



ELECTRICITY DISTRIBUTION – SERVICE QUALITY PERFORMANCE FOR THE JUNE QUARTER 2006

Introduction

The Authority's *Electricity Distribution: Service Quality Reporting Guidelines* require Distribution Network Service Providers (DNSPs) 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 DNSPs' reports on its website with the September quarter 2002 reports. In August 2005, the Authority revised its Guidelines to strengthen the reporting and to facilitate nationally consistent reporting. The DNSPs commenced reporting against the revised Guidelines with the September quarter 2005 reports.

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

The nature of the data

The service quality measures that the DNSPs 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, 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.

A cautionary note

The service quality measures collected by the Authority are not intended to allow comparison of the 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.

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 to ensure correct interpretation of the data.

ENERGEX

1. Reliability measures

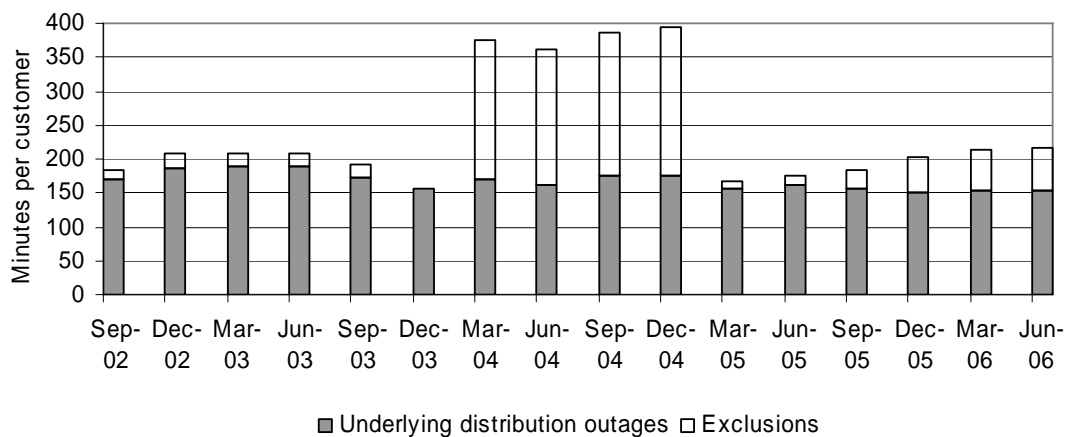
- *Underlying reliability virtually unchanged in the June quarter and good historically.*

Reflecting the passing of the storm season, the duration of distribution-related outages fell to around 28 minutes during the June quarter, a significant decrease from 57 minutes during the March quarter.

For the 12 months to end June 2006, Energex customers on average experienced 2.21 distribution-related interruptions leaving them without power for a total of 215.3 minutes. As shown in Figure 1, this result was a slight deterioration on the 12 months to end March 2006.

Removing the effect of unusual events, underlying distribution-related reliability (shaded) deteriorated only slightly but remained at historically low levels. While underlying reliability for Energex's entire network has been relatively steady since the start of 2005, this masks a shift in performance which has seen a deteriorating reliability in areas supplied by short rural feeders that has been offset by improved reliability in urban areas.

Figure 1 Average duration of outages per customer for the 12 months to end of quarter



With the end of the storm season, Energex's customer reliability complaints declined from 184 during the March quarter to 52 customer complaints during the June quarter 2006. The result for the June quarter was the lowest June quarter result reported to the Authority.

