



Australian Gas Networks Regulatory Performance Report 2019-20

Key messages

- ▶ Australian Gas Networks complied with its regulatory obligations.
- ▶ Australian Gas Networks Pty Ltd responded to 95 percent of calls to the leaks and emergencies telephone number in a timely manner.
- ▶ Only a small proportion of customers (0.02 percent of the total customer base) experienced long duration interruptions in 2019-20.
- ▶ Of the 7,848 gas leaks reported by the public, 99.6 percent of those leaks were repaired within the timeframe specified in the Australian Gas Networks' Leakage Management Plan.

The Essential Services Commission's (**Commission**) powers and functions in relation to Australian Gas Networks Pty Ltd (**Australian Gas Networks**) are contained in the *Gas Act 1997* and the *Essential Services Commission Act 2002*.

Australian Gas Networks is a monopoly service provider of reticulated natural gas distribution services in South Australia. The South Australian gas distribution network comprises approximately 8,400 km of gas mains and serves over 461,000 customers.

Australian Gas Networks has been issued with a gas distribution licence by the Commission, which authorises it to provide these services in South Australia. As a requirement of its gas distribution licence, Australian Gas Networks must comply with the requirements set out in any industry codes made by the Commission.

Under the Commission's Gas Distribution Code (**Code**), Australian Gas Networks must comply with obligations relating to quality, safety and reliability of gas distribution services (including maintaining gas pressure and capability of the distribution system).

Australian Gas Networks complied with its regulatory obligations

Pursuant to the Code, Australian Gas Networks is required to report on its performance against the following obligations:

- ▶ establish and document operational and system security standards for its distribution system
- ▶ maintain a set delivery pressure of gas from the distribution system to ensure the operating pressure of gas at the outlet of each customer's meter is within set ranges
- ▶ deliver gas received from a retailer at a receipt point through its distribution system to delivery points nominated by the retailer on terms and conditions set out in an access arrangement (or other reasonable terms)
- ▶ provide information to retailers on its requirements relating to the protection of its distribution network within 10 business days, if requested
- ▶ maintain the capability of its distribution system and, unless approved by the Commission, not remove or disable any part of the distribution system that supplies gas to one or more customers, and

- ▶ reconnect a disconnected customer in accordance with requirements under the *National Energy Retail Law (South Australia) Act 2011* within sufficient time for a retailer to also meet its obligations to the customer under that Law.

Australian Gas Networks reported no non-compliances, and none have been identified by the Commission through market monitoring, in respect of the above obligations for 2019-20.

Gas distribution performance by Australian Gas Networks

In conjunction with the obligations outlined above, the Commission also monitors Australian Gas Networks' performance against the following three service performance measures:

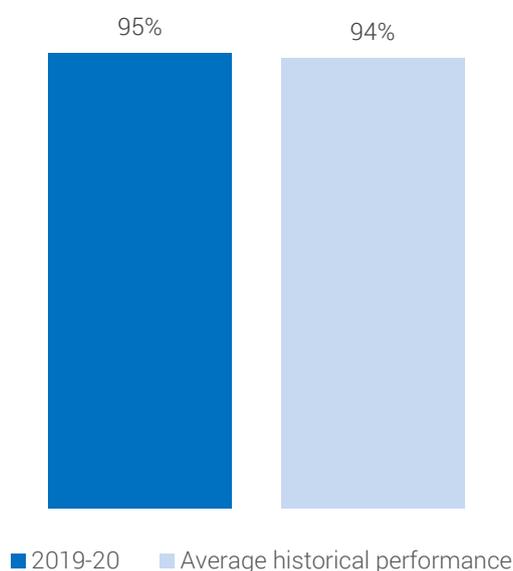
- ▶ responsiveness to calls to the leaks and emergencies telephone number
- ▶ responsiveness to public reporting of gas leaks, and
- ▶ customer interruptions (frequency and duration).

Australian Gas Networks' performance is measured against its average historical performance, with Australian Gas Networks required to provide explanations for any material departures from historical averages.

Responsiveness to phone calls made to the leaks and emergencies telephone number

Figure 1 shows that the responsiveness to calls made to the leaks and emergencies telephone number in 2019-20 was consistent with the average of the previous three years (from the start of the current regulatory period, when the metrics commenced). Of the 13,060 calls to the leaks and emergencies telephone number, 95 percent were answered within 30 seconds.

