



ELECTRICITY DISTRIBUTION – SERVICE QUALITY PERFORMANCE FOR THE DECEMBER QUARTER 2009

Introduction

The Authority's *Electricity Distribution: Service Quality Reporting Guidelines* (the Guidelines) require the Distribution Network Service Providers (the distributors) to provide data on service quality measures quarterly and annually. The Guidelines can be obtained from the Authority's website at www.qca.org.au.

The Authority commenced publishing the distributors' reports on its website with the September quarter 2002 reports. In August 2005, the Authority revised its Guidelines to strengthen and facilitate nationally consistent reporting. The distributors commenced reporting against the revised Guidelines for their September quarter 2005 reports.

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

The service quality measures that the distributors are required to report against fall into three groups:

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. Unplanned interruptions will at times be due to events that are beyond the control of the distributor, 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. These measures are based on customer complaints attributed to various symptom types such as low supply voltage, voltage swells and spikes.

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

A Cautionary Note

The service quality measures collected by the Authority are not intended to allow for performance comparison between distributors. 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. In addition, a number of measures reported by the distributors are subject to detailed qualifications. In some cases, this relates to the consistency of measures over time. Readers should consult the distributors' reports and the Authority's Guidelines to ensure correct interpretation of the data.

ENERGEX

1. Reliability Measures

- *Underlying reliability of supply measures improved marginally during the December quarter 2009;*
- *Total number of reliability of supply complaints increased significantly; and*
- *Average time taken to resolve these complaints remained unchanged.*

Reliability measures are subject to seasonal influences, with the December and March quarters in particular subject to the summer storm season. For this reason, data comparisons will generally be more meaningful when comparing the results for the same quarters in different years or comparing annual data, rather than comparing the results of two consecutive quarters.

In the 12 months ending 31 December 2009, Energex customers experienced an average of 1.65 distribution-related interruptions and were left without power for an average of 159 minutes over the year. This compares to 1.75 distribution-related interruptions and an average duration of 244.3 minutes in the 12 months ending 30 September 2009.

A low level of exclusion events (38.9 minutes) was reported in the year to December 2009. After removing the effect of exclusion events, the underlying duration of distribution related outages (shaded in **Figure 1**) decreased marginally from 129.1 minutes in the year ending 30 September 2009 to 120.1 minutes in year ending December 2009.

Figure 1: Average duration of outages per customer: Cumulative Annual

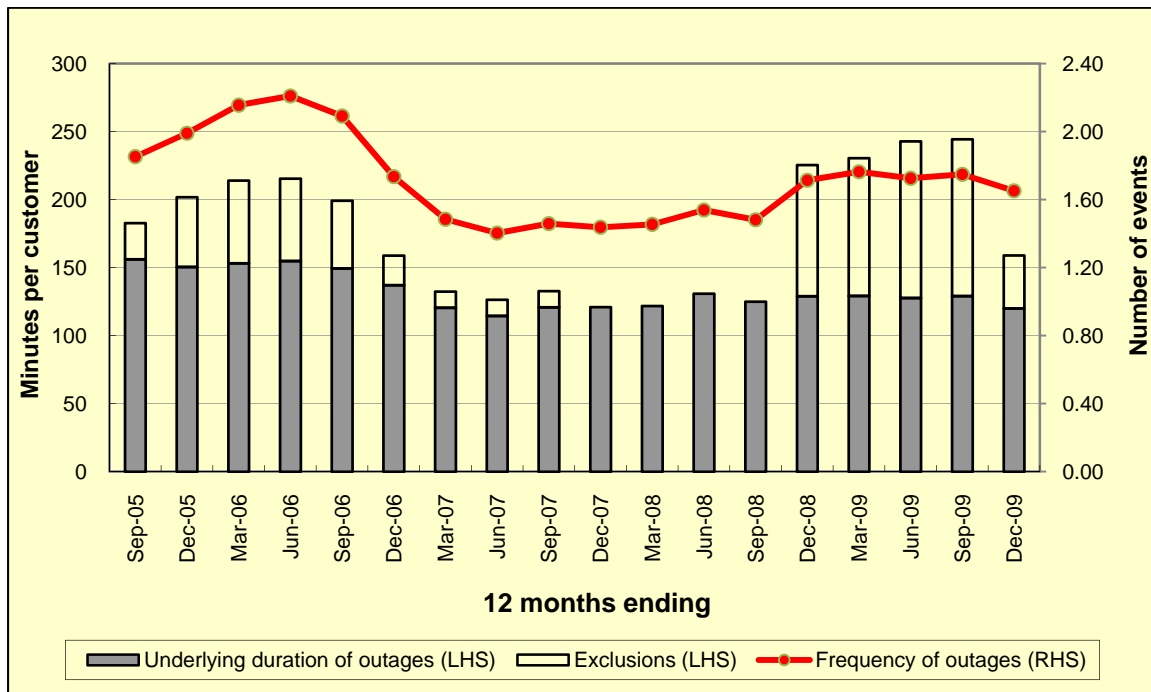
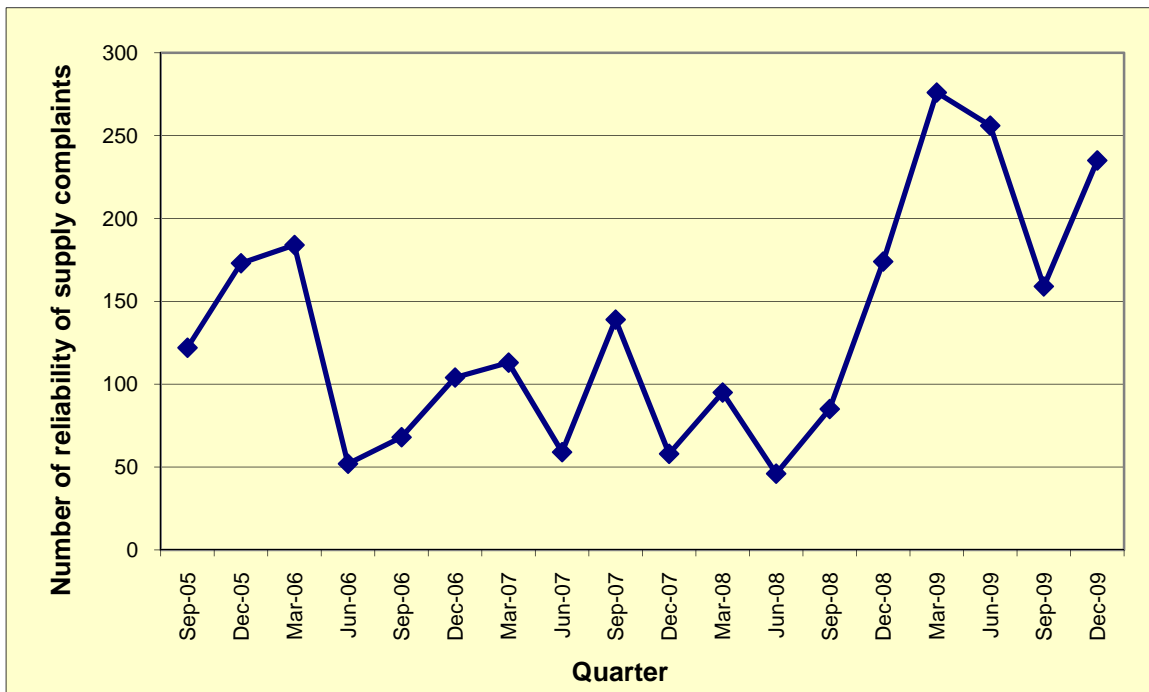


