



independent competition and regulatory commission

# **Licensed Electricity, Gas, Water and Sewerage Utilities**

**Compliance and Performance  
Report for 2006–07**

Report 5 of 2009

June 2009

The Independent Competition and Regulatory Commission (the Commission) was established by the *Independent Competition and Regulatory Commission Act 1997* (ICRC Act) to determine prices for regulated industries, advise government about industry matters, advise on access to infrastructure, and determine access disputes. The Commission also has responsibilities under the ICRC Act for determining competitive neutrality complaints and providing advice about other government-regulated activities. Under the *Utilities Act 2000*, the Commission has responsibility for licensing utility services and ensuring compliance with licence conditions.

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# Foreword

Utilities licensed to supply electricity, gas, water and sewerage services in the ACT are required to comply with a number of statutory and regulatory obligations under the *Utilities Act 2000* (the Utilities Act), licences, and technical and industry codes of practice. One such requirement is to report annually to the Independent Competition and Regulatory Commission (the Commission) on the utility's compliance with those obligations and performance of functions under the Act.

Each year, the Commission prepares a report summarising utility licensees' compliance with their statutory obligations and a complementary report commenting on the performance of individual businesses and utility sectors, both during the year and over time.

This is the sixth year for which reports have been prepared by the Commission. The report combines the compliance report for 2006–07 and the performance report for the same year. This is the first year since 2002–03 that the compliance and performance reports have been published together. Both reports were published as a joint publication for the years 2001–02 and 2002–03. For the next three years (2003–04 to 2005–06), they were published separately. Recognising that content in the two reports overlapped, the Commission decided to combine the reports for 2006–07.

The utilities' compliance reports to the Commission serve a number of purposes. First and foremost, they are the principal means by which the Commission monitors utility service providers' compliance. Second, they provide information to utilities and other interested parties on the nature and extent of licensees' compliance and, more generally, their performance. Third, by identifying underperformance or non-compliance, the reports provide utilities with a means of addressing and improving their performance.

The compliance component of this report documents compliance with a broad range of obligations imposed on licensed utilities by ACT regulatory instruments: the Utilities Act, utility licences and industry codes made under the Utilities Act. The performance component of this report has a broader focus in relation to utilities: in particular, financial performance, customer service standards, safety net arrangements and the environment.

Much of the information in the report is derived from utilities reporting against compliance and performance indicators that have been agreed nationally by the Utility Regulators' Forum, a cooperative arrangement of state and national utility regulators.

The Commission is the ACT's principal regulator of energy and water and sewerage businesses. At the time the report was completed, the Commission had responsibilities for setting prices for water and sewerage and for retail electricity. The Commission's economic regulatory responsibilities for electricity and gas distribution businesses were transferred to the Australian Energy Regulator (AER) in January 2008. The Commission also administered the utility licence framework established under the Utilities Act. Its energy utility licensing functions will eventually be transferred to the AER, in line with a nationally agreed timetable.

In its capacity as regulator, the Commission monitors and enforces utilities' compliance with their obligations under the Utilities Act, utility licences, and industry and technical codes.

While reporting performance information is one of a utility's obligations under the conditions of its licence, it is also an important public accountability mechanism. It provides assurance that service quality and other service obligations are being met. Through these reports, regulators and consumers can judge whether utilities in the ACT are meeting their service obligations and how they are performing in comparison with the market in general.

While the report covers both compliance and performance, its form and the approach taken are broadly consistent with previous Commission reports. There are, however, fewer comparisons between the performance of ACT utilities and those in other jurisdictions in this report than in previous years. Comparative indicators have been retained where the comparisons are of particular interest to key stakeholders, where they can be attributed to reliable data, where they provide information on areas in which the ACT performance has been of concern in previous reports; or where the comparisons are not available in material published by other regulators or industry bodies. In producing this report, the Commission also aims to provide a wider picture of the state of the ACT's energy and water markets.

Paul Baxter  
Senior Commissioner

June 2009

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# Executive summary

## Background to this report

The Independent Competition and Regulatory Commission (the Commission) has a number of statutory roles in relation to the licensing of electricity, gas, and water and sewerage network service providers and/or retail suppliers operating in the Australian Capital Territory (the ACT). One of these roles is to monitor licensees' compliance with the conditions of their licences and to report on that compliance to the ACT Government.

An operating licence issued under the *Utilities Act 2000* (Utilities Act) requires utilities to notify the Commission of any material breaches of the licence conditions, legislation, codes of practice, directions or guidelines as soon as they become aware of them. The Utilities Act also requires utilities to report annually on the performance of their functions under the statute and their compliance with licence conditions.

Licensees are also required to report against a number of performance indicators, such as numbers of customers and complaints. Although this form of reporting is different from compliance reporting, and serves a different purpose, it forms part of the Commission's overall reporting program.

While reporting performance information is one of a utility's obligations under the conditions of its licence, it is also an important public accountability mechanism. It provides assurance that service quality and other service obligations are being met. Through these reports, regulators and consumers can judge whether utilities in the ACT are meeting their service obligations and how they are performing in comparison with the market in general.

## Utility services—main features

Below is a brief overview of the utility services regulated by the Commission and information on customer numbers and consumption volumes, and overall trends in each utility sector.

### Electricity

Most of the electricity sold in the ACT is sourced from National Electricity Market (NEM) generators elsewhere in Australia. Less than 2% of the ACT's total electricity is generated in the ACT. The ACT has one licensed electricity distributor: ActewAGL Distribution. During 2006–07, ActewAGL's distribution network supplied electricity to 156,359 supply points, of which 142,410 were to residential customers and 13,949 to non-residential customers. During the year, 2,799 GWh of electricity were delivered; 1,651 GWh, or 59%, went to non-residential customers. While non-residential levels of demand tended to increase over the five-year period from 2002–03 to 2006–07, levels of distributed power to the residential market have remained relatively flat.

The ACT electricity retail market comprises mainly residential customers, who totalled just over 137,000 at the end of June 2007, accounting for 92.2% of total customer numbers. However, as noted above, non-residential customers accounted for a greater share of electricity consumption. In 2006–07, the average electricity consumption in the ACT was 18.8 MWh per customer, down

slightly from 19.2 MWh the previous year. For residential customers, the average was 8.4 MWh during the year; also down slightly on the previous year. Customers consuming less than 100 MWh/year accounted for 99% of total customer numbers; only 710 customers consumed over 160 MWh/year. ACT electricity supply customer numbers increased by 1.4% over the 12 months to June 2007, to 148,667, with a 1.5% increase in the residential sector and a 0.3% increase in the non-residential sector.

Electricity suppliers reported sales of 2,824 GWh in 2006–07, a slight increase over 2,821 GWh for the preceding year. Comparatively, only residential customers in the Northern Territory and Tasmania have a higher average per residential customer consumption of electricity. Overall, ACT customers rank fifth lowest for average electricity consumption.

## Natural gas

Natural gas accounts for about 9.1% of total energy consumption in New South Wales and the ACT. The gas sold in the ACT is sourced primarily from the Cooper Basin in South Australia and is transmitted through the Moomba to Sydney pipeline by East Australian Pipeline Limited (EAPL). The transmission pipeline in the ACT is a 6 km section of that pipeline, and EAPL is licensed under the Utilities Act to carry out that transmission operation.

During 2006–07, ActewAGL Distribution was the only entity that held a gas distribution licence in the ACT, authorising it to provide gas distribution and gas connection services. At 30 June 2007, ActewAGL Distribution's network comprised 3,461 km of medium-pressure and 248 km of high-pressure mains. In 2006–07, ActewAGL distributed 7,055 terajoules (TJ) of gas to 94,066 customer supply points. ActewAGL Distribution's customer base for gas rose by over 10,000 from the end of June 2003 to the end of June 2007.

During 2006–07, five utilities were licensed to supply gas in the ACT: ActewAGL Retail, Country Energy, EnergyAustralia, ENERGEX Retail and TRUenergy. There were 93,154 gas supply customers in the ACT on 30 June 2007, an increase of 4.7% over the 2005–06 level; 98% of all customers were residential. Despite the increase in customer numbers, total gas sales fell to just over 6,500 TJ and resulted in average gas consumption levels falling to 46 GJ for residential customers and 1,167 GJ for non-residential customers. Warm weather during the winter months was likely to have been a major contributing factor to the decline in sales that year.

## Competition in the retail electricity and gas markets

The process of allowing customers to choose their preferred electricity retailer commenced in 1998 for customers using more than 160 MWh/year. On 1 July 2003, all customers were able to choose their preferred retailer. The right of all gas customers to choose their preferred supplier was introduced on 1 January 2002. As of 30 June 2007, there were six licensed gas retailers and 14 licensed electricity retailers in the ACT. However, not all licensed retailers were active in the market.

There is a regulated suite of tariffs for electricity customers consuming less than 100 MWh/year who do not choose to enter into negotiated contracts (referred to as 'franchise' customers). This suite of tariffs is referred to as the 'transitional franchise tariff' (TFT). Negotiated contracts typically receive a discount below the TFT. No price regulation exists for gas.

In 2006–07, seven electricity retailers supplied more than 100 customers, up from four retailers in the previous two years and just one retailer in both 2002–03 and 2003–04. Between 1 July 2003 and 30 June 2006, around 7,700 small customers elected to change retailers. In 2006–07, the rate of switching increased substantially when a further 11,040 customers, or 7.6% of the base, opted for a change in retailer. In total, 18,700 customers, or over 10% of the market, switched retailers. These numbers do not include ActewAGL customers switching from standard to negotiated customer contracts.

In the years leading up to 2006–07, fewer than 6,000 gas customers had switched retailers. During 2006–07, an additional 6,058 customers switched, taking the total to around 12,000, or 6.7% of the market.

## **Water and sewerage services**

ACTEW Corporation was the only entity licensed to supply water and sewerage services in the ACT in 2006–07. ACTEW Corporation owns and manages the entire water supply and sewerage system in the ACT, including water storage and harvesting, treatment, bulk supply, reticulation and supply, and sewage collection and treatment.

ACTEW Corporation delivered 44,125 ML of water to over 140,000 ACT premises and 4,110 ML to Queanbeyan (bulk water) in 2006–07. In addition, under the environmental flow requirements, the corporation released 10,170 ML as environmental flows. A total of 140,581 ACT properties were supplied with water in 2006–07, an increase of 1.6% on the 2005–06 number. Residential properties accounted for around 95% of all properties, but for only 72% of the water supplied to ACT properties. Average water consumption per premises in 2006–07 was around 239 kL for residential premises, 1,715 kL for non-residential premises and 314 kL for all premises.

Low-level water conservation measures were introduced in December 2002, and more severe water restrictions were in force from May 2003 to October 2005. From 2005–06 to 2006–07, ACT consumers reduced their use of water by an average of 17%. Residential premises consumed about 8% less water overall; non-residential premises, 39% less.

In 2006–07, ACTEW Corporation operated 2,993 km of sewerage mains and channels and collected and treated a reduced level of 26,957 ML of sewage. The lower level of treated sewage is largely the result of less water being used in toilet flushings.

## **Utility compliance**

The report highlights compliance issues that arose during the reporting year and also provides a summary of compliance against obligations under the Utilities Act relating to network operations and minimum service standards. Having considered the reports submitted and the advice of other regulators, the Commission is of the view that utility licensees were generally compliant with the requirements of the Utilities Act, licence conditions and industry codes. Most of the specific compliance issues that are highlighted in this chapter are minor, point to isolated failures rather than systemic non-compliance, and have been satisfactorily resolved.

## Financial performance

The report provides financial performance information for licensed energy retailers (for example, total revenue, customer characteristics, consumption, and average consumption, billing and costs), the ACT's sole electricity distributor (for example, revenue, operating costs and earnings), and the ACT's supplier of water and sewerage services (for example, revenue, consumption, operating costs and earnings).

## Electricity distribution and regulatory accounts

ActewAGL Distribution is the regulated distributor of electricity to all customers in the ACT. While ActewAGL Distribution's total revenue in 2006–07 rose by 5% to \$120.6 million, total operating costs fell slightly to \$44.5 million, resulting in an increase in earnings before interest and tax to \$54.1 million.

Revenue from total network charges has risen steadily over recent years from \$104.9 million in 2003–04 to \$114.4 million in 2006–07, an increase of 9% over the four-year period. While network revenue levels from the residential sector was fairly flat at around \$43 million over the four years from 2003–04 to 2006–07, non-residential revenue rose from around \$62 million to just over \$70 million.

## Electricity supply

The report provides information about revenue, customer numbers, supply and electricity prices for the period from 2004–05 to 2006–07. Some of the key features that emerge are:

- Total revenue rose by 10.7% in 2006–07 to reach \$324 million, with the non-residential sector contributing nearly \$193 million, or 60% of the total.
- Total customer numbers rose by 1.4% during the year to just over 148,600, with residential customers contributing 137,016, or 92% of the total.
- The average cost of power for non-residential customers rose by 15.8% and was the main contributing factor to the sharp increase in overall revenue.

## Gas supply

The report provides details on revenue, customer numbers, consumption levels and prices for gas for residential and non-residential customers from 2004–05 to 2006–07. Total revenue rose by 4.4% in 2006–07, to \$90.2 million, the result of an increase in the number of residential customers by about the same level. The 10.4% fall in the average consumption of gas was counteracted by an increase of 9.3% in the average price of gas.

## Water and sewerage services

Water and sewerage services in the ACT are provided by ACTEW Corporation and managed by the ActewAGL joint venture. The report provides information on ACTEW Corporation's revenue, expenses and pre-tax rate of return on assets for its water and sewerage services.

In 2006–07, profit before tax fell by nearly 14%, to \$46.9 million, over the preceding year as a result of a sharp increase in overall expenses of \$21.5 million, outpacing a rise in revenue of

\$14.0 million. Revenue rose mainly due to higher regulated water and sewerage prices and higher levels of water consumption.

The water tariffs applied by ACTEW have also been increased to allow recovery of primarily fixed costs which have continued to be incurred despite reduced water consumption in severe drought conditions. There have also been significant increases in costs associated with the repair work undertaken in catchment areas following the 2003 bushfires.

Despite the supplied volume of water decreasing by just under 5%, from 47,790 ML in 2005–06 to 45,536 ML in 2006–07, ACTEW Corporation's total water supply revenue increased by 6.1% to \$67.7 million in 2006–07. The main contributor to the increase was the volumetric charge, which rose by \$3.3 million, or 6.2%, with a small contribution from the supply charge.

Sewerage services consist of two fixed charges: one for residential properties (the supply charge), and one for non-residential properties (the fixtures charge). In 2006–07, ACTEW Corporation's sewerage services revenue increased by nearly 4%. Revenues have increased each year since 2002–03, reflecting growth in the customer base. The number of billable fixtures rose by 10% in 2006–07.

## Customer service performance

Customer service is primarily concerned with customer complaints, network service quality and call centre performance. The report presents information on licensees' customer service performance and compares it to previous periods. The performance measures considered cover:

- customer complaints
- reliability of services
- the efficiency of call centre services.

## Customer complaints

The ACT's Consumer Protection Code establishes a range of minimum service standards which apply to suppliers of utility services in the ACT. Customer service indicators cover timely provision of service, call centre performance, and complaints. A complaint is defined as any expression of dissatisfaction with an action, proposed action or failure to act, or about a product or service offered or provided by the licensee, where a response by the service provider is explicitly or implicitly expected. Complaints do not include general enquiries or requests for advice.

The report compares numbers of complaints across all licensed utilities in 2005–06 and 2006–07, and categorises the most common complaints made in 2006–07. In the gas supply sector, complaints about billing and affordability were the most common (70% of total complaints). In the water and sewerage sector, complaints about water quality were the most common (34% of total complaints). Complaints relating to service interruptions, particularly failure to provide notice or providing inadequate notice to supply interruptions, were the most common in relation to electricity distribution (35% of total complaints).

## Reliability of services

### *Electricity distribution*

During 2006–07, ActewAGL Distribution made 3,093 new physical connections (2% of its customer base of 156,359), and reported that all new connections were made on or before the date agreed with the customer.

ActewAGL Distribution provided information on the reliability of electricity supply for:

- overall interruptions—all sustained interruptions, including transmission, directed load shedding, planned and unplanned interruptions
- planned interruptions
- unplanned interruptions, excluding transmission outages and directed load shedding
- normalised unplanned interruptions—interruptions that did not exceed a threshold system average interruption duration index (SAIDI) of three minutes, or were not caused by exceptional natural or third-party events, or were such that the distributor could not reasonably be expected to mitigate the effect of the event by prudent asset management.

Typically, three indicators are used to measure network performance: SAIDI, SAIFI and CAIDI:

- SAIDI measures the total number of minutes in a given year, on average, that a customer on a distribution network is without electricity.
- SAIFI (system average interruption frequency index), measures the average number of interruptions per customer per year.
- CAIDI (the customer average interruption duration index) measures the average duration of each interruption in minutes.

Compared with the preceding year, the duration of outages (SAIDI) for urban customers decreased overall (from an average 44.1 minutes in 2005–06 to 32.2 minutes in 2006–07), but increased significantly for rural short feeders (from 42.9 minutes in 2005–06 to 70.7 minutes in 2006–07). The decrease in the SAIDI level for the overall network probably reflects a return to more normal conditions than those that applied in 2005–06, when a severe storm in December 2005 resulted in several extended outages (ActewAGL attributed 34 of the 42 unplanned outages that lasted more than 12 hours to the storm). The frequency of outages decreased both for urban feeders and for rural feeders (SAIFI). There was an increase in the average duration of outages for rural feeders (CAIDI) and a decrease for urban feeders. The average duration of outages for the network as a whole remained virtually constant at 54.7 minutes, compared to the previous year's level of 55.1 minutes.

### *Gas distribution*

ActewAGL Distribution reported 1.33 unplanned interruptions (in which five or more customers lost supply) per 1,000 customers in 2006–07. The number of interruptions per 1,000 customers was low throughout the period, although the total hours 'off supply' during the year, at 2.22, was high compared with previous years.

In 2006–07, there were 196 mechanical or third-party damage incidents to ActewAGL Distribution's medium-pressure system mains and services. No mechanical damage incident was reported for the high-pressure system. While performance against this indicator is largely beyond

the control of the distributor, there are measures that a utility can take to reduce the potential for damage—for example, encouraging members of the public to ‘dial before digging’.

The number of gas leaks identified on a distributor’s network is used as a measure of the network’s integrity and the effectiveness of the distributor’s maintenance strategies. Such factors as the distributor’s renewal programs, the condition of the assets and the extent and effectiveness of leakage surveys, as well as seasonal and environmental factors, influence this measure. Leakages are identified mainly by members of the public or through distributors’ leakage surveys.

In 2006–07, members of the public reported 897 gas leaks on ActewAGL Distribution’s gas network. This is a decrease of 15% on the previous year’s level of 1,060 and continues the decline from 2003–04. All reported gas leaks related to the medium-pressure system; none involved the high-pressure system.

### ***Water supply***

ACTEW Corporation reported 170 planned interruptions to water supply affecting 4,958 properties in 2006–07. These exclude interruptions for the replacement of water meters. Most of these outages were needed because of new subdivisions or large connections to water mains and service line repairs. The average total outage time for customers in 2006–07 of just over 2 minutes compares with nearly 3 minutes the previous year and 1.24 minutes in 2004–05, with no discernible trend.

In 2006–07, ACTEW Corporation experienced 727 unplanned interruptions, down on 798 the previous year but up slightly on the level in 2004–05.

### ***Sewerage services***

Planned work on the sewerage system does not usually mean that customers lose the use of facilities such as toilets or sinks. During planned work, it is usually possible to divert flow from the customer’s premises so that there is minimal inconvenience to the customer. Customers are asked to reduce water use on the day that the work is carried out, and the work is usually completed by close of business.

Unplanned interruptions are usually the result of blockages in customer drains or in the sewer main, resulting in sewage spills onto customers’ properties or into their buildings. This often impairs the customers’ ability to dispose of sewage. A blocked main usually affects only a small number of properties.

Although the number of unplanned interruptions to sewerage services increased to 1,985 in 2006–07, it remained well down on the 2,777 recorded in 2004–05. The 2006–07 level was equivalent to 14.2 unplanned interruptions per 1,000 properties. The average duration of outages and the total outage time experienced by an average customer both increased slightly compared to 2004–05.

There were 3,363 sewer main breaks and chokes in 2006–07; of those, 3,035, or 90%, were estimated by ACTEW to have been caused by tree roots. This is significantly higher than for sampled utilities in other parts of Australia. During the year, there were an additional 2,004 property connection sewer breaks and chokes, the vast majority of which (1,708, or 85%) were also attributed to tree roots.

ACTEW Corporation attributes the high incidence of sewer overflows to problems with tree roots. The problem is worse in Canberra than in some other cities because of extensive plantings on

Canberra's nature strips, a relatively low average rainfall (compared to other major Australian cities) and an extended period of drought.

## **Call centre performance**

Telephone responsiveness is one of several indicators used to measure the quality of customer service. In the ACT, ActewAGL Retail (electricity) and ACTEW Corporation share a call centre for retail enquiries. Call centres for other ACT retailers are provided either on a national basis or for combined ACT and New South Wales regions, and separate ACT data have not been reported. The network operators—ACTEW Corporation, ActewAGL Distribution (gas) and ActewAGL Distribution (electricity)—have separate call centres and separate numbers for general and emergency network enquiries and notifications. ACTEW Corporation also has a drought advisory line.

Call centre performance for ACT licensees varied significantly, both between and within utility sectors. It is difficult to draw overall conclusions about relative performance because of the differences in the types of services that utilities provide, the nature of the call centres, and the types of calls made to the various call centres.

There was no discernible change in the performance levels between 2005–06 and 2006–07 for ActewAGL electricity distribution. For ActewAGL retail electricity, 69% of calls were answered within 30 seconds. However, average waiting time increased to 91 seconds. Four per cent of all calls to ACTEW Corporation's call centre were abandoned in 2006–07, the same as the previous year. Average waiting time was highest for ActewAGL Retail (gas) and lowest for ACTEW's emergency call centre.

### ***Electricity distribution***

In 2006–07, ActewAGL Distribution's call centre received 66,065 calls and answered 63% of them within 30 seconds, similar to the previous year's level. In 2006–07, 21% of calls to ActewAGL Distribution were classed as 'abandoned', although that figure probably includes calls from customers whose query may have been answered by a recorded message (that is, the calls were not really 'abandoned').

### ***Electricity supply***

Call centre performance varied significantly between the ACT electricity suppliers for which call centre data are available. The proportion of calls responded to in 30 seconds in 2006–07 ranged from 60% for EnergyAustralia to 81% for TRUenergy, while the average waiting time for calls to be answered ranged from 28 seconds for Country Energy to 91 seconds for ActewAGL. The proportion of total calls abandoned for the four suppliers increased slightly compared with earlier years, but was less than 10% for all four.

### ***Gas distribution***

ActewAGL Distribution (gas) provided the Commission with call centre performance data for 2006–07. The call centre received 1,093 calls in 2006–07, of which 100% were answered within 30 seconds. The average response time was 5 seconds.

### ***Gas supply***

Like electricity suppliers' call centres, gas suppliers' call centres tend to serve a number of jurisdictions. The call centres of Country Energy and EnergyAustralia also serve both electricity and gas customers. Some of the key features of call centre performance during 2006–07 are:

- percentage of all calls responded to within 30 seconds was similar for the three suppliers, ranging from 60% for EnergyAustralia to 76% for Country Energy
- average waiting time varied considerably, ranging from a low of 28 seconds for Country Energy to 107 seconds for ActewAGL Retail
- calls abandoned, as a percentage of total calls, was under 10% for all suppliers for the year.

### ***Water and sewerage***

In 2006–07, ACTEW Corporation received over 48,000 calls about water and sewerage on its non-emergency numbers and just over 30,000 calls on its emergency number, with average waiting times of 49 and 23 seconds, respectively.

## **Customer safety net arrangements**

The report provides information on various hardship indicators. Utility regulators have agreed to a set of nationally consistent reporting requirements for electricity distribution and retail businesses. Access to utility services is determined by the availability of the infrastructure and the ability of customers to pay bills (a function of the price of the service and of demand). Accessibility is also influenced by utilities' safety net arrangements (for example, availability of instalment plans and flexibility in payment arrangements) and credit management strategies (for example, security deposits). For electricity retailers, customers' ability to access services is measured by hardship indicators such as disconnection for non-payment of accounts, reconnection of customers within seven days of disconnection, the use of instalment payment plans, direct debit defaults, and the use of security deposits.

### **Disconnection for non-payment of accounts**

Before a supplier may disconnect a customer for non-payment of an account, the supplier must follow a number of steps, such as issuing reminder notices, allowing a certain number of days between notices, and making personal contact with the customer. Disconnection for failure to pay an account is very much a last resort for suppliers attempting to recover a debt, and therefore is a fair indicator of affordability. However, this indicator does not necessarily differentiate between households that can afford to pay and those that cannot. For this reason, a second indicator is used to identify more accurately those customers in genuine hardship: reconnection of a customer with the same name at the same premises within seven days.

### ***Residential electricity customers***

Between 2002–03 and 2006–07, the rate of disconnection of residential electricity customers for non-payment of accounts ranged from 3.0 to 4.0 per 1,000 customers. However, the proportion of customers reconnected within seven days of disconnection fell from 79% in 2002–03 to 60% in 2006–07.

### ***Non-residential electricity customers***

In the ACT, the rate of disconnection for non-payment of an account for non-residential electricity customers was 3.0 per 1,000 customers in 2006–07, while the proportion reconnected within seven days was 60%.

### ***Residential and non-residential gas customers***

The reported incidence of disconnections of gas supply customers for non-payment of an account in the ACT was 35 per 1,000 customers in 2006–07, down from 39 per 1,000 in 2005–06. Of the customers disconnected for non-payment in 2006–07, 34% were subsequently reconnected at the same address and in the same name within seven days of the disconnection, down from the level of 40% the previous year and well down on the levels for the years 2002–03 to 2004–05.

Compared with the disconnection rate for electricity customers (3.0 per 1,000 customers in 2006–07), the rate of gas supply disconnections (35 per 1,000 customers in 2006–07) is significantly higher. The reason for the relatively high disconnection rate for gas is that customers often choose to be disconnected after winter and then pay their outstanding account at the start of the following winter. This also helps explain why a much lower percentage of disconnected customers reconnect within seven days of the disconnection.

### ***Water and sewerage customers***

Under the Consumer Protection Code, a utility is not permitted to disconnect water supply or withdraw sewerage services for failure to pay an account. However, it may restrict the water flow to a level that allows for essential uses only. As in previous years, ACTEW Corporation did not restrict the water flow to any customer for failure to pay an account in 2006–07.

## **Direct debit defaults**

Defaults on automatic direct debit account payments can indicate emerging payment difficulties. While a certain level of defaults can be expected to arise by accident—for example, through administrative errors by utilities or oversights by customers—a rising trend could indicate increasing numbers of customers having difficulty paying their utilities bills.

Of electricity and gas suppliers, only ActewAGL Retail was able to provide information about direct debit defaults in 2006–07. The percentage of ActewAGL Retail's electricity, gas, and water and sewerage customers defaulting on direct debit payments has declined significantly in recent years and indicates that most customers have been able to make their payments within the timeframes allowed. For 2006–07 that trend continued, except for gas customers, among whom the number of payment defaults rose from 0.2% to 2.9%. Nevertheless, this default rate is still at very low levels.

## **Instalment plans**

Utilities can assist customers experiencing financial hardship in a number of ways. Two options are instalment plans and deferred payments. Although the number of customers on instalment plans is used as a measure of customer hardship, customers who are not in difficulty may choose to pay by instalment for reasons of budgeting or convenience.

### ***Electricity supply***

2006–07, 7.6% of ActewAGL Retail’s residential customers were on instalment plans, continuing the upward trend since 2003–04, when just 1.1% of customers were on such plans. EnergyAustralia, the only other company with customers on instalment plans, also recorded an increase, from 1.0% in 2005–06 to 1.7% in 2006–07.

### ***Gas supply***

In 2006–07, 13.7% of all gas customers paid their accounts through an instalment plan, a slight increase on the 2005–06 level of 11.4%.

### ***Water and sewerage***

The percentage of all customers on instalment plans fell from 2.4% to 1.4%; residential customers contributed to the overall decline, as the number of non-residential customers on instalment plans increased from 0.4% to 3.1% over the period.

## **Security deposits**

EnergyAustralia was the only ACT electricity supplier to hold any security deposits in 2006–07. At 30 June 2007, it held 29 residential security deposits worth just over \$5,000. No ACT gas retailer held security deposits for either residential or non-residential gas customers in 2006–07. ACTEW Corporation did not hold any security deposits in 2006–07 for water and sewerage services.

## **Environmental performance and other matters**

The report provides information on the increasingly important environmental performance of utilities. In particular, those environmental issues that are a direct responsibility of the Commission, such as network losses, greenhouse gas emissions and consumption efficiency, are considered.

## **Water**

### ***Water losses***

‘Unaccounted-for’ (or ‘non-revenue’) water is water that has been wasted or lost through leakages, bursts, or evaporation from open-air treatment and storage facilities, as well as water consumption not billed for, unauthorised consumption and water lost through metering inaccuracies or errors. Thus, the volume of unaccounted-for water is the difference between the volume of water extracted and the amount of water for which the utility bills its customers. Unaccounted-for water is sometimes used as a measure of the condition and efficiency of a utility’s water network. It is also significant from an environmental perspective, as the water lost was extracted from river systems for consumptive purposes but was not used for those purposes. The percentage of unaccounted-for water fell from 8.2% in 2005–06 to 5% in 2006–07.

In 2006–07, ACTEW Corporation reported that it had continued its meter replacement and service upgrade programs, which are designed to reduce loss of water through leaks and to improve measurement by meters. The intention is to identify any non-billable flows that are other than minimal. Such flows would be investigated to pinpoint and reduce water losses.

### ***Environmental flows***

Environmental flows are the flows of water into rivers and streams that are necessary to maintain healthy aquatic ecosystems. They are designed to mimic naturally occurring water flows, including seasonal fluctuations and other variables. Under its licence conditions, ACTEW Corporation is required to release water from the Cotter and Googong catchments for environmental purposes. The volume of water released as an environmental flow is in accordance with the Environmental Flow Guidelines approved by the minister responsible for water resources. It is not determined by the water utility.

Dams, such as those built on the Cotter River and Queanbeyan River as part of the ACT water supply system, affect downstream flow by reducing the volume of flows and sometimes by changing the natural flow patterns. To reduce their impact, water is released or spilled from the dams into the rivers below at certain times of the year.

The environmental flows that are recommended for the water supply catchments are based on research and monitoring of environmental flows in the river systems and are intended to ensure that both water supply and conservation objectives are met. Because of the prolonged drought, the relevant authorities have reduced environmental flow requirements in recent years.

In 2006–07, environmental flows released by ACTEW Corporation from water storages were 17.6% of the total water abstracted in the ACT. The corporation is one of only a few water utilities in Australia that is responsible for the release of water for environmental flows from the storage facilities that it manages.

## **Energy**

### ***Greenhouse gas emissions***

Very little electricity is generated and no natural gas is produced in the ACT. However, more than two-thirds of the greenhouse gas emissions attributable to the ACT derive from energy consumption. Greenhouse gas emissions arising from energy consumption are a major environmental concern. Greenhouse gases include carbon dioxide, methane and nitrous oxide. These gases are released into the atmosphere by such activities as the use of fossil fuels, broadscale land clearing and other land-use changes, and are a key factor in climate change.

The Commission has estimated the greenhouse gas emissions that can be attributed to electricity consumption in the ACT by subtracting the volume of GreenPower (accredited electricity sourced from generators that produce no greenhouse gases) from the total electricity sold in the ACT, to calculate a net amount of greenhouse gas-producing electricity. This has been multiplied by an emissions intensity coefficient for New South Wales and ACT electricity consumption as supplied by the Department of Climate Change. Note that the coefficients are not consistent with those published by IPART and notified by the Commission, as the regulator of the ACT Greenhouse Gas Abatement Scheme, as key factors for the scheme.

This method of estimating greenhouse gas emissions makes a number of assumptions that, while appropriate in this context, might not be appropriate for other purposes. For example, it excludes emissions for energy lost through network losses. Readers seeking greenhouse gas emissions data as an input for other work should contact the Commission before using the data in this section.

There was a significant increase of 41% in the volume of GreenPower sold in the ACT, from 43,463 MWh in 2005–06 to 61,392 MWh in 2006–07. As a consequence, although the volume of

electricity sold in the ACT increased in 2006–07, the level of greenhouse gas producing electricity fell slightly from 2,773GWh in 2005–06 to 2,762 GWh in 2006–07. The maintenance of the electricity pool coefficient at 1.06 resulted in the estimated level of greenhouse gas emissions arising from electricity consumption in the ACT in 2006–07 falling slightly to 2.928 on 2.6 million tonnes of CO<sub>2</sub> equivalent.

To estimate greenhouse gas emissions caused by ACT gas consumption, the Commission multiplies the volume of gas sold in the ACT by an emission factor for New South Wales and ACT consumption of natural gas provided originally by the Australian Greenhouse Office and subsequently by the Department of Climate Change. Two emissions factors are provided: one for large customers and one for small customers.

The estimated volume of greenhouse gases emitted as a result of natural gas consumption in the ACT in 2006–07 was 429,224 tonnes of CO<sub>2</sub>-e, an 11.3% decrease on the 2005–06 level.

### ***Consumption efficiency***

Energy consumption efficiency is both an important environmental and a cost-efficiency consideration. The more energy required for a task (for example, to heat a house), the more greenhouse gases are released through burning fossil fuels, and the greater the environmental impact.

To examine the efficiency of residential energy consumption over time, it is necessary to look at consumption per customer, rather than consumption in total; otherwise, changes in consumption efficiency can be hidden by population growth. Between 2002–03 and 2006–07, ACT residential annual electricity consumption per customer ranged from 8.4 MWh to 8.8 MWh. However, in recent years consumption per customer has been declining annually.

Comparatively, average electricity consumption ranged from a low of 6.8 MWh per capita in Western Australia to 20.9 MWh in Tasmania. Per capita consumption in the ACT was 8.2 MWh, slightly below the Australian average of 9.4 MWh.

ACT residential gas consumption was 46 GJ per person in 2006–07, down by 7.6% from the 2005–06 level of 50 GJ. Because gas usage data before 2003–04 included data for Queanbeyan, it is not possible to comment further on consumption in earlier years.

### ***Electricity network losses***

Electricity networks lose energy mainly through heat generated by resistance in wires and transformers. From an environmental perspective, the greater the electricity network losses, the more electricity needs to be generated to meet demand, and the greater the potential impact on the environment.

Over the years 2000–01 to 2006–07, ActewAGL Distribution's electricity network losses fluctuated between 4.5% and 5.7%. In 2006–07, ActewAGL Distribution's electricity network losses were 4.5% of total network inputs—the lowest over the period.

ActewAGL Distribution is required to report annually to the Commission on the strategies it has in place to reduce its network losses. ActewAGL Distribution stated that the management of network losses was incorporated into a range of functions and strategies, including:

- network planning, design and project assessments, which must demonstrate consideration of network losses

- a forthcoming audit of losses from zone substation transformers
- consideration of the cost of losses when purchasing transformers (electrical losses over the life of a transformer are a criterion in tender assessments)
- use of various network tariff initiatives to manage network demand and, as a result, network losses, by providing appropriate price signals, including
  - demand tariffs designed to improve the system’s load profile and so result indirectly in reduced losses
  - time-of-use residential network tariffs.

ActewAGL Distribution also noted that demand tariffs, which are designed to improve load profile, may also reduce losses and that further opportunities for load profile improvements may become available with the introduction of interval metering in the ACT. The Commission notes that the Ministerial Council on Energy is currently undertaking a cost–benefit analysis of a national rollout of smart meters.

### ***Gas—operation and maintenance***

‘Gas specification’ is the energy content and purity of the natural gas in the pipeline. Where the gas is outside the specification, there are potential health and safety problems, such as the risk of damage to customers’ equipment. ActewAGL Distribution indicated that gas specification reached the maximum or minimum limits 48 times during 2006–07, compared with 72 times in 2005–06. However, there was no health and safety impact on customers or damage to their equipment.

ActewAGL Distribution replaced 620 gas regulators in 2006–07, virtually unchanged on the 2005–06 level of 621 but well ahead of the levels in 2002–03 and 2003–04. During the year, the company replaced 278 meters, a slight increase on the 264 in 2005–06 and similar to the level in 2004–05.

Potential safety problems arise if the gas network operating pressure falls below the normal operating system minimum pressure; for example, domestic gas leaks can occur if the pressure is too low to maintain a pilot flame. ActewAGL Distribution indicated that distribution network pressure fell below the minimum standard for high-pressure infrastructure once in 2006–07, noting that there were no associated consumer impacts. No events were reported for the medium-pressure system, as was also the case in 2005–06.

ActewAGL Distribution confirmed that its environmental management policies and practices were in line with the AG750 Environmental Code of Practice and the Australian Pipeline Industry Code of Practice for Pipeline Construction.

# 1 Introduction

The Independent Competition and Regulatory Commission (the Commission) has a number of statutory roles in relation to the licensing of electricity, gas, and water and sewerage network service providers and/or retail suppliers operating in the Australian Capital Territory (the ACT). One of these roles is to monitor licensees' compliance with the conditions of their licences and to report on that compliance to the ACT Government.

An operating licence issued under the *Utilities Act 2000* (Utilities Act) requires utilities to notify the Commission of any material breaches of the licence conditions, legislation, codes of practice, directions or guidelines as soon as they become aware of them. The Utilities Act also requires utilities to report annually on the performance of their functions under the statute and their compliance with licence conditions.

The licence specifies that reports be on a financial year basis and be submitted to the Commission no later than three months from the end of the financial year (that is, by 1 October).

Licensees are also required to report against a number of performance indicators, such as numbers of customers and complaints. Although this form of reporting is different from compliance reporting, and serves a different purpose, it forms part of the Commission's overall reporting program.

A number of other ACT Government agencies are also responsible for administering parts of the Utilities Act. In 2006–07, these included the ACT Planning and Land Authority (Part 5—Technical Regulation) and the Essential Services Consumer Council (ESCC) (Parts 11 and 12—Complaints).<sup>1</sup> Other agencies that played a role in 2006–07 in regulating utilities' performance are ACT Health (for example, through the Public Health (Drinking Water) Code of Practice), and the Department of Territory and Municipal Services (for example, through water resources management and environmental protection). Where appropriate, the Commission seeks advice from those agencies on utilities' performance against the respective statutory requirements.

The Commission's objectives under the Utilities Act include:

- to encourage the provision of safe, reliable, efficient and high-quality utility services at reasonable prices
- to minimise the potential for misuse of monopoly power in the provision of utility services
- to promote competition in the provision of utility services
- to encourage long-term investment, growth and employment in utility services
- to promote ecologically sustainable development in the provision of utility services
- to protect the interests of consumers
- to ensure that the government's programs for the provision of utility services are properly addressed.

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<sup>1</sup> The ESCC was renamed the Energy and Water Consumer Council (EWCC) in 2008. In February 2009, the functions of the council were subsumed into the ACT Administrative and Civil Tribunal.

This report reviews the compliance and performance of licensed utilities that supplied the ACT during 2006–07. The utility services examined include electricity and gas distribution, the retailing (supply) of gas and electricity, and the provision of water and sewerage services.

The information in this report is largely derived from the annual performance and compliance reports prepared by utilities for the Commission as a condition of their utility services licences.

## **1.1 Structure of this report**

The issues covered by each section of this report are as follows:

- Chapter 2 provides an overview of the utilities regulated by the Commission.
- Chapter 3 details issues involving the compliance of utilities with a range of statutory obligations.
- Chapter 4 summarises the financial performance of regulated utilities.
- Chapter 5 details the utilities' customer service performance.
- Chapter 6 discusses customers' non-price safety net arrangements.
- Chapter 7 covers environmental and energy-efficiency issues.

Appendix 1 describes the ACT's utilities regulatory framework and lists the industry and technical codes in force in 2006–07.

Appendix 2 is a compilation of the compliance summary schedules submitted by all licensed utilities for the 2006–07 year.

Appendix 3 is a compilation of the performance reports submitted by all licensed utilities for the 2006–07 year.

Appendix 4 sets out the data used to compile the figures in the report.

The report also contains a list of acronyms and abbreviations.

