



ENERGY RETAILERS
COMPARATIVE PERFORMANCE
REPORT — CUSTOMER SERVICE
2012-13

REVISED JANUARY 2014

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ERRATUM

On 19 December 2013, following the publication of the original version of this report on 18 December 2013, EnergyAustralia advised the Essential Services Commission that it had supplied the Commission with incorrect performance data.¹

This revised comparative performance report has been amended to reflect the correct data provided by EnergyAustralia. Text which has been amended as a result of this update is shown in **red**. The following is a summary of the changes made to this document:

- EnergyAustralia's electricity complaints for 2012-13 are higher than originally reported and have been amended upwards to 59 937 (from the 29 582 originally reported). EnergyAustralia's gas complaints were amended upwards to 21 681 (from 8 782 originally reported).
- As a result of these amendments, the industry-wide figures for complaints have also required revision. The amended rate of complaints across all retailers is 6.6 per 100 customers for electricity (rather than 5.5 per 100 as originally reported) and 3.1 per 100 customers for gas (rather than 2.4 per 100 as originally reported).
- EnergyAustralia has also resubmitted its hardship data. This includes:
 - the total number of hardship customers, amended upwards from 4 774 to 4 819
 - the number of hardship program participants who were concession cardholders was amended upwards from 1 360 to 1 426
 - average debt of new entrants to a hardship program was amended down from \$1 199 to \$862
 - average debt on exit from a hardship program was amended upwards from \$958 to \$981

¹ EnergyAustralia advised that it had only reported complaints relating to Ombudsman cases, rather than reporting all complaints logged internally. EnergyAustralia advised that this occurred as a result of including data from one source rather than the two separate systems it uses to record complaints



- average length of participation for customers in a hardship program was amended upwards from 232 days to 326 days
- participants exiting a hardship program by agreement with the retailer was amended down from 1 240 to 813, while program participants excluded for not complying with requirements was amended upwards from 977 to 1 404.

Where these changes affect the corresponding industry-wide data, the figures has been amended accordingly. As the changes to EnergyAustralia's hardship data are relatively minor, the original text has not otherwise been altered.



OVERVIEW

This report presents information about the level of customer service that retailers provided to Victorian electricity and gas consumers in 2012-13. It complements our annual price comparison reports. We have produced these reports for many years on the basis that the performance of energy retailers, as the providers of an essential service to the community, requires close scrutiny by customers, regulators, commentators and policy makers. We also trust that by publishing these results we promote the uptake of best practice across the industry.

This report covers key areas of customer service: disconnections, hardship and complaints. In 2012-13, the overall rate of residential electricity disconnections increased to 1.07 disconnections per 100 customers. This rise of 6 per cent was much lower than the 33 per cent increases in each of the preceding two years. However, this figure masks an underlying trend in disconnections due to EnergyAustralia not undertaking disconnections for much of year while it sought to implement its new billing system. Indeed, excluding EnergyAustralia suggests a disconnection rate amongst all other retailers of 1.38 disconnections per 100 customers. Dodo Power & Gas (0.0 disconnections per 100 customers) and Lumo Energy (0.14 per 100) had the lowest rates in 2012-13, while Neighbourhood Energy (2.52 per 100) and AGL (2.17 per 100) had the highest.

Notably, gas disconnections decreased in 2012-13, though this is against an upward trend in recent years. Nonetheless, the 2012-13 gas disconnection rate is still high compared with historical results.

Corresponding with the increase in electricity disconnections reported this year, overall participation in retailers' hardship programs also increased in 2012-13. Across the year, **24 356** (or 0.57 per cent of all residential electricity and gas consumers) accessed these programs. This number represents an increase of 29 per cent on the 2011-12 figure of 18 879 (or 0.46 per cent of consumers). Despite this seemingly significant improvement on last year's participation in hardship programs, its overall effect is to reverse the significantly lower participation numbers observed in 2010-11 and 2011-12. The 2012-13 result reflects a return to the hardship



program participation rate reported in 2008-09 and 2009-10 (0.64 and 0.65 per 100 customers respectively).

While the hardship program participation rate in 2012-13 was approximately the same as it was in 2008-09, the rate of disconnections rose by at least 150 per cent during the same period. Although we are encouraged by the improved participation rate — because it suggests retailers are more actively identifying customers who may be experiencing payment difficulties, and are helping those customers to access hardship programs more often — we remain of the view that retailers can still improve their performance in supporting customers who are experiencing financial hardship.

Hardship data also shows customers entered the hardship programs in 2012-13 with less debt than in 2011-12 (although their debt was still an average **\$148** higher than in 2008-09 to 2010-11). The proportion of customers who had participated in a hardship program in the previous 12 months that were disconnected decreased in 2012-13, down to 3.8 per cent from 4.7 per cent in 2011-12. These results indicate retailers are assisting customers onto hardship programs earlier and supporting them after they leave a hardship program. At the same time, however, the proportion of customers who exited from a hardship program because they did not comply with its requirements increased to **59** per cent (up from 48 per cent in 2011-12)—possibly because they could not meet the payment requirements of the program. This result may partly explain the increased rate of disconnection in 2012-13.

Customer complaint data also provides an insight into customers' experience with the retail energy market. Call centre results show the performance of retailers' call centres was relatively stable in 2012-13 compared with 2011-12, although an additional one million calls were received. Total calls to retailers increased by 16 per cent to 7.6 million calls, of which 6 million callers chose to speak to the operator. Despite this, the average wait time to speak to an operator was almost unchanged at 104 seconds, and the proportion of abandoned calls (7 per cent) was similar to that of the previous year. The proportion of calls answered within 30 seconds fell slightly, from 64 per cent of calls in 2011-12 to 63 per cent in 2012-13.

Complaints reported by electricity retailers rose notably to **6.6** per 100 customers, from 4.6 per 100 customers in 2011-12. Gas related complaints — while still at a lower rate than that for electricity — increased to **3.1** per 100 customers from 1.5 per 100 customers last year. The majority of complaints (62 per cent) related to billing.



We compared complaints reported by retailers with the complaints recorded against retailers by the Energy and Water Ombudsman (Victoria) (EWOV). Of the 74 446 incoming calls received by EWOV in 2012-13, the number of complaints referred for full investigation fell by 8 per cent (for the second year in a row) to 9521. While the complaints reported by retailers increased in 2012-13, many retailers noted they have increased their focus on customer service, which includes resolving complaints directly with customers. This attention to resolving customer complaints would appear to explain the lower rate of complaints that required resolution by EWOV.

NEXT STEPS

The responsibility to stay connected is a shared one. Customers must inform retailers if they have payment issues and they need assistance, while retailers must support customers experiencing hardship by offering options such as payment plans, energy audits and hardship programs. We acknowledge the trends presented in this report may suggest an emerging confluence of retailers' increased attention to credit management and customers' increasing payment difficulties, leading to higher rates of disconnection.

In the year ahead, we will work closely with retailers, financial counsellors and consumer welfare groups to develop and implement best practice methods to support customers who experience difficulty in paying their energy bills. We will also investigate ways to improve customers' knowledge of the energy market and of their consumer rights and obligations. Further, we plan to audit retailers' performance against the Energy Retail Code and the customer protection guidelines.



1. ABOUT OUR REPORT

The Essential Services Commission has reported on the performance of Victorian energy retailers since the mid-1990s. Our reports bring transparency to the performance of energy retailers. By focusing on indicators that show how retailers operate and treat their customers, we can better understand how the Victorian competitive market operates. We conduct trend analysis over time and compare how well the retailers provide services to their customers.

We particularly note how retailers deal with their more vulnerable customers, such as those experiencing short or long term difficulties with paying their bills. These customers are often less confident in negotiating their options and rights with their energy retailer. We monitor the assistance that retailers provide to ensure these customers stay connected to supply.

In a separate report, *Energy retailers comparative performance report — pricing 2012-13*, we outline the standing and market offer products available to Victorian consumers. That report presents electricity and gas costs over time, and compares retailers' tariffs in each distribution zone in the state. Both reports can be downloaded from our website (www.esc.vic.gov.au).

1.2 WHAT THE REPORT COVERS

This report provides information on the following areas of performance in the Victorian gas and electricity market:

- Chapter 2, 'Financial hardship', evaluates the effectiveness of retailers' programs and payment plans in helping customers in financial hardship. We also examine the state funded relief grants and concessions available to those customers.

- Chapter 3, 'Disconnections and reconnections', examines the credit management policies of retailers by reporting the rates of disconnection and reconnection of customers for non-payment of bills. In particular, we report those rates for customers with financial difficulties.
- Chapter 4, 'Call centre performance and complaints', considers customers' satisfaction with the retail service by reporting retailers' accessibility and responsiveness to customer enquiries and complaints.

The *Electricity Industry Act 2000* (Vic) and the *Gas Industry Act 2001* (Vic) require energy retailers to comply with service standards and procedures. These service standards and procedures are set out primarily in regulatory instruments, including the Energy Retail Code and the Code of Conduct for Marketing Retail Energy in Victoria. Performance indicators address key obligations under these regulatory instruments, and the retailers must report against these indicators in accordance with the *Energy Retail Performance Indicators* for Victorian energy retailers. The codes and information specification are available on our website (www.esc.vic.gov.au).

We collected the data in this report primarily from energy retailers. Additional data is assessed from the Energy and Water Ombudsman (Victoria) (EWOV), relevant state and territory government departments, the Australian Energy Regulator and the Department of Human Services (DHS). Before publishing this report, we circulated it to all retailers for comment and added their comments where appropriate.

1.3 AUDIT RESULTS AND FUTURE REPORTING

In 2012-13, we consulted with industry on the performance indicator definitions and completed a review to harmonise the Victorian indicator set with the National Energy Customer Framework. We aimed to improve the accuracy of retailer reporting by clarifying or changing indicators that were unclear, removing obsolete indicators and harmonising (when appropriate) with the national framework. Our goal was to ensure consistent and easier reporting for retailers.

We concluded this process in May 2013, and removed some indicators that were no longer relevant (with effect from 1 July 2013). We also released a streamlined definition information specification for this report (2012-13) and a updated definition information specification for 2013-14 onwards. In this report, the definitions remain largely unchanged from 2011-12. The 2013-14 information specification will contain material changes to some



indicators' definitions and new indicators, which our 2013-14 performance report will explain.

Some historical data in this report may not be 100 per cent accurate and reliable because some retailers have previously failed audit requirements and have not resubmitted the data. But we consider the historical analysis remains useful and likely to be relevant to interested parties and consumers. The Commission plans to audit retailers across a range of indicators in the 2014.

Further information on auditing and compliance will be available in our 2012-13 compliance report (due for release in early 2014). Both information specifications are available to download from our website (www.esc.vic.gov.au), as will the compliance report.

1.4 ENERGY MARKETS

The Victorian Government deregulated energy prices for all customers from 1 January 2009. All retailers now set their own retail prices. Victoria has 33 licensed electricity retailers, of which 23 were active in the energy market for residential and business customers in 2012-13 (table 1.1) Some of these retailers have a long history in the previously franchised market — namely, AGL, Origin Energy and EnergyAustralia (formerly known as TRUenergy). Others entered the market after it opened to competition. Eight retailers either had fewer than 1000 customers each at 30 June 2013 or sell to mainly large business customers (table 1.2).



MARKET CHANGES

The energy market is continually evolving, with retailers consolidating their market position through mergers and acquisitions:

- AGL owns Powdirect.
- Origin Energy purchased the retail business and existing customer base of Country Energy on 1 March 2011.
- TRUenergy purchased the retail business and existing customer base of EnergyAustralia on 1 March 2011. TRUenergy now trades as EnergyAustralia.
- Alinta Energy purchased the retail business of Neighbourhood Energy in November 2011. At 30 June 2013, Neighbourhood continued to supply some customers.
- AGL's recent purchase of Australian Power & Gas does not affect any results reported here.

When appropriate, historical data remain in this report for retailers that no longer trade in Victoria.

