Station Service Transformers.
- Install one REFCL room to house REFCL associated protection, control, inverters and AC changeover units.
- Install one new modular battery room.
- Replace the existing No.1 capacitor bank with a new four-step 3.0 MVAR REFCL compliant metal enclosed capacitor bank.
- Install a new No.4, four-step 3.0 MVA compliant metal enclosed capacitor bank.
- Replace and install associated secondary and protection equipment.

In addition to the REFCL works, the asset replacement works to address the remaining service level risk include:

- Replace outdoor minimum oil 66 kV circuit breakers with new outdoor 66 kV circuit breakers.
- Replace outdoor 66 kV current transformers with new 66 kV current transformers.

To achieve and maintain REFCL compliance at BDL, AusNet Services in also planning to establish a new REFCL protected Lakes Entrance Zone Substation (LKE) and transfer underground 22 kV feeders from BDL to LKE to reduce the network capacitance at BDL to within the station's REFCL capability.

9.2 Barnawartha Zone Substation REFCL installation

In 2019, AusNet Services completed the REFCL implementation works at Barnawartha Zone Station (BWA).

Key works included:

- Install a new ground fault neutraliser (GFN) Arc Suppression Coil (ASC) unit.
- Replace the existing station service transformers with higher capacity units.
- Associated protection and secondary system upgrades.

9.3 Bayswater Zone Substation rebuild

AusNet Services is currently in the early stages of scoping a project to selectively retire and replace assets at the Bayswater Zone Substation (BWR). BWR was established in 1968 and contains outdoor bulk oil 22 kV circuit breakers and instrument transformers that were installed when the station was originally built. Some equipment panels have asbestos containing materials and live exposed wires at the rear of the secondary panels. The condition of these assets, as well as the high voltage transformer bushings, has deteriorated considerably and they now have an elevated risk of failure. These assets pose unacceptable safety, network security, environmental, and plant damage risks from possible explosive failure and subsequent oil fires.

A project to address these issues, including the following key scope items, is expected to be implemented by 2022:

- Replace 22 kV outdoor switchgear with three new 22 kV indoor switchboards.
- Establish a new control room.
- Replace 22 kV and 66 kV instrument transformers.

This project will address asset failure risks due to deteriorated electrical equipment. The total project cost is approximately \$12.5 million ±30%.

Alternative options considered include:

- Replace 22 kV equipment along with the No.2 66/22 kV transformer. Although this option would deliver higher benefits, these additional benefits are currently insufficient to economically justify the additional cost
- Replace 22 kV equipment along with the No.1 and No.2 66/22 kV transformers. Although this option
 would deliver higher benefits, these additional benefits are currently insufficient to economically justify the
 additional cost.

9.4 Belgrave Zone Substation REFCL installation

Belgrave Zone Substation (BGE) is a tranche two REFCL nominated station, and AusNet Services is currently finalising its design scope for the REFCL installation and associated asset replacement works, to ensure that the station can withstand the higher phase-to-ground voltages that the un-faulted (healthy) phases are subjected to under fault conditions with the REFCL in service.

The REFCL is planned to be implemented by 2021, and includes the following key scope items:

- Install two new ground fault neutraliser (GFN) Arc Suppression Coil (ASC) units.
- Installing a new REFCL room to house the inverter, grid balancing unit and the new AC changeover system for the new GFN.
- Replace the existing station service transformers with two new 750 kVA kiosk type units.
- Install two new 22 kV switched neutral bus kiosks.
- Replace the existing capacitor bank with a REFCL compliant metal enclosed capacitor bank.
- Replace and install associated secondary and protection equipment.

The estimated capital cost for the REFCL implementation works is \$9.9 million.

9.5 Benalla Zone Substation rebuild and REFCL installation

AusNet Services is planning to retire and replace the 22 kV outdoor switchgear and 66 kV bulk oil circuit breakers at the Benalla Zone Substation (BN). The condition of these assets has deteriorated considerably and they now have an elevated risk of failure. These assets pose unacceptable safety, network security, environmental, and plant damage risks from possible explosive failure and subsequent oil fires.

A project to address these issues, including the following key scope items, is expected to be implemented by 2022:

- Replace outdoor bulk oil 66 kV circuit breakers with new outdoor 66 kV circuit breakers.
- Replace 22 kV outdoor switchgear with a new 22 kV indoor switchboard.

This project will address asset failure risks due to deteriorated electrical equipment, whilst ensuring integration with the implementation of REFCL technology (see section 13.5.3). The total project cost in 2018 real dollars is approximately \$9.0 million ±30%.

Alternative options considered include:

- Replace 66 kV assets with a new 66 kV ring bus, along with the proposed replacement of the outdoor 22 kV switchgear with a new indoor switchboard. This option is more expensive but only delivers marginally higher benefits than the proposed preferred option.
- Replace only the highest risk outdoor bulk oil 66 kV circuit breakers and 22 kV circuit breakers in situ.
 This option is slightly lower in cost than the preferred option, but would deliver lower benefits due to the remaining elevated failure risk assets.

9.6 Clyde North Zone Substation Capacity Augmentation

AusNet Services in planning to augment the supply capacity at Clyde North Zone Substation (CLN) to avoid overload of the existing two 66/22 kV 20/33 MVA transformers. CLN has energy at risk during both the summer and winter periods. The level of load at risk under outage conditions is 29.9 MVA in summer 2019/20, increasing to 47.3 MVA by 2023/24. Load transfer capacity of 30.1 MVA exists to transfer the load at risk away from the station in the event of a transformer outage.

A project to address the demand growth driven service level risk, including the following key scope items, is planned to be implemented by 2024:

- Install an additional (third) 66/22kV 20/33 MVA transformer.
- Install an additional (third) 22 kV indoor switchboard.
- Install associated protection and control works.

Alternative options considered include:

- Install an additional (third) 66/22kV 20/33 MVA transformer, connected into the existing No.2 22 kV bus alongside the existing No.2 transformer. This is a lower cost option, but does not provide for additional feeder exit connections which are required to supply the growing demand.
- Contract at least 10 MVA of network support via embedded generation.
- Contract for network support via demand management to reduce demand during risk periods.

9.7 Eltham Zone Substation REFCL installation

Eltham Zone Substation (ELM) is a tranche two REFCL nominated station, and AusNet Services is currently finalising its design scope for REFCL and associated asset replacement works to ensure that the station can withstand the higher phase-to-ground voltages that the un-faulted (healthy) phases are subjected to under fault conditions with the REFCL in service.

The REFCL is planned to be implemented by 2021, and includes the following key scope items:

- Install two new ground fault neutraliser (GFN) Arc Suppression Coil (ASC) units.
- Installing a new REFCL room to house the inverter, grid balancing unit and the new AC changeover system for the new GFN.
- Replace the existing station service transformers with two new 750 kVA kiosk type units.
- Install two new 22 kV switched neutral bus kiosks.
- Replace the existing outdoor 22 kV switchgear with new indoor 22 kV switchboards.
- Replace the existing capacitor bank with a REFCL compliant metal enclosed capacitor bank.
- Replace and install associated secondary and protection equipment.

The estimated capital cost for the REFCL implementation works is \$13.3 million.

To achieve and maintain REFCL compliance at ELM, AusNet Services in also planning to establish a new REFCL protected Diamond Creek Zone Substation (DCK) and transfer 22 kV feeders from ELM to DCK to reduce the network capacitance at ELM to within the station's REFCL capability.

9.8 Ferntree Gully Zone Substation REFCL installation

Ferntree Gully Zone Substation (FGY) is a tranche two REFCL nominated station, and AusNet Services is currently finalising its design scope for the REFCL installation and associated asset replacement works to ensure that the station can withstand the higher phase-to-ground voltages that the un-faulted (healthy) phases are subjected to under fault conditions with the REFCL in service.

The REFCL is planned to be implemented by 2021, and includes the following key scope items:

- Install two new ground fault neutraliser (GFN) Arc Suppression Coil (ASC) units.
- Installing a new GFN control room to house the inverters and associated protection and control
 equipment.
- Replace the existing station service transformers with two new 750 kVA kiosk type units.
- Replace the existing 10 MVA 1A and 1B 66/22 kV transformers with a single 20/33 MVA 66/22 kV transformer
- Replace the existing 22 kV surge arrestors at FGY, Upwey (UWY) and Sassafras (SFS).
- Install two new 22 kV switched neutral bus kiosks.
- Replace the two existing capacitor banks with new REFCL compliant units.
- Replace and install associated secondary and protection equipment.

The estimated capital cost for the REFCL implementation works is \$11.4 million.

To achieve and maintain REFCL compliance at FGY, AusNet Services in also planning to establish a new non-REFCL protected Rowville Zone Substation (RVE) and transfer underground 22 kV feeders from FGY to RVE to reduce the network capacitance at FGY to within the station's REFCL capability.

9.9 Kilmore South Zone Substation REFCL installation

In 2019, AusNet Services completed the REFCL implementation works at Kilmore South Zone Station (KMS).

Key works included:

- Install a new ground fault neutraliser (GFN) Arc Suppression Coil (ASC) unit.
- Replace the existing 22 kV capacitor bank with a REFCL compliant unit.
- Replace the existing station service transformers.
- Associated protection and secondary system upgrades.

9.10 Kinglake Zone Substation REFCL installation

AusNet Services has commenced a project to install REFCL technology at the Kinglake Zone Substation (KLK). KLK was established in the 1960s and supplies the township of Kinglake and surrounding areas. REFCL technology is being installed in KLK to reduce the likelihood of fire ignition as specified in section 13.5.3. In order to install the technology, some assets have been replaced. The total project cost is approximately \$11.2 million and alternative options were not considered as REFCL deployment is a requirement of regulations.

Key works included:

- Replace outdoor 22 kV circuit breakers with new indoor 22 kV switchgear.
- Replace one 66 kV circuit breaker.
- Land purchase and zone substation establishment/extension.
- Replacement of equipment not capable of 22 kV phase-to-ground.
- Associated protection and secondary system upgrades.
- Installation of the Ground Fault Neutraliser REFCL technology.

To achieve and maintain REFCL compliance at KLK, AusNet Services in also planning to install a remote REFCL on feeder KLK11. The remote REFCL will REFCL protect feeder KLK11 and reduce the network capacitance seen at the KLK 22 kV zone substation bus to within the existing zone substation REFCL's

capability. AusNet Services has been granted a time extension in relation to its REFCL compliance obligations at KLK and is continuing work to achieve compliance with the regulations.

9.11 Lilydale Zone Substation REFCL installation

Lilydale Zone Substation (LDL) is a tranche two REFCL nominated station, and AusNet Services is currently finalising its design scope for the REFCL installation and associated asset replacement works, to ensure that the station can withstand the higher phase-to-ground voltages that the un-faulted (healthy) phases are subjected to under fault conditions with the REFCL in service. The timing of some or all components of the rebuild may be altered to coincide with the REFCL works also being scoped for this station.

The REFCL is planned to be implemented by 2021, and includes the following key scope items:

- Install two new ground fault neutraliser (GFN) Arc Suppression Coil (ASC) units.
- Installing a new AC changeover board in the existing control room.
- Replace, or upgrade, the existing station service transformers with two new 750 kVA kiosk type units.
- Install two new 22 kV switched neutral bus kiosks.
- Install a new REFCL compliant capacitor bank, to ensure adequate voltage support when the 22 kV busses are split.
- Replace and install associated secondary and protection equipment.

The estimated capital cost for the REFCL implementation works is \$10.1 million.

9.12 Maffra Zone Substation rebuild

AusNet Services is planning to selectively retire and replace assets at the Maffra Zone Substation (MFA). MFA was established with two 10 MVA 66/22 kV transformers in 1960 and contains 66 kV minimum oil circuit breakers and oil filled current transformers that were installed when the station was built. A third transformer was installed in 1998. The condition of the two original transformers, and the circuit breakers and current transformers has deteriorated considerably and they now have an elevated risk of failure. These assets pose unacceptable safety, network security, environmental and plant damage risks from possible explosive failure and subsequent oil fires.

A project to address these issues is expected to be implemented by 2022, and includes the following key scope items:

- Replace outdoor minimum oil 66 kV circuit breakers with new outdoor 66 kV circuit breakers.
- Replace outdoor 66 kV current transformers with new 66 kV current transformers.

This project will address asset failure risks due to deteriorated electrical equipment. The total project is approximately \$11.5 million ±30%.

Alternative options considered include:

- Replace the two 10 MVA 66/22 kV transformers as well as the 66 kV equipment. This is much higher
 cost option and replacement of the existing C4 condition transformers is not currently economically
 justified.
- Replace the 66 kV outdoor switchgear with gas insulated switchgear, while maintaining the original 66/22 kV transformers. This is high cost option, due to the increased costs associated gas insulted switchgear, that would deliver less benefits than the proposed preferred option due to the remaining elevated failure risk associated with the two original transformers.
- Replace the 66 kV outdoor switchgear with new outdoor 66 kV switchgear, and replace one of the two
 original 66/22 kV transformers. This is a lower cost option than the proposed preferred solution, but also
 has lower benefits due to the remaining elevated failure risk associated with the one original transformer
 that would not be replaced.

9.13 Moe Zone Substation rebuild and REFCL installation

AusNet Services is planning to selectively retire and replace assets at the Moe Zone Substation (MOE). MOE was established in 1975 and contains 66 kV minimum oil circuit breakers and oil filled current transformers that were installed when the station was built. The condition of these circuit breakers and current transformers has further deteriorated and they now have an elevated risk of failure. These assets pose unacceptable safety, network security, environmental, and plant damage risks from possible explosive failure and subsequent oil fires.

A project to address these issues including the following key scope items is expected to be implemented by 2021:

- Replace outdoor minimum oil 66 kV circuit breakers with new outdoor 66 kV circuit breakers.
- Replace outdoor 66 kV current transformers with new 66 kV current transformers.

This project will address asset failure risks due to deteriorated electrical equipment. The total project cost is approximately \$7 million ±30%.

Alternative options considered have been:

- Staged replacement 66 kV and 22 kV switchgear only. This option may become the preferred option as integration with the implementation of REFCL technology (see section 13.5.3) is considered.
- Integrated replacement. This option is more expensive than the preferred option but the additional benefits do not justify the additional cost.
- Greenfield redevelopment. This option is also more expensive than the preferred option.
- Non network option of embedded generation and demand side response. MOE does not have any N-1
 energy at risk under 50% POE conditions based on the current demand forecast for the planning period
 from 2015 to 2024. The economic benefits of non-network options are hence limited over the planning
 period.
- Reinforcement of medium voltage network interconnections to other zone substations and installation of distribution feeder automation. This option is more expensive than the preferred option and does not address many of the risks.

In addition to the works proposed due to the elevated asset failure risks, MOE is a tranche two REFCL nominated station, and AusNet Services is currently scoping REFCL and associated asset replacement works to ensure that the station can withstand the higher phase-to-ground voltages that the un-faulted (healthy) phases are subjected to under fault conditions with the REFCL in service. The timing of some or all components of the rebuild may be altered to coincide with the REFCL works also being scoped for this station.

The REFCL is planned to be implemented by 2021, and includes the following key scope items:

- Install ground fault neutraliser (GFN) Arc Suppression Coil (ASC) units.
- Install two 22kV switched neutral bus kiosks.
- Install two new 750kVA kiosk type station service transformers.
- Install a new modular battery room.
- Re-configure the existing AIS 22 kV switchyard and feeders via the installation of a new building to house an indoor switchboard and REFCL associated protection, control, inverters and AC changeover units.
- Replace the existing No.1 capacitor bank with a new three-step 3.0 MVA REFCL compliant metal enclosed capacitor bank.
- Replace and install associated secondary and protection equipment.

The estimated capital cost for the REFCL implementation works is \$13.2 million.

9.14 Morwell Terminal Station 22 kV and Morwell Power Station 66/11/22 kV rebuild

In 2019, AusNet Services completed a project to retire assets at the Morwell Terminal Station 22 kV switchyard (MWT) and at the Morwell Power Station 66 kV/11kV/22 kV switchyard (MPS) and replace them with a new Morwell Zone Substation (MWL).

Key works included:

- Construct a new Morwell Zone Substation (MWL), on the site of the Morwell Terminal Station (MWT), with two 20/33 MVA transformers and three indoor 22 kV switchboards.
- Retire all 18 existing outdoor bulk oil 22 kV circuit breakers at Morwell Terminal Station and all three 66/11kV transformers, four 11/22 kV transformers and all twenty-five bulk oil 11 kV circuit breakers at Morwell Power Station. The retirements of all equipment at MPS was made possible by the closure of Morwell Power Station.
- Replace two 10 MVA 11/6.6kV transformers at the nearby Morwell East Zone Substation (MWE) with two new 10 MVA 22/6.6kV transformers. This work was required as MWE was previously supplied

directly from the MPS 11kV bus and had to be converted to 22 kV and supplied from MWL following the MPS retirement.

Associated protection and secondary system upgrades.

9.15 Myrtleford Zone Substation rebuild and REFCL installation

In 2019, AusNet Services completed the REFCL implementation and asset replacement works at Myrtleford Zone Station (MYT).

Key works included:

- Replace outdoor bulk oil 22 kV circuit breakers with new indoor 22 kV switchgear.
- Replace 66 kV circuit breakers.
- Associated protection and secondary system upgrades.
- Installation of the Ground Fault Neutraliser REFCL technology.

9.16 Newmerella Zone Substation rebuild

AusNet Services is planning to retire and replace assets at the Newmerella Zone Substation (NLA). NLA is a small remote zone substation containing two 5 MVA 66/22 kV transformers and a single outdoor 22 kV bus with outdoor 22 kV automatic circuit recloser (ACR) switches in place of traditional 22 kV circuit breaker switchgear. The condition of the two transformers and the 22 kV switchgear has deteriorated and they now have an elevated risk of failure. The assets pose unacceptable safety, network security, environmental and plant damage risks from possible explosive failure and subsequent oil fires and loss of supply.

A project to address these issues was planned for 2024, but has now been delayed to 2026 following more detailed assessment of the service level risk.

Key scope items include:

- Replace the two 66/22 kV transformers
- Replace outdoor 22 kV circuit breakers with a new indoor 22 kV switchboard.
- Replace the high voltage 66 kV transformer bushings.

This project will address the service level risk associated with the 66/22 kV transformers and 22 kV assets. The total project cost in 2018 real dollars is approximately \$12.9 million ±30%.

Alternative options considered include:

- Replace only the existing outdoor 22 kV switchgear with a new indoor 22 kV switchboard. This is lower
 cost option but doesn't address the service level risk associated with the poor transfer condition.
- Replace the 66/22 transformers, while maintaining the existing outdoor 22 kV switchgear. This is medium
 cost option, due to the transformer replacements, however the benefits are limited due to the remaining
 elevated failure risk associated with the existing outdoor 22 kV switchgear.

