

 <p><b>QUEENSLAND CONSUMERS ASSOCIATION</b></p>	<p><b>A non-profit, volunteer organisation, advocating to advance the interests of consumers in Queensland</b></p> <p><i>Secretary: Max Howard PO Box 261 Corinda Q 4075 Telephone: 0419 678 395</i></p>
---	--

4 September 2009

**SUBMISSION ON QCA'S CONSULTATION NOTICE ON  
RETAILER REPORTING REQUIREMENTS ELECTRICITY AND  
GAS INDUSTRY CODE REVIEWS DATED AUGUST 2009**

**BACKGROUND**

The Queensland Consumers' Association (the Association) is the peak body for consumer groups in Queensland. The Association's members work in a voluntary capacity. The Association is a member of the Consumers' Federation of Australia, the peak body for Australian consumer groups.

The Association welcomes the QCA's decision to undertake the review and seek stakeholder feedback on the proposed changes to the Codes.

The Association also draws attention the key role of the QCA's Consumer Advisory Committee in highlighting the need for a review of, and changes to, the current reporting provisions of the Codes. Also, the establishment of the Committee was an important achievement of this Association and other consumer groups arising from the government's consultation with stakeholders on the legislation need for the implementation of Full Retail Competition (FRC) in Queensland's energy markets.

The Committee's roles in this matter indicate clearly the benefits of providing consumer groups with the formal opportunity to meet regularly with QCA to discuss matters of interest and concern to small energy consumers.

The Association also draws attention to the great benefits for the community and QCA from the funding provided by the government for QCOSS's energy consumer advocacy project. As a result of this funding QCOSS has been able to play a key role in the Committee's consideration of this matter, undertake detailed research on the issues covered by this review, and to prepare a comprehensive written submission. QCOSS has also been able to consult with and involve many other individual consumers and consumer groups, including this Association, via the project's reference group.

However, the Association notes also that the funding for the QCOSS project is very modest relative to the work urgently required on numerous energy issues. In particular, the Association considers that the current funding is completely inadequate for the project to participate fully in the review of electricity pricing and tariff structures currently being undertaken by QCA and the government. In its recent submission to the QCA on that review, the Association recommended that additional funding be provided by the government to QCOSS for work required on the review.

## COMMENTS

The Association strongly supports QCOSS's submission.

Additional points relevant to the QCOSS submission are:

### *Distributor- initiated disconnections*

After consultation with stakeholders, including consumers, QCA should either put specific requirements in the codes or issue guidelines (or both) for distributors on data collection issues and reporting periods and deadlines and categories (wherever possible the latter should be complementary to categories used interstate and by retailers).

As indicated in submissions to the QCA its review of electricity MSSs and GSLs, the Association is concerned about the extent that distributors are accurately recording the numbers of wrongful disconnections (for each of which, in theory, a GSL should be paid), especially wrongful disconnections due to retailer error. We recommended that the QCA undertake further investigations in to this matter and issue guidelines on operating procedures for categorising and recording wrongful disconnections due to distributor or retailer error.

Unfortunately, the QCA does not appear to have accepted our recommendations and there is no reference in its final decision to any plans to investigate the matter further.

However, the wrongful disconnection issue is extremely important in its own right and can be treated separately from GSLs as only a performance reporting issue.

Therefore, the Association recommends that distributors be required to provide QCA with quarterly data on the numbers of wrongful disconnections made due to distributor errors classified into categories to be determined after consultation with consumers and other stakeholders and either detailed in the codes or contained in guidelines issued by the QCA.

Only distributors perform disconnections (initiated either by them or retailers) and in theory they are required to report and pay GSLs on all wrongful disconnections i.e. due to retailer as well as distributor error. Therefore, it also seems appropriate to require distributors to report on wrongful disconnections caused by both sources of error. However, if this is not considered practical or desirable, retailers should be required to include this information their quarterly reporting to the QCA. The categories for retailer reporting should include wrongful disconnection as a result of the retailer failing to comply with all legislation, including that of the Energy Ombudsman which prohibits disconnection while a complaint is being investigated by the Energy Ombudsman.

### *Redrafting of Codes to acquire more meaningful data*

In addition to specifying requirements in the Codes, QCA should also consider issuing guidelines for retailers.

Also, as indicated above, if it is not practical or desirable for distributors to report on wrongful disconnections caused by retailer error, retailers should be required to include this information in their quarterly reports to QCA.

### *Statistical issues*

QCA should examine the extent to which account can be taken of the fact that there many be more the one reason for, or cause of, some disconnections, complaints, etc. and that individual consumers may have more than one disconnection event or complaint during the data collection period.

***The contact person for this submission is: Ian Jarratt, email [ijarratt@australiainmail.com](mailto:ijarratt@australiainmail.com)***