

SMALL ELECTRICITY CUSTOMER DISCONNECTION, HARDSHIP AND COMPLAINTS STATISTICS – DECEMBER QUARTER 2011

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 customer¹ disconnections and complaints.

From the start of 2010-11, retailers have been required to report disconnections, hardships and complaints data quarterly and in greater detail than previously required by the Code. Distributors are also required to report quarterly on the number of disconnections they have performed at the request of each retailer and the number of disconnections performed at their own instigation.

As at 31 December 2011, there were two licensed distributors (Energex and Ergon Energy) servicing 23 licensed retailers in Queensland². This is the same number of retailers reported for the September quarter. 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.

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

² Some retailers hold more than one license.

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 (137 or 0.4%) than did distributors. Such a discrepancy may be due partly to slight timing differences between when retailers and distributors become aware that service order requests for disconnections have been completed. However, larger discrepancies for some retailers may indicate poor quality data being reported by these retailers

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	333	277	6,975	6,950	7,308	7,227
Aurora Energy	0	0	0	0	0	0
Australian Power and Gas	0	0	977	1,000	977	1,000
Click Energy	10	11	208	207	218	218
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	5	0	5	0
Ergon Energy Queensland	684	684	3,490	3,490	4,174	4,174
ERM Power Retail	0	0	0	0	0	0
Essential Energy ^a	0	0	0	0	0	0
Flinders Operating Services	0	0	0	0	0	0
Lumo Energy	5	0	127	903	132	903
Momentum Energy	0	0	0	0	0	0
Origin Energy ^b	784	997	13,877	14,506	14,661	15,503
OzGen Retail	0	0	0	0	0	0
Powerdirect	78	76	158	163	236	239
Qenergy	22	14	10	8	32	22
Red Energy	0	19	0	0	0	19
Sanctuary Energy	0	0	1	2	1	2
Simply Energy	0	0	0	0	0	0
Stanwell ^c	0	0	0	0	0	0
TRUenergy	133	101	3,696	2,028	3,829	2,129
TOTAL	2,049	2,179	29,524	29,257	31,573	31,436

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	29	37	211	1,267	1,478	1,470	1,507	1,507
Aurora Energy	0	0	0	0	0	0	0	0
Australian Power and Gas	0	0	40	88	128	145	128	145
Click Energy	2	2	1	22	23	23	25	25
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	116	116	446	1,590	2,036	2,036	2,152	2,152
ERM Power Retail	0	0	0	0	0	0	0	0
Essential Energy ^a	0	0	0	0	0	0	0	0
Flinders Operating Services	0	0	0	0	0	0	0	0
Lumo Energy	5	0	5	122	127	151	132	151
Momentum Energy	0	0	0	0	0	0	0	0
Origin Energy ^b	133	142	227	1,195	1,422	1,405	1,555	1,547
OzGen Retail	0	0	0	0	0	0	0	0
Powerdirect	9	10	0	1	1	1	10	11
Qenergy	6	3	0	1	1	2	7	5
Red Energy	0	3	0	0	0	0	0	3
Sanctuary Energy	0	0	1	0	1	1	1	1
Simply Energy	0	0	0	0	0	0	0	0
Stanwell ^c	0	0	0	0	0	0	0	0
TRUenergy	20	43	28	166	194	293	214	336
TOTAL	320	356	959	4,452	5,411	5,527	5,731	5,883

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.

Table 3 shows the number of disconnections performed at the instigation of the distributors during the September quarter 2011.

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	62	400	28	130	620
Ergon Energy	0	0	15	25	0	0	40
Essential Energy ^a	0	0	0	0	0	0	0
TOTAL	0	0	77	425	28	130	660

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

<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	7	885	892	13	95	939	1,047
Aurora Energy	0	0	0	0	0	0	0
Australian Power and Gas	0	41	41	0	22	24	46
Click Energy	0	11	11	0	1	10	11
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	54	1,407	1,461	62	349	1,147	1,558
ERM Power Retail	0	0	0	0	0	0	0
Essential Energy ^a	0	0	0	0	0	0	0
Flinders Operating Services	0	0	0	0	0	0	0
Lumo Energy	1	25	26	3	4	56	63
Momentum Energy	0	0	0	0	0	0	0
Origin Energy ^b	57	746	803	61	139	685	885
OzGen Retail	0	0	0	0	0	0	0
Powerdirect	4	0	4	4	0	0	4
Qenergy	2	1	3	3	0	1	4
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 ^c	0	0	0	0	0	0	0
TRUenergy	8	65	73	8	9	60	77
TOTAL	133	3,181	3,314	154	619	2,922	3,695

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. The reported 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	790	0	158	513	263
Aurora Energy	0	0	0	0	0
Australian Power and Gas	74	0	14	1,145	51
Click Energy	22	0	0	135	79
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	4,580	0	980	645	247
ERM Power Retail	0	0	0	0	0
Essential Energy ^a	0	0	0	0	0
Flinders Operating Services	0	0	0	0	0
Lumo Energy	2	0	0	1,345	153
Momentum Energy	0	0	0	0	0
Origin Energy ^b	1,950	0	543	425	368
OzGen Retail	0	0	0	0	0
Powerdirect	2	0	1	575	365
Qenergy	1	0	0	660	365
Red Energy	0	0	0	0	0
Sanctuary Energy	0	0	0	0	0
Simply Energy	0	0	0	0	0
Stanwell ^c	0	0	0	0	0
TRUenergy	91	0	32	747	179
TOTAL	7,512	0	1,728	n/a	n/a

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	105	827	6	122	43	829	154	1,778
Aurora Energy	0	0	0	0	0	0	0	0
Australian Power and Gas	0	32	0	22	0	6	0	60
Click Energy	0	10	0	0	0	11	0	21
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	18	0	2	0	23	0	43
Ergon Energy Queensland	229	908	0	16	26	328	255	1,252
ERM Power Retail	0	0	0	0	0	0	0	0
Essential Energy ^a	0	0	0	0	0	0	0	0
Flinders Operating Services	0	0	0	0	0	0	0	0
Lumo Energy	4	650	11	75	8	730	23	1,455
Momentum Energy	0	0	0	0	0	0	0	0
Origin Energy ^b	31	941	5	69	19	615	55	1,625
OzGen Retail	0	0	0	0	0	0	0	0
Powerdirect	3	5	1	1	8	7	12	13
Qenergy	5	1	0	0	3	0	8	1
Red Energy	0	0	0	0	0	0	0	0
Sanctuary Energy	0	14	0	5	1	7	1	26
Simply Energy	0	0	0	0	0	0	0	0
Stanwell ^c	0	0	0	0	0	0	0	0
TRUenergy	7	162	3	40	4	173	14	375
Total	384	3,568	26	352	112	2,729	522	6,649

a. Named Country Energy prior to 1 March 2011.

b. Includes data for Sun Retail and Integral Energy

c. Includes data for Tarong Energy.