TABLE 1.1 AVERAGE CUSTOMER NUMBERS — ELECTRICITY
2012-13

Retailer	Residential	Business	Total	Change in market share from 2011-12
AGL	539 128	65 939	605 067	-1.3
Alinta Energy	13 827	163	13 990	0.5
Australian Power & Gas	120 128	1	120 129	0.0
Click Energy	13 094	884	13 978	0.2
Diamond Energy	1 168	56	1 224	0.0
Dodo Power & Gas	24 742	245	24 987	0.4
EnergyAustralia	567 885	60 091	627 976	-0.5
ERM Power Retail	—	2 050	2 050	0.1
Lumo Energy	185 951	19 453	205 404	0.3
Momentum Energy	15 204	37 487	52 691	1.3
Neighbourhood Energy	61 095	—	61 095	-0.4
Origin Energy	515 828	87 755	603 583	-1.8
Powerdirect	21 724	24 482	46 206	0.2
Red Energy	175 167	7 250	182 417	0.5
Simply Energy	107 371	11 210	118 581	0.3
Other (see table 1.2)	848	1 243	2 091	—
All retailers	2 363 160	318 310	2 681 470	—

— Not applicable.

TABLE 1.2 AVERAGE CUSTOMER NUMBERS — ELECTRICITY, OTHER RETAILERS (UNDER 1000 CUSTOMERS) 2012-13

Retailer	Residential	Business	Total
AGL Sales (QLD Electricity)	—	43	43
Aurora Energy	—	94	94
Blue NRG	7	143	150
EnergyAustralia, Yallorn	—	895	895
Pacific Hydro	—	2	2
People Energy	689	4	693
Powershop	149	20	169
Sun Retail	3	42	45
All other retailers	848	1 243	2 091

— Not applicable.

The market share profile of retailers has changed significantly in the electricity sector since competition was introduced in the early 2000s. At that time, the three local retailers — AGL, EnergyAustralia (formerly TRUenergy) and Origin Energy — held 100 per cent of the residential and business market share. Market share of the three large retailers has been declining, down to 70 per cent in 2012-13. AGL acquired Australian Power and Gas in September 2013; these changes will be seen in the 2013-14 report.



Tables 1.1 and 1.2 show the following results:

- In the residential market, AGL (including Powedirect), Origin Energy and EnergyAustralia held 70 per cent market share in 2012-13, down from 72 per cent in 2011-12.
- In the business market, AGL, Origin Energy and EnergyAustralia lost market share in 2012-13, while Momentum Energy increased its market share to almost 12 per cent.
- Customer numbers increased by over 30 000 in the residential market in 2012-13, but fell by almost 8 000 in the business market.
- Eight retailers had fewer than 1 000 customers each in 2012-13.

GAS MARKET SHARE

Table 1.3 shows the average residential and business customer numbers in the Victorian gas market. Of the 16 retail gas licences in Victoria, 10 retailers were active in the market in 2012-13 and together sold gas to 1.95 million customers.

TABLE 1.3 AVERAGE CUSTOMER NUMBERS — GAS
2012-13

Retailer	Residential	Business	Total	Change in market share from 2011-12
AGL Sales	505 001	16 357	521 358	-0.4
Alinta Energy	7 439	—	7 439	+0.4
Aurora Energy	—	5	5	0.0
Australian Power & Gas	106 144	—	106 144	0.0
Dodo Power & Gas	4 802	—	4 802	+0.2
EnergyAustralia	503 812	18 785	522 597	-0.8
Lumo Energy	140 192	2 130	142 322	+0.4
Origin Energy	427 039	20 783	447 822	-0.4
Red Energy	103 912	2 773	106 685	+0.4
Simply Energy	89 614	1 476	91 090	+0.2
All retailers	1 887 955	62 309	1 950 264	—

— Not applicable.

Table 1.3 shows the following results:

- The gas market was relatively stable in 2012-13, with each participant's market share changing by less than 1 per cent.
- Alinta Energy, Lumo Energy and Red Energy reported the largest increase in market share in 2012-13, each gaining an extra 0.4 per cent of the gas market.
- The combined market share of the three ex-local gas retailers decreased by 1.5 per cent in 2012-13, down to 76 per cent.

Detailed information on market share can be found in *Energy retailers comparative performance report — pricing 2012-13* (available at www.esc.vic.gov.au).

2 FINANCIAL ASSISTANCE

WHAT WE FOUND

In 2012-13, **24 356** residential electricity and gas consumers accessed retailers' financial hardship programs. This number was up on the 2011-12 figure of 18 879 (or 0.46 per cent).

The average days of participation in the hardship programs decreased from 504 in 2011-12 to **382** days in 2012-13. Of those customers who exited the program during the year, **59** per cent left because they did not comply with the program's requirements, up from 48 per cent in 2011-12 and 53 per cent in 2010-11. Of all previous participants on hardship programs, 3.8 per cent were disconnected (down from 4.7 per cent in 2011-12), while 46 per cent of those customers were reconnected within seven days.

The number of electricity grants that the Department of Human Services (DHS) approved under the Utility Relief Grant Scheme increased in 2012-13. The total value of grants for electricity customers was \$6.35 million. Total government expenditure on concessions also increased in 2012-13, up 13 per cent to \$231 million from \$204 million in 2011-12.

The number of budget instalment plans declined in 2012-13 to 2.6 per 100 electricity customers and 2.3 per 100 gas customers. This follows a relatively steady result of around 4 per 100 customers over the previous four years for both gas and electricity customers. Origin Energy reported a significant decrease in budget instalment plans due to reporting system improvements, which contributed to the overall decline reported in 2012-13.



2.1 WHY REPORT THESE INDICATORS?

Victorian energy retailers must assist customers to stay connected to electricity and gas supply by offering payment assistance, hardship programs and access to government concessions and grants. Some initiatives reported here are governed by legislative and regulatory requirements, while others are specific programs and assistance that retailers voluntarily offer to their customers. The initiatives include:

- payment programs (budget instalment plans) to assist customers with short or long term financial difficulties
- Victorian Government energy concessions and financial grants to help low income individuals and families pay their energy bills
- energy field audits to identify possible ways to save energy.

The indicators in this section give information on how well the retailers helped customers via their financial hardship programs and budget instalment plans. Information is also provided on the government funded concessions and grants. Note, however, the Home Wise program ceased operating on 3 May 2011, and this report does not cover the rebate scheme (run by Sustainability Victoria) for energy efficient appliances for low income households. For details of this rebate, go to www.resourcesmart.vic.gov.au.

2.2 RETAILERS' FINANCIAL HARDSHIP PROGRAMS

Corresponding with the increase in electricity disconnections reported this year, overall participation in retailers' hardship programs also increased in 2012-13. Table 2.1 shows the industry-wide data that we collected for financial hardship programs in 2012-13, and compares the performance with 2011-12 and 2010-11:

- Program participation increased by **5 477** participants in 2012-13 — up from 18 879 to **24 356**. A total of 0.57 per cent of residential customers for gas and electricity participated in hardship programs in 2012-13, up from 0.46 per cent in 2011-12.
- On average, approximately **11 142** customers participated in a hardship program every month of 2012-13. Of these, **71** per cent were concession card holders.
- The number of customers denied access to a retailer's hardship program rose by 387 to 801 in 2012-13 — an increase of 93 per cent.

- The average time that customers spent in a hardship program fell to **382** days in 2012-13, down from 504 days in 2011-12.
- 10 863 participants exited the program in 2012-13, of these **59** per cent left because they did not comply with the terms, up from 48 per cent in 2011-12 and 53 per cent in 2010-11. This implies that **41** per cent of participants exited the programs in agreement with the retailer.
- The average debt on entry to a hardship program fell by **\$177** in 2012-13, down to **\$742** from \$919 in the previous year.
- Retailers disconnected 3.8 per cent of customers in 2012-13 who had participated in a hardship program in the previous 12 months, down from 4.7 per cent in the previous year. Reconnections of customers who were previously on a hardship program fell to 1.8 per cent in 2012-13, down from 2.1 per cent in 2011-12.
- The number of appliances provided under a hardship program fell to 142 in 2012-13, from 558 in 2011-12. This fall largely resulted from light globes being excluded from the data from January 2013 by AGL. From 2013-14, appliances and light globes will be reported separately.
- Four retailers undertook energy field audits in 2012-13. They provided 524 energy audits at no cost to the customer.

Most retailers reported an increase in hardship program participants in 2012-13. Overall, participation rose by 29 per cent. The 2012-13 data also show fewer previous participants were disconnected in the 12 months after leaving a hardship program, compared with results from the past three years (3.8 per cent in 2012-13, down from 4.6 per cent in 2011-12). Combined with a lower average debt on entry into the program, and the steady rate of participants who successfully completed the program, these results may suggest retailers are improving early identification of customers with payment issues. They may also indicate customers are increasingly willing to engage with the retailer when experiencing financial hardship.

From 2013-14, we will collect average debt within a hardship program, rather than average debt on exit from a hardship program. This will ensure only active participants in the program are counted. The debt on exit indicator included those leaving who failed to meet the requirements or left the program prematurely.

Individual retailer performance and audit results varied over the period reported for these indicators, and we advise care when making assumptions about overall averages. Appendix A contains individual retailers' reported data.

TABLE 2.1 RETAILERS' FINANCIAL HARDSHIP PROGRAMS — SUMMARY

Electricity and gas, 2010-11 to 2012-13

	2010-11 ^a	2011-12 ^b	2012-13
Hardship program participants (total)	20 319	18 879	24 356
Hardship program participants who were concession cardholders (monthly average)	8 568	8 000	7 941
Customers denied access to a retailer's hardship program during the period	485	414	801
Average debt of new entrants to a hardship program ^c	630	919	742
Average debt on exit from a hardship program ^c	732	715	1 054
Average length of customers' participation in a hardship program (days)	419	504	382
Participants exiting a hardship program by agreement with the retailer	4 302	3 806	4 463
Hardship program participants excluded for not complying with requirements	4 790	3 577	6 400
Disconnections of previous participants within 12 months of leaving a hardship program	1 159	884	935
Reconnections of previous participants within 12 months of leaving a hardship program	322	403	445
Energy field audits provided at no cost to customer	976	917	524
Energy field audits provided at part cost to customer	0	0	0
Average cost contributed by customers when retailer required contribution	0	0	0
Appliances provided under a hardship program	513 ^d	580 ^d	142 ^d

^a 2010-11 data exclude Lumo Energy, which could not provide accurate data, no adjustments made to other years because it was less than 2 per cent of total participants.

^b 2011-12 data exclude Neighbourhood Energy, which could not provide accurate data, no adjustments made to other years because it was less than 2 per cent of total participants.

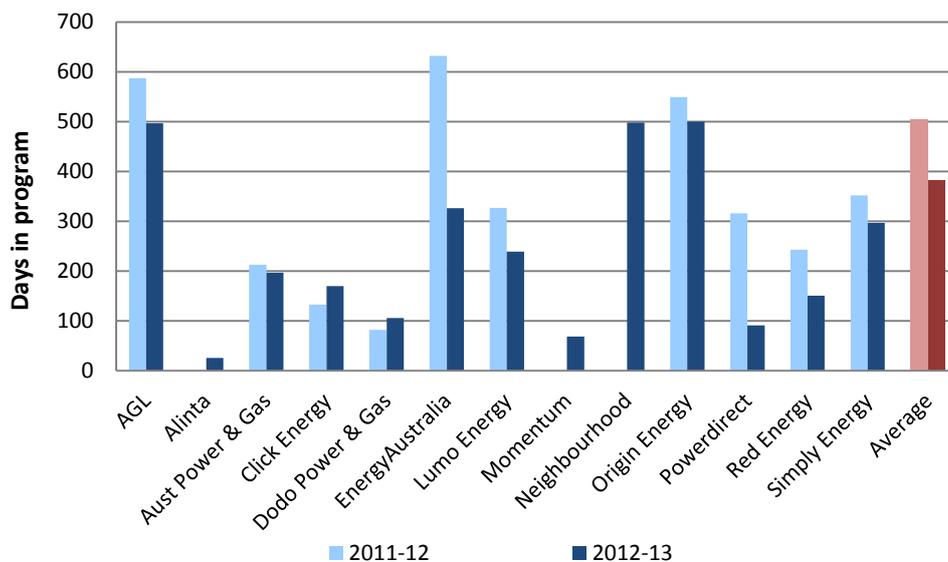
^c Nine month average is used for July, August and September 2012 data for debt on entry and exit for Origin Energy.

^d Data prior to 2013 included light globes for AGL, which were excluded from data from January 2013.



The time that participants spent in a financial hardship program varied greatly across retailers in 2012-13. It ranged from 26 days (Alinta Energy) to 500 days (Origin Energy) (figure 2.1). Data includes customers still in a program as at 30 June 2013.

