

# Queensland Competition Authority

Information Reporting

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

September 2013

## 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 June 2013, there were three licensed distributors (Energex, Ergon Energy and Essential Energy) servicing 23 licensed retailers in Queensland, an increase of one from the previous quarter due to Progressive Green acquiring a licence. Of the 23 retailers, only 15 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, retailers reported 765 (or 2.4%) fewer disconnections than did distributors. This small difference is due mainly to 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 year and include small residential customers and small business customers.

**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	434	404	7,935	8,108	8,369	8,512
Aurora Energy	0	0	0	0	0	0
Australian Power and Gas	0	3	890	981	890	984
Click Energy	23	25	725	747	748	772
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	3	2	3	2
EnergyAustralia <sup>a</sup>	79	106	1,396	1,667	1,475	1,773
Ergon Energy Queensland	919	919	4,156	4,156	5,075	5,075
ERM Power Retail	0	0	0	0	0	0
Essential Energy <sup>b</sup>	0	0	0	0	0	0
Lumo Energy	33	48	679	747	712	795
Momentum Energy	4	0	0	0	4	0
Origin Energy <sup>c</sup>	821	1,011	12,437	12,451	13,258	13,462
OzGen Retail	0	0	0	0	0	0
Powerdirect	138	139	143	152	281	291
Qenergy	133	75	85	48	218	123
Red Energy	0	0	0	0	0	0
Sanctuary Energy	0	1	2	9	2	10
Simply Energy	0	0	1	2	1	2
Stanwell <sup>d</sup>	0	0	0	0	0	0
<b>TOTAL</b>	<b>2,584</b>	<b>2,731</b>	<b>28,452</b>	<b>29,070</b>	<b>31,036</b>	<b>31,801</b>

a. Combines TRUenergy and EnergyAustralia from 8 October 2012. Also includes EnergyAustralia Yallourn.

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**. Retailers reported 517 (7.4%) fewer disconnections for non-payment than did distributors. These discrepancies occur for the same reason mentioned above in relation to overall disconnections.

**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	157	159	331	1,098	1,429	1,428	1,586	1,587
Aurora Energy	0	0	0	0	0	0	0	0
Australian Power and Gas	0	2	68	156	224	299	224	301
Click Energy	5	4	10	75	85	101	90	105
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>	25	35	6	44	50	110	75	145
Ergon Energy Queensland	122	122	530	1,776	2,306	2,306	2,428	2,428
ERM Power Retail	0	0	0	0	0	0	0	0
Essential Energy <sup>b</sup>	0	0	0	0	0	0	0	0
Lumo Energy	8	19	15	108	123	194	131	213
Momentum Energy	2	0	0	0	0	0	2	0
Origin Energy <sup>c</sup>	316	178	300	1,089	1,389	1,868	1,705	2,046

<b>Retail entity</b>	<b>Business customers</b>		<b>Residential customers</b>				<b>Total</b>	
OzGen Retail	0	0	0	0	0	0	0	0
Powerdirect	46	48	11	38	49	52	95	100
Qenergy	86	28	0	38	38	24	124	52
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>767</b>	<b>595</b>	<b>1,271</b>	<b>4,422</b>	<b>5,693</b>	<b>6,382</b>	<b>6,460</b>	<b>6,977</b>

a. Combines TRUenergy and EnergyAustralia from 8 October 2012. Also includes EnergyAustralia Yallourn.

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:

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

<b>Distribution entity</b>	<b>Due to non-payment</b>		<b>Safety reasons</b>		<b>Other reasons</b>		<b>Total</b>
	<b>Business customers</b>	<b>Residential customers</b>	<b>Business customers</b>	<b>Residential customers</b>	<b>Business customers</b>	<b>Residential customers</b>	
Energex	0	0	46	361	39	124	570
Ergon Energy	0	0	17	10	0	0	27
Essential Energy <sup>a</sup>	0	0	0	0	0	0	0
<b>TOTAL</b>	<b>0</b>	<b>0</b>	<b>63</b>	<b>371</b>	<b>39</b>	<b>124</b>	<b>597</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:

- 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;
- 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
- 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**