Figure 2 shows the number of reliability of supply complaints received by Energen and indicates that the number of complaints received generally also follows a seasonal pattern, peaking in the storm season quarters of December and March.

The number of reliability of supply complaints received by Energen increased significantly from 159 complaints (including six momentary interruption complaints) in the September quarter 2009 to 235 complaints (including thirteen momentary interruption complaints) in the December quarter 2009. This was due to the number and severity of storm related events.

Despite the relatively high number of reliability of supply complaints received in the December quarter 2009, the average time taken of one day to resolve these complaints remained unchanged from the previous quarter.

Figure 2: Total number of customer reliability of supply complaints: Quarterly



Note: The number of reliability of supply complaints includes complaints relating to momentary interruptions of supply (i.e. less than one minute).

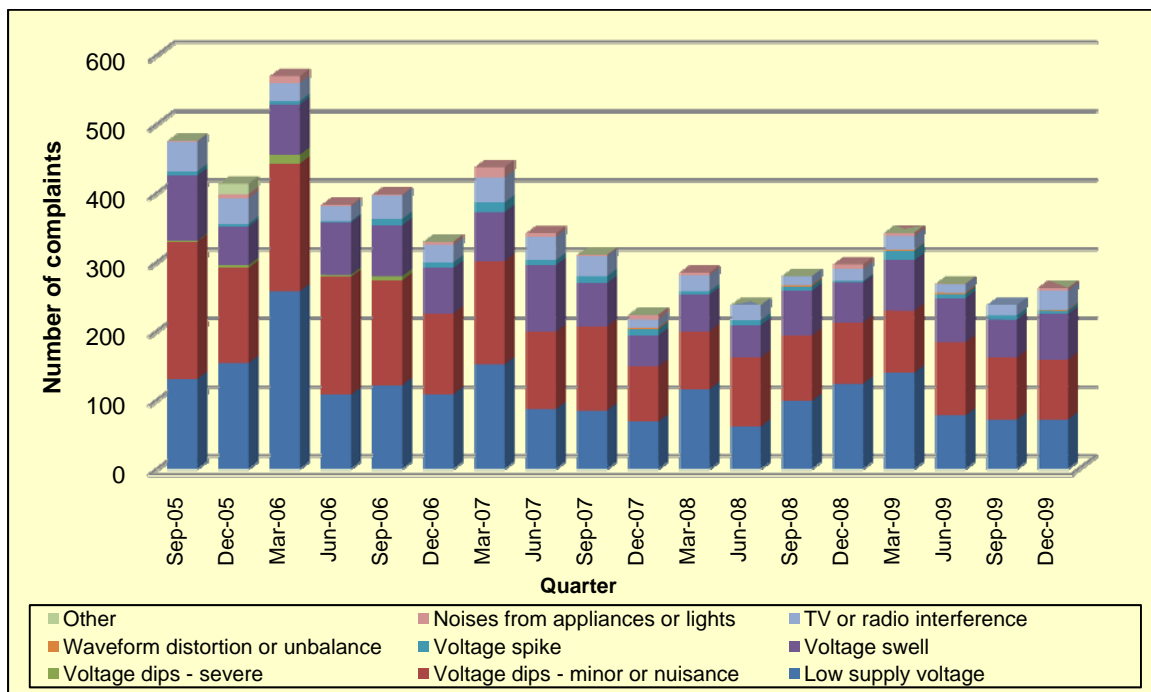
2. Quality of Supply Measures

- *The number of technical quality of supply complaints increased from the previous quarter but the average time taken to resolve these complaints remained unchanged.*

A technical supply fault occurs where the customers' electricity stays on but fluctuates from the normal level (for example, flickering lights). **Figure 3** shows that the total number of technical quality of supply complaints increased from 237 complaints in the September quarter 2009 to 262 complaints in the December quarter 2009.

However, the December quarter 2009 result is a slight improvement over the corresponding quarter in 2008 when 296 complaints were received.

Figure 3: Total number of technical quality of supply complaints: Quarterly



In normal circumstances, Energex guarantees to investigate and respond to a technical quality of supply fault within 28 days. In the December quarter 2009, Energex met this target by averaging 22 days to resolve these types of complaints. This result remained unchanged from the previous quarter and represents an improvement of four days compared to the 26-day average for the December quarter 2008.

3. Customer Service Measures

- *The average waiting time to speak to an operator increased whilst the proportion of abandoned calls decreased;*
- *The number of new connections decreased and the number of re-connections increased;*
- *The number of faulty streetlights decreased; and*
- *The number of customer service complaints decreased.*

Figure 4 shows that Energex customers had to wait an average of 23 seconds to speak to a call centre operator in the December quarter 2009. This is a slight deterioration from the September quarter 2009 when the average waiting time was 19 seconds. The percentage of calls abandoned (calls that were diverted to a human operator but were abandoned before they were answered) decreased from 5.7% in the September quarter 2009 to 4.7% in the December quarter 2009.

According to Energex, the higher percentage of calls abandoned since March 2008 appears to be the result of its implementation of strategies to reduce the time customers need to wait to speak to an operator by the contact centre. Two strategies which have reduced the average waiting time but potentially increased the abandonment rate are placing a message at the front of the interactive voice response (IVR) directing customers to call their retailer for retail enquiries and enhancing Energex’s telecommunications system to inject real time outage information into the music on hold.