9.17 Ringwood North Zone Substation REFCL installation

Ringwood North Zone Substation (RWN) is a tranche two REFCL nominated station, and AusNet Services is currently finalising its design scope for REFCL and associated asset replacement works to ensure that the station can withstand the higher phase-to-ground voltages that the un-faulted (healthy) phases are subjected to under fault conditions with the REFCL in service.

The REFCL is planned to be implemented by 2021, and includes the following key scope items:

- Install a new ground fault neutraliser (GFN) Arc Suppression Coil (ASC) unit.
- Installing a new REFCL room to house the inverter, grid balancing unit and the new AC changeover system for the new GFN.
- Replace the existing station service transformers with two new 500 kVA kiosk type units.
- Install a new 22 kV switched neutral bus kiosk.
- Replace the existing capacitor bank with a REFCL compliant metal enclosed capacitor bank.
- Replace and install associated secondary and protection equipment.

The estimated capital cost for the REFCL implementation works is \$5.6 million.

9.18 Rubicon A Zone Substation REFCL installation

In 2019, AusNet Services completed the REFCL implementation works at Rubicon Zone Station (RubA).

Key works included:

- Install a new ground fault neutraliser (GFN) Arc Suppression Coil (ASC) unit.
- Replace the existing 22 kV capacitor bank with a REFCL compliant unit.
- Replace the existing station service transformers.
- Associated protection and secondary system upgrades.

9.19 Seymour Zone Substation rebuild and REFCL installation

In 2019, AusNet Services completed the REFCL implementation and asset replacement works at Seymour Zone Station (SMR).

Key works included:

- Replacement of outdoor bulk oil 66 kV circuit breakers with new 66 kV outdoor circuit breakers.
- Replacement of the 66/22 kV transformers with two new 20/33 MVA 66/22 kV transformers.
- Replacement of outdoor 22 kV circuit breakers and install new 22 kV indoor switchgear.
- Upgrade to the control room and station security fencing.
- Associated protection and secondary system upgrades.
- Installation of the Ground Fault Neutraliser REFCL technology.

9.20 Thomastown Zone Substation rebuild

AusNet Services is currently in the early stages of scoping a project to selectively retire and replace assets at the Thomastown Zone Substation (TT). TT was established in the early 1950s and contains 66 kV and 22 kV bulk oil circuit breakers that were installed when the station was built. The condition of these circuit breakers has deteriorated considerably and they now have an elevated risk of failure. These assets pose unacceptable safety, network security, environmental and plant damage risks from possible explosive failure and subsequent oil fires.

A project to address these issues, including the following key scope items, is expected to be implemented by 2021:

- Replace outdoor bulk oil 22 kV circuit breakers with three new indoor 22 kV switchboards.
- Replace outdoor bulk oil 66 kV circuit breakers with new outdoor 66 kV circuit breakers.
- Associated protection and secondary system upgrades.

This project will address asset failure risks due to deteriorated electrical equipment. The total project cost in 2017 real dollars is approximately $$16.2 \text{ million } \pm 30\%$.

9.21 Traralgon Zone Substation rebuild

AusNet Services is currently in the early stages of scoping a project to selectively retire and replace assets at the Traralgon Zone Substation (TGN). TGN was established with two 10/13.5 MVA 66/22 kV transformers, and contains outdoor 66 kV and 22 kV oil filled switchgear that was installed when the station was built. A 20/33 MVA transformer, in addition to the two original 10/13.5 MVA transformers, was installed in 2013. The condition of the two original transformers and the 66 kV and 22 kV assets has deteriorated considerably and they now have an elevated risk of failure. These assets pose unacceptable safety, network security, environmental and plant damage risks from possible explosive failure and subsequent oil fires.

A project to address these issues is expected to be implemented by 2023, and includes the following key scope items:

- Replace the two 10/13.5 MVA 66/22 kV transformers with a single 20/33 MVA 66/22 kV transformer.
- Replace two 66 kV minimum oil circuit breakers.
- Replace outdoor 22 kV switchgear with a new indoor 22 kV switchboard.
- Replace the high voltage 66 kV transformer bushings.

This project will address the asset failure risks due to deteriorated electrical equipment. The total project cost in 2018 real dollars is approximately \$9.5 million ±30%.

Alternative options considered include:

- Replace the 66 kV and 22 kV assets, while maintaining the existing transformers. This is a lower cost
 option than the proposed preferred solution, but results in lower net economic benefits due to the
 remaining elevated failure risk associated with the two 66/22 kV transformers.
- Replace only the 22 kV assets, while maintaining the existing 66 kV assets and transformers. This is a
 much lower cost option than the proposed preferred solution, but results in lower net economic benefits
 due to the remaining elevated failure risk associated with the 66 kV assets and the two 66/22 kV
 transformers.

9.22 Wangaratta Zone Substation REFCL installation

In 2019, AusNet Services completed the REFCL implementation works at Wangaratta Zone Station (WN).

The key works included:

- Replace outdoor 22 kV circuit breakers with new indoor 22 kV switchgear.
- Replace equipment not capable of 22 kV phase-to-ground.
- Associated protection and secondary system upgrades.
- Installation of the Ground Fault Neutraliser REFCL technology.

9.23 Warragul Zone Substation rebuild

AusNet Services is currently in the early stages of scoping a project to selectively retire and replace assets at the Warragul Zone Substation (WGL). WGL was established with two 10/13.5 MVA 66/22 kV transformers, and contains outdoor 66 kV and 22 kV oil filled switchgear that was installed when the station was built. A 20/33 MVA transformer, in addition to the two original 10/13.5 MVA transformers, was installed in 2013. The condition of the two original transformers and the 66 kV and 22 kV assets has deteriorated considerably and they now have an elevated risk of failure. These assets pose unacceptable safety, network security, environmental and plant damage risks from possible explosive failure and subsequent oil fires.

A project to address these issues is expected to be implemented by 2023, and includes the following key scope items:

- Replace the four 10 MVA 66/22 kV transformers with two 20/33 MVA 66/22 kV transformers.
- Replace the No.2 capacitor bank.
- Install two new 66 kV circuit breakers to complete a fully switched ring bus.

This project will address the asset failure risks due to deteriorated electrical equipment, and provide some additional capacity to supply the station load. The total project cost in 2018 real dollars is approximately \$13.7 million ±30%.

Alternative options considered include:

- Replace the four 10 MVA transformers, and the No.2 capacitor bank, with like-for-like assets. This is a
 high cost, due to the number of transformers to be installed, but delivers less benefits than the proposed
 preferred solution because four like-for-like transformers would provide a lower capacity than two 20/33
 MVA transformers.
- Replace the No.2 capacitor bank and the four 10 MVA transformers with two 20/33 MVA transformers.
 This is a medium cost option but delivers lower net benefits due to the lack of redundancy from not having a complete 66 kV ring bus.

9.24 Watsonia Zone Substation rebuild

AusNet Services is planning to selectively retire and replace assets at the Watsonia Zone Substation (WT). WT was established with two 66/22 kV transformers in the late 1950s, with a third transformer installed in 2010, and contains 22 kV bulk oil circuit breakers that were installed when the station was built. The condition of the two original transformers and the 22kV circuit breakers has deteriorated considerably and they now have an elevated risk of failure. The 22kV assets pose unacceptable safety, network security, environmental and plant damage risks from possible explosive failure and subsequent oil fires and loos of supply.

A project to address these issues, including the following key scope items, is expected to be implemented by 2023:

- Replace outdoor bulk oil 22 kV circuit breakers with new indoor 22 kV switchgear.
- Associated protection and secondary system upgrades.

Alternative options considered include:

Replace the two poor condition 66/22kV transformers and the 22 kV switchgear. This is higher cost
option that was previously proposed. However, following more detailed assessment of the service level
risk, replacement of the 66/22 kV transformers is not currently economic.

This project will address 22kV asset failure risks, but will carry the 66/22 kV transformer failure risk . The total project cost in 2018 real dollars is approximately \$15.3 million $\pm 30\%$.

9.25 Wodonga Terminal Station REFCL installation

The Wodonga Terminal Station (WOTS) 22 kV switchyard is a tranche two REFCL nominated station, and AusNet Services is currently finalising its design scope for the REFCL installation and associated asset replacement works, to ensure that the station can withstand the higher phase-to-ground voltages that the unfaulted (healthy) phases are subjected to under fault conditions with the REFCL in service.

The REFCL is planned to be implemented by 2021, and includes the following key scope items:

- Install two new ground fault neutraliser (GFN) Arc Suppression Coil (ASC) units.
- Replace the two 22 kV neutral earthing compensators and the neutral earthing reactor with REFCL compliant assets.
- Installing a new REFCL room to house the inverter and control equipment.
- Replace the existing station service transformers with two new 750 kVA kiosk type units.
- Install two new 22 kV switched neutral bus kiosks.
- Replace the existing capacitor bank with a REFCL compliant capacitor bank.
- Replace and install associated secondary and protection equipment.

The estimated capital cost for the REFCL implementation works is \$9.7 million.

To achieve and maintain REFCL compliance at WOTS, AusNet Services in also planning to establish a new REFCL protected Baranduda Zone Substation (BDA) and transfer underground 22 kV feeders from WOTS to BDA to reduce the network capacitance at WOTS to within the station's REFCL capability.

9.26 Woori Yallock Zone Substation REFCL installation

AusNet Services has commenced a project to install REFCL technology at the Woori Yallock Zone Substation (WYK). REFCL technology is being installed in WYK to reduce the likelihood of fire ignition as specified in section 13.5.3. In order to install the technology, some assets have been replaced. The total project cost is approximately \$4.8 million.

Key works include:

- Install a new ground fault neutraliser (GFN) Arc Suppression Coil (ASC) unit.
- Replace the existing 22 kV capacitor bank with a REFCL compliant unit.
- Replace the existing station service transformers.
- Associated protection and secondary system upgrades.

AusNet Services has been granted a time extension in relation to its REFCL compliance obligations at WLK and is continuing work to achieve compliance with the regulations.

9.27 Wonthaggi Zone Substation rebuild and REFCL installation

In 2019, AusNet Services completed a project to retire and replace deteriorated assets and install REFCL technology at the Wonthaggi Zone Substation (WGI).

Key works included:

- Replace outdoor bulk oil 22 kV circuit breakers with indoor 22 kV switchgear.
- Install two new bus tie 66 kV circuit breakers.

- Refurbish tap changer on No. 1 transformer and bushings and oil on No. 2 and No. 3 transformers.
- Replace existing 22 kV capacitor banks.
- Upgrade station security fencing.
- Associated protection and secondary system upgrades.

9.28 Yallourn Power Station 11 kV switchyard rebuild

AusNet Services is in the final stages of completing the retirement and replace of deteriorated assets at the Yallourn Power Station 11 kV switchyard (YPS11).

Key works include:

- Replace outdoor 11 kV circuit breakers with new indoor 11 kV switchgear.
- Retire the No.1 220/11 kV transformer.
- Replace the remaining poor condition 66/11 kV transformer with a new 66/11 kV 35 MVA unit.
- Replace existing 11 kV capacitor banks.
- Associated protection and secondary system upgrades.

9.29 Further REFCL installation and geographic footprint

The installation and application of REFCL technology at twenty-two of AusNet Services' zone substations was enacted in the Electricity Safety (Bushfire Mitigation) Amendment Regulations 2016, on 1 May 2016 by the Victorian Government. The Regulations are highly prescriptive and ambitious, detailing a seven-year implementation timeframe and performance standards that will be administered by Energy Safe Victoria (ESV).

The Bushfire Mitigation Regulations stipulate three tranches, with delivery due by May 2019, 2021 and 2023. AusNet Services is currently scoping projects to install REFCL technology at the specified zone substations (see section 13.5.3). In order to install the technology some assets will require replacement. For tranche two projects these items have been identified on a project basis in the sections above. While key scope items for the tranche two projects have been outlined, these are still subject to change as asset testing, detailed design and project construction progresses. Scopes and cost estimates for the tranche three stations are yet to be determined, but will be included in future DAPR publications.

The twenty-two REFCL zone substations include Kinglake (KLK), Woori Yallock (WYK), Kilmore South (KMS), Wangaratta (WN), Rubicon A (RUBA), Barnawartha (BWA), Seymour (SMR), Myrtleford (MYT), Wonthaggi (WGI), Benalla (BN), Ringwood North (RWN), Eltham (ELM), Ferntree Gully (FGY), Belgrave (BGE), Lilydale (LDL), Bairnsdale (BDL), Moe (MOE), Sale (SLE), Mansfield (MSD), Wodonga Terminal Station 22 kV switchyard (WOTS), Lang Lang (LLG), and Kalkallo (KLO).

The Electricity Distribution Code (Version 9A), amended in August 2018, requires AusNet Services to identify all areas affected under a 'REFCL condition' in its Distribution Annual Planning Report. Figures 23 and 24 below identify the geographic locations where a REFCL condition may be experienced.

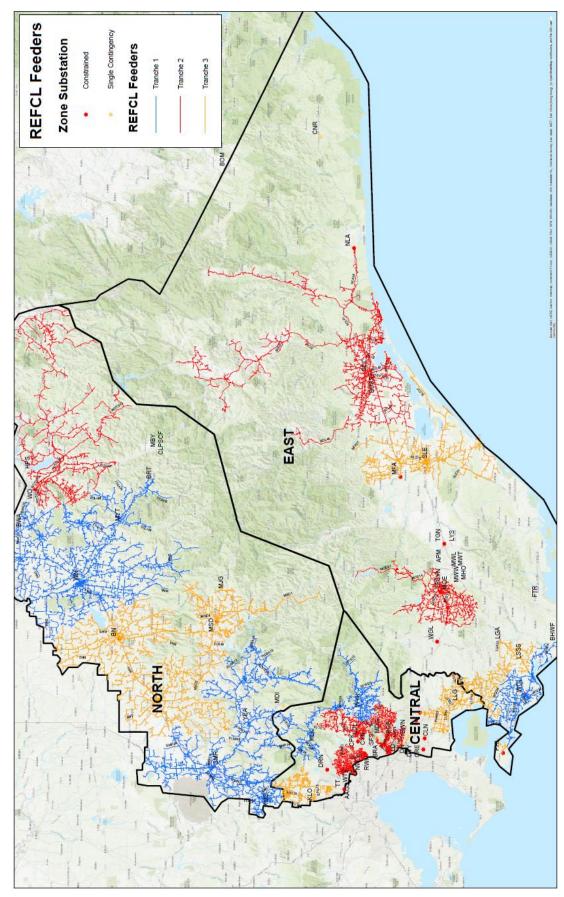


Figure 25. Feeders subject to a REFCL condition, by tranche (ref. Figure 27, REFCL Delivery Timetable).

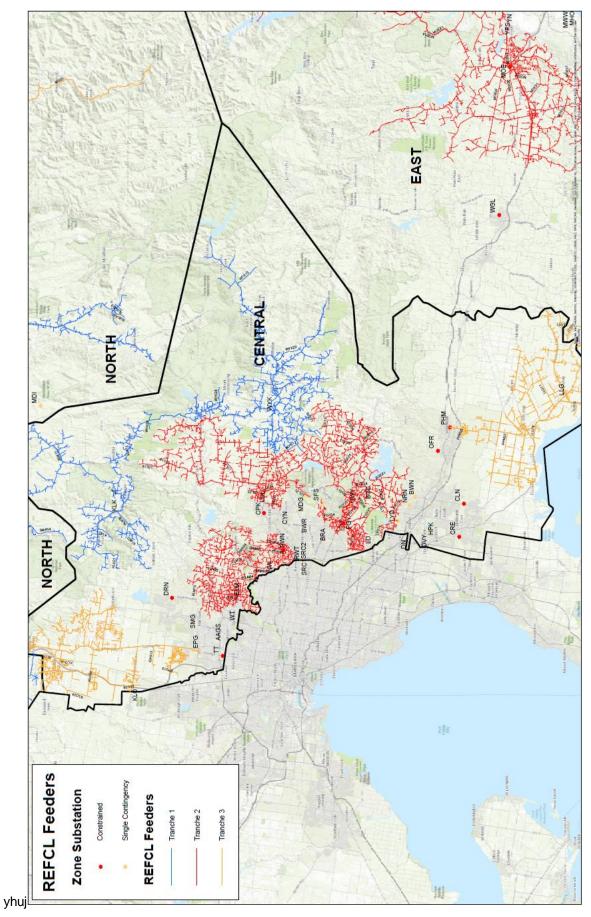


Figure 26. Feeders subject to a REFCL condition, by tranche - Central region focus

10 Joint planning with the Transmission Network Service Provider

In accordance with clause 5.14.1(a)(1) of the National Electricity Rules (NER), the Australian Energy Market Operator (AEMO) and the Victorian Distribution Network Service Providers (DNSPs) undertake joint planning to ensure the efficient development of the shared transmission and distribution networks and the transmission connection facilities. To formalise these arrangements, the parties have agreed a Memorandum of Understanding (MoU).

The MoU sets out a framework for cooperation and liaison between AEMO and the DNSPs with regard to the joint planning of the shared network and connection assets in Victoria. The MoU sets out the approach to be applied by AEMO and the DNSPs in the assessment of options to address limitations in a distribution network where one of the options consists of investment in dual function assets or transmission investment, including connection assets and the shared transmission network. Under the MoU, the DNSPs and AEMO have agreed that, subject to the thresholds set out in the Rules, joint planning projects should be assessed by applying the Regulatory Investment Test for Transmission (RIT-T). The DNSPs also liaise regularly with AusNet Services' Transmission Group, the majority owner of the Victorian transmission network, to coordinate their transmission connection augmentation plans with AusNet Services' Transmission Group's asset renewal and replacement plans.

Clause 5.13.2(d) of the National Electricity Rules stipulates that a Distribution Network Service Provider is not required to include in its Distribution Annual Planning Report information required in relation to transmission-distribution connection points if it is required to do so under jurisdictional electricity legislation (i.e. the Victorian Electricity Distribution Code clause 3.4¹⁸). The information for schedule 5.8 (h) regarding the results of any joint planning undertaken with the Transmission Network Service Provider (TNSP) has been included in the Transmission Connection Planning Report (TCPR) covering the period 2020-2029¹⁹ and to avoid duplication is generally not repeated in this report. As required under schedule 5.8 (h), the TCPR contains a summary of the process and methodology used, a brief description of investments that have been planned (including the estimated capital costs of the investment and an estimate of the timing), and references to where additional information may be obtained.

As explained in section 4.3.1, AusNet Services and United Energy have commenced a RIT-T in relation to the thermal loading on the Cranbourne Terminal Station 220/66 kV connection asset transformers. This is the only active joint planning work progressing at this time.

