

File Ref: 1258738

14 September 2017

Mr David Smales  
Chief Executive Officer  
Energy Queensland  
PO BOX 1090  
Townsville QLD 4810

Dear Mr Smales

**Warning notice under the Electricity Distribution Network Code**

I refer to the letter from Ergon Energy Corporation Limited (Ergon) dated 26 July 2017 and subsequent correspondence regarding standard service order timeframe performance under clause 3.7 of the Electricity Distribution Network Code (the Code).

Ergon has indicated that in the June quarter 2017 it has failed to meet requests for meter reconfiguration within the timeframes required by clause 3.7 of the Code in 48.5 per cent of cases.

In light of this information, and having regard to s120G of the *Electricity Act 1994* (Qld) (the Act), the Queensland Competition Authority (QCA) considers that Ergon has been in material contravention of its obligation to meet valid service order requests for meter reconfigurations under clause 3.7 of the Code.

Therefore, the QCA is issuing Ergon with the attached warning notice pursuant to s120S of the Act.

The QCA believes that the steps Ergon is required to undertake, within the warning period, to remedy the contravention of the Code or avoid its future recurrence are:

- (a) to propose a remedial plan setting out the actions and timeframes to achieve and maintain compliance for approval by the QCA; and
- (b) to undertake to comply with the approved plan.

Yours sincerely



Professor Roy Green  
Chair

14 September 2017

## **WARNING NOTICE UNDER SECTION 120S OF THE ELECTRICITY ACT 1994 (THE ACT)**

### **ISSUED TO ERGON ENERGY CORPORATION LIMITED**

#### **Particulars of contravention**

The Queensland Competition Authority (the QCA) considers that Ergon Energy Corporation Limited has been in material breach of clause 3.7 of the Electricity Distribution Network Code (the Code) by failing to meet a significant percentage of standard service order requests for meter reconfigurations over the June 2017 quarter within the timeframe specified by the Code.

#### **Required action**

The QCA proposes to issue Ergon Energy Corporation Limited with a code contravention notice under s120V of the Act unless Ergon Energy Corporation Limited:

- (a) takes steps reasonably necessary to remedy the contravention; and
- (b) gives the QCA a written assurance that it will:
  - (i) avoid any similar future contravention; and
  - (ii) take steps reasonably necessary to avoid a future recurrence of the contravention (including providing details concerning such steps).

#### **Warning Period**

The Warning Period is 30 business days from the date of this notice.

#### **Right to make submissions**

Ergon Energy Corporation Limited may within the Warning Period provide written submissions to the Authority showing why the proposed code contravention notice should not be given.

