



## **ELECTRICITY DISTRIBUTION – SERVICE QUALITY PERFORMANCE FOR THE MARCH 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.

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 and, as annual data is accumulated, it will review the performance of each DNSP over time. The Authority released separate annual reports of the distributors' financial and service quality performance for 2003-04 in March 2005 and these reports are available on the Authority's website.

### **Summary of the DNSPs' March 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. A DNSP's performance is best indicated by the duration and frequency of planned and unplanned interruptions that are due to distribution network problems within the distributor's control (although lengthy and frequent interruptions due to other influences may indicate a need for improved risk management measures on the part of the distributor).

**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*

Energex improved its basis for reporting reliability data from the June quarter 2004 on, by using the actual customer numbers affected by interruptions in its calculations rather than estimated customer numbers as used previously. As reliability data is calculated on a 12 month rolling average basis, the full effect of this change will not be revealed until the June quarter 2005 report, when 12 months of data collected under the new method will be available. However, it appears that the change will slightly worsen Energex's reliability performance relative to the likely outcome under the previous approach. The change in reporting method also means that Energex's own analysis of the historical ranges of its reliability data presented in its quarterly report is potentially misleading due to the inconsistent data series being used.

During the 12 months to end March 2005, Energex customers, on average, experienced 1.69 distribution-related interruptions, leaving them without power for a total of 155.6 minutes. This compares to 1.83 distribution-related interruptions and 175.6 minutes without power during the 12 months to end December 2004, indicating that the underlying reliability of electricity supply for the March quarter 2005 improved compared to the March quarter 2004.<sup>1</sup>

Consistent with the Authority's Guidelines, Energex has removed the impact of a severe storm which occurred on 13 December 2004 from its distribution-related reliability performance data. Although this event occurred in the December quarter 2004, it still impacts the March quarter 2005 reliability data because the reliability measures are based on a 12 month rolling average.

Without this event excluded (that is, measuring the distribution-related reliability customers actually experienced), Energex's customers, on average, experienced 1.74 distribution-related interruptions, leaving them without power for a total of 167.7 minutes during the 12 months to end of March 2005. These figures compare to 2.51 distribution-related interruptions and 394.7 minutes without power during the 12 months to end December 2004. After allowing for the effect of changing the basis of determining customer numbers, these figures indicate that the unadjusted reliability for the March quarter 2005 improved significantly compared to the unadjusted reliability for the March quarter 2004. The March quarter 2005 was characterised by favourable weather conditions which resulted in a relatively low level of distribution-related interruptions compared to the severe storms experienced in the March quarter 2004.

For the March quarter 2005, Energex reported that customers made 258 complaints regarding the reliability of supply. However, because Energex changed the reporting of this measure in the March quarter 2005, historical comparisons are now meaningless. The way Energex had previously been reporting complaints resulted in the number of complaints being under-estimated.

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

### *Quality of supply measures*

In contrast to reliability complaints, technical quality of supply complaints were unaffected by Energex's change in its reporting and hence historical comparisons can be made. Energex reported that it received a total of 484 technical quality of supply complaints during the March quarter 2005, which was an increase on the 387 complaints received during the December quarter 2004. The largest increases were recorded for complaints relating to low supply voltage (which can cause light dimming and motor starting problems) and voltage dips – minor or nuisance (which can cause flickering lights). The number of technical quality of supply complaints had generally been trending downwards since reporting began under the Authority's Guidelines, with the December quarter 2004 performance representing the lowest point recorded to date. The March quarter 2005 result is an improvement on the corresponding quarters in 2003 and 2004 (696 and 677).

### *Customer service measures*

During the March quarter 2005, Energex customers had to wait, on average, 23 seconds to speak to an operator when calling the call centre, down from 30 seconds during the previous quarter. The percentage of calls abandoned decreased from 3.6 per cent in the December quarter 2004 to 1.9 per cent in the March quarter 2005. Both of these call centre measures recorded their lowest numbers since reporting of Energex's service quality data began under the Authority's Guidelines. While there was a small drop in the number of calls to the call centre, the improved call centre performance no doubt reflects the increased spending by Energex on its call centre as a result of the Electricity Distribution and Service Delivery Review.

The proportion of total customer appointments that were not met within 15 minutes of the agreed time improved from 3.3 per cent in the December quarter 2004 to 2.5 per cent in the March quarter 2005. Historically, this measure has ranged between 2.0 and 3.5 per cent.

In other measures, Energex customers had to wait, on average, 4.1 days for a new connection to the network compared to 4.06 days during the December quarter 2004. 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 deteriorated from 4.4 per cent in the December quarter 2004 to 6.5 per cent in the March quarter 2005, even though the number of new connections made decreased by 915. Historically, this measure has ranged between 2 and 7 per cent. The proportion of re-connections that were not made on the agreed date was slightly worse at 2.4 per cent in the March quarter 2005 compared to 2.2 per cent in the December quarter 2004 - the number of re-connections made increased by 694. This measure has remained between 2 per cent and 3 per cent since reporting began in the September quarter 2002.

The average time taken to repair faulty street lights decreased from 3.4 days in the December quarter 2004 to 3.0 days in the March quarter 2005, which was the lowest number recorded since reporting began under the Authority's Guidelines in the September quarter 2002.