## **1.2 Commercial-in-confidence information**

To enable the Commission to undertake its responsibilities for compliance and performance reporting, licensees are required to provide information that may be commercially sensitive. Such information has been excluded from this report.

Data collected for some performance indicators have been published in an aggregated form to protect commercially sensitive information. For example, this report gives the total volume of energy sold in the ACT, rather than the volume of energy sold by each supplier.

## **1.3 Accuracy of data**

The data presented in this report are largely as submitted by licensees and may include errors. The Commission seeks to ensure that this report is accurate, and has taken steps to confirm data and clarify inconsistencies. Data for previous years have also been rechecked and updated and, as a result, may differ from those presented in earlier reports.

## 1.4 Comparison with earlier reports

This is the first year since 2002–03 that the compliance and performance reports have been published together.

The approach taken to utility licence compliance in this report is broadly similar to the approach taken in earlier stand-alone compliance reports. Utilities were required to report to the Commission on their compliance with a number of key obligations under the Utilities Act, licence conditions, industry codes and, where applicable, ringfencing guidelines. In addition, the Commission consulted with other ACT regulators.

The report highlights compliance issues that arose during the reporting year and also provides a summary of compliance against obligations under the Utilities Act relating to network operations and the minimum service standards set out in schedules to the Consumer Protection Code. This combined report continues the earlier practice of providing the completed details of all reports provided by the licensees in an appendix. The reports provided by electricity and gas suppliers have been aggregated to provide easier comparison between them and to condense the material presented.

There are some differences between the performance content in this report and that of previous reports. The principal change is a rationalisation of figures that provided inter-jurisdictional and utility comparisons. In this report, the Commission's aim has been to present comparisons that can be attributed to authoritative, published data; that avoid duplicating comparative analyses already published in other publications (principally the Australian Energy Regulator's *State of the market* reports); that focus on data that led to concern about the performance of ACT utilities or the ACT in general; or, that have been of demonstrated interest to key stakeholders.

## 1.5 Utilities licensed in the ACT

Licensed utilities that provided electricity, gas, water and sewerage services in the ACT in 2006–07 are set out in Table 1.1.

**Table 1.1 ACT licensed utilities, 1 July 2006 to 30 June 2007**

Service	Licensed utility
Electricity distribution and connection	ActewAGL Distribution <sup>a</sup>
Electricity supply	ActewAGL Retail <sup>b</sup> AGL Electricity <sup>c</sup> AGL Sales Pty Ltd Aurora Energy Pty Ltd Country Energy <sup>d</sup> EnergyAustralia Pty Ltd Energy One Pty Ltd <sup>e</sup> Integral Energy Australia Pty Ltd Jackgreen (International) <sup>f</sup> Origin Energy Electricity Ltd Powerdirect Pty Ltd Powerdirect Australia Pty Ltd <sup>g</sup> Red Energy Pty Ltd Sun Retail <sup>h</sup> TRUenergy Pty Ltd TRUenergy Yallourn Pty Ltd
Gas transmission	East Australian Pipeline Ltd
Gas distribution and connection	ActewAGL Distribution <sup>a</sup>
Gas supply	ActewAGL Retail <sup>b</sup> Country Energy EnergyAustralia Jackgreen (International) <sup>f</sup> Sun Retail <sup>h</sup> TRUenergy Pty Ltd
Water supply	ACTEW Corporation Ltd
Sewerage services	ACTEW Corporation Ltd

a Until October 2006, ACTEW Distribution Ltd and AGL Gas Company (ACT) Ltd trading as 'ActewAGL Distribution'; from October 2006, ACTEW Distribution Ltd and Alinta GCA Pty Ltd trading as 'ActewAGL Distribution'.

b ACTEW Retail Ltd and AGL ACT Retail Investments Pty Ltd, trading as 'ActewAGL Retail'.

c Licence surrendered in September 2006.

d The right to supply to franchise customers applies only to those customers serviced by that part of Country Energy's distribution network located in the ACT. Country Energy has been exempted from the requirement to hold an electricity distribution licence.

e Licence for Energy One suspended in June 2007.

f New licensee, Jackgreen (International) - licence granted May 2007.

g Licence varied in January 2007 to reflect the change of the company's name from Ergon Energy to Powerdirect Australia.

h Licence varied in October 2006 to reflect the change of the company's name from Energex Retail to Sun Retail.

## 2 Utility services—main features

This chapter provides a brief overview of the utility services regulated by the Commission and information on customer numbers and consumption volumes. It also discusses overall trends in each utility sector.

### 2.1 Sources of ACT electricity

Most of the electricity sold in the ACT is sourced from National Electricity Market (NEM) generators elsewhere in Australia. Less than 2% of the ACT's total electricity is generated in the ACT.<sup>2</sup>

The ACT is supplied with electricity from the New South Wales transmission grid through two bulk supply substations:

- Canberra substation (330 kV/132 kV) at Holt
- Queanbeyan substation (132 kV/66 kV) at Oaks Estate.

The Canberra substation is supplied by four incoming 330 kV transmission lines and has three outgoing 132 kV subtransmission lines to the ACT. Other 132 kV outgoing subtransmission lines supply New South Wales areas.

The Queanbeyan substation is supplied by several incoming 132 kV subtransmission lines and has two outgoing 66 kV subtransmission lines supplying ActewAGL Distribution's Fyshwick zone substation. Other 66 kV outgoing subtransmission lines supply adjacent New South Wales areas.

The two bulk supply substations and the incoming lines are owned and operated by TransGrid. The Australian Energy Regulator (AER) regulates the transmission network. The 132 kV and 66 kV subtransmission systems supplying the ACT are owned and operated by ActewAGL Distribution. Electricity from the NEM is sold to customers, via the electricity transmission and distribution networks, by electricity suppliers (retailers).

### 2.2 Electricity transmission

Prior to March 2006, electricity transmission was not a utility service under the Utilities Act. The Utilities (Electricity Transmission) Regulation 2006<sup>3</sup> made transmission a utility service. Section 4 provides that the transmission of electricity through an electricity transmission network declared under section 5 is a utility service. TransGrid was then exempted from the requirement to hold a licence for the utility service on condition that it comply with specific conditions relating to minimum reliability standards governing bulk electricity supply arrangements and with appropriate technical, safety and prudential standards detailed in that instrument.<sup>4</sup>

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<sup>2</sup> There are two small generators fired by reclaimed gas at the Mugga Way landfill tips and a mini hydro-generation plant at the Mount Stromlo Water Treatment Plant.

<sup>3</sup> The Regulation was effective from 17 March 2006.

<sup>4</sup> ACT Utilities Exemption 2006 (No.1) Disallowable instrument DI2006-47

## 2.3 Electricity distribution

The ACT has one licensed electricity distributor: ActewAGL Distribution.<sup>5</sup> ActewAGL Distribution's licence authorises it to provide electricity distribution services and electricity connection services. During 2006–07, ActewAGL's distribution network supplied electricity to 156,359 supply points, of which 142,410 were to residential customers and 13,949 to non-residential customers.<sup>6</sup> During the year, 2,799 GWh of electricity were delivered; 1,651 GWh, or 59%, went to non-residential customers (see table 2.1).

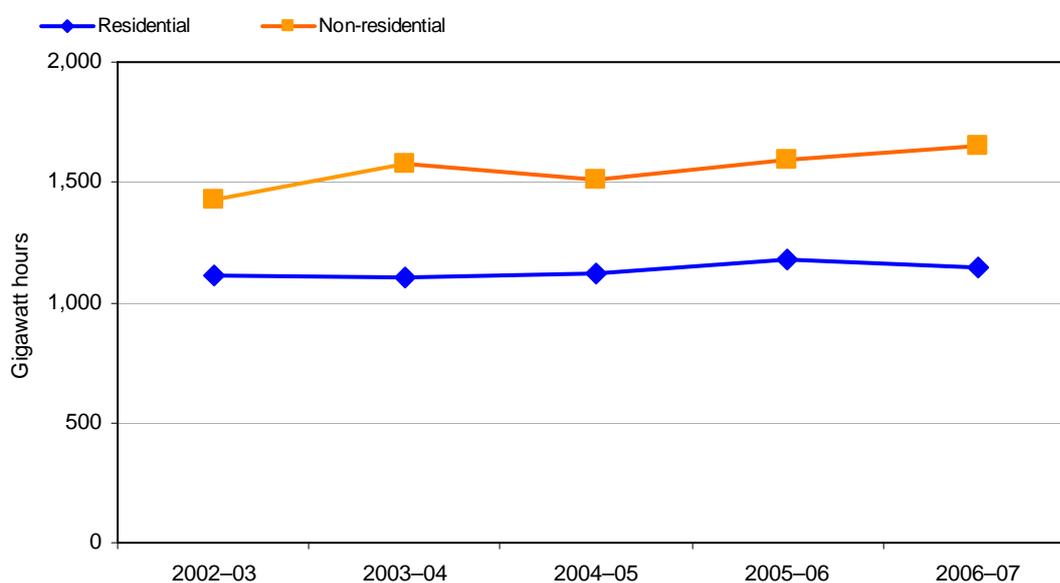
Table 2.1 ActewAGL Distribution's network, supply points and energy delivered, 2006–07

Category	Total	By type of customer		By supply voltage		
		Residential	Non-residential	Sub-transmission	High voltage	Low voltage
Number of metered supply points	156,359	142,410	13,949	0	23	156,336
Energy delivered (GWh)	2,799	1,148	1,651	0	369	2,430

Source: ActewAGL Distribution's 2006–07 annual report to ICRC.

Figure 2.1 shows the change in the levels of energy distributed, as reported for distribution services from 2002–03 to 2006–07. While non-residential levels tended to increase over the five-year period, levels of distributed power to the residential market have remained relatively flat.

Figure 2.1 Energy distributed (GWh), electricity distribution, ActewAGL Distribution, 2002–03 to 2006–07



Source: ActewAGL Distribution's annual reports to ICRC.

<sup>5</sup> ACTEW Distribution Ltd and AGL Gas Company traded jointly as ActewAGL Distribution in 2006–07. Country Energy has been granted an exemption from having to hold a licence to provide electricity distribution and connection services for the electricity distribution line that it owns and operates in the ACT. This line is approximately 12 kilometres long and runs along the ACT – New South Wales border.

<sup>6</sup> This number is based on the number of metered supply points on the network, or 'national metering identifiers' (NMIs). It includes both connected and disconnected (non-active) supply points.

The high-voltage feeders supplied 4,670 distribution transformers and 28 subtransmission transformers. The network services an area of 2,358 km<sup>2</sup>. In 2006–07, ActewAGL Distribution’s network comprised mainly urban feeders and a small number of rural short feeders.

Table 2.2 shows that at 30 June 2007 ActewAGL’s distribution network consisted of 4,696 km of line length, and that overhead and underground lines were about equal in length. Tables 2.3 and 2.4 show other key statistics of ActewAGL’s electricity distribution network during 2006–07.

**Table 2.2 Line length (km), electricity distribution, ActewAGL Distribution, 2006–07**

Feeder category	Total	Underground	Overhead	By supply voltage		
				Sub-transmission	High-voltage	Low-voltage
CBD	Nil <sup>a</sup>	Nil	Nil	Nil	Nil	Nil
Urban and rural short <sup>b</sup>	4,696	2,283	2,413	205 <sup>c</sup>	2,282	2,209

a A review of feeder classifications concluded that there are no feeders in the ACT that should be classified as CBD.

b ActewAGL does not have the capability to report separately for urban and rural short feeders.

c Includes circuits operating at 132 kV, 66 kV, 11 kV and 22 kV.

Source: ActewAGL Distribution’s 2006–07 annual report to ICRC.

**Table 2.3 Number of transformers, electricity distribution, ActewAGL Distribution, 2006–07**

Network	Number	Capacity (MVA)
Subtransmission	28	1,283
Distribution	4,670	1,752

MVA = megavolt ampere

Source: ActewAGL Distribution’s 2006–07 annual report to ICRC.

**Table 2.4 Other business descriptors, electricity distribution, ActewAGL Distribution, 2006–07**

Descriptor	Value
Distribution losses <sup>a</sup> (%)	4.51
Network service area (km <sup>2</sup> )	2,358 km <sup>2</sup>
Number of poles—distribution	53,037
Number of poles—transmission	1,752
Peak demand—distribution (MW)	599

a Based on five-year moving average.

Source: ActewAGL Distribution’s 2006–07 annual report to ICRC.

## 2.4 Electricity supply

The retail market for electricity in the ACT is partially regulated. Any customer may elect to enter into a negotiated contract with a licensed electricity supplier. Franchise customers are able to access a regulated retail tariff if they do not wish to enter into a negotiated tariff. A franchise customer is any customer who consumes less than 100 MWh/year and who remains on the standard customer contract. Franchise customers become non-franchise customers if they elect to

enter into a negotiated supply contract with any electricity supplier. The retail tariff for non-franchise customers is not regulated.

## 2.4.1 Electricity sales and consumption

Table 2.5 provides details of customer numbers, customer sales and electricity consumption, broken down into residential and non-residential categories. The ACT electricity retail market comprises mainly residential customers, who totalled just over 137,000 at the end of June 2007, accounting for 92.2% of total customer numbers. Non-residential customers, however, accounted for a greater share of electricity consumption with sales during the year of 1,651 GWh, or 59.1% of the total. In 2006–07, the average electricity consumption in the ACT was 18.8 MWh per customer, down slightly from 19.2 MWh the previous year. For residential customers, the average was 8.4 MWh during the year; also down slightly on the previous year.

Table 2.5 Customer numbers and sales, electricity supply, ACT, 2002–03 to 2006–07

	2002–03	2003–04	2004–05	2005–06	2006–07
Customer numbers (end June)					
Residential	126,585	128,513	130,548	134,979	137,016
Non-residential	13,301	12,861	13,046	11,618	11,651
<b>Total customer numbers</b>	<b>139,886</b>	<b>141,374</b>	<b>143,594</b>	<b>146,597</b>	<b>148,667</b>
Customer sales (GWh)					
Residential	1,079	1,134	1,134	1,162	1,148
Non-residential	1,467	1,503	1,583	1,659	1,651
<b>Total customer sales</b>	<b>2,546</b>	<b>2,637</b>	<b>2,717</b>	<b>2,821</b>	<b>2,799</b>
Average consumption (MWh/customer)					
Residential	8.5	8.8	8.7	8.6	8.4
Non-residential	110.3	116.9	121.3	142.8	141.7
All categories	18.2	18.7	18.9	19.2	18.8

Source: Licensed utilities' annual reports to ICRC.

Table 2.6 provides a more detailed breakdown of customer numbers by size, by contract type and by residential and non-residential categories for 2006–07, from small customers consuming less than 100 MWh/year to large customers consuming more than 160 MWh/year. Customers consuming less than 100 MWh/year accounted for 99% of total customer numbers; only 710 customers consumed over 160 MWh/year. Table 2.7 has been provided for comparison purposes and shows customer numbers by the same categories for 2005–06.

**Table 2.6 Customer numbers by category, electricity supply, ACT, 2006–07**

	Small (<100 MWh/year)	Medium (100– 160 MWh/year)	Large (> 160 MWh/year)	Total
Customers on standard contracts				
Residential	102,853	0	0	102,853
Non-residential	10,221	62	235	10,518
<i>Subtotal</i>	<i>113,074</i>	<i>62</i>	<i>235</i>	<i>113,371</i>
Customers on negotiated contracts				
Residential	34,159	0	4	34,163
Non-residential	218	444	471	1,133
<i>Subtotal</i>	<i>34,377</i>	<i>444</i>	<i>475</i>	<i>35,296</i>
Total customer numbers				
Residential	137,012	0	4	137,016
Non-residential	10,439	506	706	11,651
<b><i>Total all customers</i></b>	<b><i>147,451</i></b>	<b><i>506</i></b>	<b><i>710</i></b>	<b><i>148,667</i></b>

Source: Licensed utilities' 2006–07 annual reports to ICRC.

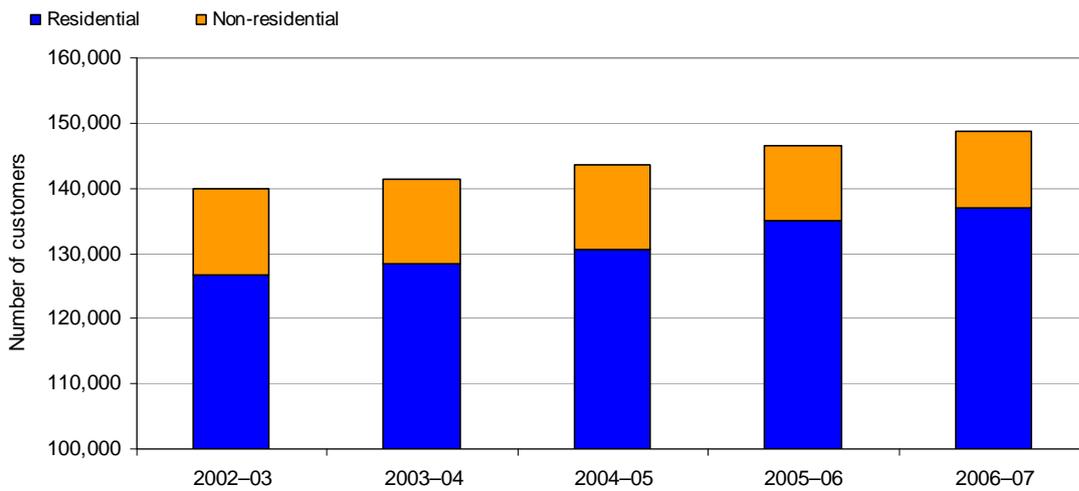
**Table 2.7 Customer numbers by category, electricity supply, ACT, 2005–06**

	Small (<100 MWh/year)	Medium (100– 160 MWh/year)	Large (> 160 MWh/year)	Total
Customers on standard contracts				
Residential	106,992	0	0	106,992
Non-residential	9,402	62	172	9,636
<i>Subtotal</i>	<i>116,394</i>	<i>62</i>	<i>172</i>	<i>116,628</i>
Customers on negotiated contracts				
Residential	27,987	0	0	27,987
Non-residential	1,714	12	212	1,938
<i>Subtotal</i>	<i>29,701</i>	<i>12</i>	<i>212</i>	<i>29,925</i>
Total customer numbers				
Residential	134,979	0	0	134,979
Non-residential	11,116	74	384	11,574
<b><i>Total all customers</i></b>	<b><i>146,095</i></b>	<b><i>74</i></b>	<b><i>384</i></b>	<b><i>146,553</i></b>

Source: Licensed utilities' 2005–06 annual reports to ICRC.

Figure 2.2 shows customer growth trends over the past five reporting periods. ACT electricity supply customer numbers increased by 1.4% over the 12 months to June 2007, to 148,667, with a 1.5% increase in the residential sector and a 0.3% increase in the non-residential sector.

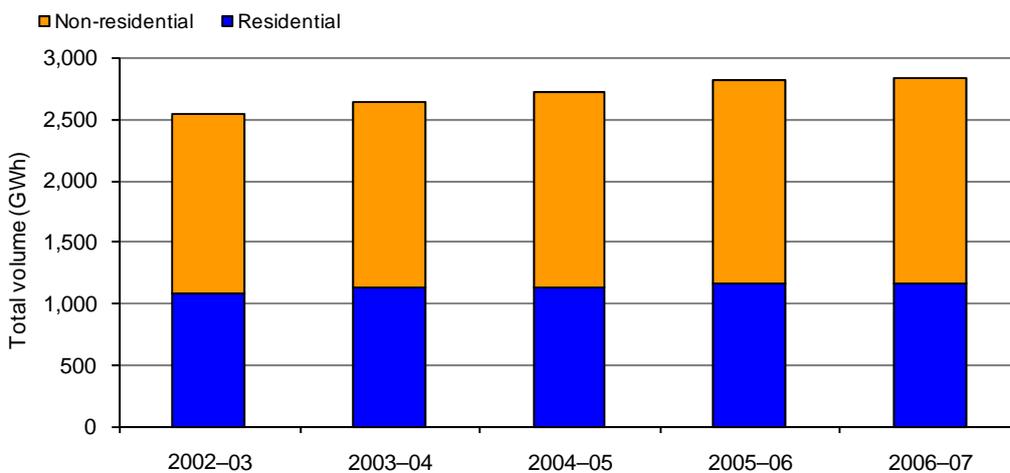
Figure 2.2 Customer numbers, electricity supply, ACT, 2002–03 to 2006–07



Source: Licensed utilities' annual reports to ICRC.

Figure 2.3 shows the total volume of electricity sold to residential and non-residential customers from 2002–03 to 2006–07. Electricity suppliers reported sales of 2,824 GWh in 2006–07<sup>7</sup>, a slight increase over 2,821 GWh for the preceding year.

Figure 2.3 Sales volume, electricity supply, ACT, 2002–03 to 2006–07

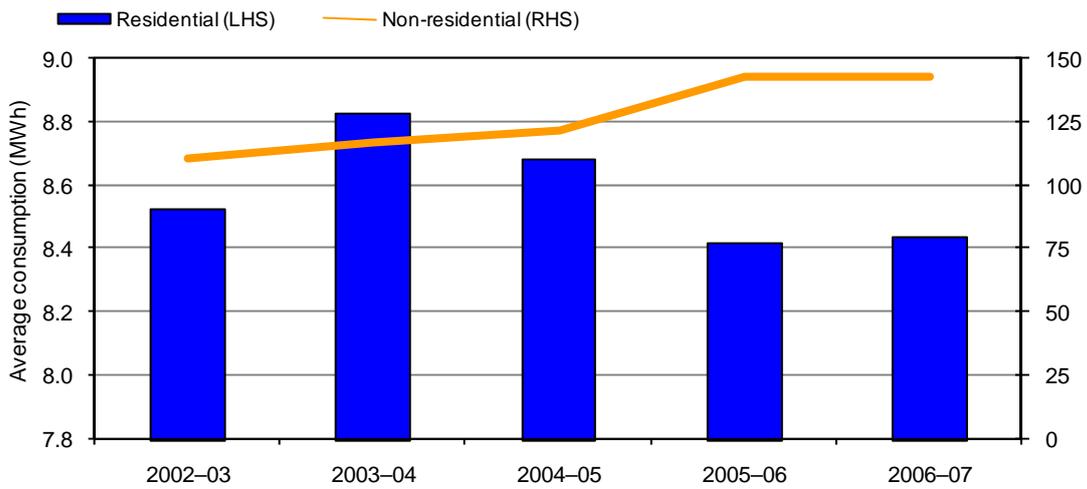


Source: Licensed utilities' annual reports to ICRC.

Figure 2.4 shows residential and non-residential consumption trends over the past five reporting periods. Both sectors showed little change in consumption over the previous year.

<sup>7</sup> Note that there is a time of recording difference between the date electricity is supplied by the distribution network and that reported by supplier as having been sold in the ACT.

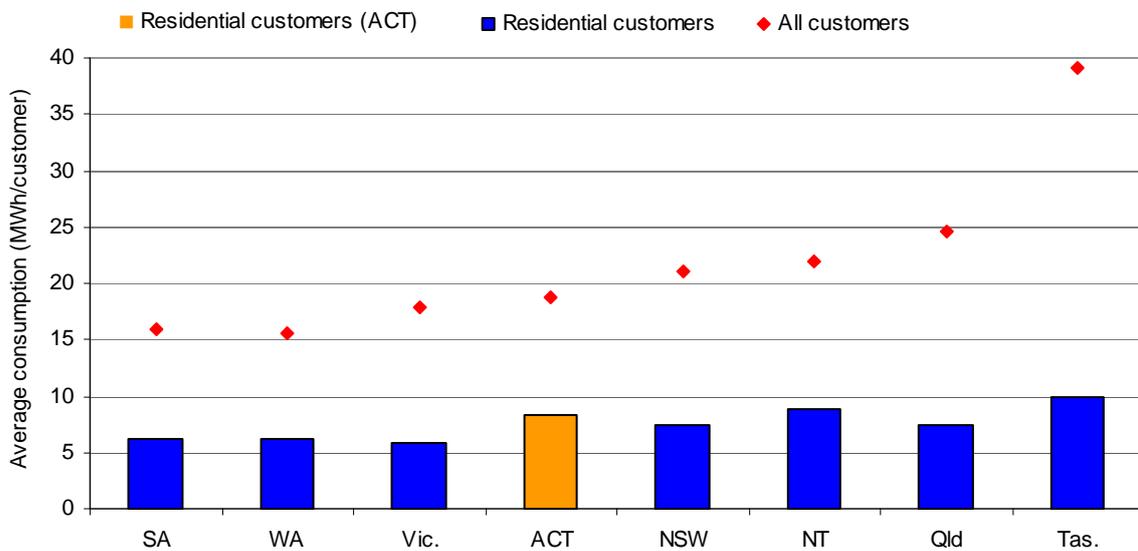
Figure 2.4 Average annual per customer consumption (MWh), electricity supply, ACT, 2002–03 to 2006–07



Source: Licensed utilities' annual reports to ICRC.

Figure 2.5 compares ACT electricity consumption per customer with consumption in other states and territories for 2006–07. Only residential customers in the Northern Territory and Tasmania have a higher average per residential customer consumption of electricity. Overall, ACT customers rank fifth lowest for electricity consumption.

Figure 2.5 Average per customer consumption, electricity, states and territories, 2006–07



Source: Licensed utilities' 2006–07 annual reports to ICRC.

## 2.4.2 Competition in the retail electricity market

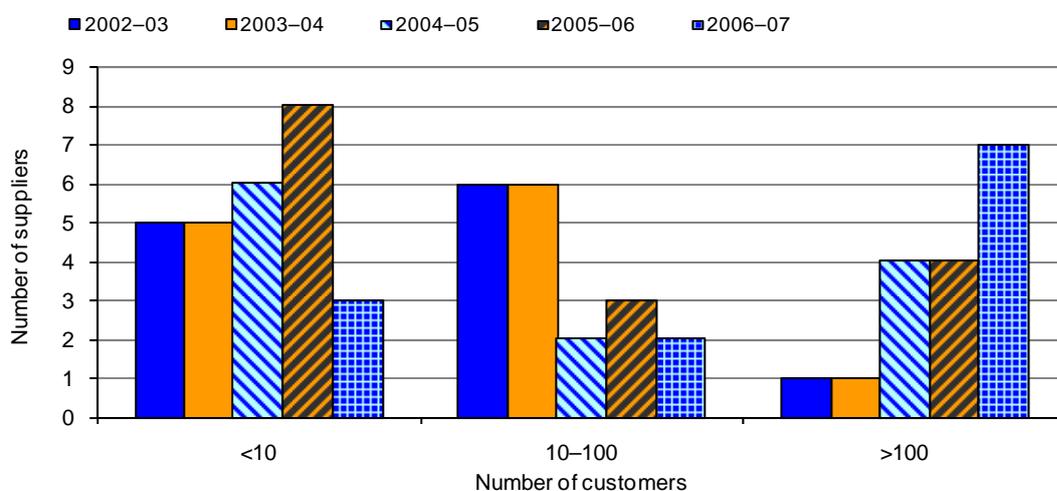
The process of allowing customers to choose their preferred electricity retailer commenced in 1998 for customers using more than 160 MWh/year. On 1 July 2003, all customers were able to choose their preferred retailer. The right of all gas customers to choose their preferred supplier was introduced on 1 January 2002.

As of 30 June 2007, there were six licensed gas retailers and 14 licensed electricity retailers in the ACT. However, not all licensed retailers were active in the market.

There is a regulated suite of tariffs for electricity customers consuming less than 100 MWh/year who do not choose to enter into negotiated contracts (referred to as ‘franchise’ customers). This suite of tariffs is referred to as the ‘transitional franchise tariff’ (TFT). Negotiated contracts typically receive a discount below the TFT. No price regulation exists for gas.

Figure 2.6 shows customer and supplier numbers in the ACT over the five-year period 2002–03 to 2006–07. In 2006–07, seven retailers supplied more than 100 customers, up from four retailers in the previous two years and just one retailer in both 2002–03 and 2003–04.

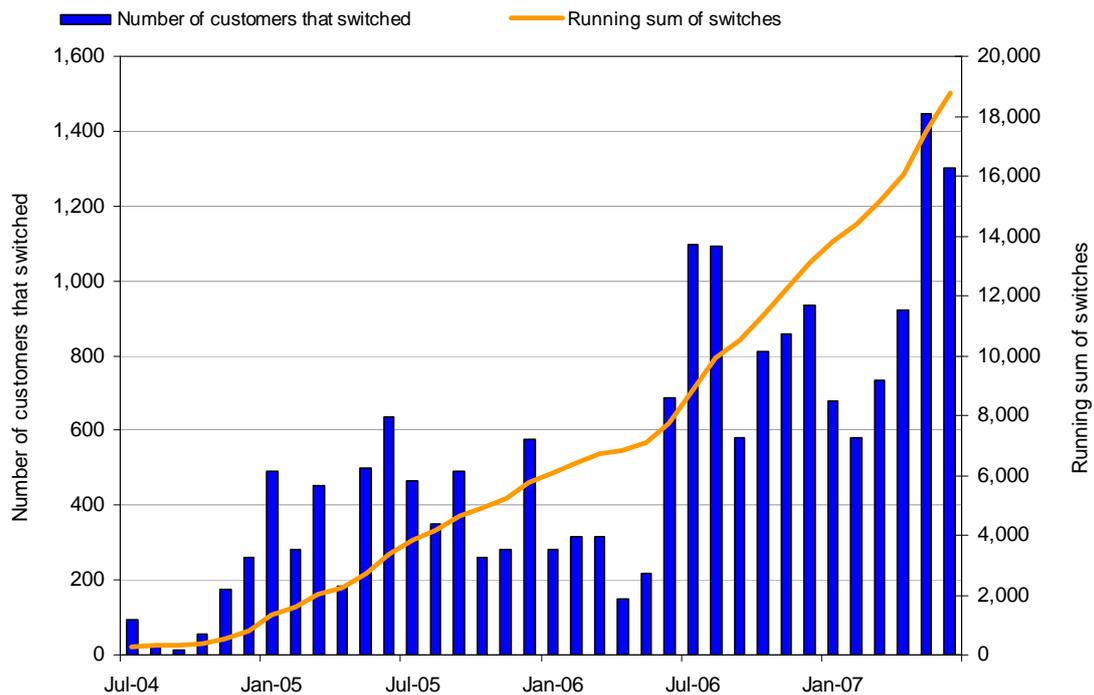
Figure 2.6 Customer and supplier numbers, electricity supply, ACT, 2002–03 to 2006–07



Source: Licensed utilities' annual reports to ICRC.

Between 1 July 2003 and 30 June 2006, around 7,700 small customers elected to change retailers. In 2006–07, the rate of switching increased substantially when a further 11,040 customers, or 7.6% of the base, opted for a change in retailer. In total, 18,700 customers—over 10% of the market—switched retailers. Figure 2.7 shows the number of ACT customers who have changed electricity retailers since July 2004. These numbers do not include ActewAGL customers switching from standard to negotiated customer contracts.

Figure 2.7 ACT electricity customers transferring to new retailers, July 2004 to June 2007



Source: Reports from NEMMCO.

## 2.5 Sources of natural gas

Natural gas accounts for about 9.1% of total energy consumption in New South Wales and the ACT.<sup>8</sup> The gas sold in the ACT is sourced primarily from the Cooper Basin in South Australia and is transmitted through the Moomba to Sydney pipeline by East Australian Pipeline Limited (EAPL).

Gas destined for the ACT is diverted from Young, in New South Wales, to the trunk receiving station at Watson, on the northern outskirts of the ACT. From that point, ActewAGL Distribution pipes the gas through its network throughout the ACT.

A second source of gas supply is from the Gippsland Basin in Victoria via the Eastern Gas Pipeline. An off-take is located at Hoskinstown near the ACT border. From there, the gas is transported to a pressure reduction station at Fyshwick and then into ActewAGL Distribution's network.

## 2.6 Gas transmission

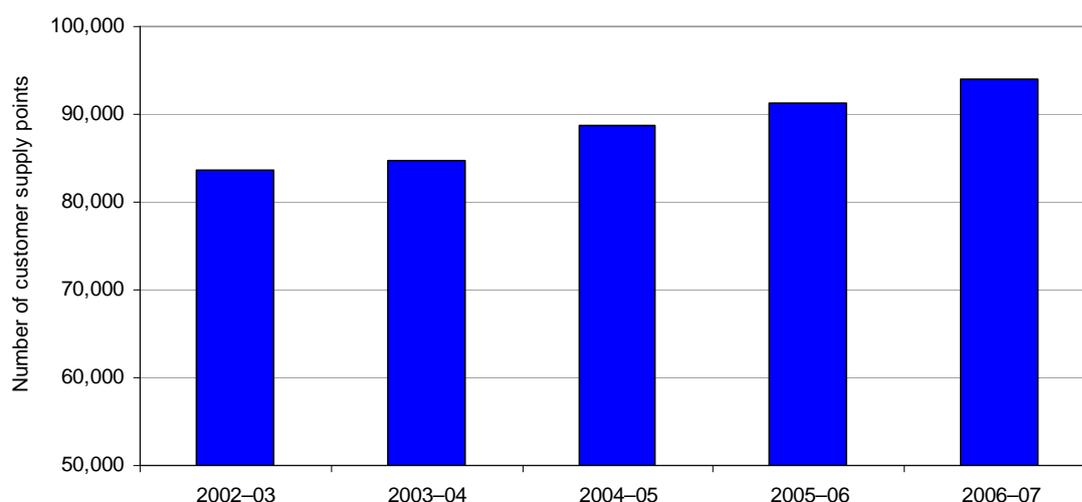
The Moomba to Sydney gas pipeline is owned by the Australian Pipeline Trust and operated by EAPL. The transmission pipeline in the ACT is a 6 km section of that pipeline, and EAPL is licensed under the Utilities Act to carry out that transmission operation.

<sup>8</sup> Australian Bureau of Agricultural and Resource Economics, *Energy Update 2008*, Table C2, Canberra.

## 2.7 Gas distribution

During 2006–07, ActewAGL Distribution was the only entity that held a gas distribution licence in the ACT, authorising it to provide gas distribution and gas connection services. At 30 June 2007, ActewAGL Distribution’s network comprised 3,461 km of medium-pressure and 248 km of high-pressure mains. In 2006–07, ActewAGL distributed 7,055 terajoules (TJ) of gas to 94,066 customer supply points (see Figure 2.8).<sup>9</sup> ActewAGL Distribution’s customer base for gas is smaller than for electricity, but, as Figure 2.8 shows, rose by over 10,000 from the end of June 2003 to the end of June 2007.

Figure 2.8 Customer supply point numbers, gas distribution, ACT, 2002–03 to 2006–07



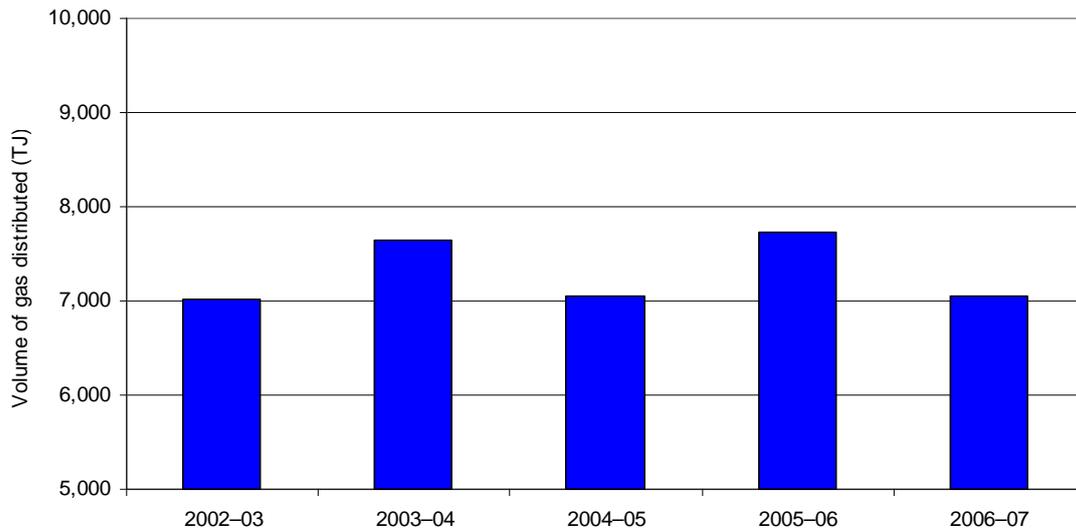
Source: ActewAGL Distribution's annual reports to ICRC.

Figure 2.9 shows that the volume of gas distributed in the ACT has fluctuated over the past five reporting periods, with a decline in 2006–07 to 7,055 TJ.

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<sup>9</sup> Note that the number of distribution customers (supply points) will not be the same as the number of customers with contracts for gas supply.

Figure 2.9 Volume of gas distributed, gas distribution (TJ), ACT, 2002–03 to 2006–07



Source: ActewAGL Distribution's annual reports to ICRC.

## 2.8 Gas supply

During 2006–07, five utilities were licensed to supply gas in the ACT: ActewAGL Retail, Country Energy, EnergyAustralia, ENERGEX Retail and TRUenergy.

### 2.8.1 Gas sales and consumption

Table 2.8 compares sales data and gas consumption for residential and non-residential customers from 2003–04 to 2006–07. There were 93,154 gas supply customers in the ACT on 30 June 2007, an increase of 4.7% over the 2005–06 level; 98% of all customers were residential. Despite the increase in customer numbers, total gas sales fell to just over 6,500 TJ and resulted in average gas consumption levels falling to 46 GJ for residential customers and 1,167 GJ for non-residential customers. Warm weather during the winter months was likely to have been a major contributing factor to the decline in sales that year.

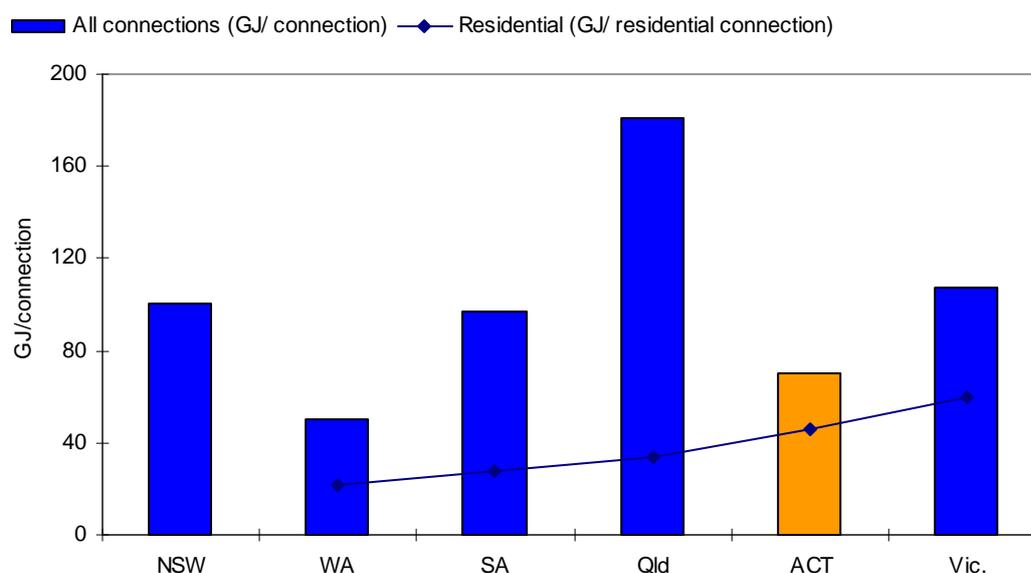
**Table 2.8 Customer numbers and sales, gas supply, ACT, 2003–04 to 2006–07**

	2003–04	2004–05	2005–06	2006–07
<b>Customer numbers</b>				
Residential	82,665	84,864	87,010	91,177
Non-residential	1,847	1,888	1,956	1,977
<b>Total numbers</b>	<b>84,512</b>	<b>86,752</b>	<b>88,966</b>	<b>93,154</b>
<b>Customer sales (TJ)</b>				
Residential	4,290	4,187	4,335	4,196
Non-residential	2,349	2,338	2,522	2,307
<b>Total sales</b>	<b>6,639</b>	<b>6,525</b>	<b>6,857</b>	<b>6,503</b>
<b>Consumption (GJ/customer)</b>				
Residential	52	49	50	46
Non-residential	1,272	1,238	1,289	1,167
<b>Overall consumption/customer</b>	<b>79</b>	<b>75</b>	<b>77</b>	<b>70</b>

Source: Licensed utilities' annual reports to ICRC.

