

Energy Coordination Act 1994

# Gas Trading Licence Performance Reporting Handbook

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Economic Regulation Authority



WESTERN AUSTRALIA

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## 1 Background

The Economic Regulation Authority (**Authority**) is responsible for administering the gas licensing scheme under the *Energy Coordination Act 1994 (Act)*. A business licensed by the Authority is required to comply with a range of obligations prescribed by the Act and its associated regulations and codes.

Under section 11M of the Act, the Authority may determine licence terms and conditions, including requiring a licensee to provide to the Authority specified information in relation to the licence. In accordance with these powers, the Authority requires the holders of gas trading licences to report annually against the performance indicators identified in section 16.1 of the Gas Compliance Reporting Manual (**Reporting Manual**). The annual performance report for the year ending 30 June is to be provided to the Authority by 30 September.

## 2 Purpose of this Handbook

This document has been developed to accompany the performance reporting obligations for gas trading licensees in the Reporting Manual, published by the Authority in November 2010.<sup>1</sup>

The template in section 16.1 of the Reporting Manual applies to the supply of gas to small use customers.<sup>2</sup> It is important that there is a shared understanding amongst all stakeholders in respect of the information that is to be reported by gas trading licensees, including the definitions to be applied to the performance indicators and the Authority's expectations as to the manner in which the information should be presented. Consistent with this objective, the Authority has issued this guide to inform gas trading licensees about:

- the definitions to be applied to the performance indicators in the performance reports; and
- how to calculate the performance data (where applicable).

Where reference is made to other documents within this guide, the Authority recommends that the person(s) responsible for completing the licensee's performance report, familiarise themselves with these other documents, in order to obtain a fuller understanding of the reporting context. Of particular interest is the **2007 SCONRRR Report**,<sup>3</sup> which has been incorporated into the regulatory reporting framework developed by the Authority for electricity retail licensees.

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<sup>1</sup> This document can be found on the Authority's website [http://www.erawa.com.au/2/319/51/regulatory\\_guid.pm](http://www.erawa.com.au/2/319/51/regulatory_guid.pm)

<sup>2</sup> A small use customer consumes less than 1 terajoule (TJ) of gas per annum.

<sup>3</sup> National Energy Retail Performance Indicators, Utility Regulators Forum, Steering Committee on National Regulatory Reporting Requirements – Retail Working Group, May 2007. A copy can be obtained on the Authority's website: [http://www.erawa.com.au/2/319/51/regulatory\\_guid.pm](http://www.erawa.com.au/2/319/51/regulatory_guid.pm)

### 3 Performance Reporting Tools

The Authority has issued a Microsoft Excel workbook called the Performance Reporting Datasheets – Gas Trading Licensees (**Performance Report**). It is mandatory for licensees to provide their annual performance reports to the Authority by completing the Performance Report by 30 September for the year ending 30 June. The latest version of the Performance Report can be found on the Authority’s website.<sup>4</sup>

The Performance Report comprises a covering datasheet and seven other datasheets, one for each of the performance reporting categories set out in section 16.1 of the Reporting Manual:

- Customers and Customer Information;
- Affordability;
- Disconnections for Non-Payment;
- Reconnections;
- Security Deposits;
- Call Centre Performance; and
- Complaints.

### 4 Completing the Performance Report

The Performance Report comprises a number of datasheets containing tables in the format shown in Table 1 below.

**Table 1: Example datasheet format**

Indicator No.	Reference	Description	Basis of Reporting		Comments
			Number	Percentage	
RA 1	SCONRRR	Total number of residential customers			

When completing the datasheets in the Performance Report, it is important that the structure of the data entry cells is not modified by inserting, deleting or re-ordering rows/columns. A number of cells contain values that are calculated from data that has been entered into other cells. These cells have been locked to protect the calculation formula and have been shaded yellow for identification purposes.

Only enter data into the cells that are not shaded grey or yellow.

