

Alinta Energy penalised for second time in two years

17 March 2020

Electricity and gas

Alinta Energy has paid penalties totalling \$280,000 for again allegedly using door-to-door sales agents to switch Victorians to new energy contracts without their consent.

The Essential Services Commission issued the energy retailer 14 penalty notices worth \$280,000 for switching customers in areas including Melton, Wodonga and Truganina without obtaining each customer's explicit informed consent.

Between March 2018 and March 2019 three different groups of sales agents acting on behalf of Alinta Energy engaged in fraudulent behaviour, impersonating customers in phone calls to sign them onto energy contracts.

Commission chairperson Kate Symons says gaining customers by fraudulent means is completely unacceptable and should be stamped out.

"To rebuild trust in the Victorian energy market consumers must have confidence they will only be switched from one energy retailer to another after they are properly informed and have given their consent to the switch," she said.

Ms Symons says these latest matters show Alinta Energy has failed once again to stop fraudulent behaviour by door-to-door sales agents that act on its behalf.

“In most of the cases, the company only became aware of the falsified sales when customers called to complain.

“Alinta has demonstrated its fraud prevention controls were deeply flawed and open to exploitation by deceitful sales agents,” she said.

Alinta Energy has indicated it will no longer market its energy offers door-to-door in Victoria. It was [penalised \\$300,000 in August 2018](#) for similar breaches. The commission has written to retailers reinforcing that it is their obligation to ensure third party agents comply with the rules.

Editors’ note: The commission can issue energy industry penalty notices where it has reason to believe a business has committed an energy industry contravention. The payment of a penalty specified in the energy industry penalty notices is not an admission of a contravention of their retail licences.

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