

## NSW Electricity Information Paper No 4

# Retail businesses' performance against customer service indicators

For the period 1 July 2001 to 30 June 2006

### *A series of information papers on the performance of NSW electricity businesses*

#### **Introduction**

This information paper focuses on the level of customer service provided by electricity retailers in NSW. It is the fourth in a series of information papers published by the Independent Pricing and Regulatory Tribunal of NSW (the Tribunal), which aim to ensure that all stakeholders, including customers, have ready access to information about electricity distribution and retail businesses.

The NSW electricity market is becoming increasingly more competitive, and currently there are 16 electricity retailers actively supplying customers (as at 30 June 2006). Under the current regulatory regime, all electricity retailers licensed to operate in NSW are required to report annually on a set of customer service indicators, which provide some indication of the affordability of and access to electricity services, and of customers' satisfaction with the quality of service they receive. The Tribunal monitors and assesses the retailers' performance against these indicators.

This information paper summarises the Tribunal's performance assessment for the period 1 July 2001 to 30 June 2006 against the indicators related to:

- ▼ disconnections due to non-payment of bills and reconnections in the same name
- ▼ use of alternative payment methods by customers having difficulty paying bills
- ▼ number of security deposits being held by retailers at 30 June, and held longer than 12 months (residential customers) or 24 months (non-residential customers)
- ▼ call centre responsiveness
- ▼ customer complaints.

## Overview of key findings

The Tribunal has analysed all licensees' current and historical data in line with its own records to identify trends and compare the licensees' performance. It also looked at data on South Australian and Victorian retailers' performance where relevant, for comparison.<sup>1</sup>

This analysis indicated that:

- ▼ The number of NSW small retail residential electricity customers who were disconnected due to non-payment of bills decreased by approximately 11 per cent over 2005/06. This number represents 0.9 per cent of all NSW small retail residential customers. However, the Tribunal believes that there is scope to further reduce the disconnections rate with more focus on hardship policies by some retailers.
- ▼ The number of customer complaints about retail supply matters increased in 2005/06, but when expressed as a percentage of all NSW small retail customers still remains low (0.5 per cent) and less than the other jurisdictions reviewed. This small rise is largely attributed to a significant increase in marketing activity across the NSW retail energy industry which led to a corresponding increase in the number of marketing complaints.
- ▼ There was some improvement in retailers' responsiveness to telephone account inquiries in 2005/06, with the exception of a few retailers. The proportion of calls answered by a human operator within 30 seconds increased by 13 per cent across all retailers. Most retailers answered customer calls within 30 seconds over 75 per cent of the time. And the proportion of calls that dropped out or were abandoned by the caller before being answered by a human operator decreased by 40 per cent. On the whole, fewer than 4 per cent of all NSW customer calls dropped out or were abandoned before being answered.

The sections below provide an overview of the Tribunal's assessment of NSW electricity retailers' performance against each customer service indicator.

***When looking at the data presented in these customer service performance assessments, it is important to note that:***

- ***The bulk of small retail electricity customers in NSW are supplied by three standard retail suppliers who supply approximately 91 per cent of the total NSW customer base.<sup>2</sup> Most of the data and analysis in this information paper relate to these retailers. However, where significant data on other retailers were available it has been included.<sup>3</sup>***
- ***In some indicators, all retailers had supporting data, making the graphs appear quite complex. In these instances, standard retail suppliers are outlined separately from all the other retailers, for ease of presentation.***
- ***Country Energy and Australian Inland merged on 1 July 2005; their statistics for previous years have been combined for comparative purposes.***

<sup>1</sup> Sourced from (Essential Services Commission, Victoria) and (Essential Services Commission, South Australia).

<sup>2</sup> Standard Retail Suppliers are EnergyAustralia, Integral Energy and Country Energy.

<sup>3</sup> Please note that data from retailers other than Standard Suppliers began to be supplied from 1 January 2002 (commencement of full retail competition in NSW).

## Disconnections due to non-payment of bills

There was an approximate 11 per cent reduction in the number of residential small retail customers who were disconnected due to non-payment of bills over 2005/06. However, there was a slight increase in the number of non-residential customers who were disconnected. In addition, the Tribunal considers that the overall rate of disconnections is still high for some retailers.

**Table 1 Total residential & non-residential disconnections for non-payment of bills in NSW**

Type of Customer	2001/02	2002/03	2003/04	2004/05	2005/06
Residential	25,141	18,153	21,394	26,931	24,056
As a per cent of residential customers	1.0	0.7	0.8	1.0	0.9
Non residential	1,406	902	1,122	1,384	1,572
As a per cent of non-residential customers	0.4	0.3	0.4	0.5	0.5

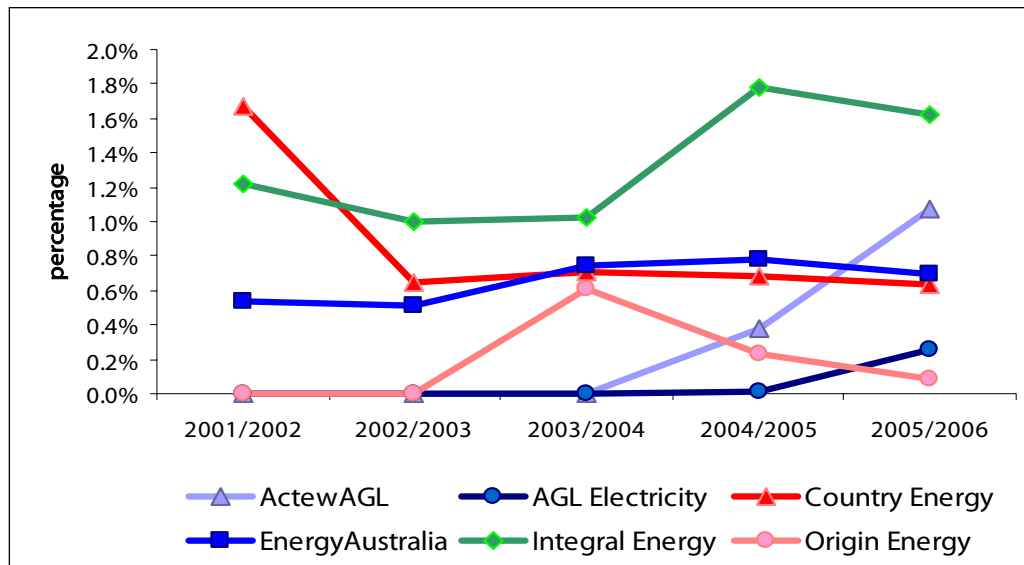
Disconnection of essential services is expensive for both the consumer and the provider. It creates further hardship for consumers who are already facing financial difficulties. As a consequence, most electricity retail suppliers have adopted or are in the process of developing 'hardship policies' to better protect and assist vulnerable customers who are having difficulties paying their bills.

In addition, the Government is expected to introduce a range of new affordability measures in the new year. In response to a significant increase in the disconnection rates in 2004/05, the Minister for Energy established a Disconnections Working Group in 2005. In February 2006, the Working Group recommended a range of measures be incorporated into the *Electricity Supply (General) Regulation 2001* (the Regulations) (see Appendix 3). Its recommendations have been endorsed by the Minister, and the necessary changes to the Regulations are currently being drafted.

The Tribunal is hopeful that the combined effect of the recently introduced hardship policies and the new affordability measures will lead to further reductions in the disconnection rate.

Figures 1 and 2 show the numbers of disconnections for non-payment of bills for each retail supplier as a percentage of its total residential and non-residential customers (its disconnection rate).

Figure 1 Residential disconnections for non-payment of bills in NSW, by retailer<sup>4</sup>



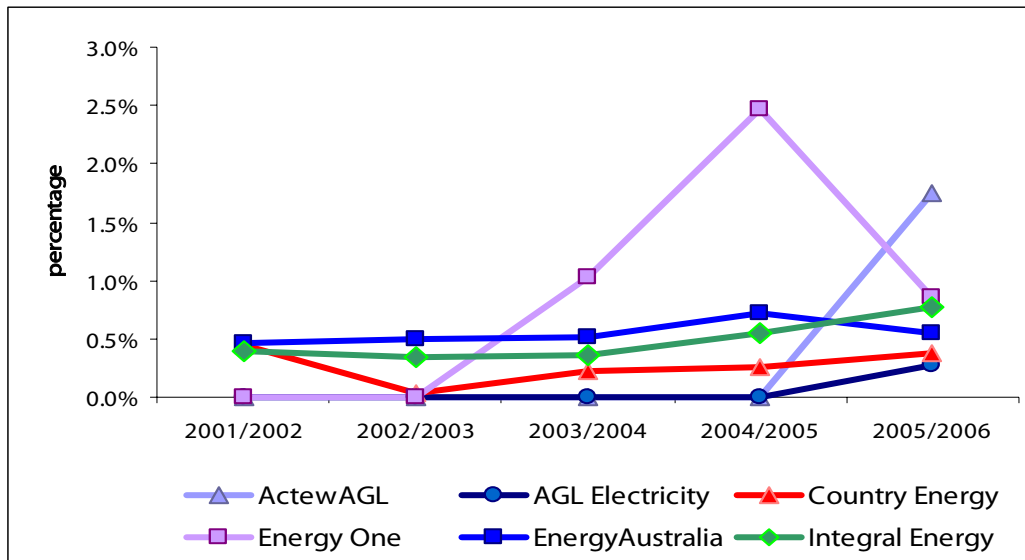
Integral Energy continues to have the highest residential disconnection rate of all NSW retail suppliers (1.6 per cent). However, this rate decreased in 2005/06, and Integral Energy reports that it has recently ramped up its assistance to customers experiencing financial hardship. For example, it has implemented processes to provide for the early identification of customers having financial difficulties and has changed credit management processes to ensure more flexible payment instalment plans can be offered to customers. Integral Energy is also improving the debt management process to ensure customers have more opportunity to pay. Staff education, training, and the assessment of minimum debt levels are also under ongoing review by Integral Energy. More time is needed for the full impact of these initiatives to be felt.

ActewAGL’s residential disconnection rate increased significantly in 2005/06. ActewAGL reports that the increase in disconnections is due to the introduction of an automated process for sending out reminder letters and disconnection warnings. In addition, ActewAGL states that a large number of customers on payment plans were not keeping to their agreements and therefore had to be disconnected. This is despite ActewAGL’s “Staying Connected” hardship program which attempts to minimise the number of customers disconnected. ActewAGL reports that this program identifies customers at risk and places them on a payment plan to avoid build-up of debt and disconnection of supply<sup>5</sup>.

<sup>4</sup> Country Energy reported that since 2002/03 it has adopted a much more proactive and integrated hardship policy. Energy One had a small number of residential disconnections that do not appear on the above graph.

<sup>5</sup> ActewAGL reported that its percentage of residential disconnections appears high but the actual number of disconnections are low because of its small customer base.

**Figure 2 Non-residential disconnections for non-payment of bills in NSW, by retailer**



Non-residential disconnection rates are usually much lower than the residential rates overall. However, ActewAGL's non-residential disconnection rate increased significantly in 2005/06. But although this rate appears high, the actual number of disconnections involved is relatively low.

Table 2 compares the statewide rates of disconnection for non-payment of bills for residential and non-residential customers in NSW, Victoria and South Australia in 2005/06. Figure 3 and 4 compare these rates over time.