The Indicator no. column contains the unique reference number for the indicator. In this case the indicator is the first indicator in the retail licence indicator set (R), category A (Customers).

The reference column identifies the document from which the indicator has been derived, if applicable.

The description provides a short form explanation of what the indicator is intended to measure.

<sup>4</sup> The latest version of the Performance Report (i.e., datasheets spreadsheet) can be found on the Authority’s website at: [http://www.erawa.com.au/2/319/51/regulatory\\_guid.pm](http://www.erawa.com.au/2/319/51/regulatory_guid.pm)

The basis of reporting offers two options:

- Number (This is used to enter any numerical value other than a percentage).
- Percentage (usually this is automatically generated from the numerical data).

The data entry cells have been formatted to align with the required degree of accuracy i.e. number of decimal places, appropriate for each indicator.

If it is not possible to provide the required data for an indicator then the cell should be left blank and a comment added in the “Comments” cell to explain why the data cannot be provided. Alternatively, the licensee may wish to use the “Comments” cell to add explanatory notes where there has been a significant change in values from previous reporting periods or where the licensee feels that additional context to the data provided is necessary.

## **5 Submission of Performance Report to the Authority**

Licensees are required to provide to the Authority a completed copy of the Performance Report (i.e. completed datasheets) in electronic format. The completed Performance Report may be provided on a USB memory stick, CD-ROM or emailed to the Authority at: [glicensing@erawa.com.au](mailto:glicensing@erawa.com.au). Compliance with the licence in respect of providing performance reports will not be achieved until an electronic copy of the completed datasheets have been received by the Authority.

## 6 Customers and Customer Information

### Purpose

To report on the number of contestable and non-contestable, residential and non-residential, small use customers supplied by a retailer. The number of customers is also used as a normaliser for other performance indicators.

### Reported Indicators

No.	Indicator
RA 1	Total number of residential customers
RA 2	Total number of residential customers covered by the Gas Moratorium (Alinta Sales only) <sup>5</sup>
RA 3	Total number of non-contestable residential customers <sup>6</sup>
RA 4	Total number of non-residential customers
RA 5	Total number of non-residential customers covered by the Gas Moratorium (Alinta Sales only) <sup>7</sup>
RA 6	Total number of non-contestable non-residential customers <sup>8</sup>
RA 7	Total number of residential and non-residential customers

### Definitions

**Customer** means a customer account.<sup>9</sup>

**Non-residential customer** means a small use customer who is not a residential customer.

**Residential customer** means a small use customer who receives a domestic/residential tariff.

**Small use customer** means a customer who consumes less than 1 terajoule of gas per annum.

Note:

Accounts that are supplied on a combined residential/non-residential tariff are deemed to be non-residential accounts.

### Calculations

The total number of customers in a given class, residential or non-residential, is the number of active accounts on 30 June.

<sup>5</sup> This indicator is only applicable to Alinta Sales for the gas supply areas that are subject to the 2007 Gas Market Moratorium

<sup>6</sup> This indicator is only applicable to Wesfarmers Kleenheat for supply in towns that cannot be accessed by other gas retailers.

<sup>7</sup> This indicator is only applicable to Alinta Sales for the gas supply areas that are subject to the 2007 Gas Market Moratorium

<sup>8</sup> This indicator is only applicable to Wesfarmers Kleenheat for supply in towns that cannot be accessed by other gas retailers.

<sup>9</sup> A customer account may include billing for more than one supply address. This means that, for some retailers, the number of accounts may be less than the number of supply addresses.

## 7 Affordability

### Purpose

To report on the proportion of the retailer's customers who:

- have entered into an instalment payment arrangement to pay account arrears and continued usage; or
- have had a direct debit plan/facility terminated as a result of payment defaults.

