

Energy Coordination Act 1994

# Gas Distribution 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. Clause 16.1 of gas trading licences states:

The licensee must provide to the Authority any information that the Authority may require in connection with its functions under the Act in the time, manner and form specified by the Authority.

Prior to 2014, the specification of the performance data to be provided by gas distribution licensees was specified in section 16.2 of the Gas Compliance Reporting Manual (**Manual**). The Authority has decided to remove the indicators from the Manual and use this Handbook as the sole source of information about retailer's performance reporting obligations.

## 2 Purpose of this Handbook

This document has been developed to inform licensees about the non-financial performance data that is to be provided to the Authority for the year ending 30 June 2014.

It is important that there is a shared understanding amongst all stakeholders 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 performance indicators that licensees are required to report against;
- the definitions to be applied to the performance indicators in the performance reports;
- how to calculate the performance data (where applicable); and
- how and when the data is to be provided to the Authority.

Where reference is made to other documents within this Handbook, the Authority recommends that the licensee familiarises themselves with these documents in order to obtain a fuller understanding of the reporting context. Of particular interest is the *Compendium of Gas Customer Licence Obligations (Gas Compendium)*<sup>1</sup> and the **2007 SCONRRR Report**.<sup>2</sup>

<sup>1</sup> The Compendium is available on the Authority's website: <http://www.erawa.com.au/licensing/gas-licensing/compendium/>

<sup>2</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/licensing/electricity-licensing/regulatory-guidelines/>

### 3 Performance Reporting Tools

The Authority has issued a Microsoft Excel workbook called the Performance Reporting Datasheets – Gas Distributors (**Distribution Datasheet**). It is mandatory for licensees to provide a completed Distribution Datasheet to the Authority by 30 September for the year ending 30 June. The latest version of the Distribution Datasheet can be found on the Authority’s website.<sup>3</sup>

The Distribution Datasheet has seven sections:

- Customers and Customer Connections;
- Gas Consumption;
- Leaks;
- Network Reliability;
- Complaints;
- Call Centre Performance; and
- Network Construction.

A second Microsoft Excel workbook called the Performance Reporting Datasheets – Guaranteed Service Level Payments – ATCO Gas Australia Pty Ltd has been created by the Authority. This datasheet is only to be completed by ATCO Gas Australia Pty Ltd.

### 4 Completing the Distribution Datasheet

The Distribution Datasheet 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	
D 26	Compendium clause 13.12(a)	Total number of telephone calls to a call centre of the retailer			

When completing the datasheets in the Distribution Datasheet 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 shaded yellow for identification purposes.

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

If it is necessary to add a comment in relation to an indicator, add the comment in the space provided.

Referring to the example in Table 1:

<sup>3</sup> <http://www.erawa.com.au/licensing/gas-licensing/regulatory-guidelines/>

- The No. column contains the unique reference number for the indicator. In this case the indicator is in the Call Centre Performance table.
- The reference column identifies the document from which the indicator has been derived, if applicable. In this case, it is the Gas Compendium.
- The description provides a short form explanation of what the indicator is intended to measure.
- The basis of reporting offers 2 options:
  - Number (this is used to enter any numerical value).
  - Percentage (in most cases, this is automatically generated from numerical data entered into other cells).
- The data entry cells have been formatted to align with the required degree of accuracy (i.e. the 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.

The “Comments” cell should also be used to add explanatory notes where there has been 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 Completed Datasheets to the Authority

The Authority requires the following licensees to provide completed Distribution Datasheets:

- ATCO Gas Australia Pty Ltd
- Esperance Power Station Pty Ltd
- Wesfarmers Kleenheat Gas Pty Ltd

The completed Datasheet is to be provided to the Authority electronically by email at: [records@erawa.com.au](mailto:records@erawa.com.au)

The document can also be submitted on a USB memory stick or CD-ROM:

By post at: PO Box 8469, PERTH BC WA 6849

By hand at: Level 4, Albert Facey House, 469 Wellington Street, PERTH WA 6000

It is important to note that compliance with clause 16.1 of the licence will not be achieved until an electronic copy of the Distribution Datasheet has been received by the Authority.

## 6 Customer Connections

### Purpose

To report on:

- the number of small use customer<sup>4</sup> connections supplied by each gas distribution network
- the number of new connections that were not provided on time; and
- the number of reconnections that were not provided on time.