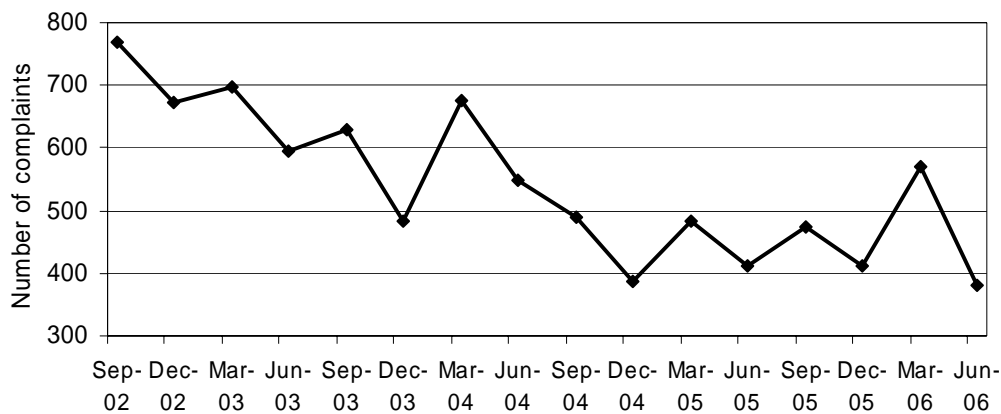
The average time taken to resolve reliability of supply complaints decreased to 3 days, the shortest since reporting commenced and well below the average of 10.6 days.

2. Quality of supply measures

- *Technical quality of supply complaints at historic low.*

During the June quarter, total quality of supply complaints decreased to the lowest level on record, as shown in Figure 2. The majority of the decrease was due to a decline in complaints about low supply voltage (which can cause light dimming and motor starting problems).

Figure 2 Total number of quality of supply complaints



The average time taken to fix technical supply faults during the June quarter was 39 days, which is average for this measure over the past 2 years (31 to 45 days).

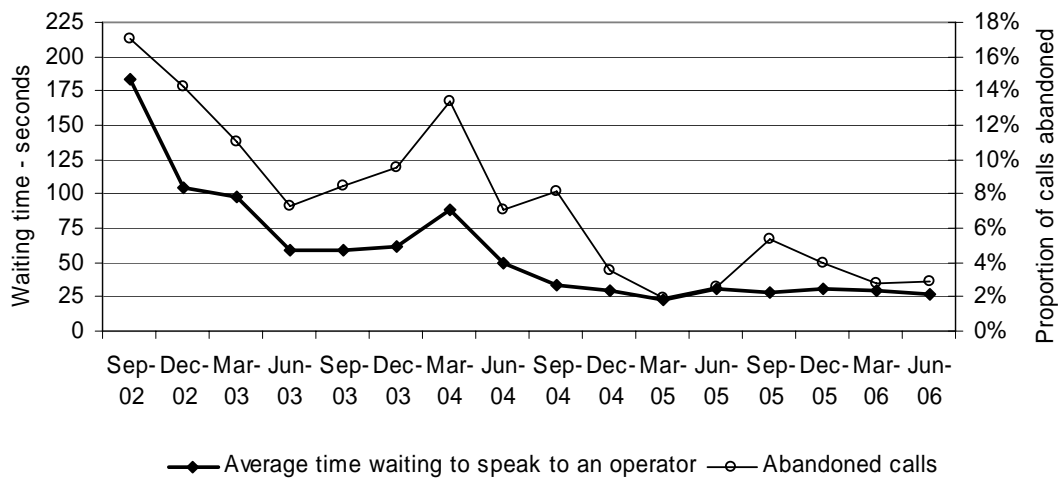
3. Customer service measures

- *Call centre performance solid, while notification of planned interruptions improves.*

On average, Energex customers had to wait 27 seconds to speak to an operator when calling the call centre during the June quarter which was in line with lower waiting times reported recently, as shown in Figure 3.

The percentage of calls abandoned remained at 2.8 per cent.

