

QUEENSLAND COMPETITION AUTHORITY

MINUTES OF CONSUMER ADVISORY COMMITTEE MEETING

WEDNESDAY, 7 DECEMBER 2011 – 11:00AM

LEVEL 19, 12 CREEK STREET, BRISBANE

PRESENT:

Members

Mr Gary Henry (Queensland Competition Authority, Presiding Officer)

Mr Ian Jarratt (Queensland Consumers Association)

Mr John O'Malley (Financial Counselors Association of Queensland)

Ms Nadine Lester (Queensland Council of Social Service)

Mr Michael McGregor (Commerce Queensland)

Observers

Mr Alex Archer (DEEDI)

Mr Shane Steele (DEEDI)

Mr Gary Sacre (Energy and Water Ombudsman Queensland)

Mr Charles Millsted (Queensland Competition Authority)

Mr Adam Liddy (Queensland Competition Authority)

APOLOGIES:

Ms Linda Parmenter (Queensland Council of Social Service)

Mr Peter Swan (Centre for Credit and Consumer Law)

Mr Eric Danzi (Queensland Cane Growers Organisation)

Mr Ben Scott (United Retail Federation)

Mr Darren Schneider (DEEDI)

MINUTES

1. Previous Minutes
The Committee resolved that, subject to a minor correction, the minutes of the meeting held on 31 August 2011 be accepted as a true record of proceedings

GENERAL BUSINESS

2. Status of Outstanding Issues
There were no outstanding issues from the previous meeting.

MATTERS FOR INFORMATION

3. Retail Price Determination 2012-13

Members discussed the 2012-13 Retail Price Determination, including:

- the methodology workshop conducted by the Authority;
- issues regarding energy purchase cost data due to the uncertainty over the implementation of the carbon tax;
- what price setting process may be followed in future years;
- the effect of the Queensland uniform tariff policy;
- the current lack of competition outside South East Queensland; and
- the need to balance competition in South East Queensland with notified prices paid in the rest of the State.

Members were informed that submissions on the Methodology Paper were due on Friday 9 December 2011 and the Authority would release its draft decision on 30 March.

4. Current Projects

Members discussed:

- retailer complaints regarding the customer disconnection process followed by Energex; and
- a related Code change request received (but later withdrawn) from Energex.

Members discussed the issues faced by consumers moving into new properties where electricity has been physically disconnected.

5. Code Enforcement Issues

Members were provided with an overview of the enforcement issues dealt with by the Authority since the last meeting, including:

- a marketing code contravention by TRUenergy;
- an overcharging issue by TRUenergy; and
- Ergon Energy's compliance with the Warning Notice issued by the Authority.

6. QCA Decisions since last meeting

Members were provided with an overview of decisions made by the Authority since the last meeting, including:

- the Electricity Billing Code report for the June quarter 2011;
- the distributor Minimum Service Standards and Guaranteed Service Level report for the June Quarter 2011;
- distributor Network Management Plans and Summer Preparedness Plans for 2011-12;

- the Standard Service Order report for the June quarter 2011; and
- small customer disconnections and complaints reports for the June and September quarters in 2011.

7. Forward Work Program Agenda paper noted.

8. EWOQ update Members were informed that EWOQ had taken approximately 5,000 cases in the first four months of the current financial year, with an average of approximately 1,200 cases per month.

The main areas of customer complaints that have been closed, as at 31 October 2011, were:

- Billing complaints – 1,941 cases ;
- Customer Service complaints – 583 cases;
- Credit (payment difficulties; disconnection; bad debt) – 479 cases; and
- Transfers (error in billing/transfer of account due to switch retailers; contract terms) – 374 cases

9. DEEDI Update Members were informed that the Department is currently working on the legislation necessary to implement the National Energy Customer Framework, with legislation to be introduced in 2012 and that reports into customer disconnections, and the NCAP review will be released shortly.

Members were also informed that the Department continued to address a number of complaints from large customers receiving late or revised bills and that there would be a review of the consumption threshold that allowed consumers to access the services of EWOQ.

GENERAL BUSINESS Members briefly discussed piped gas heated bulk hot water supply arrangements for blocks of units, including the extent to which there is choice of gas supplier.

NEXT MEETING The next ordinary meeting of the Committee will be held on Wednesday 29 February 2011 from 10:00am to 2:00pm.