Overview of distribution businesses performance reports

Governance Committee meeting #5

Presenters:
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Overview of performance reports

Last year we provided advice to the Minister for Finance about causes and solutions to remedy delays in connecting new developments to electricity networks.

Through our consultation we found the main points where delays occurred were:

- Service master planning

- Construction audit

- Tie –in

- Temporary connections

Master planning review

Distribution business	2017-18 Result*	H1 2019 Target	H1 2019 Result
AusNet Services	5-10 days	15 days	> 15 days
Jemena	>10 days	15 days	20 days
Powercor	40-100 days	10 days	16 days

* Estimated results from stakeholder feedback underpinning 2018 review.

AusNet reported that they have put in place remedial actions to address this result

Powercor have made the master planning process contestable. A small number of projects in H1 2019 have gone through this process taking an average of 16 business days. This process will be rolled out broadly over H2 2019.

Powercor still offer the old process where they prepare the master plan and stage scopes. This process took an average of 34 business days in H1 2019.

Jemena only received 3 masterplans for review in the first half of 2019, one review was completed in 9 days the other two in just over 20 but have 2-4month delays in receiving update plans after initial review by Jemena.

Construction Audit

Distribution business	2017-18 Result*	H1 2019 Target	H1 2019 Result
AusNet Services	5 days	100% return within 10 days	from March onwards 100 %
Jemena	5 days	Service contestable	
Powercor	10 days	5-8 days	6.1 days

* Estimated results from stakeholder feedback underpinning 2018 review.

Powercor measure time from receipt of complaint audit request to report completion.

Jemena offer auditing as a contestable service and as such do not measure performance.

If developers feel that Jemena's accredited auditors can't provide a service that meets their requirements Jemena encourage developers to approach them with additional contractors that Jemena can accredit.

Tie -in

Distribution business	2017-18 Result *	H1 2019 Target	H1 2019 Result
AusNet Services	20- 180 days	Not measured	
Jemena	20 -180 days	25 days or by agreed date	N/A contestable service
Powercor	40 -180 days		42.8 days 90 % by customer agreed date in June

* Estimated results from stakeholder feedback underpinning 2018 review.

Powercor's target is to offer the option of a 20 day tie in (for suitable   projects) and to meet agreed customer target dates greater than 90% of the time.

Not all projects will be suitable for or seeking a 20 day tie in – for these projects. Powercor will negotiate a tie in date. Powercor seek to meet the date >90 per cent of the time.

Jemena require all applications to be submitted 25 business days prior to a tie in on site being required to ensure minimal risk and impact to our customers.

Temporary connections

Distribution business	2017-18 Result *	H1 2019 Target	H1 2019 Result
AusNet Services	>> 10 days	10 days	7-9.5 b days
Jemena	> 10 days	< 10 days	99.5% < 10 days
Powercor	> 10 days		Meter temp – 6.1 b days Meter perm – 6.3 b days

*Estimated results from stakeholder feedback underpinning 2018 review.

Other KPIs

Powercor also measured :

- Design review time
- Time to provide practical completion

Powercor reported that these KPIs were met

AusNet also measured:

- Time to allocate NMI
- Meter connection time

AusNet reported that these KPIs were met

Jemena measured:

- 90 % of negotiated connection offers within 45 days

Jemena reported this KPI was met.

Summary

Against a background of similar audit volumes to 2017and 2018 and increasing volumes in May 2019. We have seen clear improvements in:

- Master planning review (Powercor)

- Construction audit processing (AusNet and Powercor)

- Tie –in times (Powercor)

- Temporary connection times (AusNet and Powercor)

Improvements are due to:

- Process changes (Service master planning is now contestable Powercor)

- Increasing resourcing for audits and improving processes (Powercor)

- Improving audit processes (AusNet)

- Trialling new process for tie-in (Powercor)

- Increasing staff numbers, training and cross skilling staff in relation to connections (AusNet)

- We note Jemena has developed its portal to automate the application process which will also provide regular updates on project status to customers.