### Reported Indicators

No.	Indicator
RB 1	Number of residential customers on instalment payment plans
RB 2	Percentage of residential customers on instalment payment plans
RB 3	Number of non-residential customers on instalment payment plans
RB 4	Percentage of non-residential customers on instalment payment plans
RB 5	Number of residential customer direct debit plans terminated as a result of defaults
RB 6	Percentage of residential customer direct debit plans terminated as a result of defaults
RB 7	Number of non-residential customer direct debit plans termination as a result of defaults
RB 8	Percentage of non-residential customer direct debit plans terminated as a result of defaults

### Definitions

**Direct debit plan termination** means where a direct debit plan/facility is terminated as a result of default/non-payment over at least two payment periods. The retailer should include terminations due to administrative oversight and mismanagement by the customer resulting in non-payment and the termination of Centrepay payments.

**Instalment payment plan** means an arrangement between the retailer and a customer to pay arrears and continued usage on their account according to an agreed payment schedule and capacity to pay. It does not include customers using a payment plan as a matter of convenience or for flexible budgeting purposes. It also does not include customers using the Centrepay payment option.

Note:

The terms budget instalment plan, instalment payment plan and instalment plan all have the same meaning for the purposes of interpreting the definitions in this handbook.

The reader is referred to the notes on page 47 of the 2007 SCNRRR Report for further definitional information related to instalment payment plans and direct debit terminations.

## 8 Disconnections for Non-Payment

### Purpose

To report on:

- the proportion of the retailer's customers who have been disconnected due to failure to pay an amount owed; and
- the rate of disconnections among specific customer groups such as instalment plan customers and customers who are in receipt of a concession.

### Reported Indicators

No.	Indicator
RC 1	Number of residential customers disconnected for failure to pay
RC 2	Percentage of residential customers disconnected for failure to pay
RC 3	Number of non-residential customers disconnected for failure to pay
RC 4	Percentage of non-residential customers disconnected for failure to pay
RC 5	Number of residential customers disconnected previously on an instalment payment plan
RC 6	Percentage of residential customers disconnected previously on an instalment payment plan
RC 7	Number of residential customers disconnected within the past 24 months
RC 8	Percentage of residential customers disconnected within the past 24 months
RC 9	Number of customers disconnected while receiving a concession (residential only)
RC 10	Percentage of customers disconnected while receiving a concession (residential only)

### Definitions

**Disconnection for failure to pay** means a customer whose supply was disconnected due to a failure to pay an amount owed.

**Disconnection of a customer previously on an instalment payment plan** means a residential customer whose supply was disconnected for failure to pay and who is, or who was within the previous 24 months, on an instalment plan.

**Disconnection of a customer disconnected previously within the past 24 months** means a residential customer whose supply was disconnected for failure to pay and who has been disconnected for failure to pay on one or more occasions within the previous 24 months.

**Disconnection of customer receiving a concession** means disconnection, for failure to pay, of a residential customer who receives a concession, rebate or grant related to the supply of gas at the time that the disconnection occurs.

Note:

If a customer is subject to more than one disconnection during the reporting period, then each disconnection should be reported separately. The purpose of the indicators is to measure the number of disconnection events rather than the number of customers experiencing disconnection.

The reader is referred to the notes on pages 48 and 49 of the 2007 SCORRRR Report for further definitional information related to disconnections.

It is possible for a customer disconnection to count towards more than one disconnection indicator, e.g., a customer who has been disconnected within the previous 24 months and who was receiving a concession.

In relation to indicators RC5 – 8 inclusive, the retailer should ideally calculate the 24-month period from the date that the disconnection occurs. Should this not be possible then the retailer should determine whether the customer has been disconnected at any other time during the current and previous reporting year.

Percentages are automatically calculated by dividing the number of disconnections by the total number of customers in the relevant category, residential or non-residential. For example:

$$RC8 = (100 \times (RC7/RA1))$$

## 9 Reconnections

### Purpose

To report on:

- the proportion of the retailer's customers who have been reconnected following a disconnection for failure to pay a bill; and
- the rate of reconnections among specific customer groups such as instalment plan customers and customers who are in receipt of a concession.