Figure 2.10 shows average gas consumption per connection in the ACT and in other selected states.

**Figure 2.10 Average gas consumption per connection, selected states and territories, 2006–07**



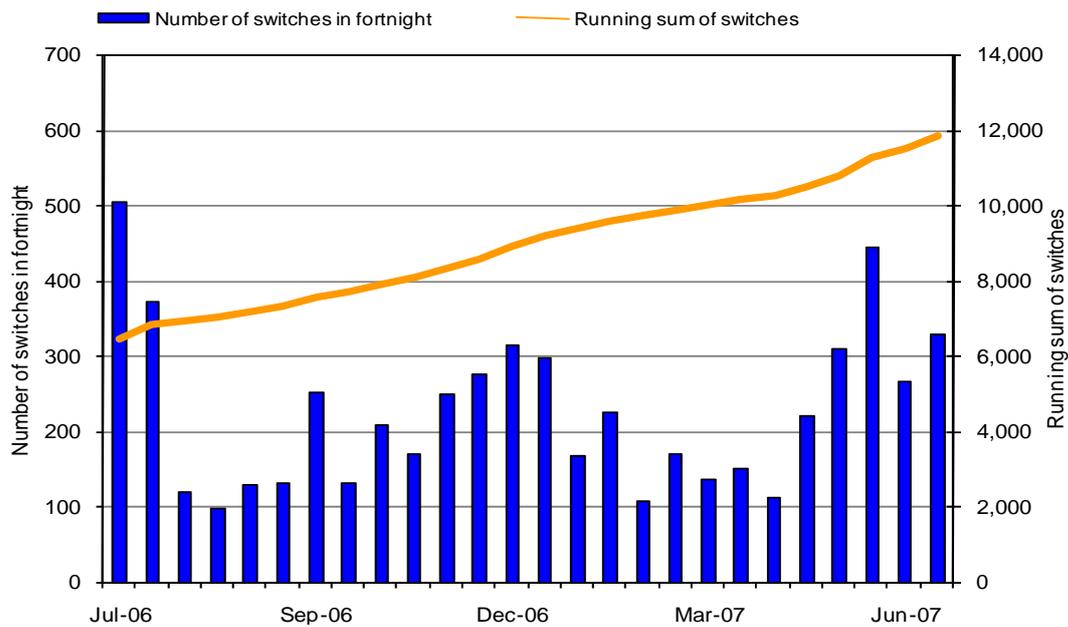
Note: NSW average residential consumption data not available.

Source: Derived from Energy Supply Association of Australia, *Electricity Gas Australia, 2008*, table 5.5.

## 2.8.2 Competition in the retail gas market

The ACT Government introduced full retail contestability for gas supply on 1 January 2002. In the years leading up to 2006–07, fewer than 6,000 gas customers had switched retailers. During 2006–07, an additional 6,058 customers switched, taking the total to around 12,000, or 6.7% of the market. Figure 2.11 shows the fortnightly and cumulative customer switches.

Figure 2.11 ACT gas customers transferring to new retailers, July 2006 to June 2007



required to release water from the Cotter and Googong catchments for environmental purposes. The volume of water released as an environmental flow is in accordance with the Environmental Flow Guidelines<sup>10</sup> approved by the minister responsible for water resources.

Sewage is collected by ACTEW Corporation through the sewerage network and treated at the Lower Molonglo Water Quality Control Centre.

Table 2.9 shows that ACTEW Corporation delivered 44,125 ML of water to over 140,000 ACT premises and 4,110 ML to Queanbeyan (bulk water) in 2006–07. In addition, under the environmental flow requirements, the corporation released 10,170 ML as environmental flows.

A total of 140,581 ACT properties were supplied with water in 2006–07, an increase of 1.6% on the 2005–06 number. Residential properties accounted for around 95% of all properties, but for only 72% of the water supplied to ACT properties. Average water consumption per premises in 2006–07 was around 239 kL for residential premises, 1,715 kL for non-residential premises and 314 kL for all premises.

**Table 2.9 Premises supplied and consumption, water supply, ACTEW Corporation, 2002–03 to 2006–07**

	2002–03	2003–04	2004–05	2005–06	2006–07
Premises supplied ('000)					
Residential	124	127	129	132	133
Non-residential	9	6	7	6	7
<b>Total premises</b>	<b>133</b>	<b>133</b>	<b>136</b>	<b>138</b>	<b>141</b>
Consumption (ML)					
Residential	39,646	31,492	30,989	34,436	31,938
Non-residential	21,084	17,017	17,279	18,034	12,188
<b>Total ACT consumption</b>	<b>60,730</b>	<b>48,509</b>	<b>48,268</b>	<b>52,470</b>	<b>44,125</b>
Environmental flows	39,500	58,400	30,200	59,500	10,170
Bulk water exports to Queanbeyan	5,209	4,051	4,007	4,353	4,110
<b>Total water supplies</b>	<b>105,439</b>	<b>110,960</b>	<b>82,475</b>	<b>116,323</b>	<b>58,406</b>
Average consumption/premises (kL)					
Residential	320	248	240	261	239
Non-residential	2,343	2,836	2,468	2,809	1,715
<b>All premises</b>	<b>457</b>	<b>365</b>	<b>355</b>	<b>379</b>	<b>314</b>

Note: Figure for non-residential consumption includes commercial and industrial water and total estimated non-metered water supplied to other uses, such as firefighting and mains flushing.

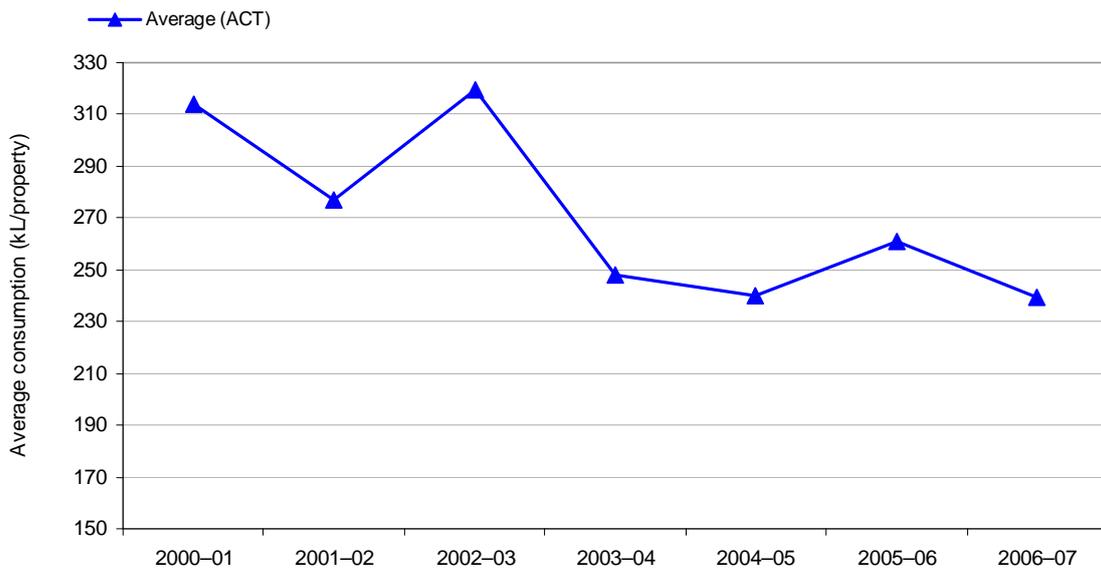
Source: ACTEW Corporation's annual reports to ICRC.

Low-level water conservation measures were introduced in December 2002, and more severe water restrictions were in force from May 2003 to October 2005. From 2005–06 to 2006–07, ACT consumers reduced their use of water by an average of 17%. Residential premises consumed about 8% less water overall; non-residential premises, 39% less.

Figure 2.12 shows the pattern of continuing declines in average residential water consumption in the ACT since 2002–03, while figure 2.13 shows average levels of water supplied by selected utilities during 2006–07.

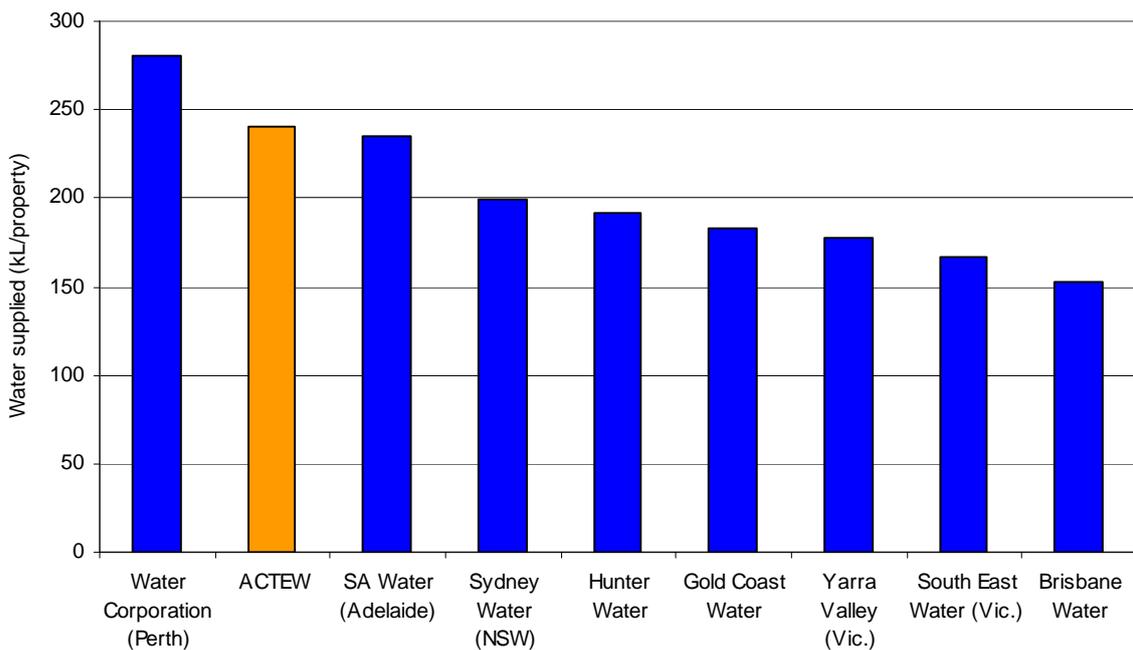
<sup>10</sup> Accessible at [www.legislation.act.gov.au/di/2006-13/default.asp](http://www.legislation.act.gov.au/di/2006-13/default.asp)

Figure 2.12 Average water consumption per residential property, ACT, 2000–01 to 2006–07



Source: Derived from ACTEW Corporation's annual reports to ICRC.

Figure 2.13 Average annual residential water supplied, selected utilities, 2006–07



Source: Water Services Association of Australia, *National Performance Report, 2006–07, urban water utilities*.

## 2.9.2 Sewerage services

Key data on sewerage services are shown in table 2.10. In 2006–07, ACTEW Corporation operated 2,993 km of sewerage mains and channels and collected and treated a reduced level of 26,957 ML of sewage. The lower level of treated sewage is largely the result of less water being used in toilet flushings.

**Table 2.10 Sewage collected, ACTEW Corporation, 2002–03 to 2006–07**

	2002–03	2003–04	2004–05	2005–06	2006–07
Number of properties	125,784	128,446	130,355	135,561	135,241
Total sewage collected (ML)	28,313	27,959	27,293	31,976	26,957
Sewage collected per property (kL)	225	218	209	214	199
Length of mains (km)	2,897	2,921	2,985	2,991	2,993

Source: ACTEW Corporation's annual reports to ICRC.

## 3 Utility compliance

This chapter documents utilities' compliance with a broad range of obligations imposed on licensed utilities by ACT regulatory instruments: the Utilities Act, utility licences, industry codes and, where applicable, ringfencing guidelines.

The chapter has been prepared following consideration of reports required of utilities in relation to their compliance, consultation with other ACT regulators, and consideration of reports of non-compliance provided by utilities under the terms of their licences.

The chapter highlights compliance issues that arose during the reporting year and also provides a summary of compliance against obligations under the Utilities Act relating to network operations and the minimum service standards set out in schedules to the Consumer Protection Code.

Summaries of the complete utility compliance reporting returns are set out in Appendix 2.

Having considered the reports submitted and the advice of other regulators, the Commission is of the view that utility licensees were generally compliant with the requirements of the Utilities Act, licence conditions and industry codes. Most of the specific compliance issues that are highlighted in this chapter are minor, point to isolated failures rather than systemic non-compliance, and have been satisfactorily resolved. However, certain issues will require monitoring in future reports.

### 3.1 Statutory compliance framework

#### 3.1.1 Utilities Act conditions

Section 25 of the Utilities Act provides, among other things, that a utility licence is subject to the condition that the utility comply with any requirement of the Utilities Act or a related law, a requirement under any other law in force in the ACT that applies to the utility in relation to the provision of a utility service, relevant industry and technical codes, and a direction given to it by the Commission or the technical regulator (the ACT Planning and Land Authority). Section 25 also provides that the utility must give the Commission, in accordance with any written requirements by the Commission, an annual report for each financial year in relation to its compliance with the conditions of the licence.

#### 3.1.2 Licence provisions

There are specific provisions in all utility licences relating to compliance with applicable laws and reporting of breaches to the Commission:

*Clause 6.2 (referred to in Clause 7.2)*

Without limiting the generality of clause 6.1 [licensee to comply with all laws], ... the Licensee must comply with: (1) any requirement of the Act; (2) relevant Industry Codes including the performance standards (if any) prescribed under those codes; (3) relevant Technical Codes including the performance standards (if any) prescribed under those codes; (4) any direction given to the Licensee by ICRC or the Chief Executive under the Act; and (5) any applicable ringfencing requirements.

#### Clause 7.2

If the Licensee becomes aware of a material breach of this licence and any Law or such other code of practice, directions and guidelines applicable to the Licensee and to any of the other services to be rendered by the Licensee that it is required to comply with under clause 6.2, the Licensee must notify ICRC of the breach as soon as practicable.

#### Clause 7.3

If the Licensee has not complied with any of its obligations under clause 6.2, the Licensee must identify those obligations and provide a brief statement to ICRC that explains the circumstances of, and reasons for the non-compliance, consequences of the non-compliance (including any penalties imposed) and outlines measures that the Licensee will put in place to rectify that non-compliance.

### 3.2 Approach taken to compliance assessment

The reports that the Commission required all utilities to complete as part of the annual reporting requirements sought:

- specific information in relation to the requirement under clause 7.2 of utility licences for reporting of material breaches to the Commission
- questions relating to compliance with key obligations contained in the Utilities Act, the utility licence and industry codes and, where applicable, ringfencing guidelines.

### 3.3 Material breaches

This matter is relevant to licence condition 7.2. Consistent with the approach taken in previous compliance reports<sup>11</sup>, the Commission has defined a material breach as anything that:

- affects a licensee's ability to provide utility services
- adversely affects a significant number of consumers, financially and in terms of service provision
- threatens public health or safety, or the environment.

The only breach that was reported to the Commission or that became known to the Commission in relation to the compliance year 2006–07 that in any way approached materiality was the Energy One issue reported below. While the company's suspension from the NEM had a critical impact on its ability to provide utility services, the company's non-compliance with licence conditions only affected one ACT customer and was no threat to public health or safety.

### 3.4 Assessment of licensee compliance by Office of Fair Trading and Essential Services Consumer Council

As part of its assessment of licensee compliance, the Commission sought the advice of the Office of Fair Trading and the former Essential Services Consumer Council.

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<sup>11</sup> Note that the Commission guidance note *Utility reporting of material breaches and non-compliance* issued in March 2009 sets out the Commission's position on what would constitute utility compliance under the terms of clauses 7.2 and 7.3 and provides a fuller account of materiality. The material in the guidance note will be relevant to compliance reporting from the 2009–10 reporting year forward.

The Essential Services Consumer Council did not wish to report any significant, ongoing compliance problems for 2006–07.

While the council identified a systemic issue with the transfer of the accounts of contestable customers, it stated that those problems often related to administrative errors and systems shortcomings rather than contraventions of the Consumer Protection Code.

The council advised of a total of 48 non-hardship complaints, 33 of which related to marketing activities, commenting that the increase in non-hardship complaints was mostly due to full retail competition issues.

The council also advised that 173 customers were affected by a failure to apply a bundling rebate to ActewAGL gas accounts and that ActewAGL had responded appropriately when the matter was raised with it by the council.

The Office of Fair Trading advised that it had received ten marketing complaints, all of which were resolved to the satisfaction of the customers involved. This did not include complaints that were resolved over the phone.

## **3.5 Compliance issues**

### **3.5.1 Follow-up on issues reported in previous reports**

#### ***Network use of system agreements***

In its 2005–06 compliance report<sup>12</sup>, the Commission expressed concern about the number of licensed electricity suppliers that had not yet signed network use of system agreements with ActewAGL Distribution. The Commission requested ActewAGL Distribution to submit to it draft variations to the Electricity Network Use of System Code to establish a default agreement if agreement between the distributor and electricity supplier could not be reached in a timely manner.

Variations to the Electricity Network Use of System Code were brought forward as requested. Public consultation, consistent with the requirements of the Utilities Act, took place during the 2006–07 reporting year. The Commission subsequently approved a varied Electricity Network Use of System Code which provided for a default network use of system agreement that was effective from 1 October 2007.

Five electricity suppliers reported that, as of 30 June 2007, no network use of system agreement was yet in place.

#### ***TRUenergy marketing breaches***

In its 2005–06 compliance report, the Commission reported that TRUenergy had identified a breach of the Consumer Protection Code in September 2006. Offer and confirmation packs had not been sent to new customers between 23 May and 23 August 2006—a breach of clause 31 of the code. The breach occurred across the 2005–06 and 2006–07 reporting years.

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<sup>12</sup> ICRC, *Licensed electricity, gas and water and sewerage utilities: Compliance report for 2005–06*, Report 10 of 2007.

As reported in the 2005–06 compliance report, the Commission noted TRUenergy’s prompt response to the breach and was satisfied with the remedial action that it took, both in dealing with its customers and in rectifying the problem.

### **3.5.2 New issues**

#### ***Energy One licence suspension***

A condition of the licences of all energy supply utilities is that the licensee must directly, or by an agent, hold and comply with the conditions of any NEMMCO registration required under NEM arrangements.

A further condition is that the licensee must continue to satisfy the same technical and prudential criteria that it was required to meet as a condition of the grant of the licence. Such criteria include assessment of the applicant’s technical and financial capacity to comply with licence conditions and operate a viable business.

NEMMCO advised the Commission on 22 June 2007 that Energy One was suspended from the market, with effect from midnight on that day.

The Commission subsequently came to the view that Energy One was not compliant with certain of its obligations under its licence and therefore in breach of its licence. In October 2007, the Commission suspended Energy One’s licence to supply electricity in the ACT until such time as Energy One was able to meet the Commission’s technical and prudential criteria for the grant of a licence.<sup>13</sup>

#### ***ActewAGL retail customer ‘win back’ contract promotion***

ActewAGL reported a breach that occurred during September and October 2006 in relation to the provision of contract information to departing customers and former customers who had been ‘won back’ to ActewAGL through a special marketing campaign. There was a delay of a week or more in supplying the required written information to such customers. ActewAGL provided the Commission with early advice of the breach and changed its processes to ensure compliance, in particular with the requirement to provide contract terms and conditions and any other pertinent material within 24 hours.

#### ***ActewAGL failure to provide bundling rebate***

As noted above, the Essential Services Consumer Council advised that 173 customers were affected by a failure to apply a bundling rebate to ActewAGL gas accounts. ActewAGL advised that the measures that it had taken to resolve this issue included a complete audit of all ActewAGL’s ACT gas customers who were entitled to receive a discount to ascertain whether the discount had been applied. The company advised that all customers who were entitled to a discount on their gas were now receiving one.

#### ***Fluoride concentration***

Division 8.3 of the Utilities Act deals with contamination of water networks. Subsection 128(2)(b) provides that sections 126 (Contamination of water) and 127 (Prohibited substances—water or sewerage network) of the Act do not apply to the addition to a water network, by the responsible utility, of fluoride at a concentration not exceeding 1.0 mg/L.

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<sup>13</sup> Energy One subsequently surrendered its licence in December 2008.

In July 2007, ActewAGL advised the Commission that a higher than permissible fluoride concentration was recorded at Mount Stromlo Water Treatment Plant on 18 June 2006. The peak concentration reached 1.55 mg/L and was above 1.2 mg/L for 75 minutes. ActewAGL notified ACT Health of the incident. The department advised on 19 June 2006 that the incident would not affect public health.

### ***ACTEW Corporation summary of consumer rights and responsibilities***

The Consumer Protection Code requires a summary of consumer and utility rights to be provided in a customer's initial account unless provided previously. ACTEW Corporation has confirmed to the Commission that for part of 2006–07 the process for mailing out the summary with initial accounts missed a limited number of new water customers who were not ActewAGL electricity supply customers. This error was partly attributable to a process intended to prevent customers of ActewAGL utility services receiving multiple, identical copies of the summary. The error was resolved by mailing a 'summary of consumer and utility rights' booklet to all customers when an updated version was printed.

### ***Other issues***

As detailed in the summaries of the complete utility compliance reporting returns that are set out at Appendix 2, there were also a number of instances in which utilities were unable to provide information or provide information in the format sought by the Commission. These included the following:

- TRUenergy was unable to advise of the number of requests for supply received from users or suppliers of alternative energy services (Appendix 2—table A2.6). The Commission is not sure that the question was understood in the same way by all respondents and will seek to clarify the information required.
- EnergyAustralia advised that it did not capture certain data about responding to complaints (table 3.2). The Commission notes that the total number of ACT complaints for this utility was only 24 in 2006–07.

## **3.6 Part 7 of the Utilities Act—network operations**

Part 7 of the Utilities Act places obligations on network operators to take reasonable steps to minimise inconvenience to landowners and damage to property. The Act specifies minimum notice requirements and also requires network operators to restore property affected by the work of the utility.

To gain an appreciation of issues that may be indicative of a utility's compliance with these requirements, the Commission considers the number of complaints made against the utility about its performance of network operations. Table 3.1 summarises the network operation complaints received by each network licensee from 2002–03 to 2006–07. As in previous reporting periods, the network operator that received the most complaints during 2006–07 was ActewAGL Distribution (electricity), with a total of 215 complaints (205 in 2005–06). Complaints against ActewAGL Distribution (gas) totalled five, an improvement on the 2005–06 level of 15, while complaints against ACTEW Corporation about water and sewerage totalled 109, well down on the 198 complaints the previous year.

Details of total complaints relevant to Utilities Act requirements for all sectors are shown in table 3.1. These complaints are a subset of all complaints about network operations, which are set out in the tables in chapter 5.

**Table 3.1 Network operations complaints, Utilities Act requirements, 2002–03 to 2006–07**

Nature of complaint/operator	Complaints per 1,000 customers					No. of complaints
	2002–03	2003–04	2004–05	2005–06	2006–07	2006–07
<b>Inconvenience, detriment or damage to landholder's property (s. 108)</b>						
ActewAGL Distribution (electricity)	0.49	0.72	0.86	0.74	0.79	123
ActewAGL Distribution (gas)	0.09	0.06	0.19	0.12	0.04	4
ACTEW Corporation						
Water	0.23	0.18	0.16	0.63	0.36	48
Sewerage	0.11	0.05	0.04	0.2	0.15	20
<b>Provision of notice to landholders regarding network operations (s. 109) or tree lopping (s. 110)</b>						
ActewAGL Distribution (electricity)	0.07	0.25	1.77	0.27	0.22	35
ActewAGL Distribution (gas)	0.00	0.00	0.01	0.00	0.00	0
ACTEW Corporation						
Water	0.01	0.04	0.19	0.03	0.05	7
Sewerage	0.01	0.00	0.02	0.01	0.00	0
<b>Removal of machinery, property and waste from land (s. 112) and restoration of land (s. 113) following network operations</b>						
ActewAGL Distribution (electricity)	0.13	0.15	0.15	0.31	0.36	57
ActewAGL Distribution (gas)	0.17	0.02	0.01	0.04	0.01	1
ACTEW Corporation						
Water	0.35	0.24	0.33	0.45	0.17	23
Sewerage	0.13	0.03	0.05	0.12	0.08	11
<b>Totals</b>						
ActewAGL Distribution (electricity)	0.69	1.11	2.79	1.33	1.38	215
ActewAGL Distribution (gas)	0.26	0.08	0.21	0.16	0.05	5
ACTEW Corporation						
Water	0.74	0.47	0.68	1.12	0.58	78
Sewerage	0.25	0.08	0.11	0.34	0.23	31

Source: Licensed utilities' annual reports to ICRC.

### 3.7 Consumer Protection Code—minimum service standards

The Consumer Protection Code specifies a number of minimum service standards. Most apply only to network operators, but some also apply to suppliers. In some instances, failure to meet a standard may attract a rebate.

Table 3.2 summarises licensees' performance, with additional comments, against the specified minimum service standards set out in Schedule 1 to the Consumer Protection Code. To the extent that licensees were able to report, most met performance standards to a high level. Comments by the Commission are also provided.

**Table 3.2 Compliance with minimum service standards (Consumer Protection Code), all licensees, summary details, 2006–07**

Performance standard	Licensees' compliance performance (2006–07) as reported	Commission comments
<i>Customer connection times (standard 1)</i>	<p>Proportion of services provided in accordance with prescribed connection times (i.e. on the same day as the request is made if before 2.00 pm, or by the end of the next business day if request is made after 2.00 pm, or as otherwise agreed) (2005–06 in parentheses):</p> <p>ActewAGL Distribution (electricity): 100% (100%)</p> <p>ActewAGL Distribution (gas): 100% (98.6%)</p> <p>ACTEW Corporation (water): 100% (100%).</p>	Full compliance
<i>Responding to complaints (standard 3)</i>	<p>Proportion of complaints acknowledged within 10 business days (2005–06 in parentheses):</p> <p>ActewAGL Distribution (electricity): 99% (96%)</p> <p>ActewAGL Distribution (gas): 100% (95%)</p> <p>ACTEW Corporation 94% (water) and 100% (sewerage) (water and sewerage 98%)</p> <p>ActewAGL Retail (electricity): 80% (70%)</p> <p>ActewAGL Retail (gas): 91% (98%)</p> <p>TRUenergy (electricity and gas): 100% (100%)</p> <p>Country Energy (electricity): 100% (100%)</p> <p>EnergyAustralia (electricity and gas) advised that it does not capture this information but that the vast majority of complaints were resolved at the first point of contact at the contact centre.</p> <p>Powerdirect (electricity): 100%</p> <p>Aurora (electricity): no complaints</p> <p>Integral (electricity): no complaints</p> <p>Sun Retail (electricity and gas): no complaints</p> <p>Origin (electricity): no complaints</p> <p>TRUenergy (electricity): no complaints</p> <p>Country Energy (gas): no complaints</p>	Very high to full compliance for all network operators; very high to full compliance for most electricity and gas suppliers. One supplier did not supply information.

*Table continues*

Table 3.2 continued

Performance standard	Licensees' compliance performance (2006–07) as reported	Commission comments
	<p>Proportion of complaints responded to within 20 business days (2005–06 in parentheses):</p> <p>ActewAGL Distribution (electricity): 94% (84%)</p> <p>ActewAGL Distribution (gas): 75% (82%)</p> <p>ActewAGL Retail (electricity): 71% (74%)</p> <p>ACTEW Corporation 95% (water) and 100% (sewerage)—2005–06 (water<sup>a</sup> and sewerage): 97% (97%)</p> <p>Country Energy (electricity): 100% (100%)</p> <p>TRUenergy (electricity): 100% (no report)</p> <p>Powerdirect (electricity): 100% (no report)</p> <p>ActewAGL Retail (gas): 91% (no report)</p> <p>EnergyAustralia (electricity and gas) advised that it could not report against this standard.</p>	<p>Full compliance for several electricity suppliers; moderate to high compliance for other suppliers and network businesses. One supplier did not provide information.</p>
<p><i>Response time to notification of problem or concern (standard 4)</i></p> <p><i>(applies only to gas and electricity distributors, and water and sewerage utilities)</i></p>	<p>a) Notification about a problem or concern that may affect public health, or is causing, or has the potential to cause, substantial damage or harm to people or property</p> <p>Proportion and number of notifications where the licensee <i>failed</i> to respond within 6 hours (2005–06 in parentheses):</p> <p>ActewAGL Distribution (electricity): 3% and 3 (35% and 28)</p> <p>ActewAGL Distribution (gas): 0% (0%)</p> <p>ACTEW Corporation: 0% (water) and 0% (sewerage) (0% for water and sewerage).</p>	<p>Full compliance for ActewAGL Distribution (gas), and ACTEW Corporation.</p> <p>High compliance for ActewAGL Distribution (electricity) (considerable improvement over 2005–06).</p>
	<p>b) Notification about other problems or concerns</p> <p>Proportion and number of other notifications where the licensee <i>failed</i> to respond within 48 hours (2005–06 in parentheses):</p> <p>ActewAGL Distribution (electricity): 0.17% and 9 (0.9% and 81)<sup>b</sup></p> <p>ActewAGL Distribution (gas): 6% and no number supplied (5.5% and 110)</p> <p>ACTEW Corporation (water): 19% and 4,455 (22% and 1,165)</p> <p>ACTEW Corporation (sewerage): 0.3% and 15 (0.3% and 15).</p>	<p>High compliance for ActewAGL Distribution (electricity) and ActewAGL Distribution (gas) and ACTEW Corporation for sewerage notifications.</p> <p>Moderate compliance for ACTEW Corporation for non-urgent water notifications.</p>
	<p>c) Proportion and number of other notifications where the licensee failed to respond within the timeframe specified in its response (2005–06 in parentheses):</p> <p>ActewAGL Distribution (electricity): not applicable (0)</p> <p>ActewAGL Distribution (gas): 6% and 102 (not reported)</p> <p>ACTEW Corporation (water): 1.7% and 77 (4% and 218)</p> <p>ACTEW Corporation (sewerage): 1% and 61 (1.7% and 83).</p>	<p>ActewAGL notes that there are no timeframes specified for reactive work. High compliance in other instances.</p>

Performance standard	Licenseses' compliance performance (2006–07) as reported	Commission comments
<i>Planned interruptions to utility services (standard 5)</i> <i>(applies only to gas and electricity distributors and water and sewerage utilities)</i>	<p>(1) Provision of two days notice</p> <p>Number and percentage of instances where the customer received insufficient or no notice (2005–06 in parentheses):</p> <p>ActewAGL Distribution (electricity): 145 and 12% (288 and 22%)</p> <p>ACTEW Corporation (water): 0 instances (13 and 3%)</p> <p>There were no planned interruptions for ActewAGL Distribution's gas network (planned meter replacements excepted) or ACTEW Corporation's sewerage network.</p> <p>(2) Restoration of supply</p> <p>There were 3 (6) instances in which ActewAGL Distribution (electricity) did not restore electricity within 12 hours.</p> <p>For the water distributor, there was no instance in which supply was not restored within 12 hours of the initial disruption.</p>	High compliance for ACTEW Corporation (water); not an issue for ActewAGL distribution (gas) in 2006–07; moderate compliance for ActewAGL Distribution (electricity).
<i>Unplanned interruptions to utility services (standard 6)</i> <i>(applies only to gas and electricity distributors, and water and sewerage utilities)</i>	<p>Instances and percentages in which supply was not restored within 12 hours (2005–06 in parentheses):</p> <p>ActewAGL Distribution (electricity): 13 and 1.6% (42 and 4.6%)</p> <p>ActewAGL Distribution (gas): 0% (0%)</p> <p>ACTEW Corporation (water): 0% (3 and 0.16%)</p> <p>ACTEW Corporation (sewerage): 3 and 0.15%; (3 and 0.16%)</p>	Full to high compliance

a Excludes complaints about water quality.

b 'Other notifications' refers to notification of problems that are not likely to affect public health, or cause or potentially cause substantial harm to a person or property.

Source: Licensed utilities' annual reports to ICRC.

### 3.8 Rebates payable for failure to meet minimum service standards

Table 3.3 summarises the payment of rebates for failure to meet minimum services standards in 2006–07. The amount of rebates paid in 2006–07 (\$8,600) was higher than the amount paid in the previous year (\$7,060). This is chiefly a result of increased rebates paid by ActewAGL Distribution (electricity)—152 during the year, valued at \$7,450, compared with 137 valued at \$6,530 for that utility the previous year. The Commission notes that the number of rebates is less than the number of complaints made. As in previous years, most rebate payments were made without the customer submitting a claim.

**Table 3.3 Payment of performance rebates, all licensees, 2006–07**

<b>Utility</b>	<b>No. of rebates paid (No. of claims made)</b>	<b>Value of rebates (\$)</b>	<b>Nature of incident</b>
ACTEW Corporation (water)	8 (3)	220	One case of no notice of outage; delayed response to complaints
ACTEW Corporation (sewerage)	0 (1)	0	
ActewAGL Distribution (electricity)	152 (1)	7,450	Vast majority were 'outage notice nil/too short'
ActewAGL Distribution (gas)	1 (0)	20	Late response
ActewAGL Retail (electricity)	35 (4)	770	Delayed response to complaints; one failure to notify of interruption to service
ActewAGL Retail (gas)	7 (0)	140	Late replies
<b>Totals</b>	<b>204 (8)</b>	<b>8,600</b>	

Source: Licensed utilities' 2006–07 annual reports to ICRC.

### **3.9 Ringfencing guidelines and compliance**

The Commission's ringfencing guidelines are binding on ActewAGL Distribution under its utility licence obligations. The guidelines also reflect policies and obligations applying to distribution networks under national regulatory instruments.

The guidelines place a number of obligations on the electricity and gas distributors for the legal, operational, physical and accounting separation of the monopoly distribution businesses from contestable retail activities. ActewAGL Distribution (electricity) and ActewAGL Distribution (gas) reported compliance with their ringfencing obligations and a high level of understanding among staff about those obligations.

ActewAGL Distribution advised the Commission of the specific measures carried out to ensure ringfencing compliance during 2006–07. These included:

- the implementation of appropriate procedures and policies
- staff training
- maintenance of a ringfencing issues register
- regular reporting of breaches, including of ringfencing obligations
- legal advice on potential ringfencing issues.

## 4 Financial performance

Financial performance information is provided for licensed energy retailers (for example, total revenue, customer characteristics, consumption, and average consumption, billing and costs), the ACT's sole electricity distributor (for example, revenue, operating costs and earnings), and the ACT's supplier of water and sewerage services (for example, revenue, consumption, operating costs and earnings).

### 4.1 Electricity distribution and regulatory accounts

ActewAGL Distribution is the regulated distributor of electricity to all customers in the ACT. Table 4.1 summarises ActewAGL Distribution's financial performance from 2003–04 to 2006–07. While total revenue in 2006–07 rose by 5% to \$120.6 million, total operating costs fell slightly to \$44.5 million, resulting in an increase in earnings before interest and tax to \$54.1 million.

Table 4.1 Revenue, costs and earnings, electricity distribution, ActewAGL Distribution, 2003–04 to 2006–07

	2003–04	2004–05	2005–06	2006–07
<b>Revenue (\$ million, nominal)</b>				
Network charges	104.9	103.6	109.6	114.4
Customer contributions	3.9	5.6	3.4	4.1
Other revenue	1.8	1.9	1.9	2.1
<b>Total revenue</b>	<b>110.7</b>	<b>111.1</b>	<b>114.9</b>	<b>120.6</b>
<b>Operating costs (\$ million, nominal)</b>				
Network operating costs	12.5	11.9	13.8	14.6
Network maintenance costs	9.1	9.5	11.2	12.0
Other costs <sup>a</sup>	17.7	19.6	20.2	17.9
<b>Total operating costs</b>	<b>39.3</b>	<b>41.0</b>	<b>45.2</b>	<b>44.5</b>
<b>Earnings and depreciation (\$ million, nominal)</b>				
Earnings before interest, tax, depreciation and amortisation	71.3	70.1	69.7	76.1
Depreciation	22.1	22.1	21.6	22.0
<b>Earnings before interest and tax (EBIT)</b>	<b>49.2</b>	<b>48.0</b>	<b>48.1</b>	<b>54.1</b>
Average regulatory asset base <sup>b</sup>	516.5	514.8	523.4	535.3
Pre-tax nominal return on assets (%) <sup>c</sup>	9.5	9.3	9.2	10.1

a. Other costs include costs such as operating the emergency call centre; system control; the apprentice training program; regulatory overheads; financial and executive management; and general network operations.

b. Average regulatory asset base determined by the Commission as part of the 2004 price review determination. (See ICRC, *Final decision: Investigation into prices for electricity distribution services in the ACT*, Report 6 of 2004.)

c. Return on assets = EBIT ÷ average regulatory asset base × 100.

Source: ActewAGL Distribution's annual reports to ICRC.

Table 4.2 summarises the financial performance indicators for network charges from 2003–04 to 2006–07. Total energy delivered in 2006–07 amounted to 2,799 GWh; 1,651 GWh, or nearly 60% of the total, was attributable to non-residential customers. Revenue from total network charges has risen steadily over recent years from \$104.9 million in 2003–04 to \$114.4 million in 2006–07, an increase of 9% over the four-year period. Figure 4.1 also shows network revenue levels for both residential and non-residential sectors over the same period. While revenue from the residential

sector was fairly flat at around \$43 million over the four years, non-residential revenue rose from around \$62 million to just over \$70 million.

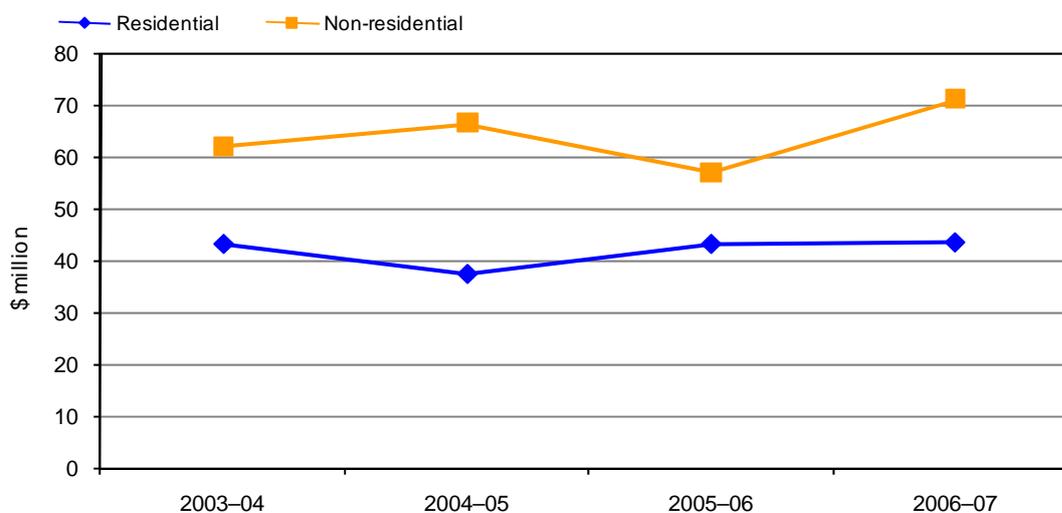
Table 4.2 Network charges, electricity distribution, ActewAGL Distribution, 2003–04 to 2006–07

	2003–04	2004–05	2005–06	2006–07
<b>Residential</b>				
Residential (\$ million, nominal)	43.1	37.2	43.1	43.4
Energy delivered (GWh)	1,101	1,119	1,180	1,148
Average charge (c/kWh)	3.9	3.3	3.7	3.8
<b>Non-residential</b>				
Non-residential (\$ million, nominal)	61.8	66.4	66.5	70.9
Energy delivered (GWh)	1,518	1,510	1,593	1,651
Average charge (c/kWh)	4.1	4.4	4.2	4.3
<b>Network charges—total (\$ million, nominal)</b>	<b>104.9</b>	<b>103.6</b>	<b>109.6</b>	<b>114.4</b>
<b>Energy delivered—total (GWh)</b>	<b>2,619</b>	<b>2,629</b>	<b>2,773</b>	<b>2,799</b>
<b>Average network charge (c/kWh)</b>	<b>4.0</b>	<b>3.9</b>	<b>4.0</b>	<b>4.1</b>

Note: The average charges provide a high-level basis for comparison only and do not represent actual tariff structures.

Source: ActewAGL Distribution's annual reports to ICRC.

