



**GAS DISTRIBUTION SERVICE QUALITY**  
**ANNUAL REPORT**  
**JULY 2004 TO JUNE 2005**

ALLGAS ENERGY PTY LTD

**September 2005**

For Media Inquiries, please contact ENERGEX Corporate Communication on (07) 3407 4420

## Introduction

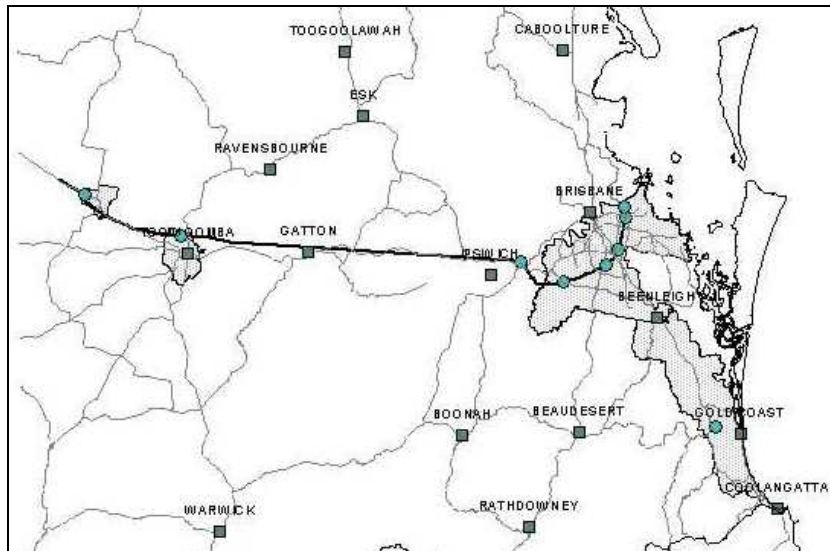
This is Allgas Energy Pty Ltd's Annual Report on gas distribution service quality to the Queensland Competition Authority (QCA) as required under the QCA's *Gas Distribution: Monitoring Service Quality Decision 2003*.

### About Allgas Energy Pty Ltd's gas distribution network

This report provides information on the quality of the performance of Allgas Energy Pty Ltd's natural gas distribution network during the period from 1 July 2004 to 30 June 2005.

Allgas Energy Pty Ltd supplies natural gas through a network of over 2,304 kilometres of distribution mains to around 64,500 residential, commercial, and industrial customers.

Map of Allgas Energy Pty Ltd's gas distribution network



Allgas' supply area is Brisbane (south of the Brisbane River), the Gold Coast (including small parts of northern New South Wales), Oakey, and Toowoomba.

Allgas is committed to the progressive upgrading of the older parts of the distribution network over the next 10 years through the network renewal program. Through this program, Allgas plans to renew over 400 kilometres of mains by 2012 including Toowoomba, Kangaroo Point, East Brisbane, Coorparoo, South Brisbane, Highgate Hill, Woolloongabba, Balmoral, Morningside, Camp Hill, Greenslopes, Mansfield, Mt Gravatt, Holland Park, Moorooka, Tarragindi, Yeronga, and Yeerongpilly.

In addition, Allgas is engaging in a major expansion of the network in the Gold Coast region to meet new demand.

### Measuring Allgas Energy Pty Ltd's distribution network performance

This report focuses on the quality of Allgas Energy Pty Ltd's performance in two areas:

- *reliability of supply* (how often gas supply is interrupted, and for how long); and
- *customer service* (for example, response times to emergencies, number of complaints, and time taken to connect new customers or reconnect existing connections).

These measures are described more fully below. In addition, there are explanatory notes attached to the tables that describe some of the measures in more detail, and discuss how Allgas records and reports the measures.

### *Reliability of supply*

A key measure of the quality of Allgas' performance is the reliability of its supply to customers.

This report provides statistics on planned and unplanned interruptions.

In general, it is quite rare for gas supply to be interrupted. This is because Allgas (like other gas networks) operates an underground gas distribution network. However, interruptions can occur, from causes such as: third parties accidentally digging into the underground network while excavating (known as third party dig-ins), water entering the network, low pressure associated with older networks, and failure of pipes and fittings.

Allgas is taking a range of measures to minimise these causes of interruptions. For example, a wide range of measures are being taken to reduce third party dig-ins:

- burying new pipes to specified minimum depths depending on pressure class, type of main or service and location;
- using colour-coded pipes;
- burying warning tape 300 to 400 mm above new pipes laid in trenches;
- placing above-ground markers over pipes;
- educating the community through dial-before-you-dig programs; and
- conducting regular patrols over high-pressure steel pipes to check if anyone is digging near them.