**Table 2 Total Residential disconnections for non-payment of bills in NSW, Victoria and South Australia for 2004/05 and 2005/06**

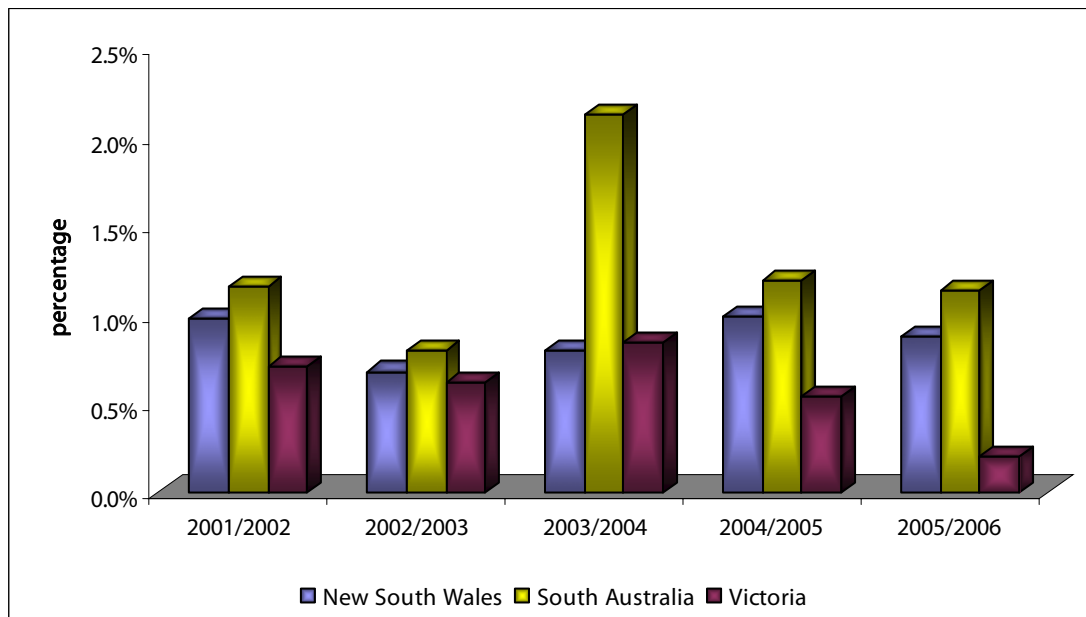
Type of Customer	NSW		South Australia		Victoria	
	2004/05	2005/06	2004/05	2005/06	2004/05	2005/06
<b>Residential</b>	26,931	24,056	7,868	7,623	11,023	4,621
<b>As a per cent of residential customers</b>	1.0	0.9	1.2	1.1	0.5	0.2
<b>Non residential</b>	1,384	1,572	838	1,030	1,326	593
<b>As a per cent of non-residential customers</b>	0.5	0.5	0.9	1.2	0.5	0.2

Historically, electricity disconnection rates in Victoria are much lower than those in NSW, while those in South Australia are slightly higher.<sup>6</sup> Victoria reports that in 2005/06, its disconnection levels are at a 20 year low. It's long term focus on integrated hardship policies are assisting it in maintaining consistently lower disconnection rates for non-payment of bills.<sup>7</sup>

<sup>6</sup> Essential Services Commission South Australia; 2005/06 Annual Performance Report.

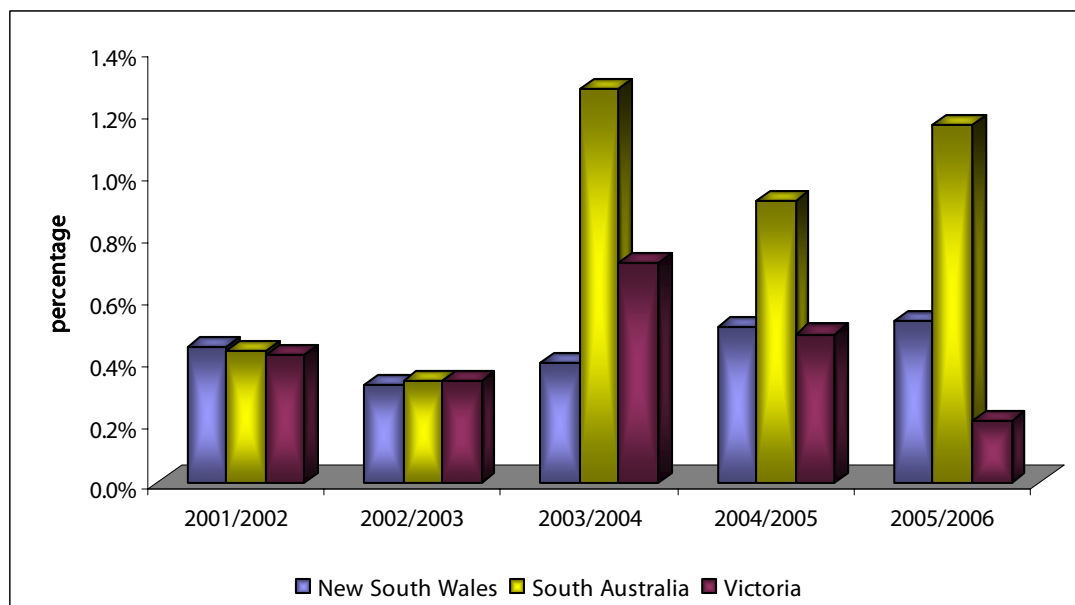
<sup>7</sup> Essential Services Commission Victoria; 2004/05 and 2005/06 Annual Performance Report.

**Figure 3 Residential disconnections for non-payment of bills in NSW, Victoria and South Australia, 2001/02 to 2005/06**



Both Victoria and South Australia’s residential disconnection levels have substantially decreased since 2003/04.

**Figure 4 Non-Residential disconnections for non-payment of bills in NSW, Victoria and South Australia, 2001/02 to 2005/06**



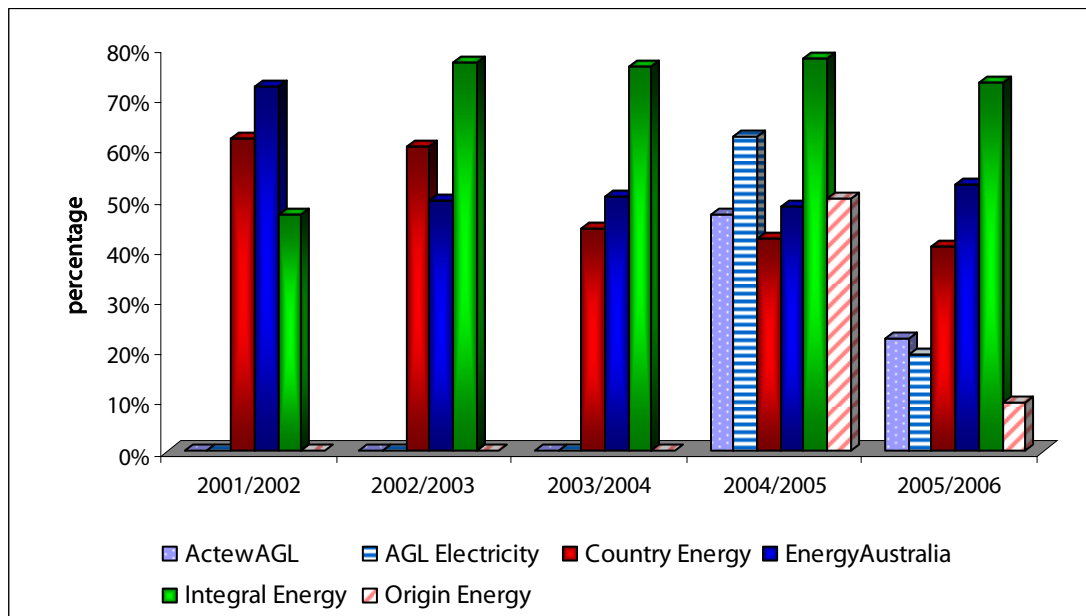
In South Australia, the non-residential disconnection rate has been higher than both the NSW rate and Victorian rate for several years. This year, this rate increased rather significantly, largely due to a large number of disconnections by one retail supplier. However, the ESCOSA reports that all except for one of those sites were subsequently reconnected.<sup>8</sup>

<sup>8</sup> Essential Service Commission, South Australia; 2005/06 Annual Performance Report.

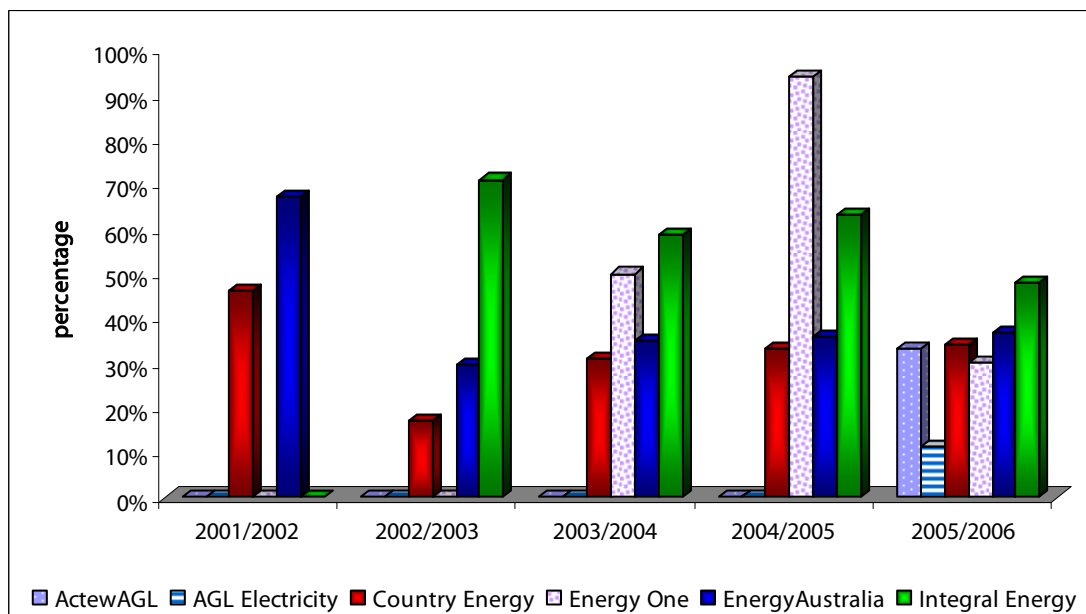
## Reconnections in the same name

Figures 5 and 6 show the percentage of residential and non-residential small retail customers disconnected for non-payment of bills in NSW whose supply was subsequently reconnected in the same name.

**Figure 5 Percentage of NSW residential customers disconnected for non-payment of bills whose supply was reconnected in same name<sup>9</sup>**



**Figure 6 Percentage of non-residential customers disconnected for non-payment of bills whose supply was reconnected in same name**



<sup>9</sup> Energy One had a small number of residential reconnections that do not appear on the above graph.

The overall number of residential customers disconnected and then reconnected in the same name decreased by 13.9 per cent over 2005/06. While Integral Energy has had the highest residential disconnections rate over the last four years, it has also had the highest rate of residential reconnections in the same name since 2002/03. More than 70 per cent of its customers who were disconnected were subsequently reconnected.