Figure 4.1 Total network revenue, electricity distribution, ActewAGL Distribution, 2003–04 to 2006–07



Source: ActewAGL Distribution's annual reports to ICRC.

In 2006–07, the annual compliance and performance reporting process was also used to collect data on the regulatory accounts for ActewAGL Distribution's electricity business. This information is provided in table 4.3.

**Table 4.3 Regulatory accounts, electricity distribution, ActewAGL Distribution, 2006–07**

Item		Value	Notes
<b>Revenue (nominal \$000)<sup>a</sup></b>			
Network charges	Residential	43,424	Regulated
	Non-residential low-voltage	59,813	Regulated
	Non-residential high-voltage	11,125	Regulated
	Non-residential subtransmission	0	
	Total network charges	114,362	Regulated
Public lighting <sup>b</sup>		Not applicable	
Customer contributions		4,118	Regulated
Other distribution services		0	
<hr/>			
Profit from sale of assets	Gross sale proceeds	145	Regulated
	Book value of assets sold	0	
Other revenue (excludes community service obligations)		1,988	Regulated
<hr/>			
<b>Capital expenditure and additions to fixed assets (nominal \$000)</b>			
System assets	Subtransmission lines	719	Financial accounting value—includes zone substation assets (additions less write-offs)
	Distribution lines	23,373	Financial accounting value (additions less write-offs)
	Low-voltage supply	Not applicable <sup>c</sup>	
	Substations	7,328	Financial accounting value for distribution substations (additions less write-offs)
	Distribution transformers	Not applicable <sup>d</sup>	
	Meters	1,207	Financial accounting value (additions less write-offs). Note: meters are deemed 'excluded services' and do not form part of the regulated asset base.
	Communications		
	Land and easements		
	Buildings		
	Other system assets	516	Financial accounting value (additions less write-offs)
Total system assets	33,143	Financial accounting value (additions less write-offs)	
Public lighting		0	Financial accounting value (additions less write-offs)
Non-system assets		378	Financial accounting value (additions less write-offs) <sup>e</sup>

*Table continues*

Table 4.3 continued

Item	Value	Notes
<b>Capital expenditure on system assets by purpose (nominal \$'000)</b>		
Asset replacement	15,734	Financial accounting value (capex)
Demand related	16,732	Financial accounting value (capex)
Reliability and quality improvements	1,154	Financial accounting value for augmentation (capex) <sup>f</sup>
Environmental, safety and legal obligations		
Full retail contestability		
Other	2,656	Financial accounting value (capex)
<b>Depreciation (nominal \$000)</b>		
Current year depreciation charge	22,003	Financial accounting value (not regulatory)
Depreciation methodology used	Straight line	
<b>Weighted average remaining lives (years)</b>		
System assets	Not applicable <sup>g</sup>	
Non-system assets	Not applicable	
<b>Operating costs (nominal \$'000)</b>		
Network operating costs	14,592	Regulated
Network maintenance costs		
Inspection	2882	Regulated
Maintenance and repair	3,368	Regulated
Vegetation management	1,924	Regulated
Emergency response	3,804	Regulated
Other network maintenance	0	
Total network maintenance	11,978	Regulated
Other costs		
Meter reading	852	Regulated
Customer service	0	
Advertising and marketing	1,245	Regulated
Full retail contestability	0	
Other operating costs	4,626	Regulated
Corporate management fee	9,391	Regulated
Business services provided by ActewAGL Retail	1,782	Regulated
Total other costs	17,896	Regulated
Public lighting	0	
Total corporate overheads included in cost categories	16,180 <sup>h</sup>	Regulated

Item	Value	Notes
<b>Related party transactions (nominal \$'000)</b>		
Total value of related party transactions	2,962	

a Includes estimated unread meter sales.

b Public lighting charges are included in network charges.

c Included in 'Distribution lines' category.

d Included in 'Substations' category.

e Does not include electricity networks share of corporate assets.

f Augmentation works are for various reasons and are influenced by demand considerations.

g Lives by assets classes were determined and shown in the ActewAGL asset valuation which the Commission declined to recognise. The Commission opted to use an overall average life expectancy of 24 years in its last pricing determination (ICRC, *Final decision: Investigation into prices for electricity distribution services in the ACT*, Report 6 of 2004).

h Total charges from corporate for business support services and associated overheads.

Source: ActewAGL Distribution's annual reports to ICRC.

## 4.2 Electricity supply

Table 4.4 provides information about revenue, customer numbers, supply and electricity prices for the period from 2004–05 to 2006–07. Some of the key features that emerge from this table are as follows:

- Total revenue rose by 10.7% in 2006–07 to reach \$324 million, with the non-residential sector contributing nearly \$193 million, or 60% of the total.
- Total customer numbers rose by 1.4% during the year to just over 148,600, with residential customers contributing 137,016, or 92% of the total.
- The average cost of power for non-residential customers rose by 15.8% and was the main contributing factor to the sharp increase in overall revenue.

**Table 4.4 Revenue, customers, consumption and charges, electricity supply, ACT, 2004–05 to 2006–07**

	2004–05	2005–06	2006–07	Change (%) <sup>a</sup>
Revenue (\$ million, nominal)				
Residential	116.3	128.0	131.6	2.8
Non-residential	148.6	161.5	192.7	19.3
<b>Total revenue</b>	<b>264.9</b>	<b>289.5</b>	<b>324.3</b>	<b>12.0</b>
Customers (numbers)				
Residential	130,548	134,979	137,016	1.5
Non-residential	13,046	11,618	11,656	0.3
<b>Total customer numbers</b>	<b>143,594</b>	<b>146,597</b>	<b>148,672</b>	<b>1.4</b>
Consumption (GWh)				
Residential	1,134	1,162	1,156	-0.5
Non-residential	1,583	1,659	1,668	0.5
<b>Total consumption</b>	<b>2,717</b>	<b>2,821</b>	<b>2,824</b>	<b>0.1</b>

*Table continues*

Table 4.4 continued

	2004–05	2005–06	2006–07	Change (%) <sup>a</sup>
Average consumption/customer (MWh)				
Residential	8.7	8.6	8.4	-2.0
Non-residential	121.3	142.8	143.1	0.2
<b>Average consumption, all customers</b>	<b>18.9</b>	<b>19.2</b>	<b>19.0</b>	<b>-1.0</b>
Average total charge (\$)				
Residential	891	948	961	1.3
Non-residential	11,390	13,901	16,530	18.9
<b>Average total charge, all customers</b>	<b>1,845</b>	<b>1,975</b>	<b>2,181</b>	<b>10.5</b>
Average cost (\$/MWh)				
Residential	102.6	110.2	113.9	3.3
Non-residential	93.9	97.3	115.5	18.7
<b>Average cost, all customers</b>	<b>97.5</b>	<b>102.6</b>	<b>114.8</b>	<b>11.9</b>

a Change from 2005–06 to 2006–07.

Source: Licensed utilities' annual reports to ICRC.

### 4.3 Gas supply

Table 4.5 provides details on revenue, customer numbers, consumption levels and prices for gas for residential and non-residential customers from 2004–05 to 2006–07. Total revenue rose by 4.4% in 2006–07, to \$90.2 million, the result of an increase in the number of residential customers by about the same level. The 10.4% fall in the average consumption of gas was counteracted by an increase of 9.3% in the average price of gas.

Table 4.5 Revenue, customers, consumption and prices, gas supply, ACT, 2004–05 to 2006–07

	2004–05	2005–06	2006–07	Change (%) <sup>a</sup>
Revenue (\$ million, nominal)				
Residential	63.5	65.3	67.4	3.1
Non-residential	22.8	20.9	22.8	8.3
<b>Total revenue</b>	<b>86.3</b>	<b>86.2</b>	<b>90.2</b>	<b>4.4</b>
Customer numbers				
Residential	84,864	87,010	91,177	4.6
Non-residential	1,888	1,956	1,977	1.1
<b>Total customer numbers</b>	<b>86,752</b>	<b>88,966</b>	<b>93,154</b>	<b>4.5</b>
Consumption (TJ)				
Residential	4,187	4,335	4,196	-3.3
Non-residential	2,338	2,522	2,307	-9.3
<b>Total consumption</b>	<b>6,525</b>	<b>6,857</b>	<b>6,503</b>	<b>-5.4</b>
Average consumption per customer (GJ)				
Residential	49.3	49.8	46.0	-8.3
Non-residential	1,238.3	1,289.4	1,166.9	-10.5
<b>Average consumption, all customers</b>	<b>75.2</b>	<b>77.1</b>	<b>69.8</b>	<b>-10.4</b>
Average total charge per customer (\$)				
Residential	748	750	739	-1.6

	2004–05	2005–06	2006–07	Change (%) <sup>a</sup>
Non-residential	12,076	10,685	11,526	7.3
<b>Average total charge, all customers</b>	<b>994.8</b>	<b>968.9</b>	<b>967.9</b>	<b>-0.1</b>
Average cost per customer (\$/GJ)				
Residential	15.2	15.1	16.1	6.2
Non-residential	9.8	8.3	9.9	16.1
<b>Average cost, all customers</b>	<b>13.2</b>	<b>12.6</b>	<b>13.9</b>	<b>9.3</b>

a Change from 2005–06 to 2006–07.

Note: All dollar values in nominal terms.

Source: Licensed utilities' annual reports to ICRC.

## 4.4 Water and sewerage services

Water and sewerage services in the ACT are provided by ACTEW Corporation and managed by the ActewAGL joint venture.

Table 4.6 provides information on ACTEW Corporation's revenue, expenses and pre-tax rate of return on assets for its water and sewerage services. It is not readily possible to compare the corporation's rate of return on assets, as calculated using its public accounts, with the figure used by the Commission in its price determination. This is, in part, because the Commission uses an economic valuation of the water and sewerage assets, whereas ACTEW Corporation bases the rate of return it reports in its annual financial statements on its accounting values. Also, the Commission determines a weighted average cost of capital based on financial market conditions. In addition, the accounting values used to calculate ACTEW Corporation's profits often take into account some of the corporation's unregulated business ventures. As a result, a number of different rates of return for ACTEW Corporation have been quoted in the media, but not all are comparable to the Commission's approved rate of return for the corporation.

For purposes of regulating the monopoly services provided by ACTEW Corporation, the Commission uses its determined regulatory asset base valuation, shown as the 'average asset base' in table 4.6.

**Table 4.6 Regulated revenue and expenses, water and sewerage, ACTEW Corporation, 2002–03 to 2006–07**

	\$ million (nominal)				
	2002–03	2003–04	2004–05	2005–06	2006–07
Water revenue	60.5	54.8	55.9	67.9	66.6
Sewerage revenue	60.5	64.2	68.7	73.1	75.6
Commonwealth subvention payments <sup>a</sup>	8.6	8.9	9.1	9.3	9.4
Recovery of ACT Government charges <sup>b</sup>	6.0	7.7	9.6	13.1	25.4
Other regulated revenue	Not available	Not available	1.1	1.1	1.5
<b>Total revenue</b>	<b>135.6</b>	<b>135.6</b>	<b>144.4</b>	<b>164.5</b>	<b>178.5</b>
Payment of ACT Government charges	6.0	7.7	9.6	13.1	27.9
Administration	4.4	5.1	4.4	4.2	5.2
Depreciation	20.3	20.0	20.9	21.9	22.5
Project-related expenses	55.3	61.3	62.1	67.9	72.6
Other expenses	3.1	2.1	2.5	3.0	3.4
<b>Total expenses</b>	<b>89.1</b>	<b>96.2</b>	<b>99.5</b>	<b>110.1</b>	<b>131.6</b>
<b>Profit before tax</b>	<b>46.5</b>	<b>39.4</b>	<b>44.9</b>	<b>54.4</b>	<b>46.9</b>
Average asset base	837.0	853.5	887.9	912.7	1,066.0
Pre-tax rate of return on regulated asset values (%)	5.6	4.6	5.1	6.0	4.4

a The Australian Government provides financial assistance to ACTEW Corporation to offset increased costs.

b This is a recovery of the Water Abstraction Charge and the Utilities Network Facilities Tax levied by the ACT Government. This tax was introduced during 2006–07, but recovery did not begin until 2007–08. As a result, the offset item (Payment of ACT Government Charges) was higher in 2006–07 than the recovery of those charges with the corresponding tax charge amount being recovered from customers in 2007–08.

Source: ACTEW Corporation's annual reports to ICRC.

Table 4.6 shows that in 2006–07 profit before tax fell by nearly 14%, to \$46.9 million, over the preceding year as a result of a sharp increase in overall expenses of \$21.5 million, outpacing a rise in revenue of \$14.0 million. Revenue rose mainly due to higher regulated water and sewerage prices and higher levels of water consumption.

The water tariffs applied by ACTEW have also been increased to allow recovery of primarily fixed costs which have continued to be incurred despite reduced water consumption in severe drought conditions. There have also been significant increases in costs associated with the repair work undertaken in catchment areas following the 2003 bushfires.

#### **4.4.1 Water supply**

Table 4.7 shows the components of ACTEW Corporation's water supply revenues and average charges from 2002–03 to 2006–07. The charges are broken down into three categories: volumetric, supply and miscellaneous.

**Table 4.7 Revenue and capital expenditure, water services, ACTEW Corporation, 2002–03 to 2006–07**

	2002–03	2003–04	2004–05	2005–06	2006–07
Number of properties	130,027	131,991	133,431	135,462	137,853
Volume of water (kL)	54,895,668	43,526,595	43,466,958	47,790,980	45,536,396
Revenue (\$ million, nominal)					
Volumetric charge	40.0	33.6	42.1	53.3	56.6
Supply charge	15.5	16.5	9.6	9.8	10.4
Miscellaneous services	0.2	0.3	0.8	0.7	0.7
<b>Total revenue</b>	<b>55.7</b>	<b>50.4</b>	<b>52.5</b>	<b>63.8</b>	<b>67.7</b>
Average charges					
Volumetric charge (\$/kL)	0.7	0.8	1.0	1.1	1.2
Supply charge (\$/property)	119.2	125.0	71.9	72.3 <sup>a</sup>	75.4
Overall total charge (\$/property)	428.4	381.8	393.5	471.0	490.9

a This is less than \$75—the supply charge set in the Commission's determination (ICRC, *Final report and price direction: Investigation into prices for water and sewerage services in the ACT*, Report 8 of 2004)—because pensioners obtain a discount.

Note: Figures are taken from ACTEW Corporation's 2004–05, 2005–06 and 2006–07 water and sewerage tariff proposals to the Commission and, as such, are not the same as figures in table 2.9 and elsewhere that are based on ACTEW Corporation reports on performance.

Source: ACTEW Corporation's annual reports and information supplied to ICRC.

Despite the supplied volume of water decreasing by just under 5%, from 47,790 ML in 2005–06 to 45,536 ML in 2006–07, ACTEW Corporation's total water supply revenue increased by 6.1% to \$67.7 million in 2006–07. The main contributor to the increase was the volumetric charge, which rose by \$3.3 million, or 6.2%, with a small contribution from the supply charge.

#### 4.4.2 Sewerage services

Sewerage services consist of two fixed charges: one for residential properties (the supply charge), and one for non-residential properties (the fixtures charge). Table 4.8 shows that in 2006–07 ACTEW Corporation's sewerage services revenue increased by nearly 4%. Revenues have increased each year since 2002–03, reflecting growth in the customer base. The number of billable fixtures rose by 10% in 2006–07.

**Table 4.8 Property numbers, revenue, sewerage services, ACTEW Corporation, 2002–03 to 2006–07**

	2002–03	2003–04	2004–05	2005–06	2006–07
Number of properties	125,824	131,870	129,489	132,706	134,118
Number of billable fixtures	46,821	46,431	46,978	50,396	55,430
Revenue (\$ million, nominal)					
Supply charge	43.7	46.7	50.5	53.0	53.2
Fixtures charge	14.8	17	17.2	19.2	21.6
Miscellaneous services	0.0	0.3	0.3	0.2	0.3
<b>Total revenue</b>	<b>58.5</b>	<b>64.0</b>	<b>68.0</b>	<b>72.4</b>	<b>75.1</b>
Average charges					
Supply charge (\$/property)	347	354	390	399	397
Fixtures charge (\$/fixture)	316	366	366	381	390

Note: The data in this table are based on financial information provided by ACTEW Corporation for its annual pricing proposal (ICRC, *Water and wastewater discussion paper 3: Prices*, Report 8 of 2007, August 2007, table 5).

Source: ACTEW Corporation information provided to ICRC.



## 5 Customer service performance

Customer service is primarily concerned with customer complaints, network service quality and call centre performance.

This chapter presents information on licensees' customer service performance and compares it to previous periods. The collection of customer service data supports the establishment of a base of information on the operation of the market, and subjects the performance of utilities to regulatory, customer and public scrutiny.

The performance measures considered in this chapter cover:

- customer complaints
- reliability of services
- the efficiency of call centre services.

### 5.1 Customer complaints

#### 5.1.1 All utilities

The ACT's Consumer Protection Code establishes a range of minimum service standards which apply to suppliers of utility services in the ACT. Customer service indicators cover timely provision of service, call centre performance, and complaints. A complaint is defined as any expression of dissatisfaction with an action, proposed action or failure to act, or about a product or service offered or provided by the licensee, where a response by the service provider is explicitly or implicitly expected. Complaints do not include general enquiries or requests for advice.<sup>14</sup>

Material relating to compliance with the Consumer Protection Code's minimum service standard 3 (acknowledging and responding to complaints within the timeframes set out in the minimum service standard) appears in chapter 3 of this report.

Table 5.1 compares numbers of complaints across all licensed utilities in 2005–06 and 2006–07, and categorises the most common complaints made in 2006–07. In the gas supply sector, complaints about billing and affordability were the most common (70% of total complaints). In the water and sewerage sector, complaints about water quality were the most common (34% of total complaints). Complaints relating to service interruptions, particularly failure to provide notice or providing inadequate notice to supply interruptions, were the most common in relation to electricity distribution (35% of total complaints).

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<sup>14</sup> From 1 July 2005, service standard 3 (on responding to written complaints) was extended to include verbal complaints, which were not previously captured. This resulted in the recording of a larger number of complaints from 2005–06 than previously. The figures and trends in this report must be viewed against the background of the 2005 change.

**Table 5.1 Complaints, ACT utilities, 2005–06 and 2006–07**

Licensee	Complaints per 1,000 customers		Most common complaints in 2006–07	
	2005–06	2006–07	Nature	Proportion of total (%)
ActewAGL Distribution (electricity)	5.8	5.2	Notices about interruption of supply	35
ActewAGL Distribution (gas)	1.4	0.2	Other	69
ACT electricity suppliers	3.5	4.6	Other	52
ACT gas suppliers	1.2	3.1	Billing and affordability	70
ACTEW Corporation (water & sewerage)	8.4	3.0	Water quality	34

Source: Licensed utilities' annual reports to ICRC.

### 5.1.2 Electricity distribution

Table 5.2 details utilities' responses on call centre performance and customer complaints during 2006–07.<sup>15</sup> Sixty-three per cent of the 817 complaints registered for the year fell into two main categories: failure to provide notice or provision of insufficient notice; and administrative service.

**Table 5.2 Customer service, electricity distribution, ActewAGL Distribution, 2006–07**

Indicator	Response
<b>Call centre performance</b>	
How many ACT customers made calls to the licensee's call centre in 2006–07?	66,065
How many calls were answered within 30 seconds?	41,304
What was the average waiting time before a call was answered by a person?	32 seconds
How many calls were abandoned before being answered by a person?	13,960
How many overload events occurred?	23
<b>Customer complaints</b>	
What was the total number of customer complaints received by the licensee in 2006–07?	817
Of the complaints received in 2006–07, how many related to:	
Reliability of supply?	17
Technical quality of supply?	21
Administrative process or customer service?	232
Property damage/restoration of property?	123
Connections?	4
Metering/meter reading?	9
Failure to provide notice or provision of insufficient notice?	285
Other network operations?	86
Other?	40

Source: ActewAGL Distribution's 2006–07 annual report to ICRC.

Table 5.3 details the nature of complaints and their levels from 2003–04 to 2006–07. During 2006–07, ActewAGL Distribution received 817 complaints (898 in 2005–06), equating to 5.2

<sup>15</sup> Material relating to network operations complaints concerning minimum notice requirements and restoration of property also appears in chapter 3 of this report.

complaints for every 1,000 customers for the year, a significant decrease on the level of 5.8 the previous year.

**Table 5.3 Complaints, electricity distribution, ActewAGL Distribution, 2003–04 to 2006–07**

Nature of complaint	2003–04	2004–05	2005–06	2006–07
	No./1,000 customers	No./1,000 customers	No./1,000 customers	No./1,000 customers
Customer service	1.1	0.43	1.85	1.48
Notices	1.23	1.78	1.53	1.82
Property damage/restoration of property	0.5	0.48	0.74	0.79
Reliability of supply	0.22	0.12	0.49	0.11
Other network operations	0.88	1.51	0.41	0.55
Technical quality of supply	0.04	0.03	0.06	0.13
Other	0.27	1.48	0.72	0.34
<b>Total complaints</b>	<b>4.24</b>	<b>5.83</b>	<b>5.81</b>	<b>5.23</b>
<b>Proportion (%)</b>	<b>%</b>	<b>%</b>	<b>%</b>	<b>%</b>
Customer service	25.8	7.3	31.8	28.4
Notices	28.9	30.5	26.4	34.9
Property damage/restoration of property	11.8	8.2	12.8	15.1
Reliability of supply	5.2	2	8.5	2.1
Other network operations	20.8	26	7	10.5
Technical quality of supply	1.0	0.6	1.0	2.6
Other	6.5	25.4	11.1	6.5
<b>Total</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>

Source: ActewAGL Distribution's annual reports to ICRC.

The main category of complaints in 2006–07 was 'Notices', accounting for nearly 35% of all complaints. 'Customer service' complaints, as a percentage of the total, fell slightly, from 31.8% in 2005–06 to 28.4% in 2006–07. Complaints about technical quality of supply (2.6%) and reliability of supply (2.1%) were at the bottom end of the scale.

### 5.1.3 Electricity supply

Table 5.4 shows that the number of electricity supply complaints has increased each year since 2003–04, rising from 0.86 per 1,000 customers in 2003–04 to 4.65 in 2006–07. The increase over that time has coincided with increased activity in the competitive electricity market.

Table 5.4 Complaints, electricity supply, ACT suppliers 2003–04 to 2006–07

Nature of complaint	2003–04	2004–05	2005–06	2006–07
	No./1,000 customers	No./1,000 customers	No./1,000 customers	No./1,000 customers
Marketing	not available	0.42	1.78	1.24
Billing	0.37	0.28	0.57	0.98
Other	0.49	0.47	1.12	2.43
<b>Total</b>	<b>0.86</b>	<b>1.17</b>	<b>3.47</b>	<b>4.65</b>
Proportion (%)	%	%	%	%
Marketing	not available	36	51	27
Billing	43	24	16	21
Other	57	40	32	52
<b>Total</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>

Source: Licensed utilities' annual reports to ICRC.

Marketing complaints accounted for 27% of the ACT's electricity retail complaints during the year, a significant decrease on the level of 51% the previous year. However, 'Other' complaints (generally customer service complaints) increased from 32% in 2005–06 to 52% in 2006–07.

While the number of complaints received by ACT suppliers has increased significantly over recent years, it remains low compared with other jurisdictions. Each jurisdiction's regulatory framework has an impact not only on the way utilities handle complaints, but also on the number of complaints utilities receive. For example, ACT customers with hardship or billing complaints can lodge them directly with the Essential Services Consumer Council, rather than with the utility. This, and gradually emerging competition in the ACT energy market, may partly explain the continuing relatively low ratio of electricity retail complaints in the ACT.

#### 5.1.4 Gas distribution

In 2006–07, ActewAGL Distribution received 16 complaints: five were about administrative processes or customer service, a further five concerned connection problems, and four were about quality and reliability of supply. One complaint concerned the times at which network operations could be carried out within a private building. The remaining complaint was addressed to ActewAGL but concerned a private gas contractor and was unrelated to ActewAGL network matters. Table 5.5 shows the number of complaints per 1,000 customers and the proportion within the main groups.<sup>16</sup>

<sup>16</sup> Material relating to network operations complaints concerning minimum notice requirements and restoration of property also appears in chapter 3 of this report.

**Table 5.5 Complaints, gas distribution, ActewAGL Distribution, 2003–04 to 2006–07**

Nature of complaint	2003–04	2004–05	2005–06	2006–07
	No./1,000 customers	No./1,000 customers	No./1,000 customers	No./1,000 customers
Metering and meter reading	0.64	0.60	0.83	0.00
Connections	0.17	0.07	0.21	0.05
Property damage and site restoration	0.08	0.21	0.16	0.00
Contractor performance	0.17	0.00	0.00	0.00
Other	0.25	0.10	0.16	0.12
<b>Total</b>	<b>1.30</b>	<b>0.98</b>	<b>1.37</b>	<b>0.17</b>
<b>Proportion (%)</b>	<b>%</b>	<b>%</b>	<b>%</b>	<b>%</b>
Metering and meter reading	49.1	60.9	60.8	0.0
Connections	12.7	6.9	15.2	31.3
Property damage and site restoration	6.4	21.8	12.0	0.0
Contractor performance	12.7	0.0	0.0	0.0
Other	19.1	10.3	12.0	68.8
<b>Total</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>

Source: ActewAGL Distribution's annual reports to ICRC.

ACT gas suppliers received 3.1 complaints for every 1,000 customers in 2006–07, an increase of 156% from the previous year (table 5.6). Complaints were primarily about billing and affordability (70.5%) and marketing (17%).

**Table 5.6 Complaints, issues, gas supply, ACT suppliers, 2003–04 to 2006–07**

Nature of complaint	2003–04	2004–05	2005–06	2006–07
	No./1,000 customers	No./1,000 customers	No./1,000 customers	No./1,000 customers
Billing and affordability	0.30	1.20	0.86	2.18
Marketing	not available	0.03	0.04	0.53
Other	1.40	1.10	0.31	0.39
<b>Total</b>	<b>1.70</b>	<b>2.33</b>	<b>1.21</b>	<b>3.09</b>
<b>Proportion (%)</b>	<b>%</b>	<b>%</b>	<b>%</b>	<b>%</b>
Billing and affordability	19.7	49.5	71.3	70.5
Marketing	not available	1.5	3.1	17.0
Other	80.3	49.0	25.6	12.5
<b>Total</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>

Note: ActewAGL Retail only; includes Queanbeyan.

Source: Licensed utilities' annual reports to ICRC.

### 5.1.5 Water and sewerage

In 2006–07, ACTEW Corporation received 413 complaints, well down on the 1,149 complaints the previous year. The number of complaints in 2006–07 equates to 3.0 complaints per 1,000 customers and is a significant decrease on the 2005–06 level of 8.4. Table 5.7 summarises the complaints related to water and sewerage services received by ACTEW Corporation in 2006–07 and the two preceding years.

**Table 5.7 Complaints, water and sewerage services, ACTEW Corporation, 2004–05 to 2006–07**

	2004–05	2005–06	2006–07
<b>Nature of complaint</b>	<b>No./1,000 customers</b>	<b>No./1,000 customers</b>	<b>No./1,000 customers</b>
Water quality	2.6	6.2	1.0
Property damage and site restoration	0.6	0.7	0.4
Sewerage services	0.1	0.3	0.2
Metering/meter reading	0.1	0.3	0.3
Other—networks	1.0	0.2	0.3
Water supply reliability	0.3	0.2	0.2
Billing and affordability	0.2	0.2	0.4
Other—retail	0.1	0.1	0.1
Notices	0.2	0.1	0.1
<b>Total</b>	<b>5.0</b>	<b>8.4</b>	<b>3.0</b>
<b>Proportion (%)</b>	<b>%</b>	<b>%</b>	<b>%</b>
Water quality	51.1	74.1	34.1
Property damage and site restoration	11.6	8.6	14.3
Sewerage services	1.1	3.8	5.8
Metering/meter reading	1.7	3.6	9.7
Other—networks	19.3	2.9	10.9
Water supply reliability	5.4	2.3	5.8
Billing and affordability	4.5	2.2	15.0
Other—retail	0.8	1.3	2.2
Notices	4.3	1.2	2.2
<b>Total</b>	<b>100</b>	<b>100</b>	<b>100</b>

Source: ACTEW Corporation's annual reports to ICRC.

In 2006–07, the number of complaints decreased for most categories, in particular for ‘Water quality’. The decline in the number of complaints is notable, because from 2005–06 the definition of ‘complaint’ included verbal as well as written complaints.

‘Water quality’ accounted for 34% of complaints received in 2006–07 and was also the main category of complaint for the two earlier years. The categories of ‘Billing and affordability’ and ‘Property damage’ also featured among the main complaint categories.

## 5.2 Reliability of services

### 5.2.1 Electricity distribution

During 2006–07, ActewAGL Distribution made 3,093 new physical connections (2.0% of its customer base of 156,359), and reported that all new connections were made on or before the date agreed with the customer.

ActewAGL Distribution provided information on the reliability of electricity supply for:

- overall interruptions—all sustained interruptions, including transmission, directed load shedding, planned and unplanned interruptions
- planned interruptions

- unplanned interruptions, excluding transmission outages and directed load shedding
- normalised unplanned interruptions—interruptions that did not exceed a threshold system average interruption duration index (SAIDI) of three minutes, or were not caused by exceptional natural or third-party events, or were such that the distributor could not reasonably be expected to mitigate the effect of the event by prudent asset management.

Typically, three indicators are used to measure network performance: SAIDI, SAIFI and CAIDI:

- SAIDI measures the total number of minutes in a given year, on average, that a customer on a distribution network is without electricity.
- SAIFI (system average interruption frequency index), measures the average number of interruptions per customer per year.
- CAIDI (the customer average interruption duration index) measures the average duration of each interruption in minutes.

Table 5.8 provides the annual performance figures for planned interruptions for ActewAGL Distribution's rural and urban feeders for the past three reporting years.

**Table 5.8** Planned interruptions, performance indices, electricity distribution, ActewAGL Distribution, 2004–05 to 2006–07

Index	2004–05	2005–06	2006–07
<b>SAIDI</b> (average minutes per customer per year without power)			
Urban	47.1	49.8	52.2
Rural	31.4	49.5	31.6
<b>Network total</b>	<b>46.6</b>	<b>49.5</b>	<b>51.4</b>
<b>SAIFI</b> (average number interruptions per customer per year)			
Urban	0.2	0.2	0.2
Rural	0.2	0.2	0.1
<b>Network total</b>	<b>0.2</b>	<b>0.2</b>	<b>0.2</b>
<b>CAIDI</b> (average duration in minutes per interruption)			
Urban	215.9	216.5	243.4
Rural	204.5	206.1	225.3
<b>Network total</b>	<b>215.5</b>	<b>215.2</b>	<b>243.0</b>

Source: ActewAGL Distribution's annual reports to ICRC.

Table 5.9 shows performance information for unplanned interruptions for 2004–05 to 2006–07. Compared with the preceding year, the duration of outages (SAIDI) for urban customers decreased overall (from an average 44.1 minutes in 2005–06 to 32.2 minutes in 2006–07), but increased significantly for rural short feeders (from 42.9 minutes in 2005–06 to 70.7 minutes in 2006–07). The decrease in the SAIDI level for the overall network probably reflects a return to more normal conditions than those that applied in 2005–06, when a severe storm in December 2005 resulted in several extended outages (ActewAGL attributed 34 of the 42 unplanned outages that lasted more than 12 hours to the storm). The frequency of outages decreased both for urban feeders and for rural feeders (SAIFI). There was an increase in the average duration of outages for rural feeders (CAIDI) and a decrease for urban feeders. The average duration of outages for the network as a whole remained virtually constant at 54.7 minutes, compared to the previous year's level of 55.1 minutes.

Table 5.9 Unplanned interruptions, performance indices, electricity distribution, ActewAGL Distribution, 2004–05 to 2006–07

Index	2004–05	2005–06	2006–07
<b>SAIDI</b> (average minutes per customer per year without power)			
Urban	28.6	45.5	30.7
Rural	93.5	42.9	70.7
<b>Network total</b>	<b>31.0</b>	<b>44.1</b>	<b>32.2</b>
<b>SAIFI</b> (average number interruptions per customer per year)			
Urban	0.5	0.8	0.6
Rural	2.2	2.9	0.6
<b>Network total</b>	<b>0.6</b>	<b>0.8</b>	<b>0.6</b>
<b>CAIDI</b> (average duration in minutes per interruption)			
Urban	52.7	59.8	52.3
Rural	43.3	15.0	113.5
<b>Network total</b>	<b>51.5</b>	<b>55.1</b>	<b>54.7</b>

Source: ActewAGL Distribution's annual reports to ICRC.

## 5.2.2 Gas distribution

Table 5.10 shows ActewAGL Distribution's supply reliability performance from 2003–04 to 2006–07. ActewAGL Distribution reported 1.33 unplanned interruptions (in which five or more customers lost supply) per 1,000 customers in 2006–07. The number of interruptions per 1,000 customers was low throughout the period, although the total hours 'off supply' during the year, at 2.22, was high compared with previous years.

Table 5.10 Unplanned interruptions, frequency and duration, gas distribution, ActewAGL Distribution, 2003–04 to 2006–07

	2003–04	2004–05	2005–06	2006–07
Number of interruptions per 1,000 customers	1.00	0.00	0.02	1.33
Total hours off supply per 1,000 customers <sup>a</sup>	0.9	0.0	0.0	2.2

a Interruptions affecting five or more customers.

Source: ActewAGL Distribution's annual reports to ICRC.

### *Mechanical damage incidents*

In 2006–07, there were 196 mechanical or third-party damage incidents to ActewAGL Distribution's medium-pressure system mains and services. No mechanical damage incident was reported for the high-pressure system.

While performance against this indicator is largely beyond the control of the distributor, there are measures that a utility can take to reduce the potential for damage—for example, encouraging members of the public to 'dial before digging'.

### *Gas leaks*

The number of gas leaks identified on a distributor's network is used as a measure of the network's integrity and the effectiveness of the distributor's maintenance strategies. Such factors as the distributor's renewal programs, the condition of the assets and the extent and effectiveness of

leakage surveys, as well as seasonal and environmental factors, influence this measure. Leakages are identified mainly by members of the public or through distributors' leakage surveys.

In 2006–07, members of the public reported 897 gas leaks on ActewAGL Distribution's gas network. This is a decrease of 15% on the previous year's level of 1,060 and continues the decline from 2003–04. All reported gas leaks related to the medium-pressure system; none involved the high-pressure system. Table 5.11 shows trends in the incidence of reported gas leaks for the four years to the end of June 2007, as a proportion of customers and of kilometres of pipe.

Table 5.11 Reported leaks, gas distribution, ActewAGL Distribution, 2003–04 to 2006–07

	2003–04	2004–05	2005–06	2006–07
Number of reported leaks	767	1,140	1,060	897
Leaks per 1,000 customers	9.1	12.9	11.6	9.5
Leaks per 1,000 km of pipe	241	315	294	242

Source: ActewAGL Distribution's annual reports to ICRC.

### 5.2.3 Water supply

#### *Planned interruptions*

ACTEW Corporation reported 170 planned interruptions to water supply affecting 4,958 properties in 2006–07 (see table 5.12). These exclude interruptions for the replacement of water meters. Most of these outages were needed because of new subdivisions or large connections to water mains and service line repairs.

The average total outage time for customers in 2006–07 of just over 2 minutes compares with nearly 3 minutes the previous year and 1.24 minutes in 2004–05, with no discernible trend.

Table 5.12 Planned interruptions, frequency and duration, water supply, ACTEW Corporation, 2002–03 to 2006–07

	2002–03	2003–04	2004–05	2005–06	2006–07
Total number of interruptions <sup>a</sup>	19	24	66	144	170
Average duration of outages (minutes per property)	116	89	24	71	27
Average number of interruptions per 1,000 properties	0.1	0.2	0.5	1.0	1.2
Total outage time experienced by an average customer (minutes per property)	0.02	0.02	1.24	2.90	2.06

a Excludes interruptions for water meter replacements.

Source: ACTEW Corporation's annual reports to ICRC.

#### *Unplanned interruptions*

In 2006–07, ACTEW Corporation experienced 727 unplanned interruptions, down on 798 the previous year but up slightly on the level in 2004–05 (see table 5.13).

**Table 5.13 Unplanned interruptions, frequency and duration, water supply, ACTEW Corporation, 2002–03 to 2006–07**

	2002–03	2003–04	2004–05	2005–06	2006–07
Total number of unplanned interruptions	780	787	713	798	727
Average water supply interruption duration (minutes)	96	120	84	99	108
Average number of interruptions per 1,000 properties	5.5	5.6	5.1	5.7	5.2
Total interruption time experienced by an average customer (minutes per property)	0.5	18.0	30.6	34.2	0.6

Source: ACTEW Corporation's annual reports to ICRC.

#### 5.2.4 Sewerage services

Planned work on the sewerage system does not usually mean that customers lose the use of facilities such as toilets or sinks. During planned work, it is usually possible to divert flow from the customer's premises so that there is minimal inconvenience to the customer. Customers are asked to reduce water use on the day that the work is carried out, and the work is usually completed by close of business.

Unplanned interruptions are usually the result of blockages in customer drains or in the sewer main, resulting in sewage spills onto customers' properties or into their buildings. This often impairs the customers' ability to dispose of sewage. A blocked main usually affects only a small number of properties.

Although the number of unplanned interruptions to sewerage services increased to 1,985 in 2006–07, it remained well down on the 2,777 recorded in 2004–05. Table 5.14 shows that the 2006–07 level was equivalent to 14.2 unplanned interruptions per 1,000 properties. The average duration of outages and the total outage time experienced by an average customer both increased slightly compared to 2004–05.

**Table 5.14 Unplanned interruptions, frequency and duration, sewerage services, ACTEW Corporation, 2002–03 to 2006–07**

	2002–03	2003–04	2004–05	2005–06	2006–07
Total number of interruptions	2,505	2,394	2,777	1,847	1,985
Average sewerage service interruption duration (minutes)	127.8	not available	31.8	137.4	150.0
Average number of outages per 1,000 properties	17.9	17.1	19.9	13.2	14.2
Total interruption time faced by average customer (minutes)	2.4	not available	0.6	1.8	2.1

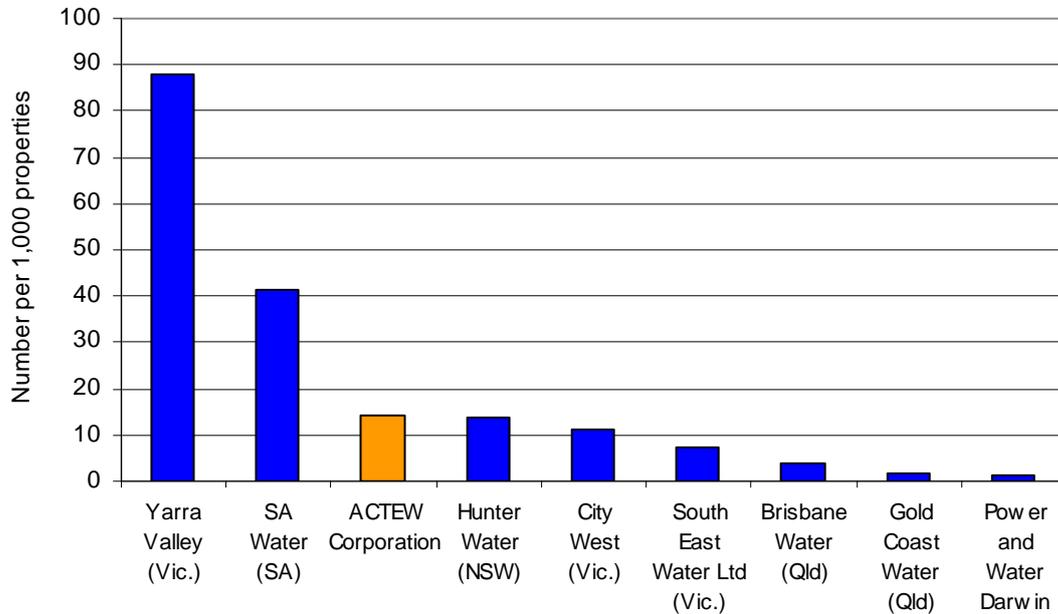
Source: ACTEW Corporation's annual reports to ICRC.

