



## Statutory Information

### Aboriginal Employment & Development Statement

TransGrid's Aboriginal Employment and Development Strategy is an integral part in TransGrid's Workforce Diversity Strategy.

The Aboriginal Employment and Development Strategy has been developed with reference to the Aboriginal Employment in Practice Plan for the NSW Public Sector, issued by the NSW Premier's Department.

TransGrid is committed to playing its part in achieving meaningful and sustainable improvements in Indigenous employment by focusing on provision of development opportunities and support to enable Aboriginal & Torres Strait Islander people to develop their career potential.

### Action Plan for women

#### Provision of Programs for Women

TransGrid's major initiative in recent years in relation to women has been the on-going commitment to TransGrid Spokeswomen's Network. This Network is part of the New South Wales Government's "Spokeswomen's Program" administered by the Premier's Department. The Program's purpose has been to promote efficiency and effectiveness in the NSW public sector by assisting women to develop their skills so that they can fully participate in the work environment.

TransGrid's Spokeswomen consolidate and complement the activities of TransGrid management by bringing to their attention issues relating to women including:

- information needs relating to women and work
- career, training and development needs
- anti-discrimination issues
- providing access to a wide contact and referral network
- provision of information in relation to workplace conditions and
- identifying varying issues and priorities of women in different stages of their lifecycle or career paths.

During 2006 - 2007 TransGrid encouraged female employees to participate in various activities specifically geared towards the development of women, such as:

- attendance of TransGrid's Spokeswomen at relevant training sessions, Network Days and the Annual Spokeswomen's Conference;
- the continued publication of the TransGrid Spokeswomen's quarterly newsletter, Women of Today; and
- attendance of female employees at the Women's Information Days facilitated by the Spokeswomen's Program and held throughout the State covering a wide variety of topics relating to women.

TransGrid continues to value the diversity of its workforce and remains committed to the principles of equity, access, opportunity and participation.

### Board of Directors Remuneration

#### Executive Remuneration Policy

The objective of TransGrid's executive remuneration framework is to ensure that reward for performance is competitive and appropriate for the results delivered. The framework aligns executive reward with the achievement of strategic objectives and the creation of shareholder value and it conforms to market best practice for delivery of reward.

The Board Committee - Remuneration and Structure determines Executive Remuneration. Each year the Committee commissions a report from an external executive remuneration consultant detailing equivalent market remuneration and a recommendation on suitable remuneration levels for all executive officers.

All executive officers have in place a written Performance Agreement aligned to the organisation's corporate goals. Performance outcomes are matched to performance targets with remuneration based on documented performance levels.

#### Remuneration of Directors

Chairman (current)*	P Dodd	\$47,756
Chairman (former)**	P Higginson	\$36,392
Non-Executive Director/Chairman***	P Moy	\$40,509
Non-Executive Director	B Foy	\$ 61,846
Non-Executive Director	B Langton	\$ 59,018
Non-Executive Director	N Betts	\$ 55,045
Non-Executive Director	M Papatthanasiou	\$ 59,579

\*appointed on 22/1/2007 \*\*tenure ceased on 3/11/2006

\*\*\*resigned on 21/1/07, Chairman for period 4/11/2006 to 21/1/07

#### Remuneration of Executives

Managing Director	K Murray	\$554,317
General Manager/Commercial	J Byrne	\$314,605
General Manager/Capital		
Program Delivery	C FitzGerald	\$276,759
General Manager/Network		
Development & Regulatory Affairs	P McIntyre	\$269,832
General Manager/Network Services	V Galea	\$260,000
General Manager/Business Services	P Phillips	\$243,195
General Manager/Network		
Performance & Operations	L Smyth	\$237,226

#### Charter

TransGrid was established as a State-owned corporation on 14 December 1998, by and under the Energy Services Corporations Amendment (TransGrid Corporatisation) Act 1998, which effected various amendments to the Energy Services Corporations Act 1995.

Section 6C of the Energy Services Corporations Act gives TransGrid, as an energy transmission operator, two principal functions, viz.

(a) to establish, maintain and operate facilities for the transmission of electricity and other forms of energy, and

(b) to provide services for the transmission of electricity and other forms of energy in accordance with the relevant regulatory regime.

The Section also empowers TransGrid to utilise and develop its electricity transmission facilities to carry out telecommunications services.

The principal legislation under which TransGrid operates is the Energy Services Corporations Act 1995, the Electricity Supply Act 1995 and the State Owned Corporations Act 1989.

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### Code of Ethics & Conduct

TransGrid has aligned the responsibility for ethics policy and management within the Corporate Business Unit. TransGrid's Corporate Plan identifies ethics management as an essential element of continued business success and continues to build upon the planning framework that has been implemented successfully since the formation of the company.

Our Code of Ethics and Conduct provides a framework for TransGrid to deliver our vision and mission and to ensure that our reputation as a trustworthy and honourable company is maintained.

Our commitment to our numerous stakeholders is such that we are committed to putting in place systems, processes and measures that allow our practices to be transparent and above reproach. TransGrid continues to monitor the standard of its business practices and recently reviewed "Our Code of Ethics and Conduct" which has now been distributed to all employees.