It is not currently possible to compare the percentage of customers disconnected for non-payment then reconnected in the same name in NSW, Victoria and South Australia because of a difference in the way this indicator is defined. In the other states, only those reconnected within seven days of being disconnected are included. The Tribunal has previously recommended to the Minister that the NSW definition be changed so that it is consistent with the definition used in Victoria and South Australia.<sup>10</sup>

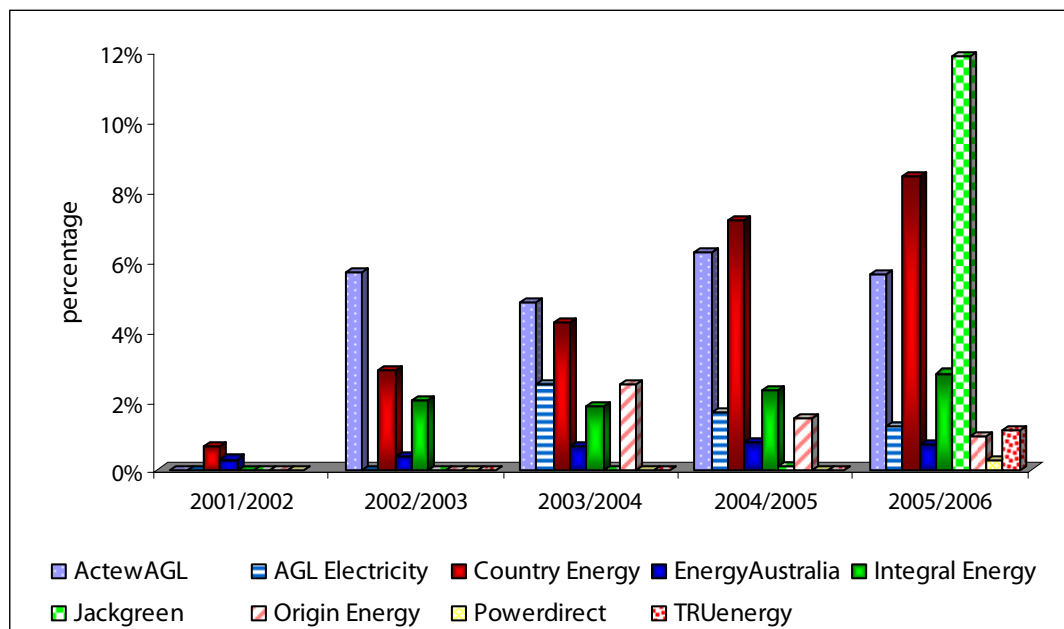
### Use of alternative payment methods

To varying degrees, all retailers in NSW offer assistance to customers who are having difficulty paying their electricity bills, including giving them the option of paying bills in instalments, extending the due date on their bills, protecting customers from disconnection while they participate successfully in the programs, referring them to a financial relief agency or financial counsellor, or checking their meter for accuracy.

Depending on the policies of each individual retailer, a customer experiencing financial hardship should be offered the option of using a payment instalment plan. These plans make it possible for such customers to pay their outstanding accounts over time and better manage their consumption. Thus they can reduce the disconnections rate.

Figure 7 shows the proportion of each retail supplier’s residential small retail customers who are paying off outstanding accounts under an instalment payment plan.

**Figure 7 Percentage of NSW residential small retail customers using instalment plans**



<sup>10</sup> In NSW, the Minister’s approval is required to change performance indicators.

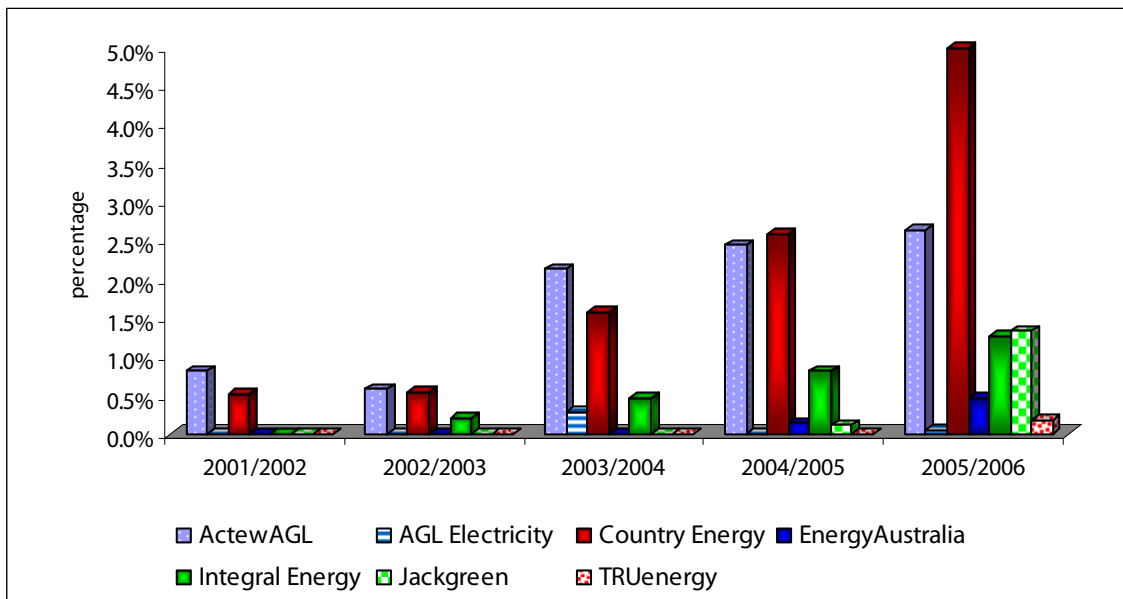


Since 2004/05, the proportion of customers using instalment plans has steadily increased by 15.5 per cent. This is an encouraging indication that customers are becoming more aware of payment/assistance programs provided by retailers to customers having difficulty paying their bills.

Jackgreen had the highest proportion of customers on instalment plans (11.8 per cent) in 2005/06. According to Jackgreen, it is committed to providing assistance to all customers with a genuine inability to pay. It also reports that it has a hardship policy and processes in place to assist those customers and encourage the use of instalment plans.

Figure 8 shows the proportion of small retail customers using Centrelink's Centrepay bill payment facility from the period 2001/02 to 2005/06.

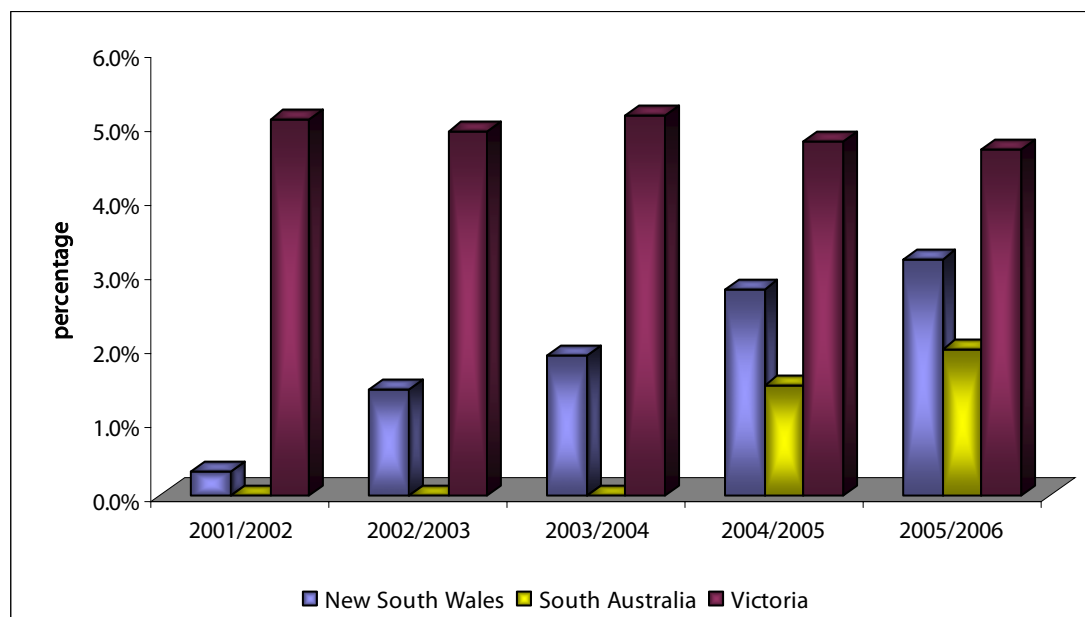
**Figure 8 Percentage of NSW customers using Centrelink's Centrepay**



Centrepay is a free service for customers that allows Centrelink clients to pay for essential living expenses (such as electricity, gas, rent and water) through a direct bill payment facility before their Centrelink payment is deposited in their bank account. By encouraging customers who are having difficulty paying their electricity bills to use Centrepay, retailers are providing customers with an option that can help them manage and budget for their bills and thus avoid disconnection.

While the overall use of Centrelink's Centrepay bill payment facility is somewhat low, the proportion of customers using this service has increased steadily in the last four years. In 2005/06, this proportion increased by 89.2 per cent. Country Energy had the highest proportion of customers using Centrepay (5 per cent). According to Country Energy, it promotes the use of instalment plans through its support service whenever possible, to help customers in financial difficulties continue to receive supply. It also tries to facilitate the use of Centrepay for eligible customers as often as possible. Country Energy believes that its low disconnection rate is a direct result of this practice.

**Figure 9 Residential customers using instalment plans in NSW, Victoria and South Australia, 2001/02 to 2005/06<sup>11</sup>**



The use of instalment plans has increased steadily across all jurisdictions. The Tribunal notes that in 2005/06, the proportion of all residential small retail customers using instalment plans in NSW is higher than in South Australia; however Victoria remains the highest of all the jurisdictions with almost 5 per cent of its residential customers using instalment plans. The Tribunal expects that the use of instalment plans in NSW will continue to rise in next few years as hardship policies are further developed.

### Security deposits held

A small retail customer supplied under a standard form customer supply contract by a standard retailer has certain rights in respect of security deposits under the Tribunal's current retail pricing determination.<sup>12</sup> A small retail customer who is required to pay a security deposit, and who pays in the form of cash, cheque or credit card, is eligible for that deposit to be refunded when they have completed:

- (a) for residential small retail customers, on time payment of bills for 12 months from the date of the first bill, or
- (b) for business small retail customer, on time payment on time of bills for 24 months from the date of the first bill and the maintenance of a satisfactory credit rating in the reasonable opinion of the standard retail supplier.

Figures 10 and 12 show the percentages of residential and non-residential small retail customers who had security deposits held by their retailer on 30 June 2005/06 and compares these percentage to previous years. Figures 11 and 13 show the percentages of security deposits from residential customers held longer than 12 months, and from non-residential customers held longer than 24 months.<sup>13</sup>

<sup>11</sup> South Australian instalment plan data was not available prior to 2004/05.

<sup>12</sup> IPART Determination for Standard Suppliers; Regulated Retail Prices for Electricity 2004, Part B.

<sup>13</sup> These indicators do not reflect the total number of security deposits required to secure connection or reconnection to supply within the period as they do not include those deposits held during the period but released prior to 30 June.