There were 3,363 sewer main breaks and chokes in 2006–07; of those, 3,035, or 90%, were estimated by ACTEW to have been caused by tree roots. This is significantly higher than for sampled utilities in other parts of Australia. During the year, there were an additional 2,004 property connection sewer breaks and chokes, the vast majority of which (1,708, or 85%) were also attributed to tree roots.

ACTEW Corporation attributes the high incidence of sewer overflows to problems with tree roots. The problem is worse in Canberra than in some other cities because of extensive plantings on

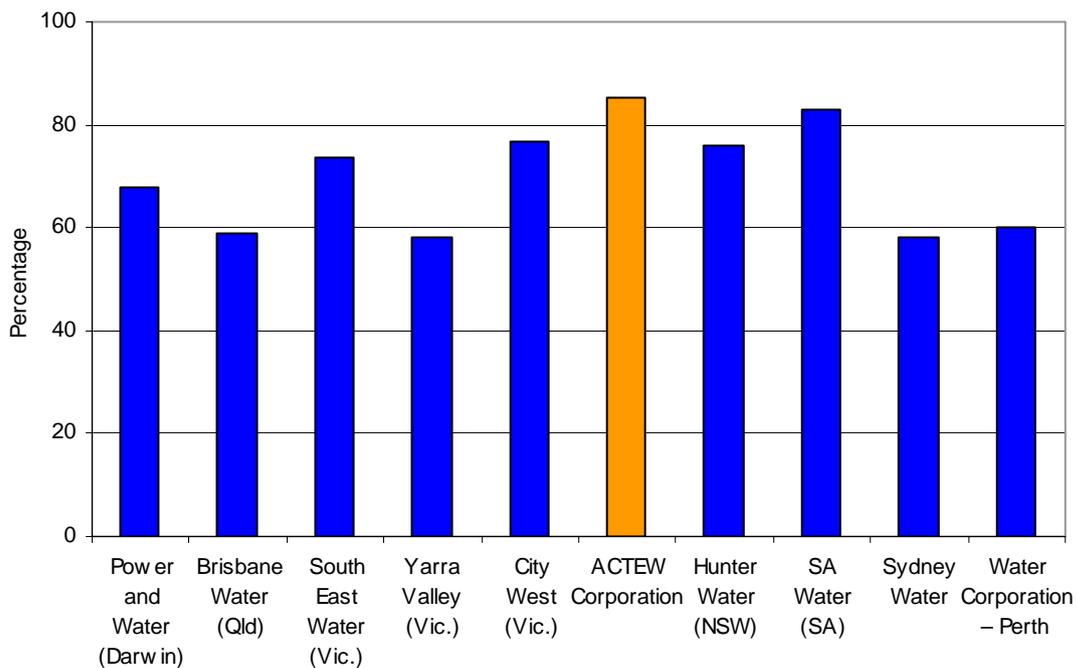
Canberra's nature strips, a relatively low average rainfall (compared to other major Australian cities) and an extended period of drought. Figure 5.1 shows the number of sewer main breaks and chokes across selected utilities during 2006–07. Figure 5.2 compares property connection sewer chokes and breaks caused by tree roots across jurisdictions.

Figure 5.1 Sewer main breaks and chokes per 1,000 properties, 2006–07



Source: Water Services Association of Australia, *National Performance Report, 2006–07*, urban water utilities.

Figure 5.2 Property connection sewer breaks and chokes caused by tree roots (%), selected utilities, 2006–07



### 5.3 Call centre performance

Telephone responsiveness is one of several indicators used to measure the quality of customer service. Table 5.15 summarises call centre performance for all ACT utilities.

In the ACT, ActewAGL Retail (electricity) and ACTEW Corporation share a call centre for retail enquiries. Call centres for other ACT retailers are provided either on a national basis or for combined ACT and New South Wales regions, and separate ACT data have not been reported. The network operators—ACTEW Corporation, ActewAGL Distribution (gas) and ActewAGL Distribution (electricity)—have separate call centres and separate numbers for general and emergency network enquiries and notifications. ACTEW Corporation also has a drought advisory line.

Call centre performance for ACT licensees varied significantly, both between and within utility sectors. It is difficult to draw overall conclusions about relative performance because of the differences in the types of services that utilities provide, the nature of the call centres, and the types of calls made to the various call centres.

There was no discernible change in the performance levels between 2005–06 and 2006–07 for ActewAGL electricity distribution. For ActewAGL retail electricity, 69% of calls were answered within 30 seconds. However, average waiting time increased to 91 seconds. Four per cent of all calls to ACTEW Corporation’s call centre were abandoned in 2006–07, the same as the previous year.

Average waiting time was highest for ActewAGL Retail (gas) and lowest for ACTEW’s emergency call centre.

Table 5.15 Call centre performance, all ACT utilities, 2005–06 and 2006–07

Licensee	2005–06			2006–07		
	Calls answered within 30 seconds (%)	Average waiting time (seconds)	Calls abandoned before being answered (%)	Calls answered within 30 seconds (%)	Average waiting time (seconds)	Calls abandoned before being answered (%)
ActewAGL Distribution (electricity)	60	34	22	63	32	21
ActewAGL Retail (electricity)	82	57	2	69	91	7
Country Energy (gas and electricity)	77	22	4	76	28	5
EnergyAustralia (electricity)	66	63	4	60	63	4
TRUenergy (electricity)	99	not available	1	81	35	3
EnergyAustralia (gas)	66	57	2	60	63	4
ActewAGL Retail (gas)	77	45	3	64	107	7
ACTEW Corporation						
Non-emergency call centre	85	45	3	not available	49	3
Emergency call centre	77	29	4	77	23	4

Source: Licensed utilities’ 2005–06 and 2006–07 annual reports to ICRC.

### 5.3.1 Electricity distribution

In 2006–07, ActewAGL Distribution’s call centre received 66,065 calls and answered 63% of them within 30 seconds, similar to the previous year’s level. In 2006–07, 21% of calls to ActewAGL Distribution were classed as ‘abandoned’, although that figure probably includes calls from customers whose query may have been answered by a recorded message (that is, the calls were not really ‘abandoned’).

### 5.3.2 Electricity supply

Table 5.16 shows that call centre performance varied significantly between the ACT electricity suppliers for which call centre data are available. The proportion of calls responded to in 30 seconds in 2006–07 ranged from 60% for EnergyAustralia to 81% for TRUenergy, while the average waiting time for calls to be answered ranged from 28 seconds for Country Energy to 91 seconds for ActewAGL. The proportion of total calls abandoned for the four listed suppliers increased slightly compared with earlier years, but was less than 10% for all four.

Table 5.16 Call centre performance, response times and calls abandoned, electricity supply, ACT suppliers, 2003–04 to 2006–07

	2003–04	2004–05	2005–06	2006–07
<b>Calls responded to in 30 seconds (%)</b>				
ActewAGL Retail	85	84	82	69
EnergyAustralia	54	57	66	60
Country Energy	72	76	77	76
TRUenergy	95	98	99	81
<b>Average waiting time (seconds)</b>				
ActewAGL Retail	64	60	57	91
EnergyAustralia	67	85	63	63
Country Energy	38	28	22	28
TRUenergy	not available	not available	not available	35
<b>Calls abandoned (%)</b>				
ActewAGL Retail	2	2	2	7
EnergyAustralia	not available	not available	4	4
Country Energy	4	3	4	5
TRUenergy	5	2	1	3

Source: Licensed utilities’ annual reports to ICRC.

### 5.3.3 Gas distribution

ActewAGL Distribution (gas) provided the Commission with call centre performance data for 2006–07. The call centre received 1,093 calls in 2006–07, of which 100% were answered within 30 seconds. The average response time was 5 seconds.

### 5.3.4 Gas supply

Like electricity suppliers’ call centres, gas suppliers’ call centres tend to serve a number of jurisdictions. The call centres of Country Energy and EnergyAustralia also serve both electricity

and gas customers. Table 5.17 shows that call centre performance for waiting time varied significantly between the ACT's three active gas suppliers in 2006–07.

Some of the key features of call centre performance during 2006–07 are:

- percentage of all calls responded to within 30 seconds was similar for the three suppliers, ranging from 60% for EnergyAustralia to 76% for Country Energy
- average waiting time varied considerably, ranging from a low of 28 seconds for Country Energy to 107 seconds for ActewAGL Retail
- calls abandoned, as a percentage of total calls, was under 10% for all suppliers for the year.

**Table 5.17** Call centre performance, response times and calls abandoned, gas supply, ACT suppliers, 2003–04 to 2006–07

	2003–04	2004–05	2005–06	2006–07
<b>Calls responded to in 30 seconds (%)</b>				
ActewAGL Retail	82	91	77	64
EnergyAustralia	not available	57	66	60
Country Energy	72	76	77	76
<b>Average waiting time (seconds)</b>				
ActewAGL Retail	19	17	45	107
EnergyAustralia	not available	38	57	63
Country Energy	38	38	22	28
<b>Calls abandoned (%)</b>				
ActewAGL Retail	1	1	3	7
EnergyAustralia	not available	5	2	4
Country Energy	4	3	4	5

Source: Licensed utilities' annual reports to ICRC.

### 5.3.5 Water and sewerage

Table 5.18 summarises ACTEW Corporation's call centre performance from 2003–04 to 2006–07. In 2006–07, ACTEW Corporation received over 48,000 calls about water and sewerage on its non-emergency numbers and just over 30,000 calls on its emergency number, with average waiting times of 49 and 23 seconds, respectively.

**Table 5.18** Call centre performance, call numbers, response times and calls abandoned, water and sewerage services, ACTEW Corporation, 2003–04 to 2006–07

	2003–04	2004–05	2005–06	2006–07
<b>Non-emergency</b>				
Number of calls received	41,958	51,930	28,666	48,541
Proportion answered within 30 seconds (%)	81	85	85	not available
Proportion of calls abandoned by caller (%)	2	2	3	3
Average waiting time (seconds) <sup>a</sup>	64	30	45	49
Number of overload events <sup>b</sup>	0	0	0	0
<b>Emergency call centre</b>				
Number of calls received	32,861	32,436	29,098	30,843
Proportion answered within 30 seconds (%)	not available	77	77	77

Proportion of calls abandoned by caller (%)	9	4	4	4
Average waiting time (seconds) <sup>a</sup>	34	30	29	23
Number of overload events <sup>b</sup>	not available	15	2	0

a Time spent waiting before being answered by a person.

b Events in which the number of incoming calls exceeded the capacity of the call centre and normal service standards could not apply.

Source: ACTEW Corporation's annual reports to ICRC.



## 6 Customer safety net arrangements

This section reports on various hardship indicators. Access to utility services is determined by the availability of the infrastructure and the ability of customers to pay bills (a function of the price of the service and of demand). Accessibility is also influenced by utilities' safety net arrangements (for example, availability of instalment plans and flexibility in payment arrangements) and credit management strategies (for example, security deposits).

In 2002, utility regulators agreed to a set of nationally consistent reporting requirements for electricity distribution and retail businesses, with the ultimate aim of providing a nationally comparable reporting framework.<sup>17</sup> In May 2007, following a national consultation process, utility regulators agreed on revised national energy retail performance indicators.<sup>18</sup>

For electricity retailers, customers' ability to access services is measured by hardship indicators such as disconnection for non-payment of accounts, reconnection of customers within seven days of disconnection, the use of instalment payment plans, direct debit defaults, and the use of security deposits.

In the interests of consistency, the Commission has sought this information for all ACT suppliers of utility services (electricity, gas, and water and sewerage).

### 6.1 Disconnection for non-payment of accounts

Before a supplier may disconnect a customer for non-payment of an account, the supplier must follow a number of steps, such as issuing reminder notices, allowing a certain number of days between notices, and making personal contact with the customer. Disconnection for failure to pay an account is very much a last resort for suppliers attempting to recover a debt, and therefore is a fair indicator of affordability.<sup>19</sup>

However, this indicator does not necessarily differentiate between households that can afford to pay and those that cannot. For this reason, a second indicator is used to identify more accurately those customers in genuine hardship: reconnection of a customer with the same name at the same premises within seven days.

#### 6.1.1 Residential electricity customers

Table 6.1 shows that between 2002–03 and 2006–07 the rate of disconnection of residential electricity customers for non-payment of accounts ranged from 3.0 to 4.0 per 1,000 customers. However, the proportion of customers reconnected within seven days of disconnection fell from 79% in 2002–03 to 60% in 2006–07.

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<sup>17</sup> Utility Regulators Forum, *National regulatory reporting for electricity distribution and retailing businesses: discussion paper*, March 2002, accessible at [www.accc.gov.au](http://www.accc.gov.au).

<sup>18</sup> Utility Regulators Forum, *National energy retail performance indicators: final paper*, May 2007, accessible at [www.accc.gov.au](http://www.accc.gov.au).

<sup>19</sup> The Consumer Protection Code, clauses 17.4 and 23, sets out the ACT rules.

**Table 6.1 Disconnection of customers for non-payment of an account, residential customers, electricity supply, 2002–03 to 2006–07**

Item	2002–03 <sup>a</sup>	2003–04 <sup>a</sup>	2004–05 <sup>b</sup>	2005–06 <sup>b</sup>	2006–07 <sup>b</sup>
Customers disconnected for non-payment of an account (per 1,000 customers)	4.0	3.0	4.0	4.0	3.0
Proportion in which the premises was reconnected in the same name within seven days (%)	79	59	64	64	60

a Data for 2002–03 and 2003–04 are based on information for ActewAGL Retail only.

b The results for 2004–05 to 2006–07 relate to all ACT electricity suppliers.

c Data are for residential and non-residential customers.

Source: Licensed utilities' annual reports to ICRC.

### 6.1.2 Non-residential electricity customers

In the ACT, the rate of disconnection for non-payment of an account for non-residential electricity customers was 3.0 per 1,000 customers in 2006–07, while the proportion reconnected within seven days was 60%.

### 6.1.3 Residential and non-residential gas customers

The reported incidence of disconnections of gas supply customers for non-payment of an account in the ACT was 35 per 1,000 customers in 2006–07, down from 39 per 1,000 in 2005–06. This figure includes both residential and non-residential customers, as suppliers were unable to provide a breakdown between those categories. It does not include disconnections by EnergyAustralia, which was unable to provide the information. Table 6.2 compares gas supply disconnection results from 2002–03 to 2006–07.

**Table 6.2 Disconnection of customers for non-payment of an account, numbers disconnected and proportion subsequently reconnected, gas supply, 2002–03 to 2006–07**

Item	2002–03 <sup>a</sup>	2003–04 <sup>a</sup>	2004–05	2005–06	2006–07
Number of customers disconnected for non-payment of an account (per 1,000 customers)	17	24	37	39	35
Proportion in which the premises was reconnected in the same name within seven days (%)	77	74	80	40	34

a For these years, data are for ActewAGL Retail only. The data for 2002–03 and 2003–04 also include data for Queanbeyan customers.

Source: Licensed utilities' annual reports to ICRC.

Of the customers disconnected for non-payment in 2006–07, 34% were subsequently reconnected at the same address and in the same name within seven days of the disconnection, down from the level of 40% the previous year and well down on the levels for the years 2002–03 to 2004–05.

Compared with the disconnection rate for electricity customers (3.0 per 1,000 customers in 2006–07), the rate of gas supply disconnections (35 per 1,000 customers in 2006–07) is significantly higher. The reason for the relatively high disconnection rate for gas is that customers often choose to be disconnected after winter and then pay their outstanding account at the start of the following winter. This also helps explain why a much lower percentage of disconnected customers reconnect within seven days of the disconnection.

### 6.1.4 Water and sewerage customers

Under the Consumer Protection Code, a utility is not permitted to disconnect water supply or withdraw sewerage services for failure to pay an account. However, it may restrict the water flow to a level that allows for essential uses only. As in previous years, ACTEW Corporation did not restrict the water flow to any customer for failure to pay an account in 2006–07.

## 6.2 Direct debit defaults

Defaults on automatic direct debit account payments can indicate emerging payment difficulties. While a certain level of defaults can be expected to arise by accident—for example, through administrative errors by utilities or oversights by customers—a rising trend could indicate increasing numbers of customers having difficulty paying their utilities bills.

Of electricity and gas suppliers, only ActewAGL Retail was able to provide information about direct debit defaults in 2006–07. As table 6.3 shows, the percentage of ActewAGL Retail’s electricity, gas, and water and sewerage customers defaulting on direct debit payments has declined significantly in recent years and indicates that most customers have been able to make their payments within the timeframes allowed. For 2006–07 that trend continued, except for gas customers, among whom the number of payment defaults rose from 0.2% to 2.9%. Nevertheless, this default rate is still at very low levels.

Table 6.3 Direct debit, payment default, ActewAGL Retail and ACTEW Corporation, 2003–04 to 2006–07

Utility service	Licensee	2003–04	2004–05	2004–05	2006–07
		(%)	(%)	(%)	(%)
Electricity	ActewAGL Retail	14.0	6.1	3.2	1.0
Natural gas	ActewAGL Retail	10.1	9.5	0.2	2.9
Water and sewerage	ACTEW Corporation	5.0	2.0	3.5	0.5

Source: ActewAGL Retail’s and ACTEW Corporation’s annual reports to ICRC.

## 6.3 Instalment plans

Utilities can assist customers experiencing financial hardship in a number of ways. Two options are instalment plans and deferred payments.

Although the number of customers on instalment plans is used as a measure of customer hardship, customers who are not in difficulty may choose to pay by instalment for reasons of budgeting or convenience.

### 6.3.1 Electricity supply

As indicated in Table 6.4, 7.6% of ActewAGL Retail’s residential customers were on instalment plans in 2006–07, continuing the upward trend since 2003–04, when just 1.1% of customers were on such plans. EnergyAustralia, the only other company with customers on instalment plans, also recorded an increase, from 1.0% in 2005–06 to 1.7% in 2006–07.

**Table 6.4** Proportion of customers using instalment plans (%), electricity supply, ACT suppliers, 2003–04 to 2006–07

Electricity supplier	2003–04	2004–05	2005–06	2006–07
ActewAGL Retail	1.1	3.8	6.1	7.6
EnergyAustralia <sup>a</sup>	not available	3.0	1.0	1.7

a EnergyAustralia did not supply electricity to small residential customers in the ACT in 2003–04.

Source: ActewAGL Retail's and EnergyAustralia's annual reports to ICRC.

### 6.3.2 Gas supply

Table 6.5 shows the retail gas suppliers in 2005–06 and 2006–07 and the proportion of their customers on instalment plans for those years. In 2006–07, 13.7% of all gas customers paid their accounts through an instalment plan, a slight increase on the 2005–06 level of 11.4%.

**Table 6.5** Proportion of customers on instalment plans (%), gas supply, ACT suppliers, 2005–06 and 2006–07

Electricity supplier	2005–06	2006–07
ActewAGL Retail	11.9	14.8
Country Energy	1.3	0.0
EnergyAustralia	1.0	1.5
<b>Total</b>	<b>11.4</b>	<b>13.7</b>

Source: Licensed utilities' 2005–06 and 2006–07 annual reports to ICRC

### 6.3.3 Water and sewerage

Table 6.6 provides details of water and sewerage customers on instalment plans at 30 June 2006 and 2007. The percentage of all customers on instalment plans fell from 2.4% to 1.4%; residential customers contributed to the overall decline, as the number of non-residential customers on instalment plans increased from 0.4% to 3.1% over the period.

**Table 6.6** Customers on instalment plans, water/sewerage customers, ACTEW Corporation, 2005–06 and 2006–07

Category	2005–06			2006–07		
	Number of customers	Number on instalment plans	Percentage on instalment plans	Number of customers	Number on instalment plans	Percentage on instalment plans
Residential	127,358	3155	2.5	128,830	1,671	1.3
Non-residential	5,859	25	0.4	6,411	199	3.1
<b>Total</b>	<b>133,217</b>	<b>3,180</b>	<b>2.4</b>	<b>135,241</b>	<b>1,870</b>	<b>1.4</b>

Source: ACTEW Corporation's 2005–06 and 2006–07 annual reports to ICRC.

## **6.4 Security deposits**

### **6.4.1 Electricity supply**

EnergyAustralia was the only ACT electricity supplier to hold any security deposits in 2006–07. At 30 June 2007, it held 29 residential security deposits worth just over \$5,000.

### **6.4.2 Gas supply**

No ACT gas retailer held security deposits for either residential or non-residential gas customers in 2006–07.

### **6.4.3 Water and sewerage**

ACTEW Corporation did not hold any security deposits in 2006–07 for water and sewerage services.



# 7 Environmental performance and other matters

This section covers the increasingly important environmental performance of utilities. Only those environmental issues that are a direct responsibility of the Commission, such as network losses, greenhouse gas emissions and consumption efficiency, are considered in this section. Responsibility for energy, greenhouse, and water policy and regulation rests with other ACT Government agencies.

The section also refers to a number of safety issues related to natural gas.

## 7.1 Water

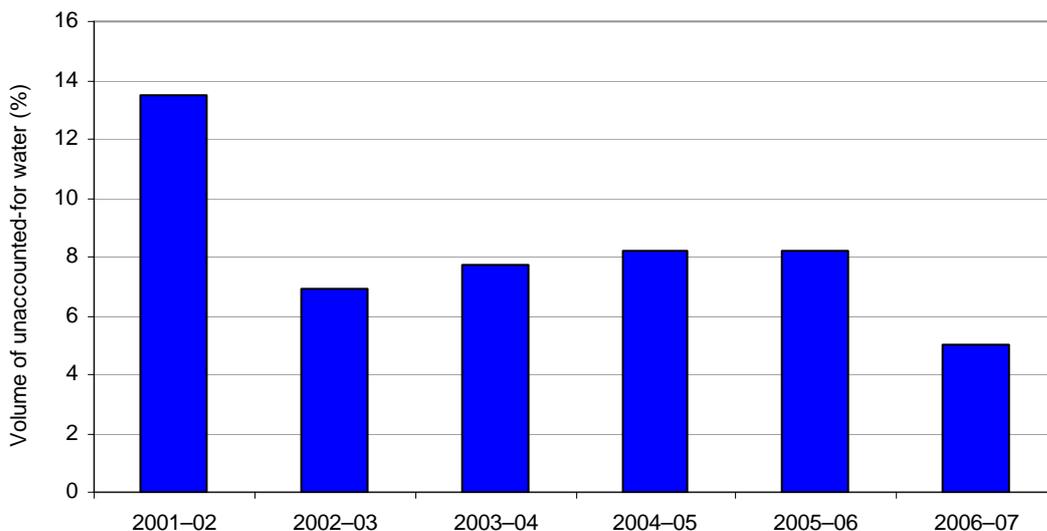
### 7.1.1 Water losses

‘Unaccounted-for’ (or ‘non-revenue’) water is water that has been wasted or lost through leakages, bursts, or evaporation from open-air treatment and storage facilities, as well as water consumption not billed for, unauthorised consumption and water lost through metering inaccuracies or errors. Thus, the volume of unaccounted-for water is the difference between the volume of water extracted and the amount of water for which the utility bills its customers.

Unaccounted-for water is sometimes used as a measure of the condition and efficiency of a utility’s water network. It is also significant from an environmental perspective, as the water lost was extracted from river systems for consumptive purposes but was not used for those purposes.

Figure 7.1 indicates that the percentage of unaccounted-for water fell from 8.2% in 2005–06 to 5% in 2006–07.

Figure 7.1 Unaccounted-for water, volume, ACTEW Corporation, 2001–02 to 2006–07



Source: ACTEW Corporation’s annual reports to ICRC and personal communication.

In 2006–07, ACTEW Corporation reported that it had continued its meter replacement and service upgrade programs, which are designed to reduce loss of water through leaks and to improve measurement by meters. The intention is to identify any non-billable flows that are other than minimal. Such flows would be investigated to pinpoint and reduce water losses.

### **7.1.2 Environmental flows**

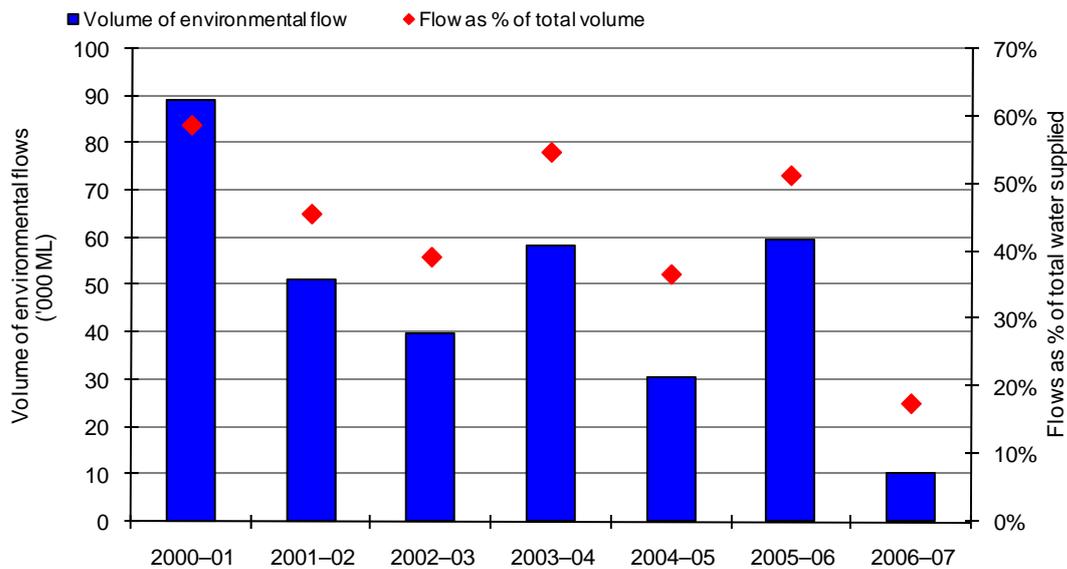
Environmental flows are the flows of water into rivers and streams that are necessary to maintain healthy aquatic ecosystems. They are designed to mimic naturally occurring water flows, including seasonal fluctuations and other variables. Under its licence conditions, ACTEW Corporation is required to release water from the Cotter and Googong catchments for environmental purposes. The volume of water released as an environmental flow is in accordance with the Environmental Flow Guidelines approved by the minister responsible for water resources. It is not determined by the water utility.

Dams, such as those built on the Cotter River and Queanbeyan River as part of the ACT water supply system, affect downstream flow by reducing the volume of flows and sometimes by changing the natural flow patterns. To reduce their impact, water is released or spilled from the dams into the rivers below at certain times of the year.

The environmental flows that are recommended for the water supply catchments are based on research and monitoring of environmental flows in the river systems and are intended to ensure that both water supply and conservation objectives are met. Because of the prolonged drought, the relevant authorities have reduced environmental flow requirements in recent years.

Figure 7.2 shows the total volume of environmental flows released by ACTEW Corporation, and those flows as a proportion of total water abstracted for consumptive or environmental purposes, between 2000–01 and 2006–07. In 2006–07, environmental flows released by ACTEW Corporation from water storages were 17.6% of the total water abstracted in the ACT. The corporation is one of only a few water utilities in Australia that is responsible for the release of water for environmental flows from the storage facilities that it manages.

Figure 7.2 Environmental flows, volumes and proportion of total volumes abstracted, water supply, ACTEW Corporation, 2000–01 to 2006–07



Source: ACTEW Corporation's annual reports to ICRC

## 7.2 Energy

Very little electricity is generated and no natural gas is produced in the ACT. However, more than two-thirds of the greenhouse gas emissions attributable to the ACT derive from energy consumption.<sup>20</sup>

This section covers the environmental impacts of greenhouse gas emissions associated with the use of gas and electricity, and energy efficiency. Distribution network losses are also examined.

### 7.2.1 Greenhouse gas emissions

Greenhouse gas emissions arising from energy consumption are a major environmental concern. Greenhouse gases include carbon dioxide, methane and nitrous oxide. These gases are released into the atmosphere by such activities as the use of fossil fuels, broadscale land clearing and other land-use changes, and are a key factor in climate change.

#### *Electricity consumption*

The Commission has estimated the greenhouse gas emissions that can be attributed to electricity consumption in the ACT by subtracting the volume of GreenPower (accredited electricity sourced from generators that produce no greenhouse gases) from the total electricity sold in the ACT, to calculate a net amount of greenhouse gas-producing electricity. This has been multiplied by an emissions intensity coefficient for New South Wales and ACT electricity consumption as supplied by the Department of Climate Change.<sup>21</sup> Note that the coefficients are not consistent with those

<sup>20</sup> ACT Government, *Avoid, abate, adapt: A discussion paper for an ACT climate change strategy*, 2006, p. 15.

<sup>21</sup> Department of Climate Change, *National greenhouse accounts (NGA) factors*, January 2008.

published by IPART and notified by the Commission, as the regulator of the ACT Greenhouse Gas Abatement Scheme, as key factors for the scheme.<sup>22</sup>

This method of estimating greenhouse gas emissions makes a number of assumptions that, while appropriate in this context, might not be appropriate for other purposes. For example, it excludes emissions for energy lost through network losses. Readers seeking greenhouse gas emissions data as an input for other work should contact the Commission before using the data in this section.

As shown in table 7.1, there was a significant increase of 41% in the volume of GreenPower sold in the ACT, from 43,463 MWh in 2005–06 to 61,392 MWh in 2006–07. As a consequence, although the volume of electricity sold in the ACT increased in 2006–07, the level of greenhouse gas producing electricity fell slightly from 2,773GWh in 2005–06 to 2,762 GWh in 2006–07. The maintenance of the electricity pool coefficient at 1.06 resulted in the estimated level of greenhouse gas emissions arising from electricity consumption in the ACT in 2006–07 falling slightly to 2.928 on 2.6 million tonnes of CO<sub>2</sub> equivalent.

Table 7.1 Estimated greenhouse gas emissions from ACT electricity consumption, 2003–04 to 2006–07

Item	2003–04	2004–05	2005–06	2006–07
Electricity sold in the ACT (MWh)	2,636,776	2,716,628	2,816,479	2,823,995
GreenPower sold in the ACT (MWh) <sup>a</sup>	28,692	32,444	43,463	61,392.6
Greenhouse gas producing electricity sold in the ACT (MWh)	2,608,084	2,684,184	2,773,015	2,762,602
Electricity pool coefficient for greenhouse emissions(t CO <sub>2</sub> -e/MWh) <sup>b</sup>	1.03	1.06	1.06	1.06
Estimated greenhouse gas emissions arising from ACT electricity consumption (t CO <sub>2</sub> -e)	2,686,327	2,845,235	2,939,397	2,928,359

a Government-accredited GreenPower products.

b Data from Department of Climate Change.

Source: Licensed utilities' annual reports to ICRC.

### Gas consumption

To estimate greenhouse gas emissions caused by ACT gas consumption, the Commission multiplies the volume of gas sold in the ACT by an emission factor for New South Wales and ACT consumption of natural gas provided originally by the Australian Greenhouse Office and subsequently by the Department of Climate Change<sup>23</sup>. Two emissions factors are provided: one for large customers and one for small customers.

As shown in table 7.2, the estimated volume of greenhouse gases emitted as a result of natural gas consumption in the ACT in 2006–07 was 429,224 tonnes of CO<sub>2</sub>-e, an 11.3% decrease on the 2005–06 level.

<sup>22</sup> The ACT Greenhouse Gas Abatement Scheme, established through the *Electricity (Greenhouse Gas Emissions) Act 2004*, mirrors the NSW Greenhouse Gas Reduction Scheme administered by IPART. The Commission is the regulator of the scheme in the ACT. Further details are available on the Commission's website ([www.icrc.act.gov.au](http://www.icrc.act.gov.au)).

<sup>23</sup> Australian Greenhouse Office, National Greenhouse Office, *Factors and methods workbook*, December 2006; and Department of Climate Change, *National greenhouse accounts (NGA) factors*, January 2008.

**Table 7.2** Estimated greenhouse gas emissions from ACT natural gas consumption, 2003–04 to 2006–07

Item	2003–04	2004–05	2005–06	2006–07
Natural gas sold in the ACT (TJ)	6,639	6,525	6,857	6,503
Natural gas sold to large customers (TJ)	295	1,893	1,490	1,041
Emission factors—large customers (t CO <sub>2</sub> -e/TJ)	68.0	68.0	68.0	65.5
Natural gas sold to small customers (TJ)	6,344	4,632	5,367	5,462
Emission factors—small customers (t CO <sub>2</sub> -e/TJ)	71.3	71.3	71.3	66.1
Estimated greenhouse gas emissions arising from ACT natural gas consumption (t CO <sub>2</sub> -e)	472,387	458,986	483,987	429,224

Note: Emission factors for 2003–04 to 2005–06 are NSW and ACT figures from Australian Greenhouse Office, *Factors and methods workbook*, December 2006, table 2. Emission factors for 2006–07 are from Department of Climate Change, *National greenhouse accounts (NGA) factors*, January 2008, table 2.

Source: Licensed utilities' annual reports to ICRC; Australian Greenhouse Office/Department of Climate Change emission factors.

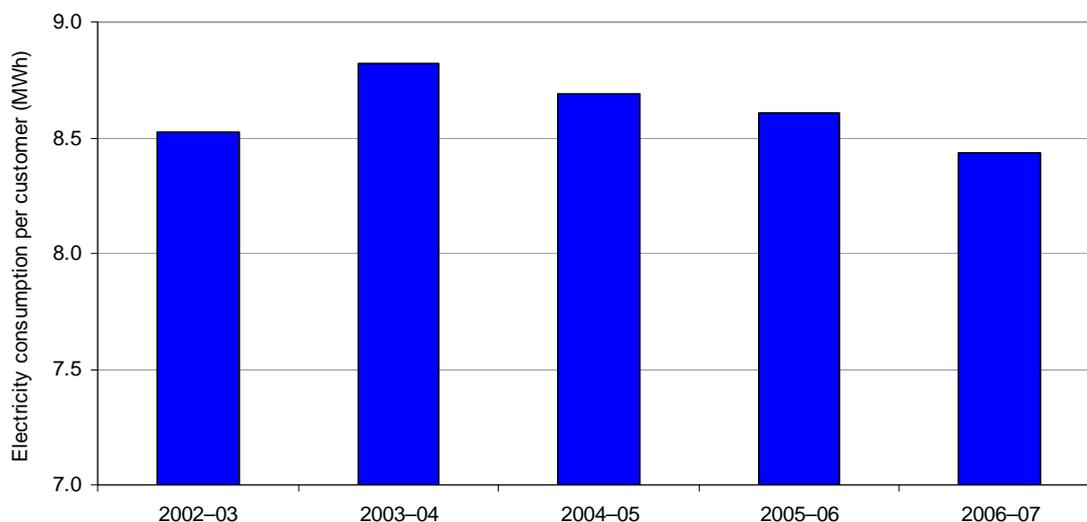
### 7.2.2 Consumption efficiency

Energy consumption efficiency is both an important environmental and a cost-efficiency consideration. The more energy required for a task (for example, to heat a house), the more greenhouse gases are released through burning fossil fuels, and the greater the environmental impact.

#### *Residential electricity consumption*

To examine the efficiency of residential energy consumption over time, it is necessary to look at consumption per customer, rather than consumption in total; otherwise, changes in consumption efficiency can be hidden by population growth. Between 2002–03 and 2006–07, ACT residential annual electricity consumption per customer ranged from 8.4 MWh to 8.8 MWh (see figure 7.3). However, in recent years consumption per customer has been declining annually.

**Figure 7.3** Electricity, residential consumption per customer (MWh), ACT, 2002–03 to 2006–07

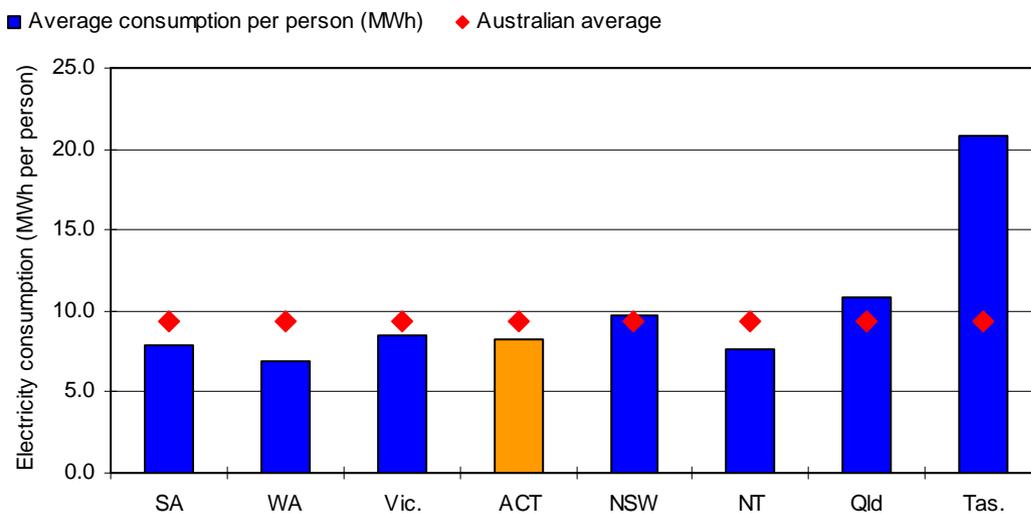


Source: Licensed utilities' annual reports to ICRC.

Figure 7.4 compares electricity consumption per capita across states and territories for 2006–07, showing that average electricity consumption ranged from a low of 6.8 MWh per capita in Western

Australia to 20.9 MWh in Tasmania. Per capita consumption in the ACT was 8.2 MWh, slightly below the Australian average of 9.4 MWh.

Figure 7.4 Electricity, residential electricity consumption per person (MWh), states and territories, 2006–07



Source: Derived from ESAA 2008 and ABS population statistics.

### ***Residential gas consumption***

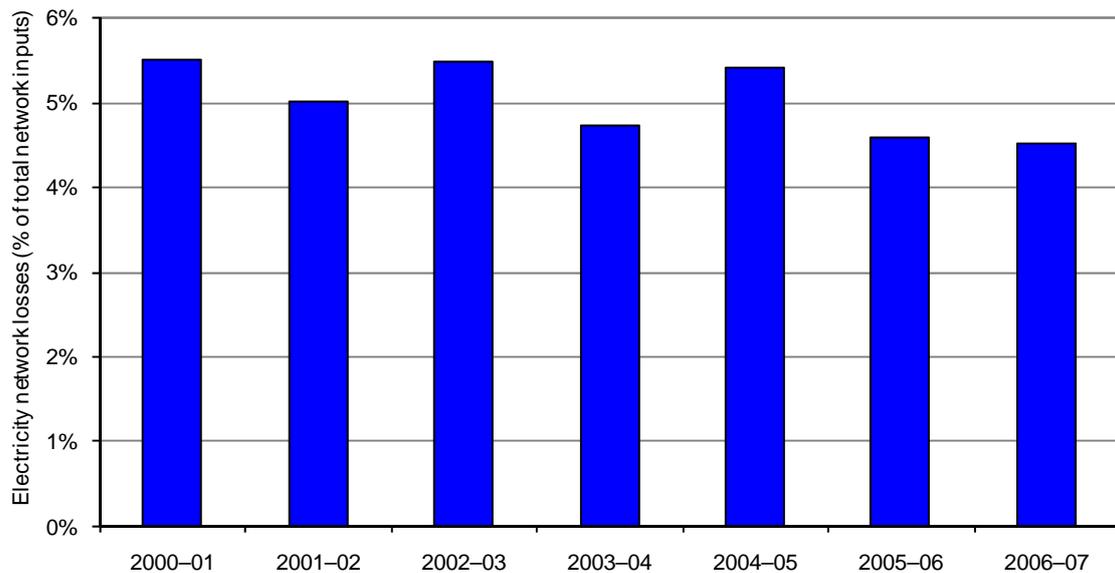
ACT residential gas consumption was 46 GJ per person in 2006–07, down by 7.6% from the 2005–06 level of 50 GJ. Because gas usage data before 2003–04 included data for Queanbeyan, it is not possible to comment further on consumption in earlier years.

### **7.2.3 Electricity network losses**

Electricity networks lose energy mainly through heat generated by resistance in wires and transformers. From an environmental perspective, the greater the electricity network losses, the more electricity needs to be generated to meet demand, and the greater the potential impact on the environment.

Figure 7.5 summarises ActewAGL Distribution’s electricity network losses for the years 2000–01 to 2006–07. Over the seven years, network losses fluctuated between 4.5% and 5.7%. In 2006–07, ActewAGL Distribution’s electricity network losses were 4.5% of total network inputs—the lowest over the period.

Figure 7.5 Network losses (%), electricity distribution, ActewAGL Distribution, 2000–01 to 2006–07



Source: ActewAGL Distribution's annual reports to ICRC.

