



GAS DISTRIBUTION - SERVICE QUALITY PERFORMANCE FOR THE YEAR ENDING 30 JUNE 2005

Introduction

The Authority's *Decision on Gas Distribution: Monitoring Service Quality* (available from the Authority's website at www.qca.org.au) requires the Queensland gas distribution service providers to collect and report information on service quality performance annually. The Authority commenced posting the reports provided by the service providers on its website in 2003-04.

The Authority has prepared a brief overview of the measures reported by the service providers. As more performance information becomes available over time, the Authority will provide a more detailed review of the service providers' service quality performance. However, as there is currently only two years data available, only simple comparisons can be made at this time.

Service Quality Reporting Framework

The gas distribution service providers are required to report against two types of service quality measures – reliability measures and customer service measures. In addition, background information in relation to customer numbers, gas consumption, unaccounted for gas and the length of the distribution network is required.

Reliability measures provide information about the ability of a service provider to maintain continuous gas supply to customers. Outages can occur for a number of reasons including planned renewals, third party damage or water entering the mains.

Unlike electricity networks, gas distribution networks do not suffer from momentary interruptions to supply (interruptions which last for one minute or less) due to the technical characteristics of pressurised gas networks. This means that, even in the event of damage to the mains, gas will often continue to flow and customers may be unaffected, particularly in the residential sector, where gas is used primarily for cooking and heating rather than to power continuous equipment operations.

Customer service measures provide information about the efficiency and responsiveness of service providers in the handling of issues such as complaints, reported leaks and connections. End users experiencing gas supply problems will generally contact the relevant gas retailer in the first instance. Some problems reported to retailers will ultimately be the responsibility of the distribution service provider.

ALLGAS

Background

The Allgas network comprises approximately 2,300 kilometres of low, medium and high pressure mains. During 2004-05, Allgas distributed gas to a total of 64,524 customers, an increase of 2.4 per cent from the previous year, who consumed approximately 10 petajoules of gas, an increase of 2.6 per cent from the previous year. Allgas' 111 large customers (consuming 10 or more terajoules per year) accounted for 7.3 petajoules of gas for 2004-05.

Reliability

In total, an estimated 7,497 hours of gas supply was lost during 2004-05 due to planned customer interruptions carried out on the Allgas network – 7,024 hours was attributable to mains and renewal work and the remainder to meter exchanges. This measure increased significantly from 2003-04, where an estimated 5,451 hours of gas supply was lost due to planned customer interruptions. The increase in hours of gas supply lost due to planned customer interruptions for 2004-05 was predominantly due to a higher number of customers being affected by mains and renewal work (rather than longer outages) than during 2003-04.

During the reporting period, eight unplanned outages were experienced on the Allgas network affecting 428 customers. This measure increased from two unplanned outages during 2003-04, which affected 107 customers. Unplanned outages for 2004-05 were predominantly due to excavation damage and maintenance and renewal work that inadvertently caused a loss of supply. The average duration of all unplanned outages increased from 1 hour and 21 minutes in 2003-04 to 2 hours and 23 minutes in 2004-05. The average duration for the 10 per cent of customers worst affected by unplanned outages deteriorated from 2 hours to 5 hours.

Customer Service

Allgas responded to 22,322 distribution-related actionable calls orders during the year. Actionable calls require Allgas to perform some action to remedy an issue/problem on the network. Actionable calls can be initiated by customers identifying problems or by Allgas staff identifying problems. Allgas are unable to report the number of actionable calls exclusive of internally generated calls. However, Allgas estimates (using sampling techniques) that there were around 18,750 customer generated calls in 2004-05 compared to 19,583 calls in 2003-04.

A total of 61 complaints were received by Allgas in 2004-05 (which represents about 0.95 complaints per 1,000 customers), of which 23 complaints related to connection and disconnections and 27 were categorised as 'other distribution-related' complaints. In 2003-04, there were 22 complaints received by Allgas, representing about 0.35 complaints per 1,000 customers.

On average, Allgas work crews responded to emergencies (which include all reports of gas leaks) within 31 minutes, up slightly from 28 minutes in 2003-04. This measure covers the time taken from the initial report of the emergency to when the site is made safe. The average response time for the slowest 10 per cent of emergency responses increased from 59 minutes in 2003-04 to 91 minutes in 2004-05.

Approximately 99 per cent of new customers were connected within 10 days¹, which is a significant improvement from the result in the previous year (79 per cent) despite there being 113 more new connections in 2004-05 than the previous year.

¹ Allgas has reported on the basis of its internal target of 10 days as opposed to the 20 day timeframe requested by the Authority.

