



## **ELECTRICITY DISTRIBUTION – SERVICE QUALITY PERFORMANCE FOR THE DECEMBER QUARTER 2005**

### **Introduction**

The Authority's *Electricity Distribution: Service Quality Reporting Guidelines* require Distribution Network Service Providers (DNSPs) to provide data on specific service quality measures on a quarterly and annual basis. The Guidelines are available on the Authority's website at [www.qca.org.au](http://www.qca.org.au). The Authority commenced posting the reports provided by the DNSPs on its website with the September quarter 2002 reports. In August 2005, the Authority revised its Service Quality Reporting Guidelines to address weaknesses in the reporting arrangements and to facilitate nationally consistent reporting. The DNSPs commenced reporting under the revised Guidelines for the September quarter 2005.

For the quarterly reports, the Authority provides a very brief overview of the measures reported by the DNSPs. For the annual reports, the Authority provides a more detailed review of DNSPs' service quality performance. Reports of the distributors' financial and service quality performance are available on the Authority's website.

### **Summary of the DNSPs' December quarter 2005 service quality reports**

The service quality measures collected by the Authority are not intended to allow comparison of the two DNSPs with each other. This is because Energex and Ergon Energy operate in very different environments. Energex operates a distribution network that is located in the urban area of South East Queensland whereas Ergon Energy operates a distribution network spread across the remainder of the state. As a result, it is to be expected that the distributors' performance will vary significantly on a number of service quality measures.

The service quality measures that the DNSPs are required to report against fall into three broad groups – reliability measures, quality of supply measures and customer service measures.

**Reliability** measures provide information about interruptions to electricity supply. Interruptions can occur because of problems with generation, transmission or distribution. Distribution interruptions may be planned or unplanned, and unplanned interruptions will at times be due to events that are beyond the control of the DNSPs, such as severe storms.

**Quality of supply** measures are intended to indicate problems with the nature of electricity supply, such as low or high voltage levels, based on customers reporting symptoms that are typically associated with such problems.

**Customer service** measures provide information about how customers' problems, enquiries and requests for services are handled by the DNSPs.

## **ENERGEX**

### *Reliability measures*

During the 12 months to end December 2005, Energex customers, on average, experienced 1.99 distribution-related interruptions, leaving them without power for a total of 201.8 minutes. This compares to 1.85 distribution-related interruptions and 182.7 minutes without power during the 12 months to end September 2005, indicating that customers experienced a deterioration in reliability performance in the December quarter 2005 compared to that experienced in the December quarter 2004<sup>1</sup>.

During the December quarter 2005, Energex customers, on average, experienced 0.80 distribution-related interruptions, leaving them without power for a total of 91.5 minutes. This compares to 0.20 distribution-related interruptions and 20.1 minutes without power during the September quarter 2005. This is only the second time quarter-on-quarter reliability information has been reported. It is to be expected that reliability performance will vary between quarters as it is in part dependent on the weather experienced in the distribution area. More meaningful analysis of this data should be possible once further quarter-on-quarter reliability data is collected.

Consistent with the Authority's Guidelines relating to the exclusion of certain events, Energex removed the impact of five events from its distribution-related reliability performance for the December quarter 2005. Four of the exclusion events were due to severe storms during the December quarter 2005. The other exclusion event was due to strong winds occurring on 17 September 2005. Although the exclusion event due to strong winds occurred in the September quarter 2005, it still impacts the December quarter 2005 reliability data because the reliability measures are based on a 12 month rolling average. All of the exclusion events for the December quarter 2005 were based on the internationally recognised 2.5 beta method, which was a requirement of the Authority's revised Guidelines.

With these events excluded (that is, measuring the underlying distribution-related reliability), Energex's customers, on average, experienced 1.72 distribution-related interruptions, leaving them without power for a total of 150.5 minutes during the 12 months to end of December 2005. These figures compare to 1.71 distribution-related interruptions and 156.1 minutes without power during the 12 months to end September 2005, indicating that, in the December quarter 2005, the underlying reliability of the network declined slightly in terms of the number of outages but that these would have resulted in less time without power compared to the December quarter 2004.

During the December quarter 2005, and with unusual events excluded, Energex's customers, on average, experienced 0.61 distribution-related interruptions, leaving them without power for a total of 51.9 minutes. These figures compare to 0.13 distribution-related interruptions and 9.2 minutes without power during the September quarter 2005.

