Queensland Competition Authority

Guaranteed Service Levels: Performance by Energex and Ergon Energy in 2025–26

Compliance report

August 2026

Contents

Overview

The Electricity Distribution Network Code (the code) requires Energex and Ergon Energy (the distributors) to make guaranteed service level (GSL) payments to residential and small business customers when the specified GSLs are not met.[1]

GSL payments are an acknowledgement of the inconvenience a customer experiences when the distributors do not meet a GSL. The payments relate to failures to meet customer service standards set out in the code. The most common GSL payment is for interruptions in the supply of electricity, which often occurs due to extreme weather such as storms.

The code requires the distributors to monitor and report on their compliance with GSLs. Their reporting for 2025–26 is summarised in Table 1.

Table 1: GSL payments in 2025–26

GSL measure	Energex		Ergon Energy	
	Number of payments	Value of payments	Number of payments	Value of payments
Wrongful disconnection	10	$1,880	5	$940
Late connection	883	$278,736	15	$2,987
Late reconnection	10	$1,781	4	$349
Failure to attend a scheduled customer appointment on time	148	$10,866	28	$2,035
Failure to give sufficient notice of a planned interruption – residential customers	248	$9,193	394	$14,881
Failure to give sufficient notice of a planned interruption – small business customers	27	$2,465	102	$9,481
Reliability – interruption duration	12,099	$1,812,198	4,923	$734,654
Reliability – interruption frequency	20	$2,480	34	$4,684
Total in 2025-26	**13,445**	**$2,119,599**	**5,505**	**$770,011**
Total in 2024-25	**2,958**	**$577,652**	**10,344**	**$1,251,367**
Change from 2024-25 to 2025-26	**+10,487**	**+$1,541,947**	**–4,839**	**–$481,356**

Sources: Quarterly compliance reports available on Energex website and Ergon Energy website.

Compared to 2024–25, both the total number and value of GSL payments made in 2025–26 were:

- higher for Energex, mainly due to substantially more interruption duration GSL payments
- lower for Ergon Energy, mainly due to fewer interruption duration and frequency GSL payments.

The number and value of GSL payments for a failure to give sufficient notice of a planned interruption were lower for Energex and higher for Ergon Energy in 2025–26 than in 2024-25. However, as they were much smaller in number and value than those of interruption duration GSLs, they had a smaller impact on the total number and value of GSL payments for both distributors.

In 2025–26, the $600 GSL payment cap was reached by 156 Energex customers (compared to 565 customers in 2024–25) and 3 Ergon Energy customer (compared to 1 customer in 2024–25).[2]

For more information on this report, phone the Queensland Competition Authority (QCA) on 07 3222 0555 or make an enquiry on the QCA website at https://www.qca.org.au/contact/.

[1] Version 5 of the code took effect on 1 July 2025 and implemented changes to the GSL scheme arising from the QCA's review of the GSL scheme that was completed in December 2023 – including increased GSL payment amounts.
[2] The cap in 2024–25 (under version 4 of the code) was $496.

1. Introduction

1.1 GSL scheme

The code requires the distributors to make GSL payments to small customers when the GSL levels specified in the code are not met.[3] Small customers are residential or business customers who consume less than 100 megawatt hours of electricity per year.[4]

GSL payments are an acknowledgement of the inconvenience a customer experiences when Energex or Ergon Energy does not meet a GSL. The payments relate to, for instance, the duration and frequency of supply interruptions, wrongful disconnections, late connections and reconnections, and failure to give sufficient notice of planned interruptions.

1.2 Compliance obligations and GSL comparisons

The code requires the distributors to monitor and report on their compliance with GSLs and to publish quarterly compliance reports on their websites. These reports should not be used to compare the performance of the distributors, given the different conditions under which they operate. Energex supplies largely urbanised areas of south-east Queensland. By contrast, Ergon Energy operates a wider distribution network spread across regional Queensland, and its network features a significant number of long, isolated feeders and lower customer densities.

1.3 GSL measures, thresholds and payments

For 2025–26 to 2029–30, the code includes the following GSLs and GSL payments:[5]

- wrongful disconnection of a customer – $188
- late connection of a customer – $75 per day late
- late reconnection of a customer – $75 per day late
- failure to attend a scheduled appointment with a customer on time – $75
- failure to give sufficient notice of a planned interruption – $38 for residential customers and $94 for small business customers
- reliability GSLs that focus on the duration and frequency of supply interruptions:
  - if the duration of an interruption experienced by a customer lasts longer than 8 hours for central business district (CBD) feeders, 18 hours for urban or short rural feeders, or 24 hours for long rural feeders, the customer may be eligible for a $150 GSL payment
  - if the frequency of interruptions experienced by a customer in a financial year is equal to or higher than the relevant level set out in the code, the customer may be eligible for a $150 GSL payment.[6]

