MONITORING REPORT

Utility Licence
Annual Report 2018–19

Report 4 of 2020, April 2020
The Independent Competition and Regulatory Commission is a Territory Authority established under the Independent Competition and Regulatory Commission Act 1997 (the ICRC Act). The Commission is constituted under the ICRC Act by one or more standing commissioners and any associated commissioners appointed for particular purposes. Commissioners are statutory appointments. Joe Dimasi is the current Senior Commissioner who constitutes the Commission and takes direct responsibility for delivery of the outcomes of the Commission.

The Commission has responsibilities for a broad range of regulatory and utility administrative matters. The Commission has responsibility under the ICRC Act for regulating and advising government about pricing and other matters for monopoly, near-monopoly and ministerially declared regulated industries, and providing advice on competitive neutrality complaints and government-regulated activities. The Commission also has responsibility for arbitrating infrastructure access disputes under the ICRC Act.

The Commission is responsible for managing the utility licence framework in the ACT, established under the Utilities Act 2000 (Utilities Act). The Commission is responsible for the licensing determination process, monitoring licensees’ compliance with their legislative and licence obligations and determination of utility industry codes.

The Commission’s objectives are set out in section 7 and 19L of the ICRC Act and section 3 of the Utilities Act 2000. In discharging its objectives and functions, the Commission provides independent robust analysis and advice.

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Monitoring report

This monitoring report sets out the Independent Competition and Regulatory Commission’s (Commission) assessment of licensed utilities operating in the ACT during 2018–19. The assessment focuses on licensed utilities’ compliance requirements and obligations relating to interruptions to services, customer complaints, consumer protections and general licence and reporting obligations specific to each utility service.

The overall compliance of licensed utilities during 2018–19 was assessed as good. While several minor non-compliances were reported, none were found to be material. Customer complaints decreased significantly for Icon Water, while Evoenergy saw a continued decrease in its electricity distribution complaints, continuing a strong decline now for two years from its peak in 2016–17.

In relation to the performance of the utility networks and reliability of supply, the dry weather conditions experienced in the ACT in 2018–19 had some impact on utility service provision. During 2018–19 the ACT experienced one of its driest weather periods, resulting in the highest number of sewer main breaks and chokes for Icon Water in the last five years. Evoenergy electricity distribution reported an increase in unplanned interruptions. Evoenergy noted that the increase in unplanned interruptions related mainly to network damage resulting from weather conditions and increased vegetation.

The Commission found that rebate payments to customers under the Consumer Protection Code remained low despite utilities reporting failures to meet minimum service standards. Icon Water and Evoenergy both reported that no claims were made by customers for rebate payments. This may indicate that customers are unaware of the minimum service standards and their right to claim rebates. A new Consumer Protection Code will come into effect from 1 July 2020, which will require utilities to automatically pay rebates when guaranteed service levels (currently known as minimum service standards) are not met.
Performance overview
2018–19

Interruptions to utility services

<table>
<thead>
<tr>
<th>Service</th>
<th>Planned Interruptions</th>
<th>Unplanned Interruptions</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2017–18</td>
<td>2018–19</td>
</tr>
<tr>
<td>Water supply</td>
<td>6,698</td>
<td>7,854</td>
</tr>
<tr>
<td>Electricity distribution</td>
<td>1,245</td>
<td>1,186</td>
</tr>
<tr>
<td>Gas distribution</td>
<td>4,980</td>
<td>4,691</td>
</tr>
<tr>
<td>Sewerage service</td>
<td>650</td>
<td>588</td>
</tr>
<tr>
<td>Electricity distribution</td>
<td>1,809</td>
<td>2,433</td>
</tr>
<tr>
<td>Gas distribution</td>
<td>1,469</td>
<td>1,668</td>
</tr>
<tr>
<td>Sewerage service</td>
<td>67</td>
<td>82</td>
</tr>
</tbody>
</table>

\[\text{Electricity customers} \downarrow 30\% \text{ from 2017-18}\]

368 Planned interruptions: Number of premises where electricity supply was not restored within 12 hours.

128 Unplanned interruptions: Number of premises where unplanned interruptions to electricity supply were not restored within 12 hours ▼ 68% from 2017-18

\[\text{Sewer main breaks and chokes} \uparrow 30.7\% \text{ from 1,855 in 2017–18 to 2,424 in 2018–19}\]

Water supply and sewerage services

- All interruptions were restored within 12 hours
- All premises affected by planned interruptions to water supply and sewerage services were notified within 2 business days

Gas distribution

- All premises affected by planned interruptions to gas supply were notified within 2 business days
- All interruptions were restored within 12 business days

2,253 Sewer main breaks and chokes caused by tree roots
Up by 30.8% from 2017-18
Customer complaints

**Water supply**

- **496** Water supply complaints
- **8** complaints were not responded to within 20 business days

**Sewerage services**

- **146** Sewerage services complaints
- ▼ 6.4% decrease from 2017-18, the lowest number of water supply complaints in the last 5 years
- **5** complaints were not responded to within 20 business days

**Electricity distribution**

- **618** Electricity distribution complaints
- ▼ 10.6% from 2017–18
- All complaints were responded to within 20 business days

**Gas distribution**

- **118** Gas distribution complaints
- ▲ 90.3% from 2017–18
- All complaints were responded to within 20 business days.

Consumer protection

<table>
<thead>
<tr>
<th>Icon Water</th>
<th>Evoenergy</th>
<th>Evoenergy</th>
</tr>
</thead>
<tbody>
<tr>
<td>Water supply and sewerage service</td>
<td>Electricity distribution</td>
<td>Gas distribution</td>
</tr>
<tr>
<td>1,038</td>
<td>812</td>
<td>410</td>
</tr>
<tr>
<td>No rebates paid</td>
<td>27 rebates paid ($1,350 in total)</td>
<td>No rebates paid</td>
</tr>
</tbody>
</table>
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1. Introduction

The Independent Competition and Regulatory Commission (Commission) is the economic regulator for the Australian Capital Territory (ACT) and is established under the *Independent Competition and Regulatory Commission Act 1997* (ICRC Act). The Commission is also responsible for managing the utility licence framework in the ACT established under the *Utilities Act 2000* (Utilities Act). To provide a utility service in the ACT, a utility must be licensed. The Commission is responsible for the licensing process and for monitoring licensees’ compliance with their legislative and licence obligations. This monitoring report sets out the results of the Commission’s assessment of the Utility Licence Annual Reports (ULAR) submitted each year to the Commission by licensed utilities operating in the ACT. This report covers the 2018–19 reporting year.
1.1 The compliance monitoring framework

The Commission monitors a utility’s compliance with its licence conditions by requiring it to submit a compliance report to the Commission annually. The annual compliance report which a utility submits to the Commission is referred to as a Utility Licence Annual Report.

The Commission assesses a utility’s performance based on the information and data reported by the utility. This data includes information relating directly to licence obligations as well as customer complaints data on network issues for the reporting period. The Commission considers the impacts that a non-compliance may have on the ACT community and the utility’s actions to rectify any issues that are associated with a non-compliance.

The Commission also seeks to identify issues reported over multiple reporting periods that have the potential to affect customers or prevent a utility from meeting its licence obligations. The Commission proactively corresponds with utilities when issues are identified and seeks an appropriate resolution.

Figure 1.1 Purpose of annual compliance monitoring

- Promote transparency, data integrity and accountability of licensed utilities
- To mitigate risks or the occurrence of possible risks associated with a utility’s non-compliance with its licence obligations
- Inform the ACT community about the performance of licensed utilities in the ACT
- Encourage and motivate utilities to improve performance against obligations in their licence, Utilities Act and relevant industry codes

1.2 Licensed utilities in the ACT

A person or entity must not provide a utility service in the ACT except in accordance with a utility licence. The obligations for licensees are determined by the Commission and originate from a number of sources including:

- the Utilities Act
- the Utilities (Technical Regulation) Act 2014 (UTR Act)
- the utility licence
- industry codes determined by the Commission under Part 4 of the Utilities Act
- technical codes determined by the UTR under Part 3 of the UTR Act.

The Commission does not license retail energy providers (NERL retailers). NERL retailers are authorised under the national energy customer framework by the Australian Energy Regulator (AER). The Commission is not responsible for monitoring utilities’ technical and environmental compliance. UTR is responsible for providing technical regulation of utilities (licensed and unlicensed), and the ACT Environment, Planning and Sustainable Development Directorate (EPSDD) is responsible for regulating environmental obligations and standards. Figure 1.2 sets out the licensed utilities that operated in the ACT during 2018–19 and the services they provided.

**Figure 1.2 Licensed utilities operating in the ACT during 2018–19**
1.3 Primary reporting obligations

1.3.1 Utility licence conditions

Utilities are required under the Utilities Act to hold a licence to provide a utility service in the ACT. The utility licence includes general conditions relating to compliance with the Utilities Act, relevant industry and technical codes and other laws in force in the ACT that relate to the provision of a utility service. The licence sets out obligations relating to environmental requirements, compliance reporting and record keeping.

1.3.2 Material breaches and non-compliance

A licensed utility is required to notify the Commission of any material breach of its licence as soon as practicable. In relation to general non-compliance (not of a material nature), the utility is required to provide a brief statement to the Commission that explains the circumstances of and reasons for the non-compliance, consequences of the non-compliance and measures that the licensee will put in place to rectify non-compliance.

1.3.3 Industry and technical codes and other laws


1.3.4 Consumer protection code

The Consumer Protection Code (Code) is the Commission’s primary industry code that licensed utilities report against. The Code sets out the basic rights of customers, consumers and utilities with respect to access to, and provision of, utility services. The Code also deals with the general conduct of utilities (and their agents) in the delivery of utility services. The Code sets out the circumstances in which a utility can interrupt, restrict or disconnect a utility service and the provisions that a utility must give effect to in its customer contracts.

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The Code also sets out obligations for responding to enquiries or complaints. Utilities are required to address complaints from customers or consumers\(^6\) and must provide the customer or consumer with information relating to the utility’s complaint handling procedures. In its final decision on a complaint, a utility must advise a customer or consumer of their rights to refer their complaint to the ACT Civil and Administrative Tribunal (ACAT).

**Minimum service standards**

Schedule 1 of the current Code sets out five minimum service standards. The minimum service standards are basic performance standards that utilities are expected to meet. The current Code sets out five minimum service standards covering connection times, responding to complaints, response times to notification of network problems or concerns, notice periods and duration of planned interruptions, and restoration of services when unplanned interruptions occur. If a utility fails to meet a minimum service standard, affected customers or consumers have the right to apply for, and receive, a rebate. The minimum service standards are applicable to utilities that distribute and connect utility services (as opposed to transmission utilities like EAPL and TransGrid).\(^7\)

Appendix 1 details the current minimum service standards.

**New Consumer Protection Code 2020**

In 2018, the Commission commenced a review of the Consumer Protection Code. The purpose of the review was to ensure that the code remained appropriate, taking into account current and emerging utility consumer protection issues. The Commission finalised its review and determined a new code in December 2019.

One of the findings of the Commission’s review was that consumers in the ACT are generally not aware of the minimum service standards and their right to claim a rebate when standards are not met. Consequently, few rebates have been claimed or paid, despite the standards not being met on hundreds of occasions each year. The Commission has addressed this finding in a new code\(^8\) that will commence on 1 July 2020. The new code removes the requirement for a customer to apply for a rebate and instead requires utilities to automatically make a payment when guaranteed service levels are not met. Minimum service standards under the current code are referred to as guaranteed service levels (or GSLs) under the new code.


**1.4 Report structure**

Further to this introductory chapter, the monitoring report consists of six chapters:

**Chapters 2–6 - Utilities**

Chapters 2 to 6 set out the Commission’s assessment of the ULARs submitted by the five licensed utilities operating in the ACT during 2018–19. These chapters look at each utility’s compliance with licence conditions

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\(^6\) A **customer** of a utility service is a person for whom the service is provided under a customer contract; a **consumer** is the customer or an occupier of a customer’s premises to which the service is provided. In the case of a rented property the landlord is usually the customer of water and sewerage services, and the tenant is the consumer.

\(^7\) Evoenergy electricity and gas are discussed in this report in Chapters 3 and 4 respectively. TransGrid and EAPL do not fall within this area of monitoring due to the nature of their services being transmission, which means they do not directly have household or small business consumers or customers.

\(^8\) **Utilities (Consumer Protection Code) Determination 2020** (D12012-149).
and performance against industry codes. The assessments within chapters 2–4 (water and sewerage services, electricity distribution and gas distribution) are made under the following subchapters:

- Interruptions – focuses on planned and unplanned interruptions
- Complaints – focuses on customer complaints received by utilities
- Consumer protection – focuses on a utility’s performance against the minimum service standards
- Licence and reporting obligations – focuses on licence and other reporting obligations not included in the above.

Chapters 5 and 6 relate to gas and electricity transmission respectively. The nature of transmission services means they do not have reporting relating to customer complaints and consumer protections.

**Chapter 7 - Assessment**

Chapter 7 sets out the Commission’s assessment of each utility’s processing of its ULAR for 2018–19.
2. Water supply and sewerage services

Icon Water is licenced to supply water and provide sewerage services in the ACT. Despite an increase in the number of unplanned interruptions to sewerage services, Icon Water’s overall performance and compliance against its licence conditions remained good in 2018-19.

Icon Water reported that it had implemented several programs during the year to improve its water and sewerage networks. Icon Water also focused on better managing customer complaints to provide better service to its customers. The total number of customer complaints in 2018-19 was lower than in the previous year.
2.1 Interruptions to water supply and sewerage services

This section reports on planned and unplanned interruptions to the water and sewerage networks. The Commission monitors and reports on interruptions to the water and sewerage networks to help it assess the reliability of water supply and sewerage services in the ACT and identify the main causes of interruptions. It also helps the Commission to monitor Icon Water’s compliance with the required minimum service standards for interruptions under the Consumer Protection Code.

