

25 October 2021

Ms Kate Symons
Chairperson
Essential Services Commission
Level 37, 2 Lonsdale Street,
Melbourne VIC 3000.

Submitted online via: www.engage.vic.gov.au

Dear Ms. Symons

Essential Services Commission (ESC) Compliance & Performance Reporting Guideline - 2021 update Draft Decision

Thank-you for the opportunity to provide a submission in response to the consultation paper titled “Compliance & Performance Reporting Guideline - 2021 Update” (Draft Decision).

Momentum Energy Pty Ltd (Momentum) is an Australian operated energy retailer, owned by Hydro Tasmania, Australia's largest producer of renewable energy. We pride ourselves on providing competitive pricing, innovation and outstanding customer service to electricity consumers in Victoria, New South Wales, South Australia, Queensland, the ACT and on the Bass Strait Islands. We also retail natural gas to Victorian customers. We offer competitive rates to both residential and business customers along with a range of innovative energy products and services.

We are generally supportive of most of the changes proposed in the Draft Decision. We particularly agree with the decision to reclassify most of the former type 1 breaches to type 2 breaches leaving only the time sensitive, threat to life or safety obligations to be classified as type 1 breaches.

We set out below specific comments regarding two proposals in the Draft Decision that we believe could be improved with further amendments.

Proposed Changes to Reporting Timeframes

Under section 3.1 of the Draft Decision the following commentary is provided:

1. *Changes proposed to wrongful disconnection reporting.*

As a result of the proposed classification of disconnection-related obligations as type 2 breaches, potential or actual wrongful disconnections will also need to be reported within 30 calendar days of detection. For clarity, this includes any disconnections referred to Energy and Water Ombudsman (Victoria) or dispute resolution processes referred to the commission, even where the disconnection has not yet been determined as wrongful.

Momentum agrees with the ESC's proposal to classify actual wrongful disconnections as type 2 breaches, and for retailers to report this data to the ESC within 30 calendar days of detection. However, Momentum does not agree with the proposal for retailers to report potential wrongful disconnections.

By nature, potential wrongful disconnections eventuate to either *compliant disconnections* or *wrongful disconnections*. All *wrongful disconnections* will be reported to the ESC as type 2 breaches within 30 calendar days of detection, therefore Momentum does not consider it is necessary for retailers to report *compliant disconnections* in the same manner.

Comprehensive disconnection data will continue to be reported by retailers to the ESC via the performance indicator reports.

Furthermore, if a customer refers a non-disconnection related dispute to Energy Water Ombudsman Victoria (EWOV) (for example, regarding a dispute in relation to a high bill) and the customer has been disconnected in the past, EWOV may open a Wrongful Disconnection Payment (WDP) case and investigate the disconnection, even if it is not disputed by the customer. Under the proposed guideline the retailer will be required to report a potential wrongful disconnection to the ESC, while the dispute may take several months to resolve via EWOV if complex in nature. Momentum believes this will create an administrative burden for both the retailer and the ESC.

2. *The requirement to report a potential or actual wrongful disconnection is distinct from the requirement to report wrongful disconnection payments. Consistent with the current approach, wrongful disconnection payments are to be batch reported by the last business day of the month following the wrongful disconnection payment being made to the customer.*

Momentum believes that this will result in reporting wrongful disconnections twice in both a 'type 2 report' and a 'monthly report' which will duplicate the reporting of the same wrongful disconnection causing an administrative burden for both retailers and the ESC. Momentum proposes that the two reporting templates should be consolidated to enable retailers to submit all of the required information to the ESC in a single report.

Should you require any further information regarding this submission, please don't hesitate to contact me [REDACTED]

Yours sincerely

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