

Address all correspondence to: The Utilities Commissioner, GPO Box 915, Darwin NT 0801 Location: Level 9, 38 Cavenagh Street, Darwin E-mail: utilities.commission@nt.gov.au
 Telephone:
 (08) 8999 5480

 Facsimile:
 (08) 8999 6262

 Website:www.utilicom.nt.gov.au

NORTHERN TERRITORY ELECTRICITY STANDARDS OF SERVICE CODE

The Commission has released its first annual report of Power and Water's standards of service performance in the regulated regions of Darwin, Katherine and Alice Springs. The Tennant Creek regulated network has not been included in this first report because of data concerns, with improved data expected from 2006-07.

The Commission's report:

- provides information for all regions (except Tennant Creek) on performance achieved in 2005-06;
- provides an explanation of the main performance indicators used; and
- includes the minimum standards set, and the historical performance achieved in the five years prior to 2005-06.

The report can be viewed at on the Commission's website at: www.nt.gov.au/ntt/utilicom/electricity/standards_of_service.shtml.

The service performance indicators published distinguish between performance in the following four respects:

- whole-of-system network reliability;
- poorly-performing (network) feeders;
- whole-of-system generation reliability; and
- retail service performance.

The Commission has not yet introduced any incentive or penalty mechanisms, such as:

- price control adjustments in response to service performance; or
- customer compensation (or guaranteed service level) schemes.

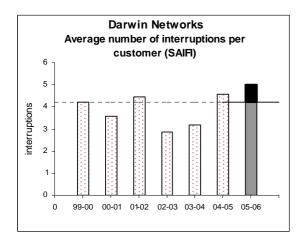
Before such mechanisms are appropriate, it is necessary to ensure that reporting mechanisms are effective and the minimum standards used are valid.

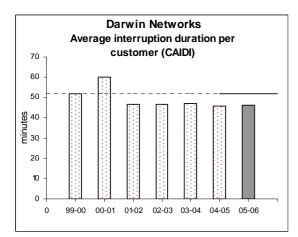
The Commission will consider the scope for such mechanisms in the context of its next network's regulatory reset, due to take effect from July 2009.

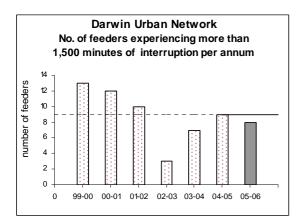
With this being the first report, the Commission has opted to let Power and Water's service performance data largely speak for itself. In doing so, the Commission acknowledges that there is some scope for improvement in the quality of the data, as well as a need to review the appropriateness of some of the minimum standards set. It expects to make some progress in both regards in time for the second report, due for publication in December 2007.

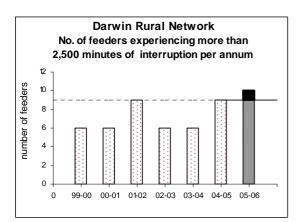
Further background information can be obtained by contacting Anne-Marie Hart, Executive Officer, on (08) 8999 5480.

Alan Tregilgas Utilities Commissioner (for the Utilities Commission) 15 December 2006

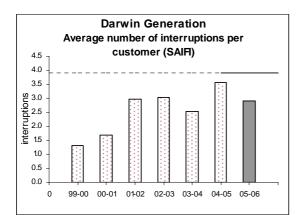


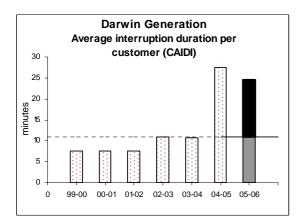


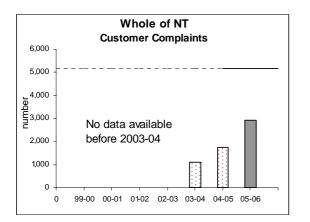


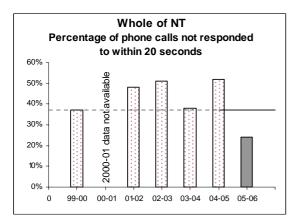


- In Darwin, the average number of interruptions due to <u>network</u> problems was 5 per customer during 2005-06.
- This breaches the minimum standard of just 4.2 interruptions per customer, which was the standard achieved before regulatory change in 1999-00.
- The average number of network-related interruptions has trended up over recent years.
- The performance in Katherine and Alice Springs is charted in Appendix A of the Commission's report.
- In Darwin, the average duration of each networkrelated interruption was 46.2 minutes during 2005-06.
- This betters the minimum standard of 52 minutes.
- The average duration of interruptions has been relatively constant over the last few years.
- The performance in Katherine and Alice Springs is charted in Appendix A of the Commission's report.
- When the average number of interruptions and their average duration are considered together, in Darwin the average off-supply per customer (or "SAIDI") due to network problems was 231 minutes in 2005-06. This breaches the minimum standard of 220 minutes.
- In the Darwin urban area (where interconnecting networks apply), poorly performing feeders have been defined as those which experience more than 1,500 minutes of interruption per year.
- In 2005-06, there were 8 such feeders. This betters the minimum standard.
- As apparent in Appendix A of the Commission's report, there were 6 feeders that experienced more than 15 interruptions in 2005-06.
- In the Darwin rural area (where radial networks apply), poorly performing feeders have been defined as those which experience more than 2,500 minutes of interruption per year.
- In 2005-06, there were 10 such feeders. This breaches the minimum standard.
- As apparent in Appendix A of the Commission's report, there were 9 feeders that experienced more than 27 interruptions in 2005-06.
- The performance in Katherine and Alice Springs is also charted in Appendix A.









- In Darwin, the average number of interruptions due to <u>generation</u> problems was 2.9 per customer during 2005-06.
- This betters the minimum standard of 3.9 interruptions per customer.
- The average number of generation-related interruptions in recent years has been generally higher than before regulatory change in 1999-00.
- The performance in Katherine and Alice Springs is charted in Appendix A of the Commission's report.
- In Darwin, the average duration of each generation-related interruption was 24.5 minutes during 2005-06.
- The breaches the minimum standard of 10.9 minutes.
- The average duration of interruptions has risen sharply over the last couple of years.
- The performance in Katherine and Alice Springs is charted in Appendix A of the Commission's report.
- When the average number of interruptions and their average duration are combined, in Darwin the average off-supply per customer ("SAIDI") due to generation problems was just over 71 minutes in 2005-06. This breaches the minimum standard of 42.7 minutes.
- <u>Customer service</u> performance indicators are reported on a Territory-wide basis. Power and Water does not collect this data on a regional or customer class basis.
- The number of customer complaints was around 3,000 in 2005-06. This betters the minimum standard.
- While the number of complaints has been rising in the Territory over recent years, increased customer awareness of improved customer complaint channels following introduction of the facility could be playing a role. Nevertheless, on a per-customer basis, the number of complaints is generally higher than observed in other jurisdictions.
- The percentage of telephone calls not responded to within 20 seconds from when a customer selects to speak to a human operator was 24%. This betters the minimum standard.
- The service performance achieved with respect to other indicators of customer service is charted in Appendix A of the Commission's report.