2.1.1 Planned and unplanned interruptions to water supply

Planned interruptions to water supply increased by 17.3 per cent from 6,698 in 2017–18 to 7,854 in 2018–19. Icon Water has continued to meet its obligation to provide customers with at least two business days’ notice before a planned interruption.

The number of planned interruptions in a utility’s network varies each year depending on planned upgrades and network operations during that year. Icon Water has an ongoing meter replacement program where meters are being replaced every 12 to 18 years. The number of planned interruptions each year is closely associated with the number of meter replacements during that year. Icon Water has reported that the increase in planned interruptions during 2018–19 was due to the increase in planned small water meter replacements from 5,517 in 2017–18 to 6,370 in 2018–19.

Icon Water reported that it has implemented initiatives to reduce the number of planned interruptions. One of these initiatives was combining jobs so they were completed during the same interruption; this often occurred during new connections or developer work. Another initiative was carrying out live tapping9 where possible and safe to do so.

The average duration of, and number of unplanned interruptions in, Icon Water’s water network fell in 2018–19. Icon Water reported that all interruptions in 2018–19 were restored within 12 hours. Table 2.1 shows details about planned and unplanned interruptions to water supply for each year from 2014–15 to 2018–19.

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9 ‘Live tapping’ (also known as ‘hot tapping’) is a technique used to tap into an existing water main without interrupting the service. The technique is done by installing a tapping sleeve and a gate or valve that controls the water pressure before the main is tapped.
### Table 2.1 Water supply – planned and unplanned interruptions, 2014–15 to 2018–19

<table>
<thead>
<tr>
<th></th>
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<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of planned interruptions</td>
<td>2,555</td>
<td>10,318</td>
<td>7,760</td>
<td>6,698</td>
<td>7,854</td>
<td>▲ 1,156 (▲ 17.3%)</td>
</tr>
<tr>
<td>Number of premises that were not given at least 2 business days’ notice of a planned interruption</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Number of premises where supply was not restored within 12 hours</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Average interruption duration (minutes / property)</td>
<td>19.0</td>
<td>31.0</td>
<td>31.9</td>
<td>32.3</td>
<td>31.7</td>
<td>▼ 0.6 (▼ 1.2%)</td>
</tr>
<tr>
<td>Number of unplanned interruptions</td>
<td>564</td>
<td>665</td>
<td>577</td>
<td>650</td>
<td>588</td>
<td>▼ 62 (▼ 9.5%)</td>
</tr>
<tr>
<td>Number of premises where supply was not restored within 12 hours</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Average interruption duration (minutes / property)</td>
<td>114.7</td>
<td>115.3</td>
<td>133.8</td>
<td>119.7</td>
<td>98.9</td>
<td>▼ 20.8 (▼ 17.4%)</td>
</tr>
</tbody>
</table>

#### 2.1.2 Unplanned interruptions to sewerage services

Unplanned interruptions to sewerage services increased by 34.5 per cent in 2018–19. Icon Water reported increases in all categories of unplanned interruptions to sewerage services (Table 2.2). Icon Water noted that the reported increase in unplanned interruptions to sewerage services was predominantly due to dry weather conditions.

Icon Water reported that all interruptions in 2018–19 were restored within 12 hours.
Table 2.2 Sewerage services – unplanned interruptions, 2014–15 to 2018–19

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of unplanned interruptions</td>
<td>1,561</td>
<td>1,697</td>
<td>1,639</td>
<td>1,809</td>
<td>2,433</td>
<td>▲ 624 (▲ 34.5%)</td>
</tr>
<tr>
<td>Number of premises where sewerage service was not restored within 12 hours of the initial unplanned interruption</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Number of sewer main breaks and chokes</td>
<td>1,678</td>
<td>1,778</td>
<td>1,618</td>
<td>1,855</td>
<td>2,424</td>
<td>▲ 569 (▲ 30.7%)</td>
</tr>
<tr>
<td>Number of sewer main breaks and chokes caused by tree roots</td>
<td>1,536</td>
<td>1,639</td>
<td>1,468</td>
<td>1,723</td>
<td>2,253</td>
<td>▲ 530 (▲ 30.8%)</td>
</tr>
<tr>
<td>Number of property connection sewer breaks and chokes</td>
<td>1,552</td>
<td>1,694</td>
<td>1,634</td>
<td>1,806</td>
<td>2,430</td>
<td>▲ 624 (▲ 34.6%)</td>
</tr>
<tr>
<td>Number of property connection sewer breaks and chokes caused by tree roots</td>
<td>1,385</td>
<td>1,476</td>
<td>1,425</td>
<td>1,617</td>
<td>2,148</td>
<td>▲ 531 (▲ 32.8%)</td>
</tr>
</tbody>
</table>

**Note:** The ‘Number of unplanned interruptions’ does not equal the total of the five rows below it in the table due to how Icon Water records and reports its unplanned interruptions. For example, 2,424 sewer main breaks and chokes include interruptions classed as breaks and those also classed as chokes. A single interruption may be classed as both. This means that it is best to read each row as a stand-alone figure.

In 2018–19 there was a 30.7 per cent increase in the number of sewer main breaks and chokes, from 1,855 in 2017–18 to 2,424 in 2018-19. Figure 2.1 shows the number of sewer main breaks and chokes in 2018–19 is the highest in five years. A similar picture applies to property connection sewer breaks and chokes and breaks and chokes caused by tree roots.
Icon Water reported that the increase in sewer main breaks and chokes in 2018–19 was due to the dry weather conditions experienced in the ACT during this period. Icon Water reported that 93 per cent of sewer main breaks were caused by tree root intrusions in 2018–19.

A dataset published on the Bureau of Meteorology (BoM) website shows major water utilities in Australia have experienced increases in sewer main breaks during 2018–19. The industry average for the rate of sewer main breaks and chokes for major water utilities increased from 26 per 100 km of sewer main in 2017–18 to 36.6 per 100 km in 2018–19. Icon Water’s network generally experiences more sewer main breaks compared to other major water utilities in Australia. Icon Water reported 72.1 sewer main breaks and chokes per 100 km of sewer main during 2018–19. This figure is around 36 per cent higher than the industry average of 36.6 sewer main breaks and chokes per 100 km for major utilities for 2018–19.

Icon Water has noted that one of the most common causes of sewer main breaks in Australia is the movement of reactive soils. Canberra is known to have heavy clay soil that becomes hard and shrinks during dry weather and expands as it absorbs moisture during cooler or wet periods.

Icon Water considers that changing weather conditions over the past five years, and lower rainfall in the ACT compared to previous years, have contributed to the upwards trend in the number of sewer main breaks. The explanation is supported by the BoM, which said in its 2018–19 National performance report: Urban water utilities that extreme wet and dry conditions may result in ground movement causing an increase in water or sewer main breaks. A consequence of sewer main breaks is that tree roots can infiltrate the sewer main, which is the cause of most blockages experienced in Canberra in recent years.

‘The increase is predominantly due to the dry weather conditions which has led to a decrease in the soil moisture content. We believe there is a direct correlation between the decrease in soil moisture content and increase in sewer blockages.’

ICON WATER

10 ‘Major’ water utilities are defined by the BoM as water utilities in Australia having more than 100,000 properties connected to the water or sewer network.
Icon Water reported it has ongoing initiatives to minimise unplanned interruptions to sewer services. These include:

- Implementation of a new decision analysis tool to improve analysis and targeting of sewer mains for cleaning and replacement. The new tool includes soil type, tree species and weather data to predict the sewer mains that have a higher than average potential to experience blockages
- Implementation of actions following a main cause analysis of causes of sewer main failures
- Replacing existing sewers that have numerous joints (at least every 5m) with fully welded polyethylene sewer pipes to prevent root intrusion
- Benchmarking against, and collaborating with, other utilities that have experienced similar issues with increased sewer blockages.

### 2.2 Complaints

In 2018–19, Icon Water received the lowest number of water supply and sewerage service complaints in five years. Icon Water reported that this positive outcome can be attributed to Icon Water’s three-year customer strategy initiative to enhance customer experience. The initiative, which started in 2018–19, focuses on several key areas, including improving the customer billing experience (including a review of metering processes) and complaint management. Icon Water’s initiatives to improve its complaint management included addressing issues to prevent complaints from occurring, and better management of existing complaints.

#### 2.2.1 Complaint handling procedures

Section 6 of the Consumer Protection Code sets out the requirements for utilities to maintain a complaint handling procedure that complies with the Australian Standards. Icon Water reported that during 2018–19 it had a complaint handling procedure in place that complied with Australian Standard 10002-2006: Customer satisfaction—Guidelines for complaints handling in organisations and the Consumer Protection Code. Its complaint handling practices include providing customers and consumers with a meaningful response and giving information about its complaint handling procedures when acknowledging complaints. Icon Water’s complaint handling policy and information about customers’ rights to raise a complaint with the ACAT are published on its [website](#).

Section 6.4 of the Code requires a licensed utility to keep records of complaints made by customers and consumers for not less than twelve months after the complaint is resolved. Icon Water reported that during 2018–19, it recorded all enquiries and complaints along with the actions taken to rectify the problem; and keeps records of complaints for not less than twelve months after the complaint is resolved.

#### 2.2.2 Water supply complaints

In 2018–19, Icon Water received 496 water supply complaints. This was 40 per cent lower than the total number of water supply complaints in 2017–18 and the lowest number of water supply complaints received by Icon Water in the last five years (Figure 2.2). Of the 496 complaints, 11 were not responded to within 20 business days.
Accounts and billing complaints, water quality complaints and complaints about damage to or restoration of property were the three largest categories of complaint, comprising two-thirds of all complaints. The fall in total water supply complaints during 2018–19 is mainly due to fewer complaints in four categories: accounts and billing complaints (down 28.0%); water quality complaints (down 21.6%); metering and meter reading complaints (down 70.1%); and other network complaints (down 45.5%). However, there were improvements across the board in 2018-19, with fewer complaints in most of the other categories too.
### Table 2.3 Water supply complaints by category, 2014–15 to 2018–19

<table>
<thead>
<tr>
<th></th>
<th></th>
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<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Accounts and billing</td>
<td>106</td>
<td>150</td>
<td>144</td>
<td>168</td>
<td>121</td>
<td>▼47 (▼28.0%)</td>
<td>24.4</td>
</tr>
<tr>
<td>Water quality</td>
<td>204</td>
<td>210</td>
<td>169</td>
<td>134</td>
<td>105</td>
<td>▼29 (▼21.6%)</td>
<td>21.2</td>
</tr>
<tr>
<td>Damage to / restoration of property</td>
<td>64</td>
<td>62</td>
<td>75</td>
<td>111</td>
<td>104</td>
<td>▼7 (▼6.3%)</td>
<td>21.0</td>
</tr>
<tr>
<td>Other network</td>
<td>80</td>
<td>118</td>
<td>151</td>
<td>145</td>
<td>79</td>
<td>▼66 (▼45.5%)</td>
<td>15.9</td>
</tr>
<tr>
<td>Metering / meter reading</td>
<td>74</td>
<td>93</td>
<td>159</td>
<td>214</td>
<td>64</td>
<td>▼150 (▼70.1%)</td>
<td>12.9</td>
</tr>
<tr>
<td>Failure to provide notice, or insufficient, notice</td>
<td>26</td>
<td>37</td>
<td>32</td>
<td>19</td>
<td>10</td>
<td>▼9 (▼47.4%)</td>
<td>2.0</td>
</tr>
<tr>
<td>Other retail complaints</td>
<td>na</td>
<td>na</td>
<td>27</td>
<td>26</td>
<td>6</td>
<td>▼20 (▼76.9%)</td>
<td>1.2</td>
</tr>
<tr>
<td>Unplanned interruptions</td>
<td>19</td>
<td>24</td>
<td>16</td>
<td>5</td>
<td>5</td>
<td>0</td>
<td>1.0</td>
</tr>
<tr>
<td>Water supply reliability</td>
<td>2</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>2</td>
<td>▼2 (▼50.0%)</td>
<td>0.4</td>
</tr>
<tr>
<td><strong>Total complaints</strong></td>
<td>575</td>
<td>696</td>
<td>776</td>
<td>826</td>
<td>496</td>
<td>▼330 (▼40.0%)</td>
<td></td>
</tr>
</tbody>
</table>

**Note:** Icon Water did not have a category for ‘other retail complaints’ prior to 2016–17. This explains why data for ‘other retail complaints’ was not provided for 2014–15 and 2015–16.

### Accounts and billing complaints

Accounts and billing complaints accounted for 24.4 per cent of the total number of water supply complaints in 2018–19. Complaints in this category related to account creation/transfer, billing delays or bill not received, billing disputes, bill tariff structure, bill too high, water leak causing a high bill, and interest charges. The number of accounts and billing complaints fell by 28.0 per cent from 168 in 2017–18 to 121 in 2018–19 (Table 2.3). Icon Water reported that the improvement in this category was mainly due to fewer complaints about high bills.

### Water quality complaints

From 2014–15 to 2016–17, water quality complaints were the largest category of water supply complaints. (except during 2017–18 where metering complaints went up due to the meter replacement program). In 2018–19, the number of water quality complaints was the lowest in the last five years. Icon Water received 105 water quality complaints (down 21.6 per cent from 2017–18).

Icon Water reported 59 per cent of water quality complaints related to discoloured water. Icon Water reported discolouration of water is often short-term and associated with maintenance work, when water and sediment
2. Water supply and sewerage services

are disturbed. Icon Water noted that customers who were likely to be affected by planned maintenance work were notified in advance.