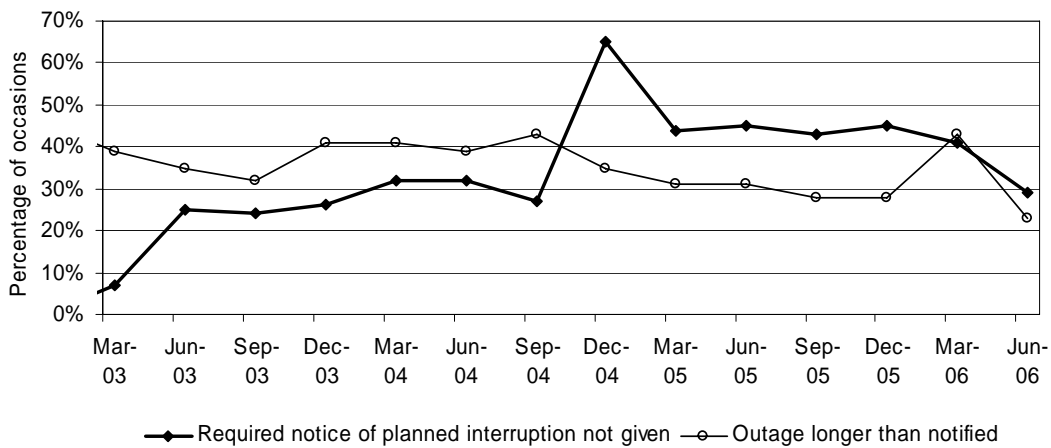
Figure 3 Waiting time to speak to an operator and abandoned calls



The time taken for new connections and re-connections remained close to long term levels of around 4 days and 4.5 hours respectively. However, for the third consecutive quarter, the average time taken to repair faulty street lights remained high (at 5 days) compared to the average of 4 days since reporting commenced.

As shown in Figure 4, occasions on which Energex did not provide the required notice of a planned interruption decreased but was still high at 29 per cent. Occasions on which the duration of a planned interruption exceeded the time specified in the notification decreased significantly to its lowest level on record but this also remained high at 23 per cent.

Figure 4 Insufficient notification of planned interruptions



The reported number of customer service complaints decreased from 1,357 in the March quarter to 1,055 in the June quarter, primarily due to a drop in the number of complaints about meter reading. The average time taken to resolve customer service complaints decreased from 6 days to 3 days, the shortest time on record and significantly lower than the maximum recorded of 16 days.

ERGON ENERGY

1. Reliability measures

➤ *Reliability back to normal after the storm season.*

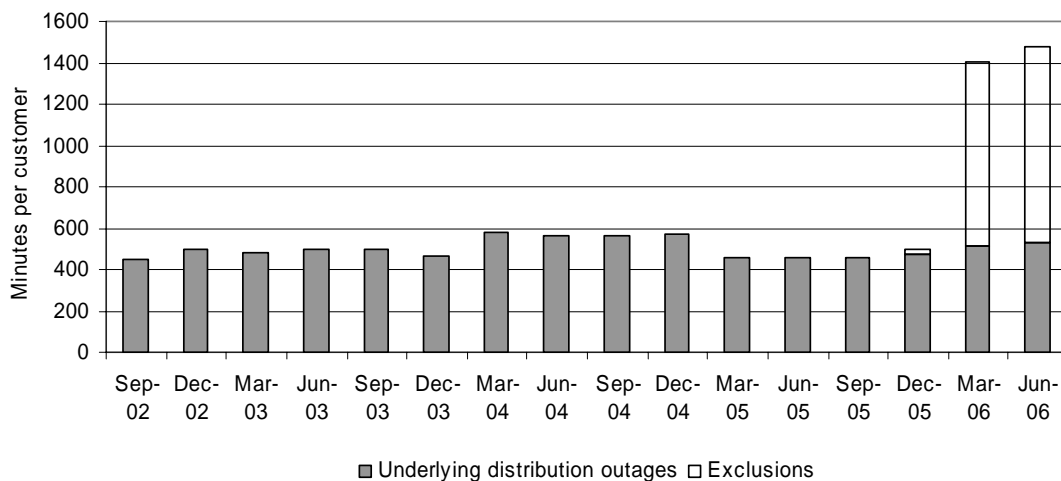
Following the impact of Cyclone Larry on Ergon Energy's network in the March quarter 2006, which resulted in average outages exceeding 1,000 minutes, the duration of distribution-related outages fell to a more normal level of around 90 minutes during the June quarter 2006.