¹⁸ A copy of the Victorian Electricity Distribution Code can be viewed at the Victorian Essential Services Commission's website:https://www.esc.vic.gov.au/document/energy/36109-electricity-distribution-code-version-9-3/

¹⁹ A copy of the 2018 Transmission Connection Planning Report can be viewed at AusNet Services' website: http://www.ausnetservices.com.au/About+Us/Regulatory+Publications.html

11 Joint planning with other Distribution Network Service Providers

This section provides details required by Schedule 5.8 (i) covering projects which AusNet Services is developing under joint distributor arrangements that are expected to commence in the next five-year period to 2023.

11.1 Distribution Network Service Providers' Joint Planning Process

AusNet Services engages with neighbouring Distribution Businesses (DB) when required to plan for network upgrades where networks cross the boundaries between a neighbouring DB. AusNet Services has one 66 kV sub-transmission loop that is shared with United Energy and one 66 kV sub-transmission loop that is shared with Jemena. There are also some small sections of 22 kV feeders that provide energy to customer's in a neighbouring DB and vice versa.

11.2 Jointly planned projects

Excluding joint planning of transmission connection assets, which are discussed in the Transmission Connection Planning Report, AusNet Services currently has one joint distribution planning project underway, as described below.

11.2.1 Kalkallo and Coolaroo REFCL compliance

In 2019 AusNet Services and Jemena Electricity Networks engaged WSP to undertake an area planning study for the Kalkallo and Coolaroo distribution areas to determine the most economical solution to achieve compliance with the Electricity Safety (Bushfire Mitigation) Regulations 2013 and the Electricity Safety Amendment (Bushfire Mitigation Civil Penalties Scheme) Act 2017 (the Act) at Kalkallo Zone Substation (KLO) and Coolaroo Zone Substation (COO). These regulations require KLO and COO zone substations to be REFCL compliant by 1 May 2023 at the latest.

Joint planning was initiated because KLO is owned by AusNet Services and supplies three feeders that are owned by Jemena Electricity Networks. COO supplies the area adjacent to KLO and is owned by Jemena Electricity Networks. Both zone substations have significant underground distribution networks which cause the technical threshold of the REFCLs to be exceeded, requiring more than the relatively straightforward implementation of REFCLs at these zone substations to achieve and maintain compliance. Due to the interrelationship between these two zone substations, both businesses agreed to undertake joint planning to identify the most suitable option to meet compliance at both zone substations.

WSP was engaged to coordinate the joint planning process by leading discussions and consolidating data and options developed by AusNet Services and Jemena. With the data and options provided to them, WSP independently developed other potential options and undertook both qualitative and quantitative assessment of potential options to determine the proposed preferred solution.

The joint planning report was completed by WSP in December 2019, with the proposed preferred solution being to:

- Build a new REFCL protected Kalkallo North Zone Substation (KLN);
- Retain the existing KLO as a non-REFCL zone substation, by transferring overhead and fire risk network to KLN; and
- Installing two REFCLs at COO and transferring COO's underground 22 kV feeders to Somerton Zone Substation (ST).

This project is subject to the RIT-D and the proposed preferred solution relies on suitable exemptions from the regulations being granted. These works are proposed to be completed by 2023 at an estimated total cost of \$71.2 million, of which \$46.7 million is attributed to AusNet Services' related works.

11.3 Additional Information on Jointly Planned Projects

Additional information on the investments may be obtained by contacting the listed representatives in Appendix F: Contacts.

12 Performance of AusNet Services' Network

This section highlights the performance of AusNet Services' Distribution Network required under schedule 5.8 (j).

12.1 Reliability measures and standards in applicable regulatory instruments

The Distribution Use of System (DUoS) charges that AusNet Services levies to electricity retailers and some large customers are adjusted each year in accordance with price controls established by the Australian Energy Regulator (AER).

The Service Target Performance Incentive Scheme (STPIS) provides financial incentives for Distribution Network Service Providers (DNSP) to maintain and improve service performance. Performance targets are set based on historical performances of the individual DNSP; thus, providing financial rewards for DNSPs beating their targets and financial penalties for failing to meet targets.

The STPIS applying to AusNet Services has three components:

- A reliability of supply component (S-Factor) which adjusts the revenue that a DNSP earns depending on reliability of supply.
- A customer service performance component that provides an incentive for the time taken to answer telephone calls.
- A Guaranteed Service Level (GSL) component which sets threshold levels of service for DNSPs to achieve, and requires direct payments to customers who experience service worse than the predetermined level.

Table 31 shows the targets for the reliability of supply and customer service components of the scheme for the period 2016 to 2020 period.

Measure	Feeder Class	2016	2017	2018	2019	2020
Unplanned SAIDI	Urban	81.5390	81.2180	80.8970	80.5770	80.2560
	Rural Short	188.0490	187.5930	187.1380	186.6820	186.2260
	Rural Long	233.9770	233.3560	232.7360	232.1160	231.4960
Unplanned SAIFI	Urban	1.0990	1.0930	1.0880	1.0820	1.0770
	Rural Short	2.2910	2.2840	2.2760	2.2690	2.2610
	Rural Long	2.8290	2.8190	2.8100	2.8010	2.7920
Unplanned MAIFI	Urban	2.7960	2.7940	2.7920	2.7900	2.7880
	Rural Short	5.8250	5.8190	5.8140	5.8080	5.8030
	Rural Long	11.3740	11.3680	11.3620	11.3560	11.3500
Telephone answeri	ng parameter	80.3300	80.3300	80.3300	80.3300	80.3300

Table 31: 2016/2020 Final decision performance targets for SAIDI, SAIFI, MAIFI and the telephone answering parameter

Source: FINAL DECISION AusNet Services distribution determination 2016 to 2020. Attachment 11 – Service target performance incentive scheme, May 2016 p. 11-9.

Notes:

- USAIDI (Unplanned System Average Interruption Duration Index, or the average minutes a customer is off supply each year as a result of unplanned outages).
- USAIFI (Unplanned System Average Interruption Frequency Index, or the average number of times a customer is off supply each year as a result of unplanned outages).
- MAIFI (Momentary Average Interruption Frequency Index or the average number of times a customer is off supply for less than 1 minute each year).
- Call centre performance (the percentage of fault calls progressing to an operator that are answered within 30 seconds).

In its final determination for the 2016-2020 EDPR, the AER concluded that it is bound to apply the existing Victorian GSL scheme under Section 6 of the Electricity Distribution Code. The AER notes that while worst performing feeders are not specifically targeted by the STPIS, the worst served customers are compensated by the GSL scheme. Table 32 summarises the supply restoration and low reliability payments schemes applicable in the current (2016 to 2020) EDPR period.

Measure	Condition	Amount
Cumulative Duration	Where the customer experiences more than 20 hours of unplanned sustained interruptions per year; or	\$ 120
	Where the customer experiences more than 30 hours of unplanned sustained interruptions per year; or	\$ 180
	Where the customer experiences more than 60 hours of unplanned sustained interruptions per year;	\$ 360
Duration of Individual interruption	Where the customer is supplied by a CBD feeder or an Urban feeder and experiences an unplanned sustained interruption of more than 12 hours, and 20 hours or less of unplanned sustained interruptions in that year;	\$ 80
	Where the customer is supplied by a short rural feeder or an long rural feeder and experiences an unplanned sustained interruption of more than 18 hours, and 20 hours or less of unplanned sustained interruptions in that year;	\$ 80
Cumulative Number of Sustained Outages	Where the customer experiences more than 8 unplanned sustained interruptions per year; or	\$ 120
	Where the customer experiences more than 12 unplanned sustained interruptions per year; or	\$ 180
	Where the customer experiences more than 24 unplanned sustained interruptions per year	\$ 360
Cumulative Number of Momentary Outages	Where the customer experiences more than 24 momentary interruptions per year; or	\$ 30
	Where the customer experiences more than 36 momentary interruptions per year.	\$ 40

Table 32: GSL Supply Restoration and Low Reliability Payments – 2016 to 2020

Source: Electricity Distribution Code, April 2011, pp. 19-20.

12.1.1 Exclusion Criteria

Section 3.3 of the revised Electricity Distribution Network Service Providers – STPIS Nov 2018 outlines the exemption criteria applicable in the EDPR period 2016-2020. The same set of criteria is applicable to the EDPR period 2016-2020. Events that fall in any of the following conditions may be excluded in calculating the revenue increment or decrement as well as annual performance under the STPIS scheme. Examples include:

- Load shedding due to a generation shortfall.
- Automatic load shedding due to the operation of under frequency relays following the occurrence of a power system under-frequency condition.
- Load shedding at the direction of the Australian Energy Market Operator (AEMO) or a system operator.
- Load interruptions caused by a failure of the shared transmission network.
- Load interruptions caused by a failure of transmission connection assets except where the interruptions
 were due to inadequate planning of transmission connections and the DNSP is responsible for
 transmission connection planning.
- Load interruptions caused by a failure of transmission connection assets except where the interruptions were due to:
 - (a) actions, or inactions, of the DNSP that are inconsistent with good industry practice; or
 - (b) inadequate planning of transmission connections and the DNSP is responsible for transmission connection planning.
- Example: a DNSP omits to suppress back-up earth fault (BUEF) protection when undertaking network switching operation that results in momentary paralleling of supplies from two different terminal stations, where this is inconsistent with the standard practice.
 - Load interruptions caused by the exercise of any obligation, right or discretion imposed upon or provided for under jurisdictional electricity legislation or national electricity legislation applying to a DNSP.
 - Load interruptions caused or extended by a direction from state or federal emergency services, provided that a fault in, or the operation of, the network did not cause, in whole or part, the event giving rise to the direction.
 - An event may also be excluded where daily unplanned SAIDI for the DNSP's distribution network exceeds the major event day (MED) boundary.

In addition to the above set of criteria, the AER considers that avoidable supply interruptions due to the suppression of the auto-recloser system under an approved Electricity Safety Management Scheme would meet the exclusion criteria under clause 3.3(a)(7) of the STPIS. In order to ensure that there is no windfall gain resulting from excluding these supply interruptions, the AER has adjusted AusNet Services' MAIFI target down. These adjustments are detailed in Table 15.14 (page 722) of the 2011–15 regulatory control period – AER EDPR 2011-2015 Final Determination.

12.2 Performance against reliability measures and standards

Outlined in the subsections below is a summary of AusNet Services' performance against the measures and standards.

12.2.1 Network Performance – Reliability

Table 33 summarises the reliability performance of the electricity distribution network for the calendar year 2018. Total performances with and without exemptions are shown along with individual targets, which include exemptions, for each feeder category. USAIFI and MAIFI performances were favourable (with exemptions) while USAIDI was unfavourable.

			2018	
Measure	Feeder Class	Target	Total	After Removing Exclusions
Unplanned SAIDI	Urban	80.90	87.75	85.86
	Rural Short	187.14	239.92	222.21
	Rural Long	232.74	280.36	252.40
Unplanned SAIFI	Urban	1.09	1.03	0.97
	Rural Short	2.28	2.57	2.47
	Rural Long	2.81	3.00	2.83
Unplanned MAIFI	Urban	2.79	2.63	2.60
	Rural Short	5.81	6.06	5.95
	Rural Long	11.36	9.92	9.72

Table 33: Network Performance Summary 2018

The Electricity Distribution network calendar year 2018 USAIDI net performance was 167.50 minutes with total exemptions of 12.52 USAIDI minutes. Excluded in the year-end reliability performances (i.e. SAIDI, SAIFI, MAIFI) are customer interruptions affected by major storms in February, which exceeded the Major Event Day (MED) threshold for CY18 at 9.58 USAIDI minutes. Also excluded are the impact of two transmission incidents, one at Ringwood Terminal Station and one at Wodonga Terminal Station.

Some sustained outages during declared Total Fire Ban (TFB) days were also eligible for exclusion. These were outages from protective devices (i.e. Feeder CB, ACRs) where auto-reclose operation was suppressed and no credible cause ("unknown") were identified during line patrol. These exclusions are summarised in Table 34.

Event Description	Exclusion Criteria	Date	USAIDI, Minutes
Major Event Day – Storms	STPIS Exclusion 6.4(b)	14 February	9.93
Total Fire Ban (TFB) day	STPIS Exclusion 6.4(a)(7)	Various dates	2.07
Transmission events	STPIS Exclusion 6.4(a)(6)	Various dates	0.52
REFCL impact during tests	None		
Total			12.52

Table 34: Summary of exemptions 2017

Table 35 summarises the GSL performance for 2018. The total GSL amount for 2018 is 101% higher than 2017. The total number of customers eligible for GSL payments in 2018 is 61% higher than 2017. The significant increase in GSL amount and customers eligible for GSL payments was mainly due to more inclement weather conditions in 2018 than prior. CY18 experienced more moderate -sized storms compared CY17. On average, the daily maximum wind speed in CY18 was 4kph stronger than CY17 which resulted to 47% more number of days with max wind speed >50kph. The combined USAIDI minutes lost from vegetation and weather-related faults in CY18 was 44% higher year on year.

Measure	Supply Interruption Condition	Penalty Rate per Customer	Number of eligible customers	Amount
	>20 hrs.	\$120	11,377	\$1,365,240
	>30 hrs.	\$180	5,263	\$947,340
	>60 hrs.	\$360	720	\$259,200
Duration of Interruption	Urban feeder unplanned event - 18hr > D < 20hr	\$80	\$80	\$155,120
	Rural feeder unplanned event - 18hr > D < 20hr	\$80	362	\$28,960
Niverborof	> 8 interruptions	\$120	19,455	\$2,334,600
Number of Sustained	> 12 interruptions	\$180	4,290	\$772,200
Outages	> 24 interruptions	\$360	0	\$0
Number of	> 24 interruptions	\$30	11,269	\$338,070
Momentary Outages	> 36 interruptions	\$40	3,539	\$141,560
TOTAL			58,214	\$6,342,290

Table 35: Summary for Reliability of Supply GSL 2018

12.2.2 Low Reliability Feeders

AusNet Services' 2018 Annual Feeder Performance report identifies 139 distribution feeders in the Lower Reliability (LR) feeder category as shown in Table 36. An LR feeder is a feeder for which the average minutes off supply (for planned and unplanned interruptions) and/or frequency of momentary interruptions (for feeder and section levels) is above the thresholds specified in Table 37.

Fooder Class	Number of Low Reliability feeders (Calendar Year 2018)				
Feeder Class	SAIDI	MAIFI	Total (unique feeder)		
Urban	59	15	63		
Rural Short	51	21	55		
Rural Long	15	8	21		
Total >	125	44	139		

Table 36: Low reliability feeders by network type for CY18

Network Type	Average annual minutes off supply (SAIDI) for planned and unplanned interruptions	Momentary interruptions (MAIFI)
Urban	270	5
Rural Short	600	12
Rural Long	850	25

Table 37: Thresholds for low reliability feeders by network type

Notes:

 The LR thresholds originated from the 2006-2010 EDPR period. DNSPs were also required to provide reliability improvement plans for each LR feeder in the annual feeder performance report during that period. In the current (i.e. 2016-2020) EDPR period which covers CY18, the AER report template no longer requires LR feeders to be identified.

Overall there were 139 LR feeders in CY18, which is 17% higher year-on-year. In comparison to CY17 performance, CY18 had eighteen more feeders under the LR SAIDI measure and eight more feeders under the LR MAIFI measure.

12.3 Corrective Actions – Reliability

The following subsections detail corrective actions that have been taken in relation to reliability and quality of supply.

12.3.1 Corrective Action – Reliability

AusNet Services is focusing on improving the distribution network's reliability performance by systematically reviewing poorly performing segments and investing in technology that automatically reconfigures the affected network in order to minimise the number of customers affected by outages.

AusNet Services will continue to monitor the reliability performance and take appropriate actions to outperform the targets. These include installing additional switches, fuses, ACRs, vegetation management, animal proofing and protection coordination improvements.

12.3.2 Performance Evaluation Method

When evaluating reliability performance, it is important to use a methodology that employs statistical analysis of long run trends rather than a year-to-year or year-to-target comparison. This avoids implementing an investment strategy that reacts to recent events, rather than a predictive strategy focussed on closing the gap between current performance and future targets. Accordingly, AusNet Services:

- Normalises the impact of external factors, such as weather, on annual performance.
- Uses weighted five-year performance to identify underperforming circuits.
- Employs statistical mean and standard deviation to analyse the significance of variations in performance indicators.
- Internally reports daily reliability performance against targets, for both unplanned and planned outages.
- Conducts regular meeting between the reliability improvement team, to discuss improvement measures for current reliability issues.
- Closely monitors low reliability feeders.
- Participates in benchmarking study to identify the strengths and the weaknesses of regional areas when compared to best practice.
- Assesses in detail how the network performed during storm events to maintain trending data and determine opportunities future asset programs.
- Monitors repetitive faults in the network on a monthly basis to establish emerging problems.
- Monitors performance of distribution feeders for which new initiatives have been implemented to identify their effectiveness and if opportunities exist to extend these programs.

Undertakes analysis of any event that contributed 0.3 USAIDI or more and any large event that
contributed 2.0 USAIDI minutes or more, to determine improvement opportunities in terms of
AusNet Services' response to the outage events from both an operational and strategic perspective.

12.4 Quality of supply standards

The quality of supply standards that apply to Victorian DNSPs are stipulated in the Electricity Distribution Code (EDC) published by the Essential Services Commission (ESC), Victoria. The Electricity Distribution License issued by the ESC to AusNet Electricity Services Pty Ltd requires compliance with the EDC. The EDC provides standards and guidelines in relation to following quality of supply parameters.

AusNet Services' is committed to maintaining power supply quality within the limits specified in the above code and relevant standards. The following power quality parameters are discussed in this section:

- Voltage standards
- Power factor
- Harmonics
- Inductive interference
- Load balancing (Negative sequence voltage)
- Flicker

12.4.1 Voltage Standards

The Victorian Electricity Distribution Code specifies the voltage levels that must be maintained at the point of supply to the customer's electrical installation. These levels are;

- 230 V
- 400 V
- 460 V
- 6.6 kV
- 11 kV
- 22 kV
- 66 kV.

The Victorian Electricity Distribution Code (EDC) clause 4.2 specifies the Standard Voltage Variations limits at each voltage level. These levels are specified in Table 38 below.

Voltage	Voltage Range for Time Periods					
Level in kV	Steady	Less than	Less than	Impulse		
	State	1 minute	10 seconds	Voltage		
< 1.0	10%	14%	Phase to Earth +50%-100%	6 kV peak		
	-6%	-10%	Phase to Phase +20%-100%			
1-6.6	±6%	± 10 %	Phase to Earth +80%-100%	60 kV peak		
11	(± 10 %		Phase to Phase +20%-100%	95 kV peak		
22	Rural Areas)			150 kV peak		
66	± 10%	± 15%	Phase to Earth +50%-100%	325 kV peak		
			Phase to Phase +20%-100%			

Table 38: Standard Nominal Voltage Variations

As per the Version 9A (August 2018) of the EDC, the Phase to Earth voltage variations in Table 46 above does not apply during the period in which a REFCL condition is experienced on the distribution system (including when a REFCL condition arises from the commissioning and testing of a REFCL). Under these conditions the

Phase to Phase voltage variations in supply to that part of the 22kV distribution system experiencing the REFCL condition.

