

SMALL ELECTRICITY CUSTOMER DISCONNECTION, HARDSHIP AND COMPLAINTS STATISTICS – JUNE 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 30 June 2011, there were two licensed distributors (Energex and Ergon Energy) servicing 26 licensed retailers in Queensland². This is four more retailers than reported for the March quarter due to the entry of Independent Electricity Retail Solutions, the re-entry of Jackgreen after its suspension from the national electricity market was lifted, and the retention of retail licences by Essential Energy (previously Country Energy) and Ausgrid (previously Energy Australia). Of the 26 retailers, 11 supplied electricity to small customers – 10 supplying small customers in South East Queensland and Ergon Energy Queensland to small customers in the rest of the State.

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 (398 or 1.2%) than did distributors. Such a discrepancy may be due to slight timing differences between when retailers and distributors become aware that service order requests for disconnections have been completed.

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	301	315	8,324	8,099	8,625	8,414
Aurora Energy	0	0	0	0	0	0
Ausgrid ^a	0	0	0	0	0	0
Australian Power and Gas	0	0	507	521	507	521
Click Energy	8	7	126	127	134	134
CS Energy	0	0	0	0	0	0
Diamond Energy	0	0	0	0	0	0
Dodo Power and Gas	0	0	0	0	0	0
Ergon Energy Queensland	825	825	5,555	5,555	6,380	6,380
ERM Power Retail	0	0	0	0	0	0
Essential Energy ^b	0	0	0	0	0	0
Flinders Operating Services	0	0	0	0	0	0
Independent Electricity Retail Solutions	0	0	0	0	0	0
Jackgreen Int'l	0	0	0	0	0	0
Lumo Energy	8	12	820	818	828	830
Momentum Energy	0	0	0	0	0	0
Origin Energy	1,170	1,162	15,432	15,437	16,602	16,599
OzGen Retail	0	0	0	0	0	0
Powerdirect	86	70	164	131	250	201
Qenergy	15	7	0	6	15	13
Red Energy	0	0	0	0	0	0
Sanctuary Energy	0	0	1	0	1	0
Simply Energy	0	0	0	0	0	0
Stanwell	0	0	0	0	0	0
Tarong Energy	0	0	0	0	0	0
TRUenergy	59	96	1,481	1,296	1,540	1,392
Total	2,472	2,494	32,410	31,990	34,882	34,484

a. Named Energy Australia prior to 1 March 2011.

b. Named Country Energy prior to 1 March 2011.

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	36	88	324	2,558	2,882	2,878	2,918	2,966
Aurora Energy	0	0	0	0	0	0	0	0
Ausgrid ^a	0	0	0	0	0	0	0	0
Australian Power and Gas	0	0	20	36	56	61	56	61
Click Energy	0	0	2	14	16	16	16	16
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	163	163	695	2,945	3,640	3,640	3,803	3,803
ERM Power Retail	0	0	0	0	0	0	0	0
Essential Energy ^b	0	0	0	0	0	0	0	0
Flinders Operating Services	0	0	0	0	0	0	0	0
Independent Electricity Retail Solutions	0	0	0	0	0	0	0	0
Jackgreen Int'l	0	0	0	0	0	0	0	0
Lumo Energy	2	5	8	200	208	200	210	205
Momentum Energy	0	0	0	0	0	0	0	0
Origin Energy	284	278	562	1,983	2,545	2,536	2,829	2,814
OzGen Retail	0	0	0	0	0	0	0	0
Powerdirect	5	10	0	1	1	7	6	17
Qenergy	0	0	0	0	0	0	0	0
Red Energy	0	0	0	0	0	0	0	0
Sanctuary Energy	0	0	1	0	1	0	1	0
Simply Energy	0	0	0	0	0	0	0	0
Stanwell	0	0	0	0	0	0	0	0
Tarong Energy	0	0	0	0	0	0	0	0
TRUenergy	10	57	6	58	64	123	74	180
Total	500	601	1,618	7,795	9,413	9,461	9,913	10,062

a. Named Energy Australia prior to 1 March 2011.

b. Named Country Energy prior to 1 March 2011.

