



ELECTRICITY DISTRIBUTION – SERVICE QUALITY PERFORMANCE FOR THE MARCH 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 under the revised Guidelines for the September quarter 2005.

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

A number of measures reported by the distributors are subject to detailed qualifications. In some cases, this involves the consistency of measures over time. Readers should consult the distributors' reports to ensure correct interpretation of the data.

Also, 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.

ENERGEX

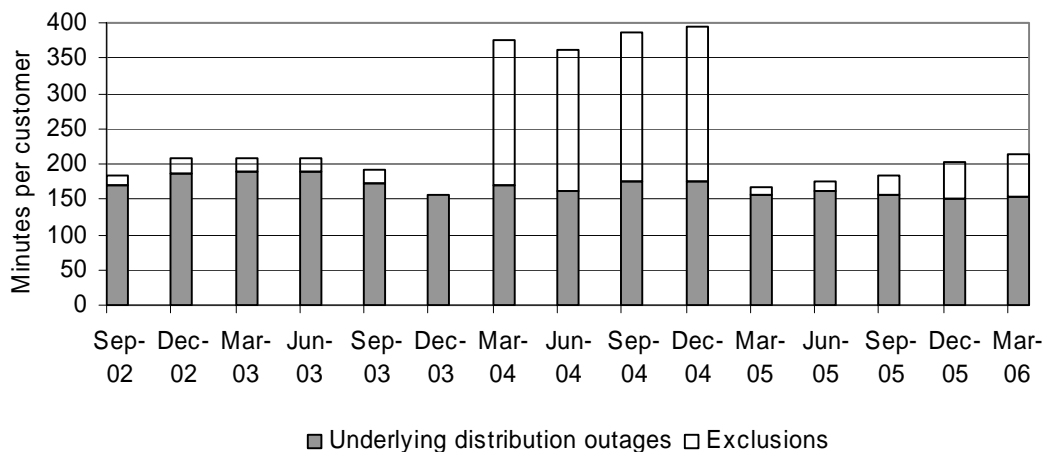
1. Reliability measures

- *Underlying reliability slightly worse in the March quarter, but good historically.*

During the 12 months to end March 2006, Energex customers experienced 2.15 distribution-related interruptions, leaving them without power for a total of 214.0 minutes. As shown in Figure 1, this duration of outages was a slight deterioration on the 12 months to end December 2005.

Removing the effect of exclusion events, including severe storms in January 2006, underlying distribution-related reliability (shaded) deteriorated very slightly, but remains at historically low levels. While underlying reliability for Energex's entire network has been relatively steady since the start of 2005, this masks a deterioration in areas supplied by short rural feeders that has been offset by an improvement in urban areas.

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



Energex received 184 customer complaints about reliability during the March quarter, an increase on the preceding three quarters in what is now a well established pattern due to the impact of summer storms on network reliability. The result for the March quarter 2006 is the lowest result for March quarters reported to the Authority.

The average time taken to resolve reliability of supply complaints decreased, to 5 days, the same as that at the start of 2004, and down significantly from a high of 24 days since reporting commenced.

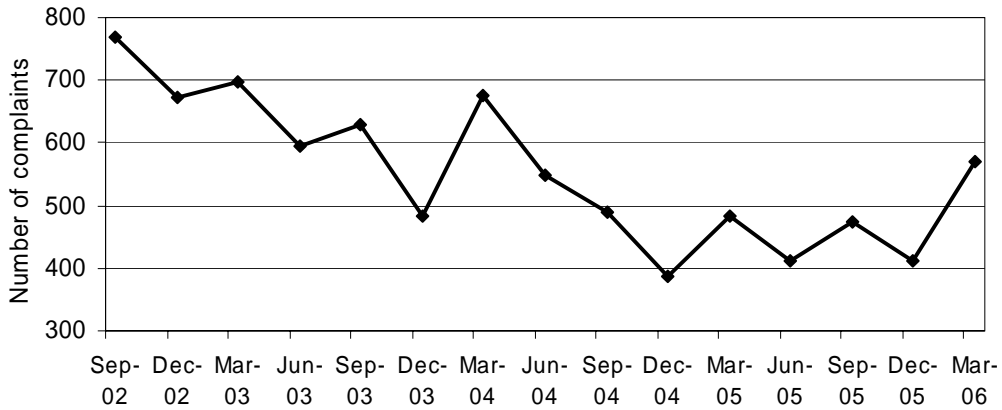
2. Quality of supply measures

- *Technical quality of supply complaints up during the March quarter.*

The total number of technical quality of supply complaints increased on recent levels during the March quarter 2006, as shown in Figure 2. It is apparent that, as for reliability, complaints about technical quality of supply increase during March quarters. In this instance the increase was driven by complaints about low supply voltage (which can cause light dimming and motor

starting problems) and minor voltage dips (which can cause flickering lights and the need to re-set digital clocks).