### Reported Indicators

No.	Indicator
D 1	Total number of connections provided
D 2	Total number of connections that were not provided on or before the agreed date
D 3	Total number of reconnections provided
D 4	Total number of reconnections that were not provided within the prescribed timeframe
D 5	Total number of connections on the distributor's network

### Definitions

**Connection** means a customer supply address that is connected to the distribution network by means of a service pipe and a meter or, in the case of an unmetered site, a gas installation that connects a distribution pipeline to the customer premises.

Note: connections that do not have an assigned customer (i.e., inactive connections) during all or part of the reporting year are to be included.

**Disconnection** means the removal of gas supply from the customer supply address for failure to pay a bill.

**Not provided on or before the agreed date** means connections not provided within any regulated time limit or, in the alternative, connections not provided by the date agreed with the customer.

**Number of connections provided** means the establishment of new customer connections on the distribution network during the year ending 30 June.

**Reconnection** means the restoration of a supply through a **connection** following **disconnection** for failure to pay a bill.

**Total number of connections on the distributor's network** means the number of residential and business customer connections on 30 June.

**Note:** The definition of the total number of customers has changed from being an average measured over the year to a year end value. If distributors have been using the averaging method in previous years then they have the option to continue doing so, subject to including a comment to this effect in the datasheet.

<sup>4</sup> A small use customer consumes not more than 1TJ of gas per annum.

## 7 Gas Consumption

### Purpose

To report on the amount of gas supplied through distribution networks to small use customers, and the level of unaccounted for gas.

### Reported Indicators

No.	Indicator
D 6	Gas consumption – residential connections (GJ)
D 7	Gas consumption – non-residential connections (GJ)
D 8	Unaccounted for gas (GJ)

### Definitions

**Gas consumption** means the total amount of gas that has been supplied to a class of small use customer (residential or non-residential) during the reporting period.

Note: Gas that has been supplied, but where the relevant meter has not been read during any part of the reporting period is excluded from the measurement of gas consumption. It is recognised that this may present slight variations in the amount of gas consumed between reporting periods, but this is preferable to estimations based on prior period consumption.

**Residential customers** are defined as having a gas supply for “residential purposes” under regulation 4(2) of the *Energy Coordination (Gas Tariffs) Regulations 2000 (regulations)*. The regulations state a supply of gas is for residential purposes if the gas:

- (a) is supplied to —
  - (i) a dwelling; or
  - (ii) a place, other than a dwelling, to which the supply of gas is separately metered;
 and
- (b) is solely for residential use.

**Non-residential customers** are customers that are not residential.

**Unaccounted for gas (UAFG)** means the difference between the amount of gas injected into the distribution system at all transfer points and the amount of gas withdrawn from the distribution system at all distribution supply points, which may include, but is not limited to, leakage or other actual losses, discrepancies due to metering inaccuracies and variations of temperature, pressure and other parameters. The unit of measurement is GJ per annum.

#### Notes:

The reporting year for gas consumption indicators D6 – D8 is the period from 1 July to 30 June. If a distributor is basing the calculation of gas consumption on a different 12-month period this needs identified in the comments against the relevant indicator(s).

## 8 Leaks

### Purpose

To report on the number of loss of containment events (leaks) on the distribution network.

### Reported Indicators

No.	Indicator
D 9	Number of leak repairs to HP, MP and LP mains
D 10	Number of leak repairs to HP, MP and LP connections
D 11	Number of leak repairs to HP, MP and LP meters

### Definitions

**Gas installation** means any gas equipment located at a customer premises that is not part of the distribution system.

**High pressure (HP)** means the parts of the distribution system operating at a pressure in the range 210 to 1050kPa. This also includes any parts of the distribution system operated at a pressure in excess of 1050kPa that have been designated as part of the distribution system.

**Leak repair** means works undertaken to remedy a loss of containment on mains, service pipes, **meters**, regulators, or related distribution equipment. Repairs that have been recorded in the repair log as leak repairs and where subsequent investigation shows that no leak is found should be excluded.

**Low pressure (LP)** means the parts of the distribution system operating at a pressure of up to 7kPa.

**Mains** means those parts of the distribution system that are not **connections** or **meters**.

**Medium pressure (MP)** means the parts of the distribution system operating at a pressure in the range 7 to 210kPa.

**Meter** means an instrument that measures the quantity of gas that passes through it, including equipment intended to filter, control or regulate the flow of gas.

## 9 Network Reliability

### Purpose

To report on the frequency and duration of interruptions to supply experienced by customers on the distribution network during the reporting year.

