

## SMALL ELECTRICITY CUSTOMER DISCONNECTION, HARDSHIP AND COMPLAINTS STATISTICS – SEPTEMBER QUARTER 2012

### Introduction

Clause 8.5.1 of the Electricity Industry Code (the Code) requires that the Authority monitor and publish information on the number of small electricity customer<sup>1</sup> disconnections and complaints.

As at 30 September 2012, there were three licensed distributors (Energex, Ergon Energy and Essential Energy) servicing 23 licensed retailers in Queensland<sup>2</sup>. Of the 23 retailers, only 12 supplied electricity to small customers.

### Customer disconnections

The Authority defines disconnections to include all instances where the flow of energy to a small customer's premises is terminated. This includes all disconnections initiated by the retailer through the Australian Energy Market Operator's (AEMO) Market Settlement and Transfer Solution (MSATS) system with a service order status of "completed" and "partially completed" as per AEMO's B2B Procedure: *Service Order Process* (version 1.7, section 2.6.5). This measure includes all disconnections irrespective of the method of disconnection.

#### *Retailer initiated disconnections*

Clause 8.5.3 of the Code requires that electricity retailers provide information for the previous quarter relating to:

- (a) the total number of small business and residential customers who were disconnected;
- (b) the number of small business and residential customers who were disconnected due to non-payment; and
- (c) the number of pensioners or concession card holders who were disconnected due to non-payment.

Clause 8.5.6 of the Code requires that distributors report quarterly the total number of small customer disconnections and the number of disconnections due to non-payment (separated into business and residential customers) that the distributor performed at the request of each retailer.

Retailer and distributor information on the number of small customers disconnected is provided in **Table 1**.

Overall, distributors reported more disconnections (316 or 1.1%) than did retailers. This small difference is largely due slight timing differences between when retailers and distributors become aware that service order requests for disconnections have been completed.

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<sup>1</sup> Small customers are defined as those consuming less than 100MWh of electricity per annum and include small residential customers and small business customers.

<sup>2</sup> Some retailers hold more than one license.

The significant variation between the retailer and distributor figures for EnergyAustralia is being investigated.

**Table 1: Small customer disconnections**

<i>Retail entity</i>	<i>Business customers</i>		<i>Residential customers</i>		<i>Total</i>	
	<i>Retailer data</i>	<i>Distributor data</i>	<i>Retailer data</i>	<i>Distributor data</i>	<i>Retailer data</i>	<i>Distributor data</i>
AGL Sales	401	335	6,786	7,497	7,187	7,832
Aurora Energy	0	0	0	0	0	0
Australian Power and Gas	0	3	980	1,020	980	1,023
Click Energy	8	9	420	419	428	428
Cozero	0	0	0	0	0	0
CS Energy	0	0	0	0	0	0
Diamond Energy	0	0	0	0	0	0
Dodo Power and Gas	0	0	80	7	80	7
EnergyAustralia <sup>a</sup>	128	129	2,879	1,859	3,007	1,988
Ergon Energy Queensland	792	792	2,820	2,820	3,612	3,612
ERM Power Retail	0	0	0	0	0	0
Essential Energy <sup>b</sup>	0	0	0	0	0	0
Flinders Operating Services	0	0	0	0	0	0
Lumo Energy	17	28	768	829	785	857
Momentum Energy	0	0	0	0	0	0
Origin Energy <sup>c</sup>	784	802	11,351	11,973	12,135	12,775
OzGen Retail	0	0	0	0	0	0
Powerdirect	115	111	133	135	248	246
Qenergy	27	27	16	27	43	54
Red Energy	0	0	0	0	0	0
Sanctuary Energy	0	0	1	0	1	0
Simply Energy	0	0	0	0	0	0
Stanwell <sup>d</sup>	0	0	0	0	0	0
<b>TOTAL</b>	<b>2,272</b>	<b>2,236</b>	<b>26,234</b>	<b>26,586</b>	<b>28,506</b>	<b>28,822</b>

*a. Combines TRUenergy and EnergyAustralia from 8 October 2012*

*b. Named Country Energy prior to 1 March 2011.*

*c. Includes data for Sun Retail and Integral Energy*

*d. Includes data for Tarong Energy.*

Information from retailers and distributors related to disconnections for non-payment is presented in **Table 2**.