During 2006-2007, interactive ethics workshops were conducted across the Business Units in metropolitan and country areas, the objective of the workshops was to allow staff to appreciate and discuss ethical issues as well as ensuring that the Code remains a "live document", relevant and effective to the needs of the organisation.

New employees continue to be introduced to TransGrid's ethical standards through an on-line induction program relaying the importance of TransGrid's reputation and to ensure their awareness and expected compliance.

Awareness and communication is undertaken on the TransGrid Internet site, our intranet site, TransNet and internal posters providing messages and reminders for staff about ethical behaviour. The Ethics Helpline with its 24 hour 1800 261 993 phone number allows easy access for staff to seek ethical advice or relay concerns in a confidential manner.

TransGrid continued to support the St James Ethics Centre, the Corruption Prevention Network and education programs with a number of staff attending seminars and events on ethical subjects and anti corruption measures.

### Comparison of Staff Numbers

Comparison of Staff Numbers as at 30 June 2007

	Total Staff	No. P/T Staff	Equiv. F/T of P/T	Equiv. F/T Staff
Senior Contract Officers	95	0	0	95
Professional Officers	173	5	4.19	173.19
Engineering Officers	232	1	0.91	231.91
Administrative Officers	162	19	12.96	155.96
Tradespersons	71	1	0.8	94.8
Power Workers	52	0	0	52
Team Leader - Network	20	0	0	20
Operator	26	0	0	26
Lineworker	57	0	0	33
Apprentice	54	0	0	52
Total	942	26	18.86	932.86

Category Description	Number of Employees 2007	Number of Employees 2006	Number of Employees 2005	Number of Employees 2004
Administrative Officer	162	158	165	166
Apprentice	54	52	42	41
Engineering Officer	232	233	225	229
Lineworker	57	60	64	65
Operator	26	27	30	32
Professional Officer	173	173	175	177
Power Worker	52	54	59	63
Senior Contract Officer	95	101	106	110
Team Leader - Network	20	21	22	24
Tradesperson	71	64	65	67
Total	942	943	953	974

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### Consultants Fees

During the year, \$258,373 was spent on consulting services relating to the preparation of environmental impact assessments, and for specific technical and management advice in the normal course of the business.

### Consumer Response

TransGrid receives Property Information Inquiries from solicitors, conveyancers and the general public regarding TransGrid's rights and interests that may affect title to land. For the year ending 30 June 2007, TransGrid responded to 65,104 such inquiries. Response times were within designated time frames.

More than 85% of these inquiries were processed using online access facilities provided by the Central Register of Restrictions administered by the Department of Lands.

### Cost of Annual Report

TransGrid's Annual Report was produced under the guidance of TransGrid's Corporate Communications Manager in conjunction with an external graphic designer. The total external cost incurred in the production of the Annual Report was \$71,182.00. The Annual Report is available on the internet ([www.transgrid.com.au](http://www.transgrid.com.au)) and on CD ROM.

### Credit Card Usage

Credit Card usage in TransGrid is in accordance with its detailed documented procedures. TransGrid continues to promote the correct usage of its corporate credit cards and there is a continuous review of usage characteristics and authorisations.

### Disability Plan

TransGrid has a documented Disability Action Plan as part of its overall workforce diversity strategy.

The Plan demonstrates TransGrid's commitment to the objectives of the NSW Government's Disability Policy Framework, the NSW Disability Services Act 1993 and the NSW Anti Discrimination Act 1977.

The plan has strategies, which have been implemented by management and staff to respond to the needs of disabilities of people within New South Wales. The Plan is published on TransNet to facilitate staff access.

### EEO Disclosure

#### Trends in the Representation of EEO Groups

EEO Group	% of Total Staff (Refer Note 1)						
	2001	2002	2003	2004	2005	2006	2007
Women	12	12	13	13.2	13	13	14
Aboriginal and TSI	0.53	0.73	0.73	0.62	0.52	0.64	0.63
People whose first language was not English	8	10	10	10.47	11	11	11
People with a disability	7	2	6	4.71	4.9	4.97	4
People with a disability requiring work-related adjustment		1	0.51	0.42	0.42		0.42

1. Excludes casual staff

### EEO Disclosures

#### Commentary on EEO Achievements

##### Outcomes - July 2006 - June 2007

- Interactive Awareness Sessions were provided to staff on the application of the Code of Ethics and Conduct.
- Information on harassment and discrimination prevention was kept updated and made available on the TransGrid intranet 'TransNet'.
- The current Referral Officer's Network was maintained and promoted to all employees.
- All new employees attended an Induction Program which provides exposure to TransGrid's policies and conditions of employment including Occupational Health and Safety; Code of Ethics and Conduct; TransGrid Employees Award; Grievance and Dispute Procedures; Harassment Prevention; and Workforce Diversity.
- All Human Resources procedures are reviewed regularly to reflect changes in Workforce Diversity practice.
- The Apprentice intake for 2007 encouraged Indigenous applicants to apply for a range of apprentice opportunities across Sydney and Regional locations.

##### Major Planned Outcomes July 2007 - June 2008

- Review all current Workforce Diversity Strategies and Plans.
- Include Workforce Diversity Data Collection Survey in the Induction Program for all new employees.
- Continued support for a Women's Network within TransGrid.
- Review the Referral Officer Network.
- Develop a broader advertising strategy for vacant positions to encourage applications from female, disabled and indigenous applicants.
- Continued rollout of Workplace Bullying and Harassment information sessions for Supervisors and Managers as required.

