

## SMALL ELECTRICITY CUSTOMER DISCONNECTION, HARDSHIP AND COMPLAINTS STATISTICS – JUNE QUARTER 2012

### 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 2012, there were three licensed distributors (Energex, Ergon Energy and Essential Energy) servicing 23 licensed retailers in Queensland<sup>2</sup>. Of the 23 retailers, only 12 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 more disconnections (1,789 or 6.0%) than did distributors. This difference is largely due to the discrepancy between the retailer and distributor reported data for TRUenergy, which has identified a problem with its reporting system. Other more minor differences may be due partly to slight timing differences between when retailers and distributors become aware that service order requests for disconnections have been completed.

<sup>1</sup> Small customers are defined as those consuming less than 100MWh of electricity per annum and include small residential customers and small business customers.

<sup>2</sup> Some retailers hold more than one license.

**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	465	390	7,569	7,168	8,034	7,558
Aurora Energy	0	0	0	0	0	0
Australian Power and Gas	0	2	965	1,013	965	1,015
Click Energy	5	8	354	351	359	359
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	52	0	0	20	52	20
Ergon Energy Queensland	751	751	4,368	4,368	5,119	5,119
ERM Power Retail	0	0	0	0	0	0
Essential Energy <sup>a</sup>	0	0	0	0	0	0
Flinders Operating Services	0	0	0	0	0	0
Lumo Energy	26	36	773	833	799	869
Momentum Energy	0	1	0	0	0	1
Origin Energy <sup>b</sup>	768	814	11,548	11,847	12,316	12,661
OzGen Retail	0	0	0	0	0	0
Powerdirect	119	120	122	127	241	247
Qenergy	23	21	23	16	46	37
Red Energy	0	0	0	0	0	0
Sanctuary Energy	0	0	0	0	0	0
Simply Energy	0	0	0	0	0	0
Stanwell <sup>c</sup>	0	0	0	0	0	0
TRUenergy	178	133	3,583	1,884	3,761	2,017
<b>TOTAL</b>	<b>2,387</b>	<b>2,276</b>	<b>29,305</b>	<b>27,627</b>	<b>31,692</b>	<b>29,903</b>

a. Named Country Energy prior to 1 March 2011.

b. Includes data for Sun Retail and Integral Energy

c. Includes data for Tarong Energy.

Information from retailers and distributors related to disconnections for non-payment is presented in **Table 2**.

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

<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>
			<i>Pensioner/ concession card holders</i>	<i>Others</i>	<i>Total</i>			
AGL Sales	129	138	208	1,611	1,819	1,811	1,948	1,949
Aurora Energy	0	0	0	0	0	0	0	0
Australian Power and Gas	0	0	54	122	176	217	176	217
Click Energy	3	4	7	43	50	49	53	53
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
Ergon Energy Queensland	85	85	492	2,031	2,523	2,523	2,608	2,608
ERM Power Retail	0	0	0	0	0	0	0	0
Essential Energy <sup>a</sup>	0	0	0	0	0	0	0	0
Flinders Operating Services	0	0	0	0	0	0	0	0
Lumo Energy	8	15	8	66	74	136	82	151
Momentum Energy	0	0	0	0	0	0	0	0
Origin Energy <sup>b</sup>	124	123	192	936	1,128	1,201	1,252	1,324
OzGen Retail	0	0	0	0	0	0	0	0
Powerdirect	32	32	2	23	25	26	57	58
Qenergy	3	4	0	3	3	4	6	8
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>c</sup>	0	0	0	0	0	0	0	0
TRUenergy	44	66	43	118	161	294	205	360
<b>TOTAL</b>	<b>428</b>	<b>467</b>	<b>1,006</b>	<b>4,953</b>	<b>5,959</b>	<b>6,261</b>	<b>6,387</b>	<b>6,728</b>

*a. Named Country Energy prior to 1 March 2011.*

*b. Includes data for Sun Retail and Integral Energy*

*c. 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:

- (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: Small customer 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>Business customers</i>	<i>Residential customers</i>	<i>Business customers</i>	<i>Residential customers</i>	<i>Business customers</i>	<i>Residential customers</i>	
Energex	0	0	58	536	34	129	757
Ergon Energy	0	0	16	17	0	0	33
Essential Energy <sup>a</sup>	0	0	0	0	0	0	0
<b>TOTAL</b>	<b>0</b>	<b>0</b>	<b>74</b>	<b>553</b>	<b>34</b>	<b>129</b>	<b>790</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:

- (a) 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;
- (b) 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
- (c) 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**

Retail entity	Reconnections within 7 days			Total reconnections			
	Business customers	Residential customers	Total	Business customers	Residential customers		Total
					Pensioner/ Concession card holders	Others	
AGL Sales	12	690	702	27	91	717	835
Aurora Energy	0	0	0	0	0	0	0
Australian Power and Gas	0	61	61	0	24	40	64
Click Energy	0	26	26	0	7	19	26
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
Ergon Energy Queensland	41	1,740	1,781	44	373	1,457	1,874
ERM Power Retail	0	0	0	0	0	0	0
Essential Energy <sup>a</sup>	0	0	0	0	0	0	0
Flinders Operating Services	0	0	0	0	0	0	0
Lumo Energy	5	35	40	5	4	33	42
Momentum Energy	0	0	0	0	0	0	0
Origin Energy <sup>b</sup>	63	738	801	69	132	674	875
OzGen Retail	0	0	0	0	0	0	0
Powerdirect	13	10	23	15	2	8	25
Qenergy	0	2	2	0	0	2	2
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>c</sup>	0	0	0	0	0	0	0
TRUenergy	19	69	88	21	24	56	101
<b>TOTAL</b>	<b>153</b>	<b>3,371</b>	<b>3,524</b>	<b>181</b>	<b>657</b>	<b>3,006</b>	<b>3,844</b>

a. Named Country Energy prior to 1 March 2011.

b. Includes data for Sun Retail and Integral Energy

c. 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**

<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>
AGL Sales	706	5	74	528	303
Aurora Energy	0	0	0	0	0
Australian Power and Gas	113	0	4	497	126
Click Energy	49	0	12	184	84
Cozero	0	0	0	0	0
CS Energy	0	0	0	0	0
Diamond Energy	0	0	0	0	0
Dodo Power and Gas	0	0	0	0	0
Ergon Energy Queensland	5,598	0	1,341	735	217
ERM Power Retail	0	0	0	0	0
Essential Energy <sup>a</sup>	0	0	0	0	0
Flinders Operating Services	0	0	0	0	0
Lumo Energy	18	0	2	1,505	133
Momentum Energy	0	0	0	0	0
Origin Energy <sup>b</sup>	2,492	0	428	659	367
OzGen Retail	0	0	0	0	0
Powerdirect	6	0	0	1,045	195
Qenergy	4	0	0	800	545
Red Energy	0	0	0	0	0
Sanctuary Energy	0	0	0	0	0
Simply Energy	0	0	0	0	0
Stanwell <sup>c</sup>	0	0	0	0	0
TRUenergy	157	0	40	1,232	324
<b>TOTAL</b>	<b>9,143</b>	<b>5</b>	<b>1,901</b>	<b>n/a</b>	<b>n/a</b>

*a. Named Country Energy prior to 1 March 2011.*

*b. Includes data for Sun Retail and Integral Energy*

*c. 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	62	873	12	134	47	619	121	1,626
Aurora Energy	0	0	0	0	0	0	0	0
Australian Power and Gas	0	21	0	17	0	9	0	47
Click Energy	2	14	0	4	0	23	2	41
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	86	0	7	0	24	0	117
Ergon Energy Queensland	174	695	0	5	21	268	195	968
ERM Power Retail	0	0	0	0	0	0	0	0
Essential Energy <sup>a</sup>	0	0	0	0	0	0	0	0
Flinders Operating Services	0	0	0	0	0	0	0	0
Lumo Energy	3	507	10	73	1	290	14	870
Momentum Energy	0	0	0	0	0	2	0	2
Origin Energy <sup>b</sup>	83	2,513	4	60	58	981	144	3,542
OzGen Retail	0	0	0	0	0	0	0	0
Powerdirect	5	3	0	0	20	10	25	13
Qenergy	0	2	2	0	0	2	2	4
Red Energy	0	0	0	0	0	0	0	0
Sanctuary Energy	1	9	0	0	0	3	1	11
Simply Energy	0	0	0	0	0	0	0	0
Stanwell <sup>c</sup>	0	0	0	0	0	0	0	0
TRUenergy	14	195	4	45	3	77	25	317
<b>Total</b>	<b>344</b>	<b>4,918</b>	<b>32</b>	<b>345</b>	<b>150</b>	<b>2,308</b>	<b>529</b>	<b>7,558</b>

*a. Named Country Energy prior to 1 March 2011.*

*b. Includes data for Sun Retail and Integral Energy*

*c. Includes data for Tarong Energy.*