

17 November 2009



Mr E J Hall
Chief Executive
Queensland Competition Authority
GPO Box 2257
Brisbane QLD 4001

Dear Mr Hall

Retailer Reporting Requirements – Electricity and Gas Industry Code Reviews

ENERGEX welcomes the opportunity to comment on the Authority's Draft Decision – Retailer Reporting Requirements Electricity and Gas Industry Code Reviews (Draft Decision).

ENERGEX previously provided a response to the Interim Consultation Notice (ICN) which outlined its views in relation to the following:

- An additional requirement for distributors to report distributor-initiated disconnections; and
- The termination of the restriction on special meter reads for 'in situ' transfers subject to 'explicit consent' being received from the customer.

ENERGEX notes additional distributor reporting requirements now imposed in the Draft Decision which were not proposed in the ICN. The additional requirements in Appendix 1 of the Draft Decision require ENERGEX to provide, on a quarterly basis:

- The number of small business and small residential customers that were disconnected at the instigation of ENERGEX and classified by reason for disconnection. It is noted that this is an expanded requirement to that of page 15 of the Draft Decision; and
- The total number of disconnections and the number of disconnections due to non-payment that the distribution entity performed at the request of each retailer.

In addition the Draft Decision also reduces the timeframe available for distribution entities to collect and report the number of large and small NMI premises from two months, under the Electricity industry Code, to one month.

These requirements were not proposed in the ICN, and therefore were not considered by ENERGEX in responding to the ICN.

Distributor Initiated Disconnections

ENERGEX's reporting functionality for capturing and reporting disconnections does not distinguish between small and large customers and is based on a consumer classification of either domestic, commercial, rural or industrial determined by a site visit at the time of initial connection.

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However, due to the limited number of ENERGEX initiated disconnections (approx. 900 per annum), ENERGEX is able to determine the customer type and size based on the NMI classification via a manual process.

In relation to reporting the reason for distributor initiated disconnection, ENERGEX proposes reporting the following two categories, Safety, and Revenue Protection. ENERGEX currently undertakes approximately 900 self initiated disconnects annually, predominantly relating to the electrical safety of an installation that is identified as damaged, defective, unsuitable or at the direction of Emergency Services. Revenue Protection relates to circumstances where a customer, fails to pay any distributor levied fees or contributions, illegally uses electricity or interferes with ENERGEX assets.

Retailer Requested Disconnections

With respect to reporting the total number of disconnections and the number of disconnections due to non-payment that the distribution entity performed at the request of each retailer, ENERGEX notes the following:

- The disconnections reported represent the number of disconnections physically completed;
- There is the potential that retailers will provide data on a different basis, for example number of requests, limiting the ability to verify the data supplied (some disconnection requests are cancelled, are unable to be completed, or recorded within a different timeframe); and
- ENERGEX's understanding of the reporting requirement proposed in the Draft Code Changes is that it is only required to report aggregate information, on total disconnections completed and disconnections for non payment completed, for each retailer.

As the Final Decision is not expected until December 2009 and ENERGEX did not anticipate the new reporting requirements included in the Draft Decision, ENERGEX reiterates its request that it be given sufficient time to incorporate these requirements into its operational and reporting processes and systems. ENERGEX requests that any changes are made effective from the quarter commencing 1 July 2010.

Termination on Restriction for 'in situ' transfers

In regard to the Authority's decision to remove the current restriction on special meter readings in respect of 'in situ' transfers, ENERGEX considers the proposed amendments to the Electricity Industry Code to be appropriate.

ENERGEX has responded to the reporting requirements and issues raised in the Draft Decision. Should the Authority wish to discuss any of these matter further please do not hesitate to contact Mick Ryan, Regulatory Affairs Manager - Operations on 07 3407 4386.

Yours sincerely



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