



Independent Pricing and Regulatory Tribunal

Gas retail businesses' performance against customer service indicators in NSW

For the period 1 July 2005 to 30 June 2008

Gas — Information Paper
March 2009

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1 Introduction

This information paper discusses the level of customer service provided by gas retailers in NSW. It is one in a series of information papers published by the Independent Pricing and Regulatory Tribunal of NSW (IPART) which aims to ensure that all stakeholders, including customers, have ready access to information about gas retail businesses.

As at 30 June 2008, 18 companies held gas retail supplier licences in NSW. Seven of these supplied gas to small retail customers in 2007/08. While these companies are gradually increasing their market share, the NSW gas market is still dominated by AGL Retail Energy, which supplies approximately 75 per cent of small retail gas customers.

Under the current regulatory regime, all gas retailers licensed to operate in NSW are required to report annually on a series of customer service indicators that provide some indication of the affordability and accessibility of gas services and of customers' satisfaction with the quality of service they receive. IPART monitors and assesses the retailers' performance with performance in previous years.

The section below provides an overview of gas retailers' reported performance for the period 1 July 2007 to 30 June 2008 against the following indicators:

- ▼ disconnections due to non-payment of bills (including disconnection of those on payment plans and those disconnected more than once in the same year)
- ▼ reconnections in the same name
- ▼ use of alternative payment methods by customers having difficulty paying bills
- ▼ the number of security deposits being held by retailers at 30 June and held longer than 12 months (residential customers) or 24 months (non-residential customers)
- ▼ call centre responsiveness
- ▼ the number of customer complaints.

1.1 Overview of gas retailers' performance

The sections below provide more detail on each indicator with a comparison of retailers' performance over the three year period to 30 June 2008.

The key findings for 2007/08 are:

- ▼ The rate of gas disconnection for non-payment of bills by residential small retail customers decreased from 2.3 per cent in 2006/07, to 1.9 per cent in 2007/08. This is higher than disconnection rates for electricity at 0.6 per cent of all NSW small retail customers in 2007/08.

- ▼ The non-residential customer disconnection rate increased from 0.1 per cent in 2006/07, to 0.2 per cent in 2007/08. This is lower than disconnection rates of non-residential small retail customer in electricity at 0.5 per cent for 2007/08.
- ▼ From 1 July 2007, all gas and electricity retail suppliers have been required to operate and offer a payment plan to customers facing financial difficulties, before taking any action to discontinue their energy supply. On average, 6.9 per cent of residential customers were on payment plans prior to disconnection. However, some retailers reported that as many as 30 to 50 per cent of their customers were on payment plans prior to disconnection (Origin Energy, EnergyAustralia, Country Energy).
- ▼ While the overall use of instalment plans by retailers for gas (0.9 per cent) is lower than for electricity (3.3 per cent) it has increased from 0.6 per cent in 2005/06 and 0.8 per cent in 2006/07. The use of other alternative payment methods, for example Centrelink's Centrepay (0.9 per cent) also remains at lower levels for gas than for electricity (4.1 per cent).
- ▼ For most retailers less than 10 per cent of their residential gas customers had security deposits held in 2007/08. However, one retailer (AGL Sales (Queensland)) held security deposits for 43 per cent of its residential customers. IPART notes that unlike obligations placed on electricity retailers, there is no requirement for security deposits to be refunded after a period of on time payment of bills.
- ▼ Most retailers reported improved call centre performance in 2007/08, with lower percentages of calls abandoned or dropping out before being answered by a human operator. AGL Sales (QLD) and Origin Energy were two retailers whose performance deteriorated during the period. This was due to the implementation of new billing and customer relationship management systems by these retailers which caused some technical problems and call centre disruptions.
- ▼ The percentage of customers who complained to their retailer slightly increased, but remains low. The rate increased from 0.3 per cent in 2006/07 to 0.5 in 2007/08.

Note

When looking at the data on each customer service indicator presented in this information paper, it is important to note that in some cases, retailers that recorded zero, or near zero for an indicator have been omitted to simplify the presentation. However, this data is included in Appendix A, which lists all data reported.

2 Disconnections due to non-payment of bills

Disconnection of essential services is expensive for both the consumer and the provider. It also creates further hardship for customers already facing financial difficulties. As a consequence, most energy retailers have adopted or are in the process of adopting hardship policies to better protect and assist vulnerable customers who are having difficulties paying their bills.

In response to a significant increase in the disconnection rate in electricity in 2004/05, the Minister for Energy established a disconnections working group. As a consequence of this group's work, the government amended the *Electricity Supply (General) Regulation 2001* and the *Gas Supply (Natural Gas Competition) Regulation 2001*. The new regulations which became effective on 1 July 2007 require all gas and electricity retail suppliers to operate a payment plan in respect of customers facing financial difficulties and to offer this plan to these customers before taking any action to discontinue their energy supply.

The combined effect of the new regulations and retailers' use of hardship policies appear to have made an impact with the level of residential small retail gas customer disconnections decreasing by 14.4 per cent in 2007/08.

However, the level of non-residential customer disconnections has increased in 2007/08, but as a percentage of the total number of non-residential customers, remains low at 0.2 per cent.

Table 2.1 Total residential and non-residential disconnections for non-payment of gas bills in NSW

| Type of Customer | 2005/06 | 2006/07 | 2007/08 |
|--|---------|---------|---------|
| Residential | 19,781 | 22,707 | 19,441 |
| As a per cent of residential customers | 2.1 | 2.3 | 1.9 |
| Non-residential | 44 | 27 | 59 |
| As a per cent of non-residential customers | 0.2 | 0.1 | 0.2 |