**Table 2: Small customer disconnections due to non-payment**

Retail entity	Business customers		Residential customers				Total	
	Retailer data	Distributor data	Retailer data			Distributor data	Retailer data	Distributor data
			Pensioner/ concession card holders	Others	Total			
AGL Sales	97	94	289	1,126	1,415	1,416	1,512	1,510
Aurora Energy	0	0	0	0	0	0	0	0
Australian Power and Gas	0	1	50	103	153	184	153	185
Click Energy	0	1	4	41	45	44	45	45
Cozero	0	0	0	0	0	0	0	0
CS Energy	0	0	0	0	0	0	0	0
Diamond Energy	0	0	0	0	0	0	0	0
Dodo Power and Gas	0	0	0	0	0	0	0	0
EnergyAustralia <sup>a</sup>	12	79	22	88	110	219	122	298
Ergon Energy Queensland	65	65	254	924	1,178	1,178	1,243	1,243
ERM Power Retail	0	0	0	0	0	0	0	0
Essential Energy <sup>b</sup>	0	0	0	0	0	0	0	0
Flinders Operating Services	0	0	0	0	0	0	0	0
Lumo Energy	4	10	6	84	90	148	94	158
Momentum Energy	0	0	0	0	0	0	0	0
Origin Energy <sup>c</sup>	76	83	159	641	800	883	876	966
OzGen Retail	0	0	0	0	0	0	0	0
Powerdirect	21	22	3	13	16	16	37	38
Qenergy	2	3	0	4	4	7	6	
Red Energy	0	0	0	0	0	0	0	0
Sanctuary Energy	0	0	0	0	0	0	0	0
Simply Energy	0	0	0	0	0	0	0	0
Stanwell <sup>d</sup>	0	0	0	0	0	0	0	0
<b>TOTAL</b>	<b>277</b>	<b>358</b>	<b>787</b>	<b>3,024</b>	<b>3,811</b>	<b>4,095</b>	<b>4,088</b>	<b>4,453</b>

a. Combines TRUenergy and EnergyAustralia from 8 October 2012

b. Named Country Energy prior to 1 March 2011.

c. Includes data for Sun Retail and Integral Energy

d. Includes data for Tarong Energy.

### Disconnections performed at the instigation of distributors

Clause 8.5.6 of the Code requires that all distributors provide information for the previous quarter relating to:

- (a) the total number of small business and residential customers who were disconnected at the instigation of the distributor; and

- (b) the total number of small business and residential customers who were disconnected at the instigation of the distributor due to non-payment of bills, safety reasons and ‘other’ reasons.

This information is shown in **Table 3**.

**Table 3: Small customer disconnections performed at the instigation of the distributor**

<i>Distribution entity</i>	<i>Due to non-payment</i>		<i>Safety reasons</i>		<i>Other reasons</i>		<i>Total</i>
	<i>Business customers</i>	<i>Residential customers</i>	<i>Business customers</i>	<i>Residential customers</i>	<i>Business customers</i>	<i>Residential customers</i>	
Energex	0	0	52	351	39	154	596
Ergon Energy	0	0	10	8	0	0	18
Essential Energy <sup>a</sup>	0	0	0	0	0	0	0
<b>TOTAL</b>	<b>0</b>	<b>0</b>	<b>62</b>	<b>359</b>	<b>39</b>	<b>154</b>	<b>614</b>

*a. Named Country Energy prior to 1 March 2011.*

### **Customer reconnections**

Clause 8.5.3 of the Code requires that all electricity retailers provide information for the previous quarter relating to:

- (a) the total number of small business and residential customers who were reconnected with the same name at the premises after being disconnected due to non-payment;
- (b) the total number of small business and residential customers who were reconnected within seven days with the same name at the premises after being disconnected due to non-payment; and
- (c) the number of pensioner or concession card holders who were reconnected with the same name at the premises after being disconnected due to non-payment for the previous quarter.

Reconnections occur when the flow of electricity to a small customer’s premises has been restored after a disconnection. The measure includes service orders for reconnections completed in the quarter.

This information is shown in **Table 4**.

**Table 4: Small customer reconnections, after being disconnected due to non-payment**

Retail entity	Reconnections within 7 days			Total reconnections			
	Business customers	Residential customers	Total	Business customers	Residential customers		Total
					Pensioner/ Concession card holders	Others	
AGL Sales	27	619	646	45	125	859	1,029
Aurora Energy	0	0	0	0	0	0	0
Australian Power and Gas	0	54	54	0	20	34	54
Click Energy	0	21	21	0	2	20	22
Cozero	0	0	0	0	0	0	0
CS Energy	0	0	0	0	0	0	0
Diamond Energy	0	0	0	0	0	0	0
Dodo Power and Gas	0	0	0	0	0	0	0
EnergyAustralia <sup>a</sup>	3	57	60	3	13	44	60
Ergon Energy Queensland	26	678	704	29	176	535	740
ERM Power Retail	0	0	0	0	0	0	0
Essential Energy <sup>b</sup>	0	0	0	0	0	0	0
Flinders Operating Services	0	0	0	0	0	0	0
Lumo Energy	4	41	45	4	3	42	49
Momentum Energy	0	0	0	0	0	0	0
Origin Energy <sup>c</sup>	19	249	268	24	29	274	327
OzGen Retail	0	0	0	0	0	0	0
Powerdirect	6	10	16	6	2	8	16
Qenergy	2	4	6	2	0	4	6
Red Energy	0	0	0	0	0	0	0
Sanctuary Energy	0	0	0	0	0	0	0
Simply Energy	0	0	0	0	0	0	0
Stanwell <sup>d</sup>	0	0	0	0	0	0	0
<b>TOTAL</b>	<b>87</b>	<b>1,733</b>	<b>1,820</b>	<b>113</b>	<b>370</b>	<b>1,820</b>	<b>2,303</b>

a. Combines TRUenergy and EnergyAustralia from 8 October 2012

b. Named Country Energy prior to 1 March 2011.

c. Includes data for Sun Retail and Integral Energy

d. Includes data for Tarong Energy.

### Hardship program participation by small residential customers

Clause 8.5.3 of the Code requires that retailers provide information on the level of hardship program participation by small residential customers for the previous quarter. A hardship program allows for a customer with payment difficulties to be removed from a retailer's normal debt collection activity, and allowed extended payment arrangements.

The number of customers participating in a hardship program provides an indication of the level of energy affordability in the electricity market. This measure also reflects the effectiveness of retailers' programs to identify customers experiencing payment difficulties and retailers'

general debt collection practices. In this case, “debt” is defined as the dollar amount which has been outstanding to the retailer for the sale or supply of electricity for a period of 90 days or more.

This information is shown in **Table 5**.

**Table 5: Hardship program uptake by small residential customers**

<i>Retail entities</i>	<i>Participating in a hardship program (#)</i>	<i>Denied access to a hardship program (#)</i>	<i>Exited a hardship program (#)</i>	<i>Average debt on entry into a hardship program (\$)</i>	<i>Average length of time a customer remained in a hardship program (days)</i>
AGL Sales	752	3	227	442	294
Aurora Energy	0	0	0	0	0
Australian Power and Gas	50	0	79	1,984	240
Click Energy	64	0	21	170	105
Cozero	0	0	0	0	0
CS Energy	0	0	0	0	0
Diamond Energy	0	0	0	0	0
Dodo Power and Gas	7	0	1	1,029	36
EnergyAustralia <sup>a</sup>	121	0	72	1,483	297
Ergon Energy Queensland	5,293	0	1,478	731	250
ERM Power Retail	0	0	0	0	0
Essential Energy <sup>b</sup>	0	0	0	0	0
Flinders Operating Services	0	0	0	0	0
Lumo Energy	3	0	0	1,777	11
Momentum Energy	0	0	0	0	0
Origin Energy <sup>c</sup>	2,353	0	344	384	439
OzGen Retail	0	0	0	0	0
Powerdirect	8	0	2	1,102	147
Qenergy	2	0	0	800	352
Red Energy	0	0	0	0	0
Sanctuary Energy	0	0	0	0	0
Simply Energy	0	0	0	0	0
Stanwell <sup>d</sup>	0	0	0	0	0
<b>TOTAL</b>	<b>8,653</b>	<b>3</b>	<b>2,224</b>	<b>n/a</b>	<b>n/a</b>

*a. Combines TRUenergy and EnergyAustralia from 8 October 2012*

*b. Named Country Energy prior to 1 March 2011.*

*c. Includes data for Sun Retail and Integral Energy*

*d. Includes data for Tarong Energy.*

### **Customer complaints**

Clause 8.5.4 of the Code requires that all electricity retailers provide quarterly information on the number of complaints received from their small business and residential customers in respect of their actions or omissions as a retailer for the following categories:

- (a) total complaints;
- (b) billing or account complaints;

- (c) marketing complaints; and
- (d) other complaints.

Complaints are defined as a written or verbal expression of dissatisfaction about an action, or a failure to act, or in respect of a product or service offered or provided, by an electricity entity.

This information is shown in **Table 6**.

**Table 6: Complaints received from small customers**

Retail entity	Billing/ account issues		Marketing issues		'Other' issues		Total	
	Business customers	Residential customers	Business customers	Residential customers	Business customers	Residential customers	Business customers	Residential customers
AGL Sales	136	1,236	21	304	55	889	212	2,429
Aurora Energy	0	0	0	0	0	0	0	0
Australian Power and Gas	0	15	0	2	0	18	0	35
Click Energy	0	47	2	5	1	27	3	79
COzero Retail	0	0	0	0	0	0	0	0
CS Energy	0	0	0	0	0	0	0	0
Diamond Energy	0	0	0	0	0	0	0	0
Dodo Power and Gas	0	169	0	16	0	42	0	227
EnergyAustralia <sup>a</sup>	14	167	4	69	6	126	24	362
Ergon Energy Queensland	221	1,111	0	6	21	282	242	1,399
ERM Power Retail	0	0	0	0	0	0	0	0
Essential Energy <sup>b</sup>	0	0	0	0	0	0	0	0
Flinders Operating Services	0	0	0	0	0	0	0	0
Lumo Energy	0	57	0	28	2	147	2	232
Momentum Energy	0	0	0	0	0	0	0	0
Origin Energy <sup>c</sup>	323	4,022	1	24	68	927	392	4,973
OzGen Retail	0	0	0	0	0	0	0	0
Powerdirect	17	2	3	1	31	11	51	14
Qenergy	1	0	0	0	1	6	2	6
Red Energy	0	0	0	0	0	0	0	0
Sanctuary Energy	0	39	0	2	0	11	0	52
Simply Energy	0	0	0	0	0	0	0	0
Stanwell <sup>d</sup>	0	0	0	0	0	0	0	0
<b>Total</b>	<b>712</b>	<b>6,865</b>	<b>31</b>	<b>457</b>	<b>185</b>	<b>2,486</b>	<b>928</b>	<b>9,808</b>

a. Combines TRUenergy and EnergyAustralia from 8 October 2012

b. Named Country Energy prior to 1 March 2011.

c. Includes data for Sun Retail and Integral Energy

d. Includes data for Tarong Energy.