Figure 2 Total quality of supply complaints



The average time taken to fix technical supply faults during the March quarter was 33 days, which is at the low end of the range for this measure over the past 18 months of between 31 and 45 days.

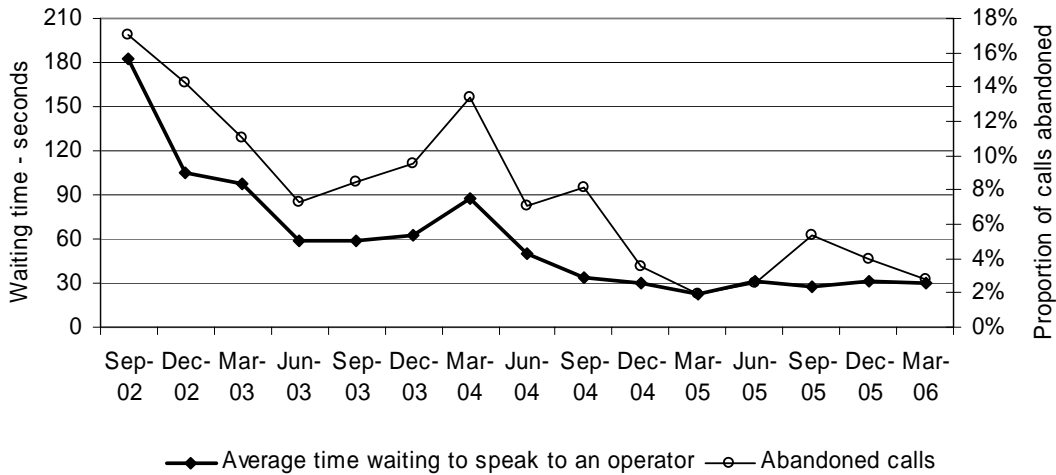
3. Customer service measures

- *Call centre performance solid, but notification of planned interruptions still lacking.*

On average, Energex customers had to wait 30 seconds to speak to an operator when calling the call centre during the March quarter, in line with lower waiting times reported more recently, as shown in Figure 3.

The percentage of calls abandoned decreased to 2.8 per cent, again representing improved recent performance relative to previous years.

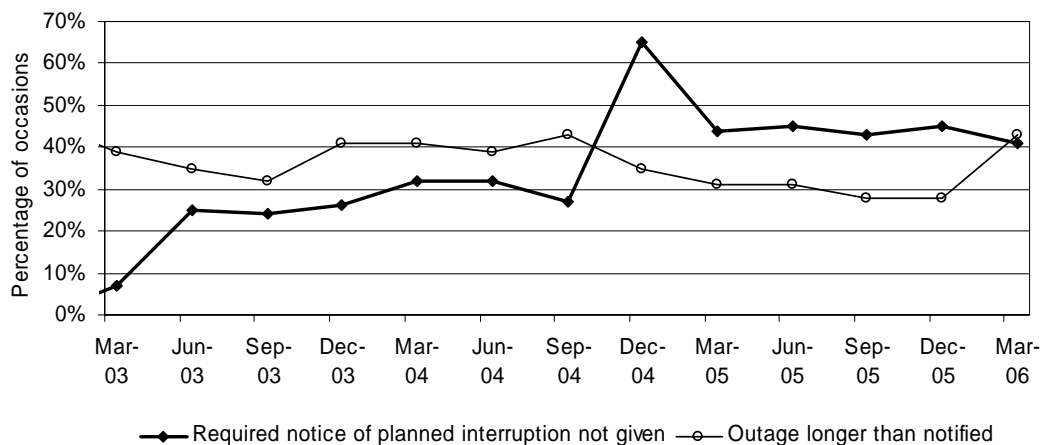
Figure 3 Waiting time to speak to an operator and abandoned calls



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, the average time taken to repair faulty street lights remained at the highest level reported to date, at 5 days, compared to the average of 3.9 days since reporting commenced.

Occasions on which the required notice of a planned interruption to supply was not given decreased in the March quarter but remained high at 41 per cent. Occasions on which the duration of a planned interruption exceeded the time specified in the notification increased to similarly high levels, as shown in Figure 4.

Figure 4 Insufficient notification of planned interruptions



The reported number of customer service complaints increased significantly from 713 in the December quarter 2005 to 1,357 in the March quarter 2006, due to the inclusion of complaints about meter reading. The average time taken to resolve customer service complaints decreased from 7 days to 6 days, compared to a maximum of 16 days since reporting commenced.

