

# ST HELENA UTILITIES REGULATORY AUTHORITY



2014/15

2<sup>ND</sup> ANNUAL REPORT ON THE QUALITY OF SERVICES  
PROVIDED BY CONNECT SAINT HELENA LTD

## **PART 1 – OVERVIEW**

### **1.1 UTILITY SERVICES ORDINANCE 2013**

On 1<sup>st</sup> April 2013 the Utility Services Ordinance 2013 came into force. This Ordinance established the Utilities Regulatory Authority and created a legal framework to facilitate the private sector provision of licensed public utility services.

These services are —

- (a) The generation, distribution and supply of electricity;
- (b) The collection, storage, treatment and distribution of water; and
- (c) The disposal of waste water.

### **1.2 UTILITIES REGULATORY AUTHORITY**

The members of the Authority are the Chief Magistrate (as Chairman), Mr Stedson Francis BEM and Mr Paul Hickling. The Judicial Services Manager\* is Secretary to the Authority, to whom any communication should be made. The Authority, and any person acting under its authority, act entirely independently and are not subject to the direction or control of the Governor, the Executive Council, Legislative Council or any other person or authority. \*([yvonne.williams@sainthelena.gov.sh](mailto:yvonne.williams@sainthelena.gov.sh))

### **1.3 OBJECTIVE OF AUTHORITY**

The objective of the Authority is to regulate the development and provision of public utility services in a manner which—

- (a) Ensures that users of such services are protected from both unreasonable prices and unreasonably low levels of service;
- (b) Ensures (so far as is consistent with paragraphs (d) and (e)) that the prices charged for such services do not create unreasonable hardships for households or unreasonable hindrance to commercial and economic development in St Helena;
- (c) Motivates Utilities Providers to improve the quality of the services they provide;**
- (d) Ensures stability and predictability in the public utilities industry in the medium and long terms;
- (e) Supports a progressive reduction in levels of subsidy from public funds; and
- (f) has regard to such other regulatory objectives (if any) as may be prescribed.

#### 1.4 DUTIES OF AUTHORITY

It is the duty of the Authority, **having regard to its objectives**, to carry out its functions and to ensure that Utilities Providers comply with—

- (a) Ordinances, regulations and directives issued thereunder, regulating public utility services; and
- (b) The conditions of their licence.

#### 1.5 POWERS OF THE AUTHORITY

The Authority may, for the purpose of performing its duties, issue Directives to a Utilities Provider in connection with the provision of any public utility service; and, without prejudice to that generality, such Directives may impose requirements concerning;

- (a) The quality or standard of service which the Utilities Provider must deliver to its customers;
- (b) Payments of compensation (or abatement of charges) to compensate customers when the service provided does not meet the standards so set;
- (c) The maximum charges or fees to be levied by a Utilities Provider for providing the public utility service;
- (d) The terms and conditions on which public utility services are to be provided; and
- (e) Such other matters (if any) as may be prescribed.

#### 1.6 PENALTIES BY THE AUTHORITY

If the Authority is satisfied that a Utilities Provider has failed to comply with a Directive, or with a condition of its licence, the Authority **may** order the Utilities Provider to pay a penalty not exceeding the sum of £100,000.

A licence may be revoked by the Governor in Council upon recommendation of the Authority, where the Utilities Provider is in substantial and continuing breach of—

- (a) Any of the provisions of the licence;
- (b) Any Directives issued by the Authority; or
- (c) Any other obligations under the Ordinance.

## **1.7 UTILITIES PROVIDER- CONNECT SAINT HELENA LTD**

With effect from 1<sup>st</sup> April 2013 Connect Saint Helena Ltd (“Connect”) were licenced by the Governor in Council to provide all said public utility services in St Helena. The Authority was instrumental in the drafting of such a licence. The licence contains a considerable number of conditions relative to the quality of the services to be provided by Connect.

Connect is a private limited company which is wholly owned by the St Helena Government (“SHG”). The Board of Directors consist of a non-executive Chair, two further non-executive directors and two executive directors. The executive directors are the CEO and Operations Director of Connect.

## **1.8 CONNECT SAINT HELENA LTD AS A NEW ENTERPRISE**

As the company entered its second year of trading the business processes developed during the initial year appear to have further bedded in.

To facilitate the Finance Manager’s maternity leave and thereafter a part time return to work, an offshore chartered financial consultant has been recruited, who now supplements the local team. At the end of the 2014/15 year (“the review year”), the finance team were fully resourced with all departments benefiting from such professionally qualified staff.

The Project Manager was required to return his home in South Africa for medical reasons in January 2014. A new project manager joined Connect in October 2014. The filling of this post has given Connect the capacity to execute projects contained in the capital program within the funding constraints applicable.

When the authority published their 1<sup>st</sup> Annual Report for the year 2013/14 (“the previous review year”), on the quality of services provided by Connect Saint Helena Ltd, there were directives to improve the quality of reporting to the Authority in respect of electricity disruptions and in regard to implementing an enhanced water sampling regime. Connect has voluntarily expanded these reporting requirements to their water and sewage as well as to electricity and water operations. The water sampling program has been modified with Connect taking responsibility for the full sampling regime due to resource limitations within Public Health. Public Health will however continue to monitor water sampling so far as their resources permit. All new sample points ordered by the authority have been brought into service during the review year.