### Reported Indicators

No.	Indicator
D 12	Number of customer connections that have been interrupted (due to planned or unplanned interruptions) for more than 12 hours continuously during the reporting period
D 13	Number of customer connections affected by 5 or more unplanned interruptions during the reporting period
D 14	The average percentage of time that gas has been supplied to customer premises during the reporting year

### Definitions

**Interruption** means a loss of gas associated with an outage on any part of the network of more than five minutes in duration. The interruption starts when it is recorded by equipment (such as a SCADA system) or, where such equipment does not exist, at the time that the first customer call relating to the network outage is received. The interruption ends when supply has been restored to the supply address, or when the supply is reasonably assumed to have been restored if there is no equipment available to record the time of restoration.

**Planned interruption** means an interruption of supply to a customer premises that has been caused by scheduled works, for example, preventative maintenance, repairs, network augmentation and mains replacement. Customers are notified in advance of planned interruptions. Planned meter replacements are excluded.

**Unplanned interruption** means an interruption that is not a planned interruption, or a planned interruption where the required notice of the interruption has not been given to the customer. This also includes events where the system pressure at a **connection** has fallen below the lower design threshold.

## 10 Complaints

### Purpose

To report on the level of satisfaction with the distributor's service and to provide information about the level of customer complaints in relation to specified complaint categories.

### Reported Indicators

No.	Indicator
D 15	Total number of complaints received
D 16	Number of the complaints that relate to administrative process or customer service complaints
D 17	Number of other complaints
D 18	Number of connection and augmentation complaints
D 19	Number of reliability of supply complaints
D 20	Number of quality of supply complaints
D 21	Number of network charges and costs complaints
D 22	Number of complaints from customers concluded within 15 business days
D 23	Percentage of complaints from customers concluded within 15 business days
D 24	Number of complaints from customers concluded within 20 business days
D 25	Percentage of complaints from customers concluded within 20 business days

### Definitions

**Administrative processes or customer service complaints** includes complaints in relation to meter reading, timeliness of correspondence and other customer communications, the complaints handling process, timeliness of response to complaints and any other process of a general administrative nature.

**Complaint** means an expression of dissatisfaction made to an organisation, related to its products or services, or the complaints-handling process itself where a response or resolution is explicitly or implicitly expected.<sup>5</sup>

**Connection and augmentation complaints** includes quality and timeliness of providing new service connections or network augmentation works. Also includes complaints in relation to customer demand not being met due to distribution network unavailability.

**Network charges and costs complaints** includes complaints in relation to any fee or charge levied by the distributor in respect of the services it provides to customers.

**Other complaints** include poor service, privacy considerations, failure to respond to complaints, and health and safety issues.

**Quality of supply complaints** includes complaints in relation to gas quality or supply pressure.

**Reliability of supply complaints** includes complaints in relation to supply interruptions, both planned and unplanned.

<sup>5</sup> The reader is referred to the detailed discussion of complaints, with examples, in Appendix 1 of the 2007 SCONRRR Report. This document draws on the guidelines for complaints handling in Standard AS ISO 10002-2006 Customer satisfaction – Guidelines for complaints handling in organisations.

## 11 Call Centre Performance

### Purpose

To report on the level of service provided to customers who contact the distributor by telephone.<sup>6</sup>

### Reported Indicators

No.	Indicator
D 26	Total number of telephone calls to a call centre of the distributor
D 27	Total number of telephone calls to a call centre answered by a call centre operator within 30 seconds
D 28	Percentage of telephone calls to a call centre answered by a call centre operator within 30 seconds
D 29	Average duration (in seconds) before a call is answered by a call centre operator
D 30	Total number of calls that are unanswered
D 31	Percentage of the calls that are unanswered

### Definitions

**Call centre** means dedicated centre that has the purpose of receiving and transmitting telephone calls in relation to customer service operations of the distributor, consisting of call centre staff (operators) and 1 or more information technology and communications systems designed to handle customer service calls and record call centre performance information.

**Calls answered by a call centre operator within 30 seconds** means the number of calls to call centre operators that were answered within 30 seconds (in the case of an IVR<sup>7</sup> system the measurement period commences at the time that the customer selects an option indicating they wish to speak with a call centre operator).

**Total number of telephone calls to a call centre** means the total number of calls received by the call centre staff (in the case of an IVR system the measurement only includes the calls where the customer has selected an option indicating they wish to speak with a call centre operator).<sup>8 9</sup>

<sup>6</sup> Reporting against these indicators is mandatory for distributors who operate a call centre that is capable of automatically recording some or all of the responsiveness indicators. Distributors who have other systems to handle customer calls may report on those responsiveness indicators that they record on a voluntary basis.