Voltage	PHASE TO PHASE NOMINAL VOLATGE VARIATIONS					
Level in kV	Steady	Steady Less than Less than Impulse				
	State	1 minute	10 seconds	Voltage		
22	± 6% (± 10% rural areas)	± 10%	Phase to Phase +20%-100%	150kV peak		

Table 39: Standard Nominal Voltage Variations

The Australian Standard AS 61000.3.100-2011 is also used as appropriate for assessment of steady state voltage limits. Electricity Safety (Bushfire Mitigation) Regulations 2013²⁰ introduced on 1 May 2016 require AusNet Services to install Rapid Earth Fault Current Limiter (REFCL) devices. These devices are to be deployed in high fire risk areas prior to 1 May 2023.

REFCLs reduce energy release in powerline earth faults (fallen wire, tree touching wire, etc.) by rapidly displacing network voltages to bring the voltage on the faulted conductor close to zero. On a 22kV network, REFCL response to an earth fault will very quickly reduce the voltage on the faulted conductor from around 12,700 volts to less than 250 volts. This displacement necessarily causes the phase-to-earth voltages on two un-faulted conductors to increases to 173% (i.e. the square root of three) of their pre-fault level.

12.4.2 Power Factor

The EDC clause 4.3 requires a customer to ensure that the customer's demand for reactive power does not exceed specified limits. These limits are shown in Table 40.

	Power Factor Range for Customer Maximum Demand and Voltage							
Supply Voltage in	Up to 100 kVA		Between 1	00-200 kVA	Over 2 MVA			
kV	Minimum Lagging	Minimum Leading	Minimum Lagging	Minimum Leading	Minimum Lagging	Minimum Leading		
<6.6	0.75	0.8	0.8	0.8	0.85	0.85		
6.6 11 22	0.8	0.8	0.85	0.85	0.9	0.9		
66	0.85	0.85	0.9	0.9	0.95	0.98		

Table 40: Power Factor Limits

A customer must use best endeavours to keep the power factor of its electrical installation within the relevant range set out in Table 40. AusNet Services' supply policy and connection agreements stipulate these requirements and therefore power factor limits are maintained at the majority of connection points. AusNet Services uses tariffs on reactive power for its large customers to incentivise compliance.

12.4.3 Harmonics

The EDC clause 4.4, requires the distributor to ensure that the harmonic levels in the voltage at point of common coupling (PCC) nearest to a customer's point of supply comply with the levels specified in Table 41.

²⁰ Electricity Safety (Bushfire Mitigation) Regulation 2013, Version 004, 05/01/2016

Voltage at PCC	Total Harmonics	Individual Voltage Harmonics			
	Distortion (THD)	Odd	Even		
<1 kV	5%	4%	2%		
>1 kV and ≤ 66 kV	3%	2%	1%		

Table 41: Voltage Harmonic Distortion Limits

Further, subject to clause 4.4.2, a distributor must comply with the IEEE Standard 519-1992 "Recommended practices and Requirements for Harmonic Control in Electrical Power Systems".

As per the existing EDC, a customer must keep the harmonic currents below the limits specified in Table 42 and otherwise comply at its nearest PCC with IEEE standard 519-1992 "Recommended practices and Requirements for Harmonic Control in Electrical Power Systems". The joint Australian/New Zealand Technical Report TR IEC 61000.3.6.2012 will also be used as appropriate for the allocation of voltage harmonic limits to disturbing loads or generators.

	Maximum Harmonics Current Distortion in Precent of I∟							
I _{sc} /I _L	I _{sc} /I _L Individual harmonics Order 'h' (Odd Harmonics)							
	<11	11≤h<17	17≤h<23 23≤h<35 35≤h			THD		
<20	4.0%	2.0%	1.5%	0.6%	0.3%	5.0%		
20<50	7.0%	3.5%	2.5%	1.0%	0.5%	8.0%		
50<100	10.0%	4.5%	4.0%	1.5%	0.7%	12.0%		
100<1000	12.0%	5.5%	5.0%	2.0%	1.0%	15.0%		
>1000	15.0%	7.0%	6.0%	2.5%	1.4%	20.0%		

Table 42: Current Harmonic Distortion Limits

Notes:

IL = Maximum Demand load current (Fundamental frequency component) at PCC

ISC = Maximum short-circuit current at PCC.

Even harmonics are limited to 25% of the odd harmonics.

AusNet Services maintains harmonic voltages within the limits of at the majority of its supply points. Harmonic voltages are known to have deviated from the allowable limits at several locations in the network. These instances were observed as a result of analysis of metered data and from customer enquiries. Where harmonic voltage is suspected to be outside limits, it is investigated and corrective measures are developed.

12.4.4 Inductive Interference

The EDC clause 4.5 requires the distributor to ensure that inductive interference caused by its distribution system is within the limits specified in AS/NZ 2344-1997.

AusNet Services' design standards avoid generation of radio frequency interference (RFI) or Television interference (TVI) on the network. This is mainly achieved by the use of type tested equipment and suitably designed components. In addition, routine cyclic inspections and maintenance procedures ensure that the network is maintained in a good condition to ensure RFI & TVI is not generated or limited to levels that will not affect customers.

12.4.5 Load Unbalance (Negative Sequence Voltages)

The EDC clause 4.6 requires the distributor to maintain negative sequence voltage at the PCC to a customer's three-phase electrical installation to a level at or less than 1%. The negative sequence voltage may vary above 1% of an applicable voltage level, but not beyond 2% for a total of 5 minutes in every 30-minute period. Although there have been no customer complaints due to negative sequence, AusNet Services' South

Gippsland network is experiencing negative sequence voltages outside the limits. This is further discussed in Section 12.6.

12.4.6 Flicker

The EDC clause 4.8 requires the distributor to maintain voltage fluctuation at the point of common coupling at a level no greater than the levels specified in AS/NZ 61000:3:5:1998 (the latest standard is SA/SNZ TS IEC 61000.3.5:2013) and AS/NZ 61000.3.7:2001 (superseded by the Technical Report TR IEC 61000.3.7:2012) as appropriate. Similarly, a customer must ensure that the customer's equipment does not cause voltage fluctuations at the PCC greater than the levels specified in AS/NZ 61000.3.5:1998 (SA/SNZ TS IEC 61000.3.5:2013) and AS/NZ 6100.3.7:2001 (superseded by the Technical Report TR IEC 61000.3.7:2012) as appropriate.

Appropriate flicker allowances are given to customers with disturbing loads prior to supply connection approval. These allowances are given based on the aforementioned Standards.

There has been no recent flicker related complaints.

12.5 Performance against quality of supply measures and standards

Outlined in the subsections below is a summary of AusNet Services' performance against the measures and standards.

12.5.1 Network Performance – Quality of Supply

As per the EDC clause 4.2.6, AusNet Services monitors and records steady state voltages and voltage variations. The recorded quality of supply performance is reported to the Australian Energy Regulator which publishes it in the form of the 'Victorian Electricity Distribution Businesses – Comparative Performance Report'²¹. Other quality of supply issues are dealt with on an as needs basis according to the EDC Clause 9.1.5. Further information on how AusNet Services manages Quality of Supply issues can be found in section 12.6. Table 43 shows the network quality of supply performance statistics, by calendar year, from 2015 to 2018.

Quality of Supply - Voltage Variation	2018	2017	2016	2015
Voltage variations - steady state (zone sub)	1,298	663	944	591
Voltage variations - one minute (zone sub)	3,320	327	491	0
Voltage variations - 10 seconds (zone sub) Min<0.7	1,069	619	1,333	978
Voltage variations - 10 seconds (zone sub) Min<0.8	1,598	901	2,195	1,470
Voltage variations - 10 seconds (zone sub) Min<0.9	4,046	1,953	4,745	3,169
Voltage variations - steady state (feeder)	10,961	15,389	3,644	4,826
Voltage variations - % zone subs monitored	93%	100%	93%	58%
Voltage variations - % feeders monitored	81%	100%	55%	42%

Table 43: Summary of Voltage Variations for Calendar Years 2015-2018

Since 2016, AusNet Services have been installing new and replacement feeder extremity meters to address existing issues as mentioned above. Installations where completed in mid-2017 which has brought up the percent coverage and data quality from zone substation and feeder extremity meters. In the same year, AusNet

²¹ A copy of the report can be found at the Australian Energy Regulator's website: http://www.aer.gov.au/node/483

Services completed the \$1.4m project that saw the upgrade of old ION Enterprise software into Power Monitoring Expert (PME) and the automation of ION and EDMI data into PME. Automated regulatory and business reports were also delivered along with the establishment of service level agreements (SLA) to ensure both data and PME system are maintained.

Quality if supply monitoring is becoming increasingly important given the technology shift occurring in the industry, and the corrective action taken or planned to maintain quality of supply within the EDC limits are described in the following sections.

12.6 Corrective Action – Quality of Supply

At a high level, AusNet Services' aims to maintain sub-transmission network voltages (66 kV) within the code limits utilising the methods described below:

- Terminal Station transformer on load tap change (OLTC)
- Terminal Station reactive support
- Line voltage regulators (66 kV)
- Establishing optimum 66 kV voltage set points at each terminal station.
- AusNet Services' the terminal station secondary (i.e. 66 kV) bus voltages were reviewed during 2015 and
 the setting points were informed to the AEMO as part of the annual reporting requirement. There were no
 changes from the previous year at the eleven connection points.

At a high level, AusNet Services' aims to maintain distribution feeder voltages (22 kV) within the code limits utilising the methods described below:

- Zone Substations on load tap change (OLTC)
 - Zone substations reactive support
 - Line voltage regulators (22 kV)
 - Pole mounted 22 kV capacitor banks (typically 900 kVAr at a location)
 - Establishing optimum 22 kV voltage set points at each zone substation.
- Distribution feeder voltages are reviewed on an ongoing basis and where necessary adjustments are
 made to existing line voltage regulators, feeder configurations, capacitors and zone substation voltage
 set points. The secondary bus voltages (i.e. 22 kV) at a number of zone substations were lowered during
 the year to cater for increased penetration of solar photovoltaic arrays. AusNet Services' utilises voltage
 profiles captured by AMI meters to implement optimum distribution feeder voltages.
- AusNet Services' low voltage network voltages (230/400 V) are maintained within the code limits utilising the methods described below.
- Distribution transformer off-loads tap change
 - Upgrading or constructing new distribution substations
 - Load balancing
 - Low Voltage line augmentation

12.6.1 Voltage compliance corrective action

With the increased penetration of distributed generation, such as solar PV, increasing network voltages and voltage operating bands, AusNet Services has increased its voltage monitoring capabilities, utilising AMI data, and developed proactive programs to improve voltage compliance and distributed energy resources (DER) integration. The voltage monitoring tool and the three key voltage management and DER integration programs are outlined in the following sections

Utilisation of AMI data in voltage compliance monitoring and corrective action

In addition to the above traditional methods, AusNet Services has developed a tool, known as Explore, that uses AMI data and network analytics to monitor the level of voltage compliance within AusNet Services' distribution network. Explore provides an up-to-date view of the level of voltage compliance and stores historical data to give a view of how voltage compliance has changed over time.

The target for 'functional compliance' to the Australian Standard, AS 61000.3.100, is to have less than 5% of customers experiencing voltages outside the 216-253 Volts target range on the low voltage network.

Figure 27 shows how the level of voltage compliance improved between December 2014 and October 2019, with overvoltage (high breach) non-compliance reducing from approximately 30% to 10%. It also shows that compliance with the undervoltage (low breach) limits has been mostly maintained. The straight line between late-2015 and late-2016 is due to data that is still to be back-populated in the Explore analytics tool.

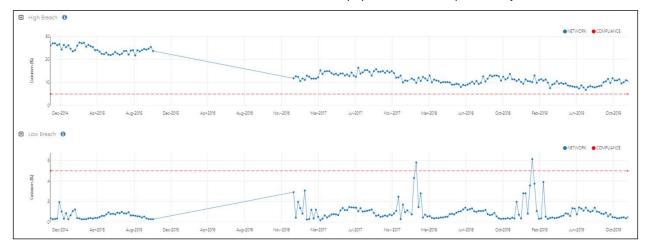


Figure 27: Improvement in voltage compliance

The improvement in voltage compliance seen in Figure 27 is primarily due to voltage regulator setting changes that have been actively made to improve voltage levels. Many of the regulators were changed from line-drop compensation to uncompensated settings. These setting changes have been made gradually since 2014 to improve voltage levels and allow better integration of embedded generation such as residential solar PV.

Customer supply compliance program

This is a reactive program that addresses quality of supply issues identified by customers within AusNet Services' electricity distribution network. It focuses on taking immediate corrective actions in response to customer complaints.

Where customer issues can be resolved by adjusting transformer tap settings or phase balancing, these are allocated to the appropriate operational cost code and are not included in this program.

The typical work undertaken under this program includes:

- Upgrading distribution transformers
- Rearranging the network to distribute customers evenly
- Reducing circuit loading by upgrading, or splitting circuits
- Splitting LV networks by installing new distribution substations

Steady state voltage compliance program

This a proactive forward-looking investment plan to manage the existing and emerging voltage constraints in AusNet Services' 22 kV and low voltage distribution network.

AusNet Services has developed an economic approach to valuing the impact of overvoltage on solar generation. This approach uses outputs from AusNet Services' Substation Health tool (part of the Explore tool) and future voltage compliance assessment, which classifies potential solutions to the existing and future voltage non-compliance issues at a distribution substation level.

The approach estimates the cost of solar generation that is constrained due to voltage non-compliance issues, and compares this to the cost of augmentation options that will enable that solar generation to be unconstrained or less constrained.

The following is a summary of the approach:

- A solar forecast with a moderate uptake is applied to each non-compliant distribution substation to determine the expected exported energy to the distribution network.
- The expected exported energy is valued using the minimum feed-in tariff (FiT).

- The network topology is extracted from AusNet Services' geo-spatial system, SDMe, to determine where
 in the network the constrained substations are positioned and the critical equipment likely to be causing
 the voltage non-compliance, i.e. zone substation, line voltage regulator, distribution substation etc.
- The expected exported energy is aggregated to the equipment that has been identified as causing the
 voltage non-compliance issues. This is the value of constrained expected exported energy due to voltage
 non-compliance and forms the value of unserved generation.
- The constrained expected exported energy per annum is used to calculate the benefits of potential network and non-network solutions.
- A net present value (NPV) assessment is made to determine the highest NPV option. A potential solution
 is justified when the value of estimated enabled export of previously constrained generation exceeds the
 cost of the augmentation that allows that generation.
- The justified NPV option with the largest net benefit is then included into our network development plans

The proposed program expenditure is derived from an assessment approach that aims to maximise the net economic benefit to customers by augmenting the network to enable increased export of solar PV generation. The economic assessment observes actual customer voltage performance and values the unserved generation of rooftop-solar due to voltage constraints using the feed-in-tariff (FiT).

In identifying the proposed preferred program to improve steady state voltage compliance, AusNet Services considered four alternative options:

- Option 1 Do nothing
- Option 2 Only address existing voltage issues
- Option 3 Address both existing and future voltage issues
- Option 4 Aiming for zero constraints

Options 2 and 3 following the economic approach. Option 4 applies a similar approach to Options 2 and 3, considering multiple solutions to remove constraints in the low voltage and the 22 kV network to allow for zero constraints, however the preferred solution does not necessarily deliver the most positive net benefit to all customers. Instead it is focussed on delivering the largest generation export possible, regardless of net benefit.

AusNet Services' proposed preferred solution is Option 3, at a cost of \$38 million (\$2018) over the 2022-26 EDPR period, which represents a prudent and efficient network augmentation investment to address voltage constraints.

Applying a discount rate of 6.44% per annum, this proposed program option has a net economic benefit of \$453 million (Real \$2018) over the forty-five-year assessment period. It will improve the voltage performance of approximately 228,000 customers and will increase presently constrained generation export by 70% over the 2022-26 period.

DER Integration technology program

This program addresses the requirements of the technology platform to enable better visualisation, optimisation and orchestration of DER.

Traditionally the most modelling of the network has occurred at higher voltage levels, with little to no analysis being done on the LV network. Uptake of DER and bi-directional flows places an emphasis on the LV network to understand its impact on the upstream network as customers produce and consume electricity.

At AusNet Services, the power-flow models of the network are currently derived from the geo-spatial system, SDMe, and fed into a power-flow engine, namely Siemens PSS Sincal. Only the 22 kV network data is extracted into the Sincal platform with load data approximated by a manual process involving SCADA measurements and AMI data.

AusNet Services have identified significant limitations in the current modelling process:

- Lack of usable data for the LV section of the network.
- Lack of automation and incorporation of times-series AMI and SCADA data as inputs to the model

A fully functional HV to LV model will enable AusNet Services to better plan, integrate and manage the impact of DER allowing 'what if' scenario analysis.

In the current regulatory period, AusNet Services has carried out a trial on 22kV feeder HPK21 to test the HV to LV modelling concept. AusNet Services plans to extend its learnings from this trial in the next regulatory period.

The technology program also includes activities on establishment of the foundation required for a future ready forecasting model and DENOP.

The investments proposed in this program of work comprise of the following activities:

- Future Ready Forecasting Model Enhancement of current Demand Forecasting model, including automation, additional data inputs and inclusion of DER uptake forecast
- HV LV Modelling Development of the foundation for a HV to LV network load flow model and analytical
 capability for entire network to enable better planning. This includes the extension of HPK21 trial in
 current regulatory period, using PSS Sincal.
- GIS Network Data Quality Improvements Work to improve the quality of data in the GIS, to overcome current limitations of SDMe. This will feed into the HV to LV Model.
- Spatial Application Rationalisation Work to rationalise existing SAMS and SAMS OPS spatial
 applications into the SDMe Network Viewer, and repoint downstream interfaces from SAMS and SAMS
 OPS to SDMe or the Data Lake
- Demand Response Management Enablement Productionise demand response incentives for residential and DER customers, including payment structures and innovative tariff options.
- Distributed Energy Resource Control/Optimisation (DENOP) Work to expand and productionise the DENOP platform under trial in the current period
- P2P trading Activities to facilitate AusNet Services providing meter data to third party trading platforms.
 This investment includes funding to enable manual data transfer to and from retailers, with data collected and sent via email.

Other power quality related issues are discussed below and how they are maintained within the code limits.

12.6.2 Power Factor

Customer connection agreement stipulates the power factor requirement as per the EDC.