These changes in reporting and sampling requirements were however, ordered by the Authority, in the latter part of the previous review year. As such the results of the same will not be available to the Authority until the annual review for 2015/16 (“the next review year”).

## **1.9 CAPITAL EXPENDITURE**

Connect have again benefited from capital funds being made available to them from SHG. This included £1million in respect of a 500kWp solar farm. Once this is completed this will further reduce Connect's operating costs. Significant surveying work, which was completed early in 2015, has informed the designs for sewage disposal systems which are due to be purchased in the next review year. Investment in water infrastructure included the provision of bulk supply mains. This will relieve some customers from existing supply restrictions. The construction of improved abstraction systems will enable more efficient collection of raw water. In total just over £3million was invested in the utilities infrastructure from the capital program.

### **1.10 EXERCISE OF POWERS BY AUTHORITY**

It is important to note that, in performing said duties and in exercising said powers the Authority must have regard to ensuring the stability and predictability of the provision of public utility services. At this early stage in the development of such private sector provision, any penalty imposed on Connect by the Authority would require to be reintroduced to Connect by way of increased subsidy or alternatively tariff increases to customers, as Connect are not profit making. The use of such penalty powers by the Authority would in reality only become practical were the utilities provider to commence making a financial profit and, while doing so, not meet the targets and expectations which could reasonably be expected of such a Utilities Provider.

### **1.11 PURPOSE OF REPORT**

This report is therefore principally concerned with motivating the sole Utilities Provider to improve the quality of the services they provide, where possible. The Authority has a duty to adopt a reasonable approach in setting targets and expectations in these early stages of its regulation. Progressive targets and expectations have therefore been set, as it would be unreasonable to expect an instantaneous improvement to the levels which the Authority will ultimately endeavour to motivate the Utilities Provider to achieve.

This report has been prepared for the purpose of assessing performance against the targets established by the authority for the period of the review year.

The additional purpose of this report is to inform the public on the level of services being delivered by Connect. In doing so it is hoped to motivate Connect to improve the quality of the services they provide, if that is possible. Connect are aware that such services are being monitored, scrutinised and will be publically reported upon by the Authority. It should be emphasised that this report relates to the period from 1<sup>st</sup> April 2014 to 31 March 2015 being the review year.

## **PART 2 – PUBLIC UTILITIES DEVELOPMENT PLAN**

### **2.1 PUDP**

The Public Utilities Development Plan (“PUDP”) was agreed, after extensive discussions, between Connect and the Authority. This provides for a planned improvement to the reliability and quality of public utility services over the three year period from 2013-2016. The plan requires the collation of performance indicators to assist in determining if such improvements are being achieved by Connect. Such performance indicators are measured against the “benchmark year” of 2012/13, namely the year prior to the commencement of the Connect operation as a private limited company.

### **2.2 RELIABILITY OF ELECTRICITY DISTRIBUTION NETWORK**

Disruptions to the Electricity Distribution Network (“EDN”) may be High Voltage “HV” affecting a large number of consumers or Low Voltage “LV” generally affecting a small number of consumers. In the benchmark year the EDN had in total 134 disruptions. From this total there were 68 HV and 66 LV disruptions. On analysis of disruptions for the review year, it became apparent that such did not include Power Station disruptions. The Authority has therefore required that such Power Station disruptions are also now recorded and reported upon. In order to make a meaningful comparison with the benchmark year, the EDN disruptions for such a period have been increased by an assumed 12 Power station disruptions, bringing the total to 146. The Authority has set a so adjusted target of reducing the total disruptions for the review year to 121. Connect has reduced the number of total disruptions from said benchmark year of 146, to 123, namely a 16% improvement. This fell 2 disruptions short of the authority target. Such a marginal shortfall is viewed by the Authority as being at or about the target set and is therefore acceptable. While targets are based on the benchmark year, it is noteworthy that in the previous review year there was recorded an adjusted total of only 105 disruptions. See Appendix 1.

### **2.3 ANALYSIS OF REASONS FOR DISRUPTIONS**

The Authority has analysed the recorded sources of such disruptions. The review year LV disruptions have remained generally unchanged from the previous review year disruptions and remain vastly improved on the benchmark year. The HV disruptions for the review year have however significantly increased from the previous review year, although still less than the benchmark year. On a further analysis of the HV faults per quarter it is apparent that there was a peak of such faults in the second quarter and less so, in the third quarter. Connect attribute the unusually high incidence of intermittent HV faults to adjustments made to protection settings. Oversensitivity had resulted in excessive numbers of “spurious” trips. Revised protection settings were introduced in December 2014, which appears to have resulted in a return to more normal levels of disruption. The authority has set a further reduced target of no more than 110 disruptions in the next review year. See Appendix 2.

## 2.4 RELIABILITY OF THE WATER DISTRIBUTION NETWORK

In the benchmark year the Water Distribution Network (“WDN”) had in total 1,582 leakages. The Authority set a target of reducing the total leakages to 1282 for the review year. Connect in fact reduced the number of total leakages to 897, namely a total reduction of leakages by 44% from the Benchmark year. Having stated such, in the previous review year the recorded total leakages was 689 (i.e. a 56% reduction from the benchmark year).