Figure 4: Waiting time to speak to an operator and abandoned calls: Quarterly

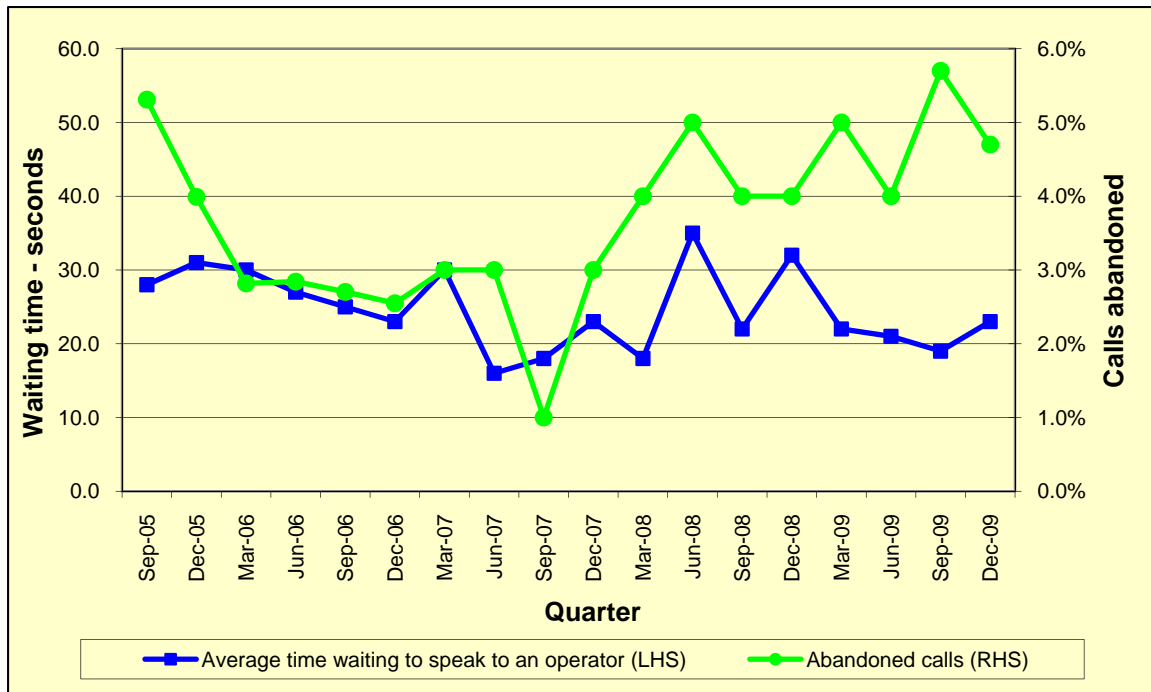


Figure 5 provides information relating to the number of new connections and re-connections undertaken by Energex and the timeliness in which those connections occurred.

The total number of new connections made by Energex decreased from 7,919 in the September quarter 2009 to 7,610 in the December quarter 2009.

The percentage of new connections not made by the agreed date improved slightly from 0.5% in the September quarter 2009 to 0.3% in the December quarter 2009 while the average time taken for new connections improved marginally from 2.7 days in the September quarter 2009 to 2.5 days in the December quarter 2009.

The number of reconnections increased significantly over the past 12 months from 7,725 in the December quarter 2008 to 20,173 in the December quarter 2009. According to Energex, the high number of reconnections over the past 12 months has been the direct result of the de-energisation switch seal process introduced in mid-December 2008, which enables Energex to de-energise a property by placing a seal over the mains switch rather than having to physically de-energise a property by removing a fuse. Energex reported that increased volumes of physical de-energisations being successfully completed had also contributed to the increased volumes of reconnection requests.

The percentage of reconnections not made on the agreed date (0.5%) remained consistent with the September quarter 2009 result.

Figure 5: New connections and reconnections: Quarterly

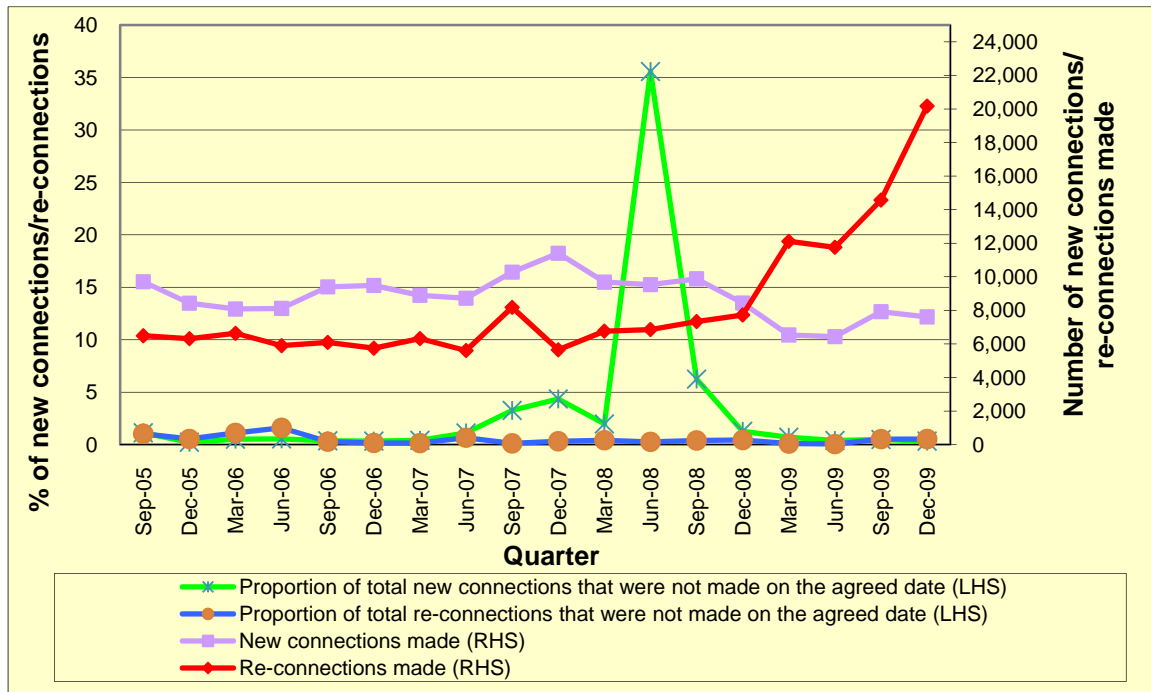
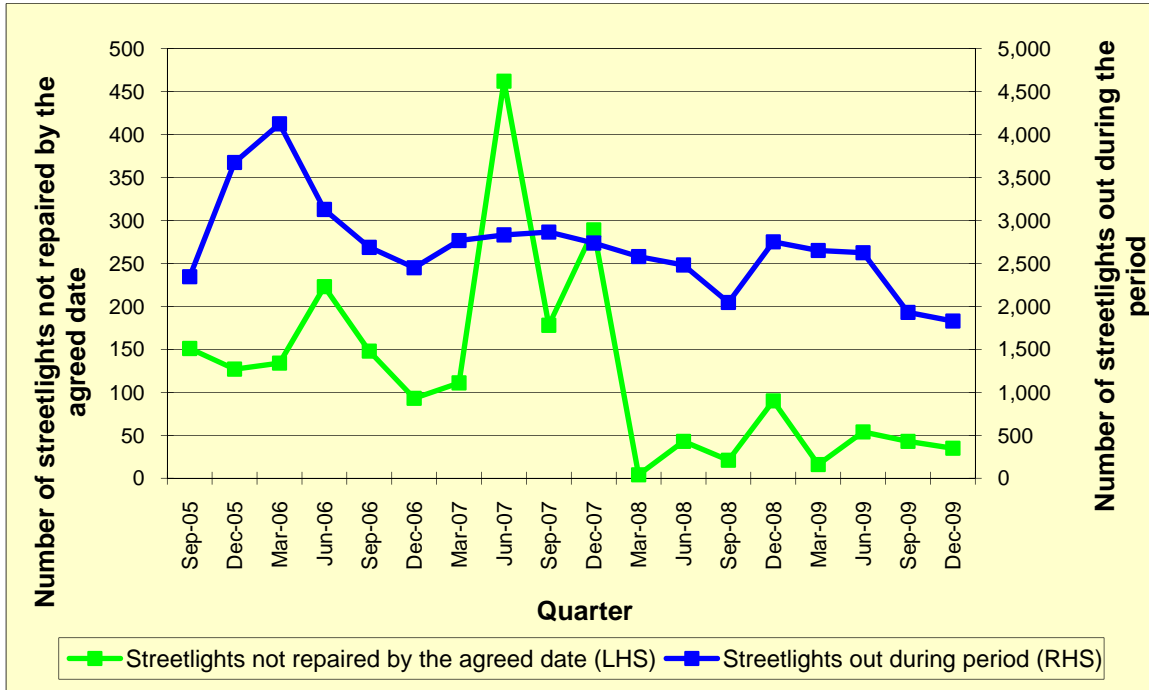