Energex customers made 173 complaints regarding the reliability of supply in the December quarter 2005, compared to 122 complaints in the September quarter 2005. Due to a change by

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<sup>1</sup> As these reliability measures are based on 12 month rolling averages, the only difference between results for the September and the December quarters in 2005 is that the former includes December quarter 2004 reliability data while the latter includes December quarter 2005 reliability data. Therefore, comparison of reliability data for the September and December quarters in 2005 on this basis is effectively a comparison of reliability performance during the December 2004 and 2005 quarters.

Energex in the collection of this data, to include complaints resolved immediately which had previously been excluded, it is not possible to compare the December quarter result with the corresponding quarter a year earlier.

#### *Quality of supply measures*

Energex reported that it received a total of 413 technical quality of supply complaints during the December quarter 2005, which was a decrease on the 475 complaints received during the September quarter 2005. The largest decreases were recorded for complaints relating to minor voltage dips (which can cause flickering lights and the need to re-set digital clocks) and voltage swells (which can cause blown lights and minor equipment damage). However, the December quarter 2005 performance represented a deterioration compared to the corresponding quarter in 2004 (387 complaints).

The average time taken to fix a technical supply fault increased from 30.6 days in the September quarter 2005 to 34 days in the December quarter 2005. This measure has varied between 30 and 45 days over the past year and a half.

#### *Customer service measures*

During the December quarter 2005, Energex customers had to wait, on average, 31 seconds to speak to an operator when calling the call centre, up from 28 seconds during the previous quarter. This measure has remained fairly steady over the past year, varying between 23 and 31 seconds.

The percentage of calls abandoned decreased from 5.3 per cent in the September quarter 2005 to 4 per cent in the December quarter 2005. However, the September quarter 2005 result is a slight deterioration on the corresponding quarter in 2004 (3.6 per cent).

During the December quarter 2005, there were 169,006 calls answered by Energex's interactive voice response (IVR) system in relation to loss of supply information compared to 134,831 calls answered in the previous quarter. Reporting of the number of calls handled by the IVR system is a new requirement of the Authority's revised Guidelines. As a result, no further historical comparisons can be made.

There were no instances of the loss of supply phone number reaching capacity during the December quarter 2005. As a result, Energex answered all of the calls directed to that number. This compares with the September quarter 2005, when the loss of supply phone number reached capacity four times and was unable to answer 3,909 calls. Reporting the number of calls unanswered due to the loss of supply phone number reaching capacity is also a new requirement of the Authority's revised Guidelines.

The proportion of total customer appointments that were not met within 15 minutes of the agreed time deteriorated slightly from 2.5 per cent in the September quarter 2005 to 2.6 per cent in the December quarter 2005. However, the December quarter 2005 result is an improvement on the corresponding quarter in 2004 (3.3 per cent). This measure has been relatively stable over the past year, varying between 2.5 per cent and 2.6 per cent.

In other measures, Energex customers had to wait, on average, 4 days for a new connection to the network compared to 4.03 days during the September quarter 2005. This measure has varied little since reporting began in the September quarter 2002.

The proportion of new connections that were not made on the agreed date improved from 1.1 per cent in the September quarter 2005 to 0.2 per cent in the December quarter 2005, which was the lowest level since reporting began under the Authority's Guidelines.

The improvement in the December quarter 2005 may have been influenced by the number of new connections falling by 1,280. It may also reflect an increased focus by Energex on the timeliness of connections due to a requirement by the State Government that, from 1 July 2005, DNSPs make automatic payments under the Guaranteed Service Level (GSL) scheme of \$40 for every day late in connecting or re-connecting a customer's premises. Prior to the introduction of automatic GSL payments, the proportion of new connections that were not made on the agreed date had ranged between 2 per cent and 7 per cent since reporting began under the Authority's Guidelines.

The proportion of re-connections that were not made on the agreed date decreased to 0.5 per cent in the December quarter 2005 (again the lowest percentage on record) compared to 1 per cent in the September quarter 2005. The improvement in the December quarter 2005 may have been influenced by 174 fewer new connections, but may also reflect the introduction of automatic GSL payments in the September quarter 2005. Prior to the introduction of automatic GSL payments, this measure had generally remained between 2 per cent and 3 per cent since reporting began under the Authority's Guidelines.

The number of GSL payments made during the December quarter 2005 decreased to 151 payments from 184 payments in the previous quarter. The total amount paid in GSL payments also decreased from \$14,600 to \$13,090 over the same period.

The average time taken to repair faulty street lights increased to 5 days in the December quarter 2005 from 3 days in the September quarter 2005. The December quarter 2005 result is the highest reported to date. However, the proportion of street lights not repaired by the agreed date improved from 6.4 per cent in the September quarter to 3.5 per cent in the December quarter.