ActewAGL Distribution is required to report annually to the Commission on the strategies it has in place to reduce its network losses. ActewAGL Distribution stated that the management of network losses was incorporated into a range of functions and strategies, including:

- network planning, design and project assessments, which must demonstrate consideration of network losses
- a forthcoming audit of losses from zone substation transformers
- consideration of the cost of losses when purchasing transformers (electrical losses over the life of a transformer are a criterion in tender assessments)
- use of various network tariff initiatives to manage network demand and, as a result, network losses, by providing appropriate price signals, including
  - demand tariffs designed to improve the system's load profile and so result indirectly in reduced losses
  - time-of-use residential network tariffs.

ActewAGL Distribution also noted that demand tariffs, which are designed to improve load profile, may also reduce losses and that further opportunities for load profile improvements may become available with the introduction of interval metering in the ACT. The Commission notes that the Ministerial Council on Energy is currently undertaking a cost-benefit analysis of a national rollout of smart meters.

## 7.2.4 Gas—operation and maintenance

### *Gas specification*

'Gas specification' is the energy content and purity of the natural gas in the pipeline. Where the gas is outside the specification, there are potential health and safety problems, such as the risk of damage to customers' equipment.

ActewAGL Distribution indicated that gas specification reached the maximum or minimum limits 48 times during 2006–07, compared with 72 times in 2005–06. However, there was no health and safety impact on customers or damage to their equipment.

### ***Gas regulator and meter replacements***

Table 7.3 shows that ActewAGL Distribution replaced 620 gas regulators in 2006–07, virtually unchanged on the 2005–06 level of 621 but well ahead of the levels in 2002–03 and 2003–04. During the year, the company replaced 278 meters, a slight increase on the 264 in 2005–06 and similar to the level in 2004–05.

**Table 7.3** Gas regulator and meter replacements, ActewAGL Distribution, 2002–03 to 2006–07

	2002–03	2003–04	2004–05	2005–06	2006–07
Regulators replaced	445	432	602	621	620
Meters replaced	313	252	281	264	278

Source: ActewAGL Distribution's annual reports to ICRC.

### ***Distribution network pressure***

Potential safety problems arise if the gas network operating pressure falls below the normal operating system minimum pressure; for example, domestic gas leaks can occur if the pressure is too low to maintain a pilot flame. ActewAGL Distribution indicated that distribution network pressure fell below the minimum standard for high-pressure infrastructure once in 2006–07, noting that there were no associated consumer impacts. No events were reported for the medium-pressure system, as was also the case in 2005–06.

### ***Codes of practice compliance***

ActewAGL Distribution confirmed that its environmental management policies and practices were in line with the AG750 Environmental Code of Practice and the Australian Pipeline Industry Code of Practice for Pipeline Construction.

# Appendix 1: Regulatory framework

## ACT utilities regulatory regime

The regulatory framework for the ACT's utilities is established by the Utilities Act. Section 21(1) of the Act specifies that a person must not provide a utility service except in accordance with a licence (although in special circumstances the minister may exempt a person from this requirement by means of a disallowable instrument).

Licences are granted subject to conditions intended to promote the objectives of the legislation, including service reliability and safety, consumer protection, effective competition, industry growth and ecological sustainability. Conditions are also imposed on utilities through industry and technical codes, and by any other related requirement imposed by the Commission or the 'technical regulator' (the ACT Planning and Land Authority).

The utilities licensing regime is underpinned by industry and technical codes, and guidelines that interpret licence conditions and/or specify what actions licensees must take to comply with licence conditions (for example, submitting the annual returns that inform the Commission's compliance and performance reports).

## The Commission's licensing role

The Commission holds the statutory authority to grant, vary, transfer, approve the surrender of and revoke licences, and to exempt a utility from compliance with a condition of its licence in relation to a stated activity or in stated circumstances. Decisions made under these powers are reviewable by the Administrative Appeals Tribunal. Each utility must pay an annual licence fee determined to be a reasonable contribution towards the costs incurred by the Commission, the Essential Services Consumer Council (ESCC) and the technical regulator in performing their statutory functions under the Utilities Act.

The Commission's licensing role principally involves:

- maintaining the licence register
- assessing applications for the grant, variation, transfer and surrender of licences
- monitoring licensees' compliance with the Utilities Act, licences and codes
- determining licence fees.

The Commission monitors and reports each year on the extent to which licensed utilities comply, or fail to comply, with their statutory obligations and the conditions of their licences, and on their performance of their licensed activities. The Commission also has extensive enforcement powers, especially for compliance with codes and pricing directions. Licensees may face significant penalties for contraventions of licence conditions.

## Essential Services Consumer Council

The ESCC is established under Parts 11 and 12 of the Utilities Act. The council facilitates the resolution of complaints, may determine unresolved complaints, and ensures, as far as practicable, that utility services (electricity, gas, water and sewerage) continue to be provided to people suffering financial hardship. The ESCC also protects the rights of consumers under the Act, and advises the minister responsible for Part 5 of the Act and the ICRC on any matter relevant to its functions.

## Industry and technical codes in force in 2006–07

### Industry codes

Industry codes administered by the Commission in 2006–07 were as follows.

- **Consumer Protection Code** (January 2007)—This code:
  - outlines the basic rights of customers and consumers in relation to connection to and disconnection from a utility’s network; the supply by a utility of electricity, gas, water and sewerage services; and access to product and service information
  - sets out the circumstances in which a utility can interrupt, restrict or disconnect supply of a utility service to a customer or consumer
  - outlines particular obligations that a utility must meet in dealing with customers or consumers
  - outlines obligations that a marketer has in relation to the marketing of electricity and gas supply services
  - sets out the provisions that a utility must give effect to in its customer contracts for the provision of utility services.
- **Electricity Customer Transfer Code** (August 2004)—This code sets out practices and procedures for transferring customers between electricity suppliers. The data access and transfer rules operate in conjunction with the National Electricity Code and the requirements of the NEMMCO transfer systems that operate under the code.
- **Electricity Network Boundary Code** (December 2000)—This code defines boundaries between an electricity transmission network and an electricity distribution network; connected electricity distribution networks; and an electricity distributor’s network and a customer’s premises.
- **Electricity Network Capital Contributions Code** (June 2001)—This code outlines the principles and procedures by which an electricity distributor or an electricity supplier may impose a capital contribution charge, payable by a customer, for the costs incurred by the distributor in developing or augmenting its electricity network.
- **Electricity Network Use of System Code** (December 2000)—This code imposes an obligation on an electricity distributor and an electricity supplier to enter into a commercial agreement setting out the terms upon which utility services relating to the distribution of electricity are provided by the distributor to the supplier.

- **Gas Network Boundary Code** (December 2000)—This code defines the boundary between a gas transmission network and a gas distribution network; connected gas distribution networks; and a gas distributor’s network and a customer’s premises.
- **Gas Network Capital Contributions Code** (June 2001)—This code outlines the principles and procedures by which a gas distributor or a gas supplier may impose a capital contribution charge, payable by a customer, for the costs incurred by the distributor in developing or augmenting its gas network.
- **Water and Sewerage Network Boundary Code** (December 2000)—This code defines the boundaries between water utilities’ networks; a water utility’s network and a customer’s premises; sewerage utilities’ networks; and a sewerage utility’s network and a customer’s premises.
- **Prepayment Meter System Code** (July 2006)—This code outlines the basic rights of customers, consumers and utilities with respect to the provision of prepayment meter systems that are not otherwise covered by the Consumer Protection Code.

## Technical codes

Technical codes administered by the ACT Planning and Land Authority during 2006–07 were as follows.

- **Contestable Work Accreditation Code** (August 2001)—This code requires each utility to prepare an accreditation scheme or adopt an approved accreditation scheme, and sets out those matters that must be included in an approved accreditation scheme. The purpose of the accreditation scheme is to accredit persons to undertake contestable work, such as electricity connection services.
- **Dam Safety Code** (March 2003)—This code ensures that utilities have in place processes and procedures to properly manage water storage dams in order to prevent unsafe operation and/or failure that can in time cause loss to life and damage to property and the environment.
- **Electricity Distribution (Supply Standards) Code** (December 2000)—This code prescribes minimum standards for the quality and reliability of electricity distributed through electricity networks.
- **Electricity Metering Code** (August 2003)—This code sets out matters relating to electricity metering with which an electricity distributor must comply in providing electricity connection services to franchise customers and first-tier customers, and with which an electricity supplier must comply in providing electricity supply services to franchise customers and first-tier customers.
- **Electricity Service and Installation Rules Code** (December 2000)—This code requires electricity distributors to develop service and installation rules that set out the requirements and associated obligations and procedures for the safe, reliable and efficient connection of electrical installations to an electricity network.
- **Emergency Planning Code** (March 2003)—This code ensures that utilities have appropriate procedures, structures and arrangements for preventing, anticipating and responding to emergency events and potential emergency events.
- **Gas General Metering Code** (December 2000)—This code sets out rules with which gas distributors must comply in providing connection services to customers and with which gas suppliers must comply in providing supply services to customers.

- **Gas Safety and Operating Plan Code** (December 2000)—This code applies to operators of gas transmission and gas distribution networks to ensure the safe operation and maintenance of the networks and quality and pressure standards for gas conveyed through the networks.
- **Management of Electricity Network Assets Code** (December 2000)—This code requires electricity distributors to design, construct, operate and maintain their electricity networks with reasonable care to avoid injury to any person or property.
- **Water and Sewerage Network (Design and Maintenance) Code** (December 2000)—This code prescribes minimum standards for the design, construction, operation and maintenance of water networks and sewerage networks.
- **Water and Sewerage Service and Installation Code** (December 2000)—This code requires water utilities and sewerage utilities to develop service and installation rules setting out the requirements and associated obligations and procedures for the safe, reliable and efficient connection of a customer's premises to a water network and a sewerage network.
- **Water Metering Code** (December 2000)—This code sets out matters relating to water metering.
- **Water Supply and Sewerage Service Standards Code** (December 2000)—This code prescribes minimum standards for the quality and reliability of water supply distributed through water networks and for the provision of sewerage services, including the removal of sewage from customers' premises through sewerage networks.

## Appendix 2: Compliance summary schedules

The tables in this appendix summarise licensees' annual compliance reporting returns to the Commission. In the case of electricity suppliers and gas suppliers, information is provided only for suppliers that were active in the ACT market in the 2006–07 reporting period. Neither licensees' supporting documentation nor commercially sensitive information has been included. Licensees are invited to provide comments where appropriate, and these comments are included in the tables. The Commission has also made clarifying comments in square brackets in a number of instances. In the interests of brevity, the Commission's instructions to licensees or prompts for additional information have been excluded from the tables.

The utility groups covered in this section are:

- electricity distribution
- electricity supply
- gas transmission
- gas distribution
- gas supply
- water and sewerage.

### Electricity distribution

ActewAGL Distribution was the only electricity distribution licensee in the ACT during the 2006–07 reporting period.

**Table A2.1 Electricity distribution, compliance under Utilities Act, ActewAGL Distribution**

Obligation	Response	ActewAGL Distribution comments
<b>Obligation to connect or vary connection (s. 79)</b>		
How many requests to connect to the licensee's network were refused in 2006–07?	0	No connections were refused
How many requests to vary a connection were refused in 2006–07?	0	
How many requests to allow an accredited third party to undertake a connection or variation of a connection were refused in 2006–07?	0	
<b>Performance of network operations (Division 7.3)</b>		
How many times in 2006–07 did the licensee enter landholders' properties to undertake network operations?	103,417	Outage—1,823 (assumes 1 access per outage—59,009 customers notified) Inspection—83,292 (includes trees, poles and lines) De-energise/re-energise—10,589 Reactive work—5,422 Meter defects—386 Appointments—1,905
<b>Damage etc to landholders' property (s. 108)</b>		
What strategies does the licensee have in place to minimise inconvenience, detriment and damage to landholders' property resulting from network operations?		Procedure NSW 041 <i>Preparation and Restoring of Sites</i> outlines the requirements for site preparation, restoration and landscaping for all field works undertaken by electricity network personnel. Procedure NSW 021 <i>Customer Notifications and Access to Customer Property</i> outlines a requirement for network personnel to ask specifically for an access route through to the work site.
In 2006–07, how many complaints did the licensee receive about any inconvenience, detriment or damage to landholders' property resulting from network operations?	123	ActewAGL uses complaint descriptions reflecting the type of complaints received and language used by complainants. The words used by the ICRC do not align with ActewAGL's categories so some judgmental amalgamation of categories is required. To provide the numbers shown, ActewAGL amalgamated complaints about site restoration and damage to property.
<b>Provision of notice to landholders to undertake network operations (ss. 109, 110)</b>		
In 2006–07, how many complaints did the licensee receive for failing to give 7 days notice to landholders before performing network operations, tree lopping or vegetation clearing/trimming on landholders' land?	35	ActewAGL response related to entry to land, no or inadequate notice of work.

Obligation	Response	ActewAGL Distribution comments
<b>Provision of notice to other utilities to undertake network operations (s. 111)</b>		
In 2006–07, how many complaints did the licensee receive for failing to give 7 days notice to other utilities before performing network operations on their land that potentially affected network facilities under the care and management of those utilities?	0	[For the purposes of s.111, utilities are those licensed by the Utilities Act, carriers or network operators under the Commonwealth <i>Telecommunications Act 1997</i> , and the person or authority responsible for stormwater network operations]
<b>Restoring landholders' property after undertaking network operations (ss. 112, 113)</b>		
In 2006–07, how many complaints did the licensee receive about the removal of its property and waste, or the restoration of affected land, after the completion of any network operations?	57	
<b>Authorised persons (Division 7.4)</b>		
Were all authorised persons issued with photographic identity cards in 2006–07?	Yes	
How are authorised persons made aware of their obligations and entry restrictions under the Act?		Upon the introduction of the Utilities Act, comprehensive training was provided to field staff concerning their obligations. Work procedures have been developed to ensure that all work practices are consistent with the Act. Any issues that arise are discussed during monthly work group meetings. Induction training for all new field staff includes obligations under the Utilities Act.
<b>Licence compliance (cl. 7)</b>		
Were there any material breaches of the licensee's licence or any applicable law, code of practice, directions and guidelines in 2006–07?	No	
<b>Ownership/management changes (cl. 10)</b>		
Were there any significant transfers in shareholdings (involving more than 50% of the shares) or changes in ownership in 2006–07?	Yes	In October 2006, Alinta Limited acquired AGL's 50% share of ActewAGL Distribution as part of a larger transaction between the two companies.
<b>Emergency telephone number (schedule: cl. 1)</b>		
Did the licensee maintain a 24-hour emergency telephone service at all times during 2006–07?	Yes	13 10 93: Faults and Emergencies Call Centre
How are customers and the public informed of the service?		White and Yellow Pages, customer connection contract, ActewAGL website, customer accounts, mail-outs, brochures.
<b>Environmental strategies (schedule: cl. 2)</b>		
Please provide details of strategies employed to reduce the licensee's network losses and greenhouse gas emissions attributable to network operations.		[Environment Action Plan 2006–07 was provided. The Sustainability Report and the Greenhouse Challenge Report were being prepared and would be made available to the ICRC.]

**Table A2.2 Electricity distribution, compliance under Consumer Protection Code, ActewAGL Distribution**

Obligation	Response	ActewAGL Distribution comments
<b>Complaints handling (cl. 6)</b>		
Does the licensee have in place complaints handling procedures that:		
<ul style="list-style-type: none"> <li>enable the consumer to have their complaint considered by a senior employee if not satisfied with the handling of their complaint?</li> </ul>	Yes	
<ul style="list-style-type: none"> <li>deal with complaints against an agent of the licensee?</li> </ul>	Yes	
<ul style="list-style-type: none"> <li>deal with the resolution of disputes between the licensee and consumers?</li> </ul>	Yes	
<ul style="list-style-type: none"> <li>comply with the relevant Australian Standard?</li> </ul>	Yes	AS 10002-2006
How and when are consumers advised of the licensee's complaints handling procedures?		In the customer contract—charter / in the telephone directory / in the first written response to a customer complaint / during a phone call as required by the nature of the call
How and when are customers advised of their right to complain to the Essential Services Consumer Council?		When the acknowledgement is in writing, an information sheet is provided including ESCC details. ESCC contact information is also provided as part of the response to the complaint for written responses, except when the complainant is given the response they have asked for. With telephone responses, ESCC contact information is provided when the complainant is not satisfied with the response.
How long are complaints records held after the resolution of complaints?	More than 2 years	
<b>Summary of consumer and utility rights (cl. 9)</b>		
Provide a copy of the licensee's statement summarising the rights of a consumer and the licensee under the Utilities Act, the Consumer Protection Code and the relevant customer contract.	[Provided; copies are also available on the ActewAGL website]	
Is the summary available in:		
<ul style="list-style-type: none"> <li>the 5 most common non-English languages used in the Territory</li> </ul>	Yes	
<ul style="list-style-type: none"> <li>large print</li> </ul>	Yes	
Is a copy of the summary included in the customer's first account?	See comments	If the customer is also a customer of ActewAGL Retail, then he/she will receive a summary in their first account or earlier as part of a 'welcome' letter. If the customer has selected a different retailer then it would be the responsibility of that retailer to provide such documentation to its customer.
<b>Customer payment options (cl. 13.7)</b>		
What methods of payment are available to customers to pay a customer account?	Electricity distributor has no direct relationship with customers. Payments are made via the tax invoices issued by suppliers.	Payment options offered by ActewAGL Retail are as follows: <i>Small-medium—franchise/non-franchise</i> 1) Direct debit—from bank or credit card 2) Post—mail in cheque 3) Centrelink—Centrepay 4) In person—ActewAGL shop front & Energy Stores—cheque/cash/EFT 5) Australia Post—cash/cheque/EFT/credit card 6) Phone pay—credit card line 7) Coles/Myer—debit card 8) EBusiness—ActewAGL's online payment service via

Obligation	Response	ActewAGL Distribution comments
		internet—bank or credit card
		9) Bpay—payment via bank or credit card accounts
		<i>Large non-franchise</i>
		10) EFT—payment directly into bank account
		11) Cheque—post in payment; Direct debit—from Bank account
<b>Customer connection times (schedule: performance standard 1)</b>		
In 2006–07, how many customer connections failed to meet the performance standards specified in the Consumer Protection Code?	0	
<b>Response to complaints (schedule: performance standard 3)</b>		
How many consumer complaints did the licensee receive in 2006–07?	817	
How many were acknowledged within 10 business days?	809	
How many were responded to within 20 business days?	765	
<b>Responding to notifications about network problems or concerns (schedule: performance standards 4 and 7)</b>		
1. How many notifications of network problems or concerns about the licensee's network did the licensee receive in 2006–07?	5,512	
	5,411 (excluding storms of 24 September 2006 and 2 November 2006)	
2. How many notifications related to damage or harm to, or fault with, the licensee's network that was likely to affect public health, or caused or potentially caused substantial damage or harm to a person or property?	90	
	76 (excluding storms of 24 September 2006 and 2 November 2006)	
3. Of the notifications referred to in 2, how many responses were not made within 6 hours?	2	
	2 (excluding storms of 24 September 2006)	
4. How many notifications related to other problems or concerns that were not likely to affect public health, or cause or potentially cause substantial damage or harm to a person or property?	5,422	
	5,335 (excluding storms of 26 September 2006 and 2 November 2006)	
5. Of the notifications referred to in 4, how many responses were not made within 48 hours?	9	
6. Of the notifications referred to in 4, how many problems or concerns were not resolved in the time specified in the response?	Not applicable.	There are no timeframes specified for reactive work.

*Table continues*

Table A2.2 continued

Obligation	Response	ActewAGL Distribution comments
<b>Planned interruptions (schedule: performance standard 5)</b>		
How many planned interruptions to services were there in 2006–07?	1,186	
How many instances were there where the licensee did not provide at least 2 days' notice of a planned interruption to each premises affected?	145 customers affected	Work is only undertaken with less than 2 days' notice in the case of urgent repairs and maintenance.
How many instances were there where supply was not restored within 12 hours of the initial interruption?	3	1: trees in line 1: isolation to replace switchboard 1: isolation to repair consumer's installation
<b>Unplanned interruptions (schedule: performance standard 6)</b>		
How many unplanned interruptions to services were there in 2006–07?	831 772 (excluding storms of 26 September 2006 and 2 November 2006)	
In how many instances was supply not restored within 12 hours of the initial interruption	13 8 (excluding storms of 26 September 2006 and 2 November 2006)	1: substation replacement following vehicular accident 2: cable fault location and repair 1: incident of damage within consumer's installation 2: isolations due to fire within installation 2: clearance of trees from overhead network and/or restoring network following tree damage 4: storm response and repairs 1: repair to overhead but consumer not currently using supply

Table A2.3 Electricity distribution, rebates payable for non-compliance, ActewAGL Distribution

Obligation	Response	ActewAGL Distribution comments
<b>Obligation to pay rebate for non-compliance (cl. 11.2)</b>		
How many claims for a rebate for failing to meet the performance standards specified in the schedule to the Consumer Protection Code did the licensee receive during 2006–07?	1	
How many rebates did the licensee pay customers in 2006–07?	152	
What was the nature of the incidents?		Vast majority were no outage notice or notice too short. Remainder included disconnection, no or inadequate notice of work, poor service, and timing of work.
What was the total value of the rebates paid?	\$7,450	

**Table A2.4 Electricity distribution, compliance with Ringfencing Guidelines, ActewAGL Distribution**

Obligation	Response	ActewAGL Distribution comments
<b>Ringfencing Guidelines (cl. 3.1)</b>		
Provide copies of the licensee's ringfencing policies and procedures.		[Provided]
What measures are taken to ensure that: <ul style="list-style-type: none"> <li>• staff are aware of the licensee's ringfencing policies and procedures?</li> <li>• the licensee's ringfencing policies and procedures are adhered to?</li> </ul>		There is a high level of awareness about ringfencing policies and procedures. The legal compliance program involves occasional training sessions for staff judged most likely to be affected by the nature of their work role. Ringfencing obligations are referred to.  Experience demonstrates an effective level of policy adherence deriving from collective knowledge. A person proposing something that has a potentially adverse ringfencing implication is likely to be very quickly reminded of that by colleagues. There is constant awareness at executive level through the segregation of papers from distribution area to prevent the retail business gaining an information advantage over its competitors. This is a highly visible practice that serves to keep executives in tune with ringfencing and that in turn filters down the ranks.
Were any breaches detected of the licensees' obligations with respect to: <ul style="list-style-type: none"> <li>• cost allocation</li> <li>• protection of customer information</li> <li>• protection of information obtained by the licensee</li> <li>• staff separation</li> <li>• dealing with related businesses</li> <li>• marketing?</li> </ul>	No	For reasons stated above, any potential ringfencing breach is recognised early. At times, even when legal advice was that a particular course of action did not constitute a ringfencing breach, it was not proceeded with because it was perceived as 'getting close to the line'.

**Table A2.5 Electricity distribution, compliance under Electricity Network Use of System (NUoS) Code, ActewAGL Distribution**

Obligation	Response	ActewAGL Distribution comments
<b>Requirement to negotiate an NUoS agreement</b>		
As at 30 June 2007, which electricity suppliers were party to the NUoS agreement?	9	Country Energy ActewAGL Retail Sun Retail Energy One Powerdirect Australia Integral Energy Red Energy TRUenergy AGL Sales

## Electricity suppliers

Fourteen utilities were licensed to supply electricity in the ACT in 2006–07: all but Energy One, Jackgreen and Red Energy were active during this period. The following tables contain information about the 11 active suppliers only.

Table A2.6 Compliance under Utilities Act, electricity suppliers, 2006–07

Obligation	ActewAGL Retail	AGL Electricity	AGL Sales	Aurora Energy	Country Energy	Sun Retail	EnergyAustralia	Powerdirect	Powerdirect Australia	Integral Energy	Origin Energy	TRUenergy	TRUenergy Yallourn
How many requests for supply from franchise customers were refused in 2006–07? <sup>a</sup>	0												
How many requests for supply did the licensee receive from users or suppliers of alternative energy services?	0	0	0	0	0	0	0	0	0	0	0	Unable to advise	4 (none refused)

a Obligation applies only to first-tier retailers.

Table A2.7 Electricity suppliers, compliance with licence conditions, 2006–07

Obligation	ActewAGL Retail	AGL Electricity	AGL Sales	Aurora Energy	Country Energy	Sun Retail	EnergyAustralia	Powerdirect	Powerdirect Australia	Integral Energy	Origin Energy	TRUenergy	TRUenergy Yallourn
Were there any material breaches of the licensee's licence or any applicable, law, code of practice, directions and guidelines in 2006–07?	No <sup>a</sup>	No	No	No	No	No	No	No	No	No	No	No <sup>b</sup>	No
Was the ICRC notified of all material breaches of the licensee's licence or any applicable law, code of practice, directions and guidelines in 2006–07?	Yes <sup>a</sup>	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Yes <sup>b</sup>	Not applicable
Were there any significant transfers in shareholdings (involving more than 50% of the shares) or changes in ownership in 2006–07?	No	No	No	No	No	No	No	Yes. Powerdirect was acquired by AGL on 1 March 2007.	Yes. Powerdirect Australia was acquired by AGL on 1 March 2007.	No	No	Yes. Internal group restructure	Yes. Internal group restructure

Table continues

Table A2.7 continued

Obligation	ActewAGL Retail	AGL Electricity	AGL Sales	Aurora Energy	Country Energy	Sun Retail	EnergyAustralia	Powerdirect	Powerdirect Australia	Integral Energy	Origin Energy	TRUenergy	TRUenergy Yallourn
Did the licensee hold, directly or by an agent, a registration with NEMMCO at all times in 2006–2007?	Yes By agent (AGL), and as intending participant	Yes Market customer	Yes Market customer	Yes Market customer	Yes Market customer	Yes Market customer	Yes Market customer						
Do the licensee's environmental strategies:													
<ul style="list-style-type: none"> <li>facilitate 'green power' programs that support energy generation projects that reduce greenhouse gas emissions?</li> </ul>	✓	✓	✓	✓	✓	✓	✓	Powerdirect reported that it is reviewing its national environment strategies.	Powerdirect Australia reported that, as a subsidiary of AGL, it adopted the environmental strategies of AGL Energy Limited	✓	✓	✓	No response
<ul style="list-style-type: none"> <li>facilitate buy-back arrangements for stand-alone greenhouse friendly systems operated by customers<sup>c</sup>?</li> </ul>	X	✓	✓	No response	✓	✓	✓ <sup>d</sup>			✓	✓	X	

Obligation	ActewAGL Retail	AGL Electricity	AGL Sales	Aurora Energy	Country Energy	Sun Retail	EnergyAustralia	Powerdirect	Powerdirect Australia	Integral Energy	Origin Energy	TRUenergy	TRUenergy Yallourn
<ul style="list-style-type: none"> <li>provide information to customers to enable them to better manage their energy use?</li> </ul>	✓	✓	✓	✓	✓	✓	✓			✓	✓	✓	
<ul style="list-style-type: none"> <li>promote management of energy consumption by commercial and industrial customers?</li> </ul>	✓	✓	✓	✓	✓	✓	✓			✓	✓	✓	
How many ACT customers did the licensee have at 30 June 2007 who were purchasing electricity through a government approved and accredited Green Power product?													9606
What was the total volume of electricity sold to ACT customers through government approved and accredited Green Power products during 2006–07? (MWh)													61,393

Table continues

Table A2.7 continued

Obligation	ActewAGL Retail	AGL Electricity	AGL Sales	Aurora Energy	Country Energy	Sun Retail	EnergyAustralia	Powerdirect	Powerdirect Australia	Integral Energy	Origin Energy	TRUenergy	TRUenergy Yallourn
Provide details of the sources of generation of electricity:													
landfill gas	✓	✓	✓										
wind	✓	✓	✓		✓	✓	✓			✓		✓	
biomass					✓	✓	✓			✓			
hydro	✓		✓		✓	✓	✓			✓			
solar			✓		✓	✓	✓			✓			
cogeneration					✓								

a ActewAGL advised of a 'borderline' breach in relation to customer 'win back'. Contract material was not sent to a number of customers in the time required by the Consumer Protection Code.

b TRUenergy identified a breach of the Consumer Protection Code in September 2006: offer and confirmation packs had not been sent to new customers between 23 May and 23 August 2006. Forty-one customers were affected.

c While suppliers can negotiate to enter into power purchase arrangements, permission is required from ActewAGL Distribution before power can be fed into the grid and buy-back arrangements made.

d EnergyAustralia advised that no requests for buy-back were received.

Table A2.8 Electricity suppliers, compliance with Consumer Protection Code

Obligation	ActewAGL Retail	AGL Electricity	AGL Sales	Aurora Energy	Country Energy	Sun Retail	EnergyAustralia	Powerdirect	Powerdirect Australia	Integral Energy	Origin Energy	TRUenergy	TRUenergy Yallourn	Energy One
<b>Complaints handling</b>														
Does the licensee have in place complaints handling procedures that:														
<ul style="list-style-type: none"> <li>enable the consumer to have their complaint considered by a senior employee if not satisfied with the handling of their complaint?</li> </ul>	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Not applicable <sup>a</sup>	Yes	Yes	Yes	Not applicable <sup>a</sup>	
<ul style="list-style-type: none"> <li>deal with complaints against an agent of the licensee?</li> </ul>	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Not applicable	Yes	Yes	Yes	(as above)	

Table continues

Table A2.8 continued

Obligation	ActewAGL Retail	AGL Electricity	AGL Sales	Aurora Energy	Country Energy	Sun Retail	EnergyAustralia	Powerdirect	Powerdirect Australia	Integral Energy	Origin Energy	TRUenergy	TRUenergy Yallourn	Energy One
<ul style="list-style-type: none"> <li>deal with the resolution of disputes between the licensee and consumers?</li> </ul>	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Not applicable	Yes	Yes	Yes	(as above)	
<ul style="list-style-type: none"> <li>comply with the relevant Australian Standards?</li> </ul>	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Not applicable	Yes	Yes	Yes	(as above)	
How and when are consumers advised of the licensee's complaints handling procedures?	Customer summary, phone directory, in first response to customer complaint, during phone calls as required	Contract	Contract	Contract	Contract and initial response	Account manager	Contract information booklet	Customer contact	Account managers	Account manager and contracts	Contract/account manager	Website or call centre	As agreed in contract	

Obligation	ActewAGL Retail	AGL Electricity	AGL Sales	Aurora Energy	Country Energy	Sun Retail	EnergyAustralia	Powerdirect	Powerdirect Australia	Integral Energy	Origin Energy	TRUenergy	TRUenergy Yallourn	Energy One
How and when are consumers advised of their right to complain to the Essential Services Consumer Council?	If customer's request not agreed to, by way of an information sheet, written or oral advice	Advised that obligation does not apply	Advised that obligation does not apply	When complaint is made	In a final decision to a complaint	If dispute not resolved	Accounts, reminders, dis-connection notices	When complaint is not resolved; through contact centres	Account managers	Contracts	Contract, account manager	Over phone, or via the ACT Ombudsman's office	As agreed in contract	
How long are complaints records held after the resolution of complaints?	> 2 years	Duration of contract	Duration of contract	Indefinitely	Indefinitely	Indefinitely	Indefinitely	Retained permanently on database or in archives	Data not supplied	Up to 7 years	Indefinitely	7 years	Data not supplied	

*Table continues*



Obligation	ActewAGL Retail	AGL Electricity	AGL Sales	Aurora Energy	Country Energy	Sun Retail	EnergyAustralia	Powerdirect	Powerdirect Australia	Integral Energy	Origin Energy	TRUenergy	TRUenergy Yallourn	Energy One
What methods of payment are available to customers to pay a customer account? <sup>c</sup>														
• in person	✓	✓	✓		✓	✓	✓	✓	✓	✓	✓	✓		Not applicable
• direct debit	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓		
• mail	✓	✓	✓	✓	✓	✓	✓	✓		✓	✓	✓		
• Centrelink— Centrepay	✓						✓					✓		
• phone	✓				✓		✓	✓		✓		✓		
• Bpay	✓				✓	✓	✓	✓	✓	✓	✓	✓		

a Terms negotiated with large, non-franchise customers other than as prescribed in the code.

b Obligation applies only to first-tier retailers.

c The main payment methods have been categorised by the Commission based on the information provided by licensees. The list is not exhaustive.

Table A2.9 Compliance by electricity suppliers under the Consumer Protection Code

Obligation	ActewAGL Retail	EnergyAustralia	TRUenergy
<i>Marketing of electricity supply services<sup>a</sup></i>			
<b>Obligations of marketer (cl. 27.1)</b>			
How does the licensee ensure that a marketer:			
<ul style="list-style-type: none"> <li>understands and complies with the obligations under Part 4.3 of the Consumer Protection Code and all applicable laws</li> <li>has product knowledge, including knowledge about tariffs, billing procedures, payment options and redress available to consumers experiencing financial hardship</li> <li>understands and is able to explain all offers made to consumer</li> <li>understands what is misleading, deceptive and unconscionable conduct?</li> </ul>	<p>Training and monitoring</p> <p>ActewAGL trains sellers on the Consumer Protection Code and product knowledge, including tariffs. All offers are accompanied by a marketing brief and collateral detailing offers. Sellers are also trained on ActewAGL's code of conduct that covers misleading, deceptive and unconscionable conduct.</p>	<p>EnergyAustralia has developed comprehensive training for both door-to-door and telesales representatives. The training covers all areas listed.</p> <p>EnergyAustralia also regularly monitors the activity of all sales agents. Door-to-door sales require a follow-up verification call, which is recorded and monitored for compliance purposes. Telesales calls are recorded and monitored for compliance purposes.</p>	<p>Induction program and training. Training is conducted via an online module, which incorporates assessment. Team managers conduct coaching sessions with staff.</p> <p>TRUenergy uses a third party sales company. TRUenergy provides this company with:</p> <ul style="list-style-type: none"> <li>a Regulatory &amp; Legal Compliance training pack that gives an overview of the requirements under various applicable codes and guidelines and definitions of misleading and deceptive conduct</li> <li>a training assessment, which all new staff must complete before commencing work</li> <li>a product training pack (and assessments) that staff are required to complete before they commence selling TRUenergy products. This includes training on tariffs, billing procedures, and payment options.</li> </ul> <p>The regulatory and legal compliance training pack covers the definitions of misleading and deceptive conduct.</p>
<b>Obligation of utility (cl. 27.2(2))</b>			
Has the licensee obtained a written statement of compliance with Part 4.3 of the Consumer Protection Code and all applicable laws from the marketer in those instances, or arranged or facilitated a supply arrangement on behalf of the licensee?	Yes	Yes	Yes

Obligation	ActewAGL Retail	EnergyAustralia	TRUenergy
<p><b>Contact with consumers (cl. 28.2(4))</b></p> <p>How does the licensee ensure that where a marketer makes personal contact with consumers, either at a consumer's premises or outside a consumer's premises, that the marketer displays an identity card that shows:</p> <ol style="list-style-type: none"> <li>1. the marketer's full name, and the name of the utility that the marketer represents</li> <li>2. where a marketer is not a utility, the name of the company that the marketer works for?</li> </ol>	<p>ActewAGL supplies sellers with appropriate photo ID. Contractual guidelines stipulate that this is to be displayed at all times.</p> <p>ActewAGL contracts sellers to a strict guideline in identification.</p>	<p>All sales made door-to-door require a verification call. This is a call made independently of the sales agent. The call consists of a number of questions to ensure the customer has been told all of the essential information about the contract and also information such as the agent's name and whether or not the agent is displaying their ID card.</p> <p>EnergyAustralia provides the badges for sales agents to ensure that this information is included.</p>	<p>TRUenergy complies with the obligations by ensuring the sales representatives wear an ID badge at all times detailing the marketer's full name, the name of the utility that they are representing, and the name of the company that they work for. Each representative also wears a uniform.</p>

a Only ActewAGL Retail, TRUenergy and EnergyAustralia actively marketed in the ACT during the reporting period.

*Table continues*

Table A2.9 continued

Obligation	ActewAGL Retail	AGL Electricity	AGL Sales	Aurora Energy	Country Energy	Sun Retail	EnergyAustralia	Powerdirect	Powerdirect Australia	Integral Energy	Origin Energy	TRUenergy	TRUenergy Yallourn
<b>Responding to complaints (Schedule: performance standard 3)</b>													
1. How many consumer/customer complaints did the licensee receive in 2006–07?	653	0	0	0	3	0	24	1	0	0	0	11	Not applicable
2. How many were acknowledged within 10 business days?	523	Not applicable	Not applicable	Not applicable	3	Not applicable	Not supplied <sup>b</sup> 1		Not applicable	Not applicable	Not applicable	11	Not applicable
3. How many were responded to within 20 business days?	464	Not applicable	Not applicable	Not applicable	3	Not applicable	Not supplied <sup>b</sup> 1		Not applicable	Not applicable	Not applicable	11	Not applicable
<b>Rebates (CI 11.2)</b>													
How many claims for a rebate for failing to meet the performance standards specified on the schedule to the Consumer Protection Code did the licensee receive during 2006–07?	4	0	0	0	0	0	0	0	0	0	0	0	0
How many rebates did the licensee pay customers in 2006–07?	35	0	0	0	0	0	0	0	0	0	0	0	0

Obligation	ActewAGL Retail	AGL Electricity	AGL Sales	Aurora Energy	Country Energy	Sun Retail	EnergyAustralia	Powerdirect	Powerdirect Australia	Integral Energy	Origin Energy	TRUenergy	TRUenergy Yallourn
What was the nature of the incidents?	Almost all for overdue replies, plus one failure to notify of interruption to service												
What was the total value of the rebates paid? (\$)	\$770												
<b>Electricity Network Use of system (NUoS) Code</b>													
As at 30 June 2007, was the licensee a party to a network use of system (NUoS) agreement with the ACT's electricity distributor (ActewAGL Distribution)?	Yes	Yes	Yes	No	Yes	Yes	No	No (the default NUoS was now in place)	No (the default NUoS was now in place)	Yes	No	Yes	Yes

b EnergyAustralia's reporting system does not capture this information. EnergyAustralia reported that the vast majority of complaints are received and resolved at the first point of contact through the EnergyAustralia contact centre.

## Gas transmission

East Australian Pipeline Limited (EAPL) was the only gas transmission licensee in the ACT during the 2006–07 reporting period.

Table A2.10 Gas transmission, compliance with licence conditions, EAPL

Obligation	Response	Comments
<i>Utilities Act</i>		
<b>Performance of network operations (Division 7.3)</b>		
How many times in 2006–07 did the licensee enter landholders' properties to undertake network operations?	0	Transmission pipelines are situated within the boundaries of easement and are regularly patrolled by land and aerially. Any required activities to the network do not need entry to landowners' properties.
<b>Damage etc to landholders' property (s. 108)</b>		
What strategies does the licensee have in place to minimise inconvenience, detriment and damage to landholders' property resulting from network operations?		Documented procedures: Consultation and notification Rehabilitation and restoration Complaints handling
In 2006–07, how many complaints did the licensee receive about any inconvenience, detriment or damage to landholders' property resulting from network operations?	0	
<b>Provision of notice to landholders to undertake network operations (ss. 109, 110)</b>		
In 2006–07, how many complaints did the licensee receive for failing to give 7 days notice to landholders before performing network operations, or vegetation clearing/trimming on their land?	0	
<b>Provision of notice to other utilities to undertake network operations (s. 111)</b>		
In 2006–07, how many complaints did the licensee receive for failing to give 7 days notice to other utilities before performing network operations on their land that potentially affected network facilities under the care and management of those utilities?	0	
<b>Restoring landholders' property after undertaking network operations (ss. 112, 113)</b>		
In 2006–07, how many complaints did the licensee receive about the removal of its property and waste, or the restoration of affected land, after the completion of any network operations?	0	
<b>Authorised persons (Division 7.4)</b>		
Were all authorised persons issued with photographic identity cards in 2006–07?	Yes	
How are authorised persons made aware of their obligations and entry restrictions under the Act?		Pipeline patrol officers are required to undergo formal induction and training in Agility's procedures and legislative obligations (Agility was an EAPL service provider). Agility's formal induction and job-specific training is provided to all employees.

