



## Summary of Key Findings

# 2013 Annual Performance Report – Energy Distributors

## Customer Connections

### *Electricity Distributors*

The state-wide total number of customer connections on electricity distribution systems increased by 3.4% during 2013, rising to just under 1.1 million connections. Connections on the Western Power distribution system increased by 3.4%, while the connections in the regional areas supplied by Horizon Power increased by 3.5%.

The South West Interconnected Network (**SWIN**)<sup>1</sup> operated by Western Power accounts for 95.8% of total connections.

The state-wide total number of new connections established on electricity distribution systems in 2013 was 13.8% higher than the previous year. New connections on the Western Power network rose by 12.0% (from 21,420 to 23,994), while new connections on the Horizon Power distribution systems rose by 34.9% (from 1,780 to 2,401). In 2013, Western Power further improved their on-time delivery of new connections to reach a six year high of 98.5%.

### *Gas Distributors*

The state-wide total number of customer connections on gas distribution systems increased by 3.2% in 2013, up from 654,024 to 675,150 connections. During 2013, all three gas distributors reported an increase in connections on their systems: ATCO by 2.6%, Esperance Power Station by 6.1% and Wesfarmers by 4.1%.

Connections on the ATCO<sup>2</sup> distribution systems accounted for 99.81% of total connections.

The state-wide number of new connections established on gas distribution systems was 4.4% higher than the previous year, rising from 14,813 to 15,463 connections, of which approximately 99.99% were delivered on time.

## Distribution System Reliability

### *Electricity Distributors*

There are two regulatory frameworks that are used to measure the reliability of electrical distribution systems in Western Australia: the *Electricity Industry (Network Quality & Reliability of Supply Code) 2005 (NQ&R Code)*, and the 2002 SCONRRR Framework.<sup>3</sup>

<sup>1</sup> The South West Interconnected System (**SWIS**) is the entire energy system, including all generators covering the coastal area from Kalbarri to Bremer Bay and the Goldfields. The transmission and distribution system that supplies this area is known as the South West Interconnected Network (**SWIN**), which mostly (but not completely) comprises the infrastructure that Western Power owns and operates.

<sup>2</sup> ATCO Gas Australia Pty Ltd

## NQ&R Code

After reaching six year highs in 2012, the number of customer premises experiencing extended interruptions (>12 hours continuously) fell significantly in 2013. Horizon Power reported a 68.7% fall (from 1,875 to 587 premises) in affected premises, while Western Power reported a 78.4% fall (from 179,694 to 38,820 premises). Western Power attributed the fall in extended interruptions to a reduction in severe weather and bushfire activity during the year.

In 2013, the number of customer premises experiencing multiple interruptions in the Perth CBD and Urban area<sup>4</sup> systems, all supplied by Western Power, was 34.2% lower than the previous year, while the number of Rural area<sup>5</sup> premises that experienced more than 16 supply interruptions increased: by 183% for Horizon Power and by 108% for Western Power. The number of Rural area premises affected by multiple interruptions in 2013 reached a six year high for both distributors. Western Power attributed the rise in interruptions to a significant increase in lightning activity in the Mid-West region.

Compared to 2012, the average length of interruption to customer premises<sup>6</sup> in the Perth CBD fell and, at 28 minutes total, was below the 30 minutes per annum standard set in the NQ&R Code for the first time. In the Urban areas, the average length of interruption fell from 405 to 390 minutes, which exceeded the 160 minute standard set in the NQ&R Code by 230 minutes.

In the Rural areas supplied by Western Power, the average length of interruptions increased from 947 to 979 minutes, which exceeded the 290 minute standard in the NQ&R Code by 689 minutes. Western Power cited lightning strikes across geographically remote areas of the network as the primary contributor to the increases in the average length of time that customers were off supply in Rural areas during 2013.<sup>7</sup>

In the Rural areas supplied by Horizon Power, the average length of interruptions rose slightly, from 302 to 308 minutes, or 18 minutes over the NQ&R Code standard. Rottneest Island Authority was the only distributor to meet the 290 minute standard in 2013, where the average length of interruptions fell from 226 minutes to 76 minutes.

## 2002 SCONRRR Framework

The measurement of interruptions under the 2002 SCONRRR Framework<sup>8</sup> (SAIDI, SAIFI and CAIDI)<sup>9</sup> is a more realistic measure of distributor system reliability because it allows the exclusion of interruption events caused by factors that are beyond the reasonable control of the distributor, such as transmission and generation outages. Under the 2002 SCONRRR Framework, the distributors report the total and normalised values of SAIDI, SAIFI and

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<sup>3</sup> National regulatory reporting for electricity distribution and retailing businesses, Steering Committee on National Regulatory Reporting Requirements, Utility Regulators Forum, March 2002

<sup>4</sup> Urban areas include the Perth metropolitan area (excluding the CBD), Albany, Bunbury, Geraldton, Kalgoorlie and Mandurah.

<sup>5</sup> Rural areas are all areas of the State other than the Perth CBD and Urban areas.

<sup>6</sup> The NQ&R Code measures the average length of interruption over a four year period.