Figure 10 Percentage of NSW residential customers who had security deposits held by their retailer on 30 June<sup>14</sup>

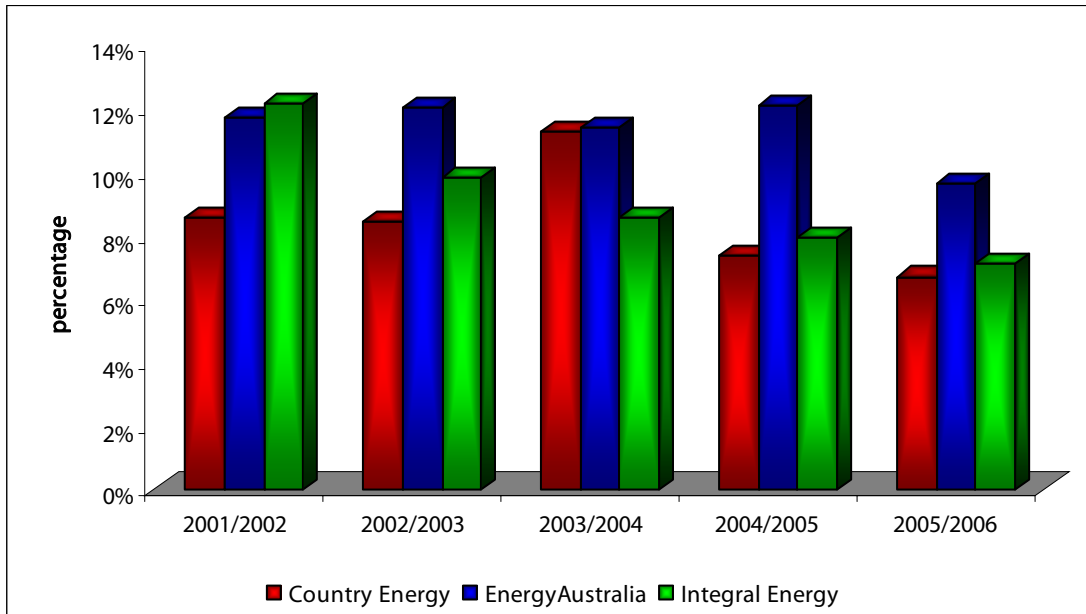
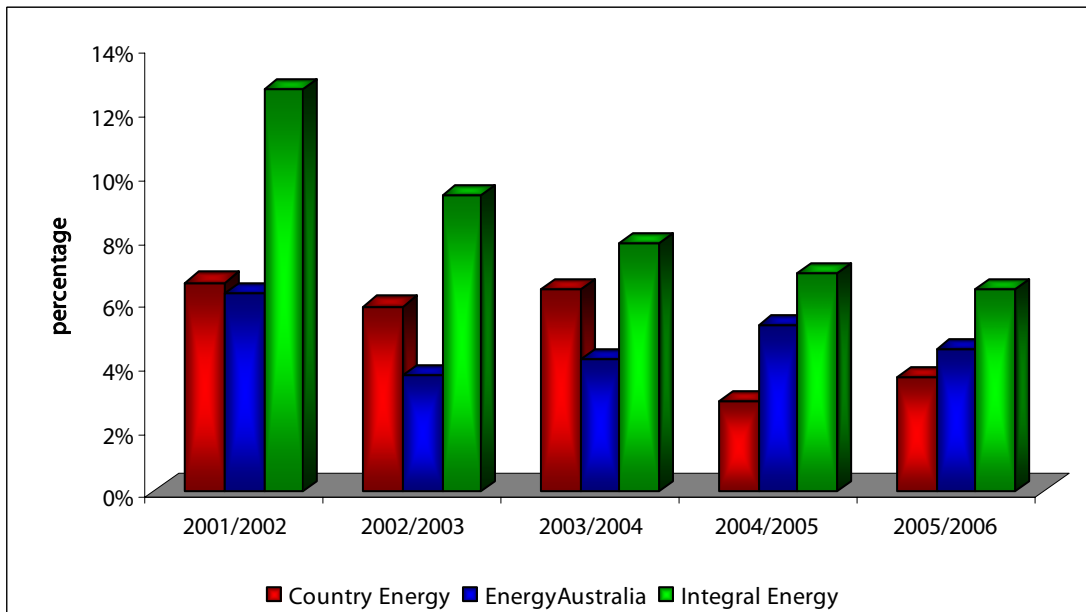


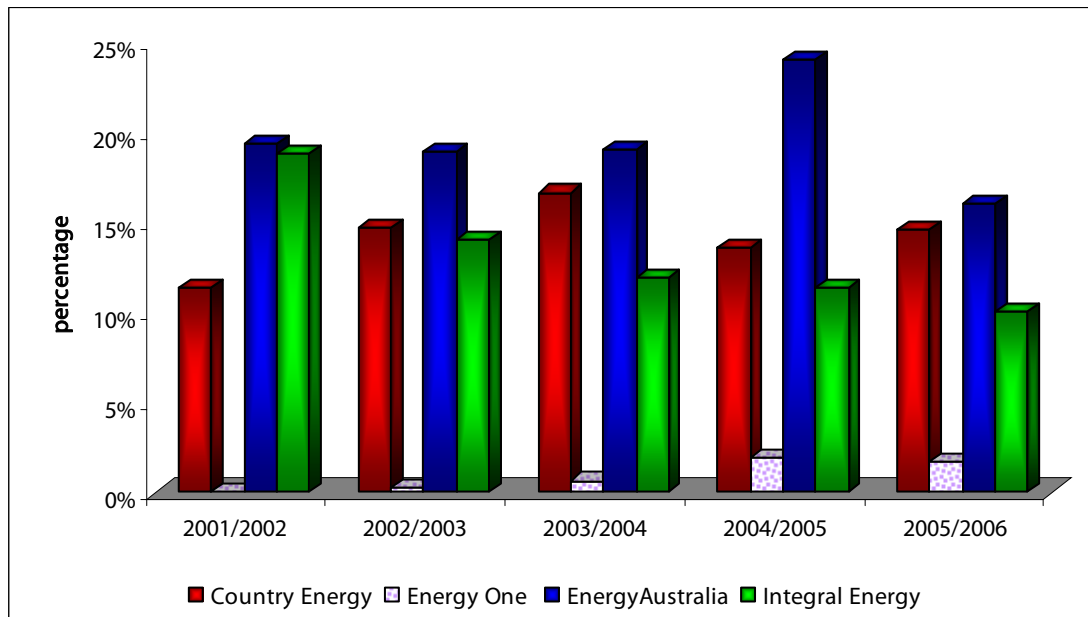
Figure 11 Percentage of security deposits from residential small retail customers held by retailers for longer than 12 months



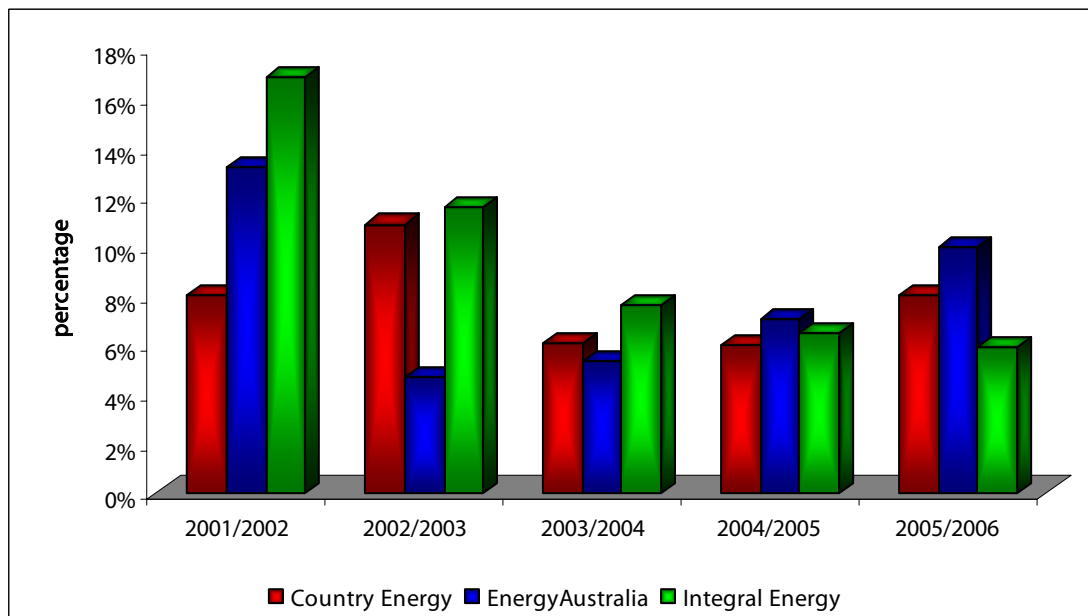
The proportion of residential small retail customers who had security deposits held by their Standard Supplier has declined in 2005/06. The proportion of these customers whose deposits were held longer than 12 months declined for EnergyAustralia and Integral Energy, but increased for Country Energy.

<sup>14</sup> Energy One had a very small number of residential security deposits that do not appear on the above graph.

**Figure 13 Percentage of non-residential small retail customers who had security deposits held by their retailer on 30 June**



**Figure 14 Percentage of security deposits from non-residential small retail customers held by retailers for longer than 24 months**



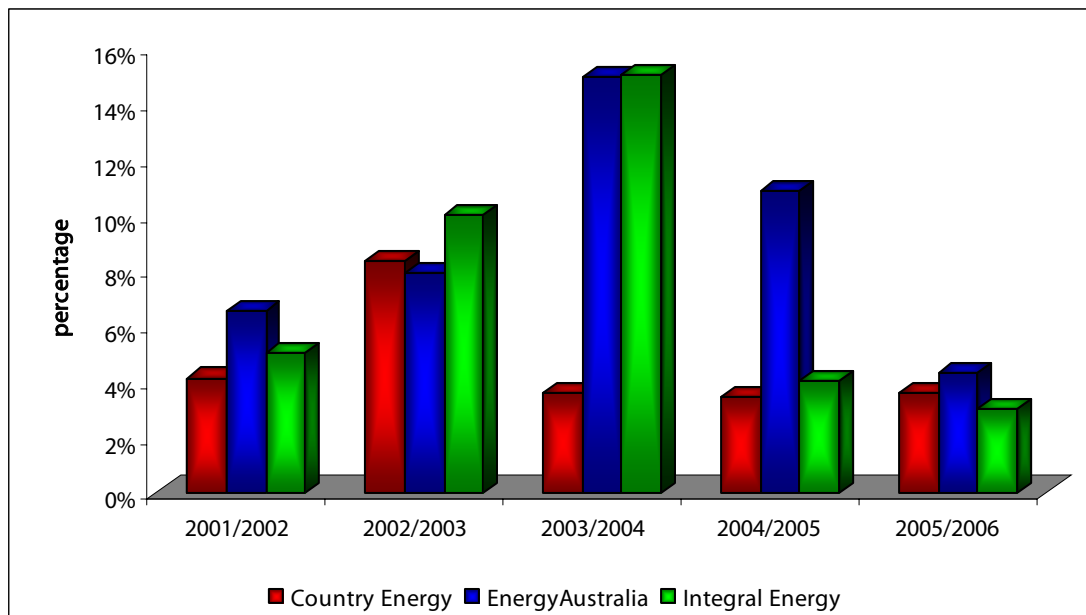
The proportion of non-residential small retail customers who had security deposits held declined for EnergyAustralia and Integral Energy, but increased for Country Energy. The proportion of these customers whose deposits were held longer than 24 months decreased for Integral Energy, but increased for EnergyAustralia and Country Energy.

## Call centre responsiveness

All electricity retailers are required, as a guaranteed customer service standard, to provide a telephone service that operates during business hours to which a person can be connected for not more than the price of a local telephone call.<sup>15</sup> In addition, the telephone service must be able to receive notice of and give information about customers' bills and customer connections arranged by the supplier.

Figures 15, 16, 17 and 18 show the percentage of calls to retailers' telephone services that were abandoned or dropped out before being answered by a human operator, and the percentage that were answered by a human operator within 30 seconds. This data includes calls to complaint and enquiry lines, including lines that are initially answered by an automated interactive voice response system but make provision for the caller to be transferred to a human operator. Where this is the case, the data include calls answered within 30 seconds of the caller selecting the option to be transferred to a human operator.