[3] Electricity Distribution Network Code, clauses 2.3.1–2.3.9. The QCA is required to review the GSL measures, thresholds and payments every 5 years. Version 5 of the code came into effect on 1 July 2025 and applies to this report. In August 2026, version 6 of the code was gazetted, which incorporates amendments relating to the impending national phase-out of cheques and the exclusion of connection and reconnection GSL payments during declared disaster events. Versions 5 and 6 of the code are available on the QCA website.
[4] National Energy Retail Law, section 5; National Energy Retail Regulations, section 7.
[5] Electricity Distribution Network Code, clauses 2.3.3 to 2.3.10.
[6] The number of interruptions a customer must experience to become eligible for a GSL payment depends on the feeder type through which the customer's premises is supplied (e.g. CBD, urban or short rural).

Payments for interruption duration GSLs – often triggered by severe weather events such as summer storms – typically make up a large proportion of the distributors' annual GSL payments.

Some interruptions are excluded when determining liability for GSL payments that relate to reliability, such as interruptions of 3 minutes or less, and interruptions resulting from failure of the shared transmission grid or any failure of a customer's electrical installation. Where Disaster Recovery Funding Arrangements (DRFA) are activated, the distributors are not obligated to pay interruption GSLs during the activation period.[7]

The amount of GSL payments that a customer can receive in one financial year for each electricity account was capped at $600 in 2025–26 (up from $496 during the previous 5-year period); this cap excludes GSL payments for wrongful disconnections.[8]

1.4 Processing claims and making GSL payments

The distributors must use best endeavours to automatically pay a customer when a GSL event occurs. However, if payment does not happen, a customer has 3 months from the date of the GSL event to lodge a claim, or 3 months from the end of the financial year for an interruption frequency GSL payment claim.[9]

The distributors must use best endeavours to process a GSL claim made by a customer within the following timeframes:

- for all GSLs, except interruption frequency GSLs – within one month of receiving the claim
- for interruption frequency GSLs – within one month of the end of the financial year or one month after receiving the claim, whichever is later.[10]

1.5 The QCA's enforcement responsibilities

A distributor's failure to comply with GSL requirements contravenes the code. The QCA is responsible for enforcing the code when there are contraventions under the *Electricity Act 1994* (Qld).[11]

If the QCA believes that a material contravention has occurred, or is likely to occur, warning notices or code contravention notices can be given and Supreme Court proceedings for a civil pecuniary penalty can be sought. In the case of a material breach of the code, the process the QCA will follow is outlined in its enforcement guidelines.[12]

[7] Electricity Distribution Network Code, clause 2.3.9(b).
[8] Electricity Distribution Network Code, clause 2.3.15(a)-(b).
[9] Electricity Distribution Network Code, clauses 2.3.11 and 2.3.12. GSL payments can be made via cheque, electronic funds transfer, or any means agreed with the small customer. Under version 6 of the code, retailer-facilitated GSL credits will be the default GSL payment method from 1 September 2027.
[10] Electricity Distribution Network Code, clause 2.3.14.
[11] Electricity Act, chapter 5, part 1A, division 6.
[12] The guidelines are available on the QCA website.

2. Energex GSL compliance

2.1 GSL payments made

Energex made 13,445 GSL payments totalling $2,119,599 in 2025–26. Table 2 shows the number and value of payments for each GSL measure in 2025–26, and Table 3 shows the value of Energex's GSL payments for the 5 years to 2025–26.

Table 2: Energex GSL payments, 2025–26

GSL measure and payment amount	Threshold	Payments	
		Number	Value
Wrongful disconnection: $188	Disconnection wrongful under the electricity legislation	10	$1,880
Late connection: $75/day	Connection not provided by the agreed date	883	$278,736
Late reconnection: $75/day	Reconnection not provided within the required time	10	$1,781
Appointments: $75	Failure to attend an appointment on time	148	$10,866
Notice of a planned interruption – residential: $38	Notice of a planned interruption to supply not given	248	$9,193
Notice of a planned interruption – small business: $94	Notice of a planned interruption to supply not given	27	$2,465
Reliability – interruption duration: $150	Duration depending on feeder type: • CBD feeder: >8 hours • urban or short rural feeder: >18 hours • long rural or isolated feeder: >24 hours	12,099	$1,812,198
Reliability – interruption frequency: $150	Number of interruptions in a financial year depending on feeder type: • CBD feeder: 10 • urban feeder: 13 • short rural, long rural or isolated feeders: 21	20	$2,480
Total		**13,445**	**$2,119,599**

Notes: The number of GSL payments includes both automatically identified GSLs and customer-initiated claims that were paid. In 2025–26, 156 Energex customers reached the $600 GSL payment cap. A customer is not entitled to more than one interruption frequency GSL payment in a financial year.
Source: Energex quarterly GSL reports.

