

**SMALL ELECTRICITY CUSTOMER DISCONNECTION AND COMPLAINTS DATA
SEPTEMBER QUARTER 2010**

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 collected from licensed retailers.

From the start of 2010-11, retailers are required to report disconnections 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.

During the September quarter 2010, there were two licensed distributors (Energex and Ergon Energy) servicing 26 licensed retailers in Queensland². Of those, only 12 supplied electricity to small customers – 10 supplying small customers in South East Queensland, Country Energy supplying a small number of customers in the southern part of the State, and Ergon Energy Queensland supplying small customers in the remainder 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 licence.

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

Overall, retailers reported fewer disconnections (140 less 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 that retailer.

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 | 359 | 353 | 7,798 | 7,797 | 8,157 | 8,150 |
| Australian Power and Gas | 0 | 0 | 129 | 129 | 129 | 129 |
| Aurora Energy | 0 | 0 | 0 | 0 | 0 | 0 |
| Click Energy | 0 | 0 | 10 | 10 | 10 | 10 |
| Country Energy | 0 | 0 | 3 | 6 | 3 | 6 |
| 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 |
| Energy Australia | 6 | 14 | 18 | 17 | 24 | 31 |
| Ergon Energy Queensland | 741 | 741 | 5,085 | 5,085 | 5,826 | 5,826 |
| ERM Power Retail | 0 | 0 | 0 | 0 | 0 | 0 |
| Flinders Operating Services | 0 | 0 | 0 | 0 | 0 | 0 |
| Integral Energy | 131 | 105 | 3,300 | 3,327 | 3,431 | 3,432 |
| Momentum Energy | 0 | 0 | 0 | 0 | 0 | 0 |
| Origin Energy | 1,593 | 1,106 | 15,217 | 15,677 | 16,810 | 16,783 |
| OzGen Retail | 0 | 0 | 0 | 0 | 0 | 0 |
| Powerdirect | 90 | 93 | 158 | 156 | 248 | 249 |
| Qenergy | 0 | 0 | 0 | 0 | 0 | 0 |
| Lumo Energy | 3 | 8 | 440 | 596 | 443 | 604 |
| Red Energy | 0 | 0 | 0 | 0 | 0 | 0 |
| Sanctuary Energy | 0 | 0 | 1 | 1 | 1 | 1 |
| Stanwell | 0 | 0 | 0 | 0 | 0 | 0 |
| Tarong Energy | 0 | 0 | 0 | 0 | 0 | 0 |
| TRUenergy | 24 | 24 | 834 | 835 | 858 | 859 |
| Total | 2,947 | 2,444 | 32,993 | 33,636 | 35,940 | 36,080 |

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 | 90 | 90 | 81 | 832 | 913 | 923 | 1,003 | 1,013 |
| Australian Power and Gas | 0 | 0 | 1 | 4 | 5 | 5 | 5 | 5 |
| Aurora Energy | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Click Energy | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Country Energy | 0 | 0 | 3 | 0 | 3 | 6 | 3 | 6 |
| 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 |
| Energy Australia | 6 | 14 | 4 | 14 | 18 | 17 | 24 | 31 |
| Ergon Energy Queensland | 142 | 142 | 599 | 2,167 | 2,766 | 2,766 | 2,908 | 2,908 |
| ERM Power Retail | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Flinders Operating Services | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Integral Energy | 53 | 48 | 117 | 525 | 642 | 647 | 695 | 695 |
| Momentum Energy | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Origin Energy | 191 | 188 | 316 | 1,110 | 1,426 | 1,422 | 1,617 | 1,610 |
| OzGen Retail | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Powerdirect | 8 | 8 | 0 | 0 | 0 | 0 | 8 | 8 |
| Qenergy | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Lumo Energy | 1 | 1 | 9 | 62 | 71 | 88 | 72 | 89 |
| Red Energy | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Sanctuary 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 | 6 | 6 | 7 | 24 | 31 | 57 | 37 | 63 |
| Total | 497 | 497 | 1,137 | 4,738 | 5,875 | 5,931 | 6,372 | 6,428 |

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 2010.

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 | 27 | 260 | 46 | 115 | 448 |
| Ergon Energy | 0 | 0 | 7 | 22 | 0 | 0 | 29 |
| Country Energy | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Total | 0 | 0 | 34 | 282 | 46 | 115 | 477 |