The WDN infrastructure is dated and for some decades prior to 2008 was not maintained to the levels now presently required. As stated there has been and is planned to be, significant capital investment in such infrastructure as stated in paragraph 1.9 of the 1<sup>st</sup> Annual Report and 1.9 above. The authority has set a further reduced target of no more than 1154 leakages in the next review year. See Appendix 1.

## 2.5 APPEARANCE OF TREATED WATER IN CONNECT NETWORK

In the Benchmark year, treated water tested at treatment works appeared clear in 100% of the samples taken. The Authority set a target of maintaining this for the review year. Connect did so in the previous review year. In the review year 98.5% of water appeared clear.

During the previous review year the method of water sampling was discussed at length. It was apparent that the resources of SHG Public Health were too limited to ensure a comprehensive set of test results. The Authority, Connect and SHG Public Health Department agreed a modified approach that places a requirement on Connect to meet the cost of and to perform more extensive sampling and to organise independent analysis of such. Where resources permit, Public Health continues to independently monitor and raise issues with Connect or the authority as appropriate. The change in sampling methodology took place late in the review year and so the results of such will not be apparent until the next review year.

During the review year four samples per week were taken by Connect. Only three of these were discoloured. Discolouration was caused by excessive silt build up in the Harpers 2 reservoir (Earth Dam) during its life. Although a syphon discharge arrangement has temporarily addressed the issue, a major dredging exercise will be required to rectify the situation. In addition Connect are purchasing clarifiers as raw water pre-treatment for each of the four water treatment works. Once these are commissioned the visual quality of treated water should improve.

Issues with said Harpers dam have been considerable and Connect have endeavoured to limit the effect of such by said actions. The Authority has set a revised target of achieving 99.5% of water in the Connect network appearing to be clear, for the next review year. In setting the PUDP targets from 2016, the Authority will consider setting targets based on the number of failed samples, rather than percentages, as the latter can be an unreliable indicator of progress due to the comparatively small number of samples taken and the unrepresentative effect of minimal samples failing. See Appendices 1 & 3.

## **2.6 APPEARANCE OF TREATED WATER AT CONSUMER PREMISES**

In the benchmark year treated water tested at consumer premises appeared clear in 98% of the samples taken. The Authority set a target of maintaining this for the following years. In the previous review year the water samples appeared clear in 95% of samples taken. During the review year again four samples per week were taken by Connect. Three of these were discoloured and therefore water samples again appeared clear in 95% of samples. Reference is made to paragraph 2.5 as to the cause of such. The authority has set a revised target of 99.5% of water appearing to be clear at consumer premises, for the next review year. See Appendices 1 & 3.

## **2.7 MICROBIOLOGICAL INTEGRITY OF TREATED WATER IN CONNECT NETWORK**

Samples of water are taken by Connect and analysed by a UKAS accredited laboratory. The laboratory test for the presence of bacteria as this may be an indicator of contamination. In the benchmark year, treated water tested at treatment works, showed indications of bacteria in 3.5% of samples taken. The Authority had set a target of decreasing this to 1.5%. In the previous review year, Connect attained such a target, in that the same was decreased to 1.3%. In the review year Connect attained such a target in that the same was decreased to 0.5%. This involved a single sample failing its microbiological analysis, with a single coliform count having been detected. The authority has set a revised target of 0.5% of water in the Connect network failing microbiological testing for the next review year. See Appendices 1 & 3.

## **2.8 MICROBIOLOGICAL INTEGRITY OF TREATED WATER AT CONSUMER PREMISES**

At customer's premises all samples of water were taken by Public Health. Sampling points have however now been fitted immediately prior to the water entering the customers premises to exclude bacteria which may arise from the premises themselves. Connect have no control over such and the same is the responsibility of the customer (e.g. domestic taps). In the benchmark year and previous review year treated water tested at consumer premises failed such stringent microbiological testing in 13% and 21% respectively, of the samples taken. The Authority set a target of decreasing this by approximately to 12% for the review year. The same decreased to 16%. The authority has set a revised target of no more than 0.5% of water at consumer premises failing microbiological testing for the next review year under the new testing regime, which excludes failures in testing which may be the responsibility of the consumer. .See Appendices 1 & 3.

## **2.9 DATA CHECKS**

The Authority visited the premises of Connect and performed samples checks on all data provided by Connect and found the same to be reliable. The Authority also cross referenced such data with the laboratory data from Public Health and found the same to be reliable.



## **2.10 USE OF GPS FOR FAULT IDENTIFICATION**

By now recording GPS location data of leaks, clusters of leaks are being identified. A decision can now be made to replace, rather than repair, the identified mains, thus prioritising limited resources in the most problematic areas. Staff and contractors have accordingly been issued with GPS devices. Equally this has also been extended to recording GPS locations of faults in the electricity and sewage networks. This will assist in identifying problem areas and further inform maintenance or replacement decisions.

## **2.11 TIME TAKEN TO PERFORM ELECTRICITY CONNECTION**

In the benchmark year the time taken to perform an electricity connection was on average 50 days. The Authority set a target of reducing this by 10% to 45 days for the previous review year. Connect in fact reduced the number of days to 44 days, namely a total reduction of 12%. This measure is the number of days Connect contributes to the process and for ease of measurement non-working days are included. The Authority set a target of reducing this further to 41 days for the review year. Connect reduced this period to 13 days which is a remarkable 74% improvement in performance from the benchmark year. See Appendix 1.