During 2004-05, Allgas took 24 days (on average) to connect new customers to the network compared to 23 days during 2003-04. The slowest 10 per cent of new connections took 102 days compared to 95 days during the previous year. While at first glance such delays appear excessive, these often result from requests from customers to delay previously advised connection dates due to unforeseen delays in building and renovation work. As such, these measures should be considered in light of the very low number (23) of complaints regarding connection/disconnection problems in 2004-05. At this stage, Allgas is unable to separately identify the duration of those delays requested by customers.

In relation to re-connections, 99 per cent of customers were re-connected within one day of applying to their retailer, compared to 96 per cent in the previous year. On average, for the past two years, customers were re-connected to the network on the day of application. The slowest 10 per cent of re-connections took, on average, 2.3 days compared to 2 days in the previous year.

Unaccounted for Gas

Unaccounted for gas is the difference between the amount of gas injected into the network and that withdrawn, whilst also adjusting for any gas in storage. The level of unaccounted for gas for the Allgas network for 2004-05 represented 3.4 per cent of total throughput, down from 3.9 per cent in 2003-04.

ENVESTRA

Background

The Envestra network comprises approximately 2,200 kilometres of low, medium, high and transmission pressure mains. During 2004-05, Envestra distributed gas to a total of 74,706 customers, an increase of 1.6 per cent from the previous year, who consumed approximately 5.2 petajoules of gas, an increase of 7.2 per cent from the previous year. Envestra's 65 large customers (consuming 10 or more terajoules per year) accounted for 3.2 petajoules of gas for 2004-05.

Reliability

Envestra reported that 615 planned interruptions were required over the reporting period as a result of 61 kilometres of mains replacement work. The number of planned interruptions has increased significantly from 348 interruptions in 2003-04 when 51 kilometres of mains were replaced. In total, an estimated 25,086 hours of gas supply was lost due to these planned customer interruptions carried out on the Envestra network for 2004-05. This was a significant increase from Envestra's 2003-04 performance, where an estimated 15,954 hours of gas supply was lost due to planned customer interruptions.

During the reporting period, three unplanned outages occurred on the Envestra network affecting 51 customers. In 2003-04, there were two unplanned outages that affected 73 customers. The unplanned outages for 2004-05 were as a result of water in the mains and damage to mains by third parties. The average duration of all unplanned outages decreased from 6 hours in 2003-04 to 4.6 hours in 2004-05. Over the same period, the average duration for the 10 per cent of customers worst affected by unplanned outages improved from 10 hours to 5 hours.

Customer Service

A total of 6,196 customer calls were referred to Envestra during the reporting period compared to 5,907 calls during 2003-04.

A total of 20 complaints were received by Envestra in 2004-05 which represents about 0.27 complaints per 1,000 customers. The majority of these complaints were categorised as 'other distribution-related' complaints. In 2003-04, there were 17 complaints received by Envestra, which represented about 0.23 complaints per 1,000 customers.

On average, Envestra work crews responded to the 1,863 reports of emergencies (which include all reports of gas leaks) within 51 minutes, up slightly from 50 minutes in 2003-04 when it responded to 1,818 reports of emergencies. This measure covers the time taken from the initial report of the emergency to when the site is made safe. The average response time for the slowest 10 per cent of emergency responses decreased slightly from 120 minutes in 2003-04 to 116 minutes in 2004-05.

Depending on the particular type of connection involved, between 37 and 56 per cent of new customers were connected to the Envestra network within 20-days. In 2003-04, this measure ranged between 23 and 54 per cent. During the reporting period, Envestra took between 25 and 137 days on average (depending on the particular type of connection) to connect new customers to the network compared to 24 and 104 days during 2003-04. The slowest 10 per cent of new connections took between 69 and 376 days compared to 71 and 254 days during the previous year. While at first glance such delays appear excessive, these often result from requests from customers to delay previously advised connection dates due to unforeseen delays in building and renovation work. As such, these measures should be considered in light of the fact that Envestra

received only two complaints regarding connection problems in 2004-05. At this stage, Envestra is unable to separately identify those delays requested by customers.

As Envestra does undertake reconnections (these are handled by the retailer), Envestra has been unable to report on the timeliness of re-connections for 2004-05. In 2003-04, Origin Energy provided Envestra with a (rough) estimate of 98 per cent of re-connections taking place within 24 hours. Origin Energy has informed Envestra that it believes little would have changed in 2004-05.

Unaccounted for Gas

The level of unaccounted for gas in the Envestra covered network (part of Envestra's network is not covered by the access arrangements) over 2004-05 represented 5.8 per cent of total throughput of the covered network, which is an improvement from the 6.8 per cent recorded in 2003-04. For the network as a whole in 2004-05, unaccounted for gas was 2.0 per cent of total throughput, down from 2.2 per cent in 2003-04.