ERGON ENERGY

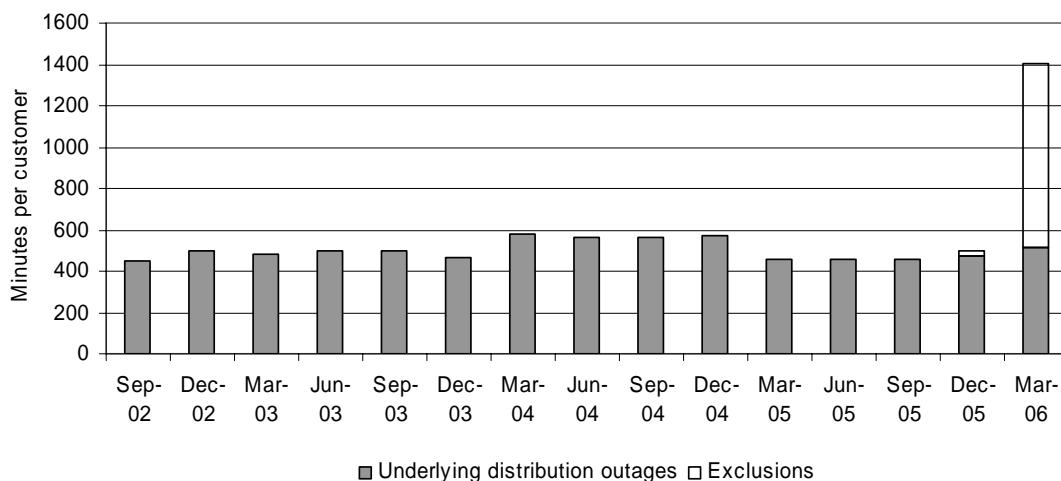
1. Reliability measures

- *Underlying reliability only slightly worse during the March quarter*

During the 12 months to end March 2006, Ergon Energy customers experienced 4.55 distribution-related interruptions, leaving them without power for a total of 1,404.3 minutes. As shown in Figure 5, this duration of outages is almost three times greater than recent levels, indicating the severe impact of Tropical Cyclone Larry on Ergon Energy customers.

Removing the effect of exclusion events, including Tropical Cyclone Larry, underlying distribution-related reliability (shaded) deteriorated to around midway between best and worse performance in recent years.

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



Ergon Energy received 446 customer complaints about reliability during the March quarter. This was an increase on the preceding three quarters as a result of the storm season, but was also 10% higher than the average for March quarters on record.

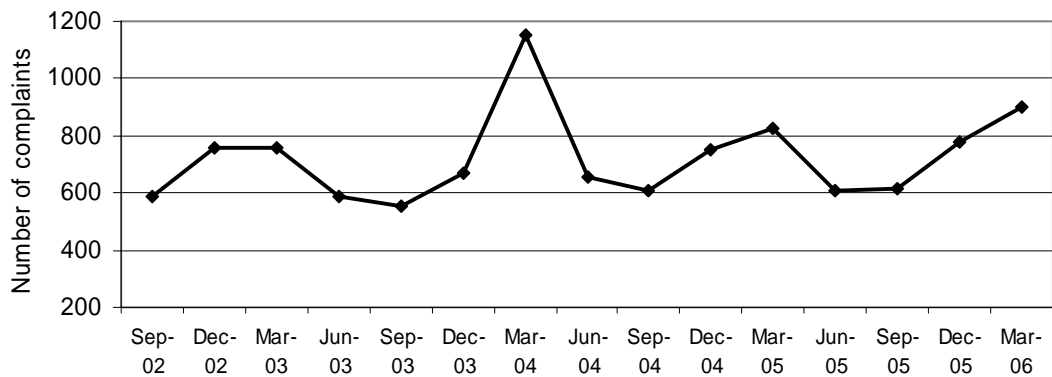
The average time taken to resolve reliability of supply complaints increased slightly during the March quarter, from a record low of 3.0 days in the December quarter 2005 to 3.4 days, which is still significantly lower than the longest duration on record of 18 days.

2. Quality of supply measures

- *Technical quality of supply complaints up during the March quarter, due to storms.*

During the March quarter, the total number of technical quality of supply complaints increased, as shown in Figure 6. This is consistent with the storm season pattern of complaints identified above for reliability. In this instance, the increase was driven by complaints about low supply voltage (which can cause light dimming and motor starting problems).

Figure 6 Total quality of supply complaints



The average time taken to fix technical supply faults during the March quarter was 72 days, which is at the low end of the narrow range for this measure since Ergon changed the basis of reporting from the December quarter 2004.