## **2.12 TIME TAKEN TO PERFORM WATER CONNECTION**

In the benchmark year the time taken to perform a water connection was on average 90 days. The Authority set a target of reducing this to 81 days for the previous review year. Connect in fact increased the number of days to 91 days, namely a total increase of days of 1%. The Authority set a target of reducing this to 73 days for the review year. Connect again remarkably reduced this period to 16 days which is an 82% improvement in performance from the benchmark year. See Appendix 1.

## **2.13 TIME TAKEN TO DEAL WITH FORMAL COMPLAINTS**

There was no “Benchmark” for the benchmark year as Connect were not in operation as such. Acknowledging that Connect are a new business, the Authority set a target of achieving 90% of complaint procedure targets for the previous review year. The Authority was however not satisfied in the previous review year that there was an effective monitoring system, such as to adequately demonstrate compliance with the time limits set for dealing with such complaints. The Authority set a target of achieving 95% of complaint targets for the review year. Connect achieved 88% compliance with such time limits. Connect’s complaints handling system has been established with 87% compliance to the L1 stage of the process and 100% compliance with both the L2 and L3 stages. Connect failed to comply with said time in 2 of the 16 complaints made. This was due to responses not being sent within the five working day target for such. It does however appear that work was underway to address the 2 complaints in question.

## **PART 3 – CODES OF PRACTICE (“CoPs”)**

### **3.1 TARGETS**

CoPs were agreed, after extensive discussions, between Connect and the Authority. These make provision for compliance with the undernoted Conditions 23 to 30 of the Utilities Provider Licence, drafted by the Authority and issued by the Governor in Council to Connect. The Authority set targets of 100% compliance in respect of all of such CoP all as more particularly detailed in Appendix 4.

### **3.2 ACCESS TO PREMISES - CONDITION 23**

This condition requires that all employees (a) possess the skills necessary to perform their required duties, (b) are readily identifiable by the public, (c) are appropriate people to visit and enter a customer’s premises and (d) in a position to advise customers of a contact point for help and advice if required. The majority of customer contact is by the meter reader which is currently a 3rd party contracted to Connect. The requirements of the CoP have been included in this contract so that the meter reader is contractually bound by the requirements stated in the CoP. Both the meter reader staff and Connect staff have new ID badges to readily identify themselves to members of the public. Training material has been provided and information is now printed on the reverse side of the bills, directing customers in relation to advice. The Authority found no evidence of non-compliance.

### **3.3 PAYMENT OF BILLS – CONDITION 24**

This condition requires that appropriate advice is available to customers on payment of bills, in particular those who may have difficulty in making such payments. Included in the Connect process is input from the Social Services Manager in respect of those having difficulty in paying their bills. Connect have a member of their finance staff dedicated to managing customer debt, which includes agreeing alternative payment arrangements and liaising with Social Services to ensure the vulnerable are not unduly penalised. Connect find working with the charity ‘Making Ends Meet’ (MEM) a valuable experience and together they support customers who are suffering multiple challenges. The Authority found no evidence of non-compliance.

### **3.4 CUSTOMERS IN DEFAULT – CONDITION 25**

This condition requires that customers in default are identified and that reasonable payment arrangements are then timeously monitored and reviewed. See paragraph 3.3. The Authority found no evidence of non-compliance. There had been no forced disconnections.

### **3.5 CONNECTIONS & DISCONNECTIONS – CONDITION 26**

This condition requires specific connection and disconnection procedures to be followed within various time limits. The Authority found no evidence of non-compliance with advising, visiting to assess work required reconnection and disconnection. Delays in issuing quotes occurred due to third parties failing to provide 6 quotes. The Authority clarifies to Connect that it requires to measure the efficiency and effectiveness of Connect. Accordingly, any period solely attributable to a third party can be deducted from such timings for the purposes of the Authority assessing compliance with the CoP.

### **3.6 DISABLED, CHRONICALLY SICK AND PENSIONABLE AGE CUSTOMERS – CONDITION 27**

Through close liaison with the Social Services Manager, Connect have undertaken to visit consumers at their request to provide advice on the use of electricity and water. Additionally, Connect have provided Social Services with a stock of high efficiency luminaires to distribute and have further committed to provide monitoring equipment in order that vulnerable consumers can, with assistance understand more of their usage profile. Authorised officers can be readily identified by their identity card. The Authority found no evidence of non-compliance.

### **3.7 FORMAL COMPLAINTS – CONDITION 28**

This condition requires that such complaints are reviewed, resolved or referred within various time limits. The Authority found evidence of non-compliance in respect that, (while the escalation process worked well with 100% compliance), at the initial stage, two customers did not receive feedback within the 5 working day period stated in the CoP. Both of the complaints were actually receiving attention with the conclusion of one being that the issue was with the consumers installation and hence not Connect's responsibility.

### **3.8 READING OF METERS - CONDITION 29**

This condition requires that meters are read by persons with appropriate expertise and that such readings are efficiently processed thereafter. The meter reading contractor is contractually obliged to comply with the essential elements of all relevant CoPs. Reliably obtaining accurate meter readings is an essential business function and the service provided has achieved this. The meter readers have been trained in identifying potentially dangerous meter installations. During the review year, one dangerous meter was identified. It was immediately made safe and an improvement notice was served on the customer to rectify deficiencies in their house wiring, which were subsequently completed. The Authority found no evidence of non-compliance.

