



queensland council of social service inc
WORKING FOR A FAIR QUEENSLAND

19 June 2009

Queensland Competition Authority
GPO Box 2257
BRISBANE QLD 4001

electricity@qca.org.au

Dear Sir / Madam

RE: Discussion Paper: Proposed amendments to the Electricity Industry Code regarding customer claims for Guaranteed Service Level (GSL) payments

Thank you for the opportunity to respond to the above mentioned Queensland Competition Authority discussion paper.

The Queensland Council of Social Services (QCROSS) is the peak body for over 600 welfare and community sector organisations in Queensland. For 50 years QCROSS has worked to promote social justice and exists to provide a voice for and with Queenslanders affected by poverty and inequality. We act as a Statewide Council that leads on issues of significance to the social, community, and health sectors. We work for a Fair Queensland and develop and advocate socially, economically and environmentally responsible public policy and action by community, government and business.

QCROSS's submission to the Review of Electricity Distribution Network Minimum Service Standards and Guaranteed Service Levels expressed concerns with a time limit of one month for customers to apply for GSL payments, and the absence of any timeframe within which distributors must process claims for GSL payments. We recommended (a) that a time limit be introduced requiring distributors to process a GSL claim within one month (or 20 business days) after it is received from a customer; and (b) that the time limit for a customer making a GSL payment be extended to three months (or 60 business days, whichever is the longer).

Accordingly, we support the proposals to amend the Electricity Industry Code to extend the requirement for a distributor to automatically make a GSL payment to an eligible customer to all GSLs, and to require that a distributor process a GSL claim within one month of being lodged by a small customer.

We also support the proposal to extend the time limit for a customer to make a claim for a GSL payment from one month to three months where such a time limit currently exists under the Code.

We do not, however, support the proposal to apply a time limit for customers to make GSL claims where no time limit currently applies. We reiterate the point made in our submission, that consumers may not be aware that they are entitled to compensation when distributors fail to meet their obligations under the GSL framework. Imposing a time limit where previously one did not exist is likely to create a barrier to customers applying for GSL payments to which they are entitled, thereby reducing the scheme's effectiveness as an incentive to distributors to achieve an acceptable level of service in relation to disconnection, new connections, and reconnection.

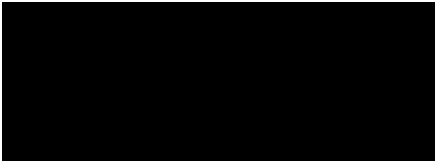
QCROSS is also concerned that the proposed changes to the timeframes for making and processing GSL claims will not apply to customers with card operated meters. Customers using card operated meters are also unlikely to be aware of their right to compensation

when distributors do not meet GSL standards. Even if they do become aware of the possibility of applying for a payment, card operated meter customers are likely to face additional barriers to making GSL claims due to geographical remoteness. We recommend that the time limit for customers with card operated meters to apply for a GSL payment also be extended to three months.

While we welcome the proposals to clarify distributors' responsibilities in relation to automatic payments and processing of GSL claims, and extend existing time limits for customers to make GSL claims, we also wish to emphasise that GSL payment amounts need to be set at an adequate level to ensure the scheme's effectiveness as an incentive to meet service levels. Accordingly, we reiterate the recommendations made in our previous submission, that the general cap of \$320 per year per customer be removed, and that GSL payments be adjusted annually in line with increases in the costs of supplying energy.

We look forward to continuing to represent the interests of Queensland consumers in all energy related matters. If you would like any further information or to clarify any aspect of this submission, please feel free to contact me on 3004 6900.

Yours sincerely



Jill Lang
Director