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 June 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	35	273	31	119	458
Ergon Energy	0	0	29	19	0	0	48
Essential Energy ^a	0	0	0	0	0	0	0
Total	0	0	64	292	31	119	506

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	7	1,216	1,223	22	132	1,229	1,383
Aurora Energy	0	0	0	0	0	0	0
Ausgrid ^a	0	0	0	0	0	0	0
Australian Power and Gas	0	21	21	0	5	17	22
Click Energy	0	5	5	0	1	4	5
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	70	2,451	2,521	78	535	2,076	2,689
ERM Power Retail	0	0	0	0	0	0	0
Essential Energy ^b	0	0	0	0	0	0	0
Flinders Operating Services	0	0	0	0	0	0	0
Independent Electricity Retail Solutions	0	0	0	0	0	0	0
Jackgreen Int'l	0	0	0	0	0	0	0
Lumo Energy	1	72	73	1	2	92	95
Momentum Energy	0	0	0	0	0	0	0
Origin Energy	85	1,230	1,315	92	282	1,056	1,430
OzGen Retail	0	0	0	0	0	0	0
Powerdirect	2	1	3	2	0	1	3
Qenergy	0	0	0	0	0	0	0
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	0	0	0	0	0	0	0
Tarong Energy	0	0	0	0	0	0	0
TRUenergy	2	30	32	2	6	27	35
Total	167	5,026	5,193	197	963	4,502	5,662

a. Named Energy Australia prior to 1 March 2011.

b. Named Country Energy prior to 1 March 2011.

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	721	7	143	421	99
Aurora Energy	0	0	0	0	0
Ausgrid ^a	0	0	0	0	0
Australian Power and Gas	24	0	0	740	45
Click Energy	7	0	1	246	119
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	3,900	1	804	753	217
ERM Power Retail	0	0	0	0	0
Essential Energy ^b	0	0	0	0	0
Flinders Operating Services	0	0	0	0	0
Independent Electricity Retail Solutions	0	0	0	0	0
Jackgreen Int'l	0	0	0	0	0
Lumo Energy	5	0	0	1,317	486
Momentum Energy	0	0	0	0	0
Origin Energy	2,221	0	252	393	362
OzGen Retail	0	0	0	0	0
Powerdirect	4	0	0	1,512	118
Qenergy	0	0	0	0	0
Red Energy	0	0	0	0	0
Sanctuary Energy	0	0	0	0	0
Simply Energy	0	0	0	0	0
Stanwell	0	0	0	0	0
Tarong Energy	0	0	0	0	0
TRUenergy	79	0	26	811	130
Total	6,961	8	1,226	n/a	n/a

a. Named Energy Australia prior to 1 March 2011.

b. Named Country Energy prior to 1 March 2011.

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	94	1,190	1	157	42	1201	137	2,548
Aurora Energy	0	0	0	0	0	0	0	0
Ausgrid ^a	0	0	0	0	0	0	0	0
Australian Power and Gas	0	41	0	22	0	11	0	74
Click Energy	1	8	0	1	1	13	2	22
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	250	914	0	11	30	277	280	1,202
ERM Power Retail	0	0	0	0	0	0	0	0
Essential Energy ^b	0	0	0	0	0	0	0	0
Flinders Operating Services	0	0	0	0	0	0	0	0
Independent Electricity Retail Solutions	0	0	0	0	0	0	0	0
Jackgreen Int'l	0	0	0	0	0	0	0	0
Lumo Energy	3	428	0	16	5	1,605	8	2,049
Momentum Energy	0	0	0	0	1	0	1	0
Origin Energy	20	739	4	225	23	799	47	1,763
OzGen Retail	0	0	0	0	0	0	0	0
Powerdirect	0	0	0	0	2	10	2	10
Qenergy	0	0	0	0	0	0	0	0
Red Energy	0	0	0	0	0	0	0	0
Sanctuary Energy	0	11	0	2	0	5	0	18
Simply Energy	0	0	0	0	0	0	0	0
Stanwell	0	0	0	0	0	0	0	0
Tarong Energy	0	0	0	0	0	0	0	0
TRUenergy	3	140	4	83	7	112	14	335
Total	371	3,471	9	517	111	4,033	491	8,021

a. Named Energy Australia prior to 1 March 2011.

b. Named Country Energy prior to 1 March 2011.