Obligation	Response	Comments
<i>Licence</i>		
<b>Licence compliance (cl. 7)</b>		
Was the ICRC notified of all material breaches of the licensee's licence or any applicable law, code of practice, directions and guidelines in 2006–07?	Yes	There were no material breaches within the 2006–07 reporting period.
<b>Ownership/management changes (cl. 10)</b>		
Were there any significant transfers in shareholdings (involving more than 50% of the shares) or changes in ownership in 2006–07?	No	The Australian Gas Light Company (AGL) and Alinta Limited merger of their respective infrastructure businesses was effected on 26 October 2006. EAPL ownership has not changed as it was owned by the APA Group.
<b>Emergency telephone services (schedule: cl. 1)</b>		
Did the licensee maintain a 24-hour emergency telephone service at all times during 2006–07?	Yes	
How are customers and the public informed of the service?		Easement marker posts provide emergency numbers. Patrol officers maintain contact with landowners, who also receive an annual information pack detailing emergency contacts.
<b>Environmental management (schedule: cl. 2)</b>		
Are the licensee's environmental management objectives, policies and practices in line with Part B of the Australian Pipeline Industry Association Code of Environmental Practice?	Yes	
<b>Annual reporting (schedule: cl. 3)</b>		
What was the quantity of gas transferred from the gas transmission network to the gas distribution network at the North Watson Custody Transfer Station for 2006–07? (TJ)		[Provided in confidence]
How many restrictions or interruptions to the supply of gas delivered to the gas distribution network at the North Watson Custody Transfer Station were there in 2006–07?	0	
How many incidents were there in 2006–07 that affected that section of the gas transmission network located in the Territory?	0	
Did the licensee conduct any emergency simulations in 2006–07?	0	An emergency response desktop simulation exercise was conducted on the ethane pipeline on 16 May 2007. While not concerning natural gas assets within the ACT, the exercise was nevertheless beneficial in terms of assessing preparedness to respond to pipeline incidents.  A subsequent emergency simulation conducted in December 2007 on the Young to Wagga Wagga lateral.
Did the licensee conduct any periodic reviews or assessments during 2006–07?	No	5-yearly review conducted on the risk assessment, class location and maximum allowable operating pressure (MAOP) in accordance with AS2885 due 2011.
Were there any reported third party hits in 2006–07 that touched the pipeline/coating?	No	
What was the number and duration of instances when the pipeline pressure exceeded the MAOP and/or temperature exceeded the limits set by the pipeline design?	0	

*Table continues*

Table A2.10 continued

Obligation	Response	Comments
What was the overall effectiveness of controls for the pipeline, including major corrective actions (number, type of action and location) arising from:		
<ul style="list-style-type: none"> <li>patrols?</li> </ul>	0	Fortnightly aerial surveillance is carried out along the pipeline.
<ul style="list-style-type: none"> <li>cathodic protection surveys?</li> </ul>	0	
<ul style="list-style-type: none"> <li>coating defect surveys?</li> </ul>	0	
How many calls were referred to the licensee from a One Call System?	2,555	No breakdown for the ACT is available. This number is for the calls taken for the whole of APA's pipeline networks across NSW.
How many of these required supervision at the site (standbys)?	0	
How many third party activities were detected (within 10 metres each side of the pipeline) that did not call the One Call System?	0	
How many patrols, cathodic protection and coating defect surveys were:		
<ul style="list-style-type: none"> <li>specified in the maintenance schedule?</li> </ul>	Patrols: 26 CP surveys: 1 CD surveys: 0	
<ul style="list-style-type: none"> <li>carried out during the reporting period?</li> </ul>	Patrols: 26 CP surveys: 1 CD surveys: 0	Cathodic protection survey results 100% protected to AS/NZS 2382
How many excavations were carried out (including those carried out in response to third party damage)?	0	
How many excavations were carried out in response to third party damage?	0	
<b>Landowner liaison</b>		
What proportion of all new landowners was contacted during the 12-month reporting period?	Not applicable	No new land owners
What proportion of existing landowners were contacted during this period?	100%	
What was the content of the liaison with landowners, including details of the message?		Pamphlet explaining pipeline route and its connection with the mainline  Explanation of safety measures and restrictions and when and why members of the public should call for a location  Information about Dial Before You Dig  Pen, key ring and map
How were landholders contacted?	3 landowners: personal visits	
What was the total number of third party activities:		
<ul style="list-style-type: none"> <li>within 10 m each side of the pipeline?</li> </ul>	0	
<ul style="list-style-type: none"> <li>supervised at site (standbys)?</li> </ul>	0	

## Gas distribution

ActewAGL Distribution was the only gas distribution licensee in the ACT during the 2006–07 reporting period.

**Table A2.11 Gas distribution, compliance with Utilities Act, ActewAGL Distribution**

Obligation	Response	ActewAGL Distribution comments
<b>Obligation to connect or vary connection (ss. 31, 81)</b>		
How many requests to connect to the licensee's network were refused in 2006–07?	0	
How many requests to vary a connection were refused in 2006–07?	0	
<b>Performance of network operations (Division 7.3)</b>		
How many times in 2006–07 did the licensee enter landholders' properties to undertake network operations?	1,301	
<b>Damage etc to landholders' property (s. 108)</b>		
What strategies does the licensee have in place to minimise inconvenience, detriment and damage to landholders' property resulting from network operations?		Operating procedures, including notification process Authorised officers' training regime
In 2006–07, how many complaints did the licensee receive about any inconvenience, detriment or damage to landholders' property resulting from network operations?	4	
<b>Provision of notice to landholders to undertake network operations (ss. 109, 110)</b>		
In 2006–07, how many complaints did the licensee receive for failing to give 7 days notice to landholders before performing network operations, or vegetation clearing/trimming on their land?	0	
<b>Provision of notice to other utilities to undertake network operations (s. 111)</b>		
2006–07, how many complaints did the licensee receive for failing to give 7 days notice to other utilities before performing network operations on their land that potentially affected network facilities under the care and management of those utilities?	0	
<b>Restoring landholders' property after undertaking network operations (ss. 112, 113)</b>		
In 2006–07, how many complaints did the licensee receive about the removal of its property and waste, or the restoration of affected land, after the completion of any network operations?	0	
<b>Authorised persons (Division 7.4)</b>		
Were all authorised persons issued with photographic identity cards in 2006–07?	Yes	
How are authorised persons made aware of their obligations and entry restrictions under the Act?		The contractor is contractually obliged to ensure that all authorised persons are aware of their obligations and entry restrictions under the Act.

*Table continues*

Table A2.11 continued

Obligation	Response	ActewAGL Distribution comments
<b>Licence compliance (cl. 7)</b>		
Were there any material breaches of the licensee's licence or any applicable law, code of practice, directions and guidelines in 2006–07?	No	
If yes, was the ICRC notified of the breaches?	Not applicable	
<b>Ownership/management changes (cl. 10)</b>		
Were there any significant transfers in shareholdings (involving more than 50% of the shares) or changes in ownership in 2006–07?	Yes	In October 2006, Alinta Limited acquired AGL's 50% share of ActewAGL Distribution as part of a larger transaction between the two companies.
<b>Emergency telephone number (schedule: cl. 1)</b>		
Did the licensee maintain a 24-hour emergency telephone service at all times during 2006–07?	Yes	
How are customers and the public informed of the services?		Telephone directory and customer bills Calls are also directed to the response centre from the ACT call centre.
<b>Network operation standards (schedule: cl. 2)</b>		
Were there any instances of non-compliance with the licensee's network operation standards in 2006–07?	No	
<b>Environmental management (schedule: cl. 3 and 4)</b>		
Are the licensee's environmental management policies and practices in line with AG750 Environmental Code of Practice and the Australian Pipeline Industry Code of Practice for Pipeline Construction?	Yes	
What was the amount of gas lost from the licensee's distribution network in 2006–07 (unaccounted-for gas)? (TJ)	108	
Please provide details of the licensee's plans to minimise gas losses in the forthcoming year (2007–08)?		Ongoing leakage survey program.
Please provide an assessment of the effectiveness of the plan to minimise gas losses in 2006–07.	Effective	
<b>Gas Market Scheme (schedule: cl. 6)</b>		
Was the licensee a participant in the Gas Market Company's gas market scheme, or an equivalent scheme, for all of 2006–07?	Yes	

**Table A2.12 Gas distribution, compliance with Consumer Protection Code, ActewAGL Distribution**

Obligation	Response	ActewAGL Distribution comments
<b>Complaints handling (schedule: cl. 6)</b>		
Does the licensee have in place complaints handling procedures that:		
<ul style="list-style-type: none"> <li>enable the consumer to have their complaint considered by a senior employee if not satisfied with the handling of their complaints?</li> </ul>	Yes	
<ul style="list-style-type: none"> <li>deal with complaints against an agent of the licensee?</li> </ul>	Yes	
<ul style="list-style-type: none"> <li>deal with the resolution of disputes between the licensee and consumers?</li> </ul>	Yes	
<ul style="list-style-type: none"> <li>comply with the relevant Australian Standard?</li> </ul>	Yes	
How and when are consumers advised of the licensee's complaints handling procedures?		Customers are advised through the customer charter, which goes to all new customers. The customer charter is also on the website. Customers are also advised during phone contact with Retail Sales and Service Centre where appropriate. Process is also included in written responses to consumer complaints.
How and when are consumers advised of their right to complain to the Essential Services Consumer Council?		When acknowledgement is in writing, an information sheet is provided including ESCC details. Contact information is also provided as part of the response to the complaint for written responses, except when the complainant is given the response they have asked for. With telephone responses, ESCC contact information is provided when the complainant is not satisfied with the response.
How long are complaints records held after the resolution of complaints?		Complaints records are kept indefinitely.
<b>Summary of consumer and utility rights (schedule: cl. 9)</b>		
Please provide a copy of the licensee's statement summarising the rights of the consumer and the licensee under the Utilities Act, the Consumer Protection Code and the relevant customer contract.		[Provided]
Is the summary available in:		
<ul style="list-style-type: none"> <li>the 5 most common non-English languages used in the territory</li> </ul>	Yes	
<ul style="list-style-type: none"> <li>large print?</li> </ul>	Yes	
<b>Customer connection times (schedule: performance standard 1)</b>		
In 2006–07, how many customer connections failed to meet the performance standard specified in the Consumer Protection Code?	0 (out of 1,413)	
If any, what percentage does this represent of total connections?	Not applicable	

*Table continues*

Table A2.12 continued

Obligation	Response	ActewAGL Distribution comments
<b>Responding to complaints (schedule: performance standard 3)</b>		
1. How many written consumer complaints did the licensee receive in 2006–07?	16	Changes arising from the Alinta/AGL merger saw a breakdown in complaints handling by Alinta and no records are available from Alinta. Complaints listed were made directly to ActewAGL.
2. How many were acknowledged within 10 business days?	16	
3. How many were responded to within 20 business days?	12	
<b>Responding to notifications about network problems or concerns (schedule: performance standard 4)</b>		
1. How many notifications of network problems or concerns about the licensee's network did the licensee receive in 2006–07?	150	Data are based on network problems affecting supply, for example street or area failure; no supply; poor supply; poor supply peak period.
2. How many of these notifications related to damage or harm to, or fault with, the licensee's network that was likely to affect public health, or caused or potentially caused substantial damage or harm to a person or property?	183	Incidents affecting network performance, i.e. third party interferences, gas escapes
Of the notifications referred to in 2, how many responses were not made within 6 hours?	0	
3. How many notifications related to other problems or concerns that were not likely to affect public health, or cause or potentially cause substantial damage or harm to a person or property?	1,614	Data include incidents or problems that were determined not to warrant high level responses. Data are reflective of response times requiring four hours or up to seven days.
Of the notifications referred to in 3, how many responses were not made within 48 hours?	6.3%	Data given are in response to this specific question; however, normal operating performance is not normally measured in this manner.
Of the notifications referred to in 3, how many problems or concerns were not resolved in the time specified in the response?	102	.
<b>Planned interruptions (schedule: performance standard 5)</b>		
How many planned interruptions to services were there in 2006–07?	0	Excludes planned meter replacement
How many instances were there where the licensee did not provide at least 2 days notice of a planned interruption to each premises affected?	Not applicable	
How many instances were there where supply was not restored within 12 hours of the initial interruption?	Not applicable	
<b>Unplanned interruptions (schedule: performance standard 6)</b>		
How many unplanned interruptions to services were there in 2006–07?	125	
In how many instances was supply not restored within 12 hours of the initial interruption?	0	

**Table A2.13 Gas distribution, rebates, ActewAGL Distribution**

Obligation	Response	ActewAGL Distribution comments
<b>Obligation to pay rebate for non-compliance (cl. 11.2)</b>		
How many claims for a rebate for failing to meet the performance standards specified in the schedule to the Consumer Protection Code did the licensee receive during 2006–07?	0	
How many rebates did the licensee pay customers in 2006–07?	1	
What was the nature of the incidents?		Late response
What was the total value of the rebates paid? (\$)	20	

**Table A2.14 Gas distribution, ringfencing guidelines, ActewAGL Distribution**

Obligation	Response	ActewAGL Distribution comments
<b>Ringfencing guidelines (cl. 3.1)</b>		
Please provide copies of the licensee's ringfencing policies and procedures.		[Provided]
What measures are taken to ensure that:		Ringfencing policies and procedures are in place to address this issue. All new staff are required to view ringfencing slideshow as part of induction to the company. Policies and procedures include:
<ul style="list-style-type: none"> <li>• staff are aware of the licensee's ringfencing policies and procedures</li> <li>• the licensee's ringfencing policies and procedures are adhered to?</li> </ul>		<ul style="list-style-type: none"> <li>• Ring Fencing Obligations and Compliance Procedure</li> <li>• Ring Fencing Corporate Policy</li> </ul>
Were any breaches detected of the licensees' obligations with respect to:		
<ul style="list-style-type: none"> <li>• cost allocation</li> <li>• protection of customer information</li> <li>• protection of information obtained by the licensee</li> <li>• staff separation</li> <li>• dealings with related business</li> <li>• marketing?</li> </ul>	<ul style="list-style-type: none"> <li>No</li> <li>No</li> <li>No</li> <li>No</li> <li>No</li> <li>No</li> </ul>	

## Gas supply

The ACT had six licensed gas suppliers in 2006–07, four of which were active in this reporting period. The following tables contain information about the active suppliers only.

Table A2.15 Gas supply, compliance with Utilities Act

Obligation	ActewAGL Retail	Country Energy	Energy Australia	TRUenergy
<b>Obligation to request connection (s. 81)</b>				
In how many instances did the licensee not request connection, or variation of a connection, on behalf of a person who requested it?	0	0	0	0
<b>Obligation to supply (s. 82)<sup>a</sup></b>				
How many requests for supply from franchise customers were refused in 2006–07?	0	0	0	0
<b>Discrimination against users of alternative energy services (s. 102(1))</b>				
How many requests for supply did the licensee receive from users or suppliers of alternative energy services in 2006–07?	0	0	0	0
How many requests were refused and why?	Not applicable	Not applicable	Not applicable	Not applicable

a Obligation applies to first-tier retailers only.

**Table A2.16 ACT gas suppliers, compliance with licence conditions**

Obligation	ActewAGL Retail	Country Energy	Energy-Australia	TRUenergy
<b>Licence compliance (cl. 7)</b>				
Were there any material breaches of the licensee's licence or any applicable law, code of practice, directions and guidelines in 2006–07?	Borderline—Customer win back contract material not sent to a significant number of customers in the time required by the Consumer Protection Code	No	No	No issues in 2006–07 other than the issue previously identified in the 2005–06 compliance report relating to the failure to send out Offer and Confirmation packs to new customers acquired over the period 23 May 2006 to 23 August 2006.
Was the ICRC notified of all material breaches of the licensee's licence or any applicable law, code of practice, directions and guidelines in 2006–07?	Yes	Not applicable	Not applicable	Yes <sup>a</sup>
<b>Ownership/management changes (cl. 10)</b>				
Were there any significant transfers in shareholdings (involving more than 50% of the shares) or changes in ownership in 2006–07?	No	No	No	Yes. ICRC was notified on 14 March 2007 of the TRUenergy Pty Ltd and TRUenergy Yallourn Pty Ltd internal group restructure.
<b>Environmental requirements (schedule: cl. 2)<sup>b</sup></b>				
What strategies does the licensee use to encourage the use of thermally efficient gas appliances and efficient energy-use practice by its customers?	<ul style="list-style-type: none"> <li>• <i>Essentials</i> newsletters</li> <li>• brochures</li> <li>• ActewAGL website</li> <li>• staff advice at HomeConnect and Energy stores</li> <li>• demand management and energy efficiency advice for business customers</li> </ul>	Not applicable	Not applicable	TRUenergy provides information on the TRUenergy website regarding energy efficiency. Customers also receive an annual bill insert on energy efficiency.
<b>Gas Market Scheme (schedule: cl. 3)</b>				
Was the licensee a participant in the Gas Market Company's gas market scheme, or an equivalent scheme, in 2006–07?	Yes	Yes	Yes	Yes

a TRUenergy identified a breach of the Consumer Protection Code in September 2006: offer and confirmation packs had not been sent to new customers between 23 May and 23 August 2006. Forty-one customers were affected.

b This applies only to licensees supplying more than 500 TJ p.a.

**Table A2.17 ACT gas suppliers, compliance with Consumer Protection Code**

Obligation	ActewAGL Retail	Country Energy	EnergyAustralia	TRUenergy
<b>3.1 Complaints handling (cl. 6)</b>				
Does the licensee have in place complaints handling procedures that:				
<ul style="list-style-type: none"> <li>enable the consumer to have their complaint considered by a senior employee if not satisfied with the handling of their complaint?</li> </ul>	Yes	Yes	Yes	Yes
<ul style="list-style-type: none"> <li>deal with complaints against an agent of the licensee?</li> </ul>	Yes	Yes	Yes	Yes
<ul style="list-style-type: none"> <li>deal with the resolution of disputes between the licensee and consumers?</li> </ul>	Yes	Yes	Yes	Yes
<ul style="list-style-type: none"> <li>comply with the relevant Australian Standard?</li> </ul>	Yes	Yes	Yes	Yes
How and when are consumers advised of the licensee's complaints handling procedures?	Customer summary, customer service centre, written responses to complaints	Initial response and contract	Energy Agreement and Customer Charter received at time contract commences	Phone/internet contact
How and when are consumers advised of their right to complain to the Essential Services Consumer Council?	As above	In final decision to a complaint	Quarterly accounts, reminder and disconnection notices	Phone
How long are complaints records held after the resolution of complaints?	Complaint records remain on the customer's account indefinitely	Indefinitely	Indefinitely	7 years
<b>Summary of consumer and utility rights (cl. 9)</b>				
Please provide a copy of the licensee's statement summarising the rights of a consumer and the licensee under Utilities Act, the Consumer Protection Code and the relevant customer contract.	[Provided]	Not applicable	Not applicable (EnergyAustralia did not sell to franchise customers)	This question does not apply to TRUenergy Pty Ltd as all customers have entered into a negotiated contract.
Is the summary available in:				
<ul style="list-style-type: none"> <li>the 5 most common non-English languages used in the territory</li> </ul>	Yes			

Obligation	ActewAGL Retail	Country Energy	EnergyAustralia	TRUenergy
<ul style="list-style-type: none"> <li>large print?</li> </ul>	Yes			
Is a copy of the summary included in the customer's first account?	Yes, and then on request			
<b>Customer payment options (cl. 13.5)</b>				
What methods of payment are available to customers to pay a customer account?				
<ul style="list-style-type: none"> <li>in person</li> </ul>	✓	✓	✓	✓
<ul style="list-style-type: none"> <li>direct debit</li> </ul>	✓	✓	✓	✓
<ul style="list-style-type: none"> <li>mail</li> </ul>	✓	✓	✓	✓
<ul style="list-style-type: none"> <li>Centrelink— Centrepay</li> </ul>			✓	✓
<ul style="list-style-type: none"> <li>phone</li> </ul>	✓	✓	✓	✓
<ul style="list-style-type: none"> <li>Bpay</li> </ul>	✓	✓	✓	✓

*Table continues*

Table A2.17 continued

Obligation	ActewAGL Retail	Country Energy	EnergyAustralia	TRUenergy
<b>Marketing of electricity supply services<sup>a</sup>—Obligations of marketer (cl. 27.1)</b>				
How does the licensee ensure that a marketer:				
1. understands and complies with the obligations under Part 4.3 of the Consumer Protection Code and all applicable laws?	Training and monitoring ActewAGL trains sellers on the Consumer Protection Code and product knowledge, including tariffs. All offers are accompanied by a marketing brief and collateral detailing offers. Sellers are also trained on ActewAGL's code of conduct that includes misleading, deceptive and unconscionable conduct.	Country Energy has not been actively marketing in the ACT during the reporting period.	EnergyAustralia has developed comprehensive training for door-to-door and telesales representatives. The training covers all areas listed.  EnergyAustralia also regularly monitors the activity of all sales agents. Door-to-door sales require a follow-up verification call, which is recorded and monitored for compliance purposes. Telesales calls are recorded and monitored for compliance purposes.	Induction program and training for all staff Training is conducted via online modules, which incorporate assessment. Team managers conduct coaching sessions with staff. TRUenergy uses a third party sales company, which it provides with: <ul style="list-style-type: none"> <li>• a regulatory and legal compliance training pack, giving an overview of ACT requirements under applicable codes and guidelines and definitions of misleading and deceptive conduct</li> <li>• training assessments, which all new staff must complete before starting work</li> <li>• a product training pack (and assessments) that staff must complete before they start selling TRUenergy products. This includes training on tariffs, billing procedures and payment options.</li> </ul>
2. has product knowledge, including knowledge about tariffs, billing procedures, payment options and redress available to consumers experiencing financial hardship?				
3. understands and is able to explain all offers made to consumer?				
4. understands what is misleading, deceptive and unconscionable conduct?				

a Only ActewAGL Retail, TRUenergy and EnergyAustralia actively marketed in the ACT during the reporting period.

Obligation	ActewAGL Retail	Country Energy	EnergyAustralia	TRUenergy
<b>Obligation of utility (cl. 27.2(2))</b>				
Has the licensee obtained a written statement of compliance with Part 4.3 of the Consumer Protection Code and all applicable laws from the marketer in those instances, or arranged or facilitated a supply arrangement on behalf of the licensee?	Yes Sellers are required to comply with the Consumer Protection Code and this is policed through contractual guidelines. Financial penalties are levied for any non-compliance.	Not applicable	Yes	Yes
<b>Contact with consumers (cl. 28.2(4))</b>				
How does the licensee ensure that where a marketer makes personal contact with consumers, either at a consumer's premises or outside a consumer's premises, that the marketer displays an identity card that shows: 1. the marketer's full name, and the name of the utility that the marketer represents? 2. where a marketer is not a utility, the name of the company that the marketer works for?	Yes ActewAGL supplies sellers with appropriate photo ID. Contractual guidelines stipulate that this is to be displayed at all times. ActewAGL contracts sellers to a strict guideline in identification.	Not applicable	All sales made door-to-door require a verification call. This is a call made independently of the sales agent. The call consists of a number of questions to ensure the customer has been told all of the essential information about the contract and also information such as the agent's name and whether or not the agent is displaying their ID card.  EnergyAustralia provides the badges for sales agents to ensure that this information is included.	Sales representatives wear an ID badge at all times detailing the marketer's full name, the name of the utility they are representing, and the name of the company that they work for. Each representative also wears a uniform.
<b>Responding to complaints (schedule: performance standard 3)</b>				
1. How many customer/consumer complaints did the licensee receive in 2006-07?	279	0	0	0
2. How many were acknowledged within 10 business days?	254	Not applicable	EnergyAustralia's reporting system does not capture this information.	Not applicable
3. How many were responded to within 20 business days?	249	Not applicable	The vast majority of complaints are received and resolved at the first point of contact through the EnergyAustralia contact centre.	Not applicable

*Table continues*

Table A2.17 continued

Obligation	ActewAGL Retail	Country Energy	EnergyAustralia	TRUenergy
<b>Rebates— Obligation to pay rebate for non-compliance (cl. 11.2)</b>				
How many claims for a rebate for failing to meet the performance standards specified in the schedule to the Consumer Protection Code did the licensee receive in 2006–07?	0	0	0	0
How many rebates did the licensee pay customers in 2006–07?	7	0	0	0
What was the nature of the incidents?	Late replies	Not applicable	Not applicable	Not applicable
What was the total value of the rebates paid? (\$)	\$140	Not applicable	Not applicable	Not applicable

## Water and sewerage services

ACTEW Corporation was the only licensed provider of water and sewerage services in the ACT in the 2006–07 reporting period.

### Water and sewerage common requirements

Table A2.18 Water and sewerage service, compliance with Utilities Act, ACTEW Corporation

Obligation	Response	ACTEW Corporation comments
<b>Authorised persons (Division 7.4)</b>		
Were all authorised persons issued with photographic identity cards in 2006–07?	Yes	
How are authorised persons made aware of their obligations and entry restrictions under the Act?		All new employees go through an induction process that includes entry to land training. Existing employees receive refresher training from time to time. Internal procedures on planned work activity and emergency repairs outline responsibilities under the Act.
<b>Ownership/management changes (cl. 10)</b>		
Were there any significant transfers in shareholdings (involving more than 50% of the shares) or changes in ownership in 2006–07?	No	
<b>Emergency telephone service (schedule: cl. 1)</b>		
Did the licensee maintain a 24-hour emergency telephone service at all times during 2006–07?	Yes	
How are customers and the public informed of these services?		Bills, Yellow Pages, White Pages, television, radio, internet
<b>Supply of information (schedule: cl. 3)</b>		
Did the licensee provide all information to the Water Supply Association of Australia that the association requested in place in 2006–07?	No	All data provided with the exception of infrastructure leakage index (ILI); system water losses; significant injury frequency rate.  ILI and water loss data was not available due to a problem with metering at Stromlo water treatment plant that was not able to be corrected until after the deadline for data submission.  Significant Injury Frequency Rate data was not available for construction contract staff due to the impracticality of obtaining total hours worked on construction.

**Table A2.19 Water and sewerage services, compliance with Consumer Protection Code, ACTEW Corporation**

Obligation	Response	ACTEW Corporation comments
<b>Complaints handling (cl. 6)</b>		
Does the licensee have in place complaints handling procedures that:		
<ul style="list-style-type: none"> <li>enable the consumer to have their complaints considered by a senior employee if not satisfied with the handling of their complaints?</li> </ul>	Yes	
<ul style="list-style-type: none"> <li>deal with complaints against an agent of the licensee?</li> </ul>	Yes	
<ul style="list-style-type: none"> <li>deal with the resolution of disputes between the licensee and consumer?</li> </ul>	Yes	
<ul style="list-style-type: none"> <li>comply with the relevant Australian Standards?</li> </ul>	Yes	
How and when are consumers advised of the licensee's complaints handling procedures?		Complaints phone number is on bills. Details on website and with acknowledgement of receipt of complaint.
How and when are consumers advised of their right to complain to the Essential Services Consumer Council?		When the acknowledgement is in writing, an information sheet is provided including ESCC details. ESCC contact information is also provided as part of the response to the complaint for written responses, except where the complainant is given the response they have asked for. With telephone responses, ESCC contact information is provided when the complainant is not satisfied with the response.
How long are complaints records held after the resolution of complaints?		> 2 years
<b>Summary of consumer and utility rights (cl. 9)</b>		
Please provide a copy of the licensee's statement summarising the rights of a consumer and the licensee under the utilities Act, the Consumer Protection Code and the relevant customer contract.		[Provided]
Is the summary available in:		
<ul style="list-style-type: none"> <li>the 5 most common non-English languages used in the territory</li> </ul>	Yes	
<ul style="list-style-type: none"> <li>large print?</li> </ul>	Yes	
Is a copy of the summary included in the customer's first account?	No, in a limited number of cases	A process, intended to avoid customers of ActewAGL utility services receiving multiple, identical copies of the summary for individual utility services, was initiated in the 2006–07 financial year. Unfortunately this process resulted in a limited number of new water customers not receiving a summary. The error was identified and corrected by April 2008.
<b>Customer payment options (cl. 13.5)</b>		
What methods of payment are available to customers to pay a customer account?		<p>Payments can be made by the following methods:</p> <ul style="list-style-type: none"> <li>in person (Australia Post, ActewAGL or Energy shop)</li> <li>phone pay by credit card</li> <li>Centrelink</li> <li>Bpay</li> <li>Coles/Myer</li> <li>direct debit</li> <li>mail</li> <li>eBusiness.</li> </ul>

## Water supply

Table A2.20 Water supply, compliance under Utilities Act, ACTEW Corporation

Obligation	Response	ACTEW Corporation comments
<b>Obligation to connect or vary connection (ss. 83, 85)</b>		
How many requests to install a connection to the licensee's network were refused in 2006-07?	0—water 0—sewerage	
How many requests to vary a connection were refused in 2006-07?	0—water 0—sewerage	
How many requests to allow an accredited third party to install or vary a water or sewerage connection (pipe) were refused 2006-07?	0—water 0—sewerage	
<b>Obligation to provide water supply services (s. 84)</b>		
How many requests to supply water to premises owned or occupied by a franchise customer were refused in 2006-07?	0	
<b>Obligation to provide sewerage service (s. 86)</b>		
How many requests to provide a sewerage service for a premises were refused in 2006-07?	0	
<b>Performance of network operations (Division 7.3)</b>		
How many times in 2006-07 did the licensee enter landholders' properties to undertake network operations		Data not captured
<b>Damage etc to landholders' property (s. 108)</b>		
What strategies does the licensee have in place to minimise inconvenience, detriment and damage to landholders' property resulting from network operations?		For both water and sewerage: <ul style="list-style-type: none"> <li>• on-site risk and job assessment</li> <li>• quality systems procedures and work instructions describing the nature and process of work</li> <li>• supervision of work crews by an experienced supervisor</li> <li>• a discrete 'rectification' manager to coordinate post-incident site restorations.</li> </ul>
In 2006-07, how many complaints did the licensee receive about any inconvenience, detriment or damage to landholders' property resulting from network operations?	48—water 20—sewerage	
<b>Provision of notice to landholders to undertake network operations (ss. 109, 110)</b>		
In 2006-07, how many complaints did the licensee receive for failing to give 7 days notice to landholders before performing network operations, or vegetation clearing/trimming on their land?	7—water 0—sewerage	

*Table continues*

Table A2.20 continued

Obligation	Response	ACTEW Corporation comments
<b>Provision of notice to other utilities to undertake network operations (s. 111)</b>		
In 2006–07, how many complaints did the licensee receive for failing to give 7 days notice to other utilities before performing network operations on their land that potentially affected network facilities under the care and management of those utilities?	0	
<b>Restoring landholders' property after undertaking network operations (ss. 112, 113)</b>		
In 2006–07, how many complaints did the licensee receive about the removal of its property and waste, or the restoration of affected land, after the completion of any network operations?	23—water 11—sewerage	

Table A2.21 Water services, compliance under licence conditions, ACTEW Corporation

Obligation	Response	ACTEW Corporation comments
<b>Licence compliance (cl. 7)</b>		
Was the ICRC notified of all material breaches of the licensee's licence or any applicable law, code of practice, directions and guidelines in 2006–07?	No	
<b>Environmental strategies (schedule: cl. 2.1, 2.2)</b>		
Please provide a copy of the licensee's environmental strategy.		[Provided]
What was the volume of unaccounted-for water as a percentage of volume extracted in 2006–07? (%)	5%	
What was the average annual distribution loss from the network in 2006–07? (L/km of main per day)	1,250	
<b>Agreement with Fire Brigade (schedule: cl. 4)</b>		
Did the licensee comply with its fire fighting/water supply agreement with the ACT Fire Brigade at all times during 2006–07?	Yes	

**Table A2.22 Water services, compliance under Consumer Protection Code, ACTEW Corporation**

Obligation	Response	ACTEW Corporation comments
<b>Customer connection times (schedule: performance standard 1)</b>		
In 2006–07, how many customer connections failed to meet the performance standard specified in the Consumer Protection Code?	0	
<b>Responding to customer complaints (schedule: performance standard 3)</b>		
1. How many customer/consumer complaints did the licensee receive in 2006–07?	372—water 52—sewerage	147 of water complaints related to water quality <sup>a</sup>
2. How many were acknowledged within 10 business days?	350—water 52—sewerage	
3. How many were responded to within 20 business days?	352—water 52—sewerage	
<b>Responding to notifications about network problems or concerns (schedule: performance standard 4)</b>		
1. How many notifications of network problems or concerns about the licensee's network did the licensee receive in 2006–07?	4,537—water 5,181—sewerage	
2. How many of these notifications related to damage or harm to, or fault with, the licensee's network that was likely to affect public health, or caused or potentially caused substantial damage or harm to a person or property?	82—water 17—sewerage	
Of the notifications referred to in 2, how many responses were not made within 6 hours?	0	
3. How many notifications related to other problems or concerns that were not likely to affect public health, or cause or potentially cause substantial damage or harm to a person or property?	4,455—water 5,164—sewerage	
Of the notifications referred to in 3, how many responses were not made within 48 hours?	840—water 15—sewerage	
Of the notifications referred to in 3, how many problems or concerns were not resolved in the time specified in the response?	77—water 61—sewerage	

*Table continues*

Table A2.22 continues

Obligation	Response	ACTEW Corporation comments
<b>Planned interruptions (schedule: performance standard 5)</b>		
How many planned interruptions to services were there in 2006–07?	10,777 events (15,564 properties)— water 0 events— sewerage	These figures include all planned interruptions where written notice was delivered, including 10,607 meter upgrades as part of the standard meter replacement programs. The assumption is one property interruption of 25 minutes duration.  An additional 790 meter replacement jobs were completed through seeking verbal approval. These have not been included because 'service off' and 'service on' times are not recorded electronically.
How many instances were there where the licensee did not provide at least 2 days notice of a planned interruption to each premises affected?	0—water 0—sewerage	
How many instances were there where supply was not restored within 12 hours of the initial interruption?	0	
<b>Unplanned interruptions (schedule: performance standard 6)</b>		
How many unplanned interruptions to services were there in 2006–07?	727 events (19,905 properties)— water 1,985 events— sewerage	Main to main-cock only
In how many instances was supply not restored within 12 hours of the initial interruption?	0 (water) 3 (sewerage)	

a From January 2007, the Consumer Protection Code stated that water quality complaints should not be included in complaints for the purposes of assessing response times. Notwithstanding this, the figures given above include water quality complaints for the entire financial year. The 2007–08 report will reflect the changes to the Consumer Protection Code.

Table A2.23 Water services, rebates, ACTEW Corporation

Obligation	Response	ACTEW Corporation comments
<b>Obligation to pay rebate for non-compliance (cl. 11.2)</b>		
How many claims for a rebate for failing to meet the performance standards specified in the schedule to the Consumer Protection Code did the licensee receive during 2006–07?	3—water 1—sewerage	
How many rebates did the licensee pay customers in 2006–07?	8—water 0—sewerage	
What was the nature of the incidents?		Mainly late responses; one case of no notice of outage
What was the total value of the rebates paid? (\$)	\$220 (water only)	

## Appendix 3: Licensee performance report data

This appendix details the compiled performance data reported by licensees. The tables in this appendix show annual performance indicators by industry segment and licensee. Where licensees have provided supporting documentation, it has not usually been included. Notes to the tables contain licensees' comments and clarifications of their responses. They do not represent the Commission's views.

### Electricity distribution

ActewAGL Distribution was the only electricity distribution licensee in the ACT in 2006–07.

#### Business descriptors

Table A3.1 Number of metered supply points, electricity distribution, ActewAGL Distribution, 2006–07

Number of metered supply points by feeder category	By type of customer			By supply voltage		
	Total	Domestic	Non-domestic	Sub-transmission	High voltage	Low voltage
Urban	156,359	142,410	13,949	0	23	156,336

Table A3.2 Energy delivered (GWh), electricity distribution, ActewAGL Distribution, 2006–07

Energy delivered by feeder category (GWh)	By type of customer			By supply voltage		
	Total	Domestic	Non-domestic	Sub-transmission	High voltage	Low voltage
CBD	Nil	Nil	Nil	Nil	Nil	Nil
Urban and rural short	2,799	1,148	1,651	0	369	2,430

Table A3.3 Line length (km), electricity distribution, ActewAGL Distribution, 2006–07

Line length by feeder category (km)	Total	By supply voltage				
		Underground	Overhead	Sub-transmission	High voltage	Low voltage
CBD	Nil	Nil	Nil	Nil	Nil	Nil
Urban and rural short	4,696	2,283	2,413	205 <sup>a</sup>	2,282	2,209 <sup>b</sup>

a Includes circuits operating at 132 kV, 66 kV, 22 kV and 11 kV.

b Excludes circuits classified as services.

Notes: There are no feeders in the ACT that should be classified as CBD.

ActewAGL does not have the capability to report line lengths on the separate categories of urban and rural short feeders. A lot of feeders which supply rural customers cross the urban areas and also supply urban customers

**Table A3.4 Transformers, number and capacity (MVA), electricity distribution, ActewAGL Distribution, 2006–07**

Number and total capacity of transformers	Number	Capacity (MVA)
Subtransmission	28	1,283
Distribution	4,670	1,752

**Table A3.5 Other business descriptors, electricity distribution, ActewAGL Distribution, 2006–07**

Distribution losses (%)	Network service area (sq. km)	Number of poles	Peak demand (MW)
4.51 (based on 5-year moving average)	2,358	53,037 distribution 1,325 subtransmission	599 MW 2006–07 (617 MW 2005–06)

## Customer service

Table A3.6 Customer service, electricity distribution, ActewAGL distribution, 2006–07

Issue	Response	Comments
<b>Timely provision of services</b>		
Total number of (new) connections provided	6,229	Connected (energised)
	3,093	New physical connections (based on the difference between the number of connections and extinct properties at the beginning and at the end of the financial year. Both differences are added together to provide the number of new physical connections to the network).
Number not provided on or before the agreed date	0	
<b>Call centre performance</b>		
How many ACT customers made calls to the licensee's call centre in 2006–07?	66,065	Counting electricity only
How many calls were answered within 30 seconds? <sup>a</sup>	41,304	
What was the average waiting time before a call was answered by a person? (seconds)	31.66	
How many calls were abandoned before being answered by a person?	13,960	
How many overload <sup>b</sup> events occurred?	23	
<b>Customer complaints<sup>c</sup></b>		
What was the total number of customer complaints received by the licensee in 2006–07?	817	
Of the complaints received in 2006–07, how many related to:		Some categories are counted more than once because they overlap. Therefore numbers here will not add up to a total of 817.
Reliability of supply?	17	We counted 'system unreliability'.
Technical quality of supply?	21	We counted 'electricity quality'.
Administrative process or customer service?	232	We counted 'timing of work, service poor, information wrong, fee dispute, no/inadequate notice of work, staff rude, other staff misbehaviour, connection took too long, failed to reply, late / missed appointment, meters / meter reading, notices offended, telephone service poor, not told outage cancelled, disconnection'.
Property damage / restoration of property?	123	We counted 'property damage, site restoration'.
Connections?	4	We counted 'connection took too long'.
Metering / meter reading?	9	We counted 'meters / meter reading'.
Failure to provide, or insufficient, notice?	285	We counted 'outage notice nil / too short, no / inadequate notice of work'.
Unplanned interruption?	25	We counted 'system unreliability, damage / fault our asset'.
Other network operations (specify)?	86	We counted 'other, entry to land, trees in wires, network charges, noise/unsightly, safety/health, connection capital cost, damage to environment'.
Other? (please specify)	30	We counted 'driving/parking'. But it would be correct to say that all electricity network complaints are related to network operations in one way or another.

a A call is answered when a caller speaks to a human operator or to an interactive service that provides the information requested, but not when a call is placed in an automated queue or continues to ring without a response.

b An overload event is defined as an event where the number of incoming calls exceeds the capacity of the call centre and normal service standards cannot apply.

- c A complaint is defined as 'any expression of dissatisfaction with an action, a proposed action, or failure to act, or in respect of a product or service offered or provided by, the licensee, and where a response is explicitly or implicitly expected.' It does not include queries or requests for advice.
- d This category is provided in the national guidelines.