12.6.3 Harmonics

Investigations are carried out where harmonics have deviated from the limits and corrective actions will be instigated where necessary. The zone substation power quality meters (PQM) provide voltage harmonics data. This information shows that voltage harmonics are generally within the code limits except at few zone substations. It should be noted here that some PQM have failed to communicate resulting in loss of data. This issue is being investigated and expected to be resolved during the course of the year. There were no customer complaints due to harmonics interference during 2017.

12.6.4 Inductive interference

By design the generation of radio or TV interference on the network is avoided. This is mainly achieved by the use of type tested equipment and suitably designed components. In addition, routine cyclic inspections and maintenance procedures ensure that the network is maintained in a good condition to ensure RFI & TVI is not generated or limited to levels not affecting the customers. There were no customer complaints due to inductive interference during 2017.

12.6.5 Negative Sequence Voltage

The South Gippsland network has experienced negative sequence voltage issues for some time (ref. Section 4.5.4). AusNet Services has attempted to bring this within code by initiating a number of projects. This includes transposing 66 kV sub-transmission lines at strategic locations. However, due to the onerous nature of the EDC limits, it is not economical to bring the negative sequence within limits. There were no customer complaints due to negative sequence voltage interference during 2018.

12.6.6 Monitoring Quality of Supply

In previous years AusNet Services' fleet of power quality monitors have not been providing sufficient data to meet all of the EDC clause 4.2.6 requirements. In 2017 AusNet Services initiated a project to improve this situation. The scope of the project included upgrading power quality monitoring software, establishing

Ethernet/fibre communication to all Zone Substation PQ meters, establishing communication to all Feeder Extremity meters and an automated process for developing Compliance and Business reports.

This project was successfully completed in early 2018. As a result, PQ data is captured from dedicated PQ meters to meet the compliance as per the above clause.

AusNet Services is still continuing trialling a new PQ meter to be used for Feeder Extremities PQ measurements replacing the current EDMI fleet.

12.7 Processes to ensure compliance with the measures and standards

AusNet Services strives to ensure compliance with the measures and standards for reliability and quality of supply. The processes AusNet Services has in place are described in this section.

12.7.1 Processes for compliance – Reliability

AusNet Services monitors its network reliability against the targets set by the AER in the EDPR for the period 2011-2015. Distribution network investments are undertaken to improve network reliability using the STPIS incentive mechanism. The reliability focus investments include:

- Distribution feeder sectionalising by installing Automatic Circuit Reclosers (ACR) and Automatable Gas Switches (GS).
- Implementing Distribution Feeder Automation (DFA).
- Automating kiosks substations to implement DFA in underground reticulation networks.
- Installing Animal Proofing Insulation in particular on distribution pole substations.
- Following an 'S' Factor centred asset management program i.e. focus on key feeder sections to increase reliability and improve DFA opportunities.
- Installing Fuse-savers to minimise fuse operations due to transient events.
- In AusNet Services reliability improvements is a continuous process. Apart from the specific programs targeting network locations where investments are needed to improve reliability, the ongoing maintenance, inspections and replacement of deteriorated assets will also contribute to improving network performance. The reliability maintenance strategy is discussed in Section 13.3.

12.7.2 Processes for compliance – Quality of Supply

AusNet Services monitors quality of supply utilising power quality monitors permanently installed at zone substations and feeder extremities as outlined previously. In addition to these power quality measurements, measurements using portable devices are undertaken to investigate customer complaints on power quality. These unforeseen reactive actions are necessary due to changes in the customer load profile or unexpected localised network loading issues. The actions taken to resolve power quality issues include:

- Distribution feeder upgrades, new feeders or feeder reconfiguration.
 - Distribution substation upgrades or installing new substations.
 - Low Voltage network upgrades, new LV lines or fuse upgrades.
 - SWER network augmentations including upgrading or providing new isolating transformers.

12.8 Service Target Performance Incentive Scheme Information from the EDPR

Table 44 and Table 45 outline the information on the Service Target Performance Incentive Scheme (STPIS) contained in AusNet Services' most recent submission to the AER which was for the 2016-2020 Electricity Distribution Price Review (EDPR) period.

12.8.1 AER's Preliminary Decision on STPIS 2016-2020 Electricity Distribution Price Review (EDPR)

AusNet Services Proposal	AER Preliminary Decision				
(11.6.1) Cap on revenue at risk of ±5%	Cap on revenue at risk of ±5%				
(11.6.2) MED Threshold beta of 2.8	MED threshold beta of 2.8				
(11.6.3) Propose to modify historical averages because of the application of a lower VCR for capex planning purposes	The AER does not accept AusNet Services' proposal. AusNet Services' performance targets will be based on its five years historical average.				
(11.8) Exclusion of supply interruptions due to Demand Management Incentive Schemes (DMIS)	Supply interruptions due to DMIS will not be excluded				

Table 44: AusNet Services' 2016-2020 EDPR Submission

.Measure	Feeder Class	2016	2017	2018	2019	2020
Unplanned SAIDI	Urban	81.5390	81.2180	80.8970	80.5770	80.2560
	Rural Short	188.0490	187.5930	187.1380	186.6820	186.2260
	Rural Long	233.9770	233.3560	232.7360	232.1160	231.4960
Unplanned SAIFI	Urban	1.0990	1.0930	1.0880	1.0820	1.0770
	Rural Short	2.2910	2.2840	2.2760	2.2690	2.2610
	Rural Long	2.8290	2.8190	2.8100	2.8010	2.7920
Unplanned MAIFI	Urban	2.7960	2.7940	2.7920	2.7900	2.7880
	Rural Short	5.8250	5.8190	5.8140	5.8080	5.8030
	Rural Long	11.3740	11.3680	11.3620	11.3560	11.3500
Telephone answering parameter		80.3300	80.3300	80.3300	80.3300	80.3300

Table 45: Performance targets for SAIDI, SAIFI, MAIFI, telephone answering parameter, and GSL: 2016-2020.

13 Asset Management

This section provides information on AusNet Services' asset management approach. This includes a summary of AusNet Services' asset management system and how distribution losses are addressed.

13.1 Asset Management System

Until April 2014, AusNet Services' asset management system conformed to the requirements of the British Standards Institute's Publicly Available Specification PAS 55-1:2008 for Asset Management.

In 2014, the Asset Management System was certified to the requirements of ISO 55001 Asset Management and was recertified in 2017.

Compliance with ISO 55001 requires the demonstration of robust and transparent asset management policies, processes, procedures, practices and a sustainable performance framework. Accreditation is recognised as an indicator of good practice in asset management.

Effective and efficient asset management enables an organisation to achieve its objectives. It provides the framework to facilitate the development of strategies and works programs to ensure the objectives are achieved consistently and sustainably over time.

13.2 Scope of the Asset Management System

The scope of the asset management system includes all assets providing network services to customers as identified in the Electricity Distribution Licence issued to AusNet Electricity Services Pty Ltd by the Essential Services Commission.

More specifically this includes:

- Sub-transmission and distribution lines, power cables and associated easements and access tracks;
- Distribution zone substations, switching stations, communication stations and depots including associated electrical plant, buildings and civil infrastructure;
- Protection, control, metering and communications equipment;
- Related functions and facilities such as spares, maintenance and test equipment; and
- Asset management processes and systems such as System Control and Data Acquisition (SCADA) and the Enterprise Asset Management system, SAP.

13.3 Asset Management Framework

Consistent with ISO 55001 requirements, the AusNet Services asset management system contains an asset management policy statement, strategic asset management plan, asset management objectives and a detailed suite of integrated asset management strategies and the annual production of a five-year asset management plan.

The asset management process is informed by an assessment of the external business environment and the corporate business and financial plans. It responds to stakeholder engagement which incorporates customer, generator, regulator, shareholder and government views in the development of asset management strategies.

The Asset Management Policy acknowledges the company's purpose and directs the content and implementation of asset management strategies, objectives and plans for the energy delivery networks.

The interrelationship between the policy and related key planning documents is illustrated in Figure 28.

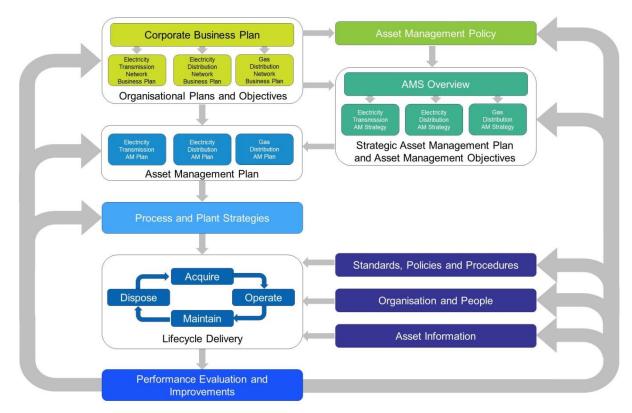


Figure 28: Asset Management Framework

13.4 Asset Management Methodology

AusNet Services is focused on delivering optimal distribution network performance at efficient costs. Except in the case where outputs are mandated, this requires an explicit cost benefit analysis to be undertaken in order to assess whether the overall economic value of expenditure is positive.

In doing this, AusNet Services assesses the incremental costs of delivering an incremental change in network performance to customers, relative to the incremental benefits accruing to customers from the delivery of that enhanced network performance.

The asset strategy ensures that all decisions to augment, replace, or maintain network assets are justified on economic grounds. The benefits are a function of the explicit customer value proposition, or proxy via the adoption of minimum performance standards, which are stipulated in legislation or other statutory or regulatory instruments.

The various drivers that are brought to bear when undertaking AusNet Services' Cost Benefit Analysis are summarised in Figure 29.

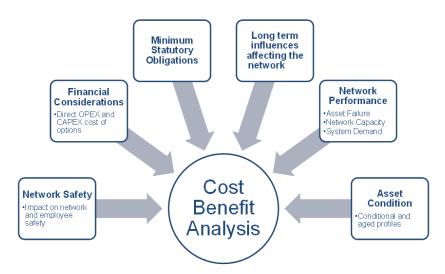


Figure 29 - Cost Benefit Analysis Drivers

An annual review of the various drivers and the outcome of cost benefit analysis is developed in the form of an Asset Management Plan. This plan provides a five-year view of the key issues and risks affecting the network and details the expenditure program.

13.5 Key Asset Management Strategies

A list of the current Asset Management strategies for the electricity distribution network is attached in Asset Management Strategy Reference. Appendix C: Asset Management Strategy Reference.

In the current low demand growth environment, the key strategies affecting the forward works program are the Enhanced Network Safety Strategy and the individual plant strategies. Additionally, AusNet Services is required to deliver Rapid Earth Fault Current Limiting (REFCL) technology.

The Enhanced Network Safety Strategy describes opportunities to develop and implement network asset management initiatives and programs that continuously reduce network related health and safety risks 'as far as practicable' (AFAP) for customers, public and personnel, in line with the requirements of the Electricity Safety Act 1998. This incorporates AusNet Services' aspiration to reduce serious incidents through successive regulatory periods.

The individual plant strategies describe how AusNet Services intends to focus on stabilising failure trends and risk trends. In particular, the emphasis is on stabilising equipment failure trends over time by matching replacement rates to the deterioration rate of those assets nearing the end of their effective service life.

Consistent with amendments to the Electricity Safety (Bushfire Mitigation) Regulations 2013²², introduced on 1 May 2016, AusNet Services is developing and implementing REFCL technology in 22 nominated zone substations by 1 May 2023.

13.5.1 Enhanced Network Safety Strategy

The Enhanced Network Safety Strategy describes the safety related risks apparent on the network and the program of economically justified work that is intended to meet the regulatory obligation to reduce risk AFAP.

The key risks arise through asset failures resulting in the risk of electrical shock and fire ignition. The risk of ground fires which occur in densely populated, heavily vegetated areas in extreme weather conditions is of particular significance as there are major consequences that can result from these fires.

Modelling of the risks associated with the failure of some classes of assets such as cross-arms, poles and conductor has been completed using a fire loss consequence model. This model assists in identifying the economic volume of asset replacements and the location of the assets which present the greatest risk.

Several programs of work arise from the analysis and modelling.

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²² Electricity Safety (Bushfire Mitigation) Regulations 2013, Version 004, 05/01/2016

These programs result in one of the following actions:

- Replacement of deteriorated assets in specific areas (in some cases the consequence of asset failure is
 so great that the replacement of an asset is 'brought forward' so that the asset does not reach a state of
 advanced deterioration before it fails); and
- Programs to prevent external factors impacting the network such as fitting animal and bird proofing to complex high voltage overhead structures in order to reduce the risk of fire ignition due to animal and bird impact.

13.5.2 Plant Strategies

Failure mode, effects and criticality analysis (FMECA) is used to identify the root causes of network unreliability and the effects of asset failure. This analysis is used to inform the strategies applied to specific classes of assets. The focus is to stabilise failure and risk trends over time by intervention including maintenance, refurbishment or renewal of assets.

Assets are typically divided into:

- High-volume, low-value assets; and
- Low-volume, high-value assets.

Condition-based replacement triggered by inspection programs is the fundamental strategy used to manage the majority of high-volume, low-value assets.

Lines assets including poles, crossarms and conductors are inspected on a regular cycle that meets the obligations imposed by Energy Safe Victoria (ESV) through the Electricity Safety (Bushfire Mitigation) Regulations 2013.

The fundamental strategy underpinning the management of low-volume, high-value assets is risk-based replacement aimed at maintaining the risk of failure.

Probabilities of failure are determined for each asset based on its assessed condition. Asset condition is determined by inspection, testing and condition monitoring using an array of techniques. For example, zone substation assets are inspected and tested on a regular cycle, including tests such as oil condition analysis.

The probabilities of failure are combined with the potential consequences of failure to quantify the risk of asset failure.

The main programs that arise from the strategy to maintain network reliability are:

- Timber pole replacement and reinforcement;
- Timber crossarm replacement (high voltage timber crossarms are replaced with steel crossarms);
- Replacement of deteriorated overhead conductor, particularly steel and copper conductor;
- Replacement of zone substation equipment including transformers, circuit breakers and protection and control systems in integrated rebuild or partial rebuild projects;
- Replacement of distribution transformers; and
- Clearing vegetation from around lines and removing hazardous trees.

13.5.3 Rapid Earth Fault Current Limiter (REFCL) Implementation

A REFCL is electrical protection technology being installed to reduce the risk of fire ignition associated with phase to earth faults on the $22\,\text{kV}$ network.

A REFCL operates when a single phase-to-earth fault occurs. Its operation causes the phase voltage of the faulted phase to be reduced to near earth potential (zero volts), thereby working to eliminate the flow of fault current. This compensation also results in phase to ground voltage rise from a nominal 12.7 kV to 22 kV on the un-faulted (healthy) phases, adding more stress to assets on the medium voltage network.

The location and timing for implementation of the REFCL technology is prescribed in Schedule 2 of the Electricity Safety (Bushfire Mitigation) Regulations 2013 and is illustrated in Figure 30.

The Bushfire Mitigation Regulations stipulate three Tranches with delivery due by the first of May in the years 2019, 2021 and 2023.

In order to install the technology, various assets will require replacement. The scope of AusNet Services' asset replacement and augmentation works required by the installation of this technology are discussed in AusNet Services' contingent project applications found at the Australian Energy Regulators' website²³.

Further information may be found on AusNet Services' website²⁴ and in AusNet Services' Bushfire Mitigation Plan – Electricity Distribution Network²⁵

The Victorian government information on REFCL deployment can be found at the Department of Environment, Land, Water, and Planning (DELWP) website²⁶.

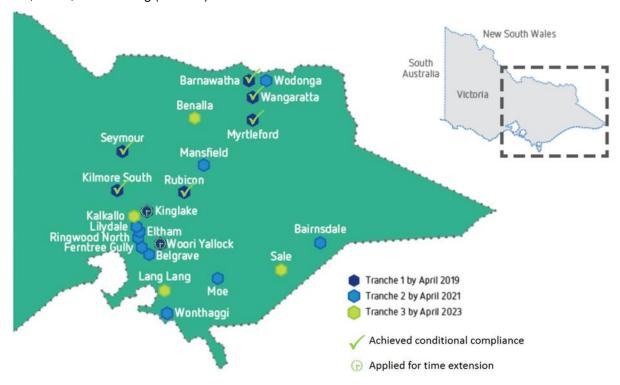


Figure 30: REFCL Location and Delivery Timetable

13.6 Distribution losses

This section provides details required by Schedule 5.8 (k) (1A) of the National Electricity Rules v.65²⁷, and explains how AusNet Services takes into account the cost of distribution losses.

24

https://www.ausnetservices.com.au/en/Community/Powerline-Bushfire-Safety-Program/Rapid-Earth-Fault-Current-Limiters

²³ AusNet Services - Contingent project - installation of Rapid Earth Fault Current Limiters - tranche 1: <a href="https://www.aer.gov.au/networks-pipelines/determinations-access-arrangements/contingent-projects/ausnet-services-contingent-project-installation-of-rapid-earth-fault-current-limiters-tranche-1

²⁵ AusNet Services, Bushfire Mitigation Plan – Electricity Distribution Network. Available: https://www.ausnetservices.com.au//media/Files/AusNet/About-Us/Regulatory-Publications/BFM-10-01-BFM-Plan-Distribution.ashx?la=en

²⁶ https://www.energy.vic.gov.au/safety-and-emergencies/powerline-bushfire-safety-program/research-and-development/rapid-earth-fault-current-limiter/

²⁷ Schedule 5.8 "Distribution Annual Planning Report", <u>National Electricity Rules v.65</u>, accessed 12 November 2016.

Section 3.1(b) of the Electricity Distribution Code (EDC)²⁸ issued by the Essential Services Commission in August 2018 states:

"A distributor must use best endeavours to:
......

(b) develop and implement plans for the acquisition, creation, maintenance, operation, refurbishment, repair and disposal of its distribution system assets and plans for the establishment and augmentation of transmission connections... to minimise the risks associated with the failure or reduced performance of assets; and in a way which minimises costs to customers taking into account distribution losses."

In the EDC, the terms:

- 'Distribution losses' means electrical energy losses incurred in distributing electricity over a distribution system.
- 'Distribution system' in relation to a distributor, means a system of electric lines and associated equipment at nominal voltage levels of 66 kV or below.

Further, NER Chapter 5, clause 5.17.1 (c)(4)(vii) requires changes in electrical energy losses to be considered in the regulatory investment test for distribution.

In compliance with these obligations, AusNet Services considers network losses in planning and development of distribution assets.