FIGURE 2.1 FINANCIAL HARDSHIP PROGRAMS — AVERAGE LENGTH OF PARTICIPATION
Electricity and gas, 2011-12 and 2012-13



Note: Excludes 2011-12 data for Neighbourhood Energy.

ENERGY FIELD AUDITS AND REPLACEMENT APPLIANCES

To help low income consumers reduce their energy costs, retailers' financial hardship policies must allow for auditing customers' electricity use and for providing replacement appliances when appropriate. This mostly occurs when the customer has an appliance that contributes to their accumulating debt. Helping customers pay for an appliance is a cost effective way to minimise debt escalation.



Field audits of customers' electricity use can be wholly or partly at the retailer's expense. Table 2.2 shows four retailers undertook 524 energy field audits in 2012-13, down from 917 audits in 2011-12. Origin Energy undertook the most audits (376), and AGL provided 138. No energy audits were conducted at any cost to the consumer. The data suggest the audit initiative may need to be assessed for effectiveness, because the number of audits has declined in recent years. Retailers noted that the Federal Government's Home Energy Saver Scheme (HESS) can provide field audits to Victorian customers and may have contributed to the decline in energy field audits reported in 2012-13.

One retailer (AGL) provided 127 replacement appliances or equipment for customers in 2012-13, significantly down from 574 in 2012-13. The fall mainly reflects AGL's exclusion of light globes in data from January 2013. From 2013-14, this indicator will report appliances and small energy saving devices such as light globes or standby power controllers separately.

TABLE 2.2 RETAILERS' ENERGY FIELD AUDITS AND REPLACEMENT OF APPLIANCES

Electricity and gas, 2010-11 to 2012-13

Retailer	Energy field audits			Replacement appliances		
	2010-11 ^a	2011-12 ^b	2012-13	2010-11 ^a	2011-12 ^b	2012-13
AGL	563	583	138	510 ^d	574 ^d	127 ^d
Australian Power & Gas	6	0	0	0	0	0
Click Energy	0	0	0	0	0	0
Country Energy ^c	2	0	—	0	0	—
EnergyAustralia (TRU)	0	11	8	3	0	0
EnergyAustralia ^c (old)	8	0	—	0	0	—
Lumo Energy	—	0	2	—	0	0
Momentum	0	0	0	0	0	0
Neighbourhood Energy	0	0	0	0	0	0
Origin Energy	316	261	376	0	6	15
Powerdirect	3	0	0	0	0	0
Red Energy	0	0	0	0	0	0
Simply Energy	78	62	0	0	0	0
Total	976	917	524	513	574	142

^a 2010-11 data exclude Lumo Energy, which could not provide accurate data, no adjustments made to other years because it was less than 2 per cent of total participants.

^b 2011-12 data exclude Neighbourhood Energy, which could not provide accurate data, no adjustments made to other years because it was less than 2 per cent of total participants.

^c Origin Energy acquired Country Energy, and TRUenergy acquired EnergyAustralia on 1 March 2011. Data are reported together from 2011-12.

^d data prior to 2013 include light globes, which were excluded from data from January 2013.
— Not applicable.



2.3 VICTORIAN GOVERNMENT FINANCIAL ASSISTANCE

The Victorian Government operates programs to improve the affordability of essential services for low income individuals and families in Victoria. These programs include energy concessions and the Utility Relief Grant Scheme. All retailers must help customers gain access to the programs, which DHS administers. This section outlines the amount of financial assistance provided.

CONCESSIONS

Table 2.3 shows the total government expenditure on energy concessions for 2008-09 to 2012-13, as reported by DHS. Expenditure on energy concessions for low income customers increased significantly in 2010-11 and continued to do so through to 2012-13. Expenditure in all categories increased in 2012-13 from 2011-12 levels: total expenditure on concessions for electricity rose by \$19.3 million, while annual gas concessions increased by \$7.8 million.

The large increase in concessions expenditure from 2010-11 partly reflected a change to the energy concession criteria. The winter energy concession, which was available from March to November each year, became an annual concession on 1 March 2011. This change increased payments by \$22 million in 2010-11 and almost \$40 million in 2011-12. The balance of the increase in spending reflected ongoing increases in the demand for concessions, and increases in the prices to which concessions are applied.

TABLE 2.3 TOTAL EXPENDITURE ON CONCESSIONS
Electricity and gas, 2008-09 to 2012-13

Concession	2008-09 \$m	2009-10 \$m	2010-11 \$m	2011-12 \$m	2012-13 \$m
Off-peak concession (electricity)	5.9	7.5	7.6	8.5	12.2
Service to property charge concession (electricity)	2.6	5.8	3.5	5.6	6.4
Annual energy concession (electricity)	55.1	55.5	90.7 ^a	135.4	150.2
Annual energy concession (gas)	44.8	44.7	59.3 ^a	54.2	62.0
Total	108.4	113.5	161.1	203.7	230.8

^a Includes extension to the winter energy concession from 1 March 2011 (now the annual energy concession).

Data source: DHS.

UTILITY RELIEF GRANT SCHEME

The Utility Relief Grant Scheme (URGS) provides financial assistance to low income customers who are having difficulties paying their utility bill and may be at risk of disconnection. Energy retailers initiate the process by sending an application form to the customer and by supplying their billing information to DHS. The customer sends the completed application to DHS, which then assesses the information.

Tables 2.4 and 2.5 show scheme details for 2012-13:

- The number of electricity grants approved by DHS increased in 2012-13. The total grant value was \$6.35 million, up from \$5.17 million in 2011-12. The average grant was \$447, up from \$434 in 2011-12. Overall, DHS approved 90 per cent of applications.
- Similarly, the number of approved gas grants also increased in 2012-13. The total grant value was \$3.85 million, up from \$3.08 million in 2011-12. The average grant was \$421, up from \$400 in 2010-11. Overall, DHS approved 88 per cent of applications.
- Of 46 646 electricity and gas URGS applications initiated by retailers, only 27 311 customers (59 per cent) subsequently submitted their applications to DHS for approval — a decrease of 1 per cent from the proportion in 2011-12.



TABLE 2.4 UTILITY RELIEF GRANTS — ELECTRICITY
2012-13

Retailer	Customers provided with grant forms (no.)	Applications sent to DHS by customers (no.)	Grants approved (no.)	Average grant amount (\$)
AGL	7 480	4 455	3 770	431
Alinta Energy	50	25	16	479
Australian Power & Gas	3 972	2 107	1 823	456
Click Energy	167	86	70	442
Dodo Power & Gas	120	69	58	448
Energy Australia	4 373	2 759	2 384	454
Lumo Energy	1 622	1 060	911	472
Momentum	65	41	40	452
Neighbourhood Energy	1 296	731	618	470
Origin Energy	5 166	2 929	2 509	449
Powerdirect	229	135	106	455
Red Energy	2 266	1 362	1 162	434
Simply Energy	1 419	888	744	448
All retailers	28 225	16 647	14 211	434

Data source: DHS.

TABLE 2.5 UTILITY RELIEF GRANTS — GAS
2012-13

Retailer	Customers provided with grant forms (no.)	Applications sent to DHS by customers (no.)	Grants approved (no.)	Average grant amount (\$)
AGL	6 153	3 577	3 021	403
Alinta Energy	17	6	3	330
Australian Power & Gas	3 117	1 646	1 391	440
EnergyAustralia	3 056	1 959	1 728	429
Lumo Energy	1 286	828	718	459
Origin Energy	2 767	1 486	1 289	424
Red Energy	1 056	620	547	407
Simply Energy	969	542	449	399
All retailers	18 421	10 664	9 146	421

Data source: DHS.

2.4 BUDGET INSTALMENT PLANS

Retailers must offer a budget instalment plan to residential customers who experience difficulties paying their bills. This plan allows a customer to pay by regular instalments, so they can reduce debt over a specified time. Theoretically, this indicator does not include customers who choose budget instalment plans to smooth incoming bills (eg. monthly payments to ensure the customer will not have large quarterly bills). However, some retailers reported difficulties separating customers who use the payment plans to pay arrears from those who use the plans for convenience. We accept it is not always possible to distinguish the two groups, and have allowed retailers include both groups in their reported data.

To further analyse which customers are using budget instalment plans, we will separately report customers who have a budget instalment plan and are in a hardship program and those that are not in a hardship program from 2013-14.



The number of budget instalment plans fell in 2012-13 for both gas and electricity. Tables 2.6 and 2.7 show the following details:

- For electricity, the number of budget instalment plans per 100 customers fell to 2.6 per 100 customers in 2012-13, compared with around four per 100 customers in each of the previous three years. Gas results also fell to 2.3 per 100 customers in 2012-13, down from 3.8 per 100 customers in 2011-12.
- Most of the decrease can be attributed to Origin Energy. The decrease in Origin's reported number of budget instalments is because the data now excludes payment plans used for convenience.
- Simply Energy and EnergyAustralia reported a decline in the use of budget instalment plans in 2012-13.

TABLE 2.6 BUDGET INSTALMENT PLANS — RESIDENTIAL ELECTRICITY
2009-10 to 2012-13

Retailer	Average budget instalment plans per month	Budget instalment plans per 100 customers			
	2012-13	2009-10	2010-11	2011-12	2012-13
AGL	1 909	0.51	0.41	0.36	0.35
Alinta Energy	112	—	—	—	0.81
Australian Power & Gas	4 044	2.50	2.74	2.60	3.37
Click Energy	106	0.62	0.80	0.82	0.81
Country Energy ^a	—	1.17	1.71	—	—
Diamond Energy	6	—	—	—	0.52
Dodo Power & Gas	11	0	0	0	0.04
EnergyAustralia (TRU)	27 939	8.05	7.42	5.50	4.92
EnergyAustralia (old) ^a	—	0.67	0.45	—	—
Lumo Energy	5 403	2.98	2.44	3.14	2.91
Momentum	61	0.42	0.52	0.12	0.40
Neighbourhood Energy	2 682	0.30	1.20	0.89	4.39
Origin Energy	10 035	6.08	6.53	6.74	1.95
Powerdirect	25	0.13	0.34	0.46	0.11
Red Energy	4 607	2.10	2.92	3.32	2.63
Simply Energy	5 225	4.08	6.32	6.35	4.87
Electricity total	62 165	4.07	4.04	3.91	2.63

^a From 2011-12, Country Energy data included in Origin Energy, and Energy Australia (old) included in EnergyAustralia (TRU).
— Not applicable.

TABLE 2.7 BUDGET INSTALMENT PLANS — RESIDENTIAL GAS
2009-10 to 2012-13

Retailer	Average budget instalment plans per month	Budget instalment plans per 100 customers			
	2012-13	2009-10	2010-11	2011-12	2012-13
AGL	976	0.36	0.28	0.23	0.19
Alinta Energy	37	0.00	0.00	0.00	0.50
Australian Power & Gas	2 677	1.81	1.71	1.91	2.52
EnergyAustralia (TRU) ^a	21 864	7.72	7.12	5.49	4.34
EnergyAustralia (old) ^a	—	0.69	0.45	—	—
Lumo Energy	4 575	3.43	2.48	3.53	3.26
Origin Energy	6 683	5.82	5.67	6.34	1.56
Red Energy	2 463	1.37	2.14	2.72	2.37
Simply Energy	3 968	3.63	5.85	5.69	4.43
GAS TOTAL	43 243	4.12	3.86	3.78	2.29

^a From 2011-12, Country Energy data included in Origin Energy, and Energy Australia (old) included in EnergyAustralia (TRU).
— Not applicable.



3 DISCONNECTIONS AND RECONNECTIONS

WHAT WE FOUND

The number of electricity disconnections increased by 6 per cent, up to 1.07 per 100 customers. In total, 25 254 residential electricity customers were disconnected for non-payment (up from 23 805 in 2011-12). Gas disconnections fell in 2012-13, down to 0.90 per 100 customers from 1.13 per 100 customers in 2011-12. In total, 16 979 gas customers were disconnected in 2012-13.

Neighbourhood Energy (2.52) and AGL (2.17) both reported a disconnection rate of over 2 per 100 customers — more than double the industry average for electricity. Simply Energy, after disconnecting 2.07 per 100 customers in 2011-12, decreased its rate of disconnection to 1.21 per 100 customers in 2012-13. EnergyAustralia recorded a very low rate of disconnection because it suspended disconnections for much of the year.

For gas, Australian Power & Gas and AGL reported increased gas disconnections in 2012-13, 2.36 and 1.71 disconnections per 100 customers respectively. Simply Energy decreased its disconnection rate to 1.33 per 100 gas customers, down from 2.07 per 100 customers in 2011-12.