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### Trends in the Distribution of EEO Groups

EEO Group	Distribution Index (Refer Note 3)						
	2001	2002	2003	2004	2005	2006	2007
Women	115	116	124	129	129	125	134
Aboriginal and TSI	5	7	7	6	5	6	6
People whose first language was not English	79	96	98	102	104	102	106
People with a disability	65	18	53	46	47	47	35
People with a disability requiring work-related adjustment		13	5	4	4		4

#### Notes

1. Current staff numbers are as at 30 June 2007
2. Excludes casual staff
3. A distribution index of 100 indicates that the centre of the distribution of the EEO group across salary levels is equivalent to that of other staff.

### Electronic Service Delivery

TransGrid provides electronic services to its staff and partners. This includes facilitating the ability to securely access electronic corporate applications remotely and through the Internet

### Ethnic Affairs Priority Statement

As the New South Wales Transmission Network Service Provider, TransGrid provides services to business but has limited exposure to the general community. The organisation does, however, carry out community consultation on proposed major projects to ensure public understanding and identification of relevant concerns.

Key indicators applicable to EAPS include the maintenance of merit based recruitment practices, flexible work arrangements and accommodating the needs of employees in regards to cultural or religious customs.

Strategies for 2006-2007 included:

- the provision of "plain English" promotional information for public use
- continued consultation for projects affecting local community groups

Strategies for 2007-2008 include:

- continued community consultation at all relevant stages of projects
- review of the recruitment process and employment conditions to enable alignment with the needs of a diverse general community

### Freedom of Information & FOI Statement

TransGrid received three (3) Freedom of Information (FOI) applications under the Freedom of Information Act 1989 in 2006-2007.

TransGrid received one (1) request for internal review under Section 47 of the Act.

The following table provides an overview of responses to requests made under the Freedom of Information

### FOI Requests

FOI Requests	TOTAL	
	2006 - 07	2005 - 06
Numbers of requests received	3	1
Brought forward	0	0
Completed	3	1
Transferred out	0	0
Unfinished (Carried forward)	0	0
Granted in full	3	0
Partially granted	0	0
Refused	0	1
Fees received	\$90	\$40

#### During the 2006-2007 year:

- The impact of the requirements of the Act on TransGrid's activities was minor
- No issues arose in connection with TransGrid's compliance with the requirements of the Act
- One of the three determinations by TransGrid was the subject of a preliminary inquiry by the Ombudsman
- No determination by TransGrid was the subject of a preliminary enquiry by the Ombudsman, the Administrative Decisions Tribunal or the Supreme Court.

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### Statement of Affairs

Information required under Section 14(2) of the Act, is located as follows:

- The agency's structure and functions: Corporate Governance
- The way its functions affect the public: Environmental Performance, Business Performance
- How the public may participate in agency policy development: Environmental Performance
- The kinds of documents the agency holds: Promotion
- How members of the public may access and amend agency documents: Promotion, Environmental Performance, FOI.

### Funds Granted to Non-Government Community Organisations

Earthwatch	39,400
Keep Australia Beautiful	60,000
EESA	15,000
The Institute of Engineers	13,500
Greening Australia	300,000
Yass Valley Festival	2,000

### Government Energy Management Policy

TransGrid has provided a report for 2005-2006 as required. The Government Energy Management Policy Report for 2006-2007 is currently being prepared.

### Graduates, Cadets, Sponsorship Program

During 2006-2007 TransGrid maintained its commitment to graduate, cadet and scholar development programs. These programs support TransGrid's resource and succession planning through the provision of on the job learning & development in the disciplines of engineering, accountancy and the environment.

This is achieved by rotating graduates on an annual basis across various teams and Business Units within the organisation; each placement affords a unique opportunity for the development of diverse skills, knowledge and competencies.

TransGrid currently has twenty-eight (28) Electrical Engineering Graduates and Eight (8) Accounting Graduates.

During 2006-2007, TransGrid continued its commitment to scholarship programs for undergraduates and cadets by offering scholarships in electrical engineering at the University of Newcastle and the University of Technology (Sydney). TransGrid also awarded a scholarship in Electrical Engineering to one of its high achieving electrical apprentices to be commenced at the conclusion of their apprenticeship.

### Guarantee of Service

TransGrid has defined service commitments with its customers through its Connection Agreements. TransGrid's service levels are monitored by its regulator, the Australian Energy Regulator and the New south Wales Department of Water and Energy.

### Industrial Relations Policies & Procedures

TransGrid continued to consult with Unions and employees on a range of industrial matters. This consultative approach has resulted in no time lost due to industrial disputes during the reporting period.

### Internet Contact Details

The TransGrid Website can be located at [www.transgrid.com.au](http://www.transgrid.com.au)

### Judicial Decisions

There were no judicial decisions affecting TransGrid this year.

### Key Performance Indicators (Excluding Superannuation Income/(Expense))

	Actual	SCI Target
Earnings Before Interest and Tax (\$ million)	231.0	231.5
Operating Profit Before Tax (\$ million)	131.9	126.8
Dividend (\$ million)	71.5	70.7
Return on Assets	6.0%	6.0%
Return on Equity	5.4%	5.4%

TransGrid demonstrated satisfactory financial performance during the year in comparison to its 2006-2007 Statement of Corporate Intent (SCI) targets.