AusNet Services fully accounts for the economic value of reductions in system losses (or increases if this were the case) in the economic assessment of augmentation and asset replacement projects. This is achieved through the following analysis:

- Network power flow studies are used to determine the change in MW system losses both before and after project implementation at maximum demand.
- A load loss factor of 0.4 (ratio of losses at average demand to losses at peak demand) is applied to determine average network losses.
- This is multiplied by 8,760 hours per annum for network projects to determine energy savings per annum from network losses reduction. For network support options such as generation the expected annual hours of operation are used in the calculation.
- This is multiplied by \$45 to provide an annual economic benefit for the reduction in system losses associated with project work. A figure of \$45 represents typical cost of electricity but is a higher end figure to account for the fact that losses are proportional to the square of the load and are much higher at higher demands. This figure will be escalated by the square of the load growth to reflect the relationship between network losses and load growth.
- This economic benefit is included in Net Present Value analysis to determine projects options that deliver the highest overall economic benefit. Issues that may impact on system limitations identified through asset management.

Issues, including those that impact on system limitations, are identified through the Asset Management System and the planning process mentioned in the previous sections.

13.7 Further information on Asset Management

Further information on the asset management system, asset management strategies, and the methodology adopted by AusNet Services may be obtained by contacting the listed representatives in Contacts.

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²⁸ Section 3 "Asset Management", <u>Electricity Distribution code</u>, <u>Version 9</u>. December 2015.

14 Demand Management Activities

Schedule 5.8 (I) of National Electricity Rules addresses demand management activities undertaken on the AusNet Services' network. Since 2012 when AusNet Services embarked on a strategy to strengthen its Demand Side Participation (DSP) capability, AusNet Services has undertaken several Embedded Generation and Demand Management (DM) activities.

AusNet Services' Network Innovation team conducts trial projects, analyses options and provide input to network planning processes. The Network Planning team are responsible for the Demand Management portfolio, and consider deployment of embedded generation and Non-network solutions as part of the network planning process.

The Demand Side Engagement Strategy aims to facilitate co-operative engagement in network planning between DNSPs and proponents of non-network solutions and is published on AusNet Services' external website²⁹.

14.1 Non-Network Solutions

The following non-network solutions were deployed by AusNet Services in the past year (i.e. 2018).

- Mobile generation: 1.6 MW of temporary generation was installed to manage residential summer peak demand in Euroa. The fleet was also utilised to reduce the impact of planned outages to customers during asset replacement and augmentation works.
- Contracted embedded generation: Bairnsdale Power Station (40 MW) is in the final year of its network support agreement. A RIT-D has been initiated to assess options that could mitigate the network risks on the East Gippsland sub-transmission loop. Non-network options will be considered in this RIT-D assessment.
- 3. Demand Management (DM): A portfolio of commercial & industrial (C&I) customers has been maintained over the past few years, particularly on feeders with emerging summer peak demand constraints.

Prior to each summer, feeders forecasted to reach thermal overload in all three regions were analysed for C&I DM potential. Areas of network with contingency risk were also analysed. Large C&I customers were contacted to gauge their interest in providing demand management services across the summer period.

Presently, the portfolio across the three regions comprises approximately ~9 MW of demand reduction capacity.

Overall, AusNet Services currently has in place agreements for the provision of 49 MW of total network support, consisting of embedded generation in Bairnsdale (40 MW) and Commercial & Industrial Demand Management contracts (9 MW).

14.2 Key issues arising from applications to connect embedded generation

AusNet Services received 31 enquiries to connect embedded generators during 2019.

Out of these 31 enquiries, 4 reached the 'connection agreement' stage (refer Table 48).

The key issues identified during the connection enquiry stage were:

- 1. Obligations and liabilities needed to be assessed on a case-by-case basis and negotiated with the proponents;
- 2. Project coordination challenges were not uncommon, particularly with multiple proposals at the same site, at various stages of the connection application process;
- 3. Time taken for system studies to be completed by the proponent;
- 4. Enquiry stage is an iterative process, with considerable amount of time elapsing before an agreement is reached for connection.

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²⁹ A copy of the Demand Side Engagement Strategy can be viewed at AusNet Services' website: http://www.ausnetservices.com.au/About+Us/Regulatory+Publications.html

14.3 Actions taken to promote non-network proposals

Actions taken during 2019 to promote non-network solutions in AusNet Services' distribution network included:

14.3.1 Networks Renewed Trial

This trial was conducted across the 2018-19 summer period in conjunction with a technology provider and University of Technology Sydney's Institute for Sustainable Futures. Fourteen customers in the Ben Valley region of north-east Victoria were equipped with behind-the-meter solar PV, energy storage and a platform-based energy management solution. The trial demonstrated network support for voltage compliance could be accomplished by leveraging reactive power capabilities of solar and battery inverters. It demonstrated the ability of the solution to improve supply voltages by 5-6V at the customer's premise.

14.3.2 Good Grid Residential Demand Management Program

The program undertaken in 2018-19 enlisted close to 1,000 customers across specific areas with known summer constraints, and utilised smart meter data to help determine the overall network benefit provided by the participating customers. Participating customers were financially rewarded for their response to Good Grid events.

This program will run again for the 2019/20 summer period.

14.4 Plans for non-network solutions over the forward planning period

AusNet Service Services will engage with network support providers over the forward planning period in compliance with the RIT-D test for augmentations greater than \$5M and at other times as required. AusNet Services has published on its public website a Demand Side Engagement Strategy and maintains a Demand Side Engagement Register.

The AusNet Service's Demand Side Engagement Strategy³⁰ aims to facilitate co-operative engagement in network planning between DNSPs and proponents of non-network solutions. This document describes the processes by which AusNet Services will identify potential non-network, Demand Side Participation measures and engage with non-network providers on a case by case basis to consider non-network options in its asset management strategy. Demand-side service providers are encouraged to contact AusNet Services where they believe they can deliver a valuable network support service

Planned actions include:

- Encouraging demand-side service providers to contact AusNet Services where they believe they can
 deliver a valuable network support service via a non-network solution. Providers are added to AusNet
 Services' Demand Side Engagement Register.
- Determining opportunities to address network constraints or defer network augmentation and engaging Providers to propose non-network solutions via an open expression-of-interest process.
- Maintenance of a public web site where providers of non-network solutions can view AusNet Services' approach to Demand Side Participation.
- Maintain the portfolio of commercial and industrial demand management customers for availability during the summer period. The portfolio is reviewed annually in response to changing network conditions and customer demand management performance data. The program will continue to enlist customers that are supplied by constrained feeders with 10% POE or 50% POE risk in the short (1-3 years), or supplied from zone substations that are forecast to carry energy at risk under an N-1 contingency.
- Continue to engage commercial and industrial customers on demand-based tariffs, e.g. customers with an annual consumption greater than 160 MWh that are on tariffs with a critical peak demand (CPD) component. This CPD charge provides a significant pricing signal to customers to reduce the demand over five nominated critical peak demand days during the summer period (1 December to 31 March). The response to this incentive has improved and this is expected to continue.

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³⁰ A copy of the Demand Side Engagement Strategy can be viewed at AusNet Services' website: http://www.ausnetservices.com.au/About+Us/Regulatory+Publications.html

 Utilise future Demand Management Innovation Allowance funding to build additional demand management capability, tools and techniques, focussing on residential customer demand management that may be deployed in urban growth corridors and remote communities.

14.5 Embedded generation enquiries and applications

AusNet Services supports customers wishing to connect embedded generators to our electricity distribution network³¹. The information in Table 46 covers the connection of embedded generators that are required to, or intend to register with the Australian Energy Market Operator (AEMO). These embedded generators typically have a capacity greater than AEMO's standing exemption from registration, which is currently 5 MW.

2018/19 Embedded Generation - 66 kV	North	East	Central	Total
(i) Connection enquiries received under clause 5.3A.5	5	5	1	11
(ii) Applications to connect received under clause 5.3A.9	1	1	1	3
(iii) The average time taken to complete applications to connect (months)	13 months	0	0	0
2018/19 Embedded Generation - 22 kV	North	East	Central	Total
2018/19 Embedded Generation - 22 kV (i) Connection enquiries received under clause 5.3A.5	North 9	East 2	Central 9	Total 20

Table 46: Information on establishing or modifying connection for embedded generation

Reporting period 1 October 2018 to 30 September 2019

Details about the registered embedded generation connection process can be found a http://www.ausnetservices.com.au/Electricity/Connections/Embedded+Generation+Connections.html

15 Information Technology and Communication Systems

This section presents an overview of AusNet Services' investments in information technology and communication systems, as required under schedule 5.8 (m) of the National Electricity Rules.

15.1 Expenditure in the current regulatory period

During the CY2016-2020 regulatory period and the six-month period before the forecast period from FY2022, AusNet Services focused on cost reduction and re-prioritisation of expenditure towards our business drivers.

Our ongoing and planned investments for this period are also aimed at readying AusNet Services to evolve in response to the expected business environment post FY2022; that is, a more uncertain and complex electricity environment with consumers' investment in technologies such as local solar PV generation and battery storage significantly impacting the business.

Sound information technology is critical to supporting AusNet Services' increased and increasing role in balancing residential generation and supply of electricity with residential demand. The modernised technological environment being established in CY2016 – 2020 intends to provide the basis to enable the business to deal with the uncertain future.

AusNet Services' key outcomes of this current period are to:

- Deliver core business outcomes for customers and realise the benefits of the foundational enterprise investments;
- Reduce capex (relative to CY2011-2015) and cap and control opex in alignment with our risk appetite;
- Optimise the Technology operating model and sourcing strategies, developing capabilities and upgrading our assets to improve our maturity as a business enabler; and
- Ensure the robustness and reliability of metering assets, systems and data.

The planned Technology investments enable business strategies and have built on the foundational enterprise capabilities delivered in CY2011-15, focusing on customer service, customer safety, security of the distribution system, and technology that support the distribution network (assets, work, people, field mobility).

The following details some of the proposed programmes currently being implemented:

- Comply with metering regulatory requirements, including:
 - Life Support Customer Registration Changes
 - Unmetered Supply sites compliance
 - Joint Online Tracker website
 - DER National Register
 - 5-minute settlement (over both the current and upcoming FY2022-26 regulatory period);
- Develop low voltage network management capability to cater for increased Distributed Energy Resources (DER), including impact analysis modelling and the development of tactical tools to monitor and manage two way energy flows across the distribution network in order to optimise network safety, resilience and reliability and ultimately enhance customer service delivery;
- Develop enhanced energy demand forecasting to understand and better manage the changes in energy demand due to Distributed Energy Resources, in order to increase network reliability in peak times, through the development of tactical models of DER take up and hosting capacity;
- Drawing on meter data to enhance capabilities and enable us to accurate identify the location of various types of faults that could cause safety issues to the public, damage to either AusNet Services or customer's assets or parts of the network;
- Manage and enhance customer interactions and experiences through the provision of easy to access and value-added information and services including enhancement of customer communications and notifications around maintenance and delivery of asset works, including:
 - Online customer service order tracking
 - Improvement in identification of customers impacted by outages to enable timely and accurate notification

- Online connection cost calculation for electricity connections
- Improvement in determination and communication of Estimate Time of Return and
- Online tools to enhance solar connection process for customers.
- Enhance communications capabilities and field mobility to leverage network and asset management
 investments, improve service performance and reliability, and improve safety providing operational
 functions to the field. This includes expanding mobility tools to our field force to support a broader range
 of field tasks and activities, upgrading mobile devices and providing access to a broader range of
 applications and information;
- Develop data and analytics capabilities through information management to better manage risk and provide the information required for business decision making, including an enterprise management platform, automated asset risk modelling reporting, and advanced analytics;
- Continued investment in information security to ensure the safety of customer information and protect the electricity networks and business systems from cyber-attack;
- Enhanced employee capabilities making it easier to respond to customer queries through work collaboration and communication tools; and
- Lifecycle management of systems and platforms including rationalisation and consolidation to maintain the overall integrity and stability of the network, optimise investment, manage risk and efficiently maintain services to our customers.

To mid-2019, key improvements in this period have included:

- Delivery of compliance programmes such as Power of Choice and Ring-Fencing, which has involved modifications to systems and processes in order to meet new regulatory requirements;
- Completed the AMI Remediation program, which commenced in 2014, and included the following technology components:
 - Refresh of metering network management system
 - Refresh of mesh network management system
 - Refresh of meter data management system
 - Refresh of key application infrastructure interfaces i.e. Enterprise Application Integration

The maintenance of the described applications and supporting infrastructure was undertaken in alignment with asset management policies to ensure currency of systems and to ensure alignment to AusNet Services' risk appetite

- Delivered Life Support Compliance capability to ensure compliance to new regulatory obligations
- Refresh of customer communication channels (customer portal), which has enabled improved communication through the refresh of a web platform with mobile capabilities;
- Completed the Customer Delivery and Experience Program that has evaluated customer service-related pain points and implemented solutions to improve the customer experience. i.e. customer access to data, case management
- Established an Information Management Platform, based on a business-use case approach, i.e. asset risk modelling;
- Application whitelisting (creating a list of applications that are in Ausnet Services' technology environment to protect it from potentially harmful applications), which has included:
 - Implementing measures to prevent targeted cyber intrusions through a software refresh, protecting supply, customer data, processes and core network business systems to mitigate and manage risk, underpinning the security and reliability of the network;
 - Centralising management of corporate applications, actively whitelisting authorised software; and
 - Preventing the use of unauthorised software including profile-based malware;
- Regulatory information notice reporting, which has included:
 - Leveraging existing software to provide integrated regulatory reporting and compliance capabilities to support the effective production of annual regulatory reporting; and
 - Providing AusNet Services with data quality information allowing data to be proactively updated;

- Refresh of storage, server and data centre, which has included:
 - Delivery of a number of end-of-life technology and capacity uplift refresh initiatives in the storage, server and data centre domains;
 - Maintenance of the currency of database platforms supporting a number of critical business systems; and
 - Delivered TAM improvements leading to technology and capacity uplift and efficient information management, such as;
 - Enhanced security functionality
 - Improvements to the employee experience
 - Improved spatial capability
 - Reduction of the risk of business disruption and outages due to obsolete (end of life / out of support) infrastructure and/or constrained capacity thereby enabling AusNet Services to continue to meet its service and regulatory obligations; and
- Completing a Digital Workplace program that provides a secure, efficient and modern work environment to enable workforce collaboration, productivity and communications at sustainable cost levels
- Enhance the enterprise issue and risk management tool to ensure appropriate management of enterprise risk.
- Delivered an enhanced asset inspection tool that captures enhanced asset information and integrates into key asset and work management platforms
- Completing an enhanced drawing capability that supports the management of engineering drawings to support design and management decisions
- Continuous improvements to Enterprise Asset Management (EAM) and Enterprise Resource Planning (ERP) which has delivered a number of business-initiated enhancements to improve the effectiveness of the EAM/ERP solution, including business systems and interfaces associated with network management.
- Delivered an enhanced employee performance, recruitment and management tool designed to attract and retain our workforce at a sustainable cost basis.

15.2 Priorities for the upcoming regulatory period

In the upcoming regulatory period (2022-2026), AusNet Services will seek to deliver on key strategic enablers with evolving customer expectations at the centre of these developments. Driving better outcomes for customers that are aligned to their expectations is the central focus of technology investments, which is balanced with value delivery through lower costs and effectively managed risk.

For the upcoming regulatory period, AusNet Services' proposed investments in technology are divided into thirteen programs of work, with each program grouped into one of the following work stream themes:

- Distributed Energy Resources (DER);
- Intelligent Operations;
- Cyber Security;
- Lifecycle; and
- Metering.

The five work stream themes, and thirteen programs of work are summarised in the following sections.

15.2.1 Distributed Energy Resources (DER)

AusNet Services must integrate and manage DER efficiently during the next regulatory period to progress on the path to becoming a digitally optimised utility that can support increased customer choices in DER connection options. This work stream aims to balance the costs of integrating and managing solar PV, batteries and other new and emerging customer technologies with the risk these challenges pose to network resilience, reliability and security.

Integration of DER

Across the electricity industry, energy networks are trying to identify the most efficient ways to manage new customer requirements in an uncertain environment, while also continuing to provide customers the more traditional network services they require. During the upcoming regulatory period AusNet Services will drive

improvements in forecasting and modelling capability to more accurately forecast DER uptake and better understand the impact of DER on the network and existing customers. This will underpin more accurate monitoring and understanding of the constraints arising from network and DER operations. Ultimately, the business will be able to support efficient interaction and data exchange with third parties seeking to aggregate customers' DER and facilitate peer-to-peer trading.

Future Distribution Network Management

As the network continues to evolve, core technology platforms must support, orchestrate and manage the growth in DER. There is also rising customer expectations for improved network performance, service delivery, reduced outages, quicker supply restoration, and smart control/integration and information systems, as well as the ability to proactively manage customer demand. This programme of work will ensure AusNet Services has the appropriate systems and controls in place to manage these new customer and network requirements.

Customer Information Services

This programme will enable AusNet Services to better track and understand evolving interactions with our customers as the network is increasingly used for two-way energy flow. Implementing an effective Customer Information Management solution will enable AusNet Services to provide appropriate advice to assist DER connected customers in maximising their generation, while ensuring the network is protected. Alternatively, it will allow for investment in a refreshed network if necessary. This will also ensure the business is well placed to meet regulatory rule changes, which increasingly require sophisticated data management capabilities.

15.2.2 Intelligent Operations

Many advanced sensors and smart meters create valuable sources of data that can be leveraged by the business to improve network reliability and efficiency while reducing customer bills. There is a need to continue enhancing the use of data to improve grid availability, security and DER integration. This work stream aims to balance the risks to asset and network reliability with the cost of managing those risks through improved data and analytics, automation, visualisation, modelling and risk management.

Information Management

AusNet Services will continue to extend the Information Management platform to develop the capability to analyse network performance, supported by advanced automation on near real time data. This will underpin better decision making, more efficient operations and an increasingly reliable network.

Outage Management

The business will integrate the various sources of asset, maintenance and interconnectivity data required to plan outages and augment the network. This programme will simplify outage management, providing field crews with automated reports and live data dashboards, while supporting network controllers with advanced automation and analytics.

Workforce Collaboration

As employees progress within the organisation, they acquire knowledge which is specialised to the company's operations, structure and culture. This programme will make these unique insights more readily accessible regardless of workforce location or business area, creating productivity gains.

Corporate Enablement

AusNet Services runs multiple enterprise applications to support day-to-day operations. The enterprise application landscape and related integrations underpin the continuity of all operational processes. As such, AusNet Services must ensure these core functionalities are adaptable in an increasingly changing environment, while also being robust and reliable solutions for all employees. In alignment with the business shift to cloud (where prudent), core business functions such as human resources and payroll systems will move to the cloud, where the enterprise resource planning solution will commence the pre-work required for migrating to the desired future state platform, post-2025.

15.2.3 Cyber Security

This work stream aims to balance risks and costs of protecting the distribution network, and customer and business information and assets through improvements in cyber security capabilities.