Icon Water also reported an increase in instances of dirty water caused by water carrier companies using standpipes to draw water directly from the water hydrant. Icon Water has introduced a program where water carriers can only draw water from designated hydrants to reduce the impact of dirty water on nearby residents.

Metering and meter reading complaints

Complaints in this category include complaints about estimated meter readings, meter faults, meter replacement, and inaccurate meter readings. Meter and meter reading complaints fell by 70.1 per cent from 214 in 2017–18 to 64 in 2018–19. This largely reflected a change in the categorisation of complaints by Icon Water. During 2018, Icon Water reviewed its complaint categories to ensure complaints were being recorded correctly. The ‘metering fault’ category was redefined to ensure it did not capture complaints related to internal leaks in the customer’s property as these were not a fault in the meter. In addition, there were fewer complaints about meter reading, which Icon Water considered were a result of replacing old meters through its meter replacement program. The meter replacement program is discussed further in section 2.1.1 of this report.

Other network complaints

The number of other network complaints fell by 45.5 per cent from 145 in 2017–18 to 79 in 2018–19. Icon Water reported that this improvement reflects significantly fewer complaints about water pressure and water hammer/noisy pipes.

The types of complaints in this category include connection timeframes, damage or fault to Icon Water’s assets, damage to environment, service request not met, water hammer/noisy pipes, water leak, and water pressure.
2.2.3 Sewerage service complaints

Icon Water reported 146 sewerage service complaints in 2018–19, down 6.4 per cent from 2017–18 (Figure 2.3). As for water supply complaints, Icon Water considered that its initiatives to improve its complaint management process explained much of the reduction in complaints.

Table 2.4 shows the breakdown of sewerage service complaints from 2014–15 to 2018–19. Table 2.4 shows the main causes of sewerage service complaints in 2018–19 were property damage or restoration of property, sewerage service reliability and quality, and other network complaints.

Figure 2.3 Number of sewerage service complaints and per cent change from previous year 2014–15 to 2018–19

Table 2.4 Sewerage services – number of complaints by category, 2014–15 to 2018–19

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Damage to/restoration of property</td>
<td>132</td>
<td>124</td>
<td>106</td>
<td>85</td>
<td>73</td>
<td>▼ 12 (▼14.1%)</td>
<td>50.0</td>
</tr>
<tr>
<td>Sewerage services reliability and quality</td>
<td>43</td>
<td>41</td>
<td>33</td>
<td>28</td>
<td>29</td>
<td>▲ 1 (▲3.6%)</td>
<td>19.9</td>
</tr>
<tr>
<td>Other networks</td>
<td>41</td>
<td>39</td>
<td>24</td>
<td>29</td>
<td>25</td>
<td>▼ 4 (▼13.8%)</td>
<td>17.1</td>
</tr>
<tr>
<td>Sewage odour</td>
<td>20</td>
<td>13</td>
<td>7</td>
<td>9</td>
<td>14</td>
<td>▲ 5 (▲55.6%)</td>
<td>9.6</td>
</tr>
<tr>
<td>Failure to provide notice, or insufficient, notice</td>
<td>1</td>
<td>1</td>
<td>8</td>
<td>6</td>
<td>5</td>
<td>▼ 1 (▼16.7%)</td>
<td>3.4</td>
</tr>
<tr>
<td>Unplanned interruptions</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Other retail complaints</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Total complaints</td>
<td>237</td>
<td>218</td>
<td>178</td>
<td>157</td>
<td>146</td>
<td>▼ 11 (▼7.0%)</td>
<td></td>
</tr>
</tbody>
</table>

Property damage/restoration of property

In 2018–19, complaints relating to property damage or restoration of property made up half of all sewerage complaints (Table 2.4). These complaints have consistently been the largest category of sewerage service complaints over the past five years. There has been a significant improvement in this complaint category, with a fall of 14.1 per cent from 2017–18 and 44.7 per cent since 2014-15. Icon Water considered the improvement has resulted from its initiatives to improve its work with planning and assessments of network operations.

Sewerage services reliability and quality

Complaints in this category are about sewer blockages and sewer surcharges.14 Despite the increase in the number of sewer main breaks in 2018–19 (discussed in 2.1.2 above), the number of complaints in this category has been stable over the past three years. These complaints made up almost 20 per cent of all complaints about sewerage services.

Other network complaints

The other network complaints category accounted for 17.1 per cent of the total number of sewerage service complaints. Complaints in this category include damage and faults on Icon Water’s assets, service requests not met, reimbursement assessments, and complaints relating to customers’ health or safety due to an issue with the Icon Water’s network or assets. The number of complaints in this category fell slightly from 29 in 2017–18 to 25 complaints in 2018–19.

2.3 Consumer protection

Clause 11 of the current Consumer Protection Code (Code) requires licensed utilities to comply with all applicable minimum service standards. Licensed utilities report on compliance with the minimum service standards through their ULARs.

In 2018–19, Icon Water reported that it did not meet the minimum service standards 880 times for water and 158 times for sewerage services (a total of 1,038 times). Figure 2.3 shows how often Icon Water did not meet each of the minimum service standards from 2014–15 to 2018–19.

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14 Sewer surcharge refers to the overloading of the sewer resulting in a sewer overflow or discharge, usually at a manhole or relief point on a customer’s property.
## Table 2.5 Icon Water – number of times minimum service standards were not met, 2014–15 to 2018–19

<table>
<thead>
<tr>
<th>Minimum service standards (MSS)</th>
<th>Parameter</th>
<th>2014-15</th>
<th>2015-16</th>
<th>2016-17</th>
<th>2017-18</th>
<th>2018-19</th>
<th>Change from previous year (number and % change)</th>
</tr>
</thead>
<tbody>
<tr>
<td>MSS1: Customer connection times</td>
<td>Connection not made on same day if request made before 2pm or by the end of next business day</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>MSS2: Responding to complaints</td>
<td>Respond within 20 business days</td>
<td>38</td>
<td>14</td>
<td>37</td>
<td>5</td>
<td>13</td>
<td>▲8 (▲160.0%)</td>
</tr>
<tr>
<td>MSS3: Response times (faults)</td>
<td>For a problem that is likely to affect public health or has the potential to cause substantial harm – within 6 hours</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td></td>
<td>In all other cases, within 48 hours</td>
<td>493</td>
<td>353</td>
<td>407</td>
<td>558</td>
<td>684</td>
<td>▲126 (▲22.6%)</td>
</tr>
<tr>
<td></td>
<td>Resolve the problem within the time specified in the responses</td>
<td>124</td>
<td>89</td>
<td>108</td>
<td>206</td>
<td>341</td>
<td>▲135 (▲65.5%)</td>
</tr>
<tr>
<td>MSS4: Planned interruptions</td>
<td>Provide 2-business days’ notice</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td></td>
<td>does not exceed 12 hours</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>MSS5: Unplanned interruptions</td>
<td>does not exceed 12 hours</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Total number of times Icon Water failed to meet minimum service standards</td>
<td></td>
<td>655</td>
<td>456</td>
<td>552</td>
<td>769</td>
<td>1,038</td>
<td>▲269 (▲35.0%)</td>
</tr>
</tbody>
</table>

### Customer connection times (minimum service standard 1)

Under the Code, if a property is physically connected to the water or sewerage network, and the customer is entitled to the supply of the utility service, Icon Water must provide the water or sewerage service:

- on the same day as the request is made if the request is made before 2:00 pm or
- by the end of the next business day if a request is made after 2:00 pm, otherwise, on a day agreed between the customer and Icon Water.
Currently, a customer may apply for and claim a rebate of $60 (to a maximum of $300) for each day Icon Water failed to meet the standard. Icon Water reported there were no instances where it did not meet the service standard.

**Responding to complaints (minimum service standard 2)**

Icon Water must respond to complaints within 20 business days. Currently, a customer may apply to Icon Water for a rebate of $20 if it does not respond to a complaint within this timeframe.

In 2018–19, Icon Water did not respond to eight water supply complaints and five sewerage services complaints (13 in total) within 20 business days. This was higher than in 2017–18, but relatively low compared to earlier years. Icon Water commented that the reason for the eight complaints not being responded to within 20 days was due to resourcing issues in a small team. Following the issue being identified, changes were made to work allocation practices, complaint management processes and performance reporting procedures to address the issues.

**Response time to notifications of network problems (minimum service standard 3)**

Icon Water must respond to notifications about a network problem (fault) or concern within a certain timeframe based on the significance of the problem. Icon Water must respond to notifications that are likely to affect public health, or cause (or have the potential to cause) substantial harm to the community or a property, within six hours. In all other cases Icon Water must respond within 48 hours. In addition, Icon Water must respond within the time period set out in its advice to consumers.

A customer or consumer who made the notification may apply for a rebate of $60 (to a maximum of $300) for each day that Icon Water failed to respond.

In 2018–19, the total number of notifications relating to damage to, or a fault or problem within, Icon Water’s network increased for both water supply and sewerage services. Water supply notifications about network problems increased from 2,996 from 2017–18 to 3,122 in 2018-19, up 4.2 per cent. Notifications about problems in the sewerage network increased from 3,620 in 2017–18 to 4,773 in 2018–19, up 31.9 per cent. Icon Water responded to all notifications that could affect public health and safety within the required six-hours.

Icon Water commented that the increase in notifications, particularly about the sewerage service network, was caused by the dry weather conditions. Icon Water reported that it is taking initiatives to improve sewerage services. These include:

- A review of its cleaning methods, which is considering options such as cleaning extended lengths of pipes to reduce repeat visits and improving quality control of reactive cleaning
- An analysis of how it allocates its resources to find further efficiencies
- A trial of root-cutting heads to improve effectiveness and efficiency in clearing blockages.

**Unplanned interruptions (minimum service standard 4) and planned interruptions (minimum service standard 5)**

Minimum service standards 4 requires Icon Water to provide at least two business days’ notice to premises affected by a planned interruption. Minimum service standards 4 and 5 require Icon Water to restore water supply within 12 hours after planned and unplanned interruptions.

Icon Water met the minimum service standards that relate to supply interruptions during 2018–19.
2.3.1 Rebates paid under the Consumer Protection Code

Under the current Code, if Icon Water does not meet a minimum service standard, the customer or consumer is entitled to apply for a rebate within three months of the service standard not being met. Under clause 11 of the Code, Icon Water must inform its customers that they have the right to apply for a rebate if the standards are not met. Icon Water informs its customers through its Standard Customer Contract and its website about their rights to apply for a rebate.

In 2018–19, Icon Water reported that it did not receive any rebate claims following its failure to meet the minimum services standards 883 times for water services and 158 times for sewerage services. Icon Water did not pay any rebates in 2018–19.

As mentioned in section 1.3.3 of this report, from 1 July 2020 when the new Consumer Protection Code starts to apply, all licensed utilities, including Icon Water, will have to pay rebates automatically to eligible customers when a guaranteed service level (previously called a minimum service standard) is not met. Customers will no longer have to apply for the rebates.

2.4 Licence and reporting obligations

Icon Water’s utility licence requires it to comply with any requirement under the Utilities Act, relevant industry and technical codes, and certain directions given by the Commission. The licence also requires it to report any material breach and non-compliance to the Commission. This section reports on Icon Water’s compliance with its licence requirements and other reporting obligations during 2018–19, including obligations under the Water and Sewerage Capital Contribution Code.

2.4.1 Material breach

There were no material breaches of Icon Water’s utility licence in 2018–19. This finding is based on information from Icon Water and monitoring by the Commission throughout the reporting year.

2.4.2 Non-compliance

Icon Water reported one incident when it did not meet its obligations under the Privacy Act 1988. In this incident, which occurred on 12 December 2018, around 4,900 water and sewerage service invoices were sent to the wrong customers. Icon Water estimated that about 130 customers were mistakenly delivered ‘packages’ of invoices rather than their own invoice. Icon Water reported the incident was caused by a programming error in the mail collation process. Customer information included in the invoices were names, postal addresses, Icon Water account numbers, water consumption patterns, and payment status information. Icon Water noted that billing information such as bank account details, credit card details or email addresses were not included in the invoices.

Icon Water notified the Commission in writing of this incident as required under its licence. The Commission is satisfied that Icon Water took immediate action to fix the error by collecting the misdirected invoices, telling the affected customers and correcting the programming error. Icon Water reported it has reviewed its billing system to make sure this error will not happen again.

The Commission notes that Icon Water reported the incident to the Australian Information Commissioner as required under the Privacy Act 1998.
2.4.3 Obligations under the Utilities Act

The Utilities Act requires Icon Water to take all reasonable steps to ensure that its network operations minimise inconvenience, detriment and damage to private land. The Commission requires Icon Water to record the number of complaints about its network operations so that the Commission can monitor Icon Water’s compliance with its obligations under the Act.

Details about the number of complaints are shown in Table 2.6.

Providing notice to landholders

Section 109 of the Act requires Icon Water to give a landholder with at least seven days’ notice before carrying out a network operation. Icon Water has consistently met its obligations to give landholders at least seven days’ notice. During 2018–19, Icon Water did not receive any complaints in relation to this obligation.

Water supply network operations

Icon Water reported an increase in complaints in 2018–19 about how Icon Water carried out operations in its water supply network. These included complaints about inconvenience or damage to property and delays in restoring land. Icon Water also reported five complaints about how it had undertaken network operations in urgent circumstances during 2018-19.

Icon Water reported that the increase in complaints about ‘damage to be minimised’ was mainly about restoration of land where work in relation to a network issue was undertaken (for example where there was work in response to a burst water main). Land restoration for this type of work is often extensive and delays can result from having to use different contractors for different parts of the work. To reduce the time taken to finish the work, Icon Water has engaged additional contractors to do restoration work. Icon Water has also provided additional training in its new works and assets management system to manage follow up work.