TransGrid achieved 63% of maximum incentive payment for service standard performance above the targets for the 2006 calendar year.

TransGrid has successfully completed and continues to undertake a number of major projects to meet the increasing demand of electricity within NSW.

### Land Disposal

The following surplus land was disposed of in the 2006-2007 financial year:

1. Sub transmission network assets – Residue of transfers from Pacific Power to Distributors - 66kV substation sites transferred to Country Energy on 22.01.07.

Bendick Murrel 66kV substation site, vacant land, Lot 1 in DP 431889  
Bookham 66kV substation site, vacant land, Lot 1 in DP 431593  
Eden 66kV substation site, vacant land, Lot 1 in DP 589318  
Gooloogong 66kV substation site, vacant land, Lot 1 in DP 621658  
Jeir 66kV substation site, vacant land, Lot 5 S 13 in DP 758462  
Kirkton 66kV substation site, vacant land, Lot 1 in DP 869587  
Kurajong 66kV substation site, vacant land, Lot 1 in DP 869588  
Monteagle 66kV substation site, vacant land, Lot 1 in DP 869589

2. 1108 Wombeyan Caves Rd - Lot 411 in DP 864645.

86.66 Ha partially timbered vacant land affected by the Mt Piper - Marulan 330kV transmission line. The property was sold by private treaty after previous marketing to auction. Contracts settled on 30.06.07 for \$95,000.

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### Legislative Change

#### 1. Electricity Supply Amendment (Greenhouse Gas Abatement Scheme) Act 2006

This legislation extends the operation of the New South Wales Greenhouse Gas Abatement Scheme from 2012 to 2021 and beyond or until a national emissions trading scheme is established.

It increases the penalty from its current level of \$11.50 to \$15.50 in four equal steps of \$1 each, starting in 2010 and ending in 2013. The Act also contains a consequential amendment to the Electricity Supply (General) Regulations 2001 to ensure that both the current and new penalties will be adjusted correctly for inflation in accordance with movements in the consumer price index.

#### 2. Energy and Utilities Administration Amendment (Climate Change Fund) Act 2007

This legislation establishes a climate change fund to provide funding to reduce greenhouse gas emissions and the impacts of climate change associated with water and energy activities. A body seeking funding for an energy saving measure must submit an energy savings plan to the Minister.

#### 3. National Electricity Amendment (Reallocations) Rule 2007

This Rule amends the National Electricity Rules and commenced operation on 22 February 2007.

It deals with determinations by NEMMCO of credit limits and prudential margins of market participants.

### Minister

TransGrid is subject to the control and direction of its Portfolio Minister.

From 1 July 2006 to 1 April 2007, TransGrid formed part of the portfolio of the Hon. Joe Tripodi MP; Minister for Energy, Minister for Ports and Waterways, and Minister Assisting the Treasurer on Business and Economic Reform.

From 2 April 2007 to 30 June 2007, TransGrid formed part of the portfolio of the Hon. Ian Macdonald, MLC; Minister for Primary Industries, Minister for Energy, Minister for Mineral Resources, and Minister for State Development.

### Numbers of Executive Officers

Executive Officers	As at 30th June 2007	As at 30th June 2006
Number of Executive Officers at SES Level 1 or above	87	87
Number of Female Executive Officers at SES Level 1 or above	8	5

### Occupational Health & Safety

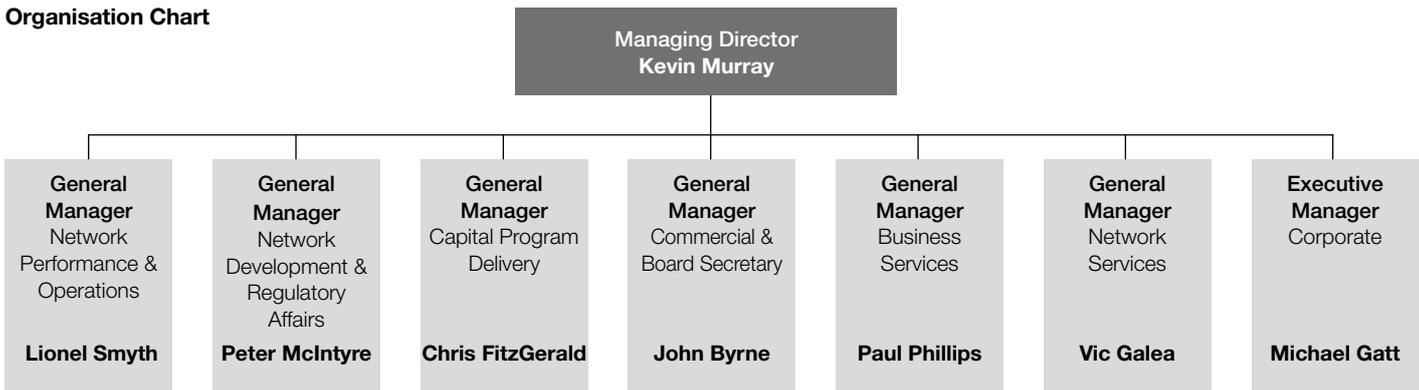
#### TransGrid OHS Statistical Information 2006 - 2007:

Frequency Rate:	1.6
Average Lost Time Rate:	2
Total Lost time Injuries:	3
Total Days Lost:	6

#### Table of Lost time Injuries:

Part of Body Injured	Number	Type of Injury	Days Lost
Back	3	Sprain/strain	6
Total	3		6

### Organisation Chart



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### Overseas Visits

Name	Position	Countries Visited	Purpose of Visit
K. Murray	Managing Director	China	Visit to Shandong Electric Power Corporation
R. Markham	Surveyor	Russia	Meetings with National Mapping associated with Aerial Laser Survey
P. Tanner	Manager	Russia	Meetings with National Mapping associated with Aerial Laser Survey
M. Grierson	Professional Officer	Thailand	Witness Acceptance Testing of 132/66kV Transformer for Glen Innes Substation
J. Abbatantuono	Professional Officer	Thailand	Witness Acceptance Testing of 132/66kV Transformer for Glen Innes Substation
L. Smyth	General Manager	New Zealand	Attend CIGRE Panel C2 (System Operations) Conference
K. Dodds	Manager	New Zealand	Attend Asia Pacific Utilities Group Conference
M. Rowe	Engineering Officer	China	Witness Type and Routine Tests of 362kV Line Traps for Bayswater Substation
M. Sturman	Manager	New Zealand	Attend Transmission Network Service Providers CIO Forum
J. Byrne	General Manager	UK & USA	Undertake Work associated with Placement of TransGrid's Insurance Coverage
K. Murray	Managing Director	UK & USA	Undertake Work associated with Placement of TransGrid's Insurance Coverage
M. Grierson	Professional Officer	Germany & Croatia	Acceptance and Type Testing of 330kV and 132kV Current Transformers
P. Tanner	Manager	Russia	Meetings with PSC/OPTEN Officials associated with Aerial Laser Survey Project
R. Markham	Surveyor	Russia	Meetings with PSC/OPTEN Officials associated with Aerial Laser Survey Project
C. FitzGerald	General Manager	Japan	Design Review of 500/330kV 1500MVA Toshiba Transformers
G. Ebb	Manager	Japan	Design Review of 500/330kV 1500MVA Toshiba Transformers
J. Abbatantuono	Professional Officer	Austria	Design Review of 145kV 121MVA Shunt Reactor for Beaconsfield West Substation

A further 9 trips, of which the majority of costs were funded by other Organisations, were undertaken by TransGrid officers.

### Performance Statements

**Mr K Murray, Managing Director**, was assessed by the Board as having achieved all key performance criteria set in the Corporate Plan and the Statement of Corporate Intent with the NSW Government including a continuing drive for improved efficiency, capital delivery, succession planning and customer focus.

**Mr C FitzGerald, General Manager/Capital Program Delivery**, was assessed by the Managing Director as having achieved all performance criteria including the significant progress of the major capital works program for the 2004 to 2009 regulatory period, the delivery of more than 50 major capital works projects during 2006-2007 and a further \$250 million committed in the early part of 2007-2008 and major progress with the planning of the major projects in the 2009-2014 period.

**Mr J Byrne, General Manager/Commercial**, was assessed by the Managing Director as having achieved all performance criteria, including the effective management of all TransGrid financial functions, successful transfer of all banking processes; the introduction of improved business systems for expenditure authorisations and credit card management, continued achievement of a significant level of Non-regulated Income, reduced contractor liability risk with the introduction of Principal Arranged Insurance and cost reductions through critical assessment of on-going expenditure.

**Mr P McIntyre, General Manager/Network Performance and Development**, was assessed by the Managing Director as having achieved all performance criteria including achievement of the transmission planning and development requirements to facilitate TransGrid's significant capital program, the production of the 2007 Annual Planning Report, the implementation of network support arrangements for the first time in NSW, improved customer and stakeholder relationships, the effective management of TransGrid's input to the development of the regulatory regime for transmission in the NEM and the development and implementation of a comprehensive framework for managing TransGrid's revenue submission to the AER in 2007-2008.

**Mr V Galea, General Manager/Network Services**, was assessed by the Managing Director as having achieved all key network reliability, availability, maintenance and construction targets within approved budgets and timeframes while maintaining high level safety performance and environmental compliance. Delivered and commissioned all planned major projects and asset replacement programs. Improved project delivery processes to manage future capital works objectives and introduced new concepts to reduce operational costs. Developed a sustainable strategic HR Resource Plan that includes succession plans to meet future requirements.

**Mr L Smyth, General Manager/Network Performance and Operations**, was assessed by the Managing Director as having achieved all performance criteria including network reliability and availability targets, improving the systems and processes across the business unit, providing leadership in restructuring of the business unit, implementing the new "virtual Control Room".

**Mr P Phillips, General Manager/Human Resources and Business Services**, was assessed by the Managing Director as having achieved all performance criteria including workforce succession and resource planning, leading TransGrid's Safety Commitment, maintaining certifications of TransGrid's Information Security Management System to AS 7799, Environmental Management System to ISO 14001 and Quality System to ISO 9001 and development and implementation of the Performance Review and Employee Development Program.