**Figure 15 Percentage of calls that were abandoned or dropped out before being answered by a human operator (Standard Suppliers only)**

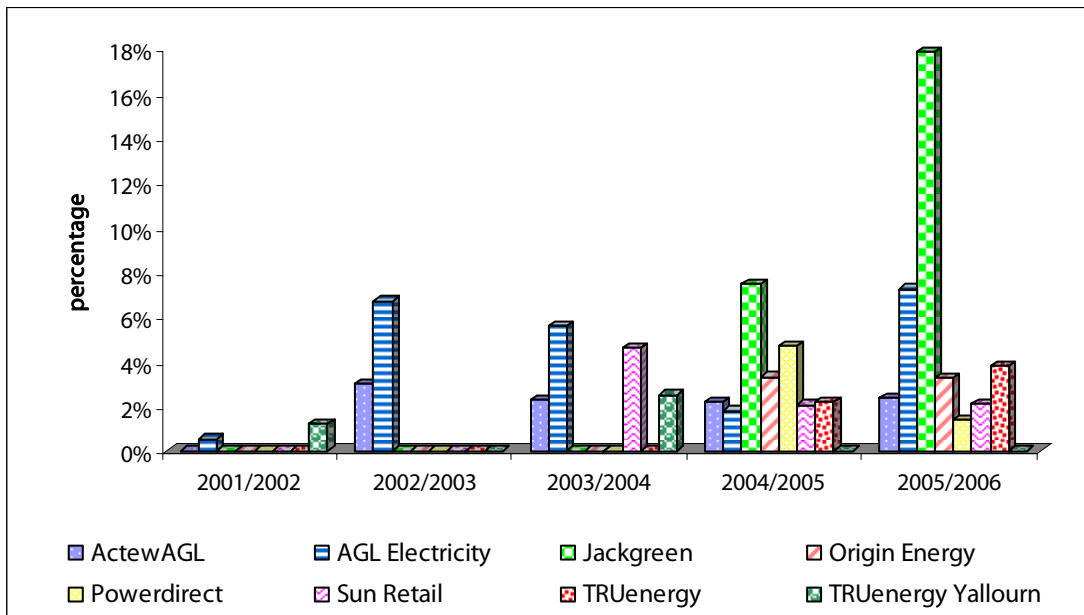


In the beginning of 2005, EnergyAustralia allocated additional staff resources and training to its call centre to address substantial growth in call volume. This has resulted in a significant improvement in its call centre responsiveness in 2005/06.<sup>16</sup>

<sup>15</sup> Established under clause 40 and Schedule 2, part 2, clause 10(2) of the *Electricity Supply (General) Regulation 2001*, (Appendix 2).

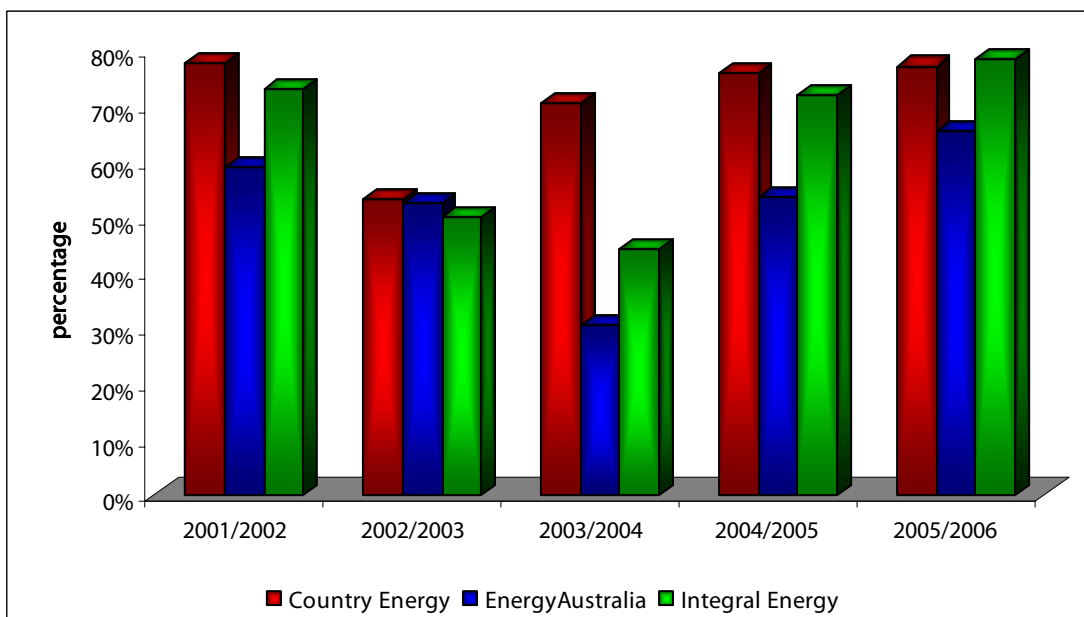
<sup>16</sup> Please note that EnergyAustralia's telephone system does not maintain separate statistics for energy, therefore both electricity and gas retail calls are included in its call centre statistics.

**Figure 16 Percentage of calls that were abandoned or dropped out before being answered by a human operator (all other retailers)**



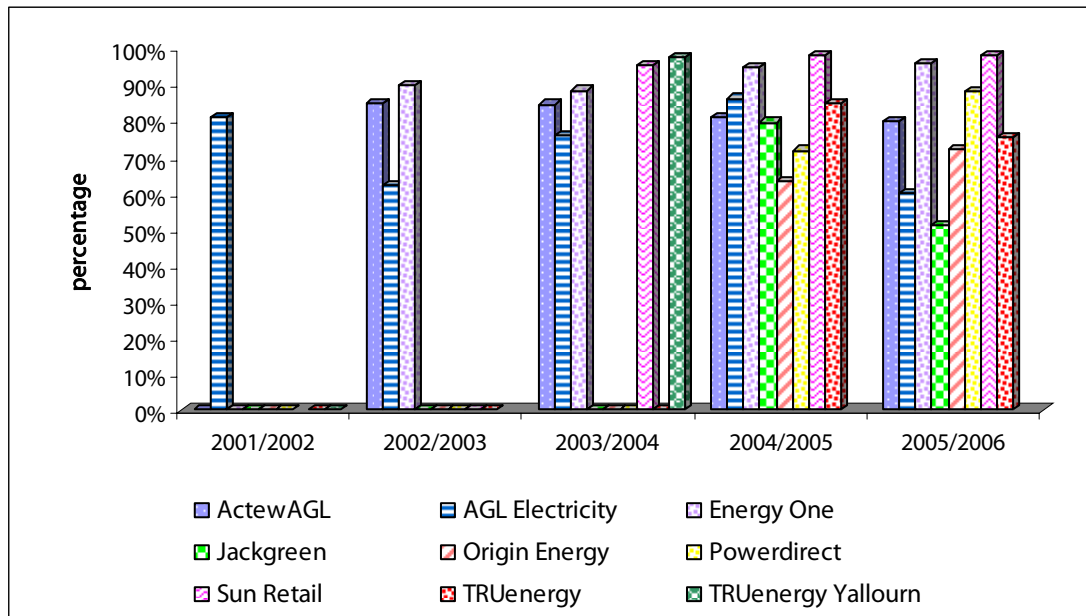
Jackgreen’s call centre performance was notably poor with almost 18 per cent of calls to its telephone service having been abandoned or dropped out before being answered by a human operator. According to Jackgreen, it experienced a large increase in call volume due to a problematic telemarketing campaign and at the time did not have adequate resources to handle this volume.<sup>17</sup> Jackgreen has now brought its call centre in-house and has employed additional resources to address this issue.

**Figure 17 Percentage of calls answered by a human operator within 30 seconds (Standard Suppliers Only)**



<sup>17</sup> See Energy Distribution and Retail Licensees Compliance Report for 2005/06 for further information.

Figure 18 Percentage of calls answered by a human operator within 30 seconds (all other retailers)<sup>18</sup>



Overall, call centre performance has remained largely similar to last year, with the majority of retailers managing to answer calls within 30 seconds over 75 per cent of the time. A few retailers (AGL Electricity, Jackgreen and Origin Energy) performed under that level to varying degrees and should enhance their performance further. EnergyAustralia’s performance in this area has significantly improved over the last 2 years, but still remains below the performance levels of Integral Energy and Country Energy.

### Customer complaints

Table 3 shows the total number of customer complaints about retail supply matters in NSW. These complaints are measured as customers who have contacted the retailer to express their dissatisfaction with some aspect of their retailers’ service and are seeking a resolution. This indicator includes customer complaints to the retailer about retail supply matters and its failure to observe its procedures, but does not include complaints made about the retailer to any other body.

Table 3 Number of small retail customer complaints about retail supply matters in NSW

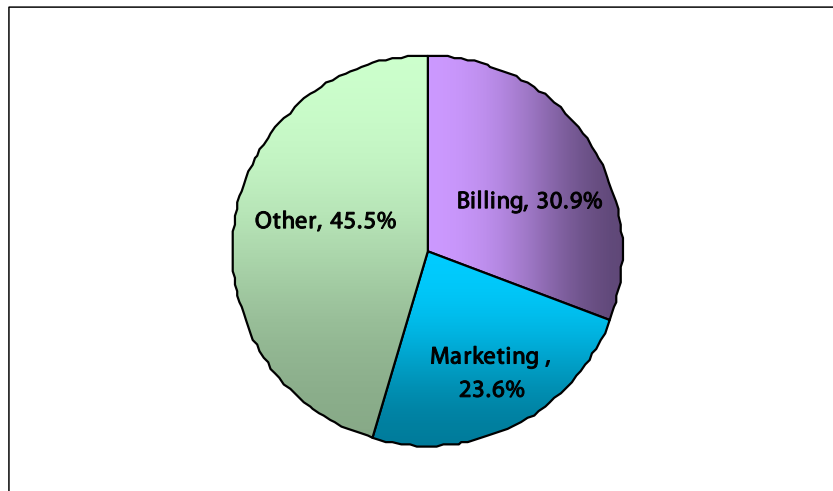
	2001/02	2002/03	2003/04	2004/05	2005/06
Number of complaints related to marketing	NA	NA	NA	1,255	3,816
Number of complaints related to billing	3,894	8,137	6,576	3,334	4,994
Number of complaints related to “other” matters	4,600	5,748	5,203	7,449	7,349
Total number of complaints	8,494	13,885	11,779	12,038	16,159
Total complaints as a percentage of customers	0.3%	0.5%	0.4%	0.4%	0.5%

The number of customer complaints about retail supply matters increased in 2005/06. However, when expressed as a percentage of all NSW small retail customers this number remains reasonably low (0.5 per cent).

<sup>18</sup> ActewAGL has set an internal target of answering customer calls within 20 seconds, rather than 30 seconds.

Figure 19 shows the proportion of complaints received by each retailer that can be categorised as either marketing, billing or 'other' complaints in 2005/06.

**Figure 19 Types of customer complaints received in 2005/06 as a percentage of total small retail customers in NSW**



In 2004/05, only 10.4 per cent of the total complaints were related to marketing. However, in 2005/06, this proportion increased to 23.6 per cent, which represents a significant increase in marketing complaints. For some individual retailers, the proportion of their total complaints that were related to marketing was even higher, particularly for some of the smaller retailers (discussed further below).