3.1 WHY REPORT THESE INDICATORS?

Disconnecting customers who continually fail to pay outstanding accounts should be a last resort for retailers. Retailers must help customers avoid disconnection by assessing them for inclusion in their hardship programs, offering reasonable payment plans and government assistance, and providing access to financial counsellors and energy efficiency advice.

A key indicator of the success of this assistance is the number of customers disconnected and reconnected in the same name at the same address. These reconnections often indicate customers who may be struggling with their payments, rather than those who leave the address without paying their accounts. However, not all customers who are disconnected are financially distressed. Gathering more detailed data on disconnected and reconnected customers provides insights into those who may be experiencing hardship, including:

- customers previously on a budget instalment plan
- concession card holders
- customers disconnected on at least one other occasion during the previous 24 months.

Comparing Victoria's disconnection data against historical trends and other jurisdictions also helps us compare the performance of the energy retailers.

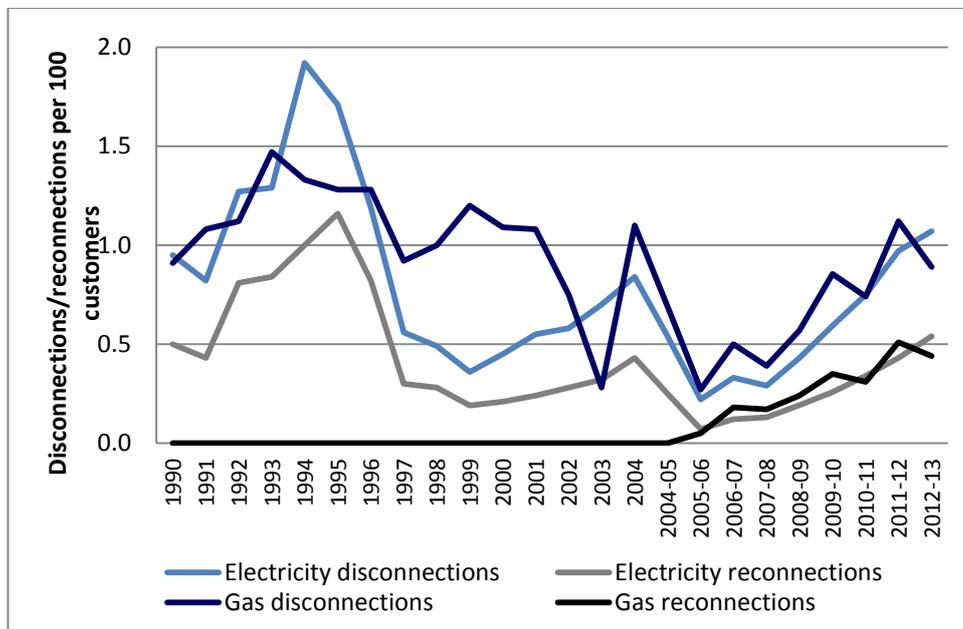
3.2 DISCONNECTIONS OVER TIME AND ACROSS JURISDICTIONS

This section provides disconnection rates for all electricity and gas customers, to show the long term performance of the industry in both the public and private sectors. Table 3.1 details disconnection rates for the past five years. In 2012-13, disconnections increased for electricity customers but fell for gas customers. Figure 3.1 shows the rate of electricity and gas disconnection reached a low in 2005-06 and has been increasing since, it is now approaching the rates experienced in the late 1990s.

TABLE 3.1 DISCONNECTIONS IN VICTORIA — RESIDENTIAL
Electricity and gas, 2008-09 to 2012-13

	2008-09	2009-10	2010-11	2011-12	2012-13
Electricity disconnections	9 598	13 486	17 871	23 805	25 254
Percentage of customers	0.43	0.59	0.77	1.02	1.07
Gas disconnections	10 077	15 473	13 741	20 483	16 979
Percentage of customers	0.57	0.85	0.74	1.13	0.90

FIGURE 3.1 DISCONNECTIONS AND RECONNECTIONS IN VICTORIA— RESIDENTIAL AND BUSINESS
Electricity and gas, 1990 to 2012-13



Note: Gas reconnection data commenced in 2004-05.

The rate of residential electricity disconnection in Victoria in 2012-13 was 1.07 per 100 customers (table 3.2). Compared with disconnection rates in other jurisdictions (based on the available data), Victoria had the second highest disconnection rate of those reported. South Australia reported the highest rate of all jurisdictions, at 1.5 disconnections per 100 customers. Western Australia reported a slight decline, down to 0.72 per 100 customers. Queensland also reported a fall, down from 1.16 to 0.94 per 100 customers.

Tasmania recorded a very low disconnection rate in 2011-12 because Aurora Energy suspended disconnections for non-payment between October 2011 and June 2012. The ACT's low disconnection rate in 2012-13 also reflected a suspension of disconnections. The suspension occurred early in the first quarter of 2012-13 to allow for adjustment to the national framework.

TABLE 3.2 DISCONNECTIONS, BY JURISDICTION — RESIDENTIAL ELECTRICITY
Per 100 customers, 2008-09 to 2012-13

Jurisdiction	2008-09	2009-10	2010-11	2011-12	2012-13
Victoria	0.43	0.59	0.77	1.02	1.07
New South Wales	0.60	0.60	0.61	0.80	na
ACT	0.27	0.56	0.26	na	0.05
South Australia	0.87	0.66	1.01	1.35	1.50
Queensland	na	0.90	1.22	1.16	0.94 ^a
Tasmania	0.45	0.59	0.51	0.08	0.46
Western Australia	0.55	0.39	0.90	0.87	0.72

^a The Department of Energy and Water Supply calculated this ratio, based on information published by the Queensland Competition Authority. Queensland data may be marginally higher than reported, because the small market customer numbers include both small residential and small business customers.

na Not available.

Data sources: Independent Pricing and Regulatory Tribunal (IPART), Essential Services Commission of South Australia (ESCOSA), Economic Regulation Authority (ERA), Department of Energy and Water Supply (DEWS), Australian Energy Regulator (AER).



3.3 DISCONNECTIONS AND RECONNECTIONS IN 2012-13

This section presents rates of disconnection and reconnection for Victorian residential electricity and gas customers in 2012-13. It also compares these rates with retailers' 2011-12 performance and looks at trends in disconnection and reconnection of customers who show indications of financial distress.

Reconnections are fewer than disconnections as the reconnection measure is specific to customers reconnected in the same name and at the same address within 7 days. This measure is designed to count customers who have not moved out or 'skipped' on their bill, rather customers who did not acknowledge they were to be disconnected and subsequently contacted their retailer to be reconnected within 7 days of the disconnection.

From 2013-14, we will introduce a new indicator, total reconnections in the same name and at the same address without a time frame. This will give us further insight into the reasons for disconnections and who is reconnected. It will show those disconnections that take time to resolve and be reconnected. The remaining number of customers not reconnected will reflect how many customers switch retailers or change the name on the account rather than engaging with their current retailer to be reconnected or alternatively move out of the premises.

Tables 3.3, 3.4, 3.5 and 3.6 show the following results:

- The statewide disconnection rate increased this year to 1.07 per 100 residential electricity customers, up from 1.02 in 2011-12. Over 25 000 customers were disconnected in 2012-13 (up 6 per cent from 2011-12).
- The disconnection rate for gas customers decreased this year. Retailers reported 0.89 disconnections per 100 customers, down from 1.13 per 100 customers in 2011-12 (down 17 per cent from 2011-12).
- Half of all disconnected customers for electricity were reconnected within seven days at the same address and with the same name in 2012-13, up from 46 per cent in 2011-12.
- For gas, 46 per cent of customers were reconnected at the same address and with the same name — a slight increase on the 45 per cent reported in 2011-12.

TABLE 3.3 DISCONNECTIONS — RESIDENTIAL ELECTRICITY
2011-12 and 2012-13

Retailer	Total disconnections		Disconnections per 100 customers		Reconnections in the same name within seven days		Customers previously on a budget instalment plan		Customers with multiple disconnections within 24 months		Concession card holders	
	2011-12	2012-13	2011-12	2012-13	2011-12	2012-13	2011-12	2012-13	2011-12	2012-13	2011-12	2012-13
AGL	9 640	11 722	1.74	2.17	56	55	38	29	16	20	17	28
Alinta Energy ^a	—	135	—	0.98	—	62	—	0	—	2	—	31
Australian Power & Gas	2 263	2 361	1.94	1.97	54	50	31	43	13	15	32	30
Click Energy	122	183	1.85	1.40	61	49	35	26	32	66	24	20
Dodo Power & Gas ^a	—	1	—	0.00	—	—	—	—	—	—	—	—
EnergyAustralia	2 624	467	0.46	0.08	45	40	23	0	9	0	27	0
Lumo Energy	1 219	255	0.70	0.14	29	33	27	34	9	12	19	36
Momentum	28	120	0.47	0.79	29	50	14	28	0	39	11	16
Neighbourhood Energy	1 655	1 537	2.38	2.52	11	42	60	39	40	3	43	47
Origin Energy	1 882	4 484	0.34	0.87	13	46	24	22	7	2	14	1
Powerdirect	22	112	0.15	0.52	27	46	0	1	0	1	14	28
Red Energy	2 318	2 578	1.45	1.47	44	46	28	23	15	16	29	24
Simply Energy	2 032	1 299	2.07	1.21	59	49	32	23	18	20	17	32
Electricity total	23 805	25 254	1.02	1.07	46	50	34	28	16	14	22	24

^a Percentage data not reported for retailers with fewer than 20 disconnections.
— Not applicable.

TABLE 3.4 DISCONNECTIONS — RESIDENTIAL GAS
2011-12 and 2012-13

Retailer	Total disconnections		Disconnections per 100 customers		Reconnections in the same name within seven days		Customers previously on a budget instalment plan		Customers with multiple disconnections within 24 months		Concession card holders	
	2011-12	2012-13	2011-12	2012-13	% of disconnections	% of disconnections	% of disconnections	% of disconnections	% of disconnections	% of disconnections	2011-12	2012-13
AGL	8 096	8 650	1.65	1.71	49	50	43	30	16	20	21	34
Alinta Energy ^a	—	19	—	0.26	—	—	—	—	—	—	—	—
Australian Power & Gas	2 354	2 506	2.33	2.36	56	49	29	36	13	16	32	31
EnergyAustralia	3 300	328	0.67	0.07	48	30	27	1	12	0	37	0
Lumo Energy	1 913	568	1.50	0.41	27	36	39	43	18	14	20	47
Origin Energy	1 588	2 414	0.37	0.57	41	41	23	22	21	4	16	1
Red Energy	1 524	1 298	1.61	1.25	31	43	33	23	21	20	39	33
Simply Energy	1 708	1 196	2.07	1.33	45	30	26	15	14	13	13	27
Gas total	20 483	16 979	1.13	0.90	45	46	35	28	16	16	25	28

^a Percentage data not reported for retailers with fewer than 20 disconnections.
— Not applicable.

TABLE 3.5 RECONNECTIONS — RESIDENTIAL ELECTRICITY
2010-11 and 2011-12

Retailer	Total reconnections		Reconnections		Reconnected customers previously on a budget instalment plan		Customers with multiple reconnections within 24 months		Concession card holders	
	2011-12	2012-13	per 100 customers		% of reconnections		% of reconnections		% of reconnections	
	2011-12	2012-13	2011-12	2012-13	2011-12	2012-13	2011-12	2012-13	2011-12	2012-13
AGL	5 364	6 480	0.97	1.20	47	35	19	24	19	32
Alinta Energy ^a	—	84	0.00	0.61	—	0	—	1	—	31
Australian Power & Gas	1 232	1 174	1.05	0.98	38	54	15	18	37	37
Click Energy	74	89	1.12	0.68	39	37	14	72	23	27
Dodo Power & Gas ^a	—	1	1.00	1.00	—	—	—	—	—	—
EnergyAustralia	1 185	185	0.21	0.03	17	1	9	0	33	1
Lumo Energy	354	84	0.20	0.05	44	54	12	17	22	39
Momentum ^a	8	60	0.13	0.39	—	38	—	163	—	17
Neighbourhood Energy	181	641	0.26	1.05	41	72	3	5	36	67
Origin Energy	252	2 056	0.05	0.40	10	26	17	2	19	2
Powerdirect ^a	6	51	0.04	0.23	—	0	—	94	—	0
Red Energy	1 011	1 187	0.63	0.68	34	30	16	17	32	27
Simply Energy	1 202	633	1.23	0.59	38	31	18	20	20	32
Electricity total	10 869	12 725	0.47	0.54	39	36	17	19	24	28

^a Percentage data not reported for retailers with fewer than 20 reconnections.
— Not applicable.