Sewerage service network operations

In contrast to the water supply network, the number of complaints about network operations on Icon Water’s sewerage network fell by 15.5 per cent in 2018-19. Unlike work in response to a discovered network issue (reactive work) in the water supply network, sewerage network operations are often planned in advance. This work is generally done by Icon Water employees, with site inspections and consultation with the customer undertaken before starting the work.
Table 2.6 Water supply and sewerage – performance against obligations under the Utilities Act, 2014–15 to 2018–19

<table>
<thead>
<tr>
<th></th>
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<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Water supply</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Number of water supply complaints relating to damage to be minimised</td>
<td>64</td>
<td>55</td>
<td>75</td>
<td>78</td>
<td>99</td>
<td>▲ 21 (▲ 26.9%)</td>
</tr>
<tr>
<td>Failed to give at least 7 days’ notice before a network operation</td>
<td>0</td>
<td>2</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Number of complaints for failing to ensure that the land was restored to the original condition</td>
<td>25</td>
<td>21</td>
<td>43</td>
<td>17</td>
<td>32</td>
<td>▲ 15 (▲ 88.2%)</td>
</tr>
<tr>
<td>Sewerage service</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Number of sewerage service complaints related to damage to be minimised</td>
<td>115</td>
<td>102</td>
<td>85</td>
<td>84</td>
<td>71</td>
<td>▼ 13 (▼ 15.5%)</td>
</tr>
<tr>
<td>Failed to give at least 7 days’ notice before a network operation</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Number of complaints for failing to ensure that the land was restored to the original condition</td>
<td>41</td>
<td>34</td>
<td>26</td>
<td>14</td>
<td>12</td>
<td>▼ 2 (▼ 14.3%)</td>
</tr>
</tbody>
</table>

2.4.4 Environmental requirements

Under its utility licence, Icon Water must collect information and report annually to the Commission on the volume of water supplied in the ACT. The licence also requires Icon Water to develop and implement programs to cost effectively minimise unaccounted for water from its water network.

Water supply

Icon Water supplied 48,346 ML of water in the ACT during 2018–19. Icon Water reported 77.7 per cent of water supplied in Canberra was from the Cotter River reservoirs, of which 28.8 per cent was from Bendora reservoir.
and 48.9 per cent from Cotter reservoir. The Googong reservoir provided 22.3 per cent of the water supplied to Canberra during 2018–19.\(^{16}\)

There was a small increase of 1.29 per cent in total water supply from 47,732 ML in 2017–18 to 48,346 ML in 2018–18. Supply to residential users increased by 4.78 per cent in 2018–19 (see Table 2.7). Icon Water reported that some of the increase in total water usage by residential customers resulted from a 1.5 per cent increase in the ACT population in 2018–19.\(^{17}\) However, most of the increase in water supplied to residential customers was due to higher water usage by households. The average annual volume of water supplied to residential customers increased by 3.6 per cent from 197 kL per property in 2017-18 to 204 kL per property in 2018–19.\(^{18}\) Higher water usage by residential customers is likely to be due to the dry weather conditions with lower than average rainfall during 2018–19.

| Table 2.7 Volume of water supplied in the ACT by category of use, 2014–15 to 2018–19 |
|---------------------------------|------------|------------|------------|------------|------------|-----------------|
| Total volume of water supplied in the ACT | 42,938 | 46,121 | 45,425 | 47,732 | 48,346 | ▲ 1.29 |
| Residential customers           | 29,458 | 31,272 | 31,100 | 32,337 | 33,882 | ▲ 4.78 |
| Commercial customers            | 8,984 | 9,697 | 8,951 | 9,669 | 10,255 | ▲ 6.07 |
| Irrigation or urban open spaces | 1,148 | 1,317 | 1,162 | 1,249 | 1,259 | ▲ 0.83 |
| Other identifiable categories   | 24 | 27 | 33 | 26 | 27 | ▲ 2.71 |

Note: Due to different billing cycles and unaccounted for water (see below), the volumes for the categories shown in the table do not add to the total volume of water supplied in the ACT.

**Unaccounted for water**

Unaccounted for water is water that is lost before it reaches the customer. It represents the difference between the volume of water delivered by the network and the volume of water that can be accounted for by legitimate consumption. Unaccounted for water does not include authorised unbilled consumption such as water used for firefighting.

Unaccounted for water is made up of the following components:
- Apparent losses — unauthorised consumption/water theft and customer metering and billing inaccuracies
- Real losses — leakage on transmission and/or distribution mains, reservoir leakage and overflows, leakage in service connections up to the customer meter.

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The volume of unaccounted for water from Icon Water’s network has been consistently below the International Water Association’s acceptable level of 10 per cent. In 2018–19, Icon Water reported its lowest volume of unaccounted for water in five years at 6.3 per cent of total water delivered by the network, down 35 per cent from 2017–18. Figure 2.4 shows the volume of unaccounted for water in the last five years.

**Figure 2.4 Water supplied in the ACT (ML) and Proportion of unaccounted for water (%), 2014–15 to 2018–19**

As shown in Figure 2.4, the percentage of unaccounted for water fell from 9.8 per cent in 2017–18 to 6.3 per cent in 2018–19.

Icon Water reported that the decrease in unaccounted for water resulted from several projects including:

- a planned meter replacement program
- a metered standpipe program and an audit to maintain meter accuracy
- a water mains renewal program which targets problematic network areas and repairs to burst mains to reduce physical losses
- projects to resolve a range of metering and billing process issues to reduce apparent losses.

### 2.4.5 Compliance with other licence conditions

Further to the general licence conditions set out above, Icon Water is also subject to some specific conditions it reports on.

#### Water and Sewerage Capital Contribution Code

In 2018, the Commission approved the Water and Sewerage Capital Contribution Code. The Capital Contribution Code sets out the framework under which Icon Water may require a customer to contribute towards developing or expanding the water network or sewerage network that is connected with a development.

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The Capital Contribution Code took effect on 1 January 2018 and provided for an 18-month transitional period for properties purchased before the code started to apply. Developments that qualified for the transitional period must have been purchased before 1 January 2018 and the development application must have been lodged before 1 July 2019. For these developments, developers could choose to either pay the capital contribution charge under the new code or remain under the previous charging arrangements.

Table 2.8 shows details for the Capital Contribution Code reported by Icon Water for 2018–19. Most developments qualified for the transitional arrangements and all of these chose not to pay the capital contribution charge.

Table 2.8 sets out the number of works undertaken at the request of the customer. These works occur in situations where customers have requested that Icon Water’s assets be moved, for example, to accommodate the developer’s infrastructure. Table 2.8 also sets out the number of works that were not requested by the developer but were determined necessary by Icon Water. This occurs, for example, in situations where the development itself necessitates specific changes to the network on the site, such relocation of a fire hydrant, to ensure network operation and standards are met. In both examples above, the developer pays for the work and the cost is determined by Icon Water.

### Table 2.8 Icon Water’s reported figures for the Capital Contribution Code, 2018-19

<table>
<thead>
<tr>
<th>Description</th>
<th>2018–19</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total number of developments subject to the Capital Contribution Code</td>
<td>290</td>
</tr>
<tr>
<td>Number of developments that were eligible for the transitional arrangements under the code</td>
<td>237</td>
</tr>
<tr>
<td>Number of developments that qualified for the transitional charging arrangements but chose to pay an infrastructure charge under the code</td>
<td>0</td>
</tr>
<tr>
<td>Number of developments that paid the Capital Contribution infrastructure charge</td>
<td>53</td>
</tr>
<tr>
<td>Total value of Capital Contribution Charges recoverable ($)</td>
<td>226,464</td>
</tr>
<tr>
<td>The number of works undertaken at the request of the customer</td>
<td>18</td>
</tr>
<tr>
<td>The number of works that were not requested by the developer, but were determined necessary by Icon Water</td>
<td>3</td>
</tr>
</tbody>
</table>

### Agreement with the ACT Fire and Rescue

Icon Water is required by its utility licence to have an agreement with the ACT Fire and Rescue service (ACT F&R) to ensure water supply meets pressure requirements needed for firefighting purposes.

In the 2017–18 ULAR Monitoring report, the Commission reported that Icon Water was working on a new agreement with the ACT F&R. In its 2018–19 ULAR, Icon Water reported that it had updated and renewed the Deed of Agreement with the ACT F&R on 19 December 2018. Icon Water reported that its water network is compliant with the conditions of the Deed except for one section of the network that is not fully compliant with
the flow rate and pressure requirements. Icon Water has advised ACT F&R and is currently analysing what works are needed to upgrade the water network to meet the requirements of the Deed. The Commission will continue to monitor Icon Water’s efforts to meet the Deed requirements.

**Emergency telephone service**

Icon Water’s utility licence requires it to maintain a 24-hour emergency telephone service that is accessible to the public and can receive reports of network emergencies every day of the year. In 2018–19, Icon Water reported no outages to the service.

Icon Water reported that information on its 24-hour emergency telephone number is provided to customers and the public through the White Pages telephone directory, customer bills, Icon Water’s website, newspaper advertisements, brochures, correspondence with customers, and social media.

**Customer safety net arrangements**

Under the Consumer Protection Code, Icon Water is not permitted to disconnect water supply or withdraw sewerage services from a customer for failure to pay an account. However, Icon Water may restrict the water flow to amounts sufficient for essential use only. Icon Water reported that there were no disconnections of water supply, no restrictions on a customer’s water flow, and no withdrawal of sewerage services for failure to pay an account in 2018–19.
3. Electricity distribution

Evoenergy is licensed to provide electricity distribution, connection and transmission services in the ACT. Evoenergy reported a decrease in planned interruptions and an increase in unplanned interruptions in 2018–19. The total number of complaints fell, continuing a downward trend over the past three years. Evoenergy reported that fewer customers were not given at least four business days’ notice of a planned interruption in 2018–19. This was an improvement against previous years when many customers were not given notifications within the required timeframe.
3.1 Interruptions on the electricity distribution network

This section reports on planned and unplanned interruptions on the electricity distribution network. The Commission monitors and reports on interruptions to the supply of electricity by the electricity distribution network to help it assess the reliability of electricity supply in the ACT and identify the main causes of supply interruptions. It also helps the Commission monitor Evoenergy’s compliance with the required minimum service standards for interruptions under the Consumer Protection Code.

3.1.1 Planned interruptions on the electricity distribution network

In 2018–19, planned interruptions to supply on the electricity distribution network fell from 1,245 in 2017–18 to 1,186, down 4.7 per cent. Fourteen of the total planned interruptions lasted for more than 12 hours, affecting 368 premises. Table 3.1 shows the number of planned interruptions and number of affected premises from 2014–15 to 2018–19.

In 2018–19, the Commission found errors in how Evoenergy was reporting the number of premises that were not notified at least four business days before a planned interruption. The errors were caused by a misunderstanding of Evoenergy’s reporting requirement and resulted in over-estimates of the number of affected premises. Evoenergy has analysed its dataset for previous years and provided the Commission with corrected figures (Table 3.1).

<table>
<thead>
<tr>
<th></th>
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<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of planned interruptions</td>
<td>1,479</td>
<td>1,105</td>
<td>1,186</td>
<td>1,245</td>
<td>1,186</td>
<td>▼59 (▼4.7%)</td>
</tr>
<tr>
<td>Number of premises not given at least four business days’ notice of a planned interruption</td>
<td>339</td>
<td>874</td>
<td>564</td>
<td>451</td>
<td>316</td>
<td>▼135 (▼29.9%)</td>
</tr>
<tr>
<td>Number of times supply was not restored within 12 hours</td>
<td>4</td>
<td>6</td>
<td>16</td>
<td>1</td>
<td>14</td>
<td>▲13 (▲1300%)</td>
</tr>
<tr>
<td>Number of premises affected by a planned interruption that lasted for more than 12 hours</td>
<td>18</td>
<td>127</td>
<td>118</td>
<td>10</td>
<td>368</td>
<td>▲358 (▲3580%)</td>
</tr>
</tbody>
</table>

Note: Evoenergy has advised that there were errors in previously reported figures for the number of premises not given at least 4 business days’ notice of a planned interruption. The figures from 2014–15 to 2017–18 have been corrected and therefore differ from numbers published in the Commission’s previous reports.
Notification of a planned interruption with at least four business days’ notice

The Consumer Protection Code requires Evoenergy to give customers at least four business days’ notice of a planned interruption. In 2018–19, Evoenergy failed to provide 316 customers with the required notice. Evoenergy reported that its failure to notify customers of a planned interruption was mainly due to system error.

The Commission notes that the number of customers not notified within the required timeframe was low compared to the total number of customers affected by planned interruptions in 2018–19 (39,659 customers). However, Evoenergy has consistently failed to meet its obligation to notify all customers affected by a planned interruption of supply. The Commission recognises that some customers are likely to be adversely affected by not being given adequate notification of an interruption to their electricity supply.

Evoenergy reported it investigated all incidents where its system failed to send notifications and initiated ongoing system upgrades to address the data and system error. In addition, Evoenergy has implemented a new reporting procedure to monitor the notification process on a regular basis. In terms of ensuring that customers on life support are notified within the required timeframe, Evoenergy noted it has implemented an additional process to call customers on life support five days before a planned interruption to ensure they are notified.

The Commission will continue to monitor Evoenergy’s compliance with its obligation to give four business days’ notice for planned interruptions. Evoenergy has advised that it is expecting a reduction in reported numbers over the coming reporting periods due to system upgrades and newly implemented procedures.

Planned interruptions greater than 12 hours

The Consumer Protection Code requires Evoenergy to restore electricity supply within 12 hours after the initial planned interruption.