<i>Retail entity</i>	<i>Reconnections within 7 days</i>			<i>Total reconnections</i>			
	<i>Business customers</i>	<i>Residential customers</i>	<i>Total</i>	<i>Business customers</i>	<i>Residential customers</i>		<i>Total</i>
					<i>Pensioner/ Concession card holders</i>	<i>Others</i>	
AGL Sales	12	485	497	40	123	718	881
Aurora Energy	0	0	0	0	0	0	0
Australian Power and Gas	0	61	61	0	20	46	66
Click Energy	2	36	38	2	6	31	39
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>	1	16	17	1	2	13	16
Ergon Energy Queensland	50	1,235	1,285	56	406	905	1,367
ERM Power Retail	0	0	0	0	0	0	0
Essential Energy <sup>b</sup>	0	0	0	0	0	0	0
Lumo Energy	3	63	66	4	8	58	70
Momentum Energy	0	0	0	0	0	0	0
Origin Energy <sup>c</sup>	37	268	305	38	104	173	315

<b>Retail entity</b>	<b>Reconnections within 7 days</b>			<b>Total reconnections</b>			
OzGen Retail	0	0	0	0	0	0	0
Powerdirect	13	31	44	13	10	23	46
Qenergy	12	10	22	12	0	10	22
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>130</b>	<b>2,205</b>	<b>2,335</b>	<b>166</b>	<b>679</b>	<b>1,977</b>	<b>2,822</b>

a. Combines TRUenergy and EnergyAustralia from 8 October 2012. Also includes EnergyAustralia Yallourn.

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**

<b>Retail entities</b>	<b>Participating in a hardship program (#)</b>	<b>Denied access to a hardship program (#)</b>	<b>Exited a hardship program (#)</b>	<b>Average debt on entry into a hardship program (\$)</b>	<b>Average length of time a customer remained in a hardship program (days)</b>
AGL Sales	1,332	2	264	379	209
Aurora Energy	0	0	0	0	0
Australian Power and Gas	174	38	110	1,530	225
Click Energy	169	0	7	168	16
Cozero	0	0	0	0	0

<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>
CS Energy	0	0	0	0	0
Diamond Energy	0	0	0	0	0
Dodo Power and Gas	27	0	3	823	96
EnergyAustralia <sup>a</sup>	300	0	51	997	144
Ergon Energy Queensland	3,822	0	3,297	1,095	243
ERM Power Retail	0	0	0	0	0
Essential Energy <sup>b</sup>	0	0	0	0	0
Lumo Energy	164	0	50	611	117
Momentum Energy	0	0	0	0	0
Origin Energy <sup>c</sup>	3,189	0	796	431	279
OzGen Retail	0	0	0	0	0
Powerdirect	31	1	1	2,312	122
Qenergy	22	0	5	900	320
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>9,230</b>	<b>41</b>	<b>4,584</b>	<b>n/a</b>	<b>n/a</b>

a. Combines TRUenergy and EnergyAustralia from 8 October 2012. Also includes EnergyAustralia Yallourn.

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**

<i>Retail entity</i>	<i>Billing/ account issues</i>		<i>Marketing issues</i>		<i>'Other' issues</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>	<i>Business customers</i>	<i>Residential customers</i>
AGL Sales	187	1,576	2	110	122	1,989	311	3,675
Aurora Energy	0	0	0	0	0	0	0	0
Australian Power and Gas	0	56	0	0	0	5	0	61
Click Energy	1	60	0	8	0	1	1	69
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	194	0	9	0	43	0	246
EnergyAustralia <sup>a</sup>	17	429	3	92	11	164	31	685
Ergon Energy Queensland	195	907	0	6	28	348	223	1,261
ERM Power Retail	0	0	0	0	0	0	0	0
Essential Energy <sup>b</sup>	0	0	0	0	0	0	0	0
Lumo Energy	5	368	0	9	8	305	13	682
Momentum Energy	0	0	0	0	0	0	0	0
Origin Energy <sup>c</sup>	90	1,000	0	8	25	222	115	1,230
OzGen Retail	0	0	0	0	0	0	0	0
Powerdirect	17	20	2	3	1	6	20	29
Qenergy	11	4	0	0	1	0	12	4
Red Energy	0	0	0	0	0	0	0	0

<b>Retail entity</b>	<b>Billing/ account issues</b>		<b>Marketing issues</b>		<b>'Other' issues</b>		<b>Total</b>	
Sanctuary Energy	0	19	0	3	0	2	0	24
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>523</b>	<b>4,633</b>	<b>7</b>	<b>248</b>	<b>196</b>	<b>3,085</b>	<b>726</b>	<b>7,966</b>

a. Combines TRUenergy and EnergyAustralia from 8 October 2012. Also includes EnergyAustralia Yallourn.

b. Named Country Energy prior to 1 March 2011.

c. Includes data for Sun Retail and Integral Energy

d. Includes data for Tarong Energy.