## Supply reliability

Table A3.7 Supply reliability, electricity distribution, ActewAGL Distribution, 2006–07

Dataset	Feeder category			
	CBD <sup>a</sup>	Urban	Rural short	Network total
<b>System average interruption duration index (SAIDI) (minutes)</b>				
Overall	n.a.	82.9	102.4	83.6
Distribution network—planned	n.a.	52.2	31.6	51.4
Distribution network—unplanned	n.a.	30.7	70.7	3202
<b>System average interruption frequency index (SAIFI) (minutes)</b>				
Overall	n.a.	0.80	0.76	0.80
Distribution network—planned	n.a.	0.21	0.14	0.21
Distribution network—unplanned	n.a.	0.59	0.62	0.59
<b>Customer average interruption duration index (CAIDI) (minutes)</b>				
Overall	n.a.	103.4	134.1	104.5
Distribution network—planned	n.a.	243.4	225.3	243.0
Distribution network—unplanned	n.a.	52.3	113.5	54.7

n.a. = not applicable

a A review of feeder classifications concluded that there are no feeders in the ACT that should be classified as CBD.

## Technical quality of supply

Table A3.8 Technical quality of supply, electricity distribution, ActewAGL Distribution, 2006–07

Indicator	Response
<b>Number of complaints</b>	
Total number of technical quality of service complaints	28
<b>Complaints by category</b>	
Low supply voltage	11 <sup>a</sup>
Voltage dips	6 <sup>b</sup>
Voltage swell	6 <sup>c</sup>
Voltage spike	0
Waveform distortion	1 <sup>d</sup>
TV or radio interference	0
Noise from appliances	0
Other	4 <sup>e</sup>
<b>Likely cause of problem</b>	
Network equipment faulty	0
Network interference by network service provider equipment	0
Network interference by another customer	0
Network limitation	8 <sup>f</sup>
Customer internal problem	0
No problem identified	20 <sup>g</sup>
Environmental	0
Other	0

a Correction included system augmentation, tapped transformer, and advised customers of +/-6% tolerance.

b Commonly called flickering of supply. One system augmentation and for other five investigations found no problem.

c Tapped transformers and advised customers of +/- 6% tolerance.

d Investigation found no distortion and advised customer.

e Overload related issues.

f Incorrect transformer tapping and LV circuits overloaded.

g Volts are within tolerances of +/-6% and all customers advised.

## Electricity supply

There were 15 licensed electricity suppliers in the ACT in 2006–07. Information is presented only for the 13 suppliers that traded in the ACT electricity market in 2006–07.

In the tables below, small customers are defined as those using less than 100 MWh/year, medium customers are those using 100–160 MWh/year, and large customers are those using more than 160 MWh/year. All residential customers are small customers.

## Customer service

Customer service indicators cover call centre performance and complaints. For call centre performance, a call is considered answered when a caller speaks to a human operator or to an interactive service that provides the information requested, but not when a call is placed in an automated queue or continues to ring without a response.

A complaint is defined as any expression of dissatisfaction with an action, a proposed action or failure to act, or about a product or service offered or provided by the licensee, where a response is explicitly or implicitly expected. Complaints do not include general enquiries or requests for advice. Billing and affordability complaints include matters directly relating to the amount of a bill, as well as ensuing matters. These include:

- disconnection due to an unpaid disputed bill
- complaints relating to difficulty in paying accounts
- payment terms and methods
- overcharging
- prices
- debt recovery practices.

For legibility, this section has two tables: Table A3.9 covers suppliers alphabetically from ActewAGL Retail to Jackgreen; table A3.10 covers suppliers alphabetically from Origin Energy to TRUenergy Yallourn.

### **Affordability and access**

The affordability and access indicators include data on the use of instalment plans. The Commission notes that such a payment arrangement is not necessarily a debt-related payment plan for customers experiencing payment difficulties; rather, it may be an arrangement used for flexible budgeting.

For legibility, this section has two tables: table A3.11 covers suppliers alphabetically from ActewAGL Retail to Jackgreen; table A3.12 covers suppliers alphabetically from Origin Energy to TRUenergy Yallourn.

Table A3.9 Customer service, electricity supply, 2006–07, suppliers—ActewAGL to Jackgreen

Issue	ActewAGL		Aurora	Country	Energy	Integral		
	Retail	AGL Sales	Energy	Energy	Australia	Energy One	Energy	Jackgreen
<b>Call centre performance</b>								
How many calls did ACT customers make to the licensee's call centre in 2006–07?	147,710	0	Not applicable	995,460	668,171	0	0	0
Number of calls answered within 30 seconds	101,919	Not applicable	Not applicable	753,246	403,310	Not applicable	Not applicable	Not applicable
What was the average waiting time before a call was answered by a person? (seconds)	91	Not applicable	Not applicable	28	62.5	Not applicable	Not applicable	Not applicable
How many overload events occurred?	0	Not applicable	Not applicable	0	Not applicable	Not applicable	Not applicable	Not applicable
Number of calls abandoned before being answered by a person	9,667	Not applicable	Not applicable	46,787	28,132	Not applicable	Not applicable	Not applicable
<b>Complaints</b>								
What was the number of complaints received in 2006–07?	653	0	0	3	24	0	0	0
Of the complaints received in 2006–07, how many related to:						0	0	0
Billing and affordability?	133	0	0	2	10	0	0	0
Marketing?	169	0	0	0	8	0	0	0
Other retail matters?	351	0	0	1	6	0	0	0

Table A3.10 Customer service, electricity supply, 2006–07, suppliers—Origin Energy to TRUenergy Yallourn

Issue	Origin Energy	Power direct	Power direct			Sun Retail	TRUenergy	TRUenergy Yallourn
			Australia	Red Energy				
<b>Call centre performance</b>								
How many calls did ACT customers make to the licensee's call centre in 2006–07?	0 <sup>a</sup>	132,430	5,310	0 <sup>b</sup>	936 <sup>c</sup>	2242	84	
Number of calls answered within 30 seconds	Not applicable	110,671	4,917	0	914	1810	10	
What was the average waiting time before a call was answered by a person? (seconds)	Not applicable	22	Not applicable	0	Not applicable	35	98	
How many overload events occurred?	Not applicable	0	0	0	No data	0	Not applicable	
Number of calls abandoned before being answered by a person	Not applicable	10,184	393	0	11	71	7	
<b>Complaints</b>								
What was the number of complaints received in 2006–07?	0	1	0	0	0	11	0	
Of the complaints received in 2006–07, how many related to:								
Billing and affordability?	0	0	0	0	0	0	0	
Marketing?	0	0	0	0	0	8	0	
Other retail matters?	0	1	0	0	0	3	0	

a Customers in the ACT do not use a call centre; they call their account managers directly.

b These are large customers managed by individual account managers. Customer calls relating to these accounts are made directly to the relevant account manager.

c ACT calls are aggregated with New South Wales calls. The aggregated data were not provided.

Table A3.11 Affordability and access, electricity supply, 2006–07, suppliers ActewAGL to Jackgreen

Issue	ActewAGL		Aurora Energy	Country Energy	Energy		Integral Energy	Jackgreen
	Retail	AGL Sales			Australia	Energy One		
<b>Instalment plans</b>								
Number of customers on instalment plans at 30 June 2007	10,286	Not applicable	0	34	161	0	0	0
How many were:								
Residential customers?	9,996	Not applicable	Not applicable	34	161	0	0	0
Non-residential customers?	290	Not applicable	0	0	0	0	0	0
<b>Use of direct debit</b>								
Number of customers that used direct debit facilities to pay customer accounts	26,040	0	0	30	2,735	0	0	0
How many were:								
Residential customers?	25,200	Not applicable	Not applicable	29	2,735	0	0	0
Non-residential customers?	840	Not applicable	0	1	0	0	0	0
<b>Direct debit defaults</b>								
Number of customers that used direct debit defaulted on direct debit payments	1,398	Not applicable	0	0	Not applicable	Not applicable	0	0
How many were:								
Residential customers?	1,385	Not applicable	Not applicable	0	Not applicable	Not applicable	0	0
Non-residential customers?	13	Not applicable	0	0	Not applicable	Not applicable	0	0

*Table continues*

Table A3.11 continued

Issue	ActewAGL Retail	AGL Sales	Aurora Energy	Country Energy	Energy Australia	Energy One	Integral Energy	Jackgreen
<b>Disconnections/reconnections</b>								
Number of residential customers that were disconnected in 2006–07 for failure to pay an amount due	404	0	Not applicable	0	1	Not applicable	0	0
Number of residential customers that were disconnected for failure to pay an amount due <i>and</i> were reconnected at the same premises in the same name within seven days of disconnection	240	0	Not applicable	0	0	Not applicable	0	0
Number of non-residential customers that were disconnected in 2006–07 for failure to pay an amount due	33	0	Not applicable	0	0	Not applicable	0	0
Number of non-residential customers that were disconnected for failure to pay an amount due <i>and</i> were reconnected at the same premises in the same name within seven days of disconnection	21	0	Not applicable	0	0	Not applicable	0	0
<b>Security deposits</b>								
Number of customers that had a security deposit lodged with the licensee at 30 June 2007	0	0	0	0	26	0	0	0
How many security deposits has the licensee held for 12 months or more?	0	0	0	0	8	0	0	0
<b>Centrelink Centrepay</b>								
Number of customers that used Centrelink's Centrepay option in 2006–07	2,390	0	Not applicable	5	280	0	0	0

Table A3.12 Affordability and access, electricity supply, 2006–07, suppliers Origin Energy to TRUenergy Yallourn

Issue	Powerdirect							TRUenergy
	Origin Energy	Powerdirect	Australia	Red Energy	Sun Retail	TRUenergy	Yallourn	
<b>Instalment plans</b>								
Number of customers on instalment plans at 30 June 2007	0	0	0	0	0	35	0	
How many were:								
Residential customers?	0	0	Not applicable	0	Not applicable	35	Not applicable	
Non-residential customers?	0	0	0	0	0	0	0	
<b>Use of direct debit</b>								
Number of customers that used direct debit facilities to pay customer accounts	0	0	0	0	0	55	0	
How many were:								
Residential customers?	0	0	Not applicable	0	Not applicable	55	Not applicable	
Non-residential customers?	0	0	0	0	0	0	0	
<b>Direct debit defaults</b>								
Number of customers that used direct debit defaulted on direct debit payments	Not applicable	0	0	0	0	0	0	
How many were:								
Residential customers?	Not applicable	0	Not applicable	0	Not applicable	0	0	
Non-residential customers?	Not applicable	0	0	0	0	0	0	

*Table continues*

Table A3.12 continued

Issue	Powerdirect						
	Origin Energy	Powerdirect	Australia	Red Energy	Sun Retail	TRUenergy	TRUenergy Yallourn
<b>Disconnections/reconnections</b>							
Number of residential customers that were disconnected in 2006–07 for failure to pay an amount due	0	0	0	0	Not applicable	0	Not applicable
Number of residential customers that were disconnected for failure to pay an amount due <i>and</i> were reconnected at the same premises in the same name within seven days of disconnection	0	0	0	0	Not applicable	0	Not applicable
Number of non-residential customers that were disconnected in 2006–07 for failure to pay an amount due	0	0	0	0	0	0	0
Number of non-residential customers that were disconnected for failure to pay an amount due <i>and</i> were reconnected at the same premises in the same name within seven days of disconnection	0	0	0	0	0	0	0
<b>Security deposits</b>							
Number of customers that had a security deposit lodged with the licensee at 30 June 2007	0	0	0	0	0	0	0
How many security deposits has the licensee held for 12 months or more?	0	0	0	0	0	0	0
<b>Centrelink Centrepay</b>							
Number of customers that used Centrelink's Centrepay option in 2006–07	0	0	0	0	Not applicable	7	0

## Gas transmission

The ACT has one licensed gas transmission utility, East Australian Pipeline Limited. Due to the small size of the licensee's operations and the fact that it has only one customer (ActewAGL Distribution), performance reporting requirements are limited.

## Gas distribution

ActewAGL Distribution was the only gas distribution licensee in the ACT in 2006–07.

## Business descriptors

Table A3.13 Business descriptors, gas distribution, ActewAGL Distribution, 2006–07

Indicator	Response
<b>Connection points (number)</b>	
How many DPI's (distribution point identifiers) did the licensee have at 30 June 2007?	95,625
<b>Customers (number)</b>	
How many customers were connected to the licensee's network at 30 June 2007?	94,066
How many new customers were connected to the licensee's network in 2006–07?	2,736
<b>Volume of gas (TJ)</b>	
Aggregate quantity of gas entering the distribution network	7,055
Quantity of gas billed to tariff customers (i.e. < 10 TJ p.a.)	5,923
Quantity of gas billed to tariff customers (i.e. > 10 TJ p.a.)	1,025
<b>Length of network (km)</b>	
Total pipeline length by pressure classes at 30 June 2007	3,709
Length of which is medium pressure	3,461
Length of which is high pressure	248

## Customer service

Customer service indicators cover call centre performance and complaints. For call centre performance, a call is considered answered when a caller speaks to a human operator or to an interactive service that provides the information requested, but not when a call is placed in an automated queue or continues to ring without a response.

A complaint is defined as any expression of dissatisfaction with an action, a proposed action, or failure to act, or about a product or service offered or provided by the licensee, where a response is explicitly or implicitly expected. Complaints do not include general enquiries or requests for advice.

**Table A3.14 Customer service, gas distribution, ActewAGL Distribution, 2006–07**

Indicator	Response
<b>Call centre performance</b>	
How many calls did ACT customers make to the licensee's call centre in 2006–07?	1,093
How many calls were answered within 30 seconds?	100%
What was the average waiting time before a call was answered by a person? (seconds)	5
How many overload events occurred?	0
How many calls were abandoned before being answered by a person?	0
<b>Complaints</b>	
What was the total number of complaints received in 2006–07?	16
Of the complaints received in 2006–07, how many related to:	
Property damage/restoration of property?	0
Administrative process or customer service?	5
Quality and reliability of supply?	4
Connections?	5
Metering/meter reading?	0
Unplanned interruptions?	0
Failure to provide, or insufficient, notice?	0
Other network operations?	1
Other?	1

## Supply reliability

**Table A3.15 Supply reliability, gas distribution, ActewAGL Distribution, 2006–07**

Indicator	Planned interruptions	Unplanned interruptions (excluding transmission outages)	Total network
Total number of instances of lost supply affecting five or more customers	0	3	3
Customer hours off supply for interruptions affecting five or more customers	0	209	209
In 2006–07, what was the total number of incidents of:			
• burst or leaking pipes that affected public health, or were causing or likely to cause substantial damage or harm to people or property?	Not applicable	196	196
• Any other burst or leaking pipes?	Not applicable	nil	nil
What percentage of responses to notifications were not responded to:			
• within six hours, in the case of burst or leaking pipes that affected public health or were causing or likely to cause substantial damage or harm to people or property?	Not applicable	0%	0%
• within 48 hours, in the case any other burst or leaking pipes?	Not applicable	0%	0%

**Table A3.16 Incidents and maintenance, gas distribution, ActewAGL Distribution, 2006–07**

Indicator	Response
<b>Incidents</b>	
Number of gas leaks (from mains, service and meters) reported by the public to the licensee	897
Of these, number from medium-pressure infrastructure	897
Number from high-pressure infrastructure	0
Number of mechanical damage incidents to mains and services	196
Of these, number from medium-pressure infrastructure	196
Number from high-pressure infrastructure	0
Number of times gas specification reached the maximum or minimum limits	48
<b>Operations and maintenance</b>	
Number of significant gas leaks detected by survey	130
Of these, number from medium-pressure infrastructure	130
Number from high-pressure infrastructure	0
Number of gas regulators replaced	620
Of these, number for residential customers	599
Number for industrial/commercial customers	21
Number of meter replacements	278
Of these, number for residential customers	254
Number for industrial/commercial customers	24
Number of times distribution network pressure fell below normal operating system minimum pressure by pressure classes	0
Of these, number from medium-pressure infrastructure:	0
Number from high-pressure infrastructure:	0
<b>Unaccounted-for gas (TJ)</b>	
In 2006–07, what is the volume of unaccounted gas as a percentage of gas entering the distribution network?	not available

## Gas supply

During 2006–07, there were five licensed gas suppliers in the ACT. Information is provided for ActewAGL Retail, Country Energy, EnergyAustralia and TRUenergy, as only those suppliers were active in the ACT gas market during the year.

In these tables, small customers are defined as those using less than 1 TJ/year and large customers are those using more than 1 TJ/ year. All residential customers are small customers.

## Customer service

Customer service indicators cover call centre performance and complaints. For call centre performance, a call is considered answered when a caller speaks to a human operator or to an interactive service that provides the information requested, but not when a call is placed in an automated queue or continues to ring without a response.

A complaint is defined as any expression of dissatisfaction with an action, a proposed action, or failure to act, or about a product or service offered or provided by the licensee, where a response is explicitly or implicitly expected. Complaints do not include general enquiries or requests for

advice. Billing and affordability complaints include matters directly relating to the amount of a bill, as well as ensuing matters. These include:

- disconnection due to an unpaid disputed bill
- complaints relating to difficulty in paying accounts
- payment terms and methods
- overcharging
- prices
- debt recovery practices.

**Table A3.17 Customer service, gas supply, 2006–07**

Issue	TRUenergy	ActewAGL Retail	Country Energy	Energy Australia
<b>Call centre performance</b>				
How many calls did ACT customers make to the licensee's call centre in 2006–07?	1,316	183,915	995,460	668,171 <sup>a</sup>
How many calls were answered within 30 seconds?	1,075	118,362	753,246	403,310
What was the average waiting time before a call was answered by a person? (seconds)	33	107	28	62.5
How many overload events occurred?	not available	3,250	0	not available
How many calls were abandoned before being answered by a person?	40	11,974	46,787	28,132
<b>Complaints</b>				
What was the number of complaints received in 2006–07?	0	279	0	9
By small customers		273		
By large customers		0		
Of the complaints received in 2006–07, how many related to:			0	
Billing and affordability		200		3
And were from small customers?		200		
And were from large customers?		0		
Marketing		44		5
And were from small customers?		44		
And were from large customers?		0		
Other retail matters		35		1
And were from small customers?		35		
And were from large customers?		0		

a Includes New South Wales, Victoria, SA and Queensland customers.

## Affordability and access

The affordability and access indicators include data on the use of instalment plans. The Commission notes that such a payment arrangement is not necessarily a debt-related payment plan for customers experiencing payment difficulties; rather, it may be an arrangement used for flexible budgeting.

**Table A3.18 Affordability and access, gas supply, 2006–07**

Issue	TRUenergy	ActewAGL Retail	Country Energy	Energy Australia
<b>Instalment plans</b>				
Number of customers on instalment plans at 30 June 2007	17	12,505	0	108
Residential customers?	17	not available	0	108
Non-residential customers?	0	not available	0	0
<b>Use of direct debit</b>				
How many customers used direct debit facilities to pay customer accounts?	29	22,231	0	2,176
Residential customers?	29	22,160	0	2,176
Non-residential customers?	0	71	0	0
How many customers who used direct debit defaulted on direct debit payments?	0	2,725	0	not available
Residential customers?	0	2,725	0	not available
Non-residential customers?	0	0	0	not available
<b>Disconnections/reconnections</b>				
How many residential customers were disconnected in 2006–07 for failure to pay an amount due?	0	3,302 <sup>a</sup>	0	0
How many residential customers were disconnected for failure to pay an amount due <i>and</i> were reconnected at the same premises in the same name within seven days of disconnection?	0	1,120 <sup>a</sup>	0	0
<b>Security deposits</b>				
Number of security deposits lodged with the licensee at 30 June 2007	0	135	0	60
By residential customers	0	135	0	60
By non-residential customers	0	0	0	0
What was the total value of the security deposits lodged? (\$)	0	24,120	0	5,000
By residential customers?	0	24,120	0	5,000
By non-residential customers?	0	0	0	0
How many security deposits has the licensee held for 12 months or more?	0	0	0	9
For residential customers?	0	0	0	9
For non-residential customers?	0	0	0	0
How many customers used Centrelink's Centrepay option in 2006–07?	2	2,636	0	280

a Includes residential and non-residential customers.

## Water and sewerage services

In the 2006–07 reporting period, ACTEW Corporation was the only water and sewerage licensee in the ACT.

For ease of use, this section is divided into three subsections: a joint water and sewerage subsection covering activities, such as call centres, that ACTEW Corporation provides jointly for both services, and one subsection each for ACTEW Corporation's water activities and sewerage activities.

## Joint water and sewerage customer service and access

Customer service indicators cover call centre performance and complaints. As water and sewerage services share a call centre, call centre performance is covered in this section. However, complaints are recorded individually for water and sewerage. For call centre performance, a call is considered answered when a caller speaks to a human operator or to an interactive service that provides the information requested, but not when a call is placed in an automated queue or continues to ring without a response.

The affordability and access indicators include data on the use of instalment plans. The Commission notes that such a payment arrangement is not necessarily a debt-related payment plan for customers experiencing payment difficulties; rather, it may be an arrangement used for flexible budgeting.

Table A3.19 Customer service, water network and service, ACTEW Corporation, 2006–07

Indicator	Response
<b>Telephone enquiries: non-emergency call centre</b>	
How many calls were made to the licensee's non-emergency call centre in 2006–07?	48,541 <sup>a</sup>
How many calls were answered within 30 seconds?	not available
How many calls dropped out or were abandoned before being answered by a person?	10,749
What was the average waiting time before the call was answered by a person? (seconds)	95 <sup>b</sup> ; 30 <sup>c</sup>
How many overload events occurred?	0
<b>Telephone enquiries: emergency number</b>	
How many calls were made to the licensee's emergency call centre in 2006–07?	30,843
How many calls were answered within 30 seconds?	23,651
How many calls dropped out or were abandoned before being answered by a person?	1,383
What was the average waiting time before the call was answered by a person? (seconds)	23
How many overload events occurred?	0

a ActewAGL Retail contact centre answers calls about account/billing enquiries for electricity, water and sewerage and ISP customers. During 2006–07, 13.6% of calls were registered against water and sewerage. Includes retail call centre, Fyshwick call centre, Drought advisory office.

b Retail call centre.

c Fyshwick call centre.

**Table A3.20 Affordability and access, water and sewerage services, ACTEW Corporation, 2006–07**

Indicator	Response
<b>Instalment plans</b>	
How many residential customers were on instalment plans (for debt-related payments) at 30 June 2007?	1,671
How many non-residential customers were on instalment plans (for debt-related payments) at 30 June 2007?	199
<b>Access and affordability</b>	
How many residential customers used Centrelink's Centrepay option in 2006–07?	168
<b>Direct debit defaults</b>	
How many customers used direct debit facilities to pay customer accounts in 2006–07?	28,481
How many residential customers?	27,497
How many were non-residential customers?	984
How many customers who used direct debit defaulted on direct debit payments?	736
How many residential customers who used direct debit defaulted on direct debit payments?	736
How many non-residential customers who used direct debit defaulted on direct debit payments?	0
What definition of direct debit payment defaults did the licensee use to answer these questions?	Rejection due to insufficient funds only
<b>Security deposits</b>	
How many security deposits were lodged with the licensee at 30 June 2007 by residential customers?	0
What was the total value of the security deposits lodged by residential customers? (\$)	0
How many security deposits were lodged with the licensee at 30 June 2007 by non-residential customers?	0
What was the total value of the security deposits lodged by non-residential customers? (\$)	0
How many security deposits has the licensee held for 12 months or more?	0

## Water network and service

Table A3.21 Business descriptors, water network and service, ACTEW Corporation, 2006–07

Indicator	Response
<b>Properties</b>	
How many properties were receiving water services at 30 June 2007?	140,581
How many of these were residential properties?	133,474
How many of these were non-residential properties?	7,107
<b>Customers</b>	
How many customers did the licensee have at 30 June 2007?	138,917
How many of these were residential customers?	138,420
How many of these were non-residential customers?	7,497
<b>Water consumption (kL)</b>	
What was the volume of water supplied to the ACT in 2006–07? (kL)	51,060,000
What was the volume of water supplied to the following customer categories in 2006–07 (kL):	
Residential—standard	26,500,234
Residential—flats and units	5,437,674
Commercial (includes government)	12,187,530
Individual bulk supplies (Queanbeyan)	4,110,375
Other identifiable categories:	
Educational premises	1,464,170
Includes non-potable and Pierces Creek and Uriarra	755,481
System losses	604,536

### Customer service

A complaint is defined as any expression of dissatisfaction with an action, a proposed action, or failure to act, or about a product or service offered or provided by the licensee, where a response is explicitly or implicitly expected. Complaints do not include general enquiries or requests for advice.

Table A3.22 Customer service, water network and service, ACTEW Corporation, 2006–07

Indicator	Response
<b>Complaints</b>	
What was the total number of complaints received by the licensee in 2006–07?	363
Of these complaints, how many related to:	
Water quality?	141
Water supply reliability?	24
Property damage/restoration of property?	40
Accounts/billing?	62
Metering/meter reading?	40
Failure to provide, or insufficient, notice?	9
Unplanned interruptions	3
Other retail complaints?	6
Other network complaints?	38

### *Affordability and access*

ACTEW Corporation does not currently restrict water services for non-payment of accounts.

### *Supply reliability*

Supply reliability indicators are divided into two categories. The first category of indicators, shown in table A3.23, examines the reliability of the water supply from the perspective of the customer. In that table:

- ‘Average water supply interruption frequency’ is the proportion of all properties supplied with water that had a water supply interruption during the year.
- ‘Average water supply interruption duration’ is the average length of each interruption. This is calculated by dividing the total duration of all interruptions during the year by the number of interruptions.
- ‘Customer water supply interruption frequency’ breaks down the ‘average water supply interruption frequency’ to show the proportion of all properties supplied with water that had various numbers of interruptions. This is calculated by dividing the total number of properties whose water supply was interrupted  $x$  times during the year by the total number of properties supplied with water, where  $x = 1$  through to ‘5 or more’. This allows the Commission to examine whether supply interruptions are shared around customers or concentrated among a smaller number of customers.

The second category of indicators examines reliability from a technical perspective, for example by measuring the number of leaks. Those indicators are shown in table A3.24.

**Table A3.23 Supply reliability, water network and services, ACTEW Corporation, 2006–07**

<b>Indicator</b>	<b>Planned interruptions</b>	<b>Unplanned interruptions</b>
How many interruptions to water supply services were there in 2006–07?	170	727
Average water supply interruption <sup>a</sup>	0.110	0.141
Average water supply interruption duration <sup>b</sup> (minutes)	27	107.6
Total interruption time faced by an average customer in 2006–07 <sup>c</sup> (minutes per customer)	2.06	0.56
Customer water supply interruption frequency <sup>d</sup> :		
1 interruption	0.028	0.115
2 interruptions	0.0035	0.022
3 interruptions	0.0004	0.003
4 interruptions	0.00001	0.002
5 or more interruptions	0	0.000007

a Calculated as follows: Total number of properties interrupted / total number of water properties.

b Calculated as follows: Total number of planned interruptions / total number of interruptions.

c Calculated as follows: Total number of planned interruptions / total number of water properties.

d Calculated as follows: Total number of properties experiencing  $x$  planned interruptions / total number of water properties, where  $x = 1$  to 5 (or more).

**Table A3.24 Incidents and maintenance, water network and services, ACTEW Corporation, 2006–07**

Indicator	Response
<b>Burst or leaking pipes</b>	
How many instances were there in 2006–07 of burst or leaking pipes that affected public health, or were causing or likely to cause substantial damage or harm to people or property?	4
In how many of these instances did the licensee respond within three hours?	4
How many instances were there in 2006–07 of burst or leaking pipes that did not affect public health, or cause or were likely to cause substantial damage to people or property?	1,225
In how many instances did the licensee respond within 24 hours?	1,038

## Sewerage network and service

**Table A3.25 Business descriptors, sewerage network and service, ACTEW Corporation, 2006–07**

Indicator	Response
<b>Properties</b>	
How many properties were receiving sewerage services at 30 June 2007?	139,774
How many of these were residential properties?	133,474
How many of these were non-residential properties?	6,300
How many new properties were connected to the licensee's network in 2006–07?	6,379
<b>Customers</b>	
How many customers did the licensee have at 30 June 2007?	135,241
How many of these were residential customers?	128,830
How many of these were non-residential customers?	6,411

### *Customer service*

A complaint is defined as any expression of dissatisfaction with an action, a proposed action, or failure to act, or about a product or service offered or provided by the licensee, where a response is explicitly or implicitly expected. Complaints do not include general enquiries or requests for advice.

**Table A3.26 Customer service, sewerage network and service, ACTEW Corporation, 2006–07**

Indicator	Response
<b>Complaints</b>	
What was the total number of complaints received by the licensee in 2006–07?	50
Of these complaints, how many related to:	
Sewerage odour complaints?	10
Sewerage services reliability and quality?	14
Property damage / restoration of property?	19
Failure to provide, or insufficient, notice?	0
Other network complaints?	7

### ***Service reliability***

Service reliability indicators are divided into two categories. The first category of indicators, shown in table A3.27, examines the reliability of the sewerage service from the perspective of the customer. In this table:

- ‘Average sewerage service interruption frequency’ is the proportion of all properties served by the sewerage network that had a service interruption during the year.
- ‘Average sewerage service interruption duration’ is the average length of each interruption. This is calculated by dividing the total duration of all interruptions during the year by the number of interruptions.

The second category of indicators examines reliability from a technical perspective; for example, by measuring the number of sewer breaks. Those indicators are shown in table A3.28.

**Table A3.27** Service reliability, unplanned interruptions, sewerage network and services, ACTEW Corporation, 2006–07

Indicator	Response
How many interruptions to sewerage services were there in 2006–07?	1,985
Average sewerage service interruption frequency	0.0142
Average sewerage service interruption duration (minutes)	150
Total interruption time faced by an average customer in 2006–07 (minutes/customer)	2.1

**Table A3.28** Incidents and maintenance, sewerage network and services, ACTEW Corporation, 2006–07

Indicator	Response
<b>Sewer main breaks and chokes</b>	
Total number of sewer main breaks and chokes	3,363
Number caused by tree roots	3,035
<b>Total number of property connection sewer breaks and chokes</b>	
Number caused by tree roots	1,708

Table A3.29 Environmental obligations, GreenPower customers and volume sold, electricity suppliers, 2006–07

Obligation	ActewAGL Retail	AGL Sales	Aurora Energy	Country Energy	Energy-Australia	Energy One	Integral Energy	Jackgreen	Origin Energy	Powerdirect	Red Energy	Sun Retail	TRUenergy	TRUenergy Yallourn	TOTAL
How many ACT customers did the licensee have at 30 June 2007 who were purchasing electricity through a government approved and accredited Green Power product?															9,836
What was the total volume of electricity sold to ACT customers through government approved and accredited Green Power products during 2006–07? (MWh)															61,392.63

## Appendix 4: Data tables for figures

This appendix shows tables of data used to generate each figure in the body of the report.

**Table A4.1** Figure 2.1, energy distributed (GWh), electricity distribution, ActewAGL Distribution, 2002–03 to 2006–07

	Residential	Non-residential
2002–03	1,113	1,424
2003–04	1,101	1,578
2004–05	1,119	1,510
2005–06	1,180	1,593
2006–07	1,148	1,651

**Table A4.2** Figure 2.2, customer supply point numbers, electricity supply, ACT, 2002–03 to 2006–07

	Residential	Non-residential	Total
2002–03	126,585	13,301	139,886
2003–04	128,513	12,861	141,374
2004–05	130,548	13,046	143,594
2005–06	134,979	11,618	146,597
2006–07	137,016	11,651	148,667

**Table A4.3** Figure 2.3, sales volume, electricity supply, ACT, 2002–03 to 2006–07 (GWh)

	Residential	Non-residential	Total
2002–03	1,079	1,467	2,546
2003–04	1,134	1,503	2,637
2004–05	1,133	1,582	2,715
2005–06	1,162	1,654	2,816
2006–07	1,156	1,668	2,824

**Table A4.4** Figure 2.4, average per customer consumption (MWh), electricity, ACT, 2002–03 to 2006–07

	Residential	Non-residential
2002–03	8.52	110.28
2003–04	8.82	116.86
2004–05	8.68	121.30
2005–06	8.42	142.80
2006–07	8.44	143.09

**Table A4.5** Figure 2.5, average per customer consumption, electricity, states and territories 2006–07

	Average consumption (MWh/customer)	Average consumption (MWh/residential customer)
SA	16.0	6.2
WA	15.6	6.2
Vic.	18.0	5.9
ACT	18.8	8.4
NSW	21.0	7.4
NT	21.9	8.9
Qld	24.5	7.5
Tas.	39.2	9.9

**Table A4.6** Figure 2.6, customer and supplier numbers, electricity supply, ACT, 2002–03 to 2006–07

	2002–03	2003–04	2004–05	2005–06	2006–07
<10	5	5	6	8	3
10–100	6	6	2	3	2
>100	1	1	4	4	7

**Table A4.7** Figure 2.7, ACT electricity customers transferring to new retailers, July 2004 to June 2007

Month	Number of customers that switched	Running sum of switches	Month	Number of customers that switched	Running sum of switches
Jul-04	96	289	Jan-06	280	6,066
Aug-04	20	309	Feb-06	317	6,383
Sep-04	14	323	Mar-06	317	6,700
Oct-04	57	380	Apr-06	151	6,851
Nov-04	177	557	May-06	216	7,067
Dec-04	262	819	Jun-06	685	7,752
Jan-05	490	1,309	Jul-06	1,098	8,850
Feb-05	283	1,592	Aug-06	1,094	9,944
Mar-05	453	2,045	Sep-06	582	10,526
Apr-05	184	2,229	Oct-06	810	11,336
May-05	499	2,728	Nov-06	858	12,194
Jun-05	635	3,363	Dec-06	935	13,129
Jul-05	466	3,829	Jan-07	678	13,807
Aug-05	348	4,177	Feb-07	582	14,389
Sep-05	489	4,666	Mar-07	734	15,123
Oct-05	262	4,928	Apr-07	923	16,046
Nov-05	281	5,209	May-07	1,446	17,492
Dec-05	577	5,786	Jun-07	1,300	18,792

**Table A4.8** Figures 2.8 and 2.9, customer supply point numbers, gas distribution, ACT, 2002–03 to 2006–07 and volume distributed, gas distribution, ACT, 2002–03 to 2006–07

	Customer supply point numbers	Volume distributed (TJ)
2002–03	83,650	7,014
2003–04	84,700	7,647
2004–05	88,659	7,048
2005–06	91,330	7,731
2006–07	94,066	7,055

**Table A4.9** Figure 2.10, average gas consumption per connection, states and territories 2006–07

	Average consumption all connections (GJ/connection)	Average consumption residential (GJ/residential connection)
NSW	100.06	not available
WA	50.63	21.41
SA	96.83	27.84
Qld	181.25	34.20
ACT	69.81	46.02
Vic.	107.04	59.44

**Table A4.10** Figure 2.11, ACT gas customers transferring to new retailers, July 2006 to June 2007

Fortnight ending	Number of switches in fortnight	Running sum of switches	Fortnight ending	Number of switches in fortnight	Running sum of switches
1-Jul-06	504	6,462	30-Dec-06	298	9,208
15-Jul-06	372	6,834	13-Jan-07	166	9,374
29-Jul-06	120	6,954	27-Jan-07	226	9,600
12-Aug-06	97	7,051	10-Feb-07	107	9,707
26-Aug-06	128	7,179	24-Feb-07	169	9,876
9-Sep-06	131	7,310	10-Mar-07	136	10,012
23-Sep-06	252	7,562	24-Mar-07	150	10,162
7-Oct-06	131	7,693	7-Apr-07	112	10,274
21-Oct-06	209	7,902	21-Apr-07	221	10,495
4-Nov-06	170	8,072	5-May-07	310	10,805
18-Nov-06	249	8,321	19-May-07	443	11,248
2-Dec-06	276	8,597	2-Jun-07	266	11,514
16-Dec-06	313	8,910	16-Jun-07	329	11,843

**Table A4.11** Figure 2.12, average water consumption per residential property (kL), ACT, 2000–01 to 2006–07

	2000–01	2001–02	2002–03	2003–04	2004–05	2005–06	2006–07
Average water consumption per residential property	314	277	320	248	240	261	239

**Table A4.12** Figure 2.13, average annual residential water supplied, sample of suppliers, 2006–07 (kL/property)

Utilities	Residential
Water Corporation (Perth)	281
ACTEW	240
SA Water (Adelaide)	235
Sydney Water (NSW)	199
Hunter Water	192
Gold Coast Water	183
Yarra Valley (Vic.)	178
South East Water (Vic.)	167
Brisbane Water	153

**Table A4.13** Figure 4.1, total network revenue, electricity distribution, ActewAGL Distribution, 2003–04 to 2006–07 (\$ million)

	Residential	Non-residential	Total
2003–04	43.1	61.8	104.9
2004–05	37.2	66.4	103.6
2005–06	43.1	56.9	100.0
2006–07	43.4	70.9	114.4

**Table A4.14** Figure 5.1, sewer main breaks and chokes, numbers per 1,000 properties, 2006–07

Utility	Number per 1,000 properties
Yarra Valley (Vic.)	87.9
SA Water (SA)	41.2
ACTEW Corporation	14.3
Hunter Water (NSW)	13.6
City West (Vic.)	11.3
South East Water Ltd (Vic.)	7.2
Brisbane Water (Qld)	3.7
Gold Coast Water (Qld)	1.8
Power and Water Darwin	1.2

**Table A4.15** Figure 5.2, property connection sewer breaks and chokes caused by tree roots (%), selected utilities, 2006–07

Utility	%
Power and Water (Darwin)	68.0
Brisbane Water (Qld)	58.9
South East Water (Vic.)	73.7
Yarra Valley (Vic.)	58.3
City West (Vic.)	76.8
ACTEW Corporation	85.2
Hunter Water (NSW)	75.9
SA Water (SA)	83.0
Sydney Water	58.0
Water Corporation—Perth Metro	60.1

**Table A4.16** Figure 7.1, unaccounted-for water, volume, ACTEW Corporation, 2001–02 to 2006–07

Year	2001–02	2002–03	2003–04	2004–05	2005–06	2006–07
Volume of unaccounted-for water (%)	13.5	6.9	7.7	8.2	8.2	5.0

**Table A4.17** Figure 7.2, environmental flows, volumes and proportion of total volumes abstracted, water supply, ACTEW Corporation, 2000–01 to 2006–07

Year	2000–01	2001–02	2002–03	2003–04	2004–05	2005–06	2006–07
Volume of environmental flows ('000 ML)	89.2	51.2	39.5	58.4	30.2	59.5	10.2
Proportion of total water supplied (%)	58.6	45.5	39.2	54.6	36.6	51.2	17.6

**Table A4.18** Figure 7.3, electricity, residential consumption per person, ACT, 2002–03 to 2006–07

Year	2002–03	2003–04	2004–05	2005–06	2006–07
Residential electricity consumption per person per year (MWh)	8.5	8.8	8.7	8.6	8.4

Table A4.19 Figure 7.4, electricity, residential electricity consumption per person, states and territories, 2006–07 (MWh per person)

State/territory	Average consumption	Australian average
SA	7.9	9.40
WA	6.8	9.40
Vic.	8.4	9.40
ACT	8.2	9.40
NSW	9.7	9.40
NT	7.7	9.40
Qld	10.8	9.40
Tas.	20.9	9.40

Table A4.20 Figure 7.5, network losses, electricity distribution, ActewAGL Distribution, 2000–01 to 2006–07

Year	2000–01	2001–02	2002–03	2003–04	2004–05	2005–06	2006–07
Network losses (% of total network inputs)	5.50	4.99	5.46	4.73	5.40	4.58	4.51



## Acronyms and abbreviations

ABS	Australian Bureau of Statistics
ACCC	Australian Competition and Consumer Commission
ACT	Australian Capital Territory
AER	Australian Energy Regulator
CAIDI	customer average interruption duration index
capex	capital expenditure
CBD	central business district
CO <sub>2</sub> -e	carbon dioxide equivalent
t CO <sub>2</sub> -e	tonnes carbon dioxide equivalent
Commission	Independent Competition and Regulatory Commission
EAPL	East Australian Pipeline Limited
ESAA	Electrical Supply Association of Australia
ESCC	Essential Services Consumer Council
GJ	gigajoule
GL	gigalitre
GWh	gigawatt hour
ICRC	Independent Competition and Regulatory Commission
ILI	Infrastructure leakage index
IPART	Independent Pricing and Regulatory Tribunal
kL	kilolitre
km	kilometre
km <sup>2</sup>	square kilometres
kV	kilovolt
kWh	kilowatt hour
ML	megalitre

MWh	megawatt hour
NEMMCO	National Electricity Market Management Company
NEM	National Electricity Market
NUoS Code	Network Use of System Code
SAIDI	system average interruption duration index
SAIFI	system average interruption frequency index
TFt	transitional franchise tariff
TJ	terajoule
Utilities Act	Utilities Act 2000