Figure 6 provides information on Energex’s performance in relation to streetlights located within its distribution area. In the December quarter 2009, Energex customers reported 1,830 faulty streetlights, which was less than the 1,930 faulty streetlights reported for the previous quarter. The average time of 3.4 days taken to repair faulty streetlights (including the day of notification) in the December quarter 2009 was better than its long-term average of four days.

Figure 6: Streetlight performance: Quarterly



Energex undertakes to provide two business days notice before interrupting supply. **Figure 7** shows that Energex did not meet this target 3.0% of the time in the December quarter 2009, which was a decline in performance from the 2.6% failure rate recorded in the September quarter 2009.

The proportion of planned interruptions that exceeded the length of time specified in the notification improved marginally, from 16.4% in the September quarter 2009 to 16.0% in the December quarter 2009.

Figure 7: Planned interruptions: Quarterly

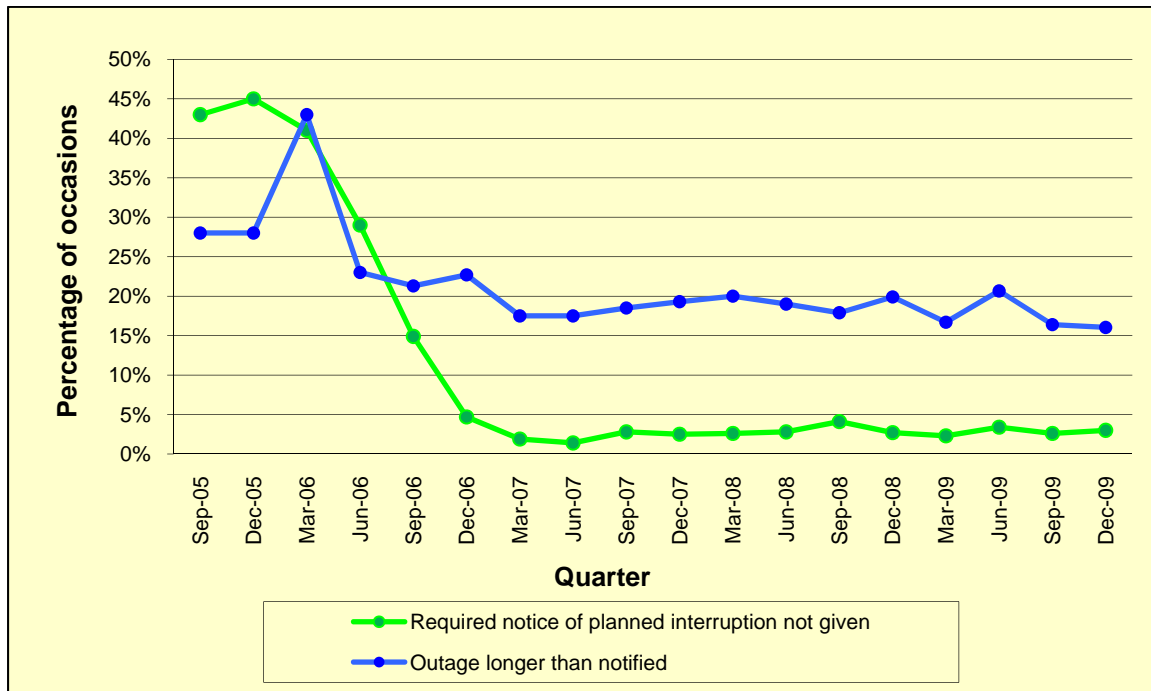
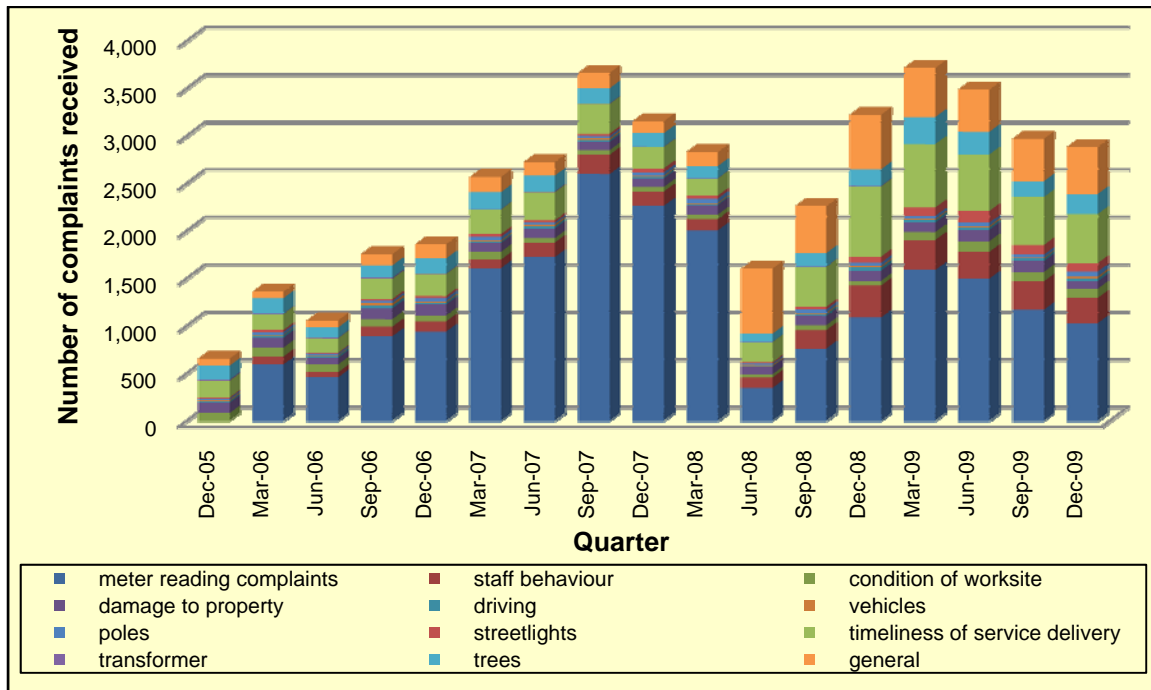