### **3.9 EFFICIENT USE OF ELECTRICITY – CONDITION 30**

This condition requires that there is provided to customers generally, (with home visits to those disabled, chronically sick or of pensionable age that are in default), with information on the efficient use of electricity. A number of advertisements had been designed to inform the public. Customers are advised on the reverse side of their bills that information leaflets are available. Home visits are offered to disabled and chronically ill customers via Social Services. Two advertisements are placed each week in the local papers, which is significantly greater than the six monthly requirements in the CoP; the scope of such information has been expanded to provide water consumers with information on the efficient use of water. Connect also publish, on an ad-hoc basis, articles which they feel will be of interest to the general public. The Authority found no evidence of non-compliance.

## **PART 4 – CONCLUSIONS**

### **4.1 PUBLIC UTILITIES DEVELOPMENT PLAN COMPLIANCE**

Whilst there have been some very significant improvements in the provision of Utility Services, Connect will principally be measured by the customer in terms of their ability to (i) reduce disruptions to the electricity supply and (ii) supply clear and uncontaminated water. The reliability of the EDN is broadly in line with the reducing targets set by the Authority. These targets will continue to reduce to a level which the Authority considers to be acceptable, after providing the opportunity to Connect to identify systematic failings and remedy the same. The appearance and integrity of water supplies remains a concern and the Authority has continued to set demanding targets in this respect, while appreciating the infrastructure difficulties which Connect faced in the review year. Customer Service has dramatically improved in terms of the time taken for electricity and water connections. The failure to respond timeously to two complaints is a matter which Connect should rectify in the next review year with ease, proving they operate their systems robustly.

### **4.2 CODES OF PRACTICE COMPLIANCE**

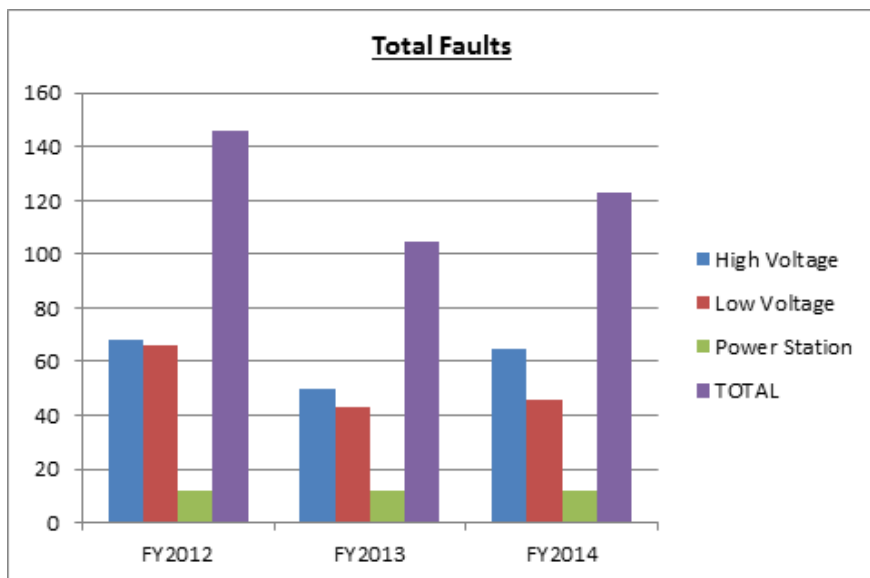
Whilst evidence of some relatively minor non-compliance with the conditions of the licence was found, the Authority was generally impressed by the operation of the strategic structures in place to implement and monitor best practice with regard to such compliance.

John A. MacRitchie  
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Chairman Utilities Regulatory Authority

### Appendix 1- Public Utilities Development Plan

| April 2014 to March 2015                                     | Benchmark 2012/3 | Actual 2013/4        | Target 2014/5 | Actual 2014/15 |
|--|------------------|----------------------|---------------|----------------|
| <b>1. Performance Measure</b>                                |                  |                      |               |                |
| Reliability of Electricity Distribution Network              | 146              | 105                  | 121           | 123            |
| Reliability of Water Distribution Network                    | 1,582            | 689                  | 1,282         | 897            |
| <b>2. Quality</b>  |                  |                      |               |                |
| Appearance of Treated Water in CSH Network                   | 100%             | 100%                 | 100%          | 98.5%          |
| Appearance of Treated Water at Consumer Premises             | 98%              | 95.3%                | 98%           | 95.0%          |
| Microbiological Integrity of Treated Water in CSH Network    | 96.5%            | 98.7%                | 98.5%         | 99.5%          |
| Microbiological Integrity of Treated Water at Consumer Meter | 87%              | 79.2%                | 90%           | 84.0%          |
| <b>3. Customer Service</b>                                   |                  |                      |               |                |
| Time taken to preform Electricity Connection                 | 50 days          | 44 Days              | 41 Days       | 13 days        |
| Time taken to preform Water Connection                       | 90 days          | 91 Days              | 73 Days       | 16 days        |
| Total Customer Complaints handled within COP parameters      | No Benchmark     | Insufficient records | 95%           | 88%            |