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### Privacy Management Plan

Obligations for the use and protection of personal information in New South Wales are governed by the Privacy and Personal Information Protection Act 1998.

TransGrid is committed to adherence with the principles of sound privacy practice to ensure management of personal information is consistent with legislative requirements. TransGrid has a Privacy Management Plan in place to facilitate adherence to the principles of the Act and to communicate how privacy is managed within the organisation.

TransGrid's Privacy Management Plan is available to all staff via TransNet.

No complaints were received and TransGrid conducted no internal reviews during the requisite reporting period.

### Promotion

TransGrid is committed to providing a variety of communication vehicles to inform the public, customers, stakeholders, employees and suppliers. Throughout the reporting period publications included:

- Annual Report
- Internet Site
- Corporate Plan
- NSW Annual Planning Report
- Network Asset Management Plan
- Trans Talk: In house Newsletter
- Transmission Line and Substation Fact Sheets
- NSW transmission network map of current transmission line projects
- NSW transmission network map of current substation projects
- TransGrid Corporate Profile Brochure projects
- Variety of Brochures and Advertisements promoting TransGrid's Business and Services

### Reporting Exemptions

The following reporting exemptions have been granted by NSW Treasury to enable financial reporting requirements that apply, to be broadly consistent with Corporations Act reporting requirements, given that the entity operates in the competitive National Electricity Market:

Statutory Requirements	Act/Regulation References	Comments
<b>Budgets</b>		
• detailed budget for the year reported on	s.7(1)(a)(iii)ARSBA	
• outline budget for next year	s.7(1)(a)(iii)ARSBA	
• particulars of material adjustments to detailed budget for the year reported on	cl 6 ARSBR	
<b>Report of Operations</b>	s.7(1)(a)(iv)ARSBA	Exemption subject to the condition that information relating to the "Summary review of operations" is to be disclosed in a summarised form.
<b>Management and Activities</b>	Schedule 1 ARSBR	Exemption subject to the condition that relevant information is to be disclosed in a summarised form.
<b>Research &amp; Development</b>	Schedule 1 ARSBR	
<b>Human Resources</b>	Schedule 1 ARSBR	
<b>Consultants</b>	Schedule 1 ARSBR	Exemption subject to the condition that the total amount spent on consultants is to be disclosed along with a summary of the main purposes of the engagements.
<b>Land Disposal</b>	Schedule 1 ARSBR	
<b>Payment of Accounts</b>	Schedule 1 ARSBR	
<b>Time for Payment of Accounts</b>	Schedule 1 ARSBR	
<b>Report on Risk Management and Insurance Activities</b>	Schedule 1 ARSBR	Exemption subject to the condition that relevant information is to be disclosed in a summarised form.
<b>Investment Performance</b>	cl 12 ARSBR	
<b>Liability Management Performance</b>	cl 13 ARSBR	

### Abbreviations:

ARSBA Annual Reports (Statutory Bodies) Act 1984

ARSBR Annual Reports (Statutory Bodies) Regulation 2005

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### Research & Development

TransGrid promotes research relationships with external organisations and educational institutions for projects that align with business needs. This enables TransGrid to provide innovative solutions to achieve core objectives.

TransGrid has a number of research projects or is involved in projects in the following areas:

- New approaches to market modelling and planning generator market entry with University of Queensland
- Demand side management with EnergyAustralia
- Power system stability in cooperation with University of Adelaide
- Power quality effects due to voltage variations in cooperation with University of Wollongong
- Fibre optic current and voltage transducers that use light to measure power flows on high voltage networks in cooperation with University of Sydney and ABB Australia
- Corporate condition monitoring system that will allow easy viewing, trending and analysis of data from online monitoring devices on the power network
- Ageing of insulation on extra high voltage transmission lines with the Queensland University of Technology
- Support for the Australian Power Institute.

### Risk Management & Insurance

The Executive Audit and Risk Committee is responsible for ensuring TransGrid's risks are identified and effectively managed. Implementation of risk management strategies are the responsibility of all levels of management within TransGrid and a framework exists to ensure that all risks are proactively and explicitly managed on an ongoing basis.

The Corporate Audit and Risk group provide assistance in the development and maintenance of enterprise wide risk management plans, training staff in all aspects of risk management and the ongoing verification and review of risk mitigation actions across the organisation.

### Senior Officers

Executive Director and Managing Director	<b>Mr Kevin Murray</b>	BE (Elec), Dip Bus Studies, FAICD
General Manager/Commercial and Board Secretary	<b>Mr John Byrne</b>	Comm (Acctg Proc) Cert, Cost Acctg Post Cert, Comm Prog Cert, FCPA, FAICD
General Manager/Capital Program Delivery	<b>Mr Chris FitzGerald</b>	BSc, BE (Hons), ME, Grad Dip (Bus Admin), FIE Aust, CP Eng
General Manager/Network Services	<b>Mr Vic Galea</b>	BE (Elec)
General Manager/Network Development & Regulatory Affairs	<b>Mr Peter McIntyre</b>	BSc, BE (Hons), MBA (Technology Management), GAICD
General Manager/ Business Services	<b>Mr Paul Phillips</b>	BE (Hons), BSc, MMgt
General Manager/Network Performance & Operations	<b>Mr Lionel Smyth</b>	BE (Elec), Grad Mgt Qual, GAICD
Executive Manager/Corporate	<b>Mr Michael Gatt</b>	Adv. Cert Electrotechnology, Dip. Elec Engineering, B.Comm (Business)