<sup>7</sup> Annual Reliability and Power Quality Report (1 July 2012 – 30 June 2013), accessed on the Western Power webpage: <http://westernpower.com.au/aboutus/publications/annualreliabilitypowerquality.html>

<sup>8</sup> National regulatory reporting for electricity distribution and retailing businesses, Steering Committee on National Regulatory Reporting Requirements, Utility Regulators Forum, March 2002.

<sup>9</sup> System Average Interruption Duration Index, System Average Interruption Frequency Index and Customer Average Interruption Duration Index.

CAIDI. The normalisation process also removes days where the duration of interruptions significantly exceed the long-run average performance of the network.

Comparing the normalised SAIDI on the Western Power system in 2012 and 2013 shows that the average customer minutes off supply on most parts of their system were almost unchanged, with the exception of the Perth CBD, where there was a significant improvement (from 16 to 8 minutes of interruption). Horizon Power reported a 53% reduction (from 283 to 133 minutes) in Urban SAIDI, while the normalisation process removed all of the SAIDI on the Rottneest Island Authority distribution network because all of the outages had been caused by generation faults.

## Gas Distributors

2013 is the sixth consecutive year that gas distributors have reported that they did not have any customer supply interruptions longer than 12 hours, nor did any of their customers experience five or more supply interruptions during the reporting year.

## Complaints

### Electricity Distributors

Electricity distributors are required to report on two distinct complaints categories: technical quality of service (**QoS**) complaints under the NQ&R Code and customer service complaints under the Electricity Customer Code.<sup>10</sup> Complaint reporting obligations for gas distributors are in the Gas Manual,<sup>11</sup> which covers supply quality and reliability, customer service and network charges and costs.

Horizon Power and Western Power were the only distributors who received QoS complaints in 2013. Comparing 2013 with 2012, the number of QoS complaints received by electricity distributors was almost unchanged: 1,330 complaints in 2012 and 1,341 complaints in 2013. The majority of the QoS complaints received in 2013 were related to issues that did not fall into any of the seven defined QoS categories, followed by TV or radio interference complaints and low voltage complaints.

The number of complaints received by Horizon Power related to Electricity Customer Code matters rose sharply during 2013, reaching a six year high of 469 complaints. Administrative and customer service complaints accounted for all of the increase.

Western Power reported a drop in complaints related to Electricity Customer Code matters during 2013, reaching a six year low of 664 complaints.

Prior to 2013, Horizon Power resolved 100% of the complaints they received within 15 business days. In 2013, their complaint resolution performance fell to resolving 55% of complaints within 15 days, which coincides with the significant increase in the number of complaints they received.

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<sup>10</sup> *Code of Conduct for the Supply of Electricity to Small Use Customers.*

<sup>11</sup> The Authority's *Gas Compliance Reporting Manual*. The manual incorporates complaints reporting obligations in the *Compendium of Gas Customer Licence Obligations*, which is the equivalent document to the Electricity Customer Code.

In 2013, Western Power's complaint resolution performance reached a six year high; 78% of complaints were resolved within 15 business days. The improved performance continues the trend that started after they reached a six year low of 26% in 2011.

### ***Gas Distributors***

In 2013, ATCO (36 complaints) and Wesfarmers (2 complaints) were the only distributors to receive complaints. The total number of complaints received by gas distributors in 2013 (38) is substantially lower than those received by electricity distributors (849).

## **Call Centre Performance**

### ***Electricity Distributors***

Between 2012 and 2013, the total volume of calls to electricity distributor call centres was almost unchanged (up from 619,981 to 620,409 calls). Calls to the Horizon Power and Rottneest Island Authority call centres increased by 25% and 5.7% respectively, while calls to the Western Power call centre fell by 3.9%.

Compared to 2012, Horizon Power reported deteriorations in all three call centre performance measures; the percentage of calls answered within 30 seconds fell to a six year low of 75.9%.

Rottneest Island Authority reported a mixed result in 2013; the percentage of calls answered within 30 seconds fell to their lowest level on record, while the percentage of abandoned calls improved to the best on record.

In 2013, Western Power reported improvements in all three call centre performance measures: the percentage of calls answered within 30 seconds reached a six year high of 80.0%, the average wait time before a call is answered fell to a six year low of 12 seconds and the unanswered call percentage also improved.

### ***Gas Distributors***

ATCO informed the ERA that they had identified problems with their historical call centre performance data; prior to 2013, they had excluded scheduling calls. ATCO has provided corrected data for 2012.

Between 2012 and 2013, the volume of calls to gas distributor call centres increased by 3% (from 279,378 to 287,643 calls); calls to ATCO increased by 2.8% and calls to Wesfarmers increased by 3.0%.

Compared to 2012, ATCO reported an overall deterioration in all three call centre performance measures in 2013. Due to the data quality issues discussed earlier, it is not possible to assess their long term performance.

Wesfarmers reported an improved performance in 2013; the percentage of calls answered within 30 seconds increased, while the average wait time before a call is answered and the percentage of unanswered calls both fell.

## ***Service Standard Payments***

In 2013, Western Power made 47,523 payments (with a value of \$3.8M) for supply interruptions exceeding 12 hours in duration, an increase of 65% compared to 2012. Western Power has explained that 38,659 payments were for outages caused by the storms in June 2012; the payments were not processed until the 2013 reporting year.