### Appendix 2 – HV/LV/PS Faults



### Appendix 3- Water Testing

|            | 2. QUALITY       |               |            |               |                    |               |                  |               |
|------------|------------------|---------------|------------|---------------|--------------------|---------------|------------------|---------------|
|            | Water Appearance |               |            |               | Water Microbiology |               |                  |               |
|            | % Works          | Running Total | % Customer | Running Total | % Works            | Running Total | % Customer (SHG) | Running Total |
| 06/04/2014 | 75%              |               | 75%        |               | 100%               |               | 25%              |               |
| 13/04/2014 | 100%             |               | No Tests   |               | 100%               |               | No Tests         |               |
| 20/04/2014 | No Tests         |               | No Tests   |               | No Tests           |               | No Tests         |               |
| 27/04/2014 | 100%             | 91.7%         | No Tests   | 75.0%         | 100%               | 100%          | No Tests         | 25.0%         |
| 04/05/2014 | 100%             |               | No Tests   |               | 100%               |               | No Tests         |               |
| 11/05/2014 | 100%             |               | No Tests   |               | 100%               |               | No Tests         |               |
| 18/05/2014 | 100%             |               | No Tests   |               | 100%               |               | No Tests         |               |
| 25/05/2014 | 100%             | 96.4%         | 100%       | 87.5%         | 100%               | 100.0%        | 90%              | 57.5%         |
| 01/06/2014 | 100%             |               | No Tests   |               | 100%               |               | No Tests         |               |
| 08/06/2014 | 100%             |               | No Tests   |               | 100%               |               | No Tests         |               |
| 15/06/2014 | 100%             |               | No Tests   |               | 100%               |               | No Tests         |               |
| 22/06/2014 | 100%             |               | No Tests   |               | 100%               |               | No Tests         |               |
| 29/06/2014 | 100%             | 97.9%         | No Tests   | 87.5%         | 75%                | 97.9%         | No Tests         | 57.5%         |
| 06/07/2014 | 100%             |               | 100%       |               | 100%               |               | 50%              |               |
| 13/07/2014 | 100%             |               | No Tests   |               | 100%               |               | No Tests         |               |
| 20/07/2014 | 100%             |               | No Tests   |               | 100%               |               | No Tests         |               |
| 27/07/2014 | 100%             | 98.4%         | No Tests   | 91.7%         | 100%               | 98.4%         | No Tests         | 55.0%         |
| 03/08/2014 | 100%             |               | No Tests   |               | 100%               |               | No Tests         |               |
| 10/08/2014 | 100%             |               | 100%       |               | 100%               |               | 100%             |               |
| 17/08/2014 | 100%             |               | No Tests   |               | 100%               |               | No Tests         |               |
| 24/08/2014 | 100%             |               | No Tests   |               | 100%               |               | No Tests         |               |
| 31/08/2014 | 100%             | 98.8%         | No Tests   | 93.8%         | 100%               | 98.8%         | No Tests         | 66.3%         |
| 07/09/2014 | 100%             |               | 100%       |               | 100%               |               | 100%             |               |
| 14/09/2014 | 100%             |               | No Tests   |               | 100%               |               | No Tests         |               |
| 21/09/2014 | 100%             |               | No Tests   |               | 100%               |               | No Tests         |               |
| 28/09/2014 | 100%             | 99.0%         | No Tests   | 95.0%         | 100%               | 99.0%         | No Tests         | 73.0%         |
| 05/10/2014 | 100%             |               | No Tests   |               | 100%               |               | No Tests         |               |
| 12/10/2014 | 100%             |               | No Tests   |               | 100%               |               | No Tests         |               |
| 19/10/2014 | 100%             |               | No Tests   |               | 100%               |               | No Tests         |               |
| 26/10/2014 | 100%             | 99.1%         | 100%       | 95.8%         | 100%               | 99.1%         | 100%             | 77.5%         |
| 02/11/2014 | 100%             |               | No Tests   |               | 100%               |               | No Tests         |               |
| 09/11/2014 | 100%             |               | No Tests   |               | 100%               |               | No Tests         |               |

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|            |          |       |          |       |          |       |          |       |
|------------|----------|-------|----------|-------|----------|-------|----------|-------|
| 16/11/2014 | 100%     |       | No Tests |       | 100%     |       | No Tests |       |
| 23/11/2014 | 100%     |       | No Tests |       | 100%     |       | No Tests |       |
| 30/11/2014 | 100%     | 99.3% | No Tests | 95.8% | 100%     | 99.3% | No Tests | 77.5% |
| 07/12/2014 | 100%     |       | No Tests |       | 100%     |       | No Tests |       |
| 14/12/2014 | 100%     |       | No Tests |       | 100%     |       | No Tests |       |
| 21/12/2014 | 100%     |       | No Tests |       | 100%     |       | No Tests |       |
| 28/12/2014 | No Tests | 99.3% | No Tests | 95.8% | No Tests | 99.3% | No Tests | 77.5% |
| 04/01/2015 | No Tests |       | No Tests |       | No Tests |       | No Tests |       |
| 11/01/2015 | 100%     |       | No Tests |       | 100%     |       | No Tests |       |
| 18/01/2015 | 100%     |       | No Tests |       | 100%     |       | No Tests |       |
| 25/01/2015 | 75%      | 98.8% | No Tests | 95.8% | 100%     | 99.4% | No Tests | 77.5% |
| 01/02/2015 | 75%      |       | No Tests |       | 100%     |       | No Tests |       |
| 08/02/2015 | 100%     |       | No Tests |       | 100%     |       | No Tests |       |
| 15/02/2015 | 100%     |       | No Tests |       | 100%     |       | No Tests |       |
| 22/02/2015 | 100%     | 98.3% | No Tests | 95.8% | 100%     | 99.4% | No Tests | 77.5% |
| 01/03/2015 | 100%     |       | No Tests |       | 100%     |       | No Tests |       |
| 08/03/2015 | 100%     |       | 100%     |       | 100%     |       | 100%     |       |
| 15/03/2015 | 100%     |       | 100%     |       | 100%     |       | 100%     |       |
| 22/03/2015 | 100%     |       | 100%     |       | 100%     |       | 100%     |       |
| 29/03/2015 | 100%     | 98.5% | 75%      | 95.0% | 100%     | 99.5% | 75%      | 84.0% |