### Reported Indicators

No.	Indicator
RD 1	Number of residential customers reconnected within 7 days
RD 2	Percentage of residential customers reconnected within 7 days
RD 3	Number of non-residential customers reconnected within 7 days
RD 4	Percentage of non-residential customers reconnected within 7 days
RD 5	Number of residential customers reconnected previously on an instalment payment plan
RD 6	Percentage of residential customers reconnected previously on an instalment payment plan
RD 7	Number of residential customers reconnected who were previously disconnected within the past 24 months
RD 8	Percentage of residential customers reconnected who were previously disconnected within the past 24 months
RD 9	Total number of residential customers who have been reconnected and who, immediately prior to disconnection, was receiving a concession
RD 10	Percentage of residential customers who have been reconnected and who, immediately prior to disconnection, was receiving a concession

**Reconnection** means the restoration of supply, in the same name and at the same premises, to a customer who has previously been disconnected for failure to pay.

**Reconnection within 7 days** means the reconnection of a customer within 7 calendar days of disconnection for failure to pay.

**Reconnection of a customer previously on an instalment plan** means a customer whose supply was reconnected who are, or who were in the previous 24 months, on an instalment plan.

**Reconnection of a customer who was previously disconnected within the past 24 months** means a customer whose supply was reconnected and who has been disconnected on one or more occasions in the previous 24 months.

**Reconnection of a customer receiving a concession** means the reconnection of a residential customer who receives a concession, rebate or grant related to the supply of gas at the time of disconnection.

Note:

If a customer is subject to more than one reconnection during the reporting period, then each reconnection should be reported separately. The purpose of the indicators is to measure the number of reconnection events rather than the number of customers experiencing reconnection.

The reader is referred to the notes on pages 48 and 49 of the 2007 SCORRRR Report for further definitional information related to disconnections and reconnections.

It is possible for a customer reconnection to count towards more than one reconnection indicator, e.g., a customer who has been reconnected within the previous 24 months and who was receiving a concession immediately prior to disconnection.

Percentages are automatically calculated by dividing the number of reconnections previously disconnected by the total number of customers in the relevant category, residential or non-residential. For example:

$$RD8 = (100 \times (RD7/RA1))$$

## 10 Security Deposits

### Purpose

To report on the proportion of the retailer's customers who have lodged security deposits to secure a gas supply.

### Reported Indicators

No.	Indicator
RE1	Number of residential customers who have lodged security deposits
RE2	Percentage of residential customers who have lodged security deposits
RE3	Number of non-residential customers who have lodged security deposits
RE4	Percentage of non-residential customers who have lodged security deposits

### Definitions

**Security deposits** means the lodgement of a security deposit (refundable advance) to secure connection or reconnection to a gas supply.

## 11 Call Centre Performance

### Purpose

To report on the level of service provided to customers who contact the retailer by telephone.<sup>10</sup>

### Reported Indicators

No.	Indicator
RF1	Total number of telephone calls to an operator
RF2	Number of operator calls responded to within 30 seconds
RF3	Percentage of operator calls responded to within 30 seconds
RF4	Average wait before call answered by operator (seconds)
RF5	Percentage of calls that are unanswered

### Definitions

**Number of operator calls responded to within 30 seconds** means the number of calls to an operator or customer service operator that were answered within 30 seconds. In the case of an IVR<sup>11</sup> system the measurement period commences at the time that the customer selects an operator option.

**Total number of calls to an operator** means the total number of calls received by a retailer that were handled by an operator or customer service operator, and in the case of an IVR system covers the number of calls where the customer has selected the relevant operator option (i.e., indicated they wish to be connected to an operator or customer service officer). This indicator excludes all calls that do not require operator attention, including IVR calls where the customer does not select an operator option, and calls that were terminated by the customer **before** an operator option was selected.

Note:

- This is to include all calls to an operator or customer service officer, including sales calls.
- This measure includes all calls that were terminated by the customer **after** an operator option was selected.
- Calls to third parties, such as contractors or marketing agents acting on behalf of the retailer, are not to be included. However, calls received by a contractor that is providing all or part of the retailer's customer service operations, i.e., an outsourced call centre, are to be included.