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### Significant Committees

		1	2	3	4	5	6
<b>Kevin Murray</b>	Managing Director	x	x	x	x	x	x
<b>John Byrne</b>	General Manager/Commercial	x		x	x	x	x
<b>Chris FitzGerald</b>	General Manager/Capital Program Delivery	x	x	x	x	x	
<b>Vic Galea</b>	General Manager/Network Services	x	x	x	x	x	x
<b>Peter McIntyre</b>	General Manager/Network Development& Regulatory Affairs	x		x	x	x	
<b>Paul Phillips</b>	General Manager/Business Services	x	x	x	x	x	x
<b>Lionel Smyth</b>	General Manager/Network Performance& Operations	x	x	x	x	x	x
<b>Michael Gatt</b>	Executive Manager/Corporate	x		x		x	x
<b>David Van Beek</b>	Manager/Corporate Risk & Audit	x					
<b>John Robinson</b>	Senior OHS Advisor		x				
<b>Kevin Dodds</b>	Manager/Supply Management		x				
<b>Lyn Cooper</b>	Manager/Health & Safety		x				
<b>Kevin Stephenson</b>	Manager/Northern Region		x				
<b>Tony Meehan</b>	Manager/Revenue Reset			x			
<b>Megan Calvert</b>	Environmental Engineer				x		
<b>Peter Holland</b>	Manager/Business Services					x	
<b>Andrew Power</b>	Manager/Project Development					x	
<b>Garrie Chubb</b>	Manager/Network Planning					x	
<b>Andrew Kingsmill</b>	Performance& Compliance Manager						x
<b>Gordon Dunsford</b>	Chief Information Officer						x
<b>John Howland</b>	Manager/Asset Performance						x

- 1 - Executive Audit and Risk Management Committee  
 2 - Executive Occupational Health and Safety Committee  
 3 - Executive Revenue Reset Committee  
 4 - Executive Environment Committee  
 5 - Capital Works Program (CAPEX) Steering Committee  
 6 - Executive Security Committee

### Staff by Category

Category Description	Number of Employees 2007
Administrative Officer	162
Apprentice	54
Engineering Officer	232
Line Worker	57
Operator	26
Professional Officers	173
Power Workers	52
Senior Contract Officers	95
Team Leader - Network	20
Tradesperson	71
	<b>942</b>

These figures do not include Industrial Students (2), MD Scholarship holders (3) and Casuals (3)

### Workforce Diversity Achievements

#### Referral Officer Network

TransGrid encourages and supports a Referral Officer Network, which provides information on options available to staff in relation to harassment, discrimination and workplace bullying.

The Referral Officer Network continues to provide information and confidential support to employees regarding TransGrid's Grievance Management Procedure.

#### Vacation Care Subsidy

The continuation of the Vacation Care Program has ensured that subsidised childcare has been made available to all staff throughout TransGrid for all school vacation periods. During 2006/2007 twenty-four (24) subsidies were allocated.

## Statutory/Statistical Information

### Workforce Diversity Strategy

#### Workforce Diversity

TransGrid has a documented Workforce Diversity Strategy developed in line with the requirements of the Anti-Discrimination Act 1977.

TransGrid is committed to Equal Employment Opportunity, Cultural Diversity and Ethical Practices. All employees are expected to demonstrate an understanding of and commitment to these areas.

During 2006/07, Workforce Diversity Data Collection Forms were forwarded to all new employees in an attempt to capture and maintain diversity data on a voluntary basis.

#### Waste Reduction and Purchasing Policy

TransGrid has been a participant in the NSW Government's Waste Reduction and Purchasing Policy (WRAPP) since 1999, as a part of its commitment to reduce the amount of waste generated. This process is designed to promote ecologically sustainable development, one of our fundamental environmental drivers, with minimisation on usage of natural resources and increased recycling of materials.

The key areas of waste reduction that TransGrid address are:

- Paper products
- Office equipment and components
- Vegetation materials
- Construction, demolition and excavated materials

TransGrid is committed to the reduction of waste and some of the strategies for the future are:

- Improved reporting mechanisms
- Implementation of updated organisational wide waste management procedure
- Increased organisational awareness of waste reduction and recycling issue

**Table 1**  
**NSW System Energy and Maximum Demand**

	Yearly Energy (GWh)	Yearly Maximum (MW)
1992/93	54 750	9 792
1993/94	56 667	9 888
1994/95	58 242	10 613
1995/96	60 252	10 228
1996/97	61 260	10 564
1997/98	63 894	11 156
1998/99	65 420	11 324
1999/00	67 569	11 900
2000/01	69 353	11 572
2001/02	70 289	12 156
2002/03	71 687	12 456
2003/04	73 783	12 476
2004/05	74 584	13 126
2005/06	76 979	13 292
2006/07	78 226	13 458

Yearly energy and maximum demand calculations are based on the total output of NSW scheduled generators, plus net import from other regions. Recent data is available from NEMMCO as "HistDemand" (see: <http://www.nemweb.com.au/reports/current/histdemand/>). Prior to the start of the NEM in December 1998 data was recorded by TransGrid without the Sth generator. However, for consistency with later data, Table 1 includes an estimate of the Sth generator during 1997 and 1998.

