

Alinta Energy pays \$300,000 for allegedly failing to obtain consent to switch

Alinta Energy has paid penalties totalling \$300,000 after 15 customers were allegedly transferred to the company without their consent.

The Essential Services Commission issued 15 penalty notices after an investigation found that between September and October 2016, Alinta Energy arranged the transfers without first obtaining explicit informed consent.

The commission found customers were transferred as a result of fraudulent behaviour by three sales agents acting on behalf of Alinta Energy to acquire customers.

Chair Ron Ben-David says the commission took action because explicit informed consent is a core principle of customer rights.

“Energy companies must disclose contract information in plain English, they must know that the customer is capable of giving consent and they must obtain that consent in writing or verbally.

“They must also be able to verify any spoken consent,” he said.

Dr Ben-David says retailers also need to ensure they, or any sales agent working on their behalf, can meet these requirements before arranging a transfer.

“Retailers are legally responsible for the conduct of any agents working on their behalf,” he said.

The alleged breaches came to light when some of the affected customers complained to Alinta Energy who then reported the alleged breaches of the energy rules to the commission.

The affected customers were from across Victoria, including from St Kilda, Morwell, Croydon and Warrnambool. All customers were transferred back to their original retailer.

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

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