<sup>7</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.

<sup>8</sup> This indicator excludes all calls that do not require operator attention, including IVR calls where the customer does not select an option indicating they wish to speak with a call centre operator, and calls that were terminated **before** an option to speak with a call centre operator was selected.

<sup>9</sup> Calls to third parties, such as contractors acting on behalf of the distributor, are not to be included. However, calls received by a contractor that is providing all or part of the distributor's customer service operations, i.e., an outsourced call centre, are to be included.

**Call that is unanswered** means where the customer has terminated the call before it was answered by a call centre operator (calls to an IVR system that are terminated by the customer prior to selecting an option indicating they wish to speak with a call centre operator are not included).

## 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 call centre staff.
- For IVR systems, the measurement period commences at the time that the customer selects an option indicating they wish to speak to a call centre operator.
- For non-IVR systems, the measurement period commences when the call is received by the switchboard and ends when the call is answered by a call centre operator.
- Calls that are unanswered are excluded from the calculation of this indicator.

## Worked example

Distributor A operates a single call centre with integrated IVR technology with a single 13 number for customers to call. During the reporting year the following call data was recorded:

Total calls to the 13 number = 467,450

Number of calls to the call centre = 265,328

Number of calls answered within 30 seconds = 221,846

Number of calls that were unanswered = 4,921

Sum of wait times for answered calls = 217,006 minutes

Calculation of indicators:

- D26 = 265,328
- D27 = 221,846
- D28 =  $100 \times 221,846 / 265,328 = 83.6\%$
- D29 =  $60 \times 217,006 / (265,328 - 4,921)$  seconds = 50 seconds
- D30 = 4,921
- D31 =  $100 \times 4,921 / 265,328 = 1.9\%$

## 12 Network Construction

### Purpose

To report on the construction materials used in the distribution system and the relative density of service connections.

### Reported Indicators

No.	Indicator	High Pressure	Medium Pressure	Low Pressure
	Length of gas distribution mains constructed from (km) -			
D 32	Cast iron			
D 33	Unprotected steel			
D 34	Protected steel			
D 35	PVC			
D 36	Polyethylene			
D 37	Other			
D 38	Total length of all distribution mains installed and in service			
D 39	Number of service connections per km of gas mains			

### Definitions

**Cast iron** means gas mains that are constructed from cast iron.

**Other** means gas mains constructed from materials other than cast iron, polyethylene, PVC and steel.

**PVC** means plastic gas mains constructed from polyvinylchloride material that has been installed in accordance with the requirements of standard AS 3723 or a precedent standard or industry practice.

**Polyethylene** means plastic gas mains constructed from polyethylene material that has been installed in accordance with the requirements of standard AS 3723, or a precedent standard or industry practice.

**Protected steel** means unprotected steel mains that are subject to additional measures, such as a protective concrete covering, or burial to a depth in excess of the minimum required by AS 1697 in order to provide additional protection against damage.

**Unprotected steel** means gas mains constructed from steel material that has been installed in accordance with the requirements of standard AS 1697, or a precedent standard or industry practice.

The terms high pressure, medium pressure and low pressure have the same meanings as in section 8.

### Calculations

The “number of service connections per km of gas mains” is calculated by dividing the total number of small use distribution connections<sup>10</sup> by the total length of gas mains installed and in service.

<sup>10</sup> A small use customer consumes less than 1 terajoule (TJ) of gas per annum.

## 13 Guaranteed Service Level Payments

### Purpose

To report on the number and amounts of Guaranteed Service Level (**GSL**) Payments by ATCO Gas Australia Pty Ltd (**ATCO**) under the Access Arrangement. The Authority has published the *2013/14 Gas Reporting Datasheets - Guaranteed Service Level Payments - ATCO Gas* to collect the GSL payment information from ATCO.

### Reported Indicators

No.	Indicator
AA 1	Total number of GSL payments for late arrival for a gas fault or emergency appointment
AA 2	Total amount of GSL payments for late arrival for a gas fault or emergency appointment
AA 3	Total number of GSL payments for late establishment of a gas service
AA 4	Total amount of GSL payments for late establishment of a gas service
AA 5	Total number of GSL payments for more than four unplanned interruptions in a calendar year
AA 6	Total amount of GSL payments for more than four unplanned interruptions in a calendar year
AA 7	Total number of GSL payments for unplanned interruptions greater than 12 hours continuously
AA 8	Total amount of GSL payments for unplanned interruptions greater than 12 hours continuously