Figure 8 shows that the number of customer service complaints (categorised by causes) received by Energex decreased from 2,968 in the September quarter 2009 to 2,882 in the December quarter 2009. The average time taken to resolve a complaint has remained low at one day since the December quarter 2008.

Figure 8: Customer service complaints: Quarterly



ERGON ENERGY

1. Reliability Measures

- *Underlying reliability of supply measures remained relatively constant; and*
- *The total number of customer reliability complaints increased during the quarter but the time taken to respond to them decreased.*

As mentioned in the preceding section, reliability measures are subject to seasonal influences, generally peaking in the storm season quarters of December and March. Therefore, data comparisons are generally more meaningful when comparing the results for same quarters in different years or comparing annual data, rather than comparing the results of two consecutive quarters.

In the 12 months ending 31 December 2009, Ergon Energy customers experienced an average of 4.5 distribution-related interruptions and were left without power for an average of 556.3 minutes. This compares to 4.8 distribution-related interruptions and an average duration of 599 minutes in the 12 months ending 30 September 2009.

Ergon Energy did not register any exclusion events during the December quarter 2009. Therefore the underlying duration of distribution related outages (shaded in **Figure 9**) increased marginally from 555.01 in the year ending 30 September 2009 to 556.3 minutes in the year ending December 2009.

Figure 9: Average duration of outages per customer: Cumulative Annual

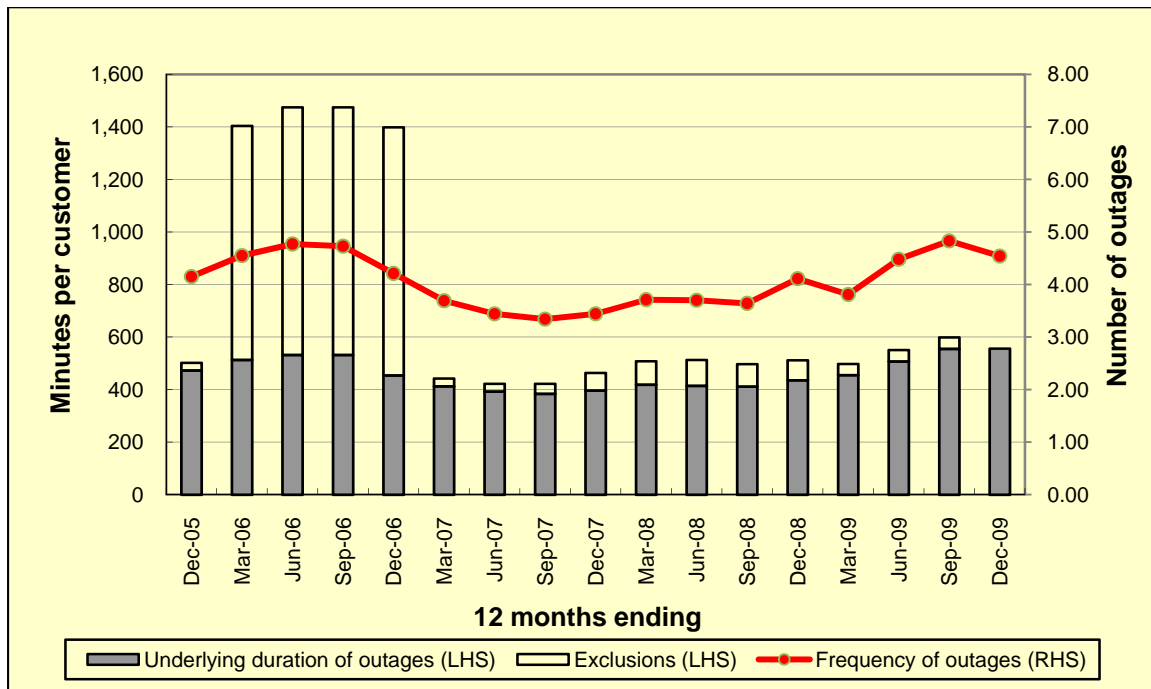
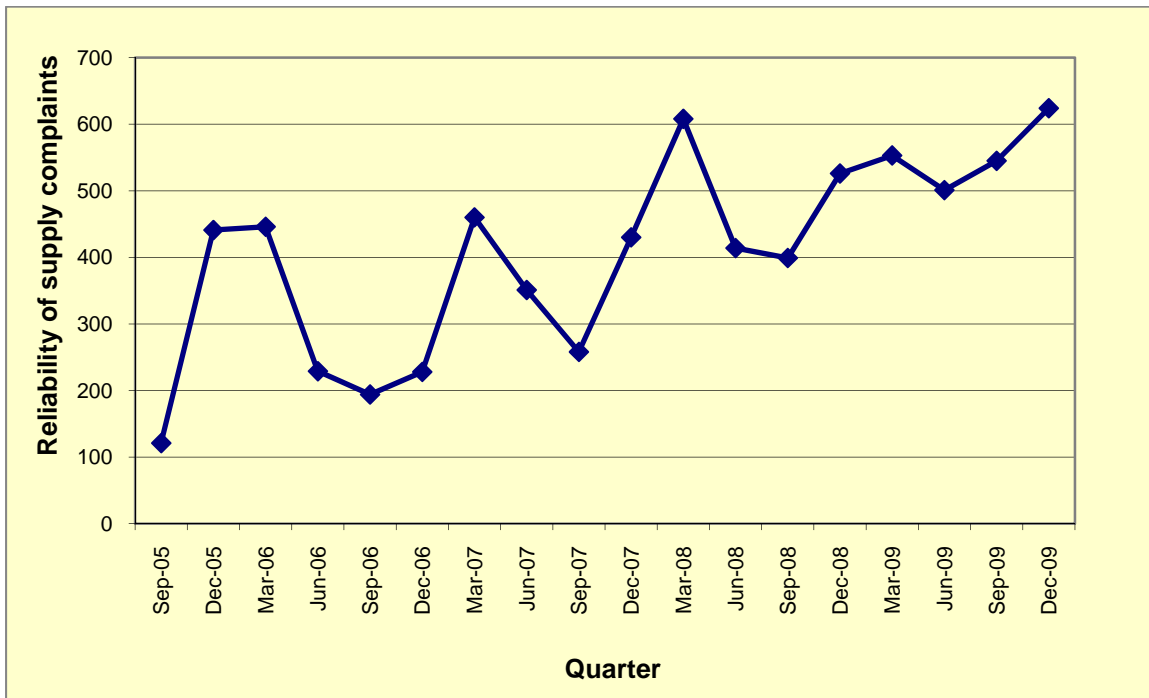