During the 12 months to end June 2006, Ergon Energy customers experienced, on average, 4.77 distribution-related interruptions leaving them without power for a total of 1,474.8 minutes. However, as shown in Figure 5, the impact of Cyclone Larry in March continues to influence the 12-month reliability data.

Removing the effect of exclusion events, including Cyclone Larry, underlying distribution-related reliability (shaded) deteriorated very slightly between the March and June quarters and remained near the middle of the historical range.

While there were no exclusion events during the June quarter itself, outages attributed to exclusion events in the 12 months to the end of June increased, reflecting Ergon Energy's upward revision of the impact of Cyclone Larry in the March quarter.

Figure 5 Average duration of outages per customer for the 12 months to end of quarter



Reflecting the end of the storm season, reliability complaints received from Ergon Energy customers declined to 229 complaints, down 49 per cent on the March quarter result, and around the average for this time of year.

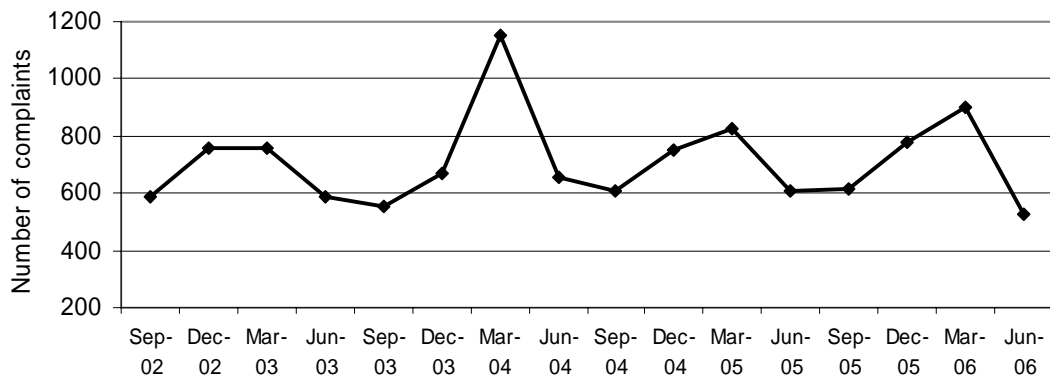
Despite the decline in the number of complaints, the average time taken to resolve reliability of supply complaints increased to 5.9 days during the June quarter, up from 3.4 days during the March quarter. However, this result was still significantly lower than the worst result on record of 18 days.

2. Quality of supply measures

- *Technical quality of supply complaints down to a record low.*

The total number of technical quality of supply complaints decreased during the June quarter to the lowest level yet recorded, as shown in Figure 6. The majority of the decrease was due to fewer complaints about low supply voltage (which can cause light dimming and motor starting problems).

Figure 6 Total number of quality of supply complaints



Despite the decline in the number of complaints, the average time taken to fix technical supply faults remained unchanged during the June quarter at 72 days. However, this result is at the low end of the narrow range of recent outcomes for this measure.

