



## **GAS DISTRIBUTION - SERVICE QUALITY PERFORMANCE FOR THE YEAR ENDING 30 JUNE 2007**

### **Introduction**

The Authority's *Decision on Gas Distribution: Monitoring Service Quality* (available from the Authority's website at [www.qca.org.au](http://www.qca.org.au)) requires the Queensland gas distribution service providers to collect and report annual information on service quality performance. The Authority commenced posting the reports provided by the service providers on its website with the 2003-04 reports, along with a brief overview by the Authority of the measures reported by the service providers.

### **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, water entering the mains or directions from the technical regulator.

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.

## APT ALLGAS

### *Background*

The APT Allgas (APT) network comprises approximately 2,500 kilometres of low, medium and high pressure mains. During 2006-07, APT distributed gas to a total of 68,212 customers (up 2.5 per cent on the previous year) who consumed approximately 10.3 petajoules of gas (up 5.1 per cent on the previous year). Of these totals, APT had 108 large customers (consuming 10 or more terajoules per year) who consumed approximately 7.5 petajoules of gas during 2006-07.

### *Reliability*

**Table 1 APT reliability performance**

|  | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|--|---------|---------|---------|---------|
| Planned Outages (hours of gas supply lost) | 5,451   | 7,497   | 11,880  | 2,400   |
| Unplanned Outages                          |         |         |         |         |
| Number of Outages                          | 2       | 8       | 1       | 1       |
| Customers Affected (number)                | 107     | 428     | 94      | 600     |
| Average Duration (minutes)                 | 81      | 143     | 360     | 540     |

Planned gas supply interruptions decreased substantially from an estimated 11,880 hours of lost gas supply during 2005-06 to an estimated 2,400 hours of lost gas supply during 2006-07. This was primarily due to APT's mains renewal program slowing from 27 km of mains replaced during 2005-06 to 11 km of mains being replaced in 2006-07. APT advised that the slower rate of mains renewal was due to the change of ownership of the network and it expected that mains renewal work would return to higher levels in 2007-08. The estimated average duration of a planned interruption for mains replacement and renewal work has remained at 8 hours per interruption over the past four years.

While there was only a single unplanned outage during 2006-07, a significant number of customers (600) were affected. It was caused by third party damage to a high pressure main.

### *Customer Service*

**Table 2 APT customer service performance**

|  | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|--|---------|---------|---------|---------|
| Actionable Calls (number)                      | 22,253  | 22,322  | 22,851  | 22,500  |
| Complaints (number)                            | 22      | 61      | 100     | 90      |
| Response time to gas leaks - average (minutes) | 28      | 31      | 26      | 59*     |
| On-time Connections                            |         |         |         |         |
| New Connections                                | 79%     | 99%     | 95%     | 95%     |
| Re-connections                                 | 96%     | 99%     | 96%     | 95%     |

\* APT revised its method of calculation.

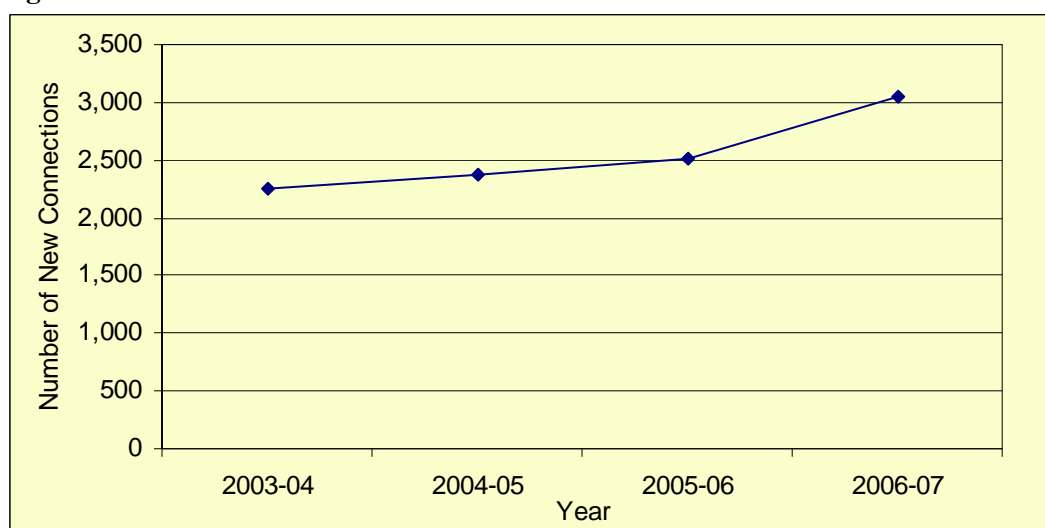
APT responded to 22,500 distribution-related actionable calls during the year. Actionable calls require APT to perform some action to remedy an issue or problem on the network. Actionable calls can be initiated either by customers or APT staff identifying problems. APT estimated (using sampling techniques) that around 19,125 actionable calls were customer generated in 2006-07 compared to 19,652 calls in 2005-06.