Figure 10 shows the total number of reliability of supply complaints received by Ergon Energy during the quarter and indicates that the number of complaints received has tended to also follow a seasonal pattern, peaking during the storm season quarters of December and March, but also generally trending upwards.

The number of reliability of supply complaints increased from 545 complaints in the September quarter 2009 to 624 complaints in the December quarter 2009. Despite this, the average time taken to resolve these complaints fell from 2.4 days in the September quarter 2009 to 1.9 days in the December quarter 2009.

According to Ergon Energy, the staged reinstatement of live line work across the whole of its supply area (which was completed during the first week of December 2009) and operational issues relating to air brake switches continued to contribute to the reliability of supply complaints in the December quarter 2009. There was also an increase in complaints of momentary interruptions (less than 1 minute) in some of the supply area which also contributed to the increase in overall reliability of supply complaints for the quarter.

Figure 10: Total number of reliability of supply complaints: Quarterly



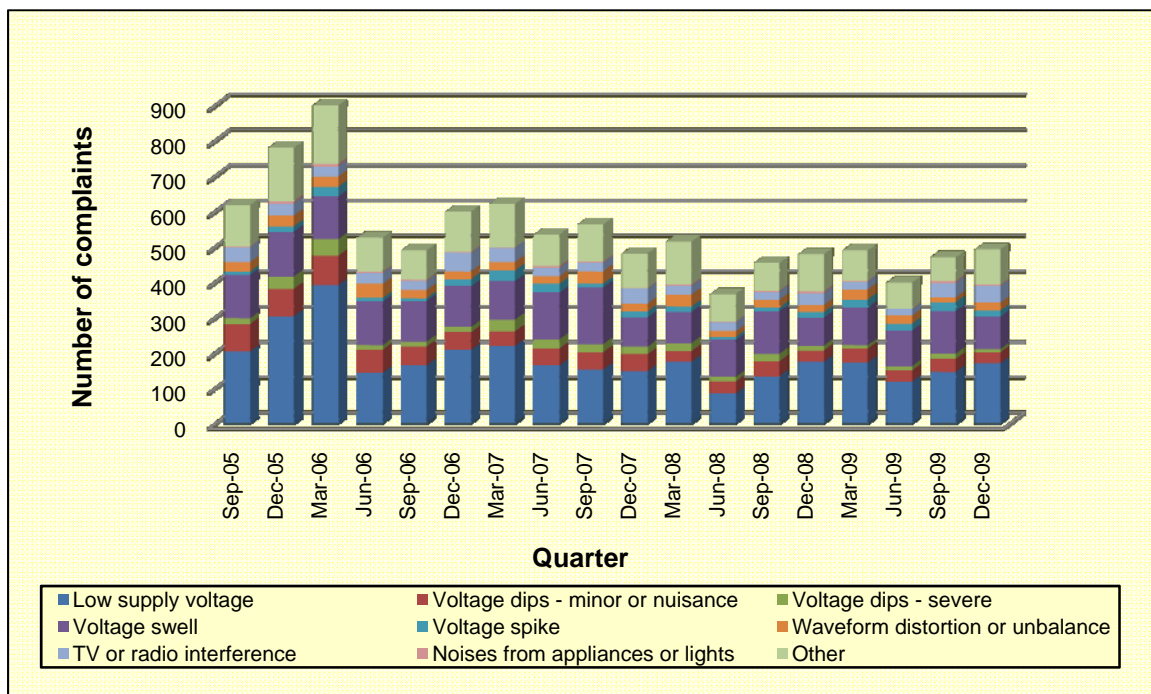
2. Quality of Supply Measures

- *The total number of technical quality of supply complaints and the average time taken to fix a technical supply fault increased during the December quarter 2009.*

Figure 11 shows that the total number of technical quality of supply complaints received by Ergon Energy increased from 470 complaints in the September quarter 2009 to 492 complaints in the December quarter 2009.

The average time taken to resolve technical supply faults also increased from 69 days in the September quarter 2009 to 74 days in the December quarter 2009. According to Ergon Energy, the average was impacted by two long standing jobs which were completed in the December quarter 2009.

Figure 11: Total number of technical quality of supply complaints: Quarterly



3. Customer Service Measures

- *The average waiting time to speak to an operator and the number of abandoned calls increased;*
- *The number of new connections decreased while the number of reconnections increased;*
- *The number of faulty streetlights decreased while the percentage of faulty streetlights not repaired by the agreed date increased; and*
- *The number of customer service complaints received decreased.*

Figure 12 shows that Ergon Energy customers had to wait an average of 30.2 seconds to speak to an operator during the December quarter 2009. This was virtually the same as the September quarter 2009 when the average waiting time was 30 seconds, but below the December quarter 2008 waiting time of 32.2 seconds. **Figure 12** also shows that the percentage of calls abandoned increased from 2.3% in the September quarter 2009 to 3.0% in the December quarter 2009. Ergon Energy included both distribution and retail related calls in this measure as Ergon Energy’s National Contact Centre is a shared retail and distribution function.