The reasons for and location of planned interruptions differ each year and these factors can result in large differences in the number of customers affected by interruptions each year. In 2018–19, there were 14 planned interruptions that lasted for more than 12 hours, affecting 368 customers in total. Two of these interruptions related to planned works to replace a substation, which affected a large number of customers (266 premises in total). This explains the significant difference in the number of premises affected compared to 2017–18 where only 10 premises were affected by a planned interruption that lasted for longer than 12 hours.

3.1.2 Unplanned interruptions on the electricity distribution network

Unplanned interruptions on Evoenergy’s electricity distribution network were 13.5 per cent higher in 2018–19 than in 2017-18. The increase in unplanned interruptions related mainly to network damage resulting from weather conditions and increased vegetation. The number of unplanned interruptions that lasted for more than 12 hours also increased—from 43 in 2017–18 to 50 in 2018–19. The reported unplanned interruptions that lasted for more than 12 hours in 2018–19 were mostly caused by equipment failure or defect (for example, equipment failure resulting from lightning strikes).
3. Electricity distribution

Table 3.2 Electricity distribution – unplanned interruptions, 2014–15 to 2018–19

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of unplanned interruptions</td>
<td>2,331</td>
<td>1,839</td>
<td>1,385</td>
<td>1,469</td>
<td>1,668</td>
<td>▲ 199 (▲ 13.5%)</td>
</tr>
<tr>
<td>Number of times supply was not restored within 12 hours of the initial unplanned interruption</td>
<td>19</td>
<td>48</td>
<td>85</td>
<td>43</td>
<td>50</td>
<td>▲ 7 (▲ 16.3%)</td>
</tr>
<tr>
<td>Number of premises affected by an unplanned interruption that lasted for more than 12 hours</td>
<td>81</td>
<td>136</td>
<td>92</td>
<td>395</td>
<td>128</td>
<td>▼ 267 (▼ 67.6%)</td>
</tr>
</tbody>
</table>

Table 3.3 shows that eight interruptions lasted for more than 24 hours, affecting nine premises. Evoenergy reported that most of these interruptions were caused by third-party incidents, such as vehicles damaging electrical poles.

Table 3.3 Electricity distribution – number of unplanned interruptions that lasted more than 12 hours 2018–19

<table>
<thead>
<tr>
<th>Duration of an unplanned interruption</th>
<th>Number of interruptions</th>
<th>Number of affected premises</th>
<th>Average duration of interruption (hh:mm)</th>
</tr>
</thead>
<tbody>
<tr>
<td>&gt; 12 hours to &lt;24 hours</td>
<td>42</td>
<td>119</td>
<td>16:25</td>
</tr>
<tr>
<td>24 to 36 hours</td>
<td>3</td>
<td>3</td>
<td>27:26</td>
</tr>
<tr>
<td>&gt; 36 hrs to 48 hours</td>
<td>1</td>
<td>1</td>
<td>38:02</td>
</tr>
<tr>
<td>&gt; 48 hours</td>
<td>4</td>
<td>5</td>
<td>98:59</td>
</tr>
</tbody>
</table>

3.2 Complaints

Evoenergy reported the lowest number of complaints about its electricity distribution network in 2018–19 compared to the previous four years (Table 3.4). Evoenergy commented that the fall in the number of customer complaints results from its ongoing initiatives to improve its customer management process. Evoenergy reported that over the past two years, it has focused on identifying the main issues raised in complaints and trends in complaints to help it to better train its customer service team and improve its processes for engaging with customers.
Complaint handling procedures

As required by the current Consumer Protection Code, Evoenergy has a complaint handling procedure that complies with the Australian Standard: Guidelines for complaints management in organisations (AS/NZ 10002:2014). Evoenergy’s complaint practices include acknowledging complaints within two business days and providing a meaningful response within 20 business days. Evoenergy keeps records of complaints made by customers for at least twelve months after the complaint is resolved. Evoenergy publishes information on its website about its complaints and dispute resolution procedure and about customers’ rights to take their complaint to the ACAT if they are not satisfied with Evoenergy’s response.

3.2.1 Electricity distribution complaints

The number of complaints made to Evoenergy about its electricity distribution network fell by 10.6 per cent to 618 in 2018–19, down from 691 in 2017–18. This was the lowest number of complaints reported by Evoenergy in the last four years (Figure 3.1). Evoenergy responded to all complaints within 20 business days.

Complaints relating to Evoenergy’s electricity distribution network are now significantly lower than their peak in 2016–17.

Figure 3.1 Electricity distribution – number of complaints and change from previous years, 2014–15 to 2018–19

Evoenergy allocates complaints into categories that relate to network operations, network quality and reliability, interruptions, connection and disconnection, providing notice, meter and meter reading, billing, and customer service. The Commission monitors complaints by analysing annual changes and any trends in complaint numbers and seeks information from Evoenergy on the reasons for significant changes in complaints.

Table 3.4 shows a breakdown of electricity distribution complaints in eight broad categories for 2018–19. Network operations, network and service quality, and notice of work and outage were the categories with the highest number of complaints.
### Table 3.4 Electricity distribution – number of complaints, 2014–15 to 2018–19

<table>
<thead>
<tr>
<th>Categories</th>
<th>2014-15</th>
<th>2015-16</th>
<th>2016-17</th>
<th>2017-18</th>
<th>2018-19</th>
<th>Change from previous year (number and % change)</th>
<th>Share of complaints in 2018–19 (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Network operations</td>
<td>231</td>
<td>202</td>
<td>195</td>
<td>249</td>
<td>246</td>
<td>▼3 (▼1.2%)</td>
<td>39.8%</td>
</tr>
<tr>
<td>Network and service quality</td>
<td>23</td>
<td>84</td>
<td>254</td>
<td>151</td>
<td>154</td>
<td>▲3 (▲2.0%)</td>
<td>24.9%</td>
</tr>
<tr>
<td>Notice of work and outage</td>
<td>139</td>
<td>226</td>
<td>364</td>
<td>144</td>
<td>64</td>
<td>▼80 (▼55.6%)</td>
<td>10.4%</td>
</tr>
<tr>
<td>Connection/disconnection</td>
<td>21</td>
<td>18</td>
<td>24</td>
<td>20</td>
<td>49</td>
<td>▲29 (▲145.0%)</td>
<td>7.9%</td>
</tr>
<tr>
<td>Other</td>
<td>26</td>
<td>96</td>
<td>130</td>
<td>58</td>
<td>45</td>
<td>▼13 (▼22.4%)</td>
<td>7.3%</td>
</tr>
<tr>
<td>Customer service</td>
<td>25</td>
<td>45</td>
<td>47</td>
<td>40</td>
<td>24</td>
<td>▼16 (▼40.0%)</td>
<td>3.9%</td>
</tr>
<tr>
<td>Meter and meter reading</td>
<td>19</td>
<td>90</td>
<td>80</td>
<td>17</td>
<td>23</td>
<td>▲6 (▲35.3%)</td>
<td>3.7%</td>
</tr>
<tr>
<td>Fees and charges</td>
<td>7</td>
<td>35</td>
<td>19</td>
<td>12</td>
<td>13</td>
<td>▲1 (▲8.3%)</td>
<td>2.1%</td>
</tr>
<tr>
<td>Total number of complaints</td>
<td>491</td>
<td>796</td>
<td>1,113</td>
<td>691</td>
<td>618</td>
<td>▼73 (▼10.6%)</td>
<td></td>
</tr>
</tbody>
</table>

**Network operations complaints**

Complaints about network operations made up 39.8 per cent of all complaints. This category mainly relates to complaints about the timing or scheduling of an outage that is caused by work on the network. Other complaints in this category are about site restoration, noise, damage to property, entry to land, and damage to the environment. The increase in this category was driven by the increase in the number of complaints relating to the scheduling of a planned outages.

**Network and service quality**

The network and service quality complaints category accounted for the second highest number of complaints. Complaints in this category mainly related to faults on the electricity distribution network caused by weather damage such as fallen trees and power lines due to strong winds. While there was a small increase of two per cent, this followed a 40.6 per cent decrease from 2016–17.

**Notice of work and outage**

Notice of work and outage complaints were 10.4 per cent of the total number of complaints. Complaints in this category are mostly about the requirement that Evoenergy must provide at least four business days’ notice of a planned interruption to electricity supply. The number of complaints about failure to give the required notice was down 55.6 per cent in 2018-19 from 2017–18. This is the second large fall in complaints about failure to give the required notice; there was a similar fall in 2017-18.
Connection/disconnection complaints

Connection and disconnection complaints increased from 20 in 2017–18 to 49 in 2018–19, up 145 per cent. Most complaints in this category were caused by delays in fulfilling service requests from contractors and customers for network alterations and for connection and disconnection of electricity. Evoenergy noted that connection delays were caused by an increase in demand for connection services. Evoenergy noted that it will work to improve its business services to keep up with service demand.

‘Evoenergy regularly monitors trends in connections and service requests and is working to align resourcing and provision of business to ensure this demand is met going forward. Furthermore, Evoenergy has identified customer connections as a key customer journey that is a business improvement priority.’

EVOENERGY

3.3 Consumer protection

In 2018–19, Evoenergy did not meet the minimum service standards set by the Consumer Protection Code for electricity distribution 812 times. This is 5.3 per cent lower than in 2017–18. Table 3.5 gives details on Evoenergy’s performance in meeting the minimum service standards for electricity distribution.
### Table 3.5 Electricity distribution – number of times minimum services standards were not met, 2014–15 to 2018–19

<table>
<thead>
<tr>
<th>Minimum service standard (MSS)</th>
<th>Parameter</th>
<th>2014-15</th>
<th>2015-16</th>
<th>2016-17</th>
<th>2017-18</th>
<th>2018-19</th>
<th>Change from previous year (number and % change)</th>
</tr>
</thead>
<tbody>
<tr>
<td>MSS1: Customer connection times</td>
<td>Connection not made on same day if request made before 2pm or by the end of next business day</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>▼ 1 (▼ 100%)</td>
</tr>
<tr>
<td>MSS2: Responding to complaints</td>
<td>Respond within 20 business days</td>
<td>44</td>
<td>0</td>
<td>2</td>
<td>1</td>
<td>0</td>
<td>▼ 1 (▼ 100%)</td>
</tr>
<tr>
<td>MSS3: Response times to notifications (faults)</td>
<td>For a problem that is likely to affect public health or has the potential to cause substantial harm – within 6 hours</td>
<td>0</td>
<td>8</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>▼ 1 (▼ 100%)</td>
</tr>
<tr>
<td></td>
<td>In all other cases, within 48 hours</td>
<td>8</td>
<td>5</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>▼ 1 (▼ 100%)</td>
</tr>
<tr>
<td></td>
<td>Resolve the problem within the time specified in the responses</td>
<td>8</td>
<td>13</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>▼ 1 (▼ 100%)</td>
</tr>
<tr>
<td>MSS4: Planned interruptions</td>
<td>Provide 4-business days’ notice</td>
<td>339</td>
<td>874</td>
<td>564</td>
<td>451</td>
<td>316</td>
<td>▼ 135 (▼ 29.9%)</td>
</tr>
<tr>
<td></td>
<td>does not exceed 12 hours</td>
<td>18</td>
<td>127</td>
<td>118</td>
<td>10</td>
<td>368</td>
<td>▲ 358 (▲ 3580%)</td>
</tr>
<tr>
<td>MSS5: Unplanned interruptions</td>
<td>does not exceed 12 hours</td>
<td>81</td>
<td>136</td>
<td>92</td>
<td>395</td>
<td>128</td>
<td>▼ 267 (▼ 67.6%)</td>
</tr>
<tr>
<td>Total number of times Evoenergy electricity failed to meet the MSS</td>
<td></td>
<td>498</td>
<td>1,163</td>
<td>776</td>
<td>857</td>
<td>812</td>
<td>▼ 45 (▼ 5.3%)</td>
</tr>
</tbody>
</table>
Customer connection times (minimum service standard 1)

Under the Consumer Protection Code, if a meter installation at the customer’s premises is physically connected to the electricity distribution network, and the customer is entitled to electricity supply, then Evoenergy must provide the connection service within the required timeframe in the minimum service standards. Currently, Evoenergy customers may apply for and claim a rebate of $60 for each day Evoenergy failed to meet the standard (up to a maximum of $300). Evoenergy reported there were no instances where it did not provide supply to a customer as set out in the minimum service standard.

Responding to complaints (minimum service standard 2)

The Code requires Evoenergy to acknowledge a complaint immediately or as soon practicable and to respond to the complaint within 20 business days. A customer may apply to Evoenergy for a rebate of $60 for each day Evoenergy fails to respond to a complaint within 20 business days (up to a maximum of $300). In 2018–19, Evoenergy responded to all customer complaints within 20 business days.

Response time to notifications (minimum service standard 3)

The Code requires Evoenergy to respond to notifications that are likely to affect public health, or cause (or have the potential to cause) substantial harm to the community or a property, within six hours. In all other cases, Evoenergy must respond within 48 hours. In addition, Evoenergy must respond in the time stated in its response to the customer who notified Evoenergy of the issue. Currently, the customer who made the notification may apply for a rebate of $60 for each day that Evoenergy failed to provide a response (up to a maximum of $300).