The occasions on which the required notice of a planned interruption to supply was not given increased slightly from an already high 43 per cent in the September quarter 2005 to 45 per cent in the December quarter 2005. Unlike other measures that were included in the State Government's GSL scheme, this measure has varied little over the past year. This may reflect the fact that the GSL scheme does not require the distributors to make automatic payments to customers for breaches of this measure but still relies on customers making a claim for compensation. As a result, the distributor may have less incentive to focus on improving performance in relation to this measure.

The occasions where the duration of a planned interruption exceeded the time specified in the notification remained at 28 per cent in the December quarter 2005. This measure has varied little over the past year between 28 per cent and 31 per cent.

The reported number of customer service complaints decreased from 741 in the September quarter 2005 to 713 in the December quarter 2005, while the average time taken to resolve these complaints also decreased from 9 days to 7 days. The separate reporting of customer service complaints was a new requirement of the Authority's revised Guidelines.

For the December quarter 2005, Energex resolved 91 per cent of complaints within 20 days compared to 88 per cent in the previous quarter. No further historical comparisons can be made on this measure as Energex changed the basis of reporting in the September quarter 2005. The

total number of repeat complaints in the December quarter 2005 was 8, the same as the previous quarter. The average time taken to resolve repeat complaints improved from 13 days to 12 days.

## **ERGON ENERGY**

### *Reliability measures*

During the 12 months to end December 2005, Ergon Energy customers, on average, experienced 4.15 distribution-related interruptions, leaving them without power for a total of 501.8 minutes. These figures compare to 3.85 distribution-related interruptions and 460.2 minutes without power during the 12 months to the end of September 2005, indicating that the reliability performance of the network improved in the December quarter 2005, compared to the December quarter 2004.

During the December quarter 2005, Ergon Energy customers, on average, experienced 1.76 distribution-related interruptions, leaving them without power for a total of 221.9 minutes. This compares to 0.70 distribution-related interruptions and 86.4 minutes without power during the September quarter 2005. This is only the second time quarter-on-quarter reliability information has been reported. It is to be expected that reliability performance will vary between quarters, as it is in part dependent on the weather experienced in the distribution area. More meaningful analysis of this data should be possible once further quarter-on-quarter reliability data is collected.

Consistent with the Authority's Guidelines relating to the exclusion of certain events, Ergon Energy removed the impact of two events from its distribution-related reliability performance for the December quarter 2005. The exclusion events were due to severe storms during the December quarter 2005. This is the first time Ergon Energy has removed any unusual events from its data and reflected the move from the old exclusion event definition which had been difficult for Ergon Energy to meet due solely to the geographic spread of its network.

With these events excluded (that is, measuring the underlying distribution-related reliability), Ergon Energy's customers, on average, experienced 3.95 distribution-related interruptions, leaving them without power for a total of 472.7 minutes during the 12 months to the end of December 2005, indicating that the underlying reliability of electricity supply for the December quarter 2005 also deteriorated compared to the December quarter 2004. Since Ergon Energy had no excluded events previously, the comparative data from September 2004 is the same for adjusted and unadjusted performance.

During the December quarter 2005, and with unusual events excluded, Ergon Energy's customers, on average, would have experienced 1.56 distribution-related interruptions, leaving them without power for a total of 192.8 minutes during the December quarter 2005. Again, this data can be compared to the September 2004 quarterly performance measures reported above.

Ergon Energy customers made 441 complaints regarding the reliability of supply in the December quarter 2005, compared to 121 complaints in the September quarter 2005. The number of reliability complaints for the December quarter 2005 is also above the corresponding quarter in 2004 (339 complaints). However, the average time taken to resolve reliability complaints decreased from 7 days in the September quarter 2005 to 3 days in the December quarter 2005. The average time taken to resolve reliability complaints for the December quarter 2005 is also lower than the corresponding quarter in 2004 (5 days).

### *Quality of supply measures*

Ergon Energy reported that it received a total of 780 technical quality of supply complaints during the December quarter 2005, which was a significant deterioration on the 617 complaints

during the September quarter 2005. The largest increases were recorded for complaints relating to low supply voltage (which can cause light dimming and motor starting problems) and other non-categorised complaints. The December quarter 2005 performance also represented a deterioration from the corresponding quarter in 2004 (750 complaints).

The average time taken to fix a technical supply fault remained at 74 days in the December quarter 2005. This measure has varied between 74 days and 79 days over the past year.

#### *Customer service measures*

During the December quarter 2005, Ergon Energy customers had to wait, on average, 29 seconds to speak to an operator when calling the call centre, compared to 16 seconds during the previous quarter. The December quarter 2005 result was also higher than in the corresponding quarter in 2004 (21 seconds).