Allgas is also addressing the problem of water entering pipelines through the network renewal program described above. In addition, location and repair of material failure is facilitated by a rigorous network leakage survey program.

### *Customer service*

Allgas takes good quality customer service very seriously.

This report provides information on actionable calls from customers, complaints, response times to emergencies, and the time taken for new connections and reconnections:

- *Actionable calls* reflect work orders raised by the asset manager arising from inputs into the Allgas Customer Information System (ACIS) by retailers, end users, and the asset manager relating to: supply investigations; new connections; customer enquiries; low pressure; removal of meters; change of meters; replacement of meters; removal of service; reconnection of service; and relocation of service;
- *Complaints* relate customer expressions of dissatisfaction regarding the operation of the distribution network categorised in four areas: metering; connections/disconnections; reliability; and 'other distribution';
- *Response times to emergencies* capture Allgas' response time from the time a possible emergency is reported until it is investigated and any immediate dangers are dealt with; and
- *On-time connections* reports the time taken to connect new customers, and reconnect customers with existing pipes following prior disconnection.

### **Summary of Allgas' Performance**

Key performance elements identified in the report include:

- the 8 unplanned outages during 2004-05 affected 428 customers and lost 986 hours of supply;
- there were 61 complaints relating to customer service, which included 23 complaints categorised as a connection/

reconnection issue, and 27 defined as an other distribution-related issue for the financial year; and

- average response times to all emergencies was 31 minutes, while the response time for the slowest 10% and 25% was 91 minutes and 53 respectively for the financial year.

As the second annual Service Quality Report to the QCA, Allgas is able to compare the 2004-05 performance against 2003-04, as well provide a higher level analysis of its service quality performance by:

- providing details on unplanned service interruptions which affected more than 5 customers; and
- comparing performance against other gas distribution businesses subject to regulation.

The comparison with other gas distributors is provided for illustrative purposes only and is designed to facilitate discussion and highlight Allgas' service quality performance.

*Unplanned interruptions*

Allgas experienced eight (8) unplanned interruptions during the reporting period. The details of these incidents are:

- 6 July 2004, Holland Park, supply interrupted by contractor with 29 customers affected for 2 hours;
- 21 July 2004, Manly, mains damaged by developer during excavation with 50 customers affected for 3 hours;
- 2 September 2004, Murrarie, mains damaged by a sewerage contractor during excavation with 134 customers affected for 2 hours;
- 5 September 2004, Capalaba, supply to shopping centre turned off by Queensland Fire Service in response to emergency situation with 6 customers affected for 5 hours;

- 20 October 2004, Surfers Paradise, gas service damaged by external contractor with 4 customers affected for 1 hour;
- 25 October 2004, Mansfield, gas service incorrectly turned off by third party with 74 customers affected for 4 hours;
- 2 March 2005, Algester, mains damaged by Brisbane City Council during excavation with 10 customers affected for 1 hour; and
- 21 April 2005, Southport, mains damaged by third party during excavation with 121 customers affected for 2 hours.

*Comparison of performance*

In this report, Allgas' service quality performance is compared to its 2003-04 performance, and the most recent (2004) reported service quality performance of the regulated Victorian gas distributors, which consist of: Multinet, TXU and Envestra. These gas distributors provide service quality performance reports as part of their approved access arrangements with the Essential Services Commission (ESC).

**Table 1 –Allgas Service Quality Performance Comparison**

Distributors	Allgas 2003-2004	Allgas 2004-05
Number of unplanned outages	2	8
Number of customers affected by unplanned interruptions	107	428
Average duration of unplanned outages	81 minutes	143 minutes
Number of complaints per 1,000 customers	0.35	0.95

It is important to note that the Victorian gas distributors' approach to reporting service quality measures differs from Allgas' approach of reporting to the QCA. In our illustrative comparison presented in table 2, Allgas' performance for 'unplanned interruptions' is compared against the Victorian gas distributors on the most recent reported performance using the System Average Interruption Duration Index (SAIDI) method for unplanned interruptions. Additionally, we have compared our performance on customer complaints per 1,000 customers.

**Table 2 – Allgas compared to Victorian gas distributors**

Service Quality Indicator	Allgas 2004-2005	Victorian Gas Distributors for 2004
Average minutes off supply per customer – unplanned interruptions affecting 5+ customers	0.95 minutes	2.09 minutes
Number of complaints per 1,000 customers	0.95	Minimum c.1.2 Maximum c.2.1

Source: ESC (July 2005) "Gas Distribution Businesses Comparative Performance Report for the Calendar Year 2004".