Table 3.6 shows that the total number of notifications received by Evoenergy about network problems or concerns fell by 29.7 per cent from 5,752 in 2017–18 to 4,045 in 2018–19. Of the total, 324 notifications were reported as likely to affect public health and safety. Evoenergy responded to all 324 notifications within the required six-hour period.
3. Electricity distribution

Table 3.6: Electricity distribution—number of notifications of network problems or concerns, 2014–15 to 2018–19

<table>
<thead>
<tr>
<th></th>
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<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Total number of notifications received</td>
<td>8,299</td>
<td>7,840</td>
<td>6,840</td>
<td>5,752</td>
<td>4,045</td>
<td>▼1,707 (▼29.7%)</td>
</tr>
<tr>
<td>Number of notifications related to a problem that is likely to affect public health or has the potential to cause substantial harm—must be responded to within 6 hours</td>
<td>191</td>
<td>92</td>
<td>154</td>
<td>183</td>
<td>324</td>
<td>▲141 (▲77.0%)</td>
</tr>
<tr>
<td>Number of notifications not responded to within 6 hours (MSS3)</td>
<td>0</td>
<td>8</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Number of other notifications (must be responded to within 48 hours)</td>
<td>8,108</td>
<td>7,748</td>
<td>6,686</td>
<td>5,569</td>
<td>3,721</td>
<td>▼1,848 (▼33.2%)</td>
</tr>
<tr>
<td>Number of notifications not responded to within 48 hours (MSS3)</td>
<td>0</td>
<td>8</td>
<td>5</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
</tbody>
</table>

**Planned interruptions (minimum service standard 4)**

The Code requires Evoenergy to provide at least four business days’ notice to customers affected by a planned interruption and to restore electricity supply within 12 hours after the initial planned interruption. A customer may apply to Evoenergy to claim a rebate of $50 if Evoenergy did not give the customer the required notice of a planned interruption. A customer may claim a rebate of $20 if supply is not restored within 12 hours.

In 2018–19, Evoenergy did not give at least four business days’ notice to 316 premises affected by a planned interruption and failed to restore supply within 12 hours to 368 premises.

**Unplanned interruptions (minimum service standard 5)**

The Code requires Evoenergy to take all steps reasonable and practicable to restore the supply to affected premises as soon as possible, or within 12 hours. Customers may apply for a rebate of $20 if supply is not restored within 12 hours.

In 2018–19, Evoenergy reported that it had failed to restore supply within 12 hours to 128 premises that were affected by unplanned interruptions.

**3.3.1 Rebates paid under the Consumer Protection Code**

Evoenergy reported that it did not receive any claims for rebates, but it paid 27 rebates to customers, for a total payment of $1,350. The payments were made to customers for when Evoenergy did not meet the notification requirements for a planned interruption (minimum service standard 4).
In contrast to the 27 rebates paid by Evoenergy, it failed to meet the minimum service standards a total of 812 times during 2018–19.

As noted in section 1.3.3 of this report, from 1 July 2020 when the new Consumer Protection Code starts to apply, all licensed utilities, including Evoenergy, will have to pay rebates automatically to eligible customers when a guaranteed service level (previously called a minimum service standard) is not met. Customers will no longer have to apply for the rebates.

3.4 Licence and reporting obligations

Evoenergy’s utility licence requires it to comply with any requirement under the Utilities Act, relevant industry and technical codes, and certain directions given by the Commission. Evoenergy must also report any material breach and non-compliance with its licence conditions to the Commission. This section reports on Evoenergy’s compliance with its licence requirements and other reporting obligations in 2018–19 for its electricity distribution network.

3.4.1 Material breach

There were no material breaches of Evoenergy’s electricity distribution utility licence in 2018–19. This is based on information from Evoenergy and monitoring by the Commission throughout the reporting year.

3.4.2 Non-compliance

Evoenergy did not comply with the requirements under the Electricity Feed-in (Renewable Energy Premium) Act 2008 18 times in 2018-19.

In December 2018, the Commission received a letter from the ACT Civil and Administrative Tribunal (ACAT) advising of a ‘potential systemic issue’ relating to solar feed-in tariff (FiT) administration by Evoenergy. The Commission sought information from Evoenergy to check whether it was complying with the requirements of the Utilities (Electricity Feed-in Code) Determination 2015 and the Electricity Feed-in (Renewable Energy Premium) Act 2008. Following investigations in response to the Commission’s query, Evoenergy advised the Commission that it had identified 18 customers who were eligible for the premium feed-in tariff but did not receive it. The Commission is satisfied, on the basis of the information given to it by Evoenergy, that there was an administrative error in Evoenergy’s processes and the issue was not systemic.

Evoenergy gave the Commission details of its proposed strategy to correct the error, which included contacting affected customers, allowing them to connect to the premium FiT, and reimbursing the customers for any lost revenue. Evoenergy stated in its 2018–19 ULAR that it has communicated with 14 of the 18 impacted customers and told them of the error. For the four remaining customers, Evoenergy reported that it is still checking whether the eligible generators are still connected or have been relocated. The Commission will continue to monitor Evoenergy’s resolution of this matter.

3.4.3 Compliance with other licence conditions

Further to the general licence conditions set out above, Evoenergy is also subject to some specific conditions it reports on.

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20 Section 174 of the Utilities Act applies if it appears to the ACAT that applications to the tribunal indicate a systemic problem. The ACAT must tell a Minister/s responsible for administering the Act and the Commission of any potentially systemic problems.
Obligations under the Utilities Act

The Utilities Act requires Evoenergy to take all reasonable steps to ensure that its network operations minimise inconvenience, detriment and damage to private land.\(^\text{21}\) Evoenergy reported that it complied its obligations under Part 7 of the Act during 2018–19. Evoenergy reported fewer customer complaints about damage to land and failures in restoring the land to its original condition.

Evoenergy also reported that it did not fail to give at least seven days’ notice to landholders before a network operation in 2018–19.

Table 3.7 Electricity distribution – compliance with obligations under the Utilities Act, 2014–15 to 2018–19

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of complaints related to any inconvenience, detriment or damage to property</td>
<td>78</td>
<td>80</td>
<td>58</td>
<td>51</td>
<td>23</td>
<td>▼28 (▼54.9%)</td>
</tr>
<tr>
<td>Number of times Evoenergy failed to give at least 7 days’ notice before a network operation</td>
<td>0</td>
<td>0</td>
<td>58</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Number of complaints for failing to ensure the land was restored to its original condition</td>
<td>48</td>
<td>19</td>
<td>65</td>
<td>49</td>
<td>42</td>
<td>▼7 (▼14.3%)</td>
</tr>
</tbody>
</table>

Environmental requirements

Evoenergy’s utility licence requires it to report annually to the Commission on its efforts to reduce network losses and the greenhouse gas emissions attributable to its network operations.

Electricity distribution network losses

Evoenergy reported that its electricity distribution loss factor was four per cent for low voltage (LV) customers, which falls within the typical range for LV customers of 4-10 per cent. Its electricity distribution loss factor was one per cent for high voltage (HV) customers, which is in the typical range for HV customers of 1-5 per cent. To keep network losses low, Evoenergy monitors its distribution loss factor annually, and performs regular reviews of its standards to make sure the design process of the electricity distribution is optimal. In addition, Evoenergy is actively involved in developing demand side management and embedded generation opportunities. Demand side management can reduce network losses by encouraging electricity customers to use less electricity supplied by its network, especially during peak hours. Embedded generation opportunities provide information to electricity customers about using solar generation.

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\(^{21}\) Part 7 Div 7.3 cl.108 of the Utilities Act 2000.
Emergency telephone service

Evoenergy’s utility licence requires it to have a 24-hour emergency telephone service that is accessible to the public every day of the year and can receive reports of network emergencies.

In 2018–19, Evoenergy reported no outages to its emergency telephone service. Evoenergy noted that it made its customers and the public aware of the service through customer bills, public telephone directory, TV, newspaper advertisements, and brochures. Evoenergy’s telephone number is also published on its website along with safety measures for dealing with various electricity emergencies.
4. Gas distribution

Evoenergy is licensed to provide gas distribution and connection services in the ACT. Evoenergy’s overall performance and compliance with licence conditions remained good during 2018–19. The number of planned interruptions continues to decrease due to replacement of aged meters. However, customer complaints about billing were higher in 2018–19.
4.1 Interruptions to the gas distribution network

This section reports on planned and unplanned interruptions to the gas distribution network. Table 4.1 shows the number of planned and unplanned interruptions to the gas distribution network over the last five years.

In 2018–19, planned interruptions to the gas distribution network continued to fall. Since 2015–16 when Evoenergy started a program to replace aged meters, planned interruptions to the gas distribution network have fallen by 41.5 per cent. In 2018–19, planned interruptions were 4,691, down 5.8 per cent. Evoenergy reported that all customers affected by planned interruptions were notified with at least four business days’ notice.

The number of unplanned interruptions of 82 in 2018–19 was 22.4 per cent higher than in 2017–18. Evoenergy defines an unplanned outage as ‘a confirmed case of “No Supply” which affects Evoenergy’s asset’. Evoenergy does not include supply interruptions that happen within a customer’s premises (such as in the pipework or appliances) in its definition of unplanned interruptions. Evoenergy was unable to explain why the number of unplanned interruptions increased. The Commission notes that the number of unplanned interruptions in the gas network is relatively low compared to the number of customers connected to the network—82 compared to 135,183 customers as of 30 June 2019.

Evoenergy reported that all planned and unplanned interruptions in 2018–19 were restored within 12 hours.

Table 4.1 Gas distribution – planned and unplanned interruptions, 2014–15 to 2018–19

<table>
<thead>
<tr>
<th>Interruption category</th>
<th>2014–15</th>
<th>2015–16</th>
<th>2016–17</th>
<th>2018–19</th>
<th>Change from previous year (number and % change)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of planned interruptions</td>
<td>3,385</td>
<td>8,023</td>
<td>5,627</td>
<td>4,980</td>
<td>▼289 (▼5.8%)</td>
</tr>
<tr>
<td>Number of times supply was not restored within 12 hours of the initial planned interruption</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Number of premises affected by an unplanned interruption that was not restored within 12 hours</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Number of unplanned interruptions</td>
<td>13</td>
<td>28</td>
<td>113</td>
<td>67</td>
<td>▲15 (▲22.4%)</td>
</tr>
<tr>
<td>Number of times supply was not restored within 12 hours of the initial planned interruption</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Number of premises affected by an unplanned interruption that was not restored within 12 hours</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
</tbody>
</table>
4.2 Complaints

Complaints made to Evoenergy about its gas distribution network increased by 90.3 per cent from 62 in 2017–18 to 118 in 2018–19, the highest in the last five years. Evoenergy responded to all complaints within 20 business days. Table 4.2 shows the number of complaints about Evoenergy’s gas distribution network over the last five years.

Evoenergy reported that the increase in gas distribution complaints in 2018–19 was mainly due to an increase in complaints about fees and charges. The fees and charges category accounted for around 40 per cent of all gas distribution complaints in 2018–19 (Table 4.2). Evoenergy explained that it categorises complaints based on the customer’s initial complaint. For example, a customer calling about a high bill is categorised under the fees and charges category but resolving the complaint may involve testing a meter which may result in finding a meter or meter reading fault. Evoenergy reported that customers are increasingly reviewing their energy bills more closely, which is causing more customers to make a complaint asking for their account to be reviewed. Evoenergy noted that a complaint can sometimes be resolved by explaining the bill to the customer.

Connection and supply complaints increased to 31 in 2018–19 from 13 in 2017–18. Evoenergy reported that the increase was mainly due to complaints about new connections, which were often due to long timeframes to fulfil service requests from contractors. Evoenergy reported it is continuously working to improve its processes to make sure it has enough resources available to meet service requests for new connections.

Figure 4.1 Gas distribution – number of complaints and change from previous year, 2014–15 to 2018–19
### Table 4.2 Gas distribution – complaints by category, 2014–15 to 2018–19

<table>
<thead>
<tr>
<th>Categories</th>
<th>2014-15</th>
<th>2015-16</th>
<th>2016-17</th>
<th>2017-18</th>
<th>2018-19</th>
<th>Change from previous year (number and % change)</th>
<th>Share of complaints in 2018–19 (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fees and charges</td>
<td>5</td>
<td>12</td>
<td>0</td>
<td>23</td>
<td>47</td>
<td>▲ 24 (▲ 104.3%)</td>
<td>39.8</td>
</tr>
<tr>
<td>Connection and supply</td>
<td>1</td>
<td>17</td>
<td>9</td>
<td>13</td>
<td>31</td>
<td>▲ 18 (▲ 138.5%)</td>
<td>26.3</td>
</tr>
<tr>
<td>Meter and meter reading</td>
<td>4</td>
<td>22</td>
<td>1</td>
<td>14</td>
<td>17</td>
<td>▲ 3 (▲ 21.4%)</td>
<td>14.4</td>
</tr>
<tr>
<td>Customer service</td>
<td>4</td>
<td>5</td>
<td>3</td>
<td>3</td>
<td>8</td>
<td>▲ 5 (▲ 166.7%)</td>
<td>6.8</td>
</tr>
<tr>
<td>Property damage and restoration</td>
<td>17</td>
<td>9</td>
<td>2</td>
<td>1</td>
<td>8</td>
<td>▲ 7 (▲ 700.0%)</td>
<td>6.8</td>
</tr>
<tr>
<td>Serious incidents</td>
<td>0</td>
<td>1</td>
<td>0</td>
<td>8</td>
<td>7</td>
<td>▼ 1 (▼ 12.5%)</td>
<td>5.9</td>
</tr>
<tr>
<td><strong>Total number of complaints</strong></td>
<td><strong>31</strong></td>
<td><strong>66</strong></td>
<td><strong>15</strong></td>
<td><strong>62</strong></td>
<td><strong>118</strong></td>
<td><strong>▲ 56 (▲ 90.3%)</strong></td>
<td></td>
</tr>
</tbody>
</table>

### 4.3 Consumer protection

The Consumer Protection Code requires Evoenergy to comply with all minimum service standards applying to its gas distribution network and to report on its compliance annually through its ULAR.