The percentage of calls abandoned increased from 2.3 per cent in the September quarter 2005 to 3.5 per cent in the December quarter 2005. The December quarter 2005 performance is also a deterioration from the corresponding quarter in 2004 (2.4 per cent).

During the December quarter 2005, there were 206,065 calls answered by Ergon Energy's interactive voice response (IVR) system in relation to loss of supply information compared to 80,556 calls answered in the previous quarter. Reporting of the number of calls handled by the IVR system is a new requirement of the Authority's revised Guidelines. As a result, no further historical comparisons can be made.

Ergon Energy's loss of supply phone number did not reach capacity and was able to handle all calls directed to that number during the December quarter 2005. There were also no instances of the call centre reaching capacity during the September quarter 2005.

In other measures, Ergon Energy customers had to wait, on average, 2 days for a new connection to the network in the December quarter 2005, the same waiting time as the previous quarter. This measure remains at its lowest level since reporting began under the Authority's Guidelines.

The proportion of new connections that were not made on the agreed date improved from 1.3 per cent in the September quarter 2005 to 0.4 per cent in the December quarter 2005, which was the lowest percentage recorded since reporting began under the Authority's Guidelines.

The improvement in the December quarter 2005 may have been influenced by the number of new connections falling by 506. It may also reflect an increased focus by Ergon Energy on the timeliness of connections due to a requirement by the State Government that, from 1 July 2005, DNSPs make automatic payments under the Guaranteed Service Level (GSL) scheme of \$40 for every day it is late in connecting or re-connecting a customer's premises. Prior to the introduction of automatic GSL payments, the proportion of new connections that were not made on the agreed date had ranged between 4.5 per cent and 8.5 per cent.

Ergon Energy customers had to wait, on average, 24 hours to be re-connected to the network in the December quarter 2005, unchanged from the previous quarter. Since the March quarter 2003 (the first quarter this measure was reported), this measure has varied between 13 hours and 31 hours.

The proportion of re-connections that were not made on the agreed date improved slightly from 0.4 per cent in the September quarter 2005 to 0.3 per cent in the December quarter 2005. This may have been partly due to the 1,260 fewer re-connections that were made, but may also reflect the introduction of automatic GSL payments in the September quarter 2005. Prior to the introduction of automatic GSL payments, this measure had generally remained between 3.5 per cent and 7.5 per cent since reporting began in the March quarter 2003.

The number of GSL payments made during the December quarter 2005 decreased from 192 payments in the previous quarter to 165 payments. The total amount paid in GSL payments also decreased from \$14,640 to \$9,350 over the same period.

The average time taken to repair faulty street lights increased slightly from 2.4 days in the September quarter 2005 to 3.1 days in the December quarter 2005. This measure has generally remained between 2.5 and 3.5 days over the last three years. The proportion of street lights not repaired by the agreed date deteriorated from 14.4 per cent in the September quarter to 17.8 per cent in the December quarter. The December quarter 2005 result is the highest reported to date under the Authority's Guidelines.

The occasions on which the required notice of a planned interruption to supply was not given increased from 6.6 per cent in the September quarter 2005 to 7.8 per cent in the December quarter 2005. This result also represented a deterioration from the corresponding quarter in 2004 (6.7 per cent). This may reflect the fact that the GSL scheme does not require the distributors to make automatic payments to customers for breaches of this measure but still relies on customers making a claim for compensation. As a result, the distributor may have less incentive to focus on improving performance in relation to this measure.

The occasions where the duration of the planned interruption exceeded the time specified in the notification increased slightly from 30 per cent to 30.8 per cent. This measure has varied between 30 per cent and 31 per cent over the past year.

The reported number of customer service complaints decreased from 733 in the September quarter 2005 to 699 in the December quarter 2005, while the average time taken to resolve these complaints also decreased from 8.2 days to 7.1 days. The separate reporting of customer service complaints was a new requirement of the Authority's revised Guidelines.

The percentage of total complaints resolved within 20 days was 85.8 per cent in the December quarter 2005. No further historical comparisons can be made as Ergon Energy changed the basis of reporting this measure, as required under the Authority's Guidelines, in the December quarter 2005.

The total number of repeat complaints increased from 18 in the June quarter 2005 to 26 in the December quarter 2005. The December quarter 2005 performance is also a deterioration from the corresponding quarter in 2004 (17 complaints). The average time taken to resolve repeat complaints improved from 19.8 days in the September quarter 2005 to 10.3 days in the December quarter 2005. The December quarter 2005 performance is a slight increase on the corresponding quarter in 2004 (9.2 days).