**Calls that are unanswered** means where the customer has terminated the call before it was answered by an operator or, in the case of an IVR system, includes all calls where the customer selected an option indicating they wished to speak with an operator, but then subsequently terminated the call before it was answered by an operator. Calls to an IVR system that were terminated by the customer prior to selecting a relevant operator option are not included.

<sup>10</sup> Reporting against these indicators is mandatory for retailers who operate a call centre that is capable of automatically recording some or all of the responsiveness indicators. Retailers who have other systems to handle customer calls may report on those responsiveness indicators that they record on a voluntary basis.

<sup>11</sup> Interactive Voice Response – equipment that allows a call centre telephone system to detect voice and keypad tone signals and then respond with pre-recorded or dynamically generated audio to further direct callers to the service they require.

## Calculations

The “average duration before call answered by operator” is calculated as:

$$\frac{\sum(\text{answer wait times})}{\text{total number of calls answered by an operator}}$$

Note:

- This measure only includes calls that are answered by an operator.
- For IVR systems, the measurement period commences at the time that the customer selects an operator option.
- For non-IVR systems, the measurement period commences when the call is received by the switchboard and ends when the call is answered by an operator who is able to respond to the customer’s enquiry (rather than place the customer into a queue).
- Calls that are unanswered are excluded.

## 12 Complaints

### Purpose

To report on the level of satisfaction with the retailer's service and to provide information about the level of customer complaints against defined categories.

### Reported Indicators

No.	Indicator
RG1	Total number of residential customer complaints
RG2	Residential billing complaints as a percentage of total complaints
RG3	Residential marketing complaints as a percentage of total complaints
RG4	Residential transfer complaints as a percentage of total complaints
RG5	Residential other complaints as a percentage of total complaints
RG6	Percentage of residential complaints concluded within 21 days
RG7	Total number of non-residential complaints
RG8	Non-residential billing complaints as a percentage of total complaints
RGF9	Non-residential marketing complaints as a percentage of total complaints
RG10	Non-residential transfer complaints as a percentage of total complaints
RG11	Non-residential other complaints as a percentage of total complaints
RG12	Percentage of non-residential complaints concluded within 21 days

### Definitions

**Billing complaints** includes billing errors, incorrect billing of fees and charges, failure to receive relevant government rebates, high billing, credit collection, disconnection and reconnection, and restriction due to billing discrepancy.

**Complaint** means an expression of dissatisfaction made to an organisation, related to its products/services, or the complaints handling process itself where a response or resolution is explicitly or implicitly expected. The reader is referred to the detailed discussion of complaints, with examples, in Appendix 1 of the 2007 SCONRRR Report.<sup>12</sup> This document draws on the guidelines for complaints handling in standard AS ISO 10002-2006 Customer satisfaction – Guidelines for complaints handling in organisations.

Note:

- Complaints may be received via telephone, mail, facsimile, email or in person.
- More than one complaint can be made per customer contact. If a customer makes a complaint about a billing matter and a transfer matter in the same communication, then two complaints should be recorded.

**Marketing complaints** includes advertising campaigns, contract terms, sales techniques and misleading conduct.

**Other complaints** includes poor service, privacy considerations, failure to respond to complaints in a timely manner, health and safety issues, and any other matter not falling into the billing, marketing and transfer categories.

**Transfer complaints** includes failure to transfer a customer within a certain time period, disruption of supply due to transfer and billing problems directly associated with the transfer (e.g., delay in billing, double billing).

<sup>12</sup> National Energy Retail Performance Indicators, Standing Committee on National Regulatory Reporting Requirements – Retail Working Group, May 2007. A copy can be obtained on the Authority's website: [http://www.erawa.com.au/2/319/51/regulatory\\_guid.pm](http://www.erawa.com.au/2/319/51/regulatory_guid.pm)