3. Customer service measures

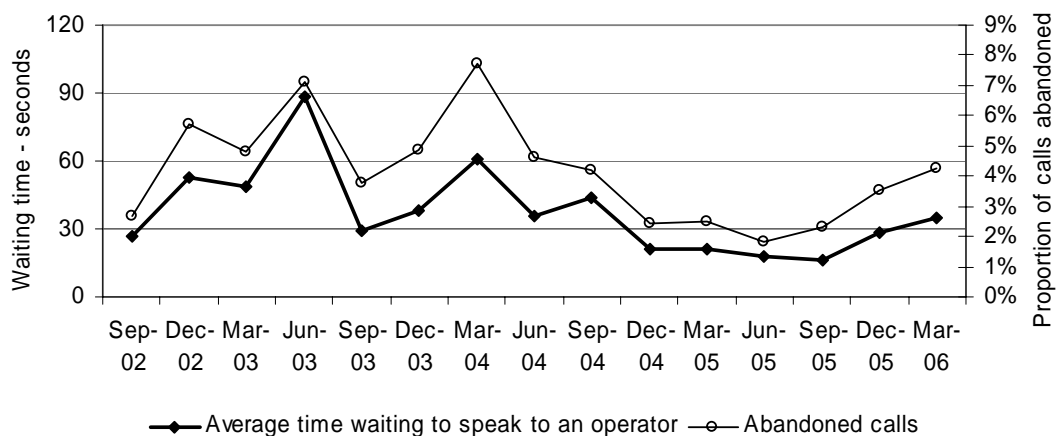
- *Call centre performance slips, as does the timeliness of streetlight repairs.*

Despite the impact of Tropical Cyclone Larry, the number of calls to Ergon Energy’s call centre did not increase dramatically during the March quarter (up 11%). As a result, 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 period.

On average, Ergon Energy customers had to wait 35 seconds to speak to an operator when calling the call centre, the highest result for the past 18 months but well down on the peak of 88 seconds in the June quarter 2003, as shown in Figure 7.

The percentage of calls abandoned increased to 4.2 per cent, also representing the highest result for some time.

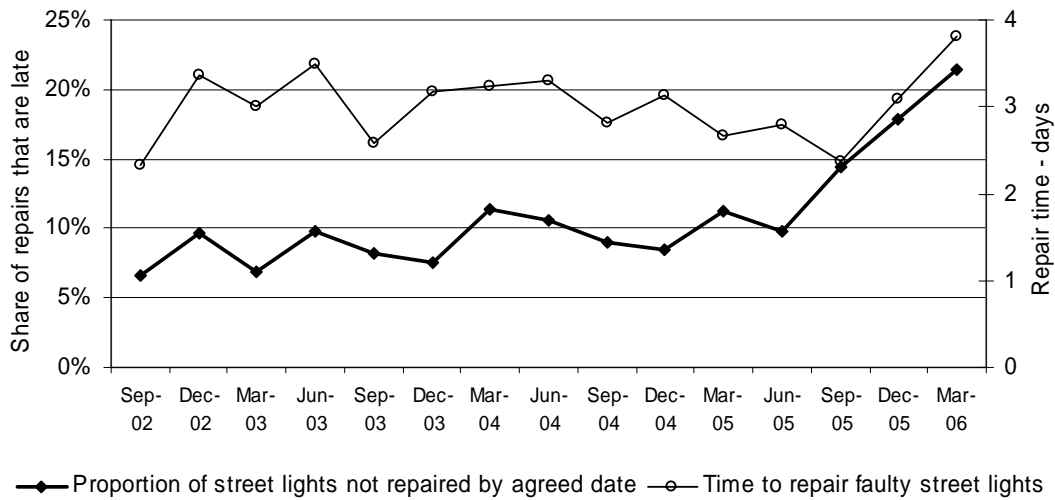
Figure 7 Waiting time to speak to an operator and abandoned calls



The time taken for new connections and re-connections remained close to long term levels of around 2 days and 1 day respectively.

The time taken to repair faulty streetlights increased again during the March quarter, up from a low of 2.4 days during the September quarter 2005 to 3.8 days. As a result, the proportion of streetlights not repaired by the date agreed with the customer has continued to escalate.

Figure 8 Timeliness of streetlight repairs



While the reported number of customer service complaints increased from 699 in the December quarter 2005 to 751 in the March quarter 2006, this result is a significant improvement on the maximum number reported for this measure of 2,419 in the March quarter 2004. The average time taken to resolve these complaints continued to fall, to 5.9 days, well down on the maximum of 36 days in the June quarter 2003.