

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 publish specified information in relation to its performance under a licence. In accordance with these powers, the Authority requires the holders of gas distribution licences to report against the performance indicators identified in section 14.1 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 31 August.

## 2 Purpose of this Handbook

The template in section 14.2 of the Reporting Manual applies to small use customers<sup>1</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 distribution 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 distribution licensees of the:

- definitions to be applied to the performance indicators in the performance reports; and
- basis upon which inputs to the performance reports should be calculated (where appropriate).

Where reference is made to other documents within this guide, the Authority recommends that the licensee familiarise themselves with these other documents in order to obtain a fuller understanding of the reporting context.

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

### 3 Performance Reporting Tools

The Authority has issued an Excel workbook called the Gas Distribution Licence Performance Report (**Performance Report**). It is mandatory for licensees to provide their annual performance reports to the Authority by completing the Performance Report. The latest version of the Performance Report can be found on the Authority's web site<sup>2</sup>.

The Performance Report comprises 7 worksheets, one for each of the performance reporting categories set out in section 14.1 of the Reporting Manual:

- Customer Connections;
- Gas Consumption;
- Leaks;
- Network Reliability;
- Complaints;
- Contact Centre Performance;
- Network Construction.

### 4 Completing the Performance Report

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

**Table 1: Example datasheet format**

No.	Reference	Description	Basis of Reporting		
			Number	Percentage	Value (\$)
DA 1	SCONRRR	Total number of customer connections on the distribution network			

When completing the worksheets in the Performance Report, it is important that the structure of the data entry cells are not modified by inserting, deleting or re-ordering rows/columns.

Only enter data into the cells that are not shaded, or by entering data in relation to customer complaints by completing the tables in Annexure 1 and Annexure 2.

If it is necessary to add a comment in relation to an indicator, use the Excel "Insert Comment" function to add the comment in the unshaded cell.

The No. column contains the unique reference number for the indicator. In this case the indicator is the first indicator in the distribution licence indicator set (D), category A (Customer Connections).

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

<sup>2</sup> The latest version of the Data Sheets can be found on the Economic Regulation Authority web site at: [http://www.era.wa.gov.au/2/319/51/regulatory\\_guid.pm](http://www.era.wa.gov.au/2/319/51/regulatory_guid.pm)

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

The basis of reporting offers 3 options:

- Number. This is used to enter any numerical value other than a percentage or a dollar value.
- Percentage
- Value (\$)

The following rules apply to reporting numerical values:

- Values less than 100 should be rounded to 1 decimal place (dp);
- Values greater than 100 should be rounded to the nearest integer;
- All percentages should be rounded to 1 dp; and
- All zero values should be reported by placing a zero in the appropriate cell.

If it is not possible to provide the required data for an indicator then the cell should be left blank and a comment added to explain why the data cannot be provided using the Excel "Insert Comment" function.

## 5 Customer Connections

### Purpose

To report on the scale of the gas distribution network. The number of customers is also used to calculate other indicators.

### Reported Indicators

No.	Indicator
DA 1	Total number of customer connections on the distribution network
DA 2	Total number of residential customer connections on the distribution network
DA 3	Total number of non-residential customer connections on the distribution network
DA 4	Total number of new residential customer connections provided during the period
DA 5	Total number of new non-residential customer connections provided during the period
DA 6	Total number of new customer connections not established by the date agreed with the customer

### Definitions

**Connection** means a customer premises that is connected to the distribution network by means of a service pipe and a meter.

**Date agreed with the customer** means the default date based on the standard order lead times agreed with the retailer or, if applicable, another date that has been agreed between the distributor and the retailer with the consent of the customer.

**Non-residential customer connection** means a customer connection that supplies gas for non-residential/non-domestic purposes. Connections that do not have an assigned customer (i.e. inactive connections) during all or part of the reporting period are included.

**Residential customer connection** means a customer connection that supplies gas for residential/domestic purposes. Connections that do not have an assigned customer (i.e. inactive connections) during all or part of the reporting period are included.

### Calculations

There are no calculations applicable to customer connections.