As highlighted, Allgas' service quality performance compares favourably to the Victorian distributors against the constructed indicators. Allgas expects that this type of comparison along with the creation of a time-series of our performance will demonstrate Allgas' ongoing commitment to delivering high quality services to its customers.

## Background Data

Measure	Descriptor	Value
Distribution Network Service Provider	name	Allgas Energy Pty Ltd
First day of reporting period	date	01-7-2004
Last day of reporting period	date	30-06-2005
Supply area <sup>a</sup>	square kilometres	2,030
Distribution customers – total <sup>b</sup>	number	64,524
Distribution customers – small (using less than 10 terajoules per annum) <sup>c</sup>	number	64,413
Distribution customers – large (using 10 or more terajoules per annum)	number	111
Gas Consumption – customers using less than 10 terajoules per annum	terajoules <sup>c</sup>	2,737
Gas Consumption – customers using 10 or more terajoules per annum	terajoules <sup>c</sup>	7,279
Unaccounted for gas <sup>d</sup>	terajoules <sup>c</sup>	341
Length of distribution mains	kilometres	2,304

<sup>a</sup> Reports the overall area within which pipelines are laid. Includes the small part of the distribution network located in NSW (approximately 10 square kilometres).

<sup>b</sup> A distribution customer is defined as a point at which gas is supplied from the distribution network and which is identified as a separate account for billing purposes.

<sup>c</sup> A terajoule is a standard measure of the heating capacity of gas equivalent to  $1 * 10^{12}$  joules.

<sup>d</sup> Unaccounted for gas represents the difference between the gas injected into the network and the gas withdrawn from the network, adjusting for any changes in the gas stored in the network over the measurement period.

## Reliability of supply

Measure	Descriptor	Value
Planned customer interruptions <sup>e</sup>	hours	0
Planned mains and renewal interruptions <sup>f</sup>	hours	7,024
Meter exchanges <sup>g</sup>	number	2,835
Number of unplanned outages <sup>h</sup>	number	8
Number of customers affected by unplanned outages <sup>l</sup>	number	428
Total number of hours of gas supply lost through unplanned outages <sup>j</sup>	hours	986
Duration of unplanned outages		
Worst 10 per cent	hours:minutes	5:00
Worst 25 per cent	hours:minutes	3:00
Average	hours:minutes	2:23

<sup>e</sup> Total number of hours of interruption to supply due to planned outages. Excludes any interruptions due to mains and renewal and exchange or replacement of meters.

<sup>f</sup> The total hours of mains and renewal interruptions is based on the number of customers affected by the interruption multiplied by the duration of the interruption as measured in hours. The duration of the mains and renewal interruption was estimated to be 8 hours.

<sup>g</sup> Meter exchanges typically take around 10 minutes.

<sup>h</sup> Number of unplanned outages affecting 5+ customers. The causes of the unplanned outages are as follows:

21 July 2004 Tilley Rd Manly	Excavation damage to 63mm PE gas main by developer resulting in the loss of supply for the customers downstream of the damaged section. An emergency crew was despatched to repair the damaged section of main and relight the appliances of the affected customers.	50 Customers affected for 3 hours
6 July 2004 Crump St Holland Park	During renewal works, a section of main was inadvertently isolated by external contractors resulting in the loss of supply of a number of customers. Field personnel were despatched to the area to rectify the problem and relight appliances of affected customers.	29 Customers affected for 2 hours