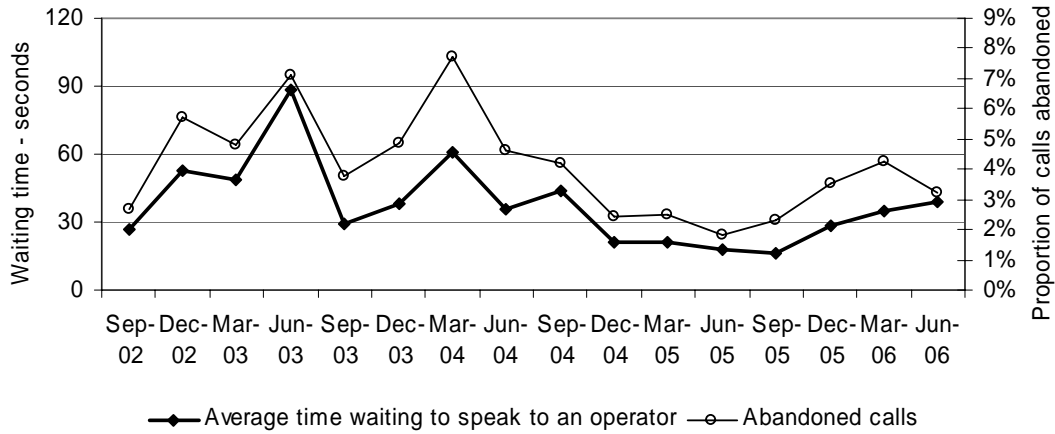
3. Customer service measures

- *Call centre performance continues to slip, as does the timeliness of streetlight repairs.*

While the number of calls to Ergon Energy's call centre fell 30 per cent during the June quarter, the length of time customers had to wait to speak to an operator increased slightly (by 4 seconds) to 39 seconds. As shown in Figure 7, this was the highest result for the past 21 months but well down on the peak of 88 seconds recorded for the June quarter 2003.

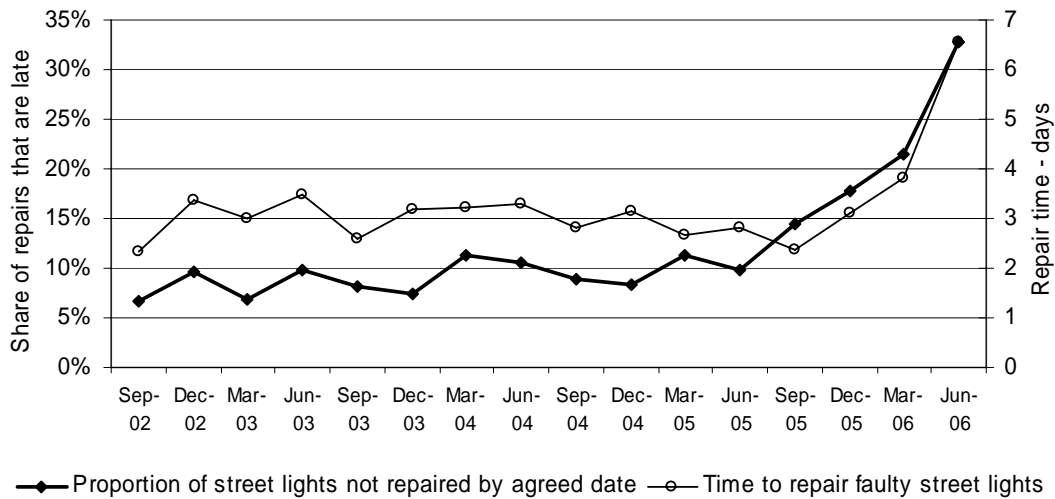
The percentage of calls abandoned decreased from 4.2 per cent to 3.2 per cent during the June quarter.

Figure 7 Waiting time to speak to an operator and abandoned calls



The time taken to repair faulty streetlights increased significantly during the June quarter to 6.5 days, well above the long term average of around 3 days, as shown in Figure 8. As a result, the proportion of streetlights not repaired by the date agreed with the customer has continued to escalate. Ergon Energy has indicated that this outcome was largely due to staff being reassigned to more urgent work related to Cyclone Larry. As this work diminishes during the September quarter, streetlight maintenance is expected to return to normal.

Figure 8 Timeliness of streetlight repairs



The number of customer service complaints increased from 751 in the March quarter 2006 to 826 in the June quarter 2006. This result was a significant deterioration on the average number of complaints more usual for this time of year (around 600). The average time taken to resolve these complaints also increased from 5.9 days to 6.6 days. However, this remained well down on the maximum of 36 days recorded for the June quarter 2003.