A total of 90 complaints were received by APT in 2006-07 (1.3 complaints per 1,000 customers). Complaints received related to reliability, metering and connection issues, among other things. The number of complaints in 2006-07 was marginally lower than the 100 complaints received in 2005-06 (1.5 complaints per 1,000 customers) but still well in excess of the 22 complaints reported in 2003-04 (0.4 complaints per 1,000 customers).

On average, APT work crews responded to emergencies (which include all reports of gas leaks) within 59 minutes, which represents a significant deterioration from the 26 minutes reported for 2005-06. In commenting on this deterioration, APT advised that emergency calls are now directed through their National Response Centre instead of going directly to APT and response times are now measured from the time the call was made until the affected site has been properly secured. Previously response time had been calculated from the time the call was made until an initial assessment of the situation had been completed on site. These changes bring the APT approach to measuring response times into alignment with those of Envestra.

Approximately 95 per cent of new customers were connected within 10 days, the same percentage as in 2005-06. This result is a significant improvement from the worst result reported to date of 79 per cent of new connection completed on time in 2003-04. This was despite there being a significant increase in the number of new connections (see Figure 1).

**Figure 1 Number of New Connections**



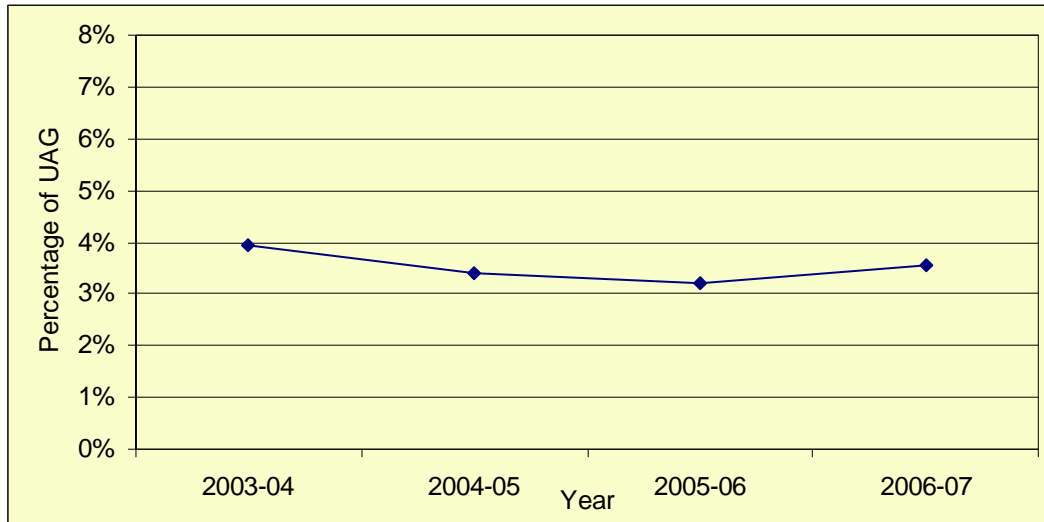
For the 10 per cent of new connections that took the longest time, the average time improved from 122 days in 2005-06 to 110 days, still well short of the best performance for this measure of 95 days in 2003-04. However, while these delays may seem excessive, they often result from requests from customers to delay previously advised connection dates due to unforeseen delays in building and renovation work and, as such, this measure should be considered in light of the very low number of complaints (15) regarding connection and disconnection problems in 2006-07.