TABLE 3.6 RECONNECTIONS — RESIDENTIAL GAS
2011-12 and 2012-13

Retailer	Total reconnections		Reconnections per 100 customers		Reconnected customers previously on a budget instalment plan % of reconnections		Customers with multiple reconnections within 24 months % of reconnections		Concession card holders % of reconnections	
	2011-12	2012-13	2011-12	2012-13	2011-12	2012-13	2011-12	2012-13	2011-12	2012-13
AGL	4 002	4 301	0.81	0.85	51	36	19	23	25	39
Alinta Energy ^a	—	10	0.00	0.13	—	—	—	—	—	—
Australian Power & Gas	1 323	1 226	1.31	1.16	39	47	14	15	39	38
EnergyAustralia	1 579	100	0.32	0.02	19	0	15	0	43	0
Lumo Energy	516	204	0.40	0.15	57	69	21	17	24	69
Origin Energy	652	979	0.15	0.23	37	25	24	3	48	2
Red Energy	473	559	0.50	0.54	41	29	19	20	40	30
Simply Energy	764	355	0.92	0.40	36	28	15	18	18	41
Gas total	9 309	7 734	0.51	0.41	42	36	18	18	32	34

^a Percentage data not reported for retailers with fewer than 20 reconnections.
— Not applicable.

WHO STANDS OUT?

The following sections further analysed the data to better understand retailers' treatment of disconnected customers in financial difficulties.

FOR ELECTRICITY

- Neighbourhood Energy reported the highest disconnection rate (2.52 per 100 customers).
- AGL also had a high disconnection rate (2.17 per 100 customers), up from 1.74 per 100 customers in 2011-12. Its reconnections were high too, at 55 per cent, and the proportion of customers with multiple disconnections and reconnections within 24 months was double the industry average.
- EnergyAustralia reported low rates of disconnection in 2012-13 due to the suspension of disconnections while a new billing system was implemented. This will have artificially decreased the average disconnection rate for 2012-13. We will look to see how EnergyAustralia's disconnection rate shifts in 2013-14.
- Origin Energy more than doubled its disconnection rate to 0.87 per 100 customers from 0.34 per 100 in 2011-12, although the rate was lower than the industry average for 2012-13. It also reported only 1 per cent of disconnected customers were concession card holders, down from 14 per cent in 2011-12.
- Simply Energy reported a significant fall in disconnections, although its rate was still above average at 1.21 per 100 customers.
- Other retailers with above industry average results were Australian Power & Gas and Red Energy.

FOR GAS

- As in 2011-12, Australian Power & Gas reported the highest disconnection rate at 2.36 per 100 customers in 2012-13. It reconnected 49 per cent of these customers within seven days and had above industry average results for disconnecting/reconnecting concession card holders and customers previously on a budget instalment plan.
- AGL also recorded a high gas disconnection rate (1.71 per 100 customers).

- Other retailers with above industry average rates were Red Energy (1.25 disconnections per 100 customers) and Simply Energy (1.33 per 100 customers).
- As with electricity, EnergyAustralia reported low rates of disconnection in 2012-13 because it suspended disconnections while implementing a new billing system during 2012-13.

WHO IS DISCONNECTED?

Customers who may be experiencing payment difficulties are:

- customers previously on a budget instalment plan
- customers disconnected multiple times
- concession card holders.

The overall proportions of disconnected customers experiencing payment difficulties changed somewhat in the past five years. But the range of results does not indicate any one trend for the data set. The proportion of disconnected customers who had previously been on a budget instalment plan decreased for both electricity and gas, reflecting an overall decrease in the use of budget instalment plans in 2012-13. The proportion of disconnected customers who had multiple disconnections over 24 months fell for gas and increased for electricity. This result reflects the higher number of electricity disconnections compared with gas disconnections reported this year. Disconnections of concession card holders rose steadily over the past five years, but remained less than 30 per cent of disconnected customers for both electricity and gas in 2012-13.

Tables 3.3 and 3.4 present individual retailer data on disconnections, and figures 3.2 and 3.3 show average data. The industry average data shows:

- The proportion of disconnected electricity customers who were previously on a budget instalment plan decreased to 28 per cent in 2012-13, which is the lowest in the past five years.
- The proportion of electricity customers disconnected more than once over 24 months declined in 2012-13 to 14 per cent of all disconnections, after rising in the previous two years.
- The proportion of disconnected electricity customers who were concession card customers increased in 2012-13, up to 24 per cent. There was a similar increase in 2011-12.

- The proportion of disconnected gas customers who were previously on a budget instalment plan had a decrease similar to that for electricity customers. It fell from 35 per cent in 2011-12 to 28 per cent in 2012-13.
- The proportion of disconnected gas customers who had multiple disconnections within 12 months remained steady at 16 per cent in 2012-13.
- The proportion of disconnected gas customers who were concession card customers increased to 28 per cent in 2012-13. This percentage is higher than the 24 per cent for electricity customers.

FIGURE 3.2 DISCONNECTIONS OF CUSTOMERS WITH PAYMENT DIFFICULTIES — ELECTRICITY
2008-09 to 2012-13

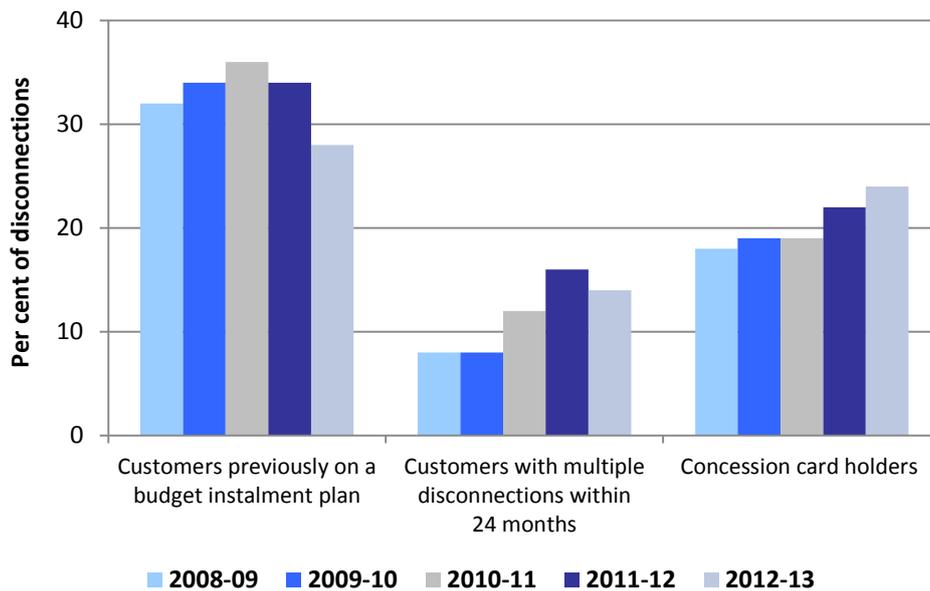
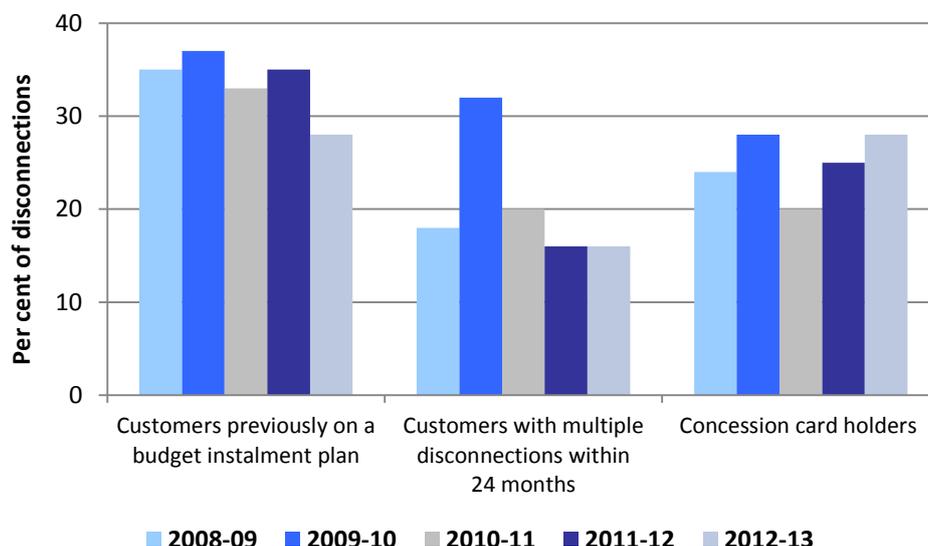


FIGURE 3.3 DISCONNECTIONS OF CUSTOMERS WITH PAYMENT DIFFICULTIES — GAS
2008-09 to 2012-13



WHO IS RECONNECTED IN THE SAME NAME?

Half of electricity customers who were disconnected were reconnected in the same name and at the same address in 2012-13. Gas customers recorded a similar proportion (46 per cent). Tables 3.5 and 3.6 show the following results for reconnections in 2012-13:

- Electricity reconnections increased from 0.47 per 100 customers in 2011-12 to 0.54 per 100 in 2012-13. However, gas reconnections decreased to 0.41 per 100 customers, down from 0.51 per 100 in the previous year.
- The proportion of reconnected customers who were previously on a budget instalment plan decreased for electricity (from 39 per cent to 36 per cent) and gas (from 42 per cent to 36 per cent).
- Multiple reconnections of disconnected customers in 2012-13 increased slightly (by 2 percentage points) to 19 per cent for electricity, and remained steady at 18 per cent for gas.
- The proportion of reconnected concession card holders who reconnected in the same name increased for electricity (from 24 per cent to 28 per cent), and also for gas (from 32 per cent to 34 per cent).

THE COMMISSION'S VIEW

Overall, we are concerned electricity disconnections continued to rise in 2010-11, 2011-12 and 2012-13. And, while gas disconnections decreased in 2012-13, the trend in recent years has generally been upwards. These findings may reflect several factors:

- Residential electricity market offer prices increased by an average 22 per cent in 2012-13, and gas prices rose by an average 14 per cent. See our *Energy retailers comparative performance report—pricing 2012-13* at www.esc.vic.gov.au.
- As a result of energy price increases, the Victorian Government increased its spending on energy concessions by 26 per cent in 2011-12 and 13 per cent in 2012-13.
- Retailers' hardship programs and other assistance for customers with financial difficulties may not work as efficiently as they could to identify these customers.
- Customer disengagement may mean disconnection is the only way for retailers to initiate communication with a customer over unpaid accounts.
- Retailers noted that disconnections (and reconnections) now have a faster completion rate due to the introduction of smart meters, which enable remote de-energisation and re-energisation. As disconnection can act as a trigger for customers to engage with retailers, this can also result in earlier placement into hardship programs.

DISCONNECTIONS AND RECONNECTIONS — BUSINESS

This section compares disconnection and reconnection rates in the same name for business electricity and gas customers in 2012-13. It also compares these rates with retailers' 2011-12 performance.

Tables 3.7 and 3.8 show the following results:

- The electricity disconnection rate for businesses increased in 2012-13, to 0.91 per 100 customers from 0.63 per 100 in 2011-12. AGL reported the highest electricity disconnection rate (1.90 per 100 customers, up from 0.94 in 2011-12), while EnergyAustralia and Lumo Energy reported low disconnection rates at 0.10 and 0.25 per 100 customers respectively.
- Business gas customers recorded a decreased disconnection rate in 2012-13, down to 0.60 per 100 customers from 0.81 per 100 in 2011-12.
- The 2012-13 reconnection rates for businesses followed a trend similar to the disconnection rates: electricity reconnections increased to 0.29 per 100 customers, and gas reconnections decreased to 0.19 per 100 customers from 0.31 per 100 in the previous year.

