

	<p>A non-profit, volunteer organisation, advocating to advance the interests of consumers in Queensland</p> <p><i>Secretary:</i> <i>Max Howard</i> <i>PO Box 261</i> <i>Corinda Q 4075</i> <i>Telephone: 0419 678 395</i></p>
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11 May 2023

**SUBMISSION ON QCA CONSULTATION PAPER ON REVIEW OF
 GUARANTEED SERVICE LEVELS TO APPLY IN QUEENSLAND
 FROM 1 JULY 2025**

BACKGROUND

The Queensland Consumers’ Association (the Association) is a non-profit organisation which exists to advance the interests of Queensland consumers. The Association’s members work in a voluntary capacity and specialise in particular policy areas, including energy. The Association is a member of the Consumers’ Federation of Australia, the peak body for Australian consumer groups and is represented on the Queensland Competition Authority’s Consumer Consultative Committee and the Energy and Water Queensland Ombudsman’s Advisory Council. The Association is also a member of the Queensland Council of Social Service’s Essential Services Consultative Group.

The Association has participated in every Guaranteed Service Level (GSL) consultation and welcomes the opportunity to participate in this one.

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GENERAL COMMENTS

1. Following the release of the Draft Decision, the QCA should convene a workshop to provide an opportunity for stakeholders to discuss with QCA the Review and submissions on the Consultation Paper prior to the preparation of submissions on the Draft Decision. The workshop is needed for several reasons including that:

- The GSL scheme has been operating largely unchanged since 2005.
- Greater clarity is need on the objectives of the scheme and GSL payments.
- More detailed consideration is needed of the implications, practicality and benefits and costs of extending the GSL scheme to stand-alone power systems and to customers of embedded networks, and of aligning the Electricity Distribution Network Code’s (ENDC) GSL definitions and exclusions with those of other schemes.

2. Clause 2.3.10 of the ENDC should be amended to indicate that GSL payments are also “intended to provide a financial incentive for distribution entities to maintain appropriate levels of service quality”, not just to “acknowledge the inconvenience a small customer experiences when a distribution entity does not meet a guaranteed service level”.

3. The low value of the individual payments, and the annual cap per customer for all payments (except for wrongful disconnection), that can be made for failure to meet the

standards, means that currently the GSL scheme does not provide customers with adequate levels of financial recognition for the inconvenience, etc. caused by a failure. It also provides limited incentives for improved performance by distribution entities. Therefore, a substantial increase is needed in the level of GSL payments for all categories, but especially for wrongful disconnection.

4. All the GSL events in the current scheme should be retained in the scheme that applies from 1 July 2025.

5. Distribution entities should increase customer awareness of their rights, and the processes involved, outside of the GSL Scheme, to claim compensation for damage, etc. caused by or attributable to the distribution entity.

SPECIFIC COMMENTS

Question 2.1 Are the current GSL arrangements suitable for use in the next regulatory control period? What reasons, if any, are there for changing the current GSLs in the ENDC for 2025–30?

No. We support all the current GLS events being included in scheme for the next regulatory period. However, we consider that changes are required to better inform small customers about the availability of the services of the Energy and Water Ombudsman Queensland and to clearly indicate how a distribution entity must handle disputes about GSL payments involving the distribution entity:

Therefore, we propose that:

- A requirement be added to Clause 2.3.18 of the ENDC that when a small customer has failed to resolve a dispute with a retailer about an event that has, or is claimed to have, caused a GSL event, the retailer must advise the small customer in writing that the customer may refer the dispute to the Energy and Water Ombudsman Queensland.
- A clause similar to Clause 2.3.18 be added to the ENDC to indicate how a dispute that a small customer has with a distribution entity about a GSL matter should be handled. The clause should include a requirement that when a small customer has failed to resolve a dispute with a distribution entity about an event that has, or is claimed to have, caused a GSL event, the distribution entity must advise the small customer in writing that the customer may refer the dispute to the Energy and Water Ombudsman Queensland.

Question 2.2 Are the threshold triggers for payment of GSLs still appropriate?

No Comment.

Question 2.3 Are the values of GSL payments still appropriate for the next regulatory period or should they be adjusted? If so, how should they be adjusted?

No

To maintain their “real” value, all payment levels should be adjusted for inflation and the method used should take account of the current above average levels of general price inflation.

All GSL payment levels should be increased. And, to better recognise the very high levels of inconvenience customers experience when they are wrongfully disconnected, and because the GSL payment for a reconnection not being provided within the required time is on a per day basis, the GSL payment for wrongful disconnection should be

substantially increased. It should also be paid per day of wrongful disconnection, not per wrongful disconnection. The high level of consumer inconvenience caused by wrongful disconnection is recognised in Victoria where the payment to customers wrongfully disconnected as a result of retailer action is \$500 per day with a cap of \$3500.

Question 2.4 Is the annual cap on GSLs for individual customers still appropriate, or should it be adjusted? If so, how should it be adjusted?

No.

To maintain its “real” value, the cap should be adjusted for inflation and the method used should take account of the current above average levels of general price inflation.

Wrongful disconnection payments should continue to be excluded from the cap.

Other Questions in the Discussion paper

We have no specific comments on the following questions at this stage but are very interested in discussing them at the stakeholder workshop that in our general comments we suggest the QCA hold after the release of its Draft Decision, and in our submission on the Draft Decision.

3.1 What are stakeholder views on the isolated feeder GSL measures in the EDNC?

3.2 What reliability obligations and measures should apply to new SAPS where customers are no longer connected to the grid?

3.3 Are there any other issues related to this matter that we should consider?

3.4 What are stakeholder views on the eligibility of child embedded network customers receiving GSL payments for DNSP caused interruptions?

3.5 What are the potential costs and benefits of extending the DNSP caused GSL interruption payment to child embedded network customers?

3.6 Are there any other issues related to this matter that we should consider?

3.7 Do stakeholders have any comments on opportunities to align different definitions and exclusions with other schemes?

3.8 Are there any other issues related to this matter that we should consider?