



## MARKET AND NON-MARKET CUSTOMERS

### JUNE QUARTER 2008 TO JUNE QUARTER 2009 – ADDENDUM REPORT

#### Introduction

The Electricity Industry Code requires Queensland electricity distributors and retailers to provide data on the number of small and large customers they have. This information allows for the identification of the number, and percentage, of customers who have moved from a regulated electricity contract to a market contract.

Late in 2009, the Authority became aware of inconsistencies in the customer numbers being reported by some retailers. Investigation revealed that each of the quarterly market and non-market customer reports that the Authority has published since June 2008 have been incorrect.

This report replaces the quarterly reports from June quarter 2008 to June quarter 2009. Rather than prepare addendum reports to each of the quarterly reports affected by the reporting errors, the Authority has prepared this one report to replace the historic quarterly reports. This report provides the updated market and non-market customer data and highlights the differences between the updated and historically reported data.

#### Customer numbers

##### *Small customers*

**Table 1** compares the differences between the original and revised small market customer numbers in Queensland. It indicates that the number of small customers on market contracts has been significantly overstated since June 2008

**Table 1: Small market and non-market customers, Queensland – September 2007 to June 2009**

Quarter	Total Customers	Original			Revised			Difference in market customer numbers
		Market Customer Numbers	Quarter on quarter growth	Proportion of customers on market contracts	Market Customer Numbers	Quarter on quarter growth	Proportion of customers on market contracts	
		#	%	%	#	%	%	
Sep-07	1,895,734	58,350		3.1%	58,350		3.1%	<b>0</b>
Dec-07	1,897,848	174,703	199%	9.2%	174,703	199%	9.2%	<b>0</b>
Mar-08	1,907,181	223,223	28%	11.7%	223,223	28%	11.7%	<b>0</b>
Jun-08	1,916,847	654,183	193%	34.1%	392,741	76%	20.5%	<b>-261,442</b>
Sep-08	1,913,262	739,874	13%	38.7%	503,628	28%	26.3%	<b>-236,246</b>
Dec-08	1,922,218	818,570	11%	42.6%	598,437	19%	31.1%	<b>-220,133</b>
Mar-09	1,930,001	864,181	6%	44.8%	642,519	7%	33.3%	<b>-221,662</b>
Jun-09	1,938,452	926,360	7%	47.8%	694,644	8%	35.8%	<b>-231,716</b>

*Large customers*

**Table 2** compares the differences between the original and revised large market customer numbers in Queensland. Only one change is noted for large customers.

**Table 2: Large market and non-market customers, Queensland – September 2007 to June 2009**

Quarter	Total Customers	Original			Revised			Difference in market customer numbers
		Market Customer Numbers	Quarter on quarter growth	Proportion of customers on market contracts	Market Customer Numbers	Quarter on quarter growth	Proportion of customers on market contracts	
	#	#	%	%	#	%	%	#
Sep-07	20,092	6,812		33.9%	6,812		33.9%	<b>0</b>
Dec-07	20,087	6,777	-1%	33.7%	6,777	-1%	33.7%	<b>0</b>
Mar-08	19,830	7,214	6%	36.4%	7,214	6%	36.4%	<b>0</b>
Jun-08	19,874	8,639	20%	43.5%	8,639	20%	43.5%	<b>0</b>
Sep-08	20,728	8,875	3%	42.8%	8,875	3%	42.8%	<b>0</b>
Dec-08	20,934	9,057	2%	43.3%	9,057	2%	43.3%	<b>0</b>
Mar-09	20,958	9,091	0%	43.4%	9,091	0%	43.4%	<b>0</b>
Jun-09	21,043	10,788	19%	51.3%	9,529	5%	45.3%	<b>-1,259</b>

*Total Customers*

**Table 3** compares the differences between the original and revised market customer numbers for the total Queensland electricity market. Due to the dominant size of the small customer market, the effects of the revised data on the total market are similar to those noted for the small customer market.