2 September 2004 Barrack Rd Murarrie	Whilst excavating a trench, a sewerage contractor damaged the 63mm Class 500 PE main resulting in the loss of supply for the residents within Park Hill Village Estate. An emergency crew was despatched to repair the damaged section of main and relight the appliances of the affected customers.	134 Customers affected for 1.5 hours
5 September 2004 Capalaba Shopping Centre	Following a fire in a food outlet within Capalaba Shopping Centre, the QLD Fire Service turned off the Gas Supply. An emergency crew was despatched to carry out a safety assessment on the gas services within the shopping Centre. Once this was completed the gas supply was reinstated to the food outlets not damaged by the fire.	6 Customers affected for 5 hours
20 October 2004 Orchid Ave Surfers Paradise	Whilst emptying an industrial waste bin, the contractor damaged a gas service. Gas Supply to the building was turned off by the security guard on site. An emergency crew was despatched to repair the damaged service and relight the appliances of the affected customers.	4 Customers affected for 1 hour
25 October 2004 Wecker Rd Mansfield	Whilst completing scheduled network maintenance a gas valve was inadvertently turned off resulting in the loss of supply to customers. Field personnel were despatched to the area to rectify the problem and relight the appliances of the affected customers.	74 Customers affected for 4 hours
2 March 2005 Alger Area	Whilst excavating, BCC damaged the 50mm PE Gas Main resulting in the loss of supply for the customers downstream of the damaged section. An emergency crew was despatched to repair the damaged section of main and relight the appliances of the affected customers.	10 Customers affected for 0.5 hour
21 April 2005 Oxenford Rd Southport	Whilst operating a backhoe in the vicinity of gas mains, a contractor damaged the 63 mm PE gas main resulting in the loss of supply in a number of customers. An emergency crew was despatched to repair the damaged section of main and relight the appliances of the affected customers.	121 Customers affected for 2 hours

i Based on estimate of customers affected by unplanned outages (affecting 5+ customers).

j Based on time from time of report of outage to restoration of supply for unplanned outages affecting 5+ customers.

## Customer service

Measure	Descriptor	Value
Actionable calls <sup>k</sup>	number	22,322
Percentage of actionable calls – internally generated <sup>l</sup>	percentage	16
Complaints – total <sup>m</sup>	number	61
Metering	number	6
Connections/Disconnections	number	23
Reliability	number	5
Other distribution-related	number	27
Compliments <sup>n</sup>	number	16
Response times to emergencies <sup>o</sup>		
Average of all response times	minutes	31
Response time for slowest 10 per cent	minutes	91
Response time for slowest 25 per cent	minutes	53

<sup>k</sup> Actionable calls estimated based on the work orders raised by the asset manager arising from inputs into ACIS by retailers, end users, and the asset manager relating to: supply investigations; new connections; customer enquiries; low pressure; removal of meters; change of meters; replacement of meters; removal of service; reconnection of service; and relocation of service. ACIS does not have the capability to determine whether the work orders were generated from an internal order or from an external customer request.

<sup>l</sup> The percentage of actionable calls generated internally is based on an estimate. The estimate was prepared by the Asset Manager by reviewing a reasonable sized sample of total actionable calls to identify those actionable calls which were internally generated.

<sup>m</sup> Complaint is defined as a communication from an external customer indicating that requirements or expectations have not been met. Complaints do not include reports of system failures.

<sup>n</sup> Compliment is defined as a communication from an external customer indicating that expectations of service quality have been exceeded.

<sup>o</sup> Emergencies cover all reports of possible gas leaks. Response time is measured from a time of recording of a report of a possible emergency until emergency site is made safe. 'Made safe' means that any immediate hazard has been eliminated (including staff arrival, danger assessment, and (as necessary) action to cordon off dangerous areas, erect warning signs, and remove ignition sources).

Measure	Descriptor	Value
On-time connections		
Total number of new connections <sup>p</sup>	number	2,371
New connections on-time <sup>q</sup>	percentage	99
Total number of reconnections	number	4,983
Reconnections on-time <sup>r</sup>	percentage	99
Connection times – new connections <sup>s</sup>		
Slowest 10 per cent	days	102
Slowest 25 per cent	days	66
Average	days	24
Connection times – reconnections <sup>t</sup>		
Slowest 10 per cent	days	2.33
Slowest 25 per cent	days	1.11
Average	days	0.28

- <sup>p</sup> New connections cover situations where a new pipeline connection is laid to a customer's supply point following a request lodged by the customer and where suitable existing gas mains run down the customer's street. The time starts counting from when the customer lodges all necessary paperwork and pays any relevant customer contribution fee.
- <sup>q</sup> Reported by contractor based on number of jobs completed by target date. The percentage reported is against Allgas' internal target for on-time connection of new customers of 10 days after excluding customer-related delays or delays in receipt of dial before you dig information.
- <sup>r</sup> Reconnections cover situations where an existing gas connection to a supply point is restored, eg following a period of vacancy. Reported against Allgas' internal target for on-time reconnection of existing customers of 1 day.
- <sup>s</sup> Reported as the average for new connections, including delays such as customer-related delays or delays in receipt of dial before you dig information. Customer-related delays can be significant, and typically arise where a site is not ready for connection on the target date initially set. Ellipse reports currently have insufficient data to determine and remove customer-related delays.
- <sup>t</sup> A result under 1 for a particular job represents same-day service, while a result of 1 means next business day service.