APT also estimated that 95 per cent of reconnections were completed on time. However, as this work was performed by the retailer during 2006-07, as in previous years, APT had to base its estimate on advice from Energex Retail, Sun Gas and AGL. From 1 July 2007, disconnections and re-connections became the responsibility of APT and, as a result, reporting on this measure should be more reliable in the future.

### *Unaccounted for Gas*

Unaccounted for gas (UAG) is the difference between the amount of gas injected into the network and that withdrawn, whilst also adjusting for any change in gas stored in the network. The level of UAG in the APT network as a percentage of total throughput rose from 3.2 per cent in 2005-06 to 3.6 per cent in 2006-07. This was the first rise in the level of unaccounted for gas since service quality reporting began (see Figure 2). APT attributed this increase to the lower rate of mains replacement it had undertaken in 2006-07 and it expected that UAG would again trend down in the future as its mains renewal program returns to higher levels.

**Figure 2 Unaccounted for gas as a percentage of annual throughput**



## ENVESTRA

### *Background*

The Envestra network comprises approximately 2,300 kilometres of low, medium, high and transmission pressure mains. During 2006-07, Envestra distributed gas to a total of 77,236 customers (up 2.1 per cent on the previous year) who consumed approximately 5.0 petajoules of gas (down 1.1 per cent on the previous year). Envestra's 67 large customers (consuming 10 or more terajoules per year) accounted for 3.2 petajoules of gas in 2006-07. Not all of Envestra's Queensland network is covered by its access arrangement.

In its 2006-07 performance report, Envestra also included some revised results for 2005-06 to correct for errors in the recording of customer numbers and in the splitting of data between covered and uncovered network.

### *Reliability*

**Table 3 Envestra reliability performance**

|  | <b>2003-04</b> | <b>2004-05</b> | <b>2005-06</b> | <b>2006-07</b> |
|--|----------------|----------------|----------------|----------------|
| Planned Outages (hours of gas supply lost) | 15,954         | 25,086         | 14,388         | 15,366         |
| Unplanned Outages                          |                |                |                |                |
| Number of Outages                          | 2              | 3              | 7              | 7              |
| Customers Affected (number)                | 73             | 51             | 166            | 300            |
| Average Duration (minutes)                 | 360            | 276            | 216            | 216            |

The loss of gas supply due to planned interruptions increased from an estimated 14,388 hours of lost gas supply during 2005-06 to an estimated 15,366 hours of lost supply during 2006-07. Envestra attributed this result primarily to an increase in its mains replacement work during the year which was up to 40 km of mains replaced from 36km in 2005-06. The estimated average duration of planned interruptions has remained at 8 hours per interruption over the past four years.

During the reporting period, there were 7 unplanned outages (the same as for 2005-06), affecting 300 customers (an increase from the 166 customers affected by unplanned outages in 2005-06). All the unplanned outages for 2006-07 were attributed to third party damage to gas mains. The average duration of all unplanned outages remained at 3.6 hours in 2006-07, the same as for the previous year.