Figure 12: Waiting time to speak to an operator and abandoned calls: Quarterly

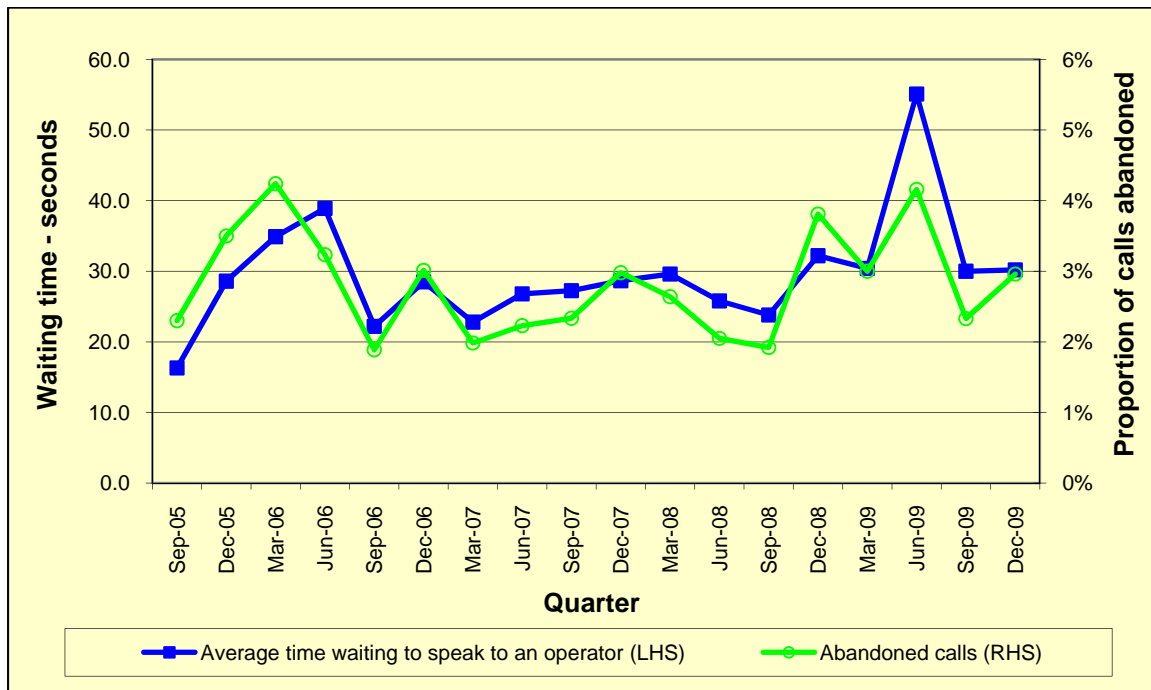


Figure 13 provides information relating to the number of new connections and reconnections undertaken by Ergon Energy and the timeliness in which those connections occurred. The total number of new connections made by Ergon Energy decreased from 4,161 in the September quarter 2009 to 4,085 in the December quarter 2009.

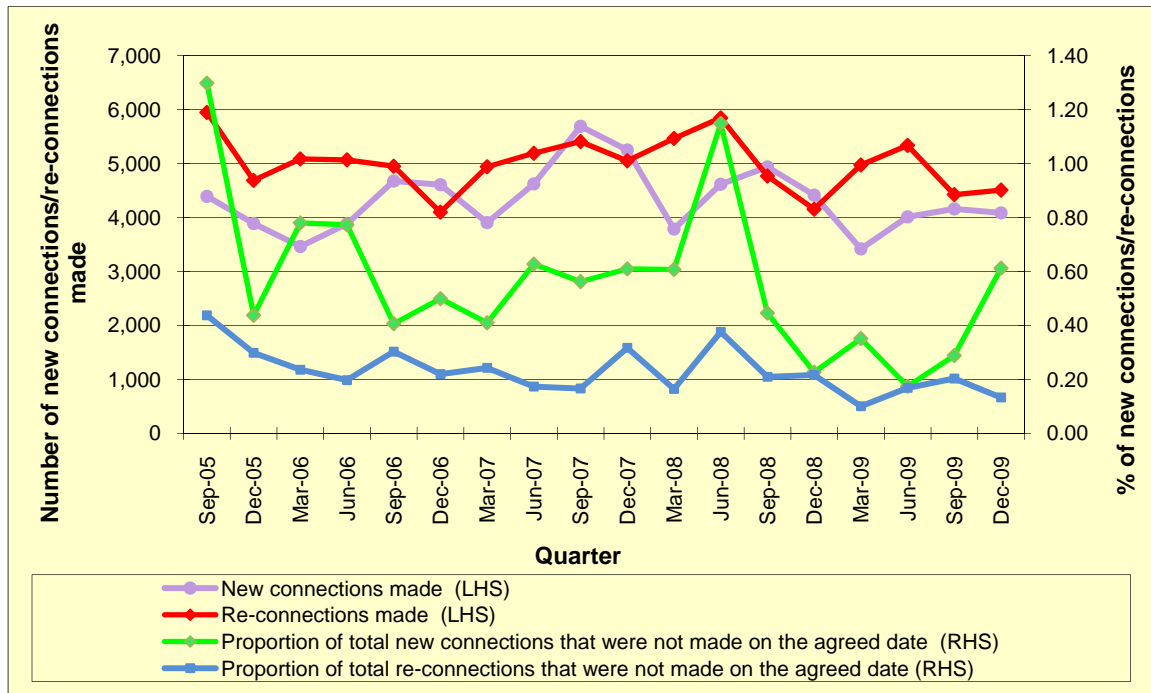
The percentage of new connections not made by the agreed date increased from 0.3% in the September quarter 2009 to 0.6% in the December quarter 2009, while the average time taken for new connections remained on par with Ergon Energy’s internal goal (and the long-run average) of two days.

Figure 13 also shows that the number of reconnections increased from 4,425 in the September quarter 2009 to 4,508 in the December quarter 2009.

The percentage of reconnections not made by the agreed date decreased from 0.2% in the previous quarter to 0.1% in the December quarter 2009.

The average time taken to reconnect a premise during the December quarter 2009 was one day, on par with Ergon Energy’s goal of one business day to reconnect a premises.

Figure 13: New connections and re-connections: Quarterly



In the December quarter 2009, 783 faulty streetlights were reported within Ergon Energy’s distribution area of which 214 (or 27.3%) were not repaired by the agreed date. This compares with 963 faulty streetlights of which 187 (or 19.4%) were not repaired by the agreed date in the September quarter 2009.

Ergon Energy attributed the higher percentage of streetlights not being repaired by the agreed date to the management of staffing workloads and leave impacts during the December quarter 2009.

The average time taken to repair faulty streetlights (including the day of notification) increased from 5.2 days in the September quarter 2009 to 6.3 days in the December quarter 2009.