## 6 Gas Consumption

### Purpose

To report on the amount of gas supplied through distribution networks and the level of unaccounted for gas.

### Reported Indicators

No.	Indicator
DB 1	Gas consumption – residential (GJ)
DB 2	Gas consumption – residential percentage change from previous year
DB 3	Gas consumption – non-residential (GJ)
DB 4	Gas consumption – non-residential percentage change from previous year
DB 5	Peak gas demand (GJ/hour)
DB 6	Unaccounted for gas (GJ)

### Definitions

**Gas consumption** means the amount of gas that has been supplied to a class of customer (residential or non-residential) during the reporting period. It is probable that the measurement of gas supplied will be obtained from meter readings.

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.

**Peak gas demand** means the maximum hourly quantity of gas injected into the distribution system at all transfer points during the reporting period. The unit of measurement is GJ/hour.

**Unaccounted for gas (UFG)** 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, including but 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.

### Calculations

The reporting year for gas consumption indicators DB1 – DB6 is the calendar year immediately preceding the year in which the performance report is provided to the Authority, i.e. 1 January 2007 to 31 December 2007 for the report provided to the Authority on or before 31 August 2008.

Gas consumption - Percentage change from previous year is calculated by dividing the difference in gas consumption in a given class, residential or non-residential, over the current reporting period and the previous reporting period by the gas consumption in the previous reporting period.

## 7 Leaks

### Purpose

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

### 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 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 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 service connections, nor gas 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.

**Service connection** means a pipe that terminates on a meter or, in the case of an unmetered site a gas installation, that connects a distribution pipeline to the customer premises.

## 8 Network Reliability

### Purpose

To report on the frequency and duration of interruptions to supply experienced by customers on the distribution network during the 12-month reporting period.

### Reported Indicators

No.	Indicator
DD 1	Number of customer connections that have been interrupted for more than 12 hours continuously during the reporting period
DD 2	Number of customer connections affected by 5 or more unplanned interruptions during the reporting period
DD 3	The average percentage of time that gas has been supplied to customer premises
	<b>Overall interruptions -</b>
DD 4	Overall SAIDI
DD 5	Overall SAIFI
DD 6	Overall CAIDI
	<b>Unplanned interruptions -</b>
DD 7	Unplanned SAIDI
DD 8	Unplanned SAIFI
DD 9	Unplanned CAIDI
	<b>Planned interruptions -</b>
DD 10	Planned SAIDI
DD 11	Planned SAIFI
DD 12	Planned CAIDI
	<b>Normalised interruptions -</b>
DD 13	Normalised SAIDI
DD 14	Normalised SAIFI
DD 15	Normalised CAIDI

### Definitions

**CAIDI (Customer Average Interruption Duration Index)** is the average time to restore service to a customer when a sustained interruption has occurred.

**Planned interruption** means the interruption of supply to 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 the interruption of the supply of gas to customer premises that has not been caused by planned maintenance or repair activities. This includes events where the system pressure at customer premises has fallen below the lower design limit, e.g. caused by a leak.

**SAIDI (System Average Interruption Duration Index)** means the total duration of interruption (minutes off supply) experienced by the average customer as a result of sustained interruptions.

**SAIFI (System Average Interruption Frequency Index)** means the number of supply interruptions experienced by the average customer as a result of sustained interruptions.

**Sustained interruption** is an interruption to supply that lasts for more than 5 minutes.

## Calculations

SAIDI is calculated as:

$$(\sum \text{Customer interruption durations}) / \text{Number of customers served}$$

SAIFI is calculated as:

$$(\sum \text{Number of customers interrupted}) / \text{Number of customers served}$$

CAIDI is calculated as:

$$(\sum \text{Customer interruption durations}) / \text{Total number of customers interrupted}^3$$

The “average percentage of time that gas has been supplied to customer premises” is calculated as:

$$100 \times (\text{Number of minutes per year}^4 - \text{Overall SAIDI}) / \text{Number of minutes per year}$$

When calculating SAIDI, SAIFI and CAIDI the data set definitions in Table 2 should be applied.