The Tribunal found there was a significant increase in marketing activity across the NSW retail energy industry which led to a corresponding increase in the number of marketing complaints. Further, EWON advised the Tribunal of an increase in marketing complaints, including inappropriate targeting of vulnerable customers. The Tribunal acknowledges that retailers generally have policies in place to prevent marketing to these customers. However, the Tribunal has reviewed EWON's case studies and identified examples where vulnerable customers have been targeted.

From a compliance perspective, marketing is a high-risk activity. This means it is important that licensees establish effective compliance and verification systems and procedures to reduce the incidence of marketing breaches/ complaints.

The Tribunal intends to work with EWON and the industry to generally enhance compliance in the energy retail marketing area and reduce the incidence of inappropriate targeting of vulnerable customers.

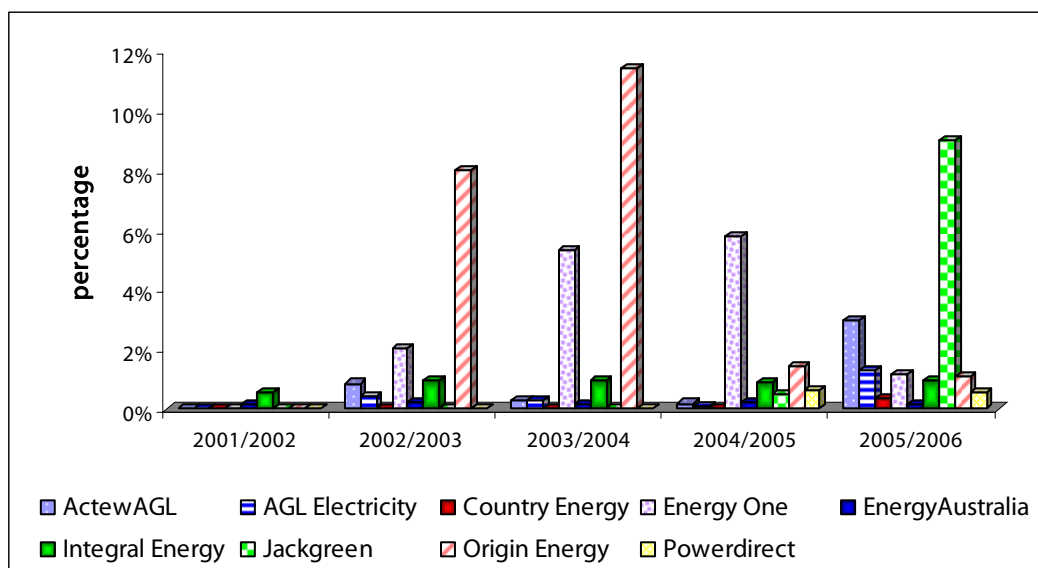
Billing complaints have also increased slightly this year from approximately 28 per cent to 31 per cent. 'Other' complaints continue to make up the largest percentage of all customer complaints.<sup>19</sup>

Figure 20 shows the customer complaints received by individual retailers, as a percentage of their total number of small retail customers.

<sup>19</sup> Other' complaints could include various issues (such as contracts not being provided to customers or not containing certain required items, customer notifications, supply issues, etc).



Figure 20 Customer complaints as a percentage of the retailer's total small retail customers



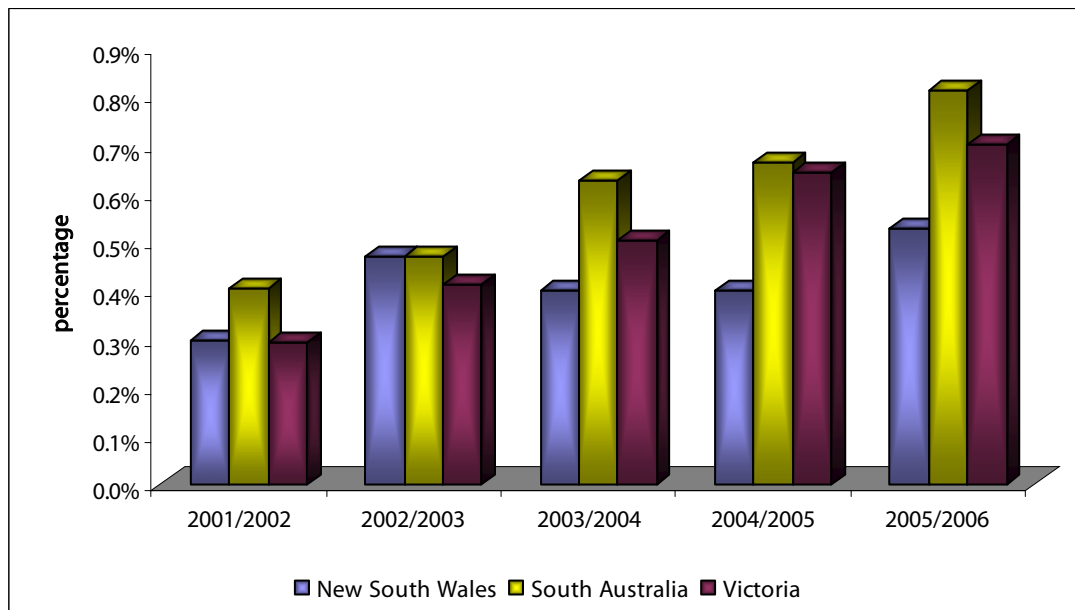
It should be noted that prior to 2005/06, both Origin Energy and Energy One had rather small customer bases. So while the percentage of their customers who complained appears large, the actual number of complaints involved was relatively low.

Looking at individual retailers, the most significant increase in complaints came from Jackgreen customers. Nine per cent of this retailer's customers complained in 2005/06 compared to 0.5 per cent in 2004/05. Most of their complaints were in relation to marketing, largely due to a problematic telemarketing campaign. Jackgreen was required to enter an enforceable undertaking to rectify the marketing and compliance problems identified. Jackgreen has cooperated and adopted new compliance systems and procedures and the Tribunal has since seen a reduction in marketing complaints.

AGL Electricity and ActewAGL both reported that their customer complaints have increased due to increased electricity marketing activity, but that it now has better complaint data collection systems to manage the problem.

Figure 21 shows the statewide levels of customer complaints in NSW, South Australia and Victoria as a percentage of the total number of small retail customers.

Figure 21 Customer complaints as a percentage of the retailer's total small retail customers in NSW, SA and VIC



NSW has the lowest customer complaints across these three states, while South Australia continues to have the highest. It appears that customer complaints are increasing in all jurisdictions, likely due to increased marketing activity. However, it should be noted that in all states, the customer complaints rates are still somewhat low and represent less than 1 per cent of the total small retail customer base.

## APPENDIX 1 RETAILER CUSTOMER SERVICE PERFORMANCE DATA, 2001/2002 TO 2005/2006

Percentage Residential Small Retail Customers Disconnected for non-payment of bills					
	2001/02	2002/03	2003/04	2004/05	2005/06
ActewAGL	0.0%	0.0%	0.0%	0.4%	1.1%
AGL Electricity	0.0%	0.0%	0.0%	0.0%	0.3%
Country Energy	1.7%	0.7%	0.7%	0.7%	0.6%
EnergyAustralia	0.5%	0.5%	0.7%	0.8%	0.7%
Energy One	0.0%	0.0%	0.0%	2.8%	0.0%
Integral Energy	1.2%	1.0%	1.0%	1.8%	1.6%
Origin Energy	NA	0.0%	0.6%	0.2%	0.1%
<b>Grand Total</b>	<b>1.0%</b>	<b>0.7%</b>	<b>0.8%</b>	<b>1.0%</b>	<b>0.9%</b>

Percentage Non-Residential Small Retail Customers Disconnected for non-payment of bills					
	2001/02	2002/03	2003/04	2004/05	2005/06
ActewAGL	0.0%	0.0%	0.0%	0.0%	1.8%
AGL Electricity	0.0%	0.0%	0.0%	0.0%	0.3%
Country Energy	0.4%	0.0%	0.2%	0.3%	0.4%
Energy One	0.0%	0.0%	1.0%	2.5%	0.9%
EnergyAustralia	0.5%	0.5%	0.5%	0.7%	0.5%
Integral Energy	0.4%	0.3%	0.4%	0.5%	0.8%
<b>Grand Total</b>	<b>0.4%</b>	<b>0.3%</b>	<b>0.4%</b>	<b>0.5%</b>	<b>0.5%</b>

Percentage Residential Small Retail Customers Disconnected for non-payment of bills in NSW, SA, and VIC					
	2001/02	2002/03	2003/04	2004/05	2005/06
New South Wales	1.0%	0.7%	0.8%	1.0%	0.9%
South Australia	1.1%	0.8%	2.2%	1.2%	1.1%
Victoria	0.7%	0.6%	0.8%	0.5%	0.2%

Percentage Non-Residential Small Retail Customers Disconnected for non-payment of bills in NSW, SA, and VIC					
	2001/02	2002/03	2003/04	2004/05	2005/06
New South Wales	0.4%	0.3%	0.4%	0.5%	0.5%
South Australia	0.4%	0.3%	1.3%	0.9%	1.2%
Victoria	0.4%	0.3%	0.7%	0.5%	0.2%

Percentage residential small retail customers disconnected whose supply was reconnected in the same name					
	2001/02	2002/03	2003/04	2004/05	2005/06
ActewAGL	0.0%	0.0%	0.0%	46.9%	22.5%
AGL Electricity	0.0%	0.0%	0.0%	62.5%	19.2%
Country Energy	62.2%	60.5%	44.2%	42.3%	40.6%
Energy One	0.0%	0.0%	0.0%	2.8%	0.0%
EnergyAustralia	72.4%	49.7%	50.4%	48.7%	52.8%
Integral Energy	46.8%	77.3%	76.3%	77.9%	73.2%
Origin Energy	NA	0.0%	0.0%	50.0%	9.7%
<b>Grand Total</b>	<b>59.7%</b>	<b>63.4%</b>	<b>58.4%</b>	<b>61.8%</b>	<b>59.6%</b>

<b>Percentage non-residential small retail customers disconnected whose supply was reconnected in the same name</b>					
	<b>2001/02</b>	<b>2002/03</b>	<b>2003/04</b>	<b>2004/05</b>	<b>2005/06</b>
ActewAGL	0.0%	0.0%	0.0%	0.0%	33.3%
AGL Electricity	0.0%	0.0%	0.0%	0.0%	11.1%
Country Energy	46.2%	17.2%	30.9%	33.2%	34.2%
Energy One	0.0%	0.0%	50.0%	94.1%	30.0%
EnergyAustralia	67.2%	29.6%	35.0%	36.0%	37.0%
Integral Energy	0.0%	71.1%	58.7%	63.2%	48.0%
<b>Grand Total</b>	<b>46.7%</b>	<b>39.7%</b>	<b>39.7%</b>	<b>43.4%</b>	<b>39.1%</b>

<b>Percentage of residential small retail customers using instalment plans as at 30 June</b>					
	<b>2001/02</b>	<b>2002/03</b>	<b>2003/04</b>	<b>2004/05</b>	<b>2005/06</b>
ActewAGL	0.0%	5.6%	4.8%	6.3%	5.6%
AGL Electricity	0.0%	0.0%	2.4%	1.7%	1.3%
Country Energy	0.7%	2.8%	4.2%	7.2%	8.4%
EnergyAustralia	0.3%	0.4%	0.7%	0.8%	0.7%
Integral Energy	0.0%	2.0%	1.8%	2.3%	2.8%
Jackgreen	NA	NA	NA	0.1%	11.8%
Origin Energy	NA	0.0%	2.5%	1.5%	1.0%
Powerdirect	NA	NA	NA	0.0%	0.3%
TRUenergy	NA	0.0%	0.0%	0.0%	1.2%
<b>Grand Total</b>	<b>0.3%</b>	<b>1.4%</b>	<b>1.9%</b>	<b>2.8%</b>	<b>3.2%</b>