Cyber Security

Investment in cyber security in the forecast period will ensure compliance to current and emerging regulations, including sufficient investment to comply with the regulatory obligations under AEMO's Australian Energy Sector Cyber Security Framework (AES-CSF). This will provide better protection of critical assets required to supply energy to customers, better protect critical customer and operations data ,and support ongoing development and measurement of cyber security capabilities within the organisation.

15.2.4 Lifecycle

This work stream aims to efficiently manage the risks and costs of maintaining core systems by undertaking prudent lifecycle refreshes.

Technology Asset Management (TAM) - Applications

AusNet Services has approximately 200 systems that require periodic patching and enhancements, as aligned to the standard technology lifecycle. This ensures ongoing vendor support, patches and bug fixes, limits downtime and ultimately underpins reliability of critical operations across the business.

Technology Asset Management (TAM) - Infrastructure

Technology infrastructure comprises the hardware, software, network resources and services required to deliver information and technology to the business. This programme of work ensures the business has sufficient capacity, performance and service levels to maintain the operation of technology systems whilst optimising data centre infrastructure to operate more efficiently.

Corporate Communications

Corporate communications at AusNet Services comprise technology networking devices (i.e. Wi-Fi, routers), internet services provision and gateways, as well as data centre interconnectivity, covering both systems and assets. As is conducted for critical systems above, this programme expenditure on capacity management and like-for-like lifecycle refreshes ensures the network performance requirements are met for both existing and future business growth.

Corporate Enablement

70% of corporate enablement costs are allocated to Lifecycle.

15.2.5 Metering

This work stream aims to balance the risks and costs of maintaining AusNet Services' metering systems, while meeting new regulatory compliance requirements.

Five-Minute and Global Settlement

Under the National Electricity Rules, there is a requirement to provide meter level consumption data to AEMO specific time intervals. Currently this interval is thirty-minutes. However, in the upcoming regulatory period this requirement will shift to five-minute intervals, creating the need to store and manage six times in the volume of meter data currently being managed. There is multiple critical meter data management and customer data bases and systems that require modification and refreshing to meet this new regulatory requirement. From 1 July 2021, all contestable type 1-4 meters must be capable of five-minute settlement of meter data. This is a significant and transformative variation from current systems and processes.

Metering Lifecycle

AusNet Services has technology systems that operate and coordinate metering functions with the rest of the distribution business.

In the upcoming regulatory period, these systems will require periodic refreshes and patching to ensure they remain supported and well maintained. Maintaining ongoing vendor support and patch and bug fixes will limit downtime, which underpins the reliability of critical operations across the business.

Additionally, there is new market compliance rules that will require capability extensions of systems to ensure compliance. These refreshes will achieve both the compliance and lifecycle activities to achieve lowest possible costs. Compliant metering solutions underpin AusNet Services' smart network capabilities, providing timely delivery of the necessary consumption, supply quality and exceedance data, which enables key functions in the monitoring of the electricity distribution network.

16 Regional Development Plan

A regional development plan consisting of maps of AusNet Services' network is provided, in accordance with the requirements of schedule 5.8 (n) of National Electricity Rules. Figure 31 and Figure 32 show a geographic representation of the sub-transmission lines, zone substations and transmission-distribution connection points (terminal stations) including sub transmission line limitations. Figure 33 and Figure 34 highlight zone substation and feeder limitations that have been forecast to occur in the forward planning period.

16.1 AusNet Services' Network - Sub-transmission line limitations included

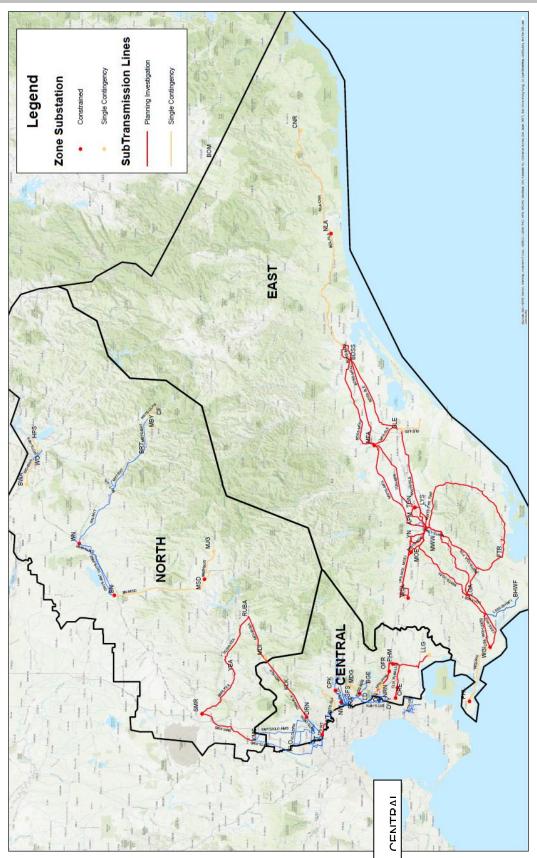


Figure 31: AusNet Services' distribution network- Sub-transmission Line Limitations under N-1 conditions.

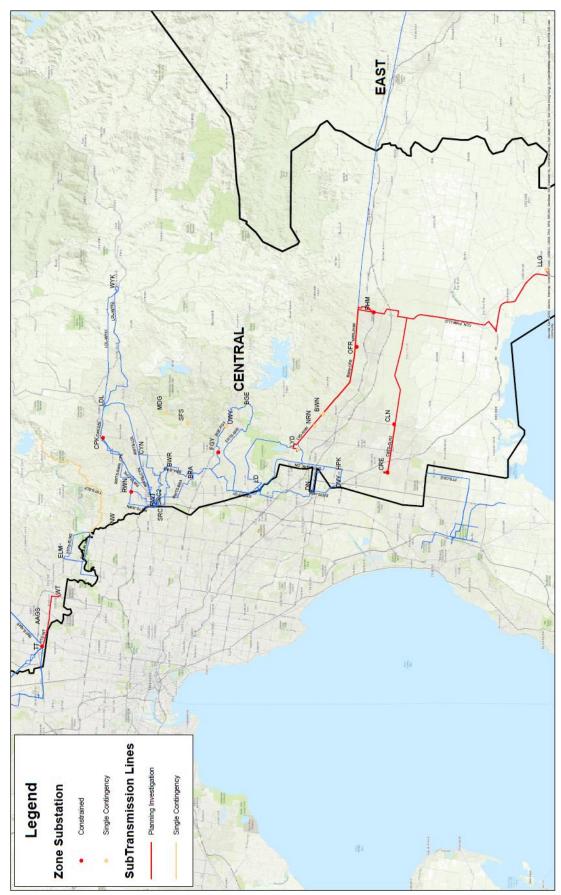


Figure 32: Central Region distribution network - Sub transmission Line Limitations under N-1 conditions.

16.2 AusNet Services' Network – Zone Substation and Feeder limitations included

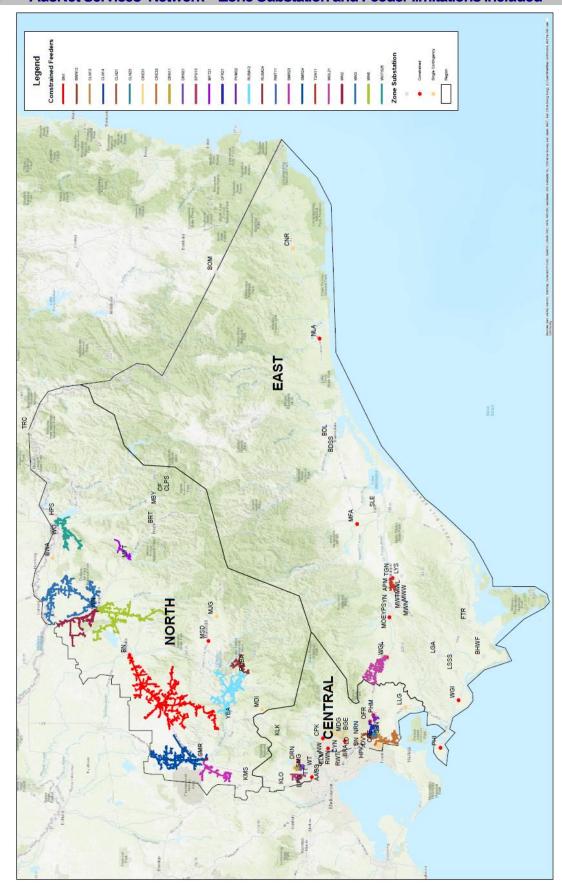


Figure 33: AusNet Services' distribution network – Zone Substation (red) and Feeder Limitations

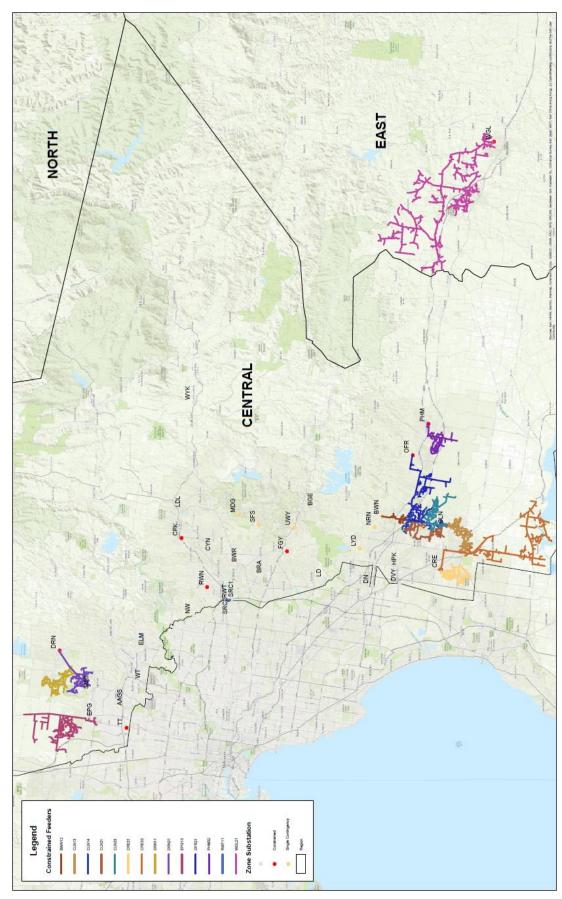


Figure 34: AusNet Services' Central Region network – Zone Substation (red) and Feeder Limitations

Appendix A Glossary

Abbrev	Name	Abbrev	Name
AFI	Australian Forest Industries	MDI	Murrindindi Zone Substation
APM	Australian Paper Maryvale	MFA	Maffra Zone Substation
BDL	Bairnsdale Zone Substation	MJG	Merrijig Zone Substation
BDSS	Bairnsdale Switching Station	MOE	Moe Zone Substation
BGE	Belgrave Zone Substation	MPS	Morwell Power Station
BHWF	Bald Hills Wind Farm	MSD	Mansfield Zone Substation
BM8	Bombala feeders from NSW (BOM)	MWE	Morwell East Zone Substation
BN	Benalla Zone Substation	MWN	Morwell North Zone Substation
BRA	Boronia Zone Substation	MWL	Morwell Terminal Station 22 kV Yard
вом	Bombala Zone Substation (Essential Energy)	MWTS	Morwell Terminal Station
BRT	Bright Zone Substation	MWW	Morwell West Substation
BWA	Barnawartha Zone Substation	MYT	Myrtleford Zone Substation
BWN	Berwick North Zone Substation	NH	North Heidelberg (Jemena)
BWR	Bayswater Zone Substation	NLA	Newmerella Zone Substation
CBTS	Cranbourne Terminal Station	NRN	Narre Warren Zone Substation
CF	Clover Flat Zone Substation	OFR	Officer Zone Substation
CLN	Clyde North Zone Substation	PHI	Phillip Island Zone Substation
CLPS	Clover Power Station	PHM	Pakenham Zone Substation
CNR	Cann River Zone Substation	RUBA	Rubicon 'A' Zone Substation
СРК	Chirnside Park Zone Substation	RWN	Ringwood North Zone Substation
CRE	Cranbourne Zone Substation	RWT	Ringwood Terminal Station 22 kV Yard
CYN	Croydon Zone Substation	RWTS	Ringwood Terminal Station
DN	Dandenong Zone Substation (UE)	SFS	Sassafras Zone Substation
DRN	Doreen Zone Substation	SLE	Sale Zone Substation
DSH	Dandenong South Zone Substation	SLF	Sugarloaf Reservoir Melbourne Water Substation
DVY	Dandenong Valley Zone Substation (UE)	SMG	South Morang Zone Substation
ELM	Eltham Zone Substation	SMR	Seymour Zone Substation
EPG	Epping Zone Substation	SMTS	South Morang Terminal Station
ERTS	East Rowville Terminal Station	ST	Somerton Zone Substation (Jemena)
FGY	Ferntree Gully Zone Substation	TGN	Traralgon Zone Substation
FTR	Foster Zone Substation	TRC	Tumut River Council - NSW (Essential Energy)
GNTS	Glenrowan Terminal Station	TSTS	Templestowe Terminal Station
HPK	Hampton Park Zone Substation	TT	Thomastown Zone Substation
HPS	Hume Power Station	TTS	Thomastown Terminal Station

		1	
KLK	Kinglake Zone Substation	TWF	Toora Wind Farm
KLO	Kalkallo Zone Substation	UWY	Upwey Zone Substation
KMS	Kilmore South Zone Substation	WGI	Wonthaggi Zone Substation
LDL	Lilydale Zone Substation	WGL	Warragul Zone Substation
LFD	ESSO Longford	WN	Wangaratta Zone Substation
LGA	Leongatha Zone Substation	WO	Wodonga Zone Substation
LLG	Lang Lang Zone Substation	WOTS	Wodonga Terminal Station
LSSS	Leongatha South Switching Station	WT	Watsonia Zone Substation
LYD	Lysterfield Zone Substation	WYK	Woori Yallock Zone Substation
LYS	Loy Yang South Zone Substation	YEA	Yea Substation
MBTS	Mt Beauty Terminal Station	YN	Yallourn North Open Cut Zone Substation
MBY	Mt Beauty Zone Substation	YPS	Yallourn Power Station
MDG	Mt Dandenong Zone Substation		

Appendix B Schedule 5.8 of the National Electricity Rules Version 102

Schedule 5.8 Distribution Annual Planning Report

Note:

The local definitions in clause 5.10.2 apply to this schedule.

For the purposes of clause 5.13.2(c), the following information must be included in a *Distribution Annual Planning Report*:

- (a) information regarding the Distribution Network Service Provider and its network, including:
 - (1) a description of its network;
 - (2) a description of its operating environment;
 - (3) the number and types of its distribution assets;
 - (4) methodologies used in preparing the *Distribution Annual Planning Report*, including methodologies used to identify system limitations and any assumptions applied; and
 - (5) analysis and explanation of any aspects of forecasts and information provided in the *Distribution Annual Planning Report* that have changed significantly from previous forecasts and information provided in the preceding year;
- (b) forecasts for the forward planning period, including at least:
 - (1) a description of the forecasting methodology used, sources of input information, and the assumptions applied;
 - (2) load forecasts:
 - (i) at the transmission-distribution connection points;
 - (ii) for sub-transmission lines; and
 - (iii) for zone substations,

including, where applicable, for each item specified above:

- (iv) total capacity;
- (v) firm delivery capacity for summer periods and winter periods;
- (vi) peak load (summer or winter and an estimate of the number of hours per year that 95% of peak load is expected to be reached);
- (vii) power factor at time of peak load;
- (viii) load transfer capacities; and
- (ix) generation capacity of known embedded generating units;
- (3) forecasts of future transmission-distribution connection points (and any associated *connection assets*), sub-transmission lines and zone substations, including for each future transmission-distribution connection point and zone substation:
 - (i) location;
 - (ii) future loading level; and
 - (iii) proposed commissioning time (estimate of month and year);
- (4) forecasts of the Distribution Network Service Provider's performance against any reliability targets in a service target performance incentive scheme; and
- (5) a description of any factors that may have a material impact on its *network*, including factors affecting;
 - (i) fault levels;
 - (ii) voltage levels;

- (iii) other power system security requirements;
- (iv) the quality of supply to other Network Users (where relevant); and
- (v) ageing and potentially unreliable assets;
- (b1) for all network asset retirements, and for all network asset de-ratings that would result in a system limitation, that are planned over the forward planning period, the following information in sufficient detail relative to the size or significance of the asset:
 - (1) a description of the *network* asset, including location;
 - (2) the reasons, including methodologies and assumptions used by the *Distribution Network Service Provider*, for deciding that it is necessary or prudent for the *network* asset to be retired or de-rated, taking into account factors such as the condition of the *network* asset:
 - (3) the date from which the *Distribution Network Service Provider* proposes that the *network* asset will be retired or de-rated; and
 - (4) if the date to retire or de-rate the *network* asset has changed since the previous *Distribution Annual Planning Report*, an explanation of why this has occurred;
- (b2) for the purposes of subparagraph (b1), where two or more *network* assets are:
 - (1) of the same type:
 - (2) to be retired or de-rated across more than one location;
 - (3) to be retired or de-rated in the same calendar year; and
 - (4) each expected to have a replacement cost less than \$200,000 (as varied by a cost threshold determination),

those assets can be reported together by setting out in the *Distribution Annual Planning Report*:

- (5) a description of the *network* assets, including a summarised description of their locations;
- (6) the reasons, including methodologies and assumptions used by the *Distribution Network Service Provider*, for deciding that it is necessary or prudent for the *network* assets to be retired or de-rated, taking into account factors such as the condition of the *network* assets:
- (7) the date from which the *Distribution Network Service Provider* proposes that the *network* assets will be retired or de-rated; and
- (8) if the calendar year to retire or de-rate the *network* assets has changed since the previous *Distribution Annual Planning Report*, an explanation of why this has occurred;
- (c) information on system limitations for sub-transmission lines and zone substations, including at least:
 - (1) estimates of the location and timing (month(s) and year) of the system limitation;
 - (2) analysis of any potential for load transfer capacity between *supply* points that may decrease the impact of the system limitation or defer the requirement for investment;
 - (3) impact of the system limitation, if any, on the capacity at transmission-distribution connection points;
 - (4) a brief discussion of the types of potential solutions that may address the system limitation in the forward planning period, if a solution is required; and
 - (5) where an estimated reduction in forecast *load* would defer a forecast system limitation for a period of at least 12 months, include:
 - (i) an estimate of the month and year in which a system limitation is forecast to occur as required under subparagraph (1);
 - (ii) the relevant connection points at which the estimated reduction in forecast load may occur; and