Table 3: Energex GSL payments, 2021–22 to 2025–26

GSL measure	2021-22	2022-23	2023-24	2024-25	2025-26
Wrongful disconnection	$2,635	$1,705	$1,860	$1,395	$1,880
Late connection	$343,666	$57,660	$491,846	$386,198	$278,736
Late reconnection	$3,472	$2,976	$3,193	$1,488	$1,781
Appointments	$7,936	$6,572	$11,470	$12,524	$10,866
Notice of a planned interruption – residential	$7,533	$11,191	$8,711	$15,376	$9,193
Notice of a planned interruption – small business	$2,541	$4,004	$2,387	$2,695	$2,465
Reliability – interruption duration	$466,240	$329,096	$1,738,108	$155,124	$1,812,198
Reliability – interruption frequency	$0	$0	$0	$2,852	$2,480
Total	**$834,023**	**$413,204**	**$2,257,575**	**$577,652**	**$2,119,599**

Notes: GSL payment amounts increased from 1 July 2025. The 2025-26 figures may include a mixture of payment amounts, as some failures to meet GSLs may have occurred prior to 1 July 2025 (and therefore been eligible for the lower payment amount that applied before the increase), but been claimed/paid after 1 July 2025.
Source: Energex quarterly GSL reports.

Compared to 2024–25, Energex's GSL payments in 2025–26 were about $1.54 million (267%) higher. This was primarily due to 10,848 more interruption duration GSL payments (including 8,787 payments during the March quarter following severe weather events), which resulted in an increase in interruption duration GSL payments of about $1.66 million. GSL payment amounts increased from 1 July 2025 (including for the interruption duration GSL from $62 to $75), which further contributed to the rise in the total value of GSL payments.

2.2 GSL claims rejected

In 2025–26, Energex received 113 customer-initiated GSL claims, of which it rejected 94 (83%; Table 4). This is around the same proportion of GSL claims that Energex rejected in 2024–25 (87%), although it had received more claims overall. Most claims received and rejected in 2025–26 were for failures to give sufficient notice of a planned interruption to residential customers (53 of 58 claims rejected).

Table 4: Energex GSL claims received and rejected, 2025-26

GSL measure	Customer claims	Claims rejected
Wrongful disconnection	7	6
Late connection	6	4
Late reconnection	3	0
Appointments	4	2
Notice of a planned interruption – residential	58	53
Notice of a planned interruption – small business	8	8
Reliability – interruption duration	23	17
Reliability – interruption frequency	4	4
Total	**113**	**94**

Note: The number of customer claims are the number of customer-initiated claims that were made and do not include automatically identified GSLs.
Source: Energex quarterly GSL reports.

2.3 Eligible GSL claims not paid

In 2025–26, Energex did not pay 39 eligible GSL claims, which had a total value of $7,487 (Table 5). This is more than in 2024–25, but less than in previous years. Energex stated it was unable to process these 39 claims in 2025–26, as it could not obtain the customer data from retailers. The unpaid claims primarily related to the interruption duration GSL (27 of 39 unpaid claims).

Table 5: Eligible GSL claims not paid by Energex, 2021-22 to 2025-26

	2021-22	2022-23	2023-24	2024-25	2025-26
Number of eligible claims not paid	111	49	105	20	39
Value of eligible claims not paid	$38,688	$14,167	$20,552	$2,790	$7,487

Notes: GSL payment amounts increased from 1 July 2025. The 2025-26 figures may include a mixture of payment amounts, as some failures to meet GSLs may have occurred prior to 1 July 2025 (and therefore been eligible for the lower payment amount that applied before the increase), but been claimed/paid after 1 July 2025.
Source: Energex quarterly GSL reports.

3. Ergon Energy GSL compliance

3.1 GSL payments made

Ergon Energy made 5,505 GSL payments totalling $770,011 in 2025–26. Table 6 shows the number and value of payments for each GSL measure in 2025–26, and Table 7 shows the value of Ergon Energy's GSL payments for the 5 years to 2025–26.