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 | 13 | 205 | 218 | 21 | 0 | 398 | 419 |
| Australian Power and Gas | 0 | 2 | 2 | 0 | 1 | 1 | 2 |
| Aurora Energy | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Click Energy | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Country Energy | 0 | 1 | 1 | 0 | 1 | 0 | 1 |
| 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 |
| Energy Australia | 2 | 14 | 16 | 2 | 1 | 13 | 16 |
| Ergon Energy Queensland | 76 | 1,860 | 1,936 | 84 | 395 | 1,568 | 2,047 |
| ERM Power Retail | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Flinders Operating Services | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Integral Energy | 19 | 333 | 352 | 18 | 81 | 253 | 352 |
| Momentum Energy | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Origin Energy | 53 | 606 | 659 | 62 | 145 | 542 | 749 |
| OzGen Retail | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Powerdirect | 1 | 0 | 1 | 5 | 0 | 0 | 5 |
| Qenergy | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Lumo Energy | 0 | 13 | 13 | 0 | 4 | 31 | 35 |
| Red Energy | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Sanctuary 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 | 0 | 10 | 10 | 0 | 4 | 7 | 11 |
| Total | 164 | 3,044 | 3,208 | 192 | 632 | 2,813 | 3,637 |

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. It is ongoing debt for existing customers, not where a customer has left the retailer and the final bill has been issued.

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 | 680 | 14 | 48 | 583 | 124 |
| Australian Power and Gas | 0 | 0 | 0 | 0 | 0 |
| Aurora Energy | 0 | 0 | 0 | 0 | 0 |
| Click Energy | 0 | 0 | 0 | 0 | 0 |
| Country Energy | 9 | 0 | 2 | 955 | 256 |
| CS Energy | 0 | 0 | 0 | 0 | 0 |
| Diamond Energy | 0 | 0 | 0 | 0 | 0 |
| Dodo Power and Gas | 0 | 0 | 0 | 0 | 0 |
| Energy Australia | 14 | 0 | 5 | 1,242 | 249 |
| Ergon Energy Queensland | 2,367 | 29 | 578 | 663 | 163 |
| ERM Power Retail | 0 | 0 | 0 | 0 | 0 |
| Flinders Operating Services | 0 | 0 | 0 | 0 | 0 |
| Integral Energy | 1,146 | 0 | 170 | 904 | 196 |
| Momentum Energy | 0 | 0 | 0 | 0 | 0 |
| Origin Energy | 705 | 0 | 130 | 527 | 200 |
| OzGen Retail | 0 | 0 | 0 | 0 | 0 |
| Powerdirect | 0 | 0 | 0 | 0 | 0 |
| Qenergy | 0 | 0 | 0 | 0 | 0 |
| Lumo Energy | 2 | 0 | 0 | 0 | 79 |
| Red Energy | 0 | 0 | 0 | 0 | 0 |
| Sanctuary Energy | 0 | 0 | 0 | 0 | 0 |
| Stanwell | 0 | 0 | 0 | 0 | 0 |
| Tarong Energy | 0 | 0 | 0 | 0 | 0 |
| TRUenergy | 9 | 0 | 0 | 1,032 | 56 |
| Total | 4,932 | 43 | 933 | n/a | n/a |

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

| Retail entity | Billing/ account issues | | Marketing issues | | 'Other' issues | | Total | |
|--------------------------------------|-------------------------|-----------------------|--------------------|-----------------------|--------------------|-----------------------|--------------------|-----------------------|
| | Business customers | Residential customers | Business customers | Residential customers | Business customers | Residential customers | Business customers | Residential customers |
| AGL | 99 | 893 | 5 | 294 | 55 | 925 | 159 | 2,112 |
| Australian Power and Gas | 0 | 3 | 0 | 0 | 0 | 30 | 0 | 33 |
| Aurora Energy | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Click Energy | 0 | 1 | 0 | 1 | 0 | 1 | 0 | 3 |
| Country Energy | 1 | 3 | 0 | 0 | 1 | 7 | 2 | 10 |
| 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 |
| Energy Australia | 3 | 2 | 2 | 23 | 2 | 3 | 7 | 28 |
| Ergon Energy Queensland ¹ | 290 | 1,268 | 0 | 40 | 26 | 295 | 316 | 1,603 |
| ERM Power Retail | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Flinders Operating Services | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Integral Energy | 11 | 294 | 7 | 255 | 1 | 10 | 19 | 559 |
| Momentum Energy | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Origin Energy | 24 | 448 | 6 | 156 | 47 | 927 | 77 | 1,531 |
| OzGen Retail | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Powerdirect | 2 | 11 | 5 | 5 | 12 | 30 | 19 | 46 |
| Qenergy | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Lumo Energy | 2 | 161 | 4 | 37 | 10 | 1,173 | 16 | 1,371 |
| Red Energy | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Sanctuary Energy | 0 | 13 | 0 | 8 | 0 | 44 | 0 | 65 |
| Stanwell | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Tarong Energy | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| TRUenergy | 0 | 46 | 0 | 0 | 4 | 133 | 4 | 179 |
| Total | 432 | 3,143 | 29 | 819 | 158 | 3,578 | 619 | 7,540 |

1. In the September quarter 2010, Ergon Energy reported receiving 67 complaints where there was insufficient information captured to determine whether the complaints were made by a small residential or small business customer. Ergon Energy allocated these complaints to the small business and small residential customer categories in proportion with the allocation of other complaints to these categories.