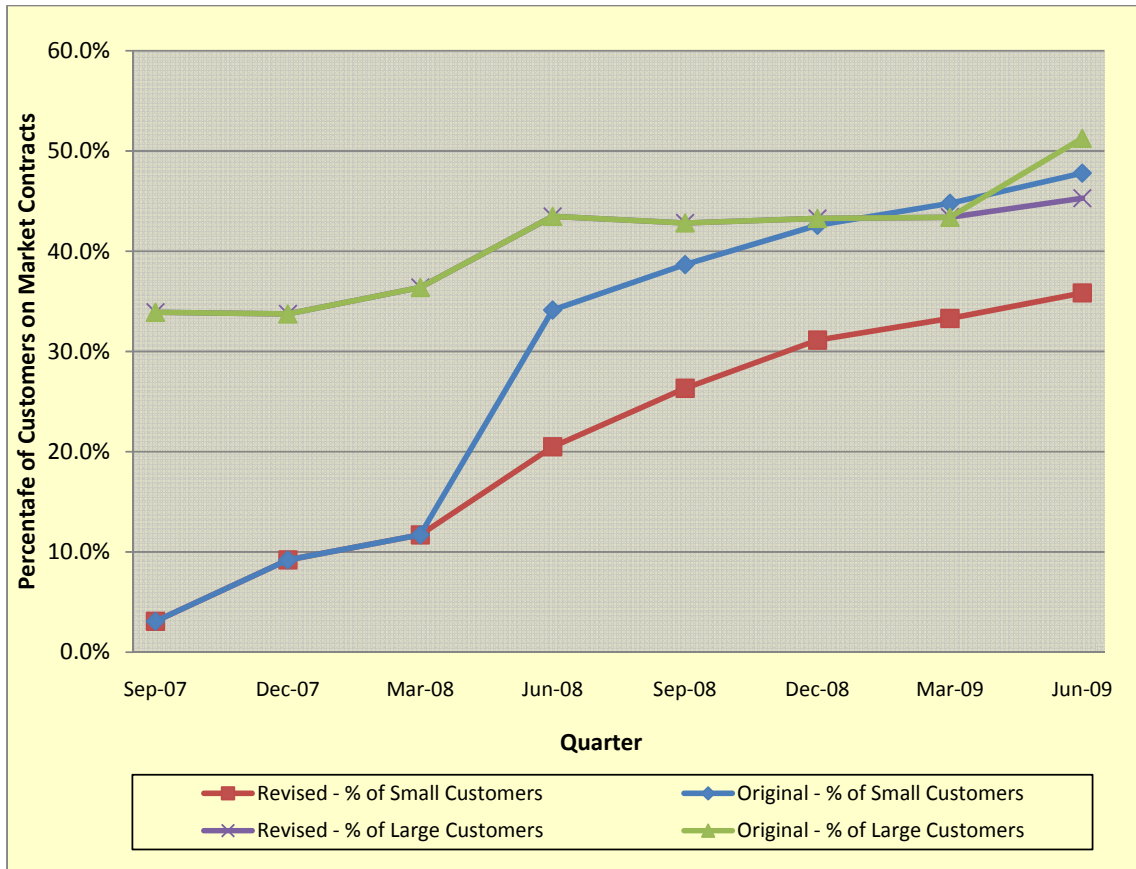
**Table 3: Total market and non-market customers, Queensland – September 2007 to June 2009**

Quarter	Total Customers	Original			Revised			Difference in market customer numbers
		Market Customer Numbers	Quarter on quarter growth	Proportion of customers on market contracts	Market Customer Numbers	Quarter on quarter growth	Proportion of customers on market contracts	
	#	#	%	%	#	%	%	#
Sep-07	1,915,826	65,162		3.4%	65,162		3.4%	<b>0</b>
Dec-07	1,917,935	181,480	179%	9.5%	181,480	179%	9.5%	<b>0</b>
Mar-08	1,927,011	230,437	27%	12.0%	230,437	27%	12.0%	<b>0</b>
Jun-08	1,936,721	662,822	188%	34.2%	401,380	74%	20.7%	<b>-261,442</b>
Sep-08	1,933,990	748,749	13%	38.7%	512,503	28%	26.5%	<b>-236,246</b>
Dec-08	1,943,152	827,627	11%	42.6%	607,494	19%	31.3%	<b>-220,133</b>
Mar-09	1,950,959	873,272	6%	44.8%	651,610	7%	33.4%	<b>-221,662</b>
Jun-09	1,959,495	937,148	7%	47.8%	704,173	8%	35.9%	<b>-232,975</b>

**Figure 1** compares the original and revised market customers as a percentage of the total market since the commencement of full retail competition (FRC). As illustrated, the proportion of small market customers has been overstated since the June quarter 2008. The proportion of large customers was overstated in the June quarter 2009.

At the end of the June quarter 2009, the percentage of large customers on market contracts (45.3%) exceeded that of small customers (35.8%) on market contracts.

**Figure 1: Customers on Market Contracts in Queensland – September 2007 to June 2009**



*Note: Some caution must be exercised when interpreting these statistics as a measure of the extent of competition in the electricity market. The number of customers moving to market contracts, shown above, includes transfers between retailers as well as internal transfers (customers who have moved from a regulated contract to a market contract but remained with the same retail entity).*