TABLE 3.7 DISCONNECTIONS AND RECONNECTIONS — BUSINESS ELECTRICITY
2011-12 and 2012-13

Retailer	Total disconnections	Disconnections per 100 customers		Total reconnections	Reconnections per 100 customers	
	2012-13	2011-12	2012-13	2012-13	2011-12	2012-13
AGL	1 253	0.94	1.90	323	0.27	0.49
Click Energy	14	1.14	1.58	8	0.57	0.90
EnergyAustralia	63	0.38	0.10	14	0.14	0.02
Lumo Energy	48	1.13	0.25	15	0.22	0.08
Momentum	396	0.32	1.06	191	0.11	0.51
Origin Energy	667	0.42	0.76	233	0.03	0.27
Powerdirect	159	0.21	0.65	59	0.05	0.24
Red Energy	99	1.13	1.37	24	0.25	0.33
Simply Energy	186	2.35	1.66	59	0.66	0.53
Electricity total	2 885	0.63	0.91	926	0.15	0.29

TABLE 3.8 DISCONNECTIONS AND RECONNECTIONS — BUSINESS GAS
2011-12 and 2012-13

Retailer	Total disconnections	Disconnections per 100 customers		Total reconnections	Reconnections per 100 customers	
	2012-13	2011-12	2012-13	2012-13	2011-12	2012-13
AGL	226	1.45	1.38	76	0.50	0.46
EnergyAustralia	16	0.40	0.09	3	0.18	0.02
Lumo Energy	8	2.35	0.38	2	0.82	0.09
Origin Energy	80	0.27	0.38	22	0.20	0.11
Red Energy	17	0.54	0.61	6	0.08	0.22
Simply Energy	26	2.82	1.76	7	0.82	0.47
Gas total	373	0.81	0.60	116	0.31	0.19

4 CALL CENTRE PERFORMANCE AND COMPLAINTS

WHAT WE FOUND

Call centre customer service provided by energy retailers to their customers was relatively stable in 2012-13 compared with 2011-12. The average wait time to speak to an operator decreased slightly to 104 seconds from 107 seconds in 2011-12. The proportion of abandoned calls (7 per cent) was similar, while the proportion of calls answered within 30 seconds fell slightly from 64 per cent of calls to an account line in 2011-12 to 63 per cent in 2012-13.

Electricity and gas complaints both increased in 2012-13. Complaints reported by the electricity retailers rose to **6.6** per 100 customers from 4.6 per 100 in 2011-12. The majority of complaints related to billing issues, with Dodo Power & Gas reporting the highest complaint rate per customer. **EnergyAustralia reported a significant increase in the number of complaints in 2012-13 which is attributed to problems with the introduction of a new billing system.** Lumo Energy continued to report high complaint numbers, although it improved on its 2011-12 results. Gas related complaints, while still at a lower rate than electricity, increased to **3.1** per 100 customers from 1.5 per 100 last year.

While the complaints reported by retailers increased in 2012-13, the number of complaints received for full investigation by EWOV fell by 8 per cent for the second consecutive year, to 9 521 complaints. EWOV investigated 0.27 electricity complaints per 100 residential and business customers in 2012-13 — slightly lower than the 0.29 per 100 customers in the previous year.



Despite the rise in complaints to retailers, complaints referred for full investigation by EWOV have decreased in recent years. Many retailers note that they have increased their focus on improved customer service, including the resolution of complaints directly with customers, and this may be reflected in the lower proportion of complaints which require a resolution by the ombudsman.

4.1 WHY REPORT THESE INDICATORS?

We assess call centre performance and service delivery trends in the competitive market to provide information to customers about business responsiveness and efficiency. We also monitor the number and types of complaints recorded by energy retailers and EWOV, to measure complaint trends over time for both the industry and individual retailers. Complaints data are separated into four sections:

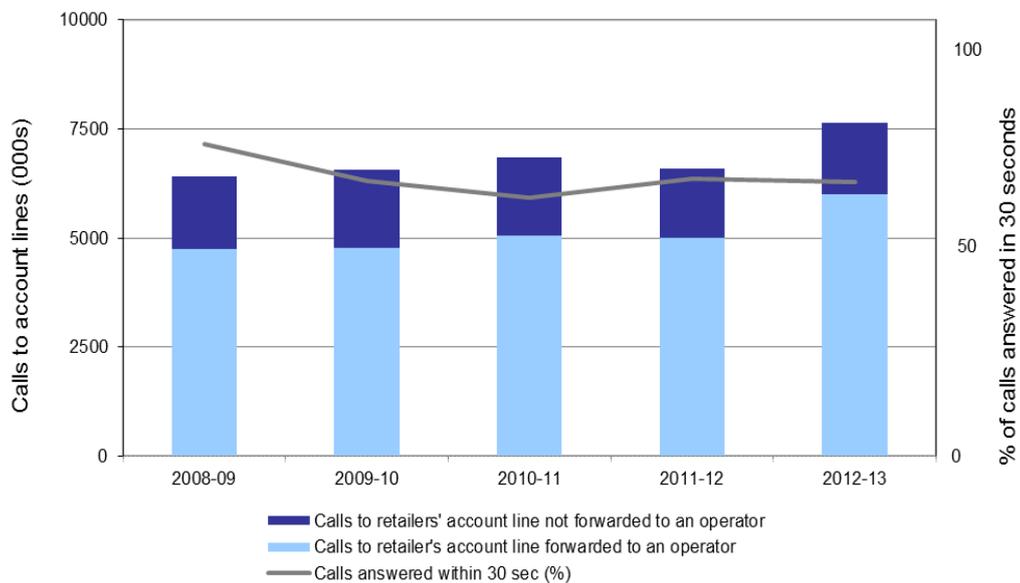
- marketing complaints — complaints associated with a retailer's actions in seeking to sign up a customer for a market contract
- billing/credit complaints — complaints about overcharging, prices, payment terms and methods, and debt recovery practices
- transfer complaints — complaints associated with the financial responsibility for a customer transferred to a market contract with either an existing or a new retailer
- other complaints — complaints about the quality and timeliness of retail service other than a marketing, billing or transfer complaint. Examples include poor service, privacy considerations, failure to respond to complaints, and health and safety issues.

4.2 CALL CENTRE PERFORMANCE

This section reports on the performance of retailer call centres, including the total number of calls to electricity and gas account phone lines, the number of calls forwarded to an operator, and the proportion of these calls answered by an operator within 30 seconds. Figure 4.1 shows the following results:

- Total calls to the retailers increased by 16 per cent to 7.6 million in 2012-13, up from 6.6 million in 2011-12.
- This year 63 per cent of calls were answered by an operator within 30 seconds — a slight decrease from 64 per cent in 2011-12.

FIGURE 4.1 CALL CENTRE PERFORMANCE — ELECTRICITY AND GAS
2008-09 to 2012-13



Note: The former EnergyAustralia component of EnergyAustralia's (formerly TRUenergy) data is not included because that retailer can report only national data.

We also assessed the average wait time to speak with an operator, and the number of calls abandoned while waiting for an operator to take a call (tables 4.1 and 4.2):

- This year 6.7 per cent of callers abandoned their call while waiting for an operator to respond, down from 8.5 per cent in 2011-12.
- EnergyAustralia and Powerdirect answered the lowest percentage (both below 50 per cent) of calls within 30 seconds.
- Consumers spent an average 104 seconds waiting for an operator — slightly lower than 2011-12.
- Customers calling Origin Energy, Powerdirect and EnergyAustralia in 2012-13 waited on average for over 2 minutes.
- All other retailers reported average wait times below the industry average.
- Powerdirect (17 per cent) and EnergyAustralia (12 per cent) reported the highest percentages of abandoned calls to an operator.

Overall, these results show retailers' call centre customer service was relatively stable in 2012-13 compared with 2011-12. However, comparisons with the Victorian water sector show wait time to speak to an operator (44 seconds) was 60 seconds less than the energy wait time. Similarly, the energy sector reported 63 per cent of calls were answered within 30 seconds, compared with 82 per cent for the water sector.

TABLE 4.1 CALLS FORWARDED TO OPERATOR, AND ANSWERED WITHIN 30 SECONDS — ELECTRICITY AND GAS
2011-12 and 2012-13

Retailer	Calls to account line forwarded to an operator		Calls forwarded to an operator answered within 30 seconds (% of calls to operator)	
	2011-12	2012-13	2011-12	2012-13
AGL	1 168 305	1 316 101	56	58
Alinta Energy	—	130 358	—	80
Australian Power & Gas	466 690	488 350	77	68
Blue Energy	—	446	—	100
Click Energy ^a	33 029	95 723	82	70
Diamond Energy	3 065	7 796	100	100
Dodo Power & Gas	76 563	135 768	94	86
EnergyAustralia ^b	833 918	875 652	58	47
Lumo Energy	590 745	576 458	71	68
Momentum	67 985	101 483	65	75
Neighbourhood Energy	197 638	140 069	66	75
Origin Energy	798 102	1 265 120	54	62
People Energy	—	2 231	—	83
Powerdirect	58 963	85 401	64	48
Powershop	—	389	—	99
Red Energy	447 905	471 818	66	71
Simply Energy	247545	316 852	84	74
Total	4 990 453	6 010 015	64	63

^a Click Energy cannot separate national call data, but that data are included because they make up less than 2 per cent of all calls.

^b The former EnergyAustralia component of EnergyAustralia's (formerly TRUenergy) data is not included because the retailer can report only national data, which make up more than 2 per cent of all calls.

— Not applicable.

TABLE 4.2 CALL HANDLING PERFORMANCE — ELECTRICITY AND GAS
2011-12 and 2012-13

Retailer	Calls abandoned (% of calls to operator)		Average wait time (seconds)	
	2011-12	2012-13	2011-12	2012-13
AGL	5	4	90	70
Alinta Energy	—	3	—	26
Australian Power & Gas	2	4	22	48
Blue Energy	—	8	—	37
Click Energy ^a	1	3	15	19
Diamond Energy	0	0	0	0
Dodo Power & Gas	12	1	4	2
EnergyAustralia ^b	13	12	242	246
Lumo Energy	7	8	48	72
Momentum	11	3	67	52
Neighbourhood Energy	8	5	88	28
Origin Energy	17	9	144	141
People Energy	—	4	—	30
Powerdirect	8	17	146	157
Powershop	—	4	—	9
Red Energy	5	5	57	71
Simply Energy	3	5	57	37
AVERAGE	8	7	107	104

^a Click Energy cannot separate national call data, but that data are included because they make up less than 2 per cent of all calls.

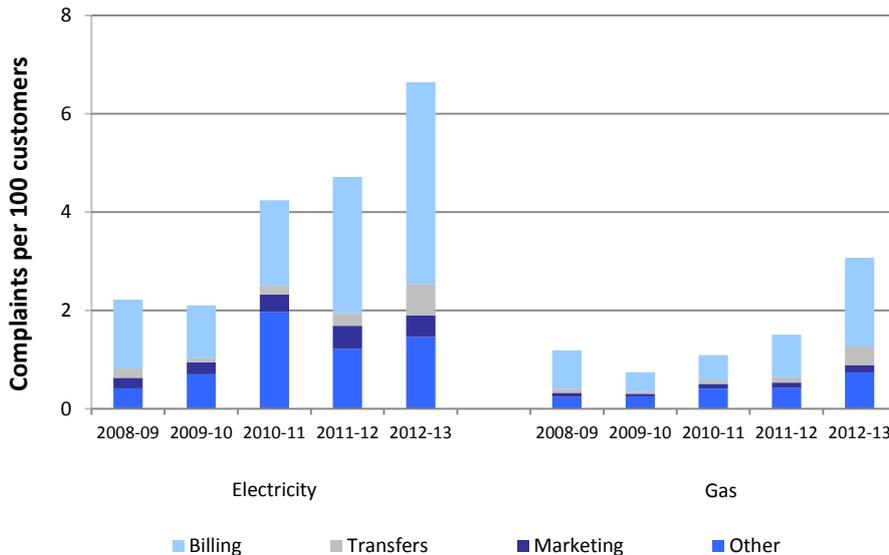
^b The former EnergyAustralia component of EnergyAustralia's (formerly TRUenergy) data is not included because the retailer can report only national data, which makes up more than 2 per cent of all calls.

— Not applicable.

4.3 CUSTOMER COMPLAINTS

Electricity and gas complaints both increased in 2012-13. Figure 4.2 shows complaints reported by the electricity retailers rose to **6.6** per 100 customers from 4.6 per 100 in 2011-12. Complaints reported by gas retailers increased to **3.1** per 100 customers from 1.5 per 100 customers last year.