- (iii) the estimated reduction in forecast *load* in MW or improvements in *power factor* needed to defer the forecast system limitation;
- (d) for any primary distribution feeders for which a *Distribution Network Service Provider* has prepared forecasts of *maximum demands* under clause 5.13.1(d)(1)(iii) and which are currently experiencing an overload, or are forecast to experience an overload in the next two years the *Distribution Network Service Provider* must set out:
 - (1) the location of the primary distribution feeder;
 - (2) the extent to which load exceeds, or is forecast to exceed, 100% (or lower utilisation factor, as appropriate) of the normal cyclic rating under normal conditions (in summer periods or winter periods);
 - (3) the types of potential solutions that may address the overload or forecast overload; and
 - (4) where an estimated reduction in forecast *load* would defer a forecast overload for a period of 12 months, include:
 - (i) estimate of the month and year in which the overload is forecast to occur;
 - (ii) a summary of the location of relevant *connection points* at which the estimated reduction in forecast *load* would defer the overload;
 - (iii) the estimated reduction in forecast *load* in MW needed to defer the forecast system limitation;
- (e) a high-level summary of each RIT-D project for which the *regulatory investment test for distribution* has been completed in the preceding year or is in progress, including:
 - (1) if the regulatory investment test for distribution is in progress, the current stage in the process;
 - (2) a brief description of the identified need;
 - (3) a list of the credible options assessed or being assessed (to the extent reasonably practicable);
 - (4) if the *regulatory investment test for distribution* has been completed a brief description of the conclusion, including:
 - (i) the net economic benefit of each credible option;
 - (ii) the estimated capital cost of the preferred option; and
 - (iii) the estimated construction timetable and commissioning date (where relevant) of the preferred option; and
 - (5) any impacts on *Network Users*, including any potential material impacts on *connection* charges and *distribution use of system charges* that have been estimated;
- (f) for each identified system limitation which a *Distribution Network Service Provider* has determined will require a *regulatory investment test for distribution*, provide an estimate of the month and year when the test is expected to commence:
- (g) a summary of all committed investments to be carried out within the forward planning period with an estimated capital cost of \$2 million or more (as varied by a cost threshold determination) that are to address
- an urgent and unforeseen network issue as described in clause 5.17.3(a)(1), including:
 - (1) a brief description of the investment, including its purpose, its location, the estimated capital cost of the investment and an estimate of the date (month and year) the investment is expected to become operational;
 - (2) a brief description of the alternative options considered by the *Distribution Network Service Provider* in deciding on the preferred investment, including an explanation of the ranking of these options to the committed project. Alternative options could include, but are not limited to, *generation* options, demand side options, and options involving other *distribution or transmission networks*;
- (h) the results of any joint planning undertaken with a *Transmission Network Service Provider* in the preceding year, including:
 - (1) a summary of the process and methodology used by the *Distribution Network Service Provider* and relevant *Transmission Network Service Providers* to undertake joint planning:

- (2) a brief description of any investments that have been planned through this process, including the estimated capital costs of the investment and an estimate of the timing (month and year) of the investment; and
- (3) where additional information on the investments may be obtained;
- (i) the results of any joint planning undertaken with other *Distribution Network Service Providers* in the preceding year, including:
 - (1) a summary of the process and methodology used by the *Distribution Network Service Providers* to undertake joint planning;
 - (2) a brief description of any investments that have been planned through this process, including the estimated capital cost of the investment and an estimate of the timing (month and year) of the investment; and
 - (3) where additional information on the investments may be obtained;
- (j) information on the performance of the Distribution Network Service Provider's network, including:
 - (1) a summary description of reliability measures and standards in applicable regulatory instruments;
 - (2) a summary description of the quality of *supply* standards that apply, including the relevant codes, standards and guidelines;
 - (3) a summary description of the performance of the *distribution network* against the measures and standards described under subparagraphs (1) and (2) for the preceding year;
 - (4) where the measures and standards described under subparagraphs (1) and (2) were not met in the preceding year, information on the corrective action taken or planned;
 - (5) a summary description of the *Distribution Network Service Provider's* processes to ensure compliance with the measures and standards described under subparagraphs (1) and (2); and
 - (6) an outline of the information contained in the *Distribution Network Service Provider's* most recent submission to the *AER* under the *service target performance incentive scheme*;
- (k) information on the Distribution Network Service Provider's asset management approach, including:
 - (1) a summary of any asset management strategy employed by the *Distribution Network Service Provider*;
 - (1A) an explanation of how the *Distribution Network Service Provider* takes into account the cost of *distribution losses* when developing and implementing its asset management and investment strategy;
 - (2) a summary of any issues that may impact on the system limitations identified in the *Distribution Annual Planning Report* that has been identified through carrying out asset management; and
 - (3) information about where further information on the asset management strategy and methodology adopted by the *Distribution Network Service Provider* may be obtained;
- (I) information on the Distribution Network Service Provider's demand management activities, including:
 - (1) a qualitative summary of:
 - (i) non-network options that have been considered in the past year, including *generation* from *embedded generating units*;
 - (ii) key issues arising from applications to connect embedded generating units received in the past year;
 - (iii) actions taken to promote non-network proposals in the preceding year, including generation from embedded generating units; and
 - (iv) the *Distribution Network Service Provider's* plans for demand management and *generation* from *embedded generating units* over the forward planning period;
 - (2) a quantitative summary of:
 - (i) connection enquiries received under clause 5.3A.5;
 - (ii) applications to connect received under clause 5.3A.9; and

- (iii) the average time taken to complete applications to connect;
- (m) information on the *Distribution Network Service Provider's* investments in information technology and communication systems which occurred in the preceding year, and planned investments in information technology and communication systems related to management of *network* assets in the forward planning period; and
- (n) a regional development plan consisting of a map of the *Distribution Network Service Provider's* network as a whole, or maps by regions, in accordance with the *Distribution Network Service Provider's* planning methodology or as required under any *regulatory obligation or requirement*, identifying:
 - (1) sub-transmission lines, zone substations and transmission-distribution connection points; and
 - (2) any system limitations that have been forecast to occur in the forward planning period, including, where they have been identified, overloaded primary distribution feeders.

Appendix C Asset Management Strategy Reference

Document Scope	AMS Number	Description
High Level Summary	AMS 20-01	Electricity Distribution Network
High Level Summary	AMS 20-03	Network Contingency Plan
Process and System	AMS 20-12	Augmentation
Process and System	AMS 20-13	Enhanced Network Safety Strategy
Process and System	AMS 20-14	Infrastructure Security
Process and System	AMS 20-15	Quality of Supply
Process and System	AMS 20-16	Distribution Network Planning Standards and Guidelines
Process and System	AMS 20-17	Reliability Maintained
Process and System	AMS 20-21	Condition Monitoring
Process and System	AMS 20-23	Vegetation Management
Process and System	AMS 20-24	Sub-transmission line and Station Data for Planning Purposes
Process and System	AMS 20-30	Demand Forecasting Procedure
Process and System	AMS 20-35	Network Support Services
Plant Strategy	AMS 20-52	Conductor
Plant Strategy	AMS 20-53	Zone Substation Capacitor Banks
Plant Strategy	AMS 20-54	Circuit Breakers
Plant Strategy	AMS 20-55	Civil Infrastructure
Plant Strategy	AMS 20-56	Indoor Switchboards
Plant Strategy	AMS 20-57	Crossarms
Plant Strategy	AMS 20-58	Distribution Transformers
Plant Strategy	AMS 20-59	Electrical Earths
Plant Strategy	AMS 20-60	MV Switches and ACRs
Plant Strategy	AMS 20-61	MV Fuse Switch Disconnectors
Plant Strategy	AMS 20-62	HV Switches, Disconnectors and Earth Switches
Plant Strategy	AMS 20-63	Instrument Transformers
Plant Strategy	AMS 20-64	Sub Transmission Towers, Insulators and Ground Wires
Plant Strategy	AMS 20-65	Insulated Cable Systems
Plant Strategy	AMS 20-66	Insulators – High and Medium Voltage
Plant Strategy	AMS 20-67	Line Surge Arresters
Plant Strategy	AMS 20-68	Line Voltage Regulators
Plant Strategy	AMS 20-69	Pole-Top Capacitors
Plant Strategy	AMS 20-70	Poles

Plant Strategy	AMS 20-71	Power Transformers and Station Voltage Regulators
Plant Strategy	AMS 20-72	Protection and Control Systems
Plant Strategy	AMS 20-73	Public Lighting
Plant Strategy	AMS 20-76	Service Cables
Plant Strategy	AMS 20-77	Surge Arresters in Zone Substations
Plant Strategy	AMS 20-79	Neutral Earthing Devices
Plant Strategy	AMS 20-80	Auxiliary Power Supplies
Plant Strategy	AMS 20-81	Communication Systems
Plant Strategy	AMS 20-90	Zone Substation Transformer Contingency Plan

Appendix D Asset retirement and de rating asset groupings

Assets have been categorised to align with National Electricity Rules. Schedule 5.8 Clause (5) (b1) refers to individual asset reporting and Clause (5) (b2) refers to assets that can be reported together, referred to as Group Reporting in this Appendix.

Group Reporting in this Appendix.	
Individual reporting	Group reporting
Zone substation transformers	PolesPole top structures
Circuit breakers 66kV	Cross-arms
Switchboards	 Insulators
Capacitor banks	 Surge arrestors
Circuit breakers 22kV in zone substation	o Pole top capacitors
	 Other (dampers, armour rods, spreaders, brackets etc.)
	Switchgear
	o Automatic Circuit Reclosers
	o Gas switches
	o Isolators
	o Other
	Overhead conductor LV, HV and ST
	Underground cables
	Other underground assets
	 Cable head terminations
	o Pits
	o LV Pillars
	Distribution plant
	 Circuit breakers – other
	 Substation kiosk
	o Distribution transformers
	o Isolators
	o Services

- o Ring Main Unit
- Earthing cables
- Regulators
- Combo switches
- Protection and control room equipment and instrumentation
 - Protection relay
 - Voltage Regulator Relay
 - VAR (Capacitor Bank) controllers
 - Batteries
 - o AC and DC distribution equipment
 - Voltage/Current transformers
- Communications and SCADA
 - o Remote telemetry unit
- Zone substation switchyard equipment
 - o Surge arrestors
 - o Busses
 - Terminations
 - Steel structures

Table 47: AusNet Services proposed Asset Grouping

Appendix E Retired or de-rated grouped assets

Appendix E outlines the methodologies and assumptions used for grouped assets listed in Appendix D of this report, and should be read in conjunction with Section 5, Network Asset Retirement and De-ratings.

The complete asset management strategies are available upon request to the contacts outlined in Appendix F of this report.

E.1 Poles

The methodologies and assumptions for all sub-transmission and distribution pole replacements are described in Asset Management Strategy AMS 20-70.

This document outlines the methodologies such as Simple Sustainable, Age Based, Condition Based and Dependability Management strategies that are combined to develop AusNet Services' pole replacement strategy. Applying a condition based replacement forecast over the next five years requires replacement or reinforcement of all very poor condition (C532) poles.

Table 48 summarises the expected pole replacements, including in-service failures, required over the five-year planning period.

	2020	2021	2022	2023	2024
Replaced Poles	2,447	3,492	3,512	3,750	3,202
Staked Poles	2,447	1,770	1,951	2,128	1,763
Total	4,894	5,262	5,463	5,878	4,965

Table 48 – Forecast for Pole Replacements and Staking

E.2 Cross-arms

The methodologies and assumptions for all sub-transmission and distribution pole top cross-arm replacements are described in Asset Management Strategy AMS 20-57. This document outlines methodologies such as Simple Sustainable, Age Based, Condition Based and Dependability Management strategies that are combined to develop AusNet Services cross arm replacement strategy.

The proposed cross-arm replacement volumes are forecast to decline from observed historical volumes to a sustainable replacement level, due to completion of the aerial inspection program.

Table 49 summarises the expected cross arm replacements, including in-service failures, requiring a total of 22,467 units to be replaced between 2020 and 2024.

	2020	2021	2022	2023	2024
Proposed Replacement Option	5,927	4,135	4,135	4,135	4,135

Table 49 - Forecast timber cross arm replacements

E.3 Insulators

The methodologies and assumptions for all HV and MV insulators are described in Asset Management Strategy AMS 20-66. This document outlines methodologies and strategies such as new assets, inspection, maintenance and replacement that are combined to develop AusNet Services' insulator replacement strategy. An average of 236 insulator replacements per annum are currently forecasts, and these are replaced when a pole or cross-arm is replaced.

³² AusNet Services uses a five-point condition scale for assets, where C1 is the best (as new) condition and C5 are the worst (end of life) condition.

E.4 Surge Arrestors

The methodologies and assumptions for all line surge arrestor replacement are described in Asset Management Strategy AMS 20-67. This document outlines methodologies such as failure mode effect criticality analysis and risk assessment strategies that are combined to develop AusNet Services surge arrestor replacement strategy.

Some installed surge arresters are not capable of operating with REFCLs. These surge arresters will be replaced as part of the REFCL implementation line hardening works. Surge arrester replacements are targeted in the highest bushfire risk areas as the REFCLs are being installed these areas.

	2020	2021	2022	2023	2024
Proposed Replacement Option	2,700	406	406	406	406

Table 50 - Forecast surge arrestor replacements

E.5 Pole Top Capacitors

The methodologies and assumptions for all pole top capacitor replacement are described in Asset Management Strategy AMS 20-69. This document outlines methodologies such as Inspection, Failure Mode, Effects and Criticality Analysis strategies that are combined to develop AusNet Services pole top capacitor replacement strategy. These methodologies and approaches suggest two pole top capacitor replacements per annum is required.

E.6 Conductors and associated Hardware

The methodologies and assumptions for all conductor and conductor hardware replacement are described in Asset Management Strategy AMS 20-52. This document outlines methodologies such as Failure Modes Effects Criticality Analysis and Dependability Management strategies that are combined to develop AusNet Services conductor and conductor hardware replacement strategy.

It also identifies the number of assets that need to be replaced to manage bushfire ignition risk, conditional asset failures and mitigate reliability impacts.

Deteriorated steel conductor ties and fiberglass conductor spacers are replaced in conjunction with maintenance activities.

E.7 Gas Switches and Automatic Circuit Reclosers

The methodologies and assumptions for all Medium Voltage Switches and Automatic Circuit Reclosers (ACR) are described in Asset Management Strategy AMS 20-60. This document outlines methodologies such as Failure Mode Effects Criticality Analysis, Research and Development strategies that are combined to develop AusNet Services Automatic Circuit Reclosers replacement strategy.

	2020	2021	2022	2023	2024
Control boxes & ACRs	152	118	119	120	121
Manual gas switches	126	131	137	141	146
Air Break switches	18	19	20	21	22
Ground/indoor switches	2	2	2	2	2
Total	298	270	278	284	291

Table 51 – Forecast gas switch and ACR replacements

E.8 Isolators

The methodologies and assumptions for all Isolator replacements are described in Asset Management Strategy AMS 20-62. This document outlines methodologies such as Failure Mode Effects and Criticality Analysis, Risk Assessment and Dependability Management strategies that are combined to develop AusNet Services Isolator replacement strategy.

It also identifies the number of assets (i.e. disconnections and switches) that need to be replaced to manage bushfire ignition risk, conditional asset failures and mitigate reliability impacts.

E.9 Underground Cables

The methodologies and assumptions for all Underground Cable replacements are described in Asset Management Strategy AMS 20-65. This document outlines methodologies such as failure mode effect and criticality analysis strategies that are combined to develop AusNet Services Underground Cable replacement strategy. These methodologies and approaches suggest a sustainable replacement rate of between 86 km and 114 km per annum.

E.10 Distribution Transformers

The methodologies and assumptions for all Distribution Transformer replacements are described in Asset Management Strategy AMS 20-58. This document outlines methodologies such as Failure Mode Effect and Criticality Analysis strategies that are combined to develop AusNet Services Distribution Transformer replacement strategy. These methodologies and approaches utilise a combination of age-based replacement and condition-based replacement methods, proposing a replacement forecast of between 250 and 350 units per annum.

E.11 Service Cables

The methodologies and assumptions for all service cable replacement are described in Asset Management Strategy AMS 20-76. This document outlines methodologies such as Failure Modes Effects and Critical Analysis strategies that are combined to develop AusNet Services service cable replacement strategy. These methodologies and approaches suggest a replacement model consisting of preventative replacements and corrective replacements.

	2020	2021	2022	2023	2024
Proposed Replacement Option	3,392	908	908	908	908

Table 52 – Forecast service cable replacements

E.12 Protection and Control Room Equipment and Instrumentation

The methodologies and assumptions for all protection and control room equipment and instrumentation replacement are detailed in Asset Management Strategy AMS 20-72, AMS 20-80 and AMS 20-63. These documents outline methodologies such as Service Age, Functionality Assessment, Asset Condition, Risk Assessment and Failure Modes Effects Criticality Analysis strategies that are combined to develop AusNet Services protection and control room equipment and instrumentation replacement strategy.

Protection and control room equipment and instrumentation includes protection relays, voltage regulator relays, VAR (capacitor bank) controllers, batteries, AC and DC distribution equipment and voltage/current transformers.

Methodologies and approaches described in AMS 20-72 suggest the replacement of:

- 940 protection relays over 10 years as part of the scope of station rebuilds. These replacements include 598 very poor condition (C5) electro-mechanical protection relays, 170 very poor condition (C5) electronic protection relays, 160 very poor condition (C5) IED (Intelligent Electronic Device) protection relays that do not meet bushfire mitigation requirements and 12 very poor condition (C5) micro-processor protection relays.
- Obsolete voltage regulating relays at 10 sites.

Methodologies and approaches described in AMS 20-80 suggest:

- Continue the replacement programme of valve regulated lead acid gel batteries on an eight yearly interval, or sooner as the need arises.
- Replace ageing auxiliary DC supply cables that are causing battery earth problems.

Methodologies and approaches described in AMS 20-63 suggest replacing approximately 246 current transformers and 197 voltage transformers.

E.13 Communications and SCADA Remote Telemetry Units

The methodologies and assumptions for all remote telemetry unit (RTU) replacement are described in Asset Management Strategy AMS 20-72. This document outlines methodologies such as Service Age and

Functionality Assessment strategies that are combined to develop AusNet Services RTU replacement strategy. An average replacement rate of three RTUs per year is currently forecast.

E.14 Surge Arresters in Zone Substations

The methodologies and assumptions for all Surge Arresters in Zone Substations replacement are described in Asset Management Strategy AMS 20-77. This document outlines methodologies such as Dependability Management, Risk Assessment, Failure Mode Effects and Criticality Analysis strategies that are combined to develop AusNet Services Surge Arresters in Zone Substations replacement strategy.

These methodologies and approaches have identified surge arresters that need to be replaced during Zone Substation rebuild projects.

A review of remaining poor and very poor condition assets (Condition 4 & 5) with associated risk also suggests a replacement rate of 41 per year over a 5-year period.

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