<b>Percentage of residential small retail customers using instalment plans as at 30 June</b>					
	<b>2001/02</b>	<b>2002/03</b>	<b>2003/04</b>	<b>2004/05</b>	<b>2005/06</b>
New South Wales	0.3%	1.4%	1.9%	2.8%	3.2%
South Australia	NA	NA	NA	1.5%	1.9%
Victoria	5.1%	4.9%	5.1%	4.8%	4.7%

<b>Percentage of residential small retail customers using Centrepay as at 30 June</b>					
	<b>2001/02</b>	<b>2002/03</b>	<b>2003/04</b>	<b>2004/05</b>	<b>2005/06</b>
ActewAGL	0.8%	0.6%	2.1%	2.5%	2.6%
AGL Electricity	0.0%	0.0%	0.3%	0.0%	0.1%
Country Energy	0.5%	0.5%	1.6%	2.6%	5.0%
EnergyAustralia	0.0%	0.0%	0.0%	0.1%	0.5%
Integral Energy	0.0%	0.2%	0.5%	0.8%	1.3%
Jackgreen	NA	NA	NA	0.1%	1.3%
TRUenergy	NA	0.0%	0.0%	0.0%	0.2%
<b>Grand Total</b>	<b>0.1%</b>	<b>0.2%</b>	<b>0.5%</b>	<b>0.9%</b>	<b>1.7%</b>

<b>Percentage of residential small retail customer security deposits held as at 30 June</b>					
	<b>2001/02</b>	<b>2002/03</b>	<b>2003/04</b>	<b>2004/05</b>	<b>2005/06</b>
Country Energy	8.5%	8.4%	11.3%	7.3%	6.7%
Energy One	0.0%	0.0%	0.0%	0.0%	0.4%
EnergyAustralia	11.7%	12.0%	11.4%	12.1%	9.6%
Integral Energy	12.1%	9.8%	8.5%	7.9%	7.1%
<b>Grand Total</b>	<b>11.1%</b>	<b>10.4%</b>	<b>10.3%</b>	<b>9.2%</b>	<b>7.4%</b>

<b>Percentage of residential small retail customer security deposits held for longer than 12 months</b>					
	<b>2001/02</b>	<b>2002/03</b>	<b>2003/04</b>	<b>2004/05</b>	<b>2005/06</b>
Country Energy	6.6%	5.8%	6.4%	2.8%	3.5%
EnergyAustralia	6.2%	3.6%	4.1%	5.2%	4.4%
Integral Energy	12.7%	9.3%	7.8%	6.8%	6.4%
<b>Grand Total</b>	<b>8.0%</b>	<b>5.7%</b>	<b>5.6%</b>	<b>4.8%</b>	<b>4.3%</b>

<b>Percentage of non-residential small retail customer security deposits held as at June 30</b>					
	<b>2001/02</b>	<b>2002/03</b>	<b>2003/04</b>	<b>2004/05</b>	<b>2005/06</b>
Country Energy	11.4%	14.7%	16.7%	13.6%	14.7%
Energy One	0.0%	0.2%	0.6%	1.9%	1.7%
EnergyAustralia	19.4%	19.0%	19.1%	24.1%	16.0%
Integral Energy	18.8%	14.1%	12.0%	11.4%	10.1%
<b>Grand Total</b>	<b>16.0%</b>	<b>16.4%</b>	<b>16.5%</b>	<b>16.9%</b>	<b>13.0%</b>

<b>Percentage of non-residential small retail customer security deposits held for longer than 24 months</b>					
	<b>2001/02</b>	<b>2002/03</b>	<b>2003/04</b>	<b>2004/05</b>	<b>2005/06</b>
Country Energy	8.0%	10.9%	6.1%	5.9%	8.0%
EnergyAustralia	13.2%	4.6%	5.3%	7.0%	9.9%
Integral Energy	16.8%	11.6%	7.6%	6.4%	5.9%
<b>Grand Total</b>	<b>11.8%</b>	<b>8.2%</b>	<b>6.1%</b>	<b>6.4%</b>	<b>7.7%</b>

<b>Percentage of calls abandoned or dropped out</b>					
	<b>2001/02</b>	<b>2002/03</b>	<b>2003/04</b>	<b>2004/05</b>	<b>2005/06</b>
ActewAGL	0.0%	3.0%	2.3%	2.2%	2.4%
AGL Electricity	0.6%	6.7%	5.6%	1.8%	7.3%
Country Energy	4.1%	8.3%	3.6%	3.4%	3.6%
EnergyAustralia	6.5%	7.9%	14.9%	10.8%	4.3%
Integral Energy	5.0%	10.0%	15.0%	4.0%	3.0%
Jackgreen	NA	NA	NA	7.5%	17.8%
Origin Energy	NA	0.0%	0.0%	3.3%	3.3%
Powerdirect	NA	NA	NA	4.7%	1.4%
Sun Retail	NA	NA	4.6%	2.1%	2.1%
TRUenergy	NA	0.0%	0.0%	2.2%	3.8%
TRUenergy Yallourn	1.2%	0.0%	2.5%	0.0%	0.0%
<b>Grand Total</b>	<b>4.7%</b>	<b>8.3%</b>	<b>11.1%</b>	<b>6.7%</b>	<b>3.9%</b>

<b>Percentage of calls answered by a human operator within 30 seconds</b>					
	<b>2001/02</b>	<b>2002/03</b>	<b>2003/04</b>	<b>2004/05</b>	<b>2005/06</b>
ActewAGL	0.0%	85.0%	84.6%	81.0%	80.0%
AGL Electricity	81.1%	62.0%	76.0%	86.2%	60.1%
Country Energy	77.7%	53.0%	70.5%	76.0%	77.1%
Energy One	NA	90.0%	88.5%	95.0%	96.0%
EnergyAustralia	58.8%	52.3%	30.6%	53.3%	65.4%
Integral Energy	73.0%	50.0%	44.0%	72.0%	78.2%
Jackgreen	NA	NA	NA	79.6%	51.0%
Origin Energy	NA	0.0%	0.0%	63.5%	72.1%
Powerdirect	NA	NA	NA	71.9%	88.2%
Sun Retail	NA	NA	95.4%	97.9%	97.9%
TRUenergy	NA	0.0%	0.0%	85.0%	75.4%
TRUenergy Yallourn	0.0%	0.0%	97.5%	0.0%	100.0%
<b>Grand Total</b>	<b>61.1%</b>	<b>53.8%</b>	<b>48.2%</b>	<b>65.7%</b>	<b>71.7%</b>

<b>Total percentage of complaints from small retail customers about retail supply matters</b>					
	<b>2001/02</b>	<b>2002/03</b>	<b>2003/04</b>	<b>2004/05</b>	<b>2005/06</b>
ActewAGL	0.0%	0.9%	0.3%	0.2%	3.0%
AGL Electricity	0.0%	0.5%	0.3%	0.1%	1.3%
Country Energy	0.0%	0.0%	0.0%	0.0%	0.3%
Energy One	0.0%	2.0%	5.4%	5.8%	1.2%
EnergyAustralia	0.2%	0.2%	0.2%	0.2%	0.2%
Integral Energy	0.5%	1.0%	0.9%	0.9%	1.0%
Jackgreen	NA	NA	NA	0.5%	9.0%
Origin Energy	NA	8.0%	11.4%	1.5%	1.1%
Powerdirect	NA	NA	NA	0.6%	0.6%
Sun Retail	NA	NA	0.0%	0.0%	9.1%
TRUenergy	NA	0.0%	0.0%	0.0%	0.7%
<b>Grand Total</b>	<b>0.3%</b>	<b>0.5%</b>	<b>0.4%</b>	<b>0.4%</b>	<b>0.5%</b>

<b>Percentage of complaints about billing</b>					
	<b>2001/02</b>	<b>2002/03</b>	<b>2003/04</b>	<b>2004/05</b>	<b>2005/06</b>
ActewAGL	0.0%	36.5%	20.0%	5.9%	6.6%
AGL Electricity	0.0%	60.6%	66.0%	58.4%	77.5%
Country Energy	69.9%	71.7%	85.6%	85.2%	82.1%
Energy One	NA	66.7%	73.8%	33.3%	52.6%
EnergyAustralia	57.0%	37.5%	53.9%	32.6%	28.3%
Integral Energy	29.2%	61.5%	50.7%	15.0%	12.5%
Jackgreen	NA	NA	NA	0.0%	10.4%
Origin Energy	NA	11.1%	26.3%	8.0%	3.2%
Powerdirect	NA	NA	NA	50.0%	40.0%
TRUenergy	NA	0.0%	0.0%	0.0%	13.5%
<b>Grand Total</b>	<b>45.8%</b>	<b>58.6%</b>	<b>55.8%</b>	<b>27.7%</b>	<b>30.9%</b>

Percentage of complaints about marketing as compared to total complaints		
	2004/05	2005/06
ActewAGL	64.7%	76.3%
AGL Electricity	31.0%	18.2%
Country Energy	1.1%	2.0%
EnergyAustralia	9.1%	8.9%
Integral Energy	11.3%	21.2%
Jackgreen	100.0%	55.7%
Origin Energy	72.6%	68.0%
Powerdirect	0.0%	37.1%
TRUenergy	0.0%	68.3%
<b>Grand Total</b>	<b>10.4%</b>	<b>23.6%</b>

Percentage of complaints about other matters					
	2001/02	2002/03	2003/04	2004/05	2005/06
ActewAGL	0.0%	63.5%	80.0%	23.5%	17.1%
AGL Electricity	0.0%	39.4%	34.0%	10.6%	4.3%
Country Energy	30.1%	28.3%	14.4%	13.7%	15.8%
Energy One	NA	33.3%	26.2%	66.7%	84.2%
EnergyAustralia	43.0%	62.5%	46.1%	58.3%	62.8%
Integral Energy	70.8%	38.5%	49.3%	73.7%	66.3%
Jackgreen	NA	NA	NA	0.0%	33.8%
Origin Energy	NA	88.9%	73.7%	19.5%	28.8%
Powerdirect	NA	NA	NA	50.0%	22.9%
Sun Retail	NA	NA	0.0%	0.0%	100.0%
TRUenergy	NA	0.0%	0.0%	0.0%	18.3%
<b>Grand Total</b>	<b>54.2%</b>	<b>41.4%</b>	<b>44.2%</b>	<b>61.9%</b>	<b>45.5%</b>

Percentage of customer complaints by type					
	2001/02	2002/03	2003/04	2004/05	2005/06
Billing complaints	45.8%	58.6%	55.8%	27.7%	30.9%
Marketing complaints	NA	NA	NA	10.4%	23.6%
Other' complaints	54.2%	41.4%	44.2%	61.9%	45.5%
<b>Grand total</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>

Total percentage of complaints from small retail customers about retail supply matters in NSW, SA, and VIC					
	2001/02	2002/03	2003/04	2004/05	2005/06
New South Wales	0.3%	0.5%	0.4%	0.4%	0.5%
South Australia	0.4%	0.5%	0.6%	0.7%	0.8%
Victoria	0.3%	0.4%	0.5%	0.6%	0.7%