In 2018–19, Evoenergy did not meet the minimum service standards under the Code for gas distribution 410 times. This was 60.2 per cent higher than in 2017–18. Table 4.3 shows the number of times Evoenergy did not meet the minimum service standards from 2014–15 to 2018–19.
Table 4.3 Gas distribution – number of times minimum service standards were not met, 2014–19 to 2018–19

<table>
<thead>
<tr>
<th>Minimum service standard</th>
<th>Parameter</th>
<th>2014-15</th>
<th>2015-16</th>
<th>2016-17</th>
<th>2017-18</th>
<th>2018-19</th>
<th>Change from previous year (number and % change)</th>
</tr>
</thead>
<tbody>
<tr>
<td>MSS1: Customer connection times</td>
<td>Connection not made on same day if request made before 2pm or by the end of next business day</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>2</td>
<td>3</td>
<td>▲ 1 (▲ 50.0%)</td>
</tr>
<tr>
<td>MSS2: Responding to complaints</td>
<td>Respond within 20 business days</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>MSS3: Response times to notifications (faults)</td>
<td>For a problem that is likely to affect public health or has the potential to cause substantial harm – within 6 hours</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td></td>
<td>In all other cases, within 48 hours</td>
<td>390</td>
<td>306</td>
<td>194</td>
<td>254</td>
<td>407</td>
<td>▲ 153 (▲ 60.2%)</td>
</tr>
<tr>
<td></td>
<td>Resolve the problem within the time specified in the responses</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>MSS4: Planned interruptions</td>
<td>Provide 4-business days’ notice</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td></td>
<td>does not exceed 12 hours</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>MSS5: Unplanned interruptions</td>
<td>does not exceed 12 hours</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td></td>
<td>Total number of times Evoenergy failed to meet the MSS</td>
<td>390</td>
<td>306</td>
<td>194</td>
<td>256</td>
<td>410</td>
<td>▲ 154 (▲ 60.2%)</td>
</tr>
</tbody>
</table>

Response time to notifications (minimum service standard 3)

Evoenergy received 147 notifications for problems or faults in the gas network that were likely to affect public health and safety and responded to all within six hours. All 147 notifications were responded to within six hours.

In 2018–19, Evoenergy reported it failed to respond within the required 48 hours to 407 notifications of problems or faults in its gas network, up 60.2 per cent. In assessing the reason for this large increase, Evoenergy
found an error in the way it was capturing the data. Evoenergy found that it had been collecting data on faults resolved within 48 hours, rather than responded to within 48 hours, and that this had resulted in overstating the true number of failures to respond within the required time. Evoenergy has told the Commission that this error means that it has been reporting more breaches of minimum service standards than should have been reported for failure to respond to a notification of a fault. Evoenergy has told the Commission that it cannot correct the errors for 2018-19 and previous years because of the way has collected the data. The Commission is working with Evoenergy to ensure that it collects the correct data from 2019–20.

4.3.1 Rebates paid under the Consumer Protection Code

Evoenergy reported it did not receive any rebate claims relating to the 500 times it failed to meet minimum service standards for gas distribution for 2018–19, and therefore did not pay any rebates.

As noted in section 1.3.3 of this report, from 1 July 2020 when the new Consumer Protection Code starts to apply, all licensed utilities, including Evoenergy, will have to pay rebates automatically to eligible customers when a guaranteed service level (previously called a minimum service standard) is not met. Customers will no longer have to apply for the rebates.

4.4 Licence and reporting conditions

This section reports on Evoenergy’s compliance with its licence requirements and other reporting obligations in 2018–19 for its gas distribution network.

4.4.1 Material breach

There were no material breaches of Evoenergy’s gas distribution utility licence in 2018–19. This is based on information from Evoenergy and monitoring by the Commission throughout the reporting year.

4.4.2 Non-compliance

Evoenergy reported there were no non-compliance issues with its obligations under its gas distribution licence or relevant industry codes in 2018–19.

4.4.3 Compliance with other licence conditions

Further to the general licence conditions set out above, Evoenergy is also subject to some specific conditions it reports on.

Environmental requirements

Unaccounted for gas

In 2018–19, Evoenergy reported the amount of gas lost from the gas distribution network was 176.0 terajoules (TJ). This was 2.26 per cent of the 7,781 TJ total quantity of gas that entered the distribution network in 2018–19. This was 14.3 per cent higher than the proportion of unaccounted for gas (UAG) in 2017–18. Evoenergy noted the increase in the UAG in 2018–19 is being investigated with the following actions in place to measure, monitor and improve performance of the gas distribution network:

• Added a second meter as duty meter at Hoskinstown Meter Station on December 2019
4. Gas distribution

- Continue to periodically attend third-party validations in the receiving station (APA Watson) to confirm compliance with Jemena standards
- Assess the heating value calculation used for receipts at the network
- Undertake ongoing assessment of aged meters in the network. During 2018–19, aged domestic and small industrial and commercial meters were tested as part of a statistical program to identify their in-service life
- Use a more efficient Ultra Sonic Meter to transfer gas. Evoenergy reported this change will cut UAG by 0.6 per cent.

However, noting that it had taken actions to minimise gas losses in 2018–19, Evoenergy reported:\(^{22}\)

‘the UAG has been monitored and continues to be steady indicating the UAG continues to be a result of inherent measurement uncertainties. Changes implemented in the SAP calculation in the financial year have improved the calculation and reduced inherent errors in the reported values.’

EVOENERGY

Figure 4.2 shows the total amount of gas that entered the distribution network in 2018–19 and the proportion of unaccounted for gas.

**Figure 4.2 Volume of gas that entered the network (terajoules) and unaccounted for gas (%), 2014–15 to 2018–19**

<table>
<thead>
<tr>
<th>Year</th>
<th>Aggregate Quantity (Terajoules)</th>
<th>Unaccounted for Gas (% of Total)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2014-15</td>
<td>8,374</td>
<td>1.5%</td>
</tr>
<tr>
<td>2015-16</td>
<td>8,529</td>
<td>2.44%</td>
</tr>
<tr>
<td>2016-17</td>
<td>7,882</td>
<td>1.82%</td>
</tr>
<tr>
<td>2017-18</td>
<td>8,298</td>
<td>1.98%</td>
</tr>
<tr>
<td>2018-19</td>
<td>7,781</td>
<td>2.26%</td>
</tr>
</tbody>
</table>

Emergency telephone service

In 2018–19, Evoenergy reported no outages to its emergency telephone service. Evoenergy made its customers and the public aware of the service through the public telephone directory and customer bills issued by the retailer. Evoenergy’s emergency telephone number is published on Evoenergy’s website along with safety measures for dealing with gas issues or emergencies. Calls made to the ActewAGL call centre are also directed to the Jemena Service Centre (emergency response). Jemena Networks Pty Ltd is one of two companies (the other

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\(^{22}\) SAP is a software company that provides products such as information management systems used for data analysis.
being Icon Distribution Investments Limited) that forms Evoenergy and provides much of the onsite maintenance on Evoenergy’s network.

**Other annual reporting requirements**

Evoenergy’s gas distribution licence sets out additional reporting requirements that require it to report to the Commission annually.

As of 30 June 2018, Evoenergy’s gas distribution network comprised 3,950 km of medium pressure and 275 km of high-pressure mains—a total pipeline length of 4,225 km, and a 55 km increase of total pipeline length compared to 2017–18.

In 2018–19, Evoenergy Gas distributed 7,457 TJ of gas to 135,183 delivery point identifiers.

**Operation and maintenance**

Evoenergy’s gas distribution licence requires it to report to the Commission annually on certain operational and maintenance matters, including:

- the number of significant gas leaks detected by survey by pressure classes
- the number of meter replacements by customer class
- the number of times the gas distribution network goes below normal operating system minimum pressure classes.

Evoenergy reported three significant leaks on medium pressure pipelines during the leakage survey in the ACT during 2018–19. Evoenergy explained that in 2018–19 its program of leakage surveys focused on Evoenergy’s NSW assets based at Queanbeyan. Gungahlin was the only area surveyed in the ACT in 2018–19, which explains the low number of leaks reported for 2018–19.

Evoenergy reported it responds to Class 1 significant leaks immediately or within 4 hours, or within 7 business days for Class 2 significant leaks. Evoenergy determines the significance of a leak after it has fully assessed the situation and considered specific technical factors.
Table 4.4 Gas distribution – operation and maintenance reporting requirements, 2014–15 to 2018–19

<table>
<thead>
<tr>
<th>Operation and maintenance reporting requirements</th>
<th>2014-15</th>
<th>2015-16</th>
<th>2016-17</th>
<th>2018–19</th>
<th>Change from previous year (number and % change)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of significant gas leaks (Medium pressure)</td>
<td>55</td>
<td>27</td>
<td>5</td>
<td>51</td>
<td>▼48 (▼94.1%)</td>
</tr>
<tr>
<td>Number of significant gas leaks (High pressure)</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Number of meter replacements by customer class – Domestic customers</td>
<td>106</td>
<td>123</td>
<td>312</td>
<td>249</td>
<td>▲9 (▲3.6%)</td>
</tr>
<tr>
<td>Number of meter replacements by customer class – Industrial/commercial customers</td>
<td>5</td>
<td>4</td>
<td>11</td>
<td>15</td>
<td>▲2 (▲13.3%)</td>
</tr>
<tr>
<td>Number of times distribution network pressure fell below normal operating system minimum pressure – Medium pressure</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Number of times distribution network pressure fell below normal operating system minimum pressure – High pressure</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>1</td>
<td>▼1 (▼100%)</td>
</tr>
</tbody>
</table>

Gas incidents

Evoenergy’s gas distribution licence requires it to report to the Commission annually on:
- gas related incidents such as the number of gas leaks (from mains, distribution network and meters) by pressure classes that were reported by the public
- number of mechanical damage incidents to mains and services by pressure classes
- number of times gas specification reaches the maximum or minimum limits.

Table 4.5 shows the number of gas related incidents reported by Evoenergy as part of its reporting obligations under its licence. During 2018–19, the number of gas leaks reported to Evoenergy by the public increased to 2,007 from 1,827 in 2017–18 (up by 9.9 per cent). Evoenergy reported that the major cause of the reported leaks were third party accidents where there had been a hit (for example by a digging machine) on the gas distribution network. Evoenergy reported that its initial response to reported leaks is to attend the site and make it safe. Evoenergy noted it is working to increase third party awareness around the gas network to minimise any risks to the community.
Table 4.5 Gas distribution – incidents reported by Evoenergy under the utility licence, 2014–15 to 2018–19

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of gas leaks (Medium pressure)</td>
<td>1,870</td>
<td>1,528</td>
<td>1,663</td>
<td>1,827</td>
<td>2,007</td>
<td>▲ 180 (▲ 9.9%)</td>
</tr>
<tr>
<td>Number of gas leaks (High pressure)</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Number of mechanical damage incidents to mains and services (Medium pressure)</td>
<td>215</td>
<td>164</td>
<td>203</td>
<td>178</td>
<td>147</td>
<td>▼ 31 (▼ 17.4%)</td>
</tr>
<tr>
<td>Number of mechanical damage incidents to mains and services (High pressure)</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Number of times gas specification reached the maximum or minimum limits (Medium pressure)</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Number of times gas specification reached the maximum or minimum limits (High pressure)</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
</tbody>
</table>

Note: The number of gas leaks refers to the number of gas leaks from mains, server and meters that were reported by the public.
5. Electricity transmission

TransGrid is licensed to provide electricity transmission services in the ACT. During 2018–19, TransGrid met its licence conditions.
5.1 Licence and reporting conditions

This section reports on TransGrid’s compliance with its utility licence, including any material breaches, in 2018–19.

TransGrid reported that it has a corporate compliance framework for managing its compliance obligations across its operations. TransGrid has, from time to time, undertaken audits of the services and operations authorised under its utility licence. TransGrid reported that its compliance audits mainly considered its key management systems for health and safety, environment, asset management and service quality. TransGrid also has a corporate risk and compliance team which conducts independent reviews to improve compliance performance.

5.1.1 Material breach

Based on information from TransGrid and monitoring by the Commission throughout the year, there were no material breaches of TransGrid’s utility licence in 2018–19.

5.1.2 Non-compliance

Based on information provided by TransGrid and monitoring by the Commission throughout the year, there were no instances of non-compliance with TransGrid’s utility licence conditions in 2018–19.

5.1.3 Utilities Act obligations

TransGrid is required under its licence to meet its obligations under the Utilities Act. The Utilities Act requires TransGrid to make sure that its network operation minimises inconvenience, detriment and damage to land. The Commission assessed TransGrid’s performance under the Act by looking into the number of complaints TransGrid received about its network operations.

TransGrid performed several network operations during 2018–19 but did not receive any complaints about inconvenience, detriment or damage to land. TransGrid reported it has procedures and protocols to make sure that damage to land is minimised during and after performing network operations.
6. Gas transmission

The East Australian Pipeline Limited (EAPL) is licensed to provide gas transmission services to the ACT from the section of the Dalton to Canberra pipeline that is in the ACT. EAPL met its licence conditions during 2018–19.
6.1 Licence and reporting conditions

EAPL’s utility licence requires it to report annually to the Commission on the amount of gas transferred from the gas transmission network to the gas distribution network at the North Watson Custody Transfer Station. During 2018–19, EAPL transferred 3,690 terajoules (TJ) of gas from the gas transmission network to the gas distribution network, an increase from 3,018 TJ in 2017–18.

EAPL notified that a summary of its Ular for 2015–16 was made available at the APA Group website.

6.1.1 Material breach

Based on information from EAPL and monitoring by the Commission throughout the year, there were no material breaches of EAPL’s utility licence in 2018–19.