The occasions on which the required notice of a planned interruption to supply was not given decreased significantly from 65 per cent in the December quarter 2004 to 44 per cent in the March quarter 2005. This large decrease followed a very large increase for the December quarter 2004 from 27 per cent in the September quarter 2004. At the time, Energex stated that the large increase was due to problems it encountered after changing the process for recording planned interruption notices. The volatility over recent quarters casts doubt on the robustness of this measure which needs to be addressed. With the exception of a very low number in the March

quarter 2003 (the first quarter this measure was reported), this measure had previously ranged between 25 and 32 per cent. The occasions where the duration of a planned interruption exceeded the time specified in the notification decreased from 35 per cent in the December quarter 2004 to 31 per cent in the March quarter 2005, the lowest number since reporting began under the Authority's Guidelines in the September quarter 2002.

The reported total number of complaints was 1,051 in the March quarter 2005. As discussed previously, historical comparisons of this measure are meaningless due to a change in Energex's reporting of complaints. The average time taken to resolve these complaints was 11 days. The percentage of total complaints resolved within 20 days was only 53 per cent.

The average time taken to fix a technical supply fault decreased from 45.5 days in the December quarter 2004 to 35.7 days in the March quarter 2005. Historical comparisons of this measure cannot be made due to a change in the reporting of this measure in the September quarter 2004.

## **ERGON ENERGY**

### *Reliability measures*

During the 12 months to end March 2005, Ergon Energy customers, on average, experienced 3.97 distribution-related interruptions, leaving them without power for a total of 457.8 minutes. These figures compare to 5.03 distribution-related interruptions and 572.3 minutes without power during the 12 months to end December 2004, indicating that the underlying reliability of electricity supply for the March quarter 2005 improved significantly compared to the March quarter 2004.

Ergon Energy customers made 323 complaints regarding the reliability of supply in the March quarter 2005, compared to 339 complaints in the December quarter 2004. The number of reliability complaints is well below the corresponding quarter in 2004 (539 complaints), which likely reflects Ergon Energy's improved reliability performance for the March quarter 2005.

### *Quality of supply measures*

Ergon Energy reported that it received a total of 823 quality of supply complaints during the March quarter 2005, which was a deterioration on the 750 complaints during the December quarter 2004. The largest increases were recorded for complaints relating to low supply voltage (which can cause light dimming and motor starting problems) and noises from appliances or lights. However, the March quarter 2005 performance represented an improvement from the corresponding quarter in 2004 (1,155).

### *Customer service measures*

During the March quarter 2005, Ergon Energy customers had to wait, on average, 21 seconds to speak to an operator when calling the call centre, unchanged from the previous quarter. This is the lowest level for this measure since reporting began under the Authority's Guidelines. The percentage of calls abandoned increased slightly from 2.4 per cent in the December quarter 2004 to 2.5 per cent in the March quarter 2005. While this measure has remained fairly steady over the past two quarters, the March quarter 2005 result is a significant improvement on the corresponding quarter in 2004 (7.7 per cent).

In other measures, Ergon Energy customers had to wait, on average, 3.2 days for a new connection to the network compared to 2.5 days in the December quarter 2004. This measure has varied only marginally over the past year and a half, ranging from 2.5 days to 3.2 days. The proportion of new connections that were not made on the agreed date deteriorated from 6.3 per cent in the December quarter 2004 to 8.0 per cent in the March quarter 2005, even though Ergon Energy made 913 fewer new connections. This also represented a deterioration from the corresponding quarter in 2004 (7.0 per cent). The proportion of re-connections that were not made on the agreed date deteriorated from 3.4 per cent in the December quarter 2004 to 4.5 per cent in the March quarter 2005. This may have been partly due to the 1,265 extra re-connections that were made. However, the March quarter 2005 performance was a significant improvement from the corresponding quarter in 2004 (6.9 per cent). Ergon Energy customers had to wait, on average, 28 hours to be re-connected to the network in the March quarter 2005 compared to 26 hours during the December quarter 2004. Since the March quarter 2003 (the first quarter this measure was reported), this measure has varied between 13 hours and 31 hours.

The average time taken to repair faulty street lights decreased from 3.1 days in the December quarter 2004 to 2.7 days in the March quarter 2005. This measure has generally remained between 2.5 and 3.5 days over the last two and a half years.

The occasions on which the required notice of a planned interruption to supply was not given increased from 6.7 per cent in the December quarter 2004 to 8.5 per cent in the March quarter 2005. This result also represented a deterioration from the corresponding quarter in 2004 (6.4 per cent). However, the occasions where the duration of the planned interruption exceeded the time specified in the notification decreased from 31.3 per cent to 30.0 per cent. This was also a slight improvement on the corresponding quarter in 2004 (31.0 per cent).

The total number of complaints increased slightly from 949 in the December quarter 2004 to 987 in the March quarter 2005. However, this result was an improvement on the corresponding quarter in 2004 (1,264). The average time taken to resolve these complaints decreased slightly from 6.8 days in the December quarter 2004 to 6.4 days in the March quarter 2005, and also improved on the corresponding quarter in 2004 (10.6 days). The percentage of total complaints resolved within 20 days deteriorated from 98.2 per cent in the December quarter 2004 (the highest percentage since reporting began under the Authority's Guidelines) to 94.4 per cent in the March quarter 2005. This was a slightly lower outcome than in the corresponding quarter in 2004 (95.2 per cent).

The total number of repeat complaints increased from 17 in the December quarter 2004 to 25 in the March quarter 2005. Historically, this measure has varied between 17 and 61. The average time taken to resolve repeat complaints deteriorated from 9.8 days in the December quarter 2004 to 16.3 days in the March quarter 2005. Historically, this measure has varied between 3 days and 24 days.

The average time taken to fix a technical supply fault increased from 74 days in the December quarter 2004 to 79 days in the March quarter 2005. Historical comparisons of this measure cannot be made due to a change in the reporting of this measure in the December quarter 2004.