**Table 2**  
**Transmission Lines and Underground Cables in service as at 30th June, 2007**

	Transmission Lines		Underground Cables	
	Route (km)	Circuit (km)	Route (km)	Circuit (km)
<b>Operating Voltage</b>				
500kV in service at 500kV	143	286		
500kV in service at 330kV	386	771		
<b>Total 500kV</b>	<b>529</b>	<b>1057</b>		
330kV in service at 330kV	4425	5227	47	47
330kV in service at 132kV	56	111		
<b>Total 330kV</b>	<b>4481</b>	<b>5338</b>	<b>47</b>	<b>47</b>
220kV in service at 220kV	681	681		
<b>Total 220kV</b>	<b>681</b>	<b>681</b>		
132kV in service at 132kV	5220	5301		
132kV in service at 66kV	4	4		
<b>Total 132kV</b>	<b>5224</b>	<b>5305</b>		
66kV in service at 66kV	61	61		
Total 66kV	61	61		
<b>Totals</b>	<b>10976</b>	<b>12442</b>	<b>47</b>	<b>47</b>

## Statistical Information

**Table 3**  
**Schedule of Substations and Switching Stations in service as at 30th June 2007**

	<b>Comm. Year</b>	<b>System Voltage kV</b>		<b>Comm. Year</b>	<b>System Voltage kV</b>
<b>Voltage 500kV – Site</b>			<b>Voltage 220kV – Site</b>		
Eraring	1984	500/330	Balranald	2000	220/22
Kemps Creek	1984	500/330	Broken Hill	1979	220/22
	1989	330/16	Buronga	1988	220
<b>Total sites at 500 kV = 2</b>			<b>Total Sites at 220kV = 3</b>		
<b>Voltage 330kV – Site</b>			<b>Voltage 132kV – Site</b>		
Armidale	1972	330/132	Albury	1958	132
	1969	132/66	ANM	1981	132
	2001	330/13.6	Beryl	1976	132/66
Avon	1974	330	Burrinjuck	1950	132
Bayswater	1984	330	Coleambally	1993	132
Beaconsfield West	1979	330/132	Cooma	1954	132/66/11
Canberra	1967	330/132	Cowra	1960	132/66
Coffs Harbour	2006	330/132	Deniliquin	1971	132/66
	1979	132/66	Finley	1991	132/66
Dapto	1962	330/132	Forbes	1969	132/66
Darlington Point	1988	330/220	Gadara	2000	132/11
		330/132	Glen Innes	2007	132/66
Dumaresq	2000	330	Griffith	1964	132/33
Haymarket	2004	330/132	Gunnedah	1985	132/66
Ingleburn	1984	330/66	Guthega	1970	132
Jindera	1979	330/132	Hume	1957	132
Kangaroo Valley	1976	330	Inverell	1984	132/66
Liddell	1970	330	Kempsey	1967	132/33
Lismore	1992	330/132			66/33
	2000	132/66	Koolkhan	1963	132/66
Liverpool	1985	330/132	Molong	2001	132/66
Lower Tumut	1972	330	Moree	1984	132/66
Marulan	1992	330/132	Mt. Piper	1988	132/66
Mt Piper	1986	330/132	Munyang	1989	132/33
Munmorah	1967	330/132	Murrumburrah	1985	132/66
Murray	1967	330/132	Narrabri	1965	132/66
Muswellbrook	1983	330/132	Nambucca	2001	132/66
Newcastle	1969	330/132	Orange	1954	132/66
Regentville	1998	330/132	Panorama	1979	132/66
Sydney East	1976	330/132	Parkes	1993	132/66
Sydney North	1963	330/132	Port Macquarie	1979	132/33
Sydney South	1961	330/132	Queanbeyan	1957	132/66
	2003	330/132	Tamworth	1961	132/66
Sydney West	1965	330/132	Taree	1958	132/66
	2004	330/18			132/33
Tamworth	1968	330/132	Tenterfield	1970	132/22
Tomago	1983	330	Tumut	1967	132/66
Tuggerah	1986	330/132	Wagga	1955	132/66
Upper Tumut	1959	330	Wallerawang	1953	132/66
Vales Point	1962	330/132	Yanco	1969	132/33
Vineyard	1994	330/132			
Wagga	1973	300/132	<b>Total Sites at 132kV = 38</b>		
Wallerawang	1975	330/132	<b>Total Sites at all Voltages = 82</b>		
Waratah West	1992	330/132			
Wellington	1984	330/132			
Yass	2006	132/66			
		330/132			
<b>Total Sites at 330kV = 39</b>					
			<b>Total Transformers</b>		
			<b>at rating</b>	<b>Total Number</b>	<b>Total Rating MVA</b>
			500kV	9	3,600
			330kV	113	24,985
			220kV	3	230
			132kV	75	4,125
			66kV	2	30
			<b>Total Transformers at all ratings</b>	<b>202</b>	<b>32,970</b>

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Produced by TransGrid's Corporate Business Unit



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