FIGURE 4.2 COMPLAINTS — ELECTRICITY AND GAS
2008-09 to 2012-13



Tables 4.3 and 4.4, and figures 4.3 and 4.4 detail complaints performance for each energy retailer. The overall number and rate of electricity complaints rose in 2012-13, compared with 2011-12. Total electricity complaints increased from 125 170 to **178 031** — up **42** per cent, following a 13 per cent increase in the previous year.

Overall, the electricity and gas data show the following results:

- The majority of electricity complaints in 2012-13 related to billing complaints (**62** per cent), followed by other complaints (**22** per cent), transfer complaints (**10** per cent) and marketing complaints (7 per cent). This spread of complaints was similar to that in 2011-12.

- **EnergyAustralia reported a large increase in complaints in 2012-13 due to problems with the introduction of a new billing system. EnergyAustralia's electricity complaints more than tripled, from 19 114 in 2011-12 to 59 937 in 2012-13.**
- Dodo Power & Gas reported the highest rate of complaints per 100 customers (34 per 100 customers) in 2012-13. It commented its product design means it has a high level of customer interaction that, coupled with a strong process for complaint recording, results in a higher number of recorded complaints.
- For 2012-13 Lumo Energy reported 11 electricity complaints for every 100 customers — the second highest rate reported this year — but the Commission does note the improvement in this area, with the rate down from 16 per 100 customers in 2011-12 and 26 per 100 customers in 2010-11.
- Australian Power & Gas more than doubled its rate of complaints in 2012-13, from 2 per 100 customers to over 4 per 100 customers. The majority of these complaints were classified as 'other'. The retailer advised an increase in complaints that raised multiple issue were labelled as 'other'. It identified this labelling approach as a potential training issue that will be addressed.
- AGL reported a large number of complaints (over 43 000), accounting for just under 25 per cent of all complaints. AGL commented that its recorded complaints have increased as a result of a focus on identification and recording during 2012-13, rather than a reduction in customer service. It notes that while complaints to AGL have increased, AGL's ombudsman complaints have remained steady. AGL believe that more customers' complaints are resolved at the first point of call, and that systemic issues are addressed sooner.
- The majority of gas complaints related to billing (**59** per cent), followed by other complaints (**24** per cent), transfer complaints (**12** per cent) and marketing complaints (the remaining 5 per cent).
- Gas complaints rose by **113** per cent, following a 37 per cent increase in 2011-12. **EnergyAustralia's gas complaints rose significantly in 2012-13, up 336 per cent to 21 681, which is attributed to problems with the introduction of a new billing system.**
- Australian Power & Gas reported a large increase in complaints, from 278 in 2011-12 to 2 676 in 2012-13.
- AGL and Origin Energy all increased their total number of gas complaints by over 70 per cent in 2012-13.

- Despite the rise in complaints to retailers, complaints referred for full investigation by EWOV have decreased in recent years. Many retailers note that they have increased their focus on improved customer service, including the resolution of complaints directly with customers. This may be reflected in the lower percentage of complaints to retailers which subsequently require a resolution by the ombudsman.

TABLE 4.3 COMPLAINTS, BY RETAILER — ELECTRICITY
2011-12 and 2012-13

Retailer	Billing complaints		Transfer complaints		Marketing complaints		Other complaints		Total complaints	
	2011-12	2012-13	2011-12	2012-13	2011-12	2012-13	2011-12	2012-13	2011-12	2012-13
AGL	17 567	23 964	1 762	10 224	2 511	2 071	12 183	7 347	34 023	43 606
Alinta Energy	—	100	—	15	—	176	—	33	—	324
Australian Power & Gas	1 257	1 165	423	421	463	92	188	3 470	2331	5 148
Blue Energy	—	5	—	2	—	8	—	1	—	16
Click Energy	93	221	9	64	15	55	77	87	194	427
Diamond Energy	19	16	7	3	0	0	6	1	32	20
Dodo Power & Gas	3 909	6 561	640	266	208	222	805	1 563	5 562	8 612
EnergyAustralia	13 823	39 047	1 092	4 019	1 435	3 832	2 764	13 039	19 114	59 937
Lumo Energy	18 750	12 829	1 347	793	2 720	2 020	8 676	7 735	31 493	23 377
Momentum	763	1 154	243	214	3	11	288	43	1 297	1 422
Neighbourhood Energy	416	212	205	43	2 666	489	572	554	3 859	1 298
Origin Energy	12 415	19 152	571	469	674	221	4 073	2 214	17 733	22 056
People Energy	—	1	—	4	—	9	—	—	—	14
Powerdirect	355	609	21	97	39	176	147	222	562	1 104
Red Energy	3 485	4 329	415	416	960	1 377	1 802	2 014	6 662	8 136
Simply Energy	632	615	29	29	943	1 034	704	856	2 308	2 534
Electricity total	73 484	109 980	6 764	17 079	12 637	11 793	32 285	39 179	125 170	178 031

— Not applicable.

TABLE 4.4 COMPLAINTS, BY RETAILER — GAS
2011-12 and 2012-13

Retailer	Billing complaints		Transfer complaints		Marketing complaints		Other complaints		Total complaints	
	2011-12	2012-13	2011-12	2012-13	2011-12	2012-13	2011-12	2012-13	2011-12	2012-13
AGL	4 430	6 832	602	4 458	326	346	2 766	2 331	8 124	13 967
Alinta Energy	—	25	—	7	—	15	—	5	—	52
Australian Power & Gas	156	510	74	259	10	45	38	1 862	278	2 676
Dodo Power & Gas	—	499	—	36	—	21	—	110	—	666
EnergyAustralia	2 831	12 699	559	2 079	485	1 169	1 103	5 734	4 978	21 681
Lumo Energy	2 301	1 998	267	204	298	183	1 018	873	3 884	3 258
Origin Energy	5 097	11 065	357	240	221	55	2 029	2 429	7 704	13 789
Red Energy	905	1 117	139	139	110	180	479	575	1 633	2 011
Simply Energy	397	385	21	31	610	789	503	597	1 531	1 802
Gas total	16 117	35 130	2 019	7 453	2 060	2 803	7 936	14 516	28 132	59 902

— Not applicable.

FIGURE 4.3 COMPLAINTS TO RETAILERS — ELECTRICITY
2012-13

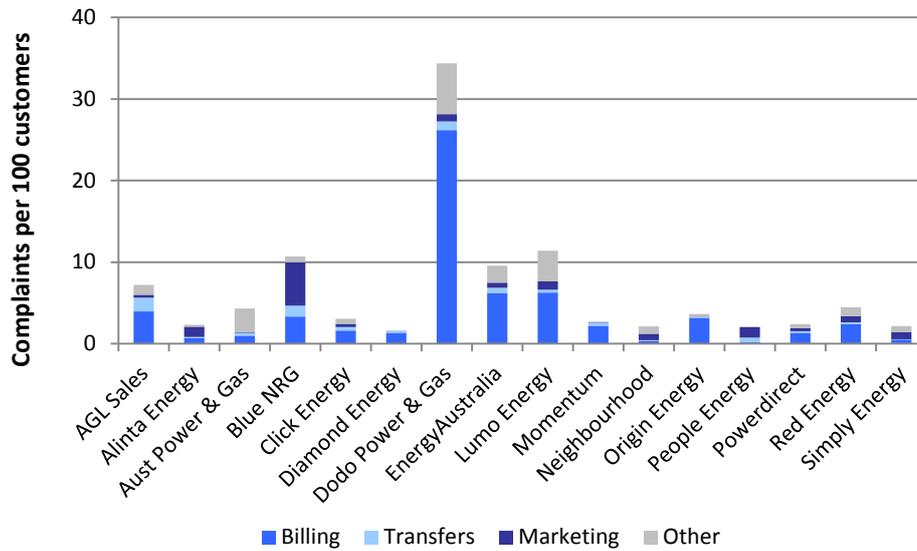
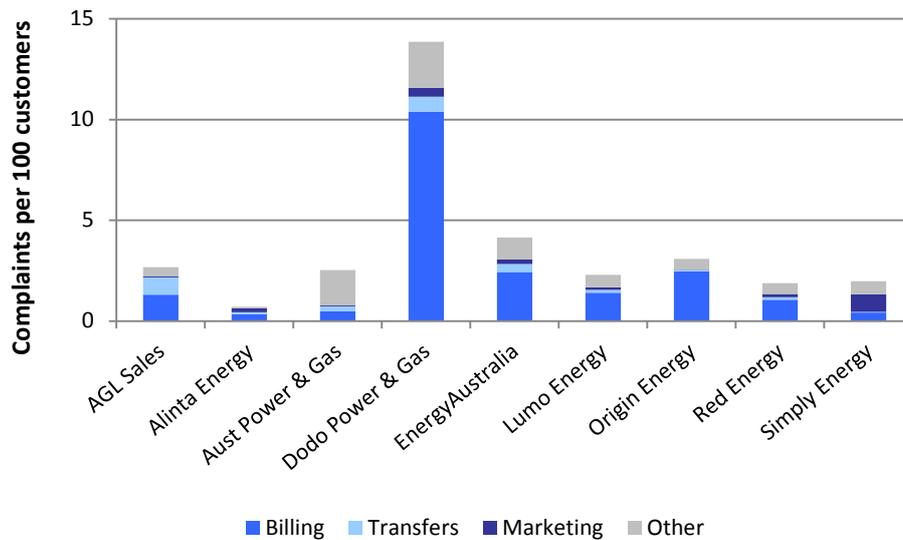


FIGURE 4.4 COMPLAINTS TO RETAILERS — GAS
2012-13



4.4 ENERGY AND WATER OMBUDSMAN (VICTORIA)

Complaints classification can vary with the customer service team, the manager and/or the system used to record the complaint, so we also examine EWOV complaints data. These data reflect the number of complaints received for full investigation by EWOV, and indicate how well retailers resolve customer complaints. We look for whether the data exhibit trends and correlate with retailers' reporting in 2012-13 (tables 4.3 and 4.4).

Examining both data sets identifies systemic issues with complaints. A high number of reported complaints is not necessarily an issue, particularly if a retailer resolves complaints effectively. But a high number of complaints combined with a high number of complaints investigated by EWOV can indicate the retailer is not effectively resolving complaints in the first instance.

Tables 4.5 and 4.6 show the following results:

- EWOV reported an 8 per cent decrease in total complaints investigated (down to 9 493 compared with 10 301 in 2011-12).
- While the overall number of investigated complaints was similar to the number in 2011-12, affordability complaints rose significantly while other complaints fell.
- EWOV investigated 0.27 electricity complaints per 100 residential and business customers in 2012-13 — a lower rate than 0.29 per 100 in 2011-12.
- The most investigated electricity complaints (2 589) were for EnergyAustralia, at 0.41 per 100 customers up from 0.33 per 100 customers in 2011-12. As noted previously, EnergyAustralia experienced an increase in the level of complaints during the 2012-13 reporting period as a result of the introduction of a new billing system.
- Dodo Power & Gas had 12 electricity complaints investigated in 2012-13, yet reported a high proportion of complaints per 100 customers (at 34 per 100 customers). These results may indicate Dodo Power & Gas resolved complaints effectively before they were escalated to EWOV.
- EWOV investigated 2 256 gas and dual fuel complaints in 2012-13, down 353 from the previous year. Investigated complaints per 100 customers fell from 0.14 in 2011-12 to 0.12 in 2012-13.
- Australian Power & Gas recorded the highest ratio of investigated gas complaints in 2012-13, with 0.20 per 100 customers.

