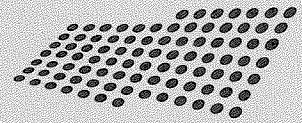


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EnergyAustralia[®]

QLD COMPETITION AUTHORITY

31 August 2009

- 3 SEP 2009

DATE RECEIVED

Mr G Henry
Queensland Competition Authority
GPO Box 2257
BRISBANE QLD 4001

Dear Mr Henry

Interim Consultation Notice - Review of Code Reporting

EnergyAustralia would like to thank the Authority for the opportunity to comment on its interim consultation notice on Electricity Industry Code and Gas Industry Code reporting requirements.

We note that the Authority and its Consumer Advisory Committee are questioning the adequacy and timeliness of the data (complaints, disconnections and customer numbers) they are currently receiving to enable them to monitor the development of the energy market adequately.

We also note the Authority is seeking views on whether to allow special meter read transfers of *in situ* electricity customers in the Queensland small retail customer market, which is currently prohibited under the Electricity Industry Code.

Reporting Requirements

It is preferable that the Authority awaits the development of national performance reporting guidelines under the National Energy Customer Framework, rather than introduce any completely new indicators that may not subsequently form part of that national framework. The creation of reporting inconsistencies between Queensland and other FRC jurisdictions results in additional costs, which consumers ultimately bear through increased prices. Disparate reporting requirements also increase a retailer's licence compliance burden and risks in what is already an intensively regulated national energy market in respect of consumer protection issues.

Nevertheless, if the Authority does choose to make any changes to the current Queensland reporting framework, we believe those changes should be consistent with the *National Energy Retail Performance Indicators* (November 2006) released by the Utility Regulators Forum. New indicators beyond what is published in that paper should not be created in view of the approaching national framework. These indicators went through an extensive stakeholder consultation process and should be adequate for the Authority's and the Consumer Advisory Committee's monitoring purposes this side of the introduction of the national framework.

In respect of the proposals to require complaint and disconnection reporting on a quarterly basis and within one month of the end of each quarter, EnergyAustralia has the existing reporting capability to comply with this increased reporting frequency. As the true extent and nature of some complaints does not emerge until they have been thoroughly investigated, which can take some time, the Authority is likely to find that quarterly complaint statistics may need to be slightly revised in each subsequent quarter. As long as the Authority understands and accepts that fact, we do not oppose the move from annual to quarterly reporting (notwithstanding the fact that the Queensland jurisdiction would then become the first jurisdiction to have quarterly complaint reporting, adding further to the burden and complexity of a national retailer's reporting requirements).

In respect of the proposal to obtain a more detailed breakdown of complaints, under the *National Energy Retail Performance Indicators (NERPI)*, regulators may request a more detailed statistical breakdown of complaints than the breakdown that the Authority currently requires under the Queensland Codes. Here is how the NERPI describes each of the complaint categories:

Billing/Credit complaints: includes billing errors, incorrect billing of fees and charges, failure to receive relevant government rebates, high billing, credit collection, disconnection and reconnection, and restriction due to billing discrepancy.

Marketing complaints: includes advertising campaigns, contract terms, sales techniques and misleading conduct.

Transfer complaints: includes failure to transfer customer within a certain time period, disruption of supply due to transfer and billing problems directly associated with the transfer (eg. delay in billing, double billing).

Other complaints: includes poor service, privacy consideration, failure to respond to complaints, and health and safety issues.¹

EnergyAustralia has the existing reporting capability to provide the above breakdown.

Aligning reporting requirements between the Electricity and Gas Codes would seem to make sense.

We do not choose to comment on whether distributors should lodge disconnection statistics.

In situ transfers on special meter reads

The removal of the special meter read transfer prohibition for *in situ* electricity customers is supported. None of the other jurisdictions in which we operate have this restriction (ie NSW, Victoria, the ACT).

We do not oppose the proposal to obtain a new customer's explicit consent before a retailer requests the special meter read. We do feel, however, that it is unnecessary. Our experience in the energy market is that we (and probably all other retailers) bear the cost of any special

¹ Utility Regulators Forum, *National Energy Retail Performance Indicators*, November 2006, p.52.

meter reads associated with a customer transfer. In that respect, the concerns about "unscrupulous marketers" misleading unsuspecting customers are unfounded in our opinion.

If the Authority would like to discuss any aspect of this submission, please contact Mal Jones on (02) 9269 2575.

Yours sincerely



Nicholas Convery
Executive Manager Retail Regulation