### Appendix 4 - Code of Practice Compliance

| PERIOD 2014/15   |  |   |        |   |
|--|--|---|--------|---|
| LICENCE REFERENCE  | CODE OF PRACTICE   | MEASURE   | TARGET | RESULT  |
| <b>23. Procedures with respect to access to premises – principles and procedures in respect of any person acting on its behalf who requires access to customers premises</b> |  |   |        |   |
| a. Possess the skills necessary to perform the required duties   | Trainees or those new to a job will be accompanied by a fully trained person until such time as they are deemed competent to visit independently | New employees being accompanied?  | 100%   | Contractor confirmed that two new meter readers started during the year. Fully trained & competent                    |
| b. Readily identifiable to members of the public   | Employees/contractors visiting premises will carry an ID card showing Company name, their name and a photograph                                  | a)number of new employees issued with ID<br>b)employees advised to request new ID if theirs is lost/damaged | 100%   | Contractor confirmed that two new meter readers were issued with ID cards. Connect staff ID badges re-issued Dec 2014 |
|  | All contractors visiting customers premises to be required to carry ID   | number of new contracts with this clause  | 100%   | Meter reading contractor contractually obliged  |
| c. Appropriate person to visit & enter customers premises  | When recruiting new employees, appropriate checks and references will be made as part of the recruitment process                                 | References and any other checks taken up and recorded on employee file.                                     | 100%   | Police check is standard procedure for all new hires  |
|  | When available, Connect Saint Helena will subscribe to the SHG vetting service for employees/contractors   | Signed up and using system  | 100%   | Connect have advised SHG they will use the system once available  |



|  |  |   |      |   |
|--|--|---|------|---|
| d. Inform customers on request, a contact point for help & advice  | All employees required to visit customers premises have office contact details printed on the reverse side of their ID badges  | Instructions provided on reverse side of ID badges  | 100% | Instructions are on ID  |
|  | Contractors required to visit premises to be made aware of office contact details  | Letter to contractor on file  | 100% | Meter reading contractor is aware of CSH contact details  |
| <b>24. Payment of Bills – <i>payment of bills and appropriate guidance for the assistance of such tariff customers who may have difficulty in paying such bills.</i></b>   |  |   |      |   |
| a. Methods of payment  | Customers advised on how to pay bills  | Details on bill   | 100% | Comprehensive information on reverse of bill  |
| b. Guidance to customers in difficulty   | Information given to customers on what to do/who to contact if they are in difficulty  | Details on bill   | 100% | Comprehensive information on reverse of bill, customers are referred to the appropriate person in CSH who gives specific advice   |
| <b>25. Dealing with Tariff Customers in default – <i>methods for dealing with tariff customers who, through misfortune or inability to cope...find difficulty in discharging obligations to pay for utilities supplied</i></b> |  |   |      |   |
| a. Distinguish such customers  | Billing Co-ordinator to identify such customers from customer discussions or referral from Social Services. Cases to be highlighted on the computerised billing system | All known cases to be highlighted on debtors spreadsheet  | 100% | Billing coordinator now has line of communication to Social Services Manager to help identify customers with genuine hardship. Comprehensive spreadsheet of debtors maintained and reported on monthly. |
| b. Detect failures by such customers to comply with arrangements made for paying by instalments  | Use the computerised billing system monthly debtors monitoring report to check   | 1. Monitoring report to be run within 5 working days of month end to check the previous month's payments. | 100% | Monthly reconciliations conducted   |
|  |  | 2. Where payments have not been made, customer to be contacted within 10 working days of month end        | 100% | Billing coordinator manages the process of debt recovery and works with customers in debt to agree affordable repayment plans.  |
| c. Arrangements to take into account the customers' ability to comply with arrangements in b)  | Individual review of case & circumstances by Billing Co-Ordinator and customer - looking at income/expenditure   | Details of the individual circumstances are recorded by Billing Co-ordinator                              | 100% | Billing coordinator maintains records as a core part of the role  |