Figure 14 shows that Ergon Energy did not provide the required notice of a planned interruption to supply 8.4% of the time in the December quarter 2009. This was an increase from 6.9% recorded in the September quarter 2009.

The number of planned interruptions that exceeded the length of time specified in Ergon Energy's notification decreased from 29.6% in the September quarter 2009 to 28.9% in the December quarter 2009.

Figure 14: Planned Interruptions: Quarterly

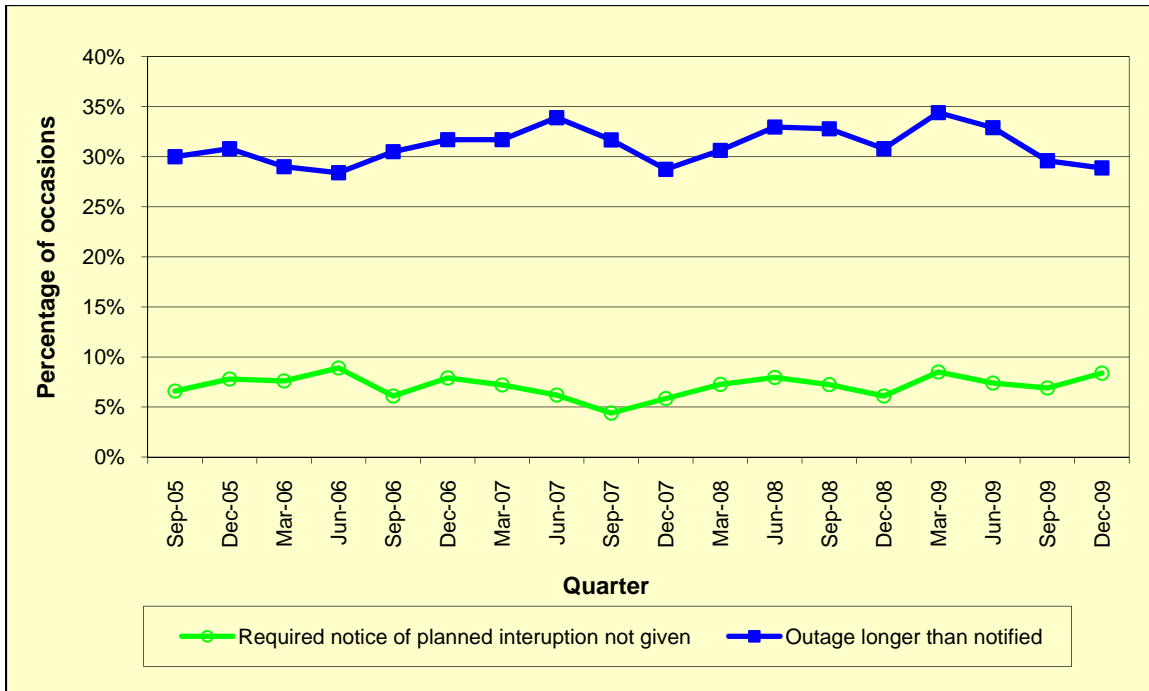
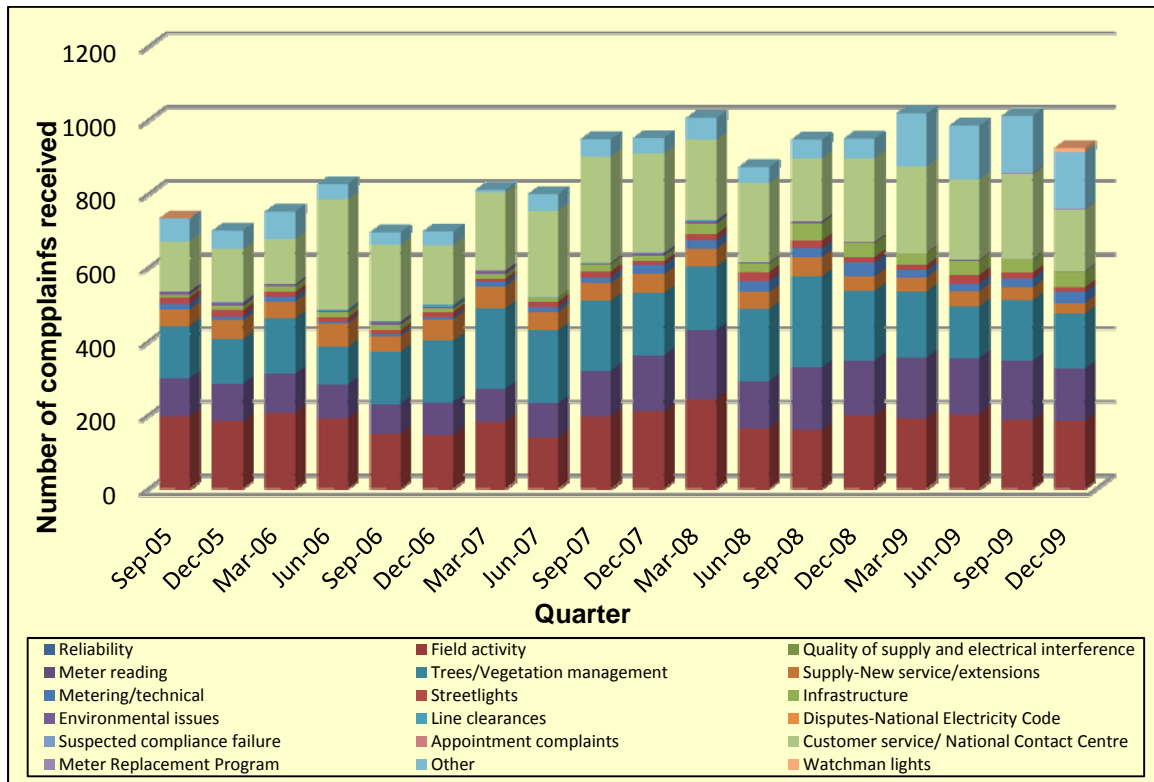


Figure 15 shows that the total number of customer service complaints received by Ergon Energy decreased from 1011 in the September quarter 2009 to 924 in the December quarter 2009. The decrease in customer service complaints was largely attributable to a decline in complaints associated with the National Contact Centre.

Figure 15: Customer Service Complaints: Quarterly



Note: The Watchman lights category is a new category included in the December quarter 2009.

Figure 16 shows that there was a decrease in the time taken to resolve customer complaints in the December quarter 2009 (3.0 days) compared to the September quarter 2009 (3.7 days), due to a fall in the number of complaints received. The average time taken to resolve complaints has been trending down since September 2005.

Figure 16: Average time taken to resolve customer service complaints: Quarterly