Table 6: Ergon Energy GSL payments, 2025–26

GSL measure and payment amount	Threshold	Payments	
		Number	Value
Wrongful disconnection: $188	Disconnection wrongful under the electricity legislation	5	$940
Late connection: $75/day	Connection not provided by the agreed date	15	$2,987
Late reconnection: $75/day	Reconnection not provided within the required time	4	$349
Appointments: $75	Failure to attend an appointment on time	28	$2,035
Notice of a planned interruption – residential: $38	Notice of a planned interruption to supply not given	394	$14,881
Notice of a planned interruption – small business: $94	Notice of a planned interruption to supply not given	102	$9,481
Reliability – interruption duration: $150	Duration depending on feeder type: • CBD feeder: >8 hours • urban or short rural feeder: >18 hours • long rural or isolated feeder: >24 hours	4,923	$734,654
Reliability – interruption frequency: $150	Number of interruptions in a financial year depending on feeder type: • CBD feeder: 10 • urban feeder: 13 • short rural, long rural or isolated feeders: 21	34	$4,684
Total		**5,505**	**$770,011**

Notes: The number of GSL payments includes both automatically identified GSLs and customer-initiated claims that were paid. In 2025–26, 3 Ergon Energy customers reached the $600 GSL payment cap. A customer is not entitled to more than one interruption frequency GSL payment in a financial year.
Source: Ergon Energy quarterly GSL reports.

Table 7: Ergon Energy GSL payments, 2021-22 to 2025–26

GSL measure	2021-22	2022-23	2023-24	2024-25	2025-26
Wrongful disconnection	$3,565	$2,170	$1,860	$310	$940
Late connection	$992	$992	$9,362	$2,108	$2,987
Late reconnection	$3,224	$1,922	$248	$186	$349
Appointments	$4,712	$11,284	$9,858	$4,216	$2,035
Notice of a planned interruption – residential	$17,546	$16,368	$22,041	$8,308	$14,881
Notice of a planned interruption – small business	$5,461	$7,084	$13,706	$3,927	$9,481
Reliability – interruption duration	$750,200	$1,272,364	$1,021,884	$1,178,620	$734,654
Reliability – interruption frequency	$0	$0	$0	$53,692	$4,684
Total	**$785,700**	**$1,312,184**	**$1,078,959**	**$1,251,367**	**$770,011**

Notes: GSL payment amounts increased from 1 July 2025. The 2025–26 figures may include a mixture of payment amounts, as some failures to meet GSLs may have occurred prior to 1 July 2025 (and therefore been eligible for the lower payment amount that applied before the increase), but been claimed/paid after 1 July 2025.
Source: Ergon Energy quarterly GSL reports.

Compared to 2024–25, Ergon Energy's GSL payments in 2025–26 were about $481,000 (38%) lower, despite the increase in GSL payment amounts from 1 July 2025. This was primarily due to 4,582 fewer interruption duration GSL payments, which resulted in a decrease in GSL payments of about $444,000.[13] In 2024–25, Tropical Cyclone Alfred had impacted parts of Ergon Energy's distribution network, leading to a substantial number of interruption duration GSL payments that year.

3.2 GSL claims rejected

In 2025–26, Ergon Energy received 39 customer-initiated GSL claims, of which it rejected 27 (69%; Table 8). This was lower than the number of customer-initiated claims Ergon Energy received (67) and the proportion it rejected in 2024–25 (81%). The decrease in 2025–26 was primarily driven by the decrease in interruption frequency claims that were received and rejected.

Table 8: Ergon Energy GSL claims received and rejected, 2025-26

GSL measure	Customer claims	Claims rejected
Wrongful disconnection	0	0
Late connection	2	2
Late reconnection	0	0
Appointments	0	0
Notice of a planned interruption – residential	10	3
Notice of a planned interruption – small business	1	0
Reliability – interruption duration	18	14
Reliability – interruption frequency	8	8
Total	**39**	**27**

Note: The number of customer claims are the number of customer-initiated claims that were made and do not include automatically identified GSLs.
Source: Ergon Energy quarterly GSL reports.

3.3 Eligible GSL claims not paid

In 2025–26, Ergon Energy did not pay 32 eligible GSL claims, which had a total value of $3,766 (Table 9). This is less than in 2024–25, when Ergon Energy did not pay 46 eligible claims, valued at $5,332. Ergon Energy stated it was unable to process these 32 claims in 2025–26, as it could not obtain the customer data from retailers. The unpaid claims primarily related to the interruption duration GSL (26 of 32 unpaid claims).

Table 9: Eligible GSL claims not paid by Ergon Energy, 2021-22 to 2025-26

	2021-22	2022-23	2023-24	2024-25	2025-26
Number of eligible claims not paid	40	67	29	46	32
Value of eligible claims not paid	$5,332	$9,424	$4,867	$5,332	$3,766

Notes: GSL payment amounts increased from 1 July 2025. The 2025-26 figures may include a mixture of payment amounts, as some failures to meet GSLs may have occurred prior to 1 July 2025 (and therefore been eligible for the lower payment amount that applied before the increase), but been claimed/paid after 1 July 2025.
Source: Ergon Energy quarterly GSL reports.

[13] There were also fewer interruption frequency GSL payments, resulting in a decrease in GSL payments of about $49,000.