|  |  |  |             |   |
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| <p>d. Ascertain with assistance of other persons/organisations the ability of such customers to comply with arrangements in b)</p> | <p>Review of case and agreement made by Billing Co-Ordinator and Finance Manager. Social Services input considered where available</p> | <p>Details of the review recorded by Billing Coordinator</p> | <p>100%</p> | <p>Check with social services is standard procedure. Final check on all cases is standard requirement prior to disconnection</p>                                    |
| <p><b>26. Connections &amp; Disconnections</b></p>   |  |  |             |   |
| <p>a. Procedure for connections &amp; disconnections</p>   | <p>Customers advised of procedure when a new connection, reconnection or disconnection is requested</p>                                | <p>Advice given either in person or by letter</p>            | <p>100%</p> | <p>Customers phone or call in and are provided with application form. Letters at each stage quote timescales. Procedure also on website</p>                         |
|  | <p>Visit to assess work required for a new connection within 5 working days of customer confirming property is ready</p>               | <p>Number of visits within 5 working days</p>                | <p>100%</p> | <p>Water 42/47 - 89%<br/>Electricity 25/26 - 96%<br/>Water –<br/>All missed dates were in Q1. Procedures now tightened</p>  |
|  | <p>Quotation issued within 5 working days of site visit</p>  | <p>Number of quotations issued within 5 working days</p>     | <p>100%</p> | <p>Water 43/47 - 91%<br/>Electricity 20/26 - 76%<br/>Electricity - 6 quotes were delayed at Cape Villa's due to waiting on contractor price for trench digging.</p> |
|  | <p>Reconnection will be made within 5 working days of customer providing proof of payment of any outstanding charges</p>               | <p>Number of reconnections made within 5 working days</p>    | <p>100%</p> | <p>Reconnection made same day if possible. Always within 5 days</p>   |
|  | <p>Disconnection will be made within 5 working days of request from property owner</p>   | <p>Number of disconnections made within 5 working days</p>   | <p>100%</p> | <p>All done within 5 days</p>   |

| <b>27. Provision of services for tariff customers who are disabled, chronically sick or of pensionable age</b> |  |  |      |   |
|--|--|--|------|---|
| a. Special means of identifying officers   | Passwords to be made available where customer requests   | Information on bills   | 100% | None requested  |
| b. Giving advice on the use of utilities   | Information leaflet on saving utilities to be made available   | Annual press advert  | 100% | Press adverts have been made every qtr. alternating between water/energy. January 2015 Connect started to trial a "tip of the week" approach      |
|  | Where such customers are in default, a home visit to offer advice on savings to be offered   | Percentage of customers who requested a home visit receive such a visit                      | 100% | No home visits requested  |
| <b>28. Formal complaint handling procedure</b>   |  |  |      |   |
| a. Level 1 Complaints  | Review/resolution or referral within 5 working day   | Number of formal complaints reviewed/resolved/referred on target                             | 100% | 14/16 - 87%<br>1 of the 2 complaints missing target was early in the year before Connect understood and addressed the historical recording issues |
| b. Level 2 Complaints  | Review/resolution or referral within 10 working days   | Number of formal complaints reviewed/resolved/referred on target                             | 100% | 2/2 - 100%  |
| c. Level 3 Complaints  | Review/resolution within 5 working days  | Number of formal complaints reviewed/resolved/referred on target                             | 100% | 1/1 - 100%  |
| <b>29. Reading of customers meters</b>   |  |  |      |   |
| a. Ensure person reading the meter has the appropriate expertise   | Trainees or those new to a job will be accompanied by a fully trained person until such time as they are deemed competent to visit independently | number of employees in new job being accompanied   | 100% | Confirmation received from contractor   |
|  |  | Insert this clause in any future meter reading contract or operational procedures            | 100% | Meter Reader is contractually obliged to comply   |
| b. Inspect meter for evidence of deterioration which might affect function or safety                           | Ensure employees and contractors have advise on meter safety & what to look out for  | Information issued to employees & contractors on annual basis or as updates become available | 100% | Issued to meter reading contractor who has distributed to employees   |
|  |  | All meters identified as potentially unsafe to be inspected                                  | 100% | 1 meter reported & inspected  |

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| c. Ensure premises are left no less secure as a result of visit            | Employees and Meter Reading Contractor shall close all doors/gates following visit.                                      | Reminder to close all doors/gates printed on reverse of employees ID card.                              | 100% | Instructions issued on ID card, contractor contractually committed   |
| d. Make good or pay compensation for damage caused by person reading meter | Contractor will make good any damage caused by person reading meter  | Insert this clause in meter reading contractors contract if renewed. No customer complaints received    | 100% | Contractor contractually committed to make good any damage   |
| e. Reporting the reading of the meter                                      | Data collected, entered into the computerised billing system   | Successful monthly upload   | 100% | Monthly process  |
| f. Adjusting of charges for erroneous meter readings                       | If customer queries reading, a 2nd reading is taken and bill adjusted if appropriate                                     | Accuracy of final bill  | 100% | Process in place to check for abnormal readings and for rechecking physical meter  |
| <b>30. Efficient use of electricity</b>                                    |  |   |      |  |
| a. Set out ways in which advice will be made available to customers        | Customers advised that Information leaflets available on request.  | Availability of leaflet referred to on the bills  | 100% | Printed on reverse of bill   |
|  |  | Six monthly press advert reminding customers of leaflet availability or article on utility saving ideas | 100% | Press adverts have been made every qtr. alternating between water/energy. In January 2015 Connect started to trial a "tip of the week" approach in the press |
|  | Home visit offered to disabled, chronically sick or pensioners who are in default to identify ways to reduce consumption | Visit offered to identified customers   | 100% | Social Services are aware Connect offer this but to date no visits have been requested   |