**Table 2: Reliability data sets for sustained interruptions**

Label	Data Set
Overall interruptions	All sustained interruptions including transmission outages, planned interruptions and unplanned interruptions.
Unplanned and Planned	Excludes transmission outages
Normalised <sup>5</sup>	Excludes interruptions that: <ul style="list-style-type: none"> <li>• Are caused by transmission outages</li> <li>• Exceed a threshold SAIDI impact of 3 minutes</li> <li>• Are caused by exceptional natural or third party events</li> <li>• The distributor cannot be reasonably expected to mitigate the effect of the event on interruptions by prudent asset management</li> </ul>

<sup>3</sup> CAIDI is also calculated as the ratio SAIDI/SAIFI

<sup>4</sup> There are 525,600 minutes in a normal year and 527,040 minutes in a leap year

<sup>5</sup> Details of all excluded outages, including the SAIDI impact, are to be individually detailed in a separate report

## 9 Complaints

### Purpose

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

### Reported Indicators

No.	Indicator
DE 1	Total number of complaints received
DE 2	Connection and augmentation complaints as a percentage of total complaints
DE 3	Reliability of supply complaints as a percentage of total complaints
DE 4	Quality of supply complaints as a percentage of total complaints
DE 5	Network charges and costs complaints as a percentage of total complaints
DE 6	Administrative processes or customer service complaints as a percentage of total complaints
DE 7	Other complaints as a percentage of total complaints

### 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/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 2006 SCONRRR<sup>6</sup> Report. 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 network charges and costs matter and a transfer matter in the same communication, then 2 complaints should be recorded.

**Connection and augmentation complaints** includes quality and timeliness of providing a 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** includes complaints including meter reading, privacy considerations, health and safety issues, and any other matter not falling into the connection and augmentation, reliability of supply, quality of supply, network charges and costs and administrative processes or customer service categories.

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

<sup>6</sup> National Energy Retail Performance Indicators, Standing Committee on National Regulatory Reporting Requirements – Retail Working Group, November 2006. A copy can be obtained on the Authority's web site: [http://www.era.wa.gov.au/2/281/51/regulatory\\_guid.pm](http://www.era.wa.gov.au/2/281/51/regulatory_guid.pm)

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

## Calculations

The “percentage of total complaints” is calculated by dividing the relevant complaint category figure by the total number of complaints across all complaint categories and then multiplying the product by 100. The percentage of complaints for each category should sum to 100%.

## 10 Contact Centre Performance

### Purpose

To report on the level of service provided to customers who contact the distributor by telephone.

### Reported Indicators

No.	Indicator
DF 1	Total number of telephone calls to an operator
DF 2	Number of operator calls responded to within 30 seconds
DF 3	Percentage of operator calls responded to within 30 seconds
DF 4	Average wait before call answered by operator (secs)
DF 5	Percentage of unanswered calls

### 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 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 abandoned 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 abandoned 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.

**Unanswered call** means where the customer 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 are terminated by the customer prior to selecting a relevant operator option are not included.

### Calculations

The "percentage of operator calls responded to within 30 seconds" is calculated by dividing the number of calls that were answered in  $\leq 30$  seconds by the total number of calls to an operator.

The “average wait before call answered by operator” is calculated by dividing the total time waited by callers before their call was answered by an operator by the 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 until 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.
- Abandoned calls are excluded.

The “percentage of unanswered calls” is calculated by dividing the total number of unanswered calls by the total number of calls to an operator.

## 11 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	HP	MP	LP
	Length of gas distribution mains constructed from (km) -			
DG 1	Cast iron			
DG 2	Unprotected steel			
DG 3	Protected steel			
DG 4	PVC			
DG 5	Polyethylene			
DG 6	Other			
DG 7	Total length of all distribution mains installed and in service			
DG 8	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 7.

### Calculations

The “number of service connections per km of gas mains” is calculated by dividing the total number of small use distribution connections<sup>7</sup> by the total length of gas mains installed and in service.

<sup>7</sup> Small use customers consume no more than 1 terajoule of gas per annum