TABLE 4.5 COMPLAINTS RECEIVED FOR FULL INVESTIGATION BY EWOV — ELECTRICITY AND GAS
2010-11 to 2012-13

Retailer	Affordability complaints			Other retail complaints			Total complaints		
	2010-11	2011-12	2012-13	2010-11	2011-12	2012-13	2010-11	2011-12	2012-13
Electricity									
AGL	1 514	540	1 253	205	691	248	1 719	1 231	1 501
Alinta Energy	—	—	7	0	0	7	0	0	14
Australian Power & Gas	461	103	343	44	285	45	505	388	388
Click Energy	26	8	30	2	6	8	28	14	38
Country Energy ^a	36	—	—	7	—	—	43	—	—
Diamond Energy	—	1	5	—	0	0	—	1	5
Dodo Power & Gas	0	4	10	1	6	2	1	10	12
EnergyAustralia (old) ^a	105	—	—	15	—	—	120	—	—
EnergyAustralia (ex TRU) ^a	1 125	1 096	2 241	467	955	348	1 592	2 051	2 589
Integral Energy	0	0	0	0	1	0	0	1	0
Lumo Energy	1 078	143	205	142	451	46	1 220	594	251
Momentum Energy	12	16	93	5	29	10	17	45	103
Neighbourhood Energy	72	23	116	14	83	17	86	106	133
Origin Energy	1 409	896	1 554	279	1 539	189	1 688	2 435	1 743
Powerdirect	86	35	124	39	41	21	115	76	145
Red Energy	232	98	136	31	151	15	263	249	151
Simply Energy	632	197	140	97	286	24	729	483	164
Electricity total	6 788	3 160	6 257	1 338	4 524	980	8 126	7 684	7 237

Continued next page

TABLE 4.5 CONTINUED

Retailer	Affordability complaints			Other retail complaints			Total complaints		
	2010-11	2011-12	2012-13	2010-11	2011-12	2012-13	2010-11	2011-12	2012-13
Gas									
AGL	708	342	488	60	239	113	768	581	601
Alinta Energy	—	—	0	—	—	2	—	—	2
Australian Power & Gas	239	76	184	14	140	30	253	216	214
EnergyAustralia (old) ^a	49	—	—	3	—	—	52	—	—
EnergyAustralia (ex TRU) ^a	475	295	513	56	320	169	531	615	682
Lumo Energy	541	95	95	64	161	25	605	256	120
Origin Energy	444	299	413	34	380	79	478	679	492
Red Energy	76	44	41	6	33	11	82	77	52
Simply Energy	255	98	52	21	87	13	276	185	65
Gas totals	2 787	1 249	1 786	258	1 360	442	3 045	2 609	2 228
Dual fuel									
AGL	0	0	0	0	0	0	0	0	0
Australian Power & Gas	0	0	0	0	0	0	0	0	0
EnergyAustralia (ex TRU) ^a	2	2	9	0	1	1	2	3	10
Lumo Energy	30	3	17	0	2	1	30	5	18
Origin Energy	0	0	0	0	0	0	0	0	0
Red Energy	0	0	0	0	0	0	0	0	0
Simply Energy	0	0	0	0	0	0	0	0	0
Dual fuel total	32	5	26	0	3	2	32	8	28
Energy total	9 607	4 414	8 069	1 596	5 887	1 424	11 203	10 301	9 493

^a TRUenergy (now EnergyAustralia) acquired the former EnergyAustralia on 1 March 2011. Data are reported together from 2011-12.

— Not applicable.

Data source: EWOV.

TABLE 4.6 NUMBER AND RATE OF COMPLAINTS RECEIVED FOR FULL INVESTIGATION BY EWOV — ELECTRICITY AND GAS
2011-12 and 2012-13

Retailers	Total EWOV complaints		EWOV complaints per 100 customers	
	2011-12	2012-13	2011-12	2012-13
Electricity				
AGL Sales	1 231	1 501	0.19	0.25
Alinta Energy	—	14	—	0.10
Australian Power & Gas	388	388	0.33	0.32
Click Energy	14	38	0.19	0.27
Diamond Energy	1	5	0.18	0.41
Dodo Power & Gas	10	12	0.07	0.05
EnergyAustralia	2 051	2 589	0.33	0.41
Lumo Energy	594	251	0.31	0.12
Momentum	45	103	0.13	0.20
Neighbourhood Energy	106	133	0.15	0.22
Origin Energy	2 435	1 743	0.38	0.29
Powerdirect	76	145	0.19	0.31
Red Energy	249	151	0.15	0.08
Simply Energy	483	164	0.45	0.14
Total	7 684	7 237	0.29	0.27
Gas				
AGL Sales	581	601	0.11	0.12
Alinta Energy	—	2	—	0.03
Australian Power & Gas	216	214	0.21	0.20
EnergyAustralia	615	692	0.12	0.13
Lumo	261	138	0.20	0.10
Origin Energy	679	492	0.16	0.11
Red Energy	77	52	0.08	0.05
Simply Energy	185	65	0.22	0.07
Total	2 617	2 256	0.14	0.12

Note: Dual fuel complaints are included in gas figures.

— Not applicable.

Data source: EWOV.



APPENDIX A: HARDSHIP DATA BY RETAILER



TABLE A.1 AGL AND AUSTRALIAN POWER & GAS

	AGL			Australian Power & Gas		
	2010-11	2011-12	2012-13	2010-11	2011-12	2012-13
Hardship program participants	4 763	3 373	7 295	156	937	1 280
Hardship program participants for whom program access was sought by a third party	44	15	0	1	0	0
Hardship program participants who were concession cardholders	2 896	2 431	2 796	39	427	519
Customers denied access to a retailer's hardship program during the period	140	34	257	0	2	25
Average debt of new entrants to a hardship program	623	466	404	731	1 071	896
Average debt on exit from a hardship program	706	661	605	0	972	1 373
Average length of participation for customers in a hardship program	587	587	490	83	213	181
Participants exiting a hardship program by agreement with the retailer	452	219	1 553	0	196	217
Hardship program participants excluded for not complying with requirements	1 091	429	1 180	0	0	277
Disconnections of previous hardship program participants within 12 months	286	346	509	0	0	197
Reconnections of previous hardship program participants within 12 months	87	199	310	0	0	38
Energy field audits provided at no cost to customer	563	583	138	6	0	0
Energy field audits provided at part cost to customer	0	0	0	0	0	0
Average cost contributed by customers when part contribution required by retailer	0	0	0	0	0	0
Appliances provided under a hardship program	510	574	127	0	0	0

— Not applicable.



TABLE A.2 CLICK ENERGY AND DODO POWER & GAS

	Click Energy			Dodo Power & Gas ^a		
	2010-11	2011-12	2012-13	2010-11	2011-12	2012-13
Hardship program participants	49	100	282	—	16	156
Hardship program participants for whom program access was sought by a third party	0	0	0	—	0	1
Hardship program participants who were concession cardholders	12	23	53	—	2	63
Customers denied access to a retailer's hardship program during the period	0	0	0	—	0	0
Average debt of new entrants to a hardship program	1 132	380	846	—	705	1 001
Average debt on exit from a hardship program	1 337	378	1 071	—	1 575	1 401
Average length of participation for customers in a hardship program	156	133	169	—	82	120
Participants exiting a hardship program by agreement with the retailer	5	36	20	—	4	44
Hardship program participants excluded for not complying with requirements	8	15	92	—	0	3
Disconnections of previous hardship program participants within 12 months	6	11	37	—	0	0
Reconnections of previous hardship program participants within 12 months	0	5	13	—	0	0
Energy field audits provided at no cost to customer	0	0	0	—	0	0
Energy field audits provided at part cost to customer	0	0	0	—	0	0
Average cost contributed by customers when part contribution required by the retailer	0	0	0	—	0	0
Appliances provided under a hardship program	0	0	0	—	0	0

^a 2011-12 is the first year for which Dodo Power & Gas reported hardship data.
 — Not applicable.



TABLE A.3 ENERGY AUSTRALIA AND LUMO ENERGY

	EnergyAustralia ^a			Lumo Energy ^b		
	2010-11	2011-12	2012-13	2010-11	2011-12	2012-13
Hardship program participants	4 247	4 078	4 819	—	361	1 418
Hardship program participants for whom program access was sought by a third party	363	230	0	—	4	0
Hardship program participants who were concession cardholders	1765	1 371	1 426	—	155	726
Customers denied access to a retailer's hardship program during the period	0	25	22	—	0	0
Average debt of new entrants to a hardship program	569	1 520	862	—	962	646
Average debt on exit from a hardship program	676	981	716	—	973	962
Average length of participation for customers in a hardship program	392	632	326	—	327	142
Participants exiting a hardship program by agreement with the retailer	1 562	1 418	813	—	36	260
Hardship program participants excluded for not complying with requirements	1 033	875	1 404	—	111	193
Disconnections of previous hardship program participants within 12 months	59	80	0	—	2	3
Reconnections of previous hardship program participants within 12 months	40	58	0	—	1	1
Energy field audits provided at no cost to customer	0	11	8	—	0	0
Energy field audits provided at part cost to customer	0	0	0	—	0	0
Average cost contributed by customers when part contribution required by the retailer	0	0	0	—	0	0
Appliances provided under a hardship program	3	0	0	—	0	0

^a EnergyAustralia was formerly TRUenergy.

^b Lumo Energy data before 2011-12 did not pass audit requirements and are not published in this report.
— Not applicable.



TABLE A.4 MOMENTUM ENERGY AND NEIGHBOURHOOD ENERGY

	Momentum			Neighbourhood Energy ^a		
	2010-11	2011-12	2012-13	2010-11	2011-12	2012-13
Hardship program participants	1	3	87	347	—	163
Hardship program participants for whom program access was sought by a third party	0	0	0	20	—	0
Hardship program participants who were concession cardholders	0	2	12	99	—	62
Customers denied access to a retailer's hardship program during the period	0	0	0	0	—	0
Average debt of new entrants to a hardship program	0	1 533	963	924	—	1 282
Average debt on exit from a hardship program	0	0	1 003	909	—	1 486
Average length of participation for customers in a hardship program	0	0	97	204	—	493
Participants exiting a hardship program by agreement with the retailer	0	0	3	62	—	59
Hardship program participants excluded for not complying with requirements	0	0	26	156	—	34
Disconnections of previous hardship program participants within 12 months	0	0	3	9	—	0
Reconnections of previous hardship program participants within 12 months	0	0	3	6	—	0
Energy field audits provided at no cost to customer	0	0	0	0	—	0
Energy field audits provided at part cost to customer	0	0	0	0	—	0
Average cost contributed by customers when part contribution required by the retailer	0	0	0	0	—	0
Appliances provided under a hardship program	0	0	0	0	—	0

^a Neighbourhood Energy could not supply accurate and reliable hardship data for 2011-12.



TABLE A.5 ORIGIN ENERGY AND POWERDIRECT

	Origin Energy			Powerdirect		
	2010-11	2011-12	2012-13	2010-11	2011-12	2012-13
Hardship program participants	6 418	6 334	5 349	43	31	120
Hardship program participants for whom program access was sought by a third party	726	780	0	1	0	0
Hardship program participants who were concession cardholders	2 737	2 846	1 762	18	10	37
Customers denied access to a retailer's hardship program during the period	0	0	0	2	0	16
Average debt of new entrants to a hardship program	549	567	1 017 ^a	2 307	2 319	2 627
Average debt on exit from a hardship program	660	105	1 994 ^a	3 100	2 883	4 487
Average length of participation for customers in a hardship program	425	549	500	305	316	80
Participants exiting a hardship program by agreement with the retailer	1 045	707	410	1	7	1
Hardship program participants excluded for not complying with requirements	1 619	833	1 970	22	13	17
Disconnections of previous hardship program participants within 12 months	640	180	17	0	0	0
Reconnections of previous hardship program participants within 12 months	135	31	10	0	0	0
Energy field audits provided at no cost to customer	316	261	376	3	0	0
Energy field audits provided at part cost to customer	0	0	0	0	0	0
Average cost contributed by customers when part contribution required by the retailer	0	0	0	0	0	0
Appliances provided under a hardship program	0	6	15	0	0	0

^a Nine month average is used for July to September 2012 data for debt on entry and exit indicators for Origin Energy.



TABLE A.6 RED ENERGY AND SIMPLY ENERGY

	Red Energy			Simply Energy		
	2010-11	2011-12	2012-13	2010-11	2011-12	2012-13
Hardship program participants	1 093	1 360	1 367	2 000	2 286	1 945
Hardship program participants for whom program access was sought by a third party	51	51	0	89	100	0
Hardship program participants who were concession cardholders	370	394	306	380	337	527
Customers denied access to a retailer's hardship program during the period	0	1	0	341	352	481
Average debt of new entrants to a hardship program	569	499	304	742	920	900
Average debt on exit from a hardship program	801	529	365	1 140	988	1 102
Average length of participation for customers in a hardship program	228	243	149	336	352	296
Participants exiting a hardship program by agreement with the retailer	185	398	343	562	785	690
Hardship program participants excluded for not complying with requirements	359	548	493	232	753	694
Disconnections of previous hardship program participants within 12 months	117	154	122	41	111	49
Reconnections of previous hardship program participants within 12 months	38	49	47	16	60	23
Energy field audits provided at no cost to customer	0	0	0	78	62	0
Energy field audits provided at part cost to customer	0	0	0	0	0	0
Average cost contributed by customers when part contribution required by the retailer	0	0	0	0	0	0
Appliances provided under a hardship program	0	0	0	0	0	0