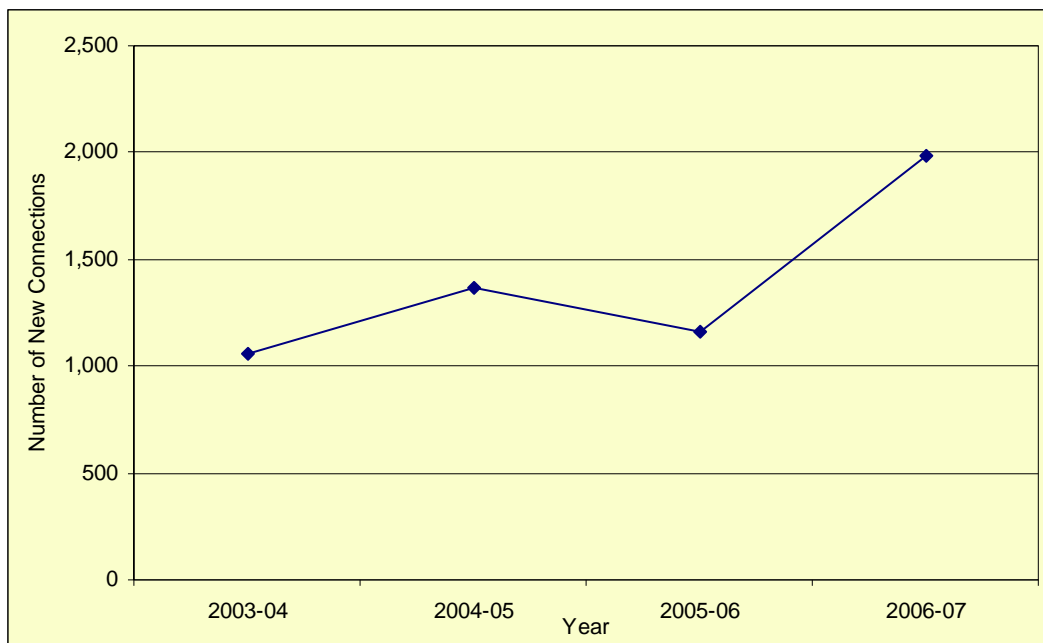
### *Customer Service*

**Table 4 Envestra customer service performance**

|   | <b>2003-04</b> | <b>2004-05</b> | <b>2005-06</b> | <b>2006-07</b> |
|---|----------------|----------------|----------------|----------------|
| Actionable Calls (number)                       | 5,907          | 6,196          | 7,450          | 9,051          |
| Complaints (number)                             | 17             | 20             | 16             | 14             |
| Response times to gas leaks – average (minutes) | 50             | 51             | 54             | 56             |
| On-time Connections                             |                |                |                |                |
| New Connections                                 | 23-54%         | 37-56%         | 34-79%         | 18-35%         |
| Re-connections                                  | 98%            | 98%            | 98%            | 98%            |

The number of actionable calls Envestra received from customers increased from 7,450 calls in 2005-06 to 9,051 calls in 2006-07. Envestra noted that this increase was largely due to a significant increase in the number of requests for new connections (see Figure 3) as well as requests for relocation of meters.

**Figure 3 Number of New Connections**



A total of 14 complaints were received by Envestra in 2006-07, which represents about 0.2 complaints per 1,000 customers. Of these, 4 related to connection and disconnection issues. The number of complaints in 2006-07 was marginally lower than the 16 complaints received in the previous year.

On average, Envestra work crews responded to reports of emergencies (which included all reports of gas leaks) within 56 minutes. While this measure is up slightly from the 54 minute average for 2005-06, it is not far off the lowest recorded result of 50 minutes in 2003-04. This measure is based on 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 slightly from 117 minutes in 2005-06 to 121 minutes in 2006-07. While this was the worst result for this measure reported to date, it is still close to the best response time of 116 minutes in 2004-05.

Depending on the particular type of connection involved, between 18 and 35 per cent of new customers were connected to the Envestra network within 20 days. This is the worst result for this measure in the last four years. However, this result can be partially explained by the significant increase (71 per cent) in the number of connections provided during the year.

For the 10 per cent of new connections that took the longest time, the average time ranged from 98 to 117 days depending on the type of connection. While these delays may seem excessive, they often result from requests from customers to delay previously advised connection dates due to unforeseen delays in building and renovation work and, as such, should be considered in light of the very low number of complaints (4) regarding connection and disconnection problems in 2006-07.

In 2006-07, reconnections were provided by Origin Energy on behalf of Envestra. Based on advice from Origin Energy, Envestra reported that 98 per cent of re-connections were completed

on time. From 1 July 2007, disconnections and re-connections became the responsibility of Envestra rather than retailers and, as a result, reporting against this measure should be more reliable in the future.

*Unaccounted for Gas*

Envestra reported that UAG represented 6.6 per cent of total throughput of the covered network in 2006-07 compared to 5.1 per cent in 2005-06. The level of UAG in 2006-07 is only marginally better than the worst result of 6.8 per cent recorded in 2003-04. Figure 4 shows how Envestra's UAG as a percentage of annual throughput has varied over time. Envestra was unable to attribute this rise to any specific cause but noted that UAG could fluctuate from year to year for a variety of reasons. Envestra expected that UAG would trend down again in the future as it progressed with its mains replacement program.

**Figure 4 Unaccounted for gas as a percentage of annual throughput**

