

# Queensland Competition Authority

Information Reporting

**Small Gas Customer Disconnection, Hardship and  
Complaint Statistics - June Quarter 2013**

September 2013

## Introduction

Clause 5.5.1 of the Gas Industry Code (the Code) requires that the Authority monitor and publish information on the number of small gas customer<sup>1</sup> disconnections, and complaints.

During the June quarter 2013, there were four gas distributors and seven gas retailers in Queensland (AGL and Origin Energy each hold two retail licences). Maranoa Regional Council and Western Downs Regional Council each hold distribution and retail licences that permit them to retail gas to customers only within their specific distribution areas.

## Customer disconnections

The Authority defines disconnections to include all instances where a small customer's gas supply has been physically terminated by the distributor irrespective of the method of disconnection.

### Retailer initiated disconnections

Clause 5.5.2 of the Code requires that all gas 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 5.5.4 of the Code requires all distributors to 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**. Information from retailers and distributors related to disconnections for non-payment is presented in **Table 2**.

Overall, retailers reported 187 (18.7%) more disconnections than distributors. Discrepancies may be due partly to slight timing differences between when retailers and distributors become aware that service order requests for disconnections have been completed. The discrepancy this quarter is more in line with the historical average after a large discrepancy in the previous quarter, caused mainly by Origin.

**Table 1 Total small customer disconnections**

<i>Retail entity</i>	<i>Small business customers</i>		<i>Small 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	49	46	408	302	457	348
Australian Power and Gas	0	1	44	42	44	43

<sup>1</sup> A small gas customer is defined as a residential or business customer whose gas consumption is under one terajoule per year.

<i>Retail entity</i>	<i>Small business customers</i>		<i>Small residential customers</i>		<i>Total</i>	
Dodo Power & Gas	0	0	0	0	0	0
Origin Energy	24	36	466	377	490	413
Simply Energy	0	0	0	0	0	0
Maranoa Regional Council	1	1	20	20	21	21
Western Downs Regional Council	0	0	174	174	174	174
<b>Total</b>	<b>74</b>	<b>84</b>	<b>1,112</b>	<b>915</b>	<b>1,186</b>	<b>999</b>

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

<i>Retail entity</i>	<i>Small business customers</i>		<i>Small 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>
			<i>Pensioner/ concession card holders</i>	<i>Others</i>	<i>Total</i>			
AGL Sales	41	33	59	242	301	215	342	248
Australian Power and Gas	0	0	4	31	35	30	35	30
Dodo Power & Gas	0	0	0	0	0	0	0	0
Origin Energy	19	3	43	213	256	255	275	258
Simply Energy	0	0	0	0	0	0	0	0
Maranoa Regional Council	0	0	1	8	9	9	9	9
Western Downs Regional Council	0	0	0	27	27	27	27	27
<b>Total</b>	<b>60</b>	<b>36</b>	<b>107</b>	<b>521</b>	<b>628</b>	<b>536</b>	<b>688</b>	<b>572</b>

### Disconnections performed at the instigation of the distributors

Clause 5.5.4 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 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>Small business customers</i>	<i>Small residential customers</i>	<i>Small business customers</i>	<i>Small residential customers</i>	<i>Small business customers</i>	<i>Small residential customers</i>	<i>Small business customers</i>	<i>Small residential customers</i>
APT Allgas Energy	0	0	0	7	7	18	7	25
Envestra Ltd	0	2	0	12	16	53	16	67
Maranoa Regional Council	0	0	0	0	0	0	0	0
Western Downs Regional Council	0	0	0	0	0	0	0	0
<b>Total</b>	<b>0</b>	<b>2</b>	<b>0</b>	<b>19</b>	<b>23</b>	<b>71</b>	<b>23</b>	<b>92</b>

## Customer reconnections

Clause 5.5.2 of the Code requires that all gas retailers provide information for the previous quarter relating to:

- (c) 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;
- (d) 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
- (e) 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 gas to a small customer's premises has been restored after a disconnection.

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

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

<i>Retail entity</i>	<i>Reconnections within 7 days</i>			<i>Total reconnections</i>			
	<i>Small business customers</i>	<i>Small residential customers</i>	<i>Total</i>	<i>Small business customers</i>	<i>Small residential customer</i>		<i>Total</i>
					<i>Pensioner/concession card holders</i>	<i>Others</i>	
AGL Sales	5	75	80	9	22	120	151

<i>Retail entity</i>	<i>Reconnections within 7 days</i>			<i>Total reconnections</i>			
Australian Power and Gas	0	9	9	0	1	15	16
Dodo Power & Gas	0	0	0	0	0	0	0
Origin Energy	1	22	23	1	17	15	33
Simply Energy	0	0	0	0	0	0	0
Maranoa Regional Council	0	1	1	0	0	0	0
Western Downs Regional Council	0	0	0	0	0	6	6
Total	6	107	113	10	40	156	206

### Hardship program participation by small residential customers

Clause 5.5.2 of the Code requires that retailers provide information on the level of hardship program participation by small residential customers for the previous quarter (see **Table 5**). 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 gas 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 gas for a period of 90 days or more.

**Table 5** Hardship program participation by small residential customers

<i>Retail entity</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	165	0	22	138	175
Australian Power and Gas	8	2	6	620	221
Dodo Power & Gas	0	0	0	0	0
Origin Energy	115	0	0	1,427	299
Simply Energy	0	0	0	0	0
Maranoa Regional Council	0	0	0	0	0
Western Downs Regional Council	0	0	0	0	0

<i>Retail entity</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>
Total	288	2	28	n/a	n/a

## Customer complaints

Clause 5.5.3 of the Code requires that gas 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, in 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 a gas retailer.

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

**Table 6 Complaints received from small customers**

<i>Retail entity</i>	<i>Billing/account issues</i>		<i>Marketing issues</i>		<i>Other issues</i>		<i>Total</i>	
	<i>Small business customers</i>	<i>Small residential customers</i>	<i>Small business customers</i>	<i>Small residential customers</i>	<i>Small business customers</i>	<i>Small residential customers</i>	<i>Small business customers</i>	<i>Small residential customers</i>
AGL Sales	15	157	0	5	0	233	15	395
Australian Power and Gas	0	4	0	0	0	0	0	4
Dodo Power & Gas	0	0	0	0	0	0	0	0
Origin Energy	6	118	0	0	2	28	8	146
Simply Energy	0	0	0	0	0	0	0	0
Maranoa Regional Council	1	3	0	0	0	1	1	4
Western Downs Regional	0	0	0	0	0	0	0	0

<i><b>Retail entity</b></i>	<i><b>Billing/account issues</b></i>		<i><b>Marketing issues</b></i>		<i><b>Other issues</b></i>		<i><b>Total</b></i>	
Council								
Total	22	282	0	5	2	262	24	549