



QCROSS Energy Consumer Advocacy Project

QCROSS Submission to the *QCA Consultation Paper on
Requested Amendments to the Electricity Industry Code –
Customer Disconnection Provision*

8 April 2013

About us

The Queensland Council of Social Service (QCOSS) is Queensland's peak representative body for the community services industry. The organisation represents approximately 600 member organisations working across Queensland in a broad range of portfolios. We support organisations in working to address the causes of poverty and disadvantage. A key part of this role is our engagement with the State Government to secure the best outcomes for QCOSS members and support the needs of vulnerable Queenslanders.

QCOSS has been funded by the Department of Energy and Water Supply and Department of Justice and the Attorney-General for an energy consumer advocacy project in Queensland. The purpose of this project is to advocate on behalf of Queensland consumers and particularly vulnerable and low-income households in relation to energy.

Comments

QCOSS notes the Queensland Competition Authority (QCA) has released a *Consultation Paper on Requested Amendments to the Electricity Industry Code – Customer Disconnection Provisions* in line with amendments proposed by Energex. The basis of this paper is to seek views on Energex's proposal to formally recognise the use of the Main Switch Seal (MSS) as an accepted method for disconnecting electricity supply to a premises when required due to non-payment or when a resident moves out of the property. We would like to provide the following brief comments to support Energex's proposal.

It is our understanding that the majority of apartment buildings built prior to 2005 do not have a unique primary fuse or switchboard disconnection link supplying electricity to individual units. This means that when one unit's electricity supply is required to be disconnected (either due to non-payment or when a resident moves out), the supply to the entire apartment block must be interrupted in order to safely disconnect the individual premises. The interruption is then repeated when the premises is later reconnected.

This not only inconveniences other apartment residents, but it requires a specialised electrical technician to conduct a visual safety inspection before reconnecting the property. This means the customer that wishes to reconnect the same property must make themselves available at home (for a five hour appointment window according to Energex's requirements) in order to allow the electrical technician access to their home. This may require residents to take time off work (which may not always be covered by paid leave) or incur other expenses to be present for the inspection. Residents most affected by this are likely to be low-income consumers employed in casual or shift work who may have to delay connection to electricity if they are unable to take time off work or cannot afford unpaid leave. As disconnection for non-payment is an indicator of financial hardship, residents who have been disconnected for non-payment are even less likely to be in a position to sacrifice paid employment to be at home for this period of time.

We acknowledge that the use of an MSS disconnection may expose electricity retailers to some financial risk if customers act illegally by removing the seal and turning the main switch on themselves. However, we believe the risk to retailers should be balanced against issues of consumer convenience and cost. It is our view that customers are largely not aware of the intricacies of their electricity supply and the vast majority of customers would not remove a clearly marked seal to directly interfere with the meter themselves. We also note it could be of financial interest to retailers to maintain responsibility for the premises, as they would then be in a better position to continue to supply to the next consumer at the site if they do not actively choose a different retailer.

In summary, we support the Code change as proposed by Energex at this time. On a related note, we believe there are many other opportunities to improve the disconnection and reconnection process for consumers generally. We have previously outlined these views in a response to the Department of Energy and Water Supply's Discussion Paper on *Customer move-in move-out (MIMO) process for residential premises in Queensland* in mid-2012.