2.1 Disconnections of small retail customers

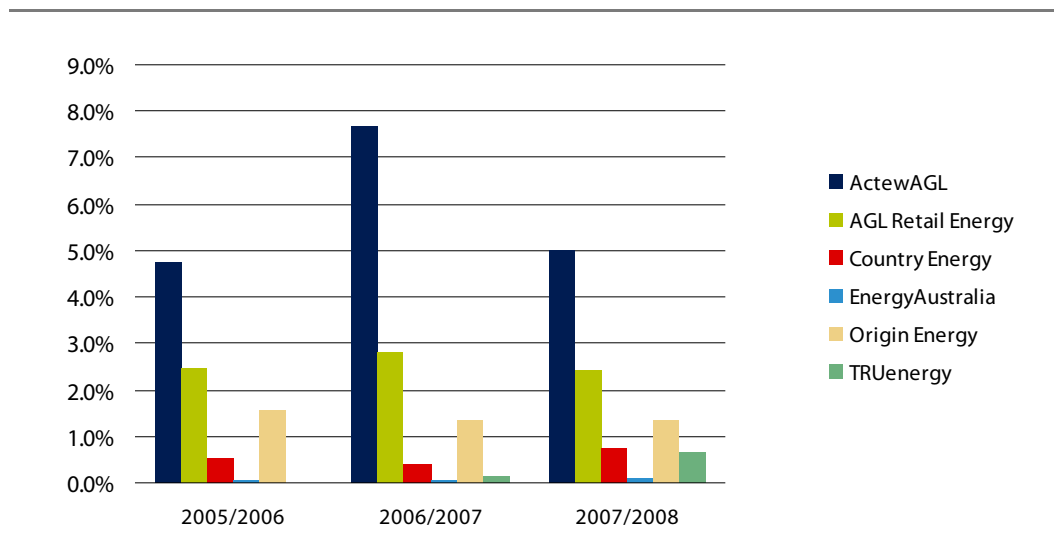
Figures 2.1 and 2.2 present the number of disconnections for non-payment of bills by retailer as a percentage of their total residential and non-residential customer base (their disconnection rate).

The overall disconnection rate for residential small retail gas customers in NSW for 2007/08 was 1.9 per cent and for non-residential small retail gas customers was 0.2 per cent. The comparable disconnection rates in electricity were 0.6 and 0.5 respectively.

Gas is considered a discretionary fuel in comparison to electricity. For this reason there is some expectation that gas disconnections will generally be higher than electricity. Customers faced with payment difficulties are more likely to forego gas payments and face gas disconnection rather than disconnection of their electricity supply. However it is difficult to determine what could be a reasonable difference between gas and electricity disconnection rates.

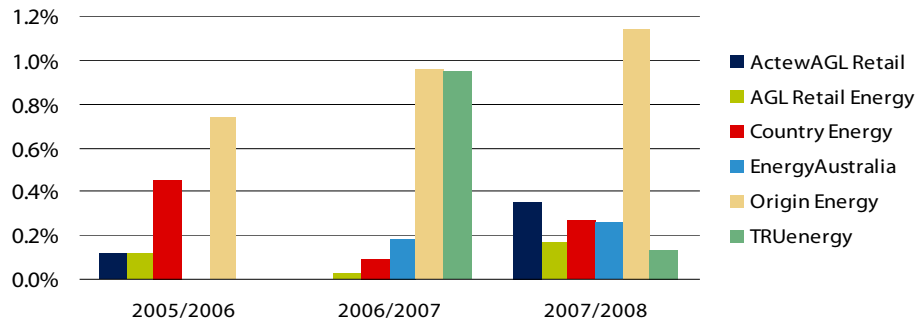
IPART intends in 2009 to conduct licence compliance audits of all retailers supplying small retail customers. A key focus of these audits will be to ensure that retailers are fully complying with obligations associated with disconnection. The audit will also examine if the extent of the difference between electricity and gas disconnections is appropriate.

Figure 2.1 Percentage of residential small retail customer disconnections for non-payment of bills in NSW, by retailer



ActewAGL reported the highest disconnection rate of residential small retail customers for 2007/08 at 5 per cent. While this is substantially higher than the NSW average for gas, ActewAGL believes that it makes every effort to assist customers in hardship and only disconnects as a last resort. IPART notes that ActewAGL has improved its disconnection rate since 2006/07 when the company disconnected 7.7 per cent of its residential small retail customers.

Figure 2.2 Percentage of Non-residential disconnections for non-payment of bills in NSW, by retailer



2.2 Disconnections of residential customers on payment plans and more than once at the same address

For the first time this year, gas retailers have been required to provide additional statistics on disconnections of residential small retail customers that were:

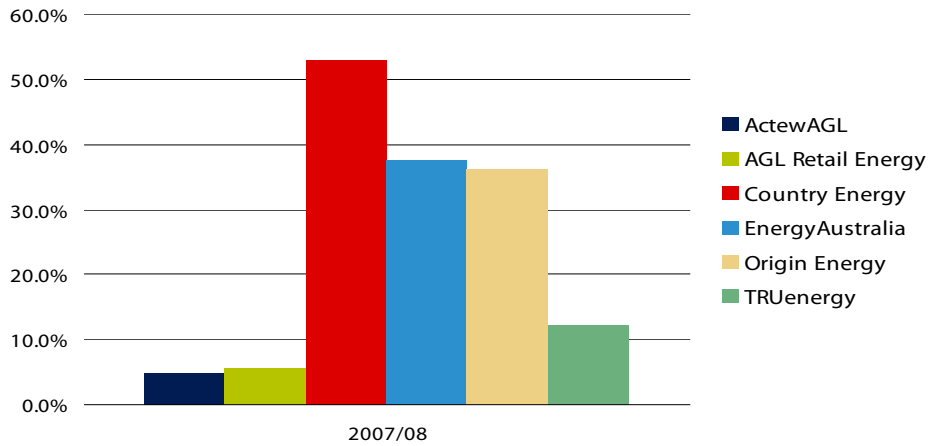
- ▼ on payment plans prior to disconnection
- ▼ disconnected more than once in the year at the same address.

Table 2.2 shows the total number of residential small retail customers in each of these categories in 2007/08 and also as a percentage of total residential small retail customer disconnections.

Table 2.2 Categories of residential small retail customers prior to disconnection in 2007/08

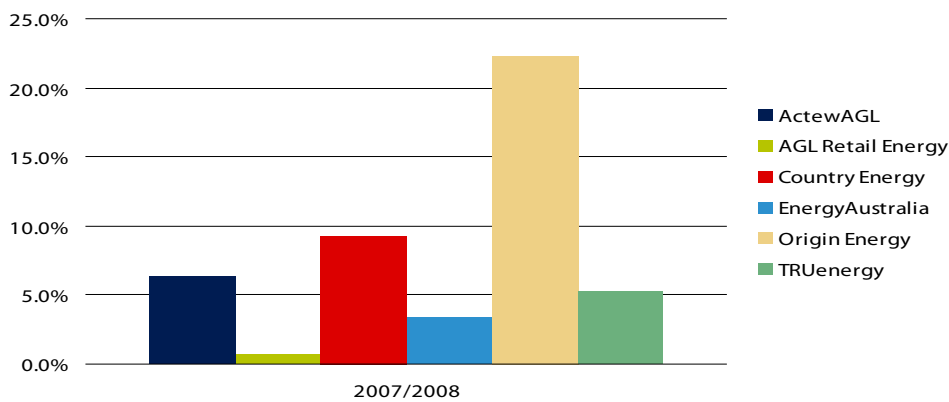
| | On payment plans | Disconnected more than once at same address |
|--|------------------|---|
| Number of residential small retail customers | 1341 | 300 |
| As a percentage of residential small retail disconnections | 6.9 | 1.5 |