<b>Electricity Retail – Total Numbers (All Performance Indicators)</b>	<b>2001/02</b>	<b>2002/03</b>	<b>2003/04</b>	<b>2004/05</b>	<b>2005/06</b>
Number of customers as at 30 June.	2,904,811	2,988,803	2,988,740	3,037,337	3,075,976
Number of residential small retail customers.	2,567,273	2,682,685	2,677,780	2,735,290	2,756,908
Number of non residential small retail customers.	321,379	284,807	289,527	274,279	302,764
Total small retail customers.	2,888,439	2,967,447	2,967,307	3,009,569	3,059,670
Number of calls made to telephone service.	4,399,441	3,923,380	4,330,378	4,669,565	4,820,083
Number of calls abandoned or dropped out.	205,965	326,842	482,506	311,517	189,505
Number of calls answered within 30 seconds.	2,687,194	2,109,802	2,088,521	3,068,579	3,455,282
Number of residential small retail disconnections.	25,141	18,153	21,394	26,931	24,056
Number of non residential small retail disconnections.	1,406	902	1,122	1,384	1,572
Number residential small retail customers disconnected then reconnected.	15,016	11,513	12,495	16,635	14,330
Number non residential small retail customers disconnected then reconnected.	656	358	445	601	615
Total number of complaints from small retail customers about retail supply matters.	8,494	13,885	11,779	12,038	16,159
Number of complaints about billing.	3,894	8,137	6,576	3,334	4,994
Number of complaints about marketing	NA	NA	NA	1,255	3,816
Number of complaints about other matters.	4,600	5,748	5,203	7,449	7,349
Number of direct marketing contacts to small retail customers	NA	NA	NA	4,596,626	8,238,885
Number of customers transferred to licence holder	NA	NA	NA	143,371	208,591
Number of residential small retail security deposits as at 30 June.	283,984	279,492	275,978	250,833	203,595
Number of residential security deposits held for longer than 12 months.	206,182	152,363	149,293	130,620	118,477
Number of non residential small retail security deposits as at 30 June.	51,471	46,758	47,838	46,394	39,504
Number of non residential security deposits held for longer than 24 months.	37,914	23,322	17,664	17,518	23,274
Number of residential small retail customers using direct debit as at 30 June.	216,968	180,455	160,266	173,736	336,352
Number of residential small retail customers using instalment plans as at 30 June.	7,874	38,416	50,044	75,955	87,698
Number of residential small retail customers using Centrepay as at 30 June.	3,006	5,050	13,632	24,917	47,131



## APPENDIX 2 NOTES AND DEFINITIONS

### 1. Customers

'Customer' means the person in whose name an electricity account is held under one supply contract.

'Small retail customer' means a customer whose electricity consumption in NSW is no more than 160 megawatt hours per annum.

'Residential small retail customer' means a small retail customer who uses their premises primarily for residential purposes.

'Non-residential small retail customer' means a small retail customer who uses their premises primarily for non-residential purposes.

The customer statistics collected here will be used in conjunction with the other statistics in this schedule to derive operating measures (eg, percentages or numbers per 1,000). The customer numbers themselves will not be published without the Licence Holder's permission.

### 2. Telephone service for account inquiries

Only retailers who supplied small retail customers during the period are asked to report on their telephone service for account inquiries. Retailers who did **not** supply small retail customers have 'N/A' (not applicable) in the column.

The resulting measures that may be used in the Tribunal's compliance report are:

- ▼ Percentage of calls answered within 30 seconds.
- ▼ Percentage of calls that dropped out or were abandoned by the caller.

These measures are based upon a guaranteed customer service standard established under clause 40 and Schedule 2, Part 2, clause 10(2) of the *Electricity Supply (General) Regulation 2001*. A supply contract between a retail supplier and a small retail customer must require a supplier to provide a telephone service that operates during business hours on which a person can be connected for not less than the price of a local telephone call and that can receive notice of, and give information concerning, customers' bills and customer connection services arranged by the supplier. An automated answering service satisfies this requirement only if it makes provision for the transfer of calls to a human operator.

### 3. Supply discontinuance

Only retailers who supplied small retail customers during the period are asked to report on supply discontinuances. Retailers who did **not** supply small retail customers should enter 'N/A' (not applicable) in the column. Each instance that supply is discontinued for failing to pay an amount due to the licence holder must be reported, including discontinuing supply to vacant premises. For example, if a customer's supply has been discontinued twice in the reporting year, two supply discontinuances must be reported.

The resulting measures that may be used in the Tribunal's compliance report are:

- ▼ Proportion of residential small retail customers whose supply was discontinued during the year for failing to pay an amount due.
- ▼ Proportion of non-residential small retail customers whose supply was discontinued during the year for failing to pay an amount due.
- ▼ Number and proportion of small retail customers whose supply was discontinued during the year at a prohibited time or on a prohibited day for failing to pay an amount due.

#### 4. Supply recontinuance

Only retailers who supplied small retail customers during the period are asked to report on supply recontinuances. Retailers who did **not** supply small retail customers should enter 'N/A' (not applicable) in the column.

The resulting measures that may be used in the Tribunal's compliance report are:

- ▼ Proportion of residential small retail customers whose supply was recontinued in the same name after being discontinued during the year for failing to pay an amount due.
- ▼ Proportion of non-residential small retail customers whose supply was recontinued in the same name after being discontinued for failing to pay an amount due.

#### 5. Complaints

Only retailers who supplied small retail customers during the period are asked to report on customer complaints. Retailers who did **not** supply small retail customers have 'N/A' (not applicable) in the column.

'Complaint' means a written or verbal expression of dissatisfaction about an action, a proposed action, or a failure to act by a Licence Holder, its employees, agents or contractors. This includes failure by a Licence Holder to observe its published or agreed practices or procedures. It does not include a complaint made about the Licence Holder to any other body.

The complaint sub-categories (ie 'billing', 'marketing' and 'other matters') are to be reported using the Energy and Water Ombudsman NSW's methodology for allocating issues into categories.

Marketing has been added as a complaint sub-category from 2004/05. This data is collected to assist in monitoring the competitive retail market.

The following measures may be published by the Tribunal are:

- ▼ Proportion of residential small retail customers that complained about retail supply matters.
- ▼ Proportion of non-residential small retail customers that complained about retail supply matters.
- ▼ Percentage of complaints from residential small retail customers that were related to billing, marketing and other matters.
- ▼ Percentage of complaints from non-residential small retail customers that were related to billing, marketing and other matters.

The Tribunal will seek information from EWON on the number of small retail customers who took their complaint about a retailer's service to EWON.

## 6. Security deposits

Only retailers who supplied small retail customers during the period are asked to report on security deposits. Retailers who did **not** supply small retail customers have 'N/A' (not applicable) in the column.

The resulting measures that may be used in the Tribunal's compliance report are:

- ▼ Percentage of residential small retail customers that lodged security deposits.
- ▼ Percentage of non-residential small retail customers that lodged security deposits.
- ▼ Average dollar value of security deposits held from residential small retail customers.
- ▼ Average dollar value of security deposits held from non-residential small retail customers.
- ▼ Number and percentage of security deposits held from residential and non-residential small retail customers that have been held for longer than 12 months and 24 months respectively.

## 7. Payment methods

Only retailers who supplied small retail customers during the period are asked to report on payment methods. Retailers who did **not** supply small retail customers have 'N/A' (not applicable) in the column.

Direct debits from a customer's bank account are to include direct debits from any financial institution, including a customer's credit card.

Retailers should note this statistic is likely to be amended from the 2006/07 reporting year to require retailers to report the number of residential small retail direct debit customers who defaulted on direct debit payments. This amendment is consistent with operating statistics reported in other jurisdictions and is a better indicator of financial hardship than the statistic currently reported.

The resulting measures that may be used in the Tribunal's compliance report are:

- ▼ Percentage of residential small retail customers using direct debit arrangements to pay their bills.
- ▼ Percentage of residential small retail customers paying off billing arrears under an instalment payment plan.
- ▼ Percentage of residential small retail customers using Centrelink's Centrepay bill payment facility.

## APPENDIX 3 DISCONNECTION WORKING GROUP RECOMMENDATIONS

### Disconnection procedures

**Recommendation 1:** That the *Electricity Supply (General) Regulation 2001* (the Regulation) be amended so that:

- customer supply and customer connection contracts prohibit network operators and retailers from disconnecting (or arranging the disconnection) of residential premises owned or occupied by a small retail customer (the customer) for failure to pay an electricity bill, if the failure occurs through lack of sufficient income of the customer, unless the customer has failed to accept an offer of a payment plan or failed to comply with the terms of a payment plan;<sup>20</sup>
- it is a condition of the licence held by a retailer that it does not discontinue the supply of electricity to residential premises owned or occupied by a small retail customer, unless it has complied with the disconnection procedures set out in the customer supply contract.

**Recommendation 2:** That the Regulation be amended so that:

- a supplier that is authorised to discontinue electricity supply to a small retail customer on grounds arising under a customer supply contract must use its *best endeavours* to deal with the customer outside of business hours, where all other attempts to deal with the customer (as specified by Schedule 2 item 12(2)(b) of the Regulation) have been unsuccessful; and
- redundant obligations are removed, including clause 6 of the Regulation imposing endorsement conditions relating to payment plans and clause 16 of the Regulation imposing a licence condition on retailers in relation to the discontinuance of supply to small retail customers under negotiated contracts.

### Payment plans

**Recommendation 3:** That the Regulation be amended to provide that a payment plan is to be operated by all retail suppliers in NSW for customers referred to in recommendation 1 above and is:

- to include an offer for the customer to pay for their electricity consumption (in advance or arrears) by instalment payments;
- to be established having regard to:
  - the customer's capacity to pay;
  - the customer's arrears; and
  - the customer's expected consumption needs over the following twelve month period;
- to inform the customer of:
  - the period or periods of the plan;
  - the amount of each instalment and the frequency of instalments;
  - if the customer is in arrears, the number of instalments to pay the arrears;
  - if the customer is to pay in advance, the basis on which instalments are calculated; and
- to provide fair and reasonable procedures for dealing with payment difficulties that the customer may experience under the plan.

---

<sup>20</sup> These amendments are to be additional to the existing restrictions in Schedule 1 item 7 of the Regulation in relation to Government funded rebates, payment plans and life support systems.

## Hardship policies

**Recommendation 4:** That the Minister advise retailers of the proposed recommendations for regulatory change and encourage retailers to develop, implement and publish a charter for residential customers facing financial hardship based on best practice within six months.

## Reporting

**Recommendation 5:** That, in addition to current requirements about supply discontinuance, retailers be required to provide to the Minister and/or IPART the following information on an annual basis from 1 July 2006:

- ▼ the number of customers who were on a payment plan prior to disconnection;
- ▼ the number of pensioners<sup>21</sup> that were disconnected; and
- ▼ the number of disconnections in the same name and address within the past 12 months.<sup>22</sup>

## Review

**Recommendation 6:** That, after these proposals have been in place for twelve months to eighteen months, disconnection rates should be reviewed by the Working Group for the purpose of considering whether it is necessary to implement additional initiatives, particularly with respect to:

- ▼ the development and implementation of hardship policies based on best practice; and
- ▼ the promotion of energy efficiency initiatives.

## Gas

**Recommendation 7:** The Working Party strongly recommends that the additional proposed disconnection requirements and reporting arrangements be equally applied to electricity and gas retail suppliers.

---

<sup>21</sup> Pensioners mean a pensioner receiving a pensioner energy rebate.

<sup>22</sup> This proposal is designed to assist the Minister to formulate strategies to reduce disconnections of residential customers facing financial hardship by providing additional information about the number and circumstances of customers who are disconnected.