Figure 1: Timeliness of response to calls made to the leaks and emergencies telephone number

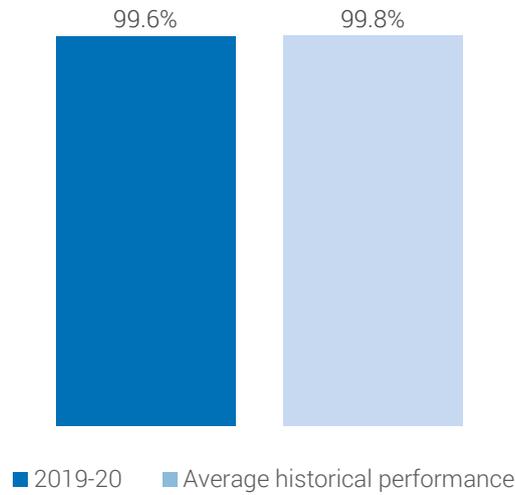


Responsiveness to public reporting of gas leaks

Of the 7,848 gas leaks reported by the public, 99.6 percent were repaired within the timeframe specified in Australian Gas Networks' Leakage Management Plan, compared to 8,313 leaks in 2018-19, when 99.9 percent were repaired within the timeframe specified. In addition, there were 1,161 gas leaks reported by the public where no gas leak was found.

Figure 2 shows that the performance outcome in 2019-20 was consistent with the average of the previous three years (from the start of the current regulatory period, when the metrics commenced).

Figure 2: Timeliness of response to public reporting of gas leaks



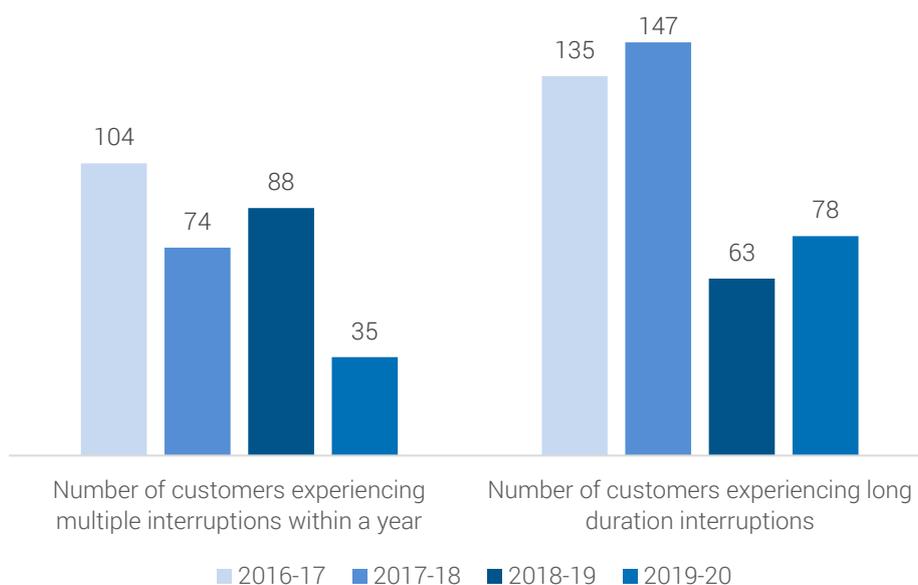
Customer interruptions

The Commission monitors unplanned interruptions of gas supply, including the number of customers affected by multiple interruptions and the number of customers affected by long duration of the interruptions.

Figure 3 shows that the number of customers having experienced two or more interruptions (where the interruption was unplanned) has declined over the current regulatory period. No trend was identified in the number of customers experiencing long duration interruptions (where that interruption was not restored within 12 hours).

Only a small proportion (461,068 as at 30 June 2020) of Australian Gas Networks’ customers experienced long duration interruptions in 2019-20 (0.02 percent of the total customer base).

Figure 3: Number of customers experiencing interruptions



Further information

Further information on Australian Gas Networks service performance measures and obligations and complete time series performance data can be found here: <http://bit.ly/gas-regulatoryperformancereports>.

The Commission reviews the effectiveness of its regulatory framework for Australia Gas Networks every five years. Information about the regulatory framework review for 2021-26 can be found here: <http://bit.ly/AGN-regulatory-framework-review>

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Essential Services Commission
GPO Box 2605 ADELAIDE SA 5001

Telephone: (08) 8463 4444 E-mail: escosa@escosa.sa.gov.au Web: www.escosa.sa.gov.au