6.1.2 Non-compliance

Based on information from EAPL and monitoring by the Commission throughout the year, there were no instances of non-compliance with EAPL’s utility licence conditions in 2018–19.

6.1.3 Utilities Act obligations

EAPL reported that it met its obligations under the Utilities Act in 2018–19 and did not receive any complaints about inconvenience, detriment or damage to land caused by its network operations.

EAPL conducts its network operations in accordance with easement guidelines registered with DP490019, Australian Standards— Pipelines Gas and liquid petroleum (AS2885.3)\(^{23}\) and the APA Group\(^{24}\) Operational Environmental Management Plan. These protocols ensure that damage to land is minimised during and after performing network operations.

6.1.4 Emergency telephone service

EAPL’s licence requires it to maintain an emergency telephone service that is accessible to the public every day of the year and can receive reports of escapes of gas. In 2018–19, EAPL reported no outages to the emergency telephone service. EAPL used pipeline easement signs and landowner annual awareness programs to inform people how they can contact EAPL to report escapes of gas. EAPL received 21 calls from the One Call system\(^{25}\) about the Dalton to Canberra Pipeline.

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\(^{23}\) Australian Standards— Pipelines Gas and liquid petroleum (AS2885.3) sets the minimum requirements for the operation and maintenance of pipelines.

\(^{24}\) EAPL is a member of the APA Group.

\(^{25}\) Also known as the ‘Dial Before You Dig’ call system in the ACT and NSW. The One Call system is the generic term for such systems in Australia AS2885.3.
7. Assessment

This section reports on the results of the Commission’s assessment of each utility’s administration of its ULAR. The Commission introduced an assessment framework in the 2017–18 ULAR to encourage the licensed utilities to improve their administration of their ULAR processes and the quality of their reports. The Commission assesses the utilities’ administration by looking at the accuracy of each utility’s data and whether it has met all deadlines, and whether responds promptly to Commission requests for further information or explanations.

This assessment does not look at how well each utility performed in delivering services to customers or whether it complied with its licence conditions and obligations under the Utilities Act. These matters are discussed in chapters 1 to 6 of this report.

Each of the utilities was given their proposed assessment results and provided with an opportunity to comment. Each of the utilities accepted the Commission’s assessment.
7.1 Assessment criteria and rating scale

Assessment criteria

The Commission’s assessment framework has four assessment criteria that the licensed utilities have to meet to receive a good rating on their ULAR administration and reporting. The four criteria are timeliness, responsiveness, data quality and integrity, and the quality and relevance of supporting statements.

<table>
<thead>
<tr>
<th>Criteria</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Timeliness</td>
<td>The utility meets the reporting deadlines</td>
</tr>
<tr>
<td>2. Responsiveness</td>
<td>The utility responds to the Commission’s questions and requests for further information and explanation by the agreed date.</td>
</tr>
<tr>
<td>3. Data and information quality/integrity</td>
<td>The utility uses accurate, relevant, up to date, and complete data and information in its ULAR.</td>
</tr>
<tr>
<td>4. Quality and relevance of supporting statements and responses</td>
<td>The utility gives clear and relevant explanations for significant changes across years or apparent anomalies in reported data and information.</td>
</tr>
</tbody>
</table>

Assessment rating scale

The Commission applies the assessment rating scale against each of the assessment criteria. Each rating level has a brief description of indicators or examples of performance that would result in such an assessment. The purpose of the rating scale is to create uniformity in assessing utilities, and show utilities where they can improve their ULAR administration and reporting in future years.
### 7. Assessment

<table>
<thead>
<tr>
<th>Rating and description</th>
<th>Indicator of performance</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>4 Excellent</strong></td>
<td>The utility has gone above what is needed to achieve a rating of good and provided high quality and timely information or responses.</td>
</tr>
<tr>
<td><strong>3 Good</strong></td>
<td>The utility provided the information or response as required or expected.</td>
</tr>
<tr>
<td><strong>2 Satisfactory</strong></td>
<td>A utility receives satisfactory when further work was needed to ensure the ULAR meets the requirements, particularly in relation to providing clarification and/or further information. Satisfactory applies when reporting of figures or information needed reasonable follow up work in response to issues or errors identified by the Commission.</td>
</tr>
<tr>
<td><strong>1 Unsatisfactory</strong></td>
<td>The utility would receive unsatisfactory where it has failed to resolve or act on issues raised by the Commission. A rating of unsatisfactory would occur when the utility has failed to act on information requests from the Commission or has failed to respond within a reasonable timeframe.</td>
</tr>
</tbody>
</table>

### 7.2 Assessment summary

All utilities submitted their completed ULARs by the due date. Each utility that was asked for additional information to clarify data responded to the Commission’s requests in a timely manner.

While analysing the data reported in the utilities’ ULARs, the Commission found that some data was reported incorrectly. The Commission has previously found problems with the quality of data reported in ULARs and in 2018 the Commission developed more detailed guidance for the utilities to help them understand the ULAR reporting requirements and their licence obligations. The Commission has met with the utilities to discuss the data quality issues and how the utilities can improve their processes for collecting, analysing and reporting data.

The Commission considers there is room for improvement for the utilities to provide plain English explanations and details on complex technical terms and abbreviations. This is will be the primary improvement area across all utilities that the Commission will be focusing on for the 2019–20 reporting year. The Commission believes this focus is important for consumers and readers of the ULAR so that they better understand the operation of the utilities, particularly in areas of improvement that the utilities report on. Table 7.1 shows the assessment results for each utility for 2018–19, followed by the individual assessments for each utility.

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26 As each utility assessment is provided to the relevant utility for comment prior to publication of the monitoring report, it is written as a stand-alone assessment for comment, and as such there may be some repetition in the assessments when presented as a whole.
Table 7.1 Assessment results for each utility against the assessment criteria, 2018–19

<table>
<thead>
<tr>
<th>Criteria</th>
<th>Icon Water</th>
<th>Evoenergy Electricity</th>
<th>Evoenergy Gas</th>
<th>TransGrid</th>
<th>EAPl</th>
</tr>
</thead>
<tbody>
<tr>
<td>Timeliness</td>
<td>Good</td>
<td>Good</td>
<td>Good</td>
<td>Good</td>
<td>Good</td>
</tr>
<tr>
<td>Responsiveness</td>
<td>Excellent</td>
<td>Excellent</td>
<td>Excellent</td>
<td>Good</td>
<td>Good</td>
</tr>
<tr>
<td>Data and information quality/integrity</td>
<td>Good</td>
<td>Good</td>
<td>Good</td>
<td>Excellent</td>
<td>Excellent</td>
</tr>
<tr>
<td>Quality and relevance of supporting statements and responses</td>
<td>Good</td>
<td>Good</td>
<td>Good</td>
<td>Good</td>
<td>Good</td>
</tr>
</tbody>
</table>

7.3 Icon Water

Icon Water met the ULAR and reporting requirements in a timely and efficient manner. Icon Water showed good knowledge of the reporting requirements and its licence obligations. Icon Water was very efficient in responding to the Commission’s information requests and provided accurate and detailed responses within the requested timeframe. Icon Water improved this year on providing supporting information when submitting its ULAR; however, there is some room for improvement in providing fuller explanations for changes in year-on-year reported figures.

The Commission will be focusing during 2019–20 on utilities providing plain English explanations and details on complex technical terms and abbreviations. The Commission believes there is room for improvement in this regard in Icon Water’s 2019–20 ULAR. The Commission will update the ULAR Guideline and correspond with Icon Water to help it improve in this area.

7.4 Evoenergy (electricity distribution)

Evoenergy met the ULAR and reporting requirements in a timely and efficient manner. Compared to its 2017–18 ULAR process, Evoenergy improved its administration by giving the Commission more timely responses to information requests and resolving certain data quality and accuracy issues; however, there is room for improving explanations of changes in year-on-year reported figures. The Commission considers that Evoenergy could do more to improve its data collection methods and expects to see further improvement in the quality of the data reported by Evoenergy for 2019–20.

The Commission will be focusing during 2019-20 on utilities providing plain English explanations of complex technical terms and abbreviations. The Commission believes there is room for improvement in this regard in Evoenergy’s 2019–20 ULAR. The Commission will update the ULAR Guideline and correspond with Evoenergy to help it improve in this area.
In its response to the Commission’s assessment, Evoenergy noted that it had made efforts during 2018–19 to improve timeliness, quality and responsiveness in its reporting. It noted that its focus for 2019–20 will be providing plain English explanations of complex technical terms and abbreviations.

7.5 Evoenergy (gas distribution)

Evoenergy met the ULAR and reporting requirements in a timely and efficient manner. Compared to its 2017–18 ULAR process, Evoenergy has improved the quality and relevance of its responses and the quality and accuracy of the data reported in its ULAR. Evoenergy improved its administration process by giving the Commission more timely responses to information requests.

The Commission will be focusing during 2019–20 on utilities providing plain English explanations of complex technical terms and abbreviations. The Commission believes there is room for improvement in this regard in Evoenergy’s 2019–20 ULAR. The Commission will update the ULAR Guideline and correspond with Evoenergy to help it improve in this area.

7.6 TransGrid

TransGrid met the information requirements for its ULAR report and included relevant supporting information. The Commission found the data and supporting information provided was correct, relevant and clear. The Commission did not find any issues in the report where additional information was needed.

The Commission will be focusing during 2019–20 on utilities providing plain English explanations and details on complex technical terms and abbreviations. The Commission believes there is room for improvement in this regard in TransGrid’s 2019–20 ULAR. The Commission will update the ULAR Guideline and correspond with TransGrid to help it improve in this area.

7.7 EAPL

EAPL met the information requirements for its ULAR report and included relevant supporting information. The Commission found the data and supporting information provided was correct, relevant and clear. The Commission did not find any issues in the report where additional information was needed.

The Commission will be focusing during 2019–20 on utilities providing plain English explanations and details on complex technical terms and abbreviations. The Commission believes there is room for improvement in this regard in EAPL’s 2019–20 ULAR. The Commission will update the ULAR Guideline and correspond with EAPL to help it improve in this area.
Appendix 1 Minimum service standards and rebates

The table on the following page shows the minimum service standards and rebate amounts in the current Consumer Protection Code. A new Consumer Protection Code will come into effect from 1 July 2020. The new Code will include Guaranteed Service Levels (GSLs), which replace minimum service standards, and updated rebate amounts and will require the automatic payment of rebates.
### Table A1 Current minimum service standards and rebate amount

<table>
<thead>
<tr>
<th>Parameter</th>
<th>Threshold</th>
<th>Amount ($)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Customer Connection Times</td>
<td>If the installation is physically connected to the network; and the customer is entitled to supply, then the connection services must be provided: (a) on the same day as the request is made if the request is made before 2:00pm; or (b) by the end of the next Business Day if a request is made after 2:00pm, otherwise, on a day agreed between the customer and the obliged provider.</td>
<td>$60 per day (max $300)</td>
</tr>
<tr>
<td>Responding to complaints</td>
<td>The obliged provider, upon the receipt of complaint from a customer must: (a) acknowledge the Complaint immediately or as soon as practicable; and (b) respond to the Complaint within 20 Business Days.</td>
<td>$20</td>
</tr>
<tr>
<td>Response time to notification of problem or fault</td>
<td>(a) as soon as practicable or within 6 hours, if the notification relates to damage to, or a fault or problem with the Network which is likely to affect public health, or is causing, or has a potential to cause, substantial damage or harm to a Person or property; or (b) within 48 hours on all other cases</td>
<td>$60 per day (max of $300)</td>
</tr>
<tr>
<td>Planned Interruptions and notice period</td>
<td>1. A Water and Sewerage Utility must give at least two Business Days’ notice of a Planned Interruption to a Utility Service to each Premises that will be affected by the interruption. 1A. Gas and Electricity Distributors must give at least four business days’ notice prior to a planned interruption. 2. The notice must contain the following specific requirements: a. specify the reason for the interruption and the expected date, time and reasonably anticipated duration of the interruption; and b. provide either: i. a business hours telephone number for inquiries; or ii. a 24-hour telephone number for inquiries. 3. A Utility undertaking a Planned Interruption to a Utility Service must take all steps that are reasonable and practicable to ensure that the duration or the interruption: a. does not exceed the expected duration set out in a notice given to the Premises; and b. in any event, does not exceed 12 hours.</td>
<td>$50</td>
</tr>
<tr>
<td>Unplanned Interruptions</td>
<td>A Utility must take all steps that are reasonable and practicable to restore the supply of the relevant Utility Service to affected Premises as soon as possible and, in any event within 12 hours.</td>
<td>$20</td>
</tr>
</tbody>
</table>
Abbreviations and acronyms
ACAT | ACT Civil and Administrative Tribunal
ACT | Australian Capital Territory
AER | Australian Energy Regulator
APA | Australian Pipeline Trust
CPC | Consumer Protection Code
Commission | Independent Competition and Regulatory Commission
DMA | District Metred Areas
EAPL | East Australian Pipeline Limited
EIA | Environmental Impact Assessment
EPA | Environment Protection Authority
EPD | Environment and Planning Directorate
GSL | Guaranteed Service Level
HV | High voltage
ICRC | Independent Competition and Regulatory Commission
ICRC Act | Independent Competition and Regulatory Commission Act 1997
IWA | International Water Association
KL | Kilolitre
KM | Kilometre
LV | Low voltage
ML | Megalitre
MSS | Minimum Service Standard
NSW | New South Wales
TJ | Terajoules
UAG | Unaccounted for Gas
ULAR | Utility Licence Annual Report
Utilities Act | Utilities Act 2000
UTR Act | Utilities (Technical Regulation) Act 2014
WSSS | Water Supply and Sewerage Standards