Figure 2.3 NSW customers on payment plans prior to disconnection as percentage of residential small retail disconnections – by retailer



Overall 6.9 per cent of NSW residential customers that were disconnected were on payment plans prior to disconnection. Figure 2.3 shows the percentage of these customers varies considerably between retailers. Country Energy reported that more than 50 per cent of its disconnected customers were on payment plans prior to disconnection. In comparison, ActewAGL and AGL Retail Energy reported less than 10 per cent of their disconnected customers were offered payment plans. However, ActewAGL/ AGL report that due to IT system constraints, this data does not capture all customers that were offered various forms of payment extension plans.¹ As indicated, IPART will conduct audits in 2009 to ensure compliance with disconnection obligations.

Figure 2.4 Percentage of residential customers disconnected more than once in same year - by retailer



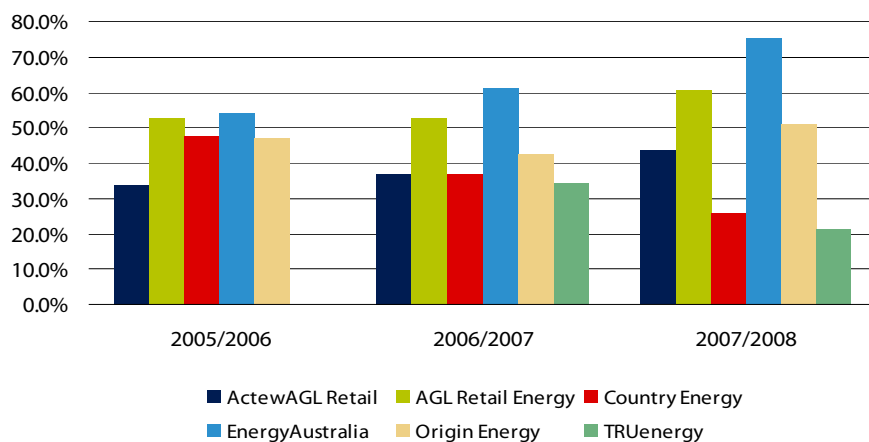
¹ These businesses advise that more accurate reporting in line with IPART’s definition of instalment plans will be possible now that new IT systems have been implemented.

Figure 2.4 shows the residential small retail customers disconnected more than once at the same address as a percentage of all residential customer disconnections by retailer. Overall 1.5 per cent of gas residential customer disconnections in NSW were customers that had been disconnected more than once. This figure is considered low.

3 Reconnections in the same name

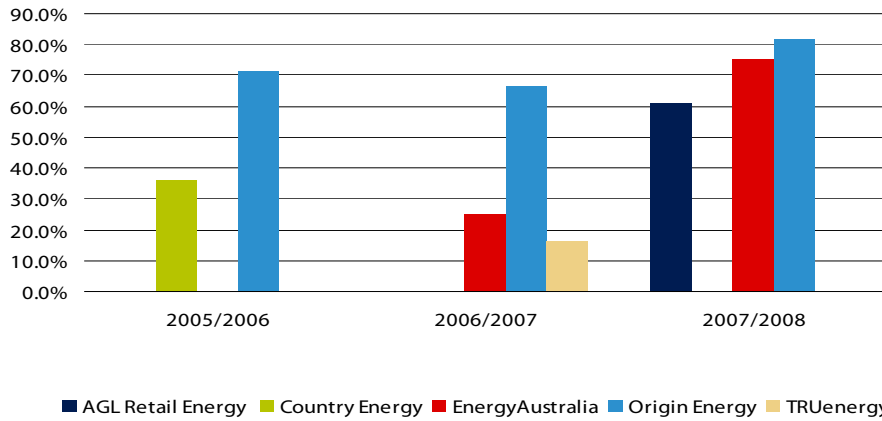
Figures 3.1 and 3.2 show the percentage of residential and non-residential small retail customers disconnected in NSW whose supply was subsequently reconnected in the same name.²

Figure 3.1 Percentage of NSW residential customers disconnected for non-payment of bills whose supply was reconnected in the same name, by retailer



² IPART believes this affordability indicator needs amending to be consistent with Victoria and South Australia data, where the indicator is limited to reconnections that occur within seven days of disconnection. This amendment would make the indicator more useful, and allow comparison of the performance of NSW retailers with other jurisdictions. Performance indicators are not set by IPART but are established by the Minister for Energy.

Figure 3.2 Percentage of non-residential customers disconnected for non-payment of bills whose supply was reconnected in the same name, by retailer



4 Use of alternative payment methods

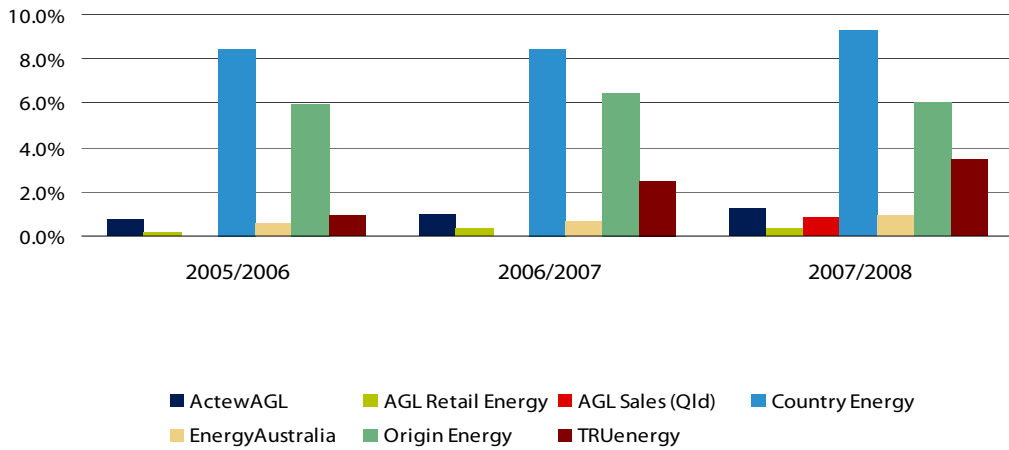
In various degrees, retailers in NSW offer assistance to customers who are having difficulty paying their energy bills, including giving them the option of paying bills in instalments, extending the due date on their bills, protecting customers from disconnection while they participate in programs, referring them to a financial relief agency or financial counsellor, and checking their meter for accuracy.

From 1 July 2007, a new regulation made it a requirement that all retailers offer payment plans to customers experiencing financial difficulties before they take any action to discontinue their supply. Payment plans make it possible for customers to pay their outstanding accounts over time and manage their consumption better. As a result they can help retailers reduce their disconnection rate.

In 2007/08, there were 9,319 residential small retail gas customers on instalment plans, representing a 19.4 per cent increase compared to 2006/07 when 7,803 residential customers were using instalment plans.

Figure 4.1 shows the percentage of residential small retail customers paying off outstanding accounts under an instalment plan for each retailer.

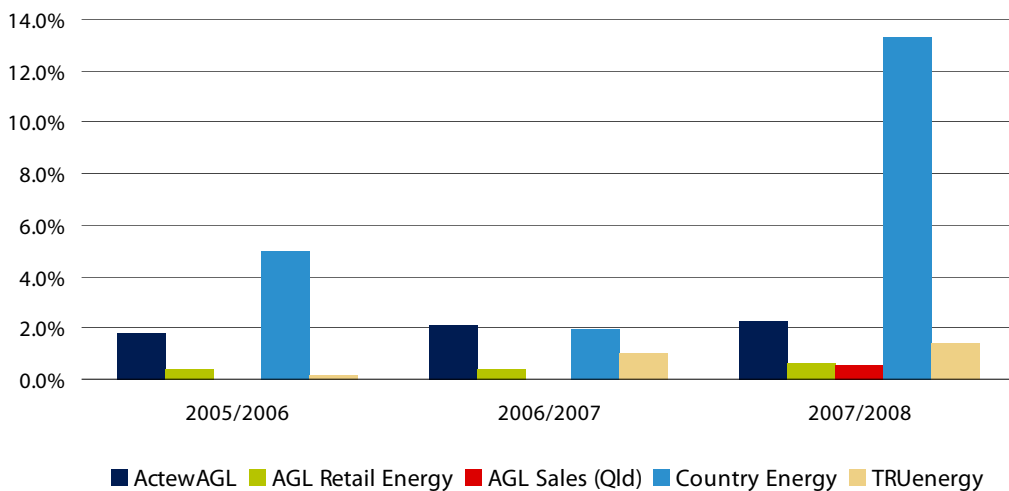
Figure 4.1 Percentage of NSW residential small retail customers using instalment plans, by retailer



For most retailers there has been an increase in the percentage of customers on payment plans. Country Energy continues to have the highest percentage of residential small retail gas customers on instalment plans in 2007/08 at 9.2 per cent. Origin Energy had approximately 6 per cent of its customers on instalment plans.

Figure 4.2 shows the percentage of residential small retail customers using Centrelink’s Centrepay bill payment facility for each retailer. Centrepay is a free service that allows Centrelink clients to pay for essential living expenses such as electricity, gas, water and rent) through a direct bill payment facility before their Centrelink payment is deposited into their bank account.

Figure 4.2 Percentage of NSW customers using Centrelink’s Centrepay, by retailer

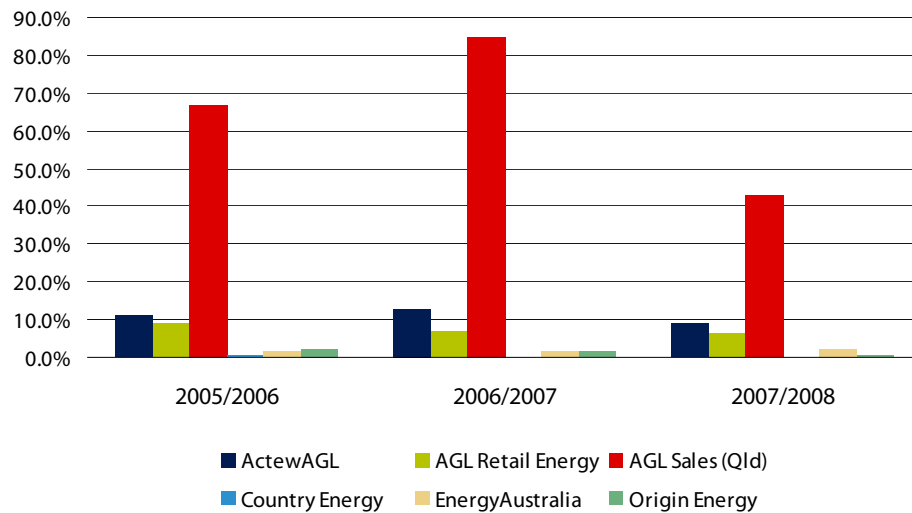


Country Energy reported the highest level of Centrepay use among gas small retail customers (13.3 per cent). However, the overall use of Centrepay for gas bills remains below 1 per cent for NSW small retail customers.³

5 Security deposits held

Figure 5.1 shows the percentage of NSW residential small retail gas customers who had security deposits held by their retailer on 30 June 2008 compared to previous years.⁴

Figure 5.1 Percentage of NSW residential customers who had security deposits held by their retailer on 30 June



For most retailers, less than 10 per cent of their residential gas customers had security deposits held in 2007/08, with the exception of AGL Sales (Queensland) where almost 43 per cent of its residential customers had a security deposit held in 2007/08. AGL Sales (Queensland) advised that this is a legacy from the previous owner of the company, Sun Gas Retail.⁵ While the current level is high, IPART notes that the company has significantly reduced the percentage of security deposits held since 2006/07 when almost 85 per cent of residential customers' had security deposits held. IPART also notes that, unlike obligations placed on electricity retailers, there is

³ IPART's 2006/07 information paper noted a 23 per cent rise in customer use of Centrepay. This was incorrect as Origin incorrectly reported a high level of Centrepay use in 2006/07. The statistics have now been adjusted to reflect the correct figures.

⁴ This indicator does not reflect the total number of security deposits required to secure connection or reconnection to supply within the period as they do not include those deposits held during the period but released prior to 30 June.

⁵ Please note that 2005/06 data for AGL Sales (Qld) has been merged with data for Sun Gas Retail due to AGL's acquisition of this company.

no requirement for security deposits to be refunded after a period of on time payment of bills.⁶

Figure 5.2 Percentage of security deposits from residential small retail customers held by retailers for longer than 12 months

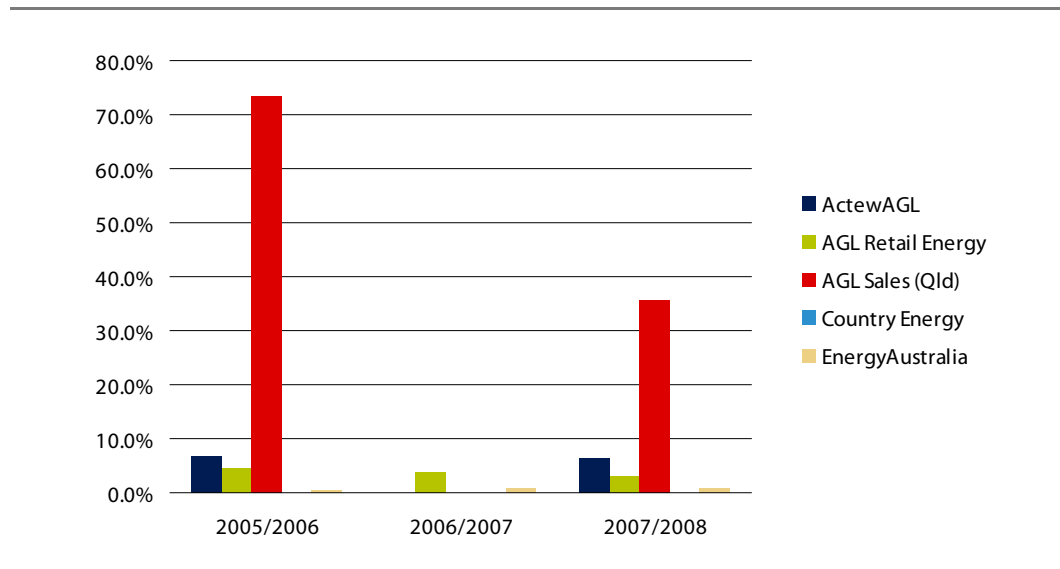


Figure 5.2 shows the percentage of security deposits from residential customers held longer than 12 months. For reasons noted above, AGL Sales (Queensland) also reported the highest percentage of residential security deposits held for longer than 12 months in 2007/08 at almost 36 per cent. However, this represents a reduction from previous levels.⁷ For all other retailers this percentage was below 7 per cent.

⁶ In electricity, a customer supplied under a standard form customer supply contract may be required to pay a security deposit under IPART's current electricity retail pricing determination. The security deposit is limited to 1.5 times the average bill for customers paying bills quarterly and must be refunded after 12 months of on-time bill payment for residential customer and after 24 months of on-time bill payment for business customers.

⁷ Please note that data for AGL Sales (Qld) for 2005/06 was merged with Sun Gas Retail due to AGL's acquisition of this company. However, AGL advised it was not able to provide this statistic for 2006/07 due to system constraints associated with the previous owners reporting processes.

Figure 5.3 Percentage of non-residential small retail customers who had security deposits held by their retailer on 30 June

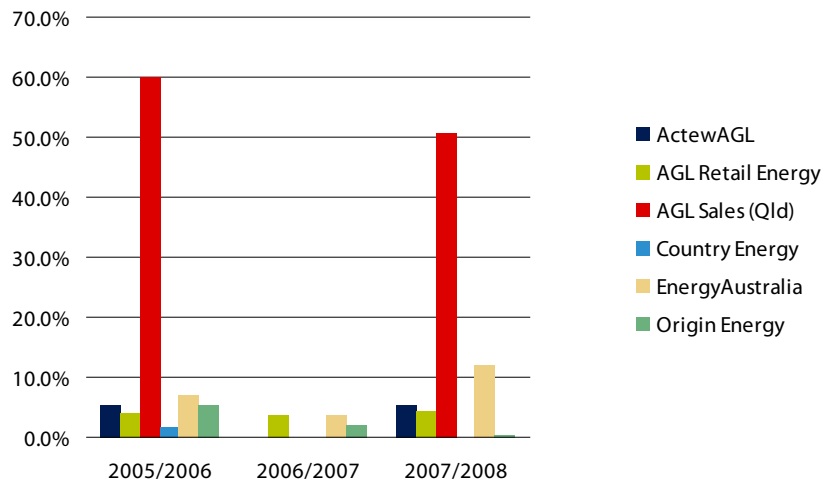


Figure 5.3 shows the percentage of NSW non-residential small retail gas customers who had security deposits held by their retailer on 30 June 2008 compared to previous years. With the exception of AGL Sales (Queensland), retailers reported less than 12 per cent of their customers had security deposits held as at 30 June 2008. AGL Sales (Qld) advised their high level of security deposits held is a legacy of the previous owner of the company, Sun Gas Retail.⁸

⁸ Please note that data for AGL Sales (Qld) for 2005/06 is merged data from Sun Gas Retail due to AGL's acquisition of this company. However, AGL reported in 2006/07 that it was not able to provide this statistic due to system constraints associated with the previous owners reporting processes.

Figure 5.4 Percentage of security deposits from non-residential small retail customers held by retailers for longer than 24 months

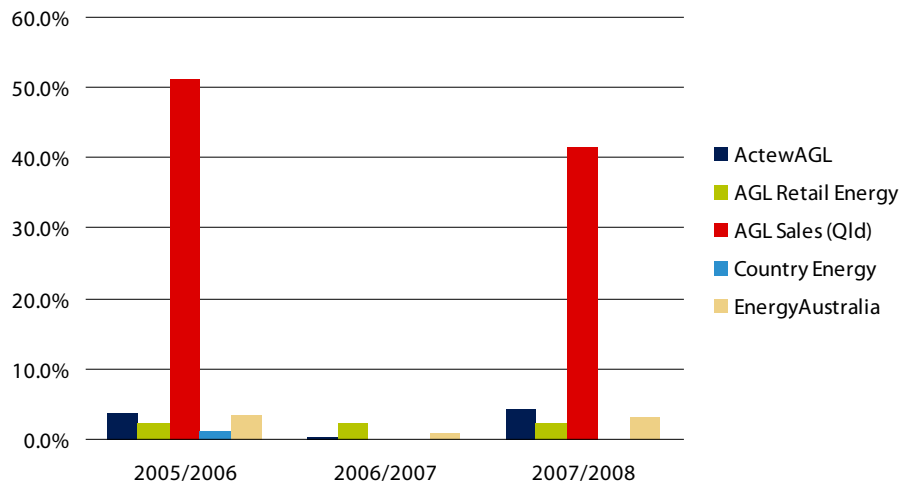
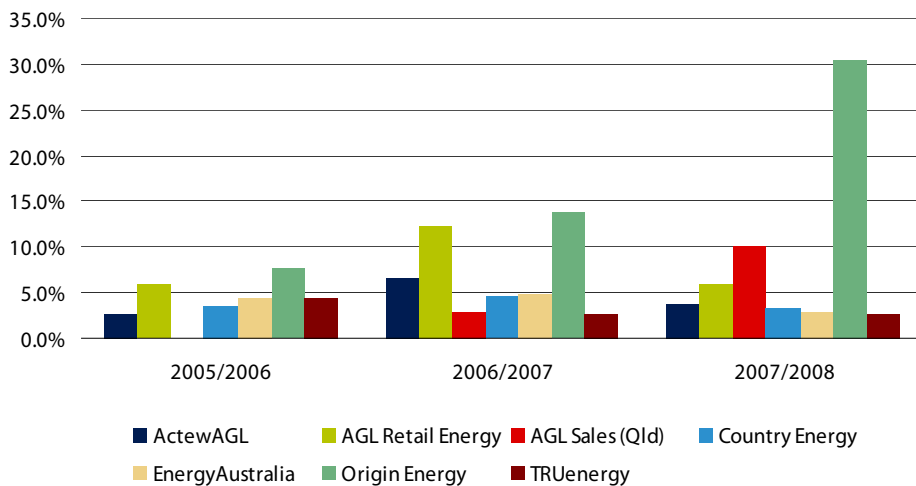


Figure 5.4 shows the percentage of security deposits from non-residential customers held longer than 24 months. For reasons noted above, AGL Sales (Queensland) also reported the highest percentage of non-residential security deposits held for longer than 24 months in 2007/08 at almost 42 per cent. However, this represents a reduction from previous levels.⁹ For all other retailers this percentage was below 5 per cent.

⁹ Please note that data for AGL Sales (Qld) for 2005/06 was merged with Sun Gas Retail due to AGL's acquisition of this company. However, AGL advised it was not able to provide this statistic for 2006/07 due to system constraints associated with the previous owners reporting processes.

6 Call centre responsiveness

Figure 6.1 Percentage of calls that were abandoned or dropped out before being answered by a human operator



Overall, call centre performance improved in 2007/08 with most retailers reporting lower percentage of calls abandoned or dropping out before being answered by a human operator (Figure 6.1). However, performance deteriorated for Origin Energy and AGL Sales (Qld). These companies advised they experienced technical problems associated with implementing new billing and customer relationship management systems during the year which impacted their call centre performance. Their performance should improve with new systems in place.

Figure 6.2 Percentage of calls answered by a human operator within 30 seconds

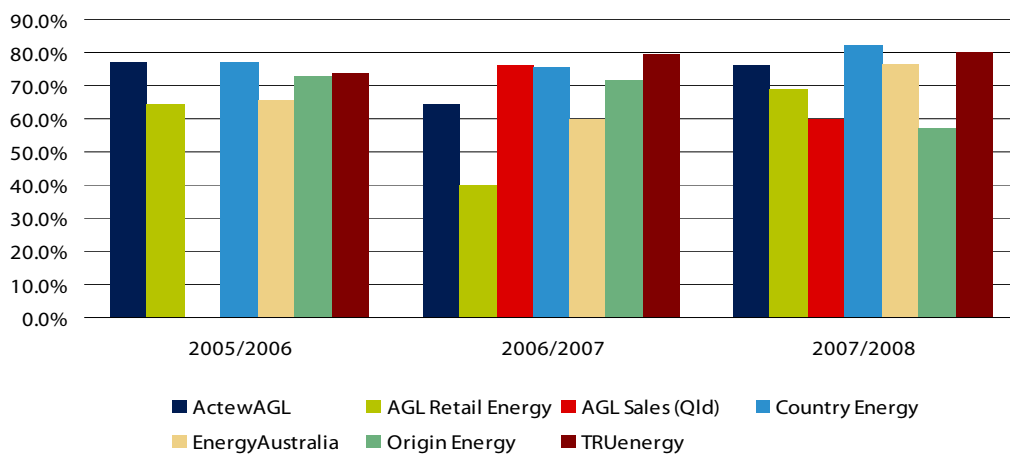


Figure 6.2 shows the percentage of calls answered by a human operator within 30 seconds by individual retailers. Overall, almost 75 per cent of calls were answered by a human operator within 30 seconds compared to 60.6 per cent in 2006/07.

7 Customer complaints

Table 7.1 provides the number of customer complaints about retail supply matters in NSW. These complaints are measured as the number of customers who have contacted the retailer to express their dissatisfaction with some aspect of the service and are seeking a resolution. This indicator includes customer complaints to the retailer about retail supply matters and its failure to observe procedures, but does not include complaints made about the retailer to any other body (such as EWON).

Table 7.1 Number of small retail customer complaints about retail supply matters

| | 2005/06 | 2006/07 | 2007/08 |
|---|---------|---------|---------|
| Number of complaints related to marketing | 362 | 117 | 114 |
| Number of complaints related to billing | 3,136 | 2,507 | 3,576 |
| Number of complaints related to "other" matters | 492 | 776 | 1,351 |
| Total number of complaints | 3,990 | 3,400 | 5,041 |
| Total complaints as a percentage of customers | 0.4 | 0.3 | 0.5 |

Customer complaints about retail supply matters reported by retailers to IPART increased in 2007/08. When expressed as a percentage of all NSW small retail customers, the number of customers who made complaints increased from 0.3 per cent in 2006/07 to 0.5 in 2007/08. Marketing complaints made up less than 3 per cent of total complaints, while billing and "other" complaints made up almost 71 per cent and 27 per cent of all complaints respectively. This trend is similar to that reported by electricity retailers and reflects a downturn in marketing activity in 2007/08. The increased level of billing and other complaints may largely be attributed to major retailers who undertook extensive information technology and customer service system upgrades during the period, resulting in some transitional implementation issues including billing problems.

Figure 7.1 Customer complaints as a percentage of total small retail customers

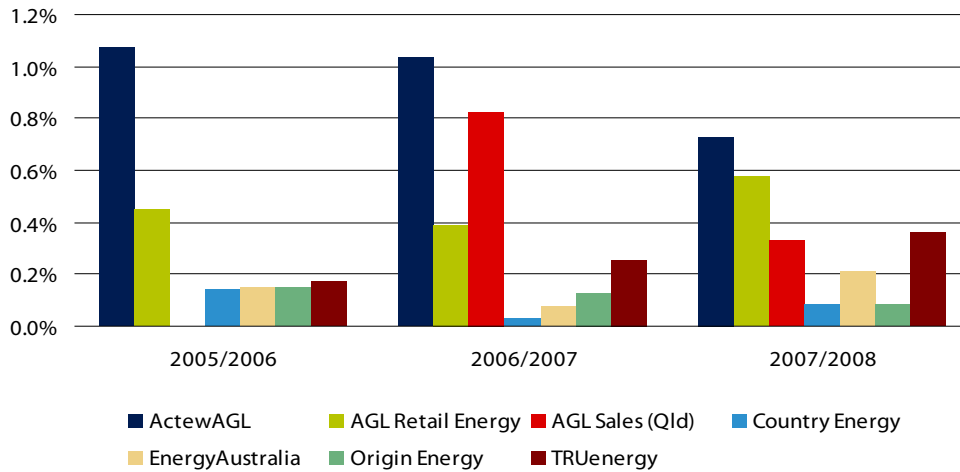
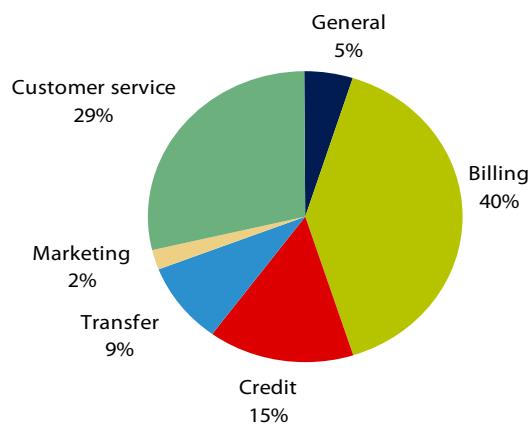


Figure 7.1 shows the customer complaints received by individual retailers as a percentage of their total number of small retail customers. For a number of retailers, the percentage of complaints received decreased in 2007/08. ActewAGL and AGL Retail Energy recorded the highest percentage of complaints at 0.7 and 0.6 per cent respectively. However, these levels of complaints are still considered low.

Figure 7.2, charts the level of complaints about gas retailers made to the Energy Water Ombudsman of NSW (EWON) and reported in its 2007/08 Annual Report. It should be noted that EWON categorises customer complaints in a different way to the data reported by the gas retailers to IPART. Also the complaints made to EWON form only a small subset of the complaints made to the suppliers themselves.

Figure 7.2 Types of gas complaints reported to EWON 2007/08¹⁰



¹⁰ Annual Report 2007/08. Energy & Water Ombudsman NSW; p 14. Please note complaints regarding land and provision have not been included as they comprise less than 1%.

The breakdown of EWON complaints is broadly consistent with IPART's statistics. Similar to IPART's statistics, EWON's report shows that billing makes up the highest single category of customer complaints. EWON also noted a downturn in marketing complaints.



Appendices

A Retailer customer service performance data, 2005/06 to 2007/08

Table A.1 Percentage of residential small retail customers disconnected for non-payment of bills

| | 2005/06 | 2006/07 | 2007/08 |
|---|-------------|-------------|-------------|
| ActewAGL | 4.7% | 7.7% | 5.0% |
| AGL Retail Energy | 2.5% | 2.8% | 2.4% |
| AGL Sales (Qld) | 1.6% | 0% | 0% |
| Country Energy | 0.5% | 0.4% | 0.7% |
| EnergyAustralia | 0.0% | 0.0% | 0.1% |
| Origin Energy | 1.6% | 1.3% | 1.3% |
| TRUenergy | 0.0% | 0.1% | 0.6% |
| Total NSW residential small retail disconnections | 19,781 | 22,707 | 19,441 |
| Residential disconnections as % of total residential customers | 2.1% | 2.3% | 1.9% |

Table A.2 Percentage non-residential small retail customers disconnected for non-payment of bills

| | 2005/06 | 2006/07 | 2007/08 |
|---|-------------|-------------|-------------|
| ActewAGL Retail | 0.1% | 0.0% | 0.4% |
| AGL Retail Energy | 0.1% | 0.0% | 0.2% |
| AGL Sales (Qld) | 0% | 0% | 0% |
| Country Energy | 0.5% | 0.1% | 0.3% |
| EnergyAustralia | 0.0% | 0.2% | 0.3% |
| Origin Energy | 0.7% | 1.0% | 1.1% |
| TRUenergy | 0.0% | 1.0% | 0.1% |
| Total NSW non-residential small retail disconnections | 44 | 27 | 59 |
| Non-residential disconnections as % of total non-residential customers | 0.2% | 0.1% | 0.2% |

Table A.3 Percentage customers on payment plans prior to disconnection

| | 2007/08 |
|---|----------------|
| ActewAGL | 4.7% |
| AGL Retail Energy | 5.7% |
| AGL Sales (Qld) | N/A |
| Country Energy | 52.9% |
| EnergyAustralia | 37.6% |
| Origin Energy | 36.1% |
| TRUenergy | 12.3% |
| Total customers on payment plans prior to disconnection | 1,341 |
| Customers on payment plans prior to disconnection as % of total disconnections | 6.9% |

Table A.4 Percentage customers disconnected more than once in the same year

| | 2007/08 |
|--|----------------|
| ActewAGL | 6.3% |
| AGL Retail Energy | 0.7% |
| AGL Sales (Qld) | N/A |
| Country Energy | 9.2% |
| EnergyAustralia | 3.4% |
| Origin Energy | 22.3% |
| TRUenergy | 5.3% |
| Total customers disconnected more than once in the year at the same address | 300 |
| Customers disconnected more than once in the same year as % of total disconnections | 1.5% |

Table A.5 Percentage residential customers disconnected then reconnected in same name

| | 2005/06 | 2006/07 | 2007/08 |
|--------------------|----------------|----------------|----------------|
| ActewAGL | 33.8% | 36.9% | 43.3% |
| AGL Retail Energy | 52.5% | 52.6% | 60.7% |
| AGL Sales (Qld) | 84.6% | N/A | N/A |
| Country Energy | 47.7% | 36.8% | 25.7% |
| EnergyAustralia | 54.2% | 61.1% | 75.2% |
| Origin Energy | 46.9% | 42.7% | 51.2% |
| TRUenergy | 0.0% | 34.6% | 21.1% |
| Grand Total | 51.4% | 51.3% | 59.0% |

Table A.6 Percentage non-residential customers disconnected then reconnected

| | 2005/06 | 2006/07 | 2007/08 |
|--------------------|--------------|--------------|--------------|
| AGL Retail Energy | 0.0% | 0.0% | 61.1% |
| AGL Sales (Qld) | N/A | N/A | N/A |
| Country Energy | 36.4% | 0.0% | 0.0% |
| EnergyAustralia | 0.0% | 25.0% | 75.0% |
| Origin Energy | 71.4% | 66.7% | 81.8% |
| TRUenergy | 0.0% | 16.7% | 0.0% |
| Grand Total | 20.5% | 29.6% | 57.6% |

Table A.7 Percentage customers using instalment plans

| | 2005/06 | 2006/07 | 2007/08 |
|--------------------|-------------|-------------|-------------|
| ActewAGL | 0.7% | 1.0% | 1.2% |
| AGL Retail Energy | 0.2% | 0.3% | 0.3% |
| AGL Sales (Qld) | 0.0% | 0.0% | 0.9% |
| Country Energy | 8.4% | 8.4% | 9.2% |
| EnergyAustralia | 0.6% | 0.7% | 0.9% |
| Origin Energy | 6.0% | 6.5% | 6.0% |
| TRUenergy | 0.9% | 2.5% | 3.4% |
| Grand Total | 0.6% | 0.8% | 0.9% |

Table A.8 Percentage customers using Centrelink's Centrepay

| | 2005/06 | 2006/07 | 2007/08 |
|--------------------|-------------|-------------|-------------|
| ActewAGL | 1.8% | 2.1% | 2.3% |
| AGL Retail Energy | 0.4% | 0.4% | 0.6% |
| AGL Sales (Qld) | 0.0% | 0.0% | 0.6% |
| Country Energy | 5.0% | 2.0% | 13.3% |
| TRUenergy | 0.2% | 1.0% | 1.4% |
| Grand Total | 0.5% | 0.4% | 0.9% |

Table A.9 Percentage residential small retail customer security deposits held at 30 June

| | 2005/06 | 2006/07 | 2007/08 |
|--------------------|-------------|-------------|-------------|
| ActewAGL | 11.0% | 12.9% | 9.3% |
| AGL Retail Energy | 8.9% | 7.1% | 6.3% |
| AGL Sales (Qld) | 66.6% | 84.8% | 42.8% |
| Country Energy | 0.3% | 0.0% | 0.0% |
| EnergyAustralia | 1.7% | 1.7% | 2.2% |
| Origin Energy | 2.4% | 1.3% | 0.3% |
| Grand Total | 7.5% | 5.9% | 5.2% |

Table A.10 Percentage residential small retail customer security deposits held longer than 12 months

| | 2005/06 | 2006/07 | 2007/08 |
|--------------------|-------------|-------------|-------------|
| ActewAGL | 6.8% | 0.1% | 6.3% |
| AGL Retail Energy | 4.5% | 3.7% | 3.0% |
| AGL Sales (Qld) | 73.2% | 0.0% | 35.7% |
| Country Energy | 0.2% | 0.0% | 0.0% |
| EnergyAustralia | 0.5% | 0.7% | 0.7% |
| Grand Total | 3.8% | 2.9% | 2.5% |

Table A.11 Percentage non-residential small retail customer security deposits held at 30 June

| | 2005/06 | 2006/07 | 2007/08 |
|-------------------|---------|---------|---------|
| ActewAGL | 5.4% | 0.0% | 5.2% |
| AGL Retail Energy | 3.9% | 3.8% | 4.4% |
| AGL Sales (Qld) | 60.0% | 0.0% | 50.6% |
| Country Energy | 1.5% | 0.0% | 0.0% |
| EnergyAustralia | 6.9% | 3.8% | 11.9% |
| Origin Energy | 5.3% | 2.1% | 0.4% |
| Grand Total | 4.1% | 3.3% | 4.5% |

Table A.12 Percentage non-residential small retail customer security deposits held longer than 24 months

| | 2005/06 | 2006/07 | 2007/08 |
|-------------------|---------|---------|---------|
| ActewAGL | 3.7% | 0.3% | 4.3% |
| AGL Retail Energy | 2.4% | 2.2% | 2.4% |
| AGL Sales (Qld) | 51.1% | NA | 41.6% |
| Country Energy | 1.3% | 0.0% | 0.0% |
| EnergyAustralia | 3.4% | 0.9% | 3.0% |
| Grand Total | 2.4% | 1.8% | 2.3% |

Table A.13 Percentage of calls abandoned or dropped out

| | 2005/06 | 2006/07 | 2007/08 |
|--------------------|-------------|-------------|-------------|
| ActewAGL | 2.6% | 6.5% | 3.7% |
| AGL Retail Energy | 6.0% | 12.2% | 6.0% |
| AGL Sales (Qld) | 0.0% | 2.8% | 10.0% |
| Country Energy | 3.6% | 4.7% | 3.3% |
| EnergyAustralia | 4.3% | 4.9% | 2.9% |
| Origin Energy | 7.6% | 13.8% | 30.5% |
| TRUenergy | 4.3% | 2.6% | 2.7% |
| Grand Total | 4.4% | 6.5% | 4.6% |

Table A.14 Percentage of calls answered by a human operator within 30 seconds

| | 2005/06 | 2006/07 | 2007/08 |
|--------------------|--------------|--------------|--------------|
| ActewAGL | 77.5% | 64.4% | 76.1% |
| AGL Retail Energy | 64.2% | 39.7% | 69.1% |
| AGL Sales (Qld) | 0.0% | 76.3% | 60.1% |
| Country Energy | 77.1% | 75.7% | 82.5% |
| EnergyAustralia | 65.4% | 60.0% | 76.5% |
| Origin Energy | 72.9% | 71.6% | 57.0% |
| TRUenergy | 73.8% | 79.3% | 80.0% |
| Grand Total | 68.8% | 60.6% | 74.9% |

Table A.15 Percentage of complaints from small retail customers about retail supply matters

| | 2005/06 | 2006/07 | 2007/08 |
|--------------------|-------------|-------------|-------------|
| ActewAGL | 1.1% | 1.0% | 0.7% |
| AGL Retail Energy | 0.5% | 0.4% | 0.6% |
| AGL Sales (Qld) | 0.0% | 0.8% | 0.3% |
| Country