

MEDIA RELEASE

Origin Energy to reimburse fees charged to electricity customers in south east Queensland

7 June 2021

Origin Energy has started to reimburse retail fees it incorrectly charged to nearly 24,000 electricity customers on standing offers in south east Queensland. The Queensland Competition Authority (QCA) identified that Origin Energy's standing offers included prohibited fees. Origin Energy then reported to the QCA that it had charged prohibited fees between January 2021 and April 2021.

Origin charged credit card payment fees, paper bill fees and Australia Post payment fees, which is inconsistent with restrictions on the types of fees that electricity retailers can charge to their standing offer customers under section 22A of the National Energy Retail Law (NERL). Section 22A applies only in the south east and regional Queensland retail electricity markets.¹

The QCA monitors retailers' compliance with section 22A of the NERL by regularly analysing standing offers published on the electricity price comparison website, Energy Made Easy. In April 2021, the QCA identified Origin Energy standing offers that included credit card payment processing fees (0.2% to 0.73%), paper bill fees (\$1.75) and Australia Post payment processing fees (higher of \$2.70 or 0.49%).

After investigating the issue, Origin Energy informed the QCA that, between January 2021 and April 2021, it had charged these fees to 21,250 residential customers and 2,687 small business customers on a standing offer. The total value of these fees charged to standing offer customers is close to \$66,000. Origin Energy also reported that 850 affected customers are no longer with Origin Energy.

Origin Energy has informed the QCA that it is in the process of writing to all impacted customers to reimburse these customers for the fees it incorrectly charged by:

- (1) crediting the amount to existing customers' accounts
- (2) applying the amount to former customers' outstanding balance owing to Origin Energy, if applicable
- (3) advising former customers without any outstanding balance of the options available to redeem their credit.

QCA Chair, Professor Flavio Menezes, said it is important that electricity retailers meet their obligations regarding customer protections, such as the restriction on fees that can be charged to standing offer customers.

"The QCA encourages any former Origin Energy standing offer customers in south east Queensland who have been charged credit card payment, paper bill or Australia Post payment fees to contact Origin Energy to find out whether they are entitled to a refund," Professor Menezes said.

A report from Origin Energy on its breach of the restriction on fee types is available on the QCA website.

Media enquiries: Cole Lawson Communications, 0499 770 147.

More information on section 22A of the NERL is included in chapter 4 of the QCA's report on the SEQ retail electricity market for 2019–20.

¹ Similar restrictions on the types of fees that can be charged to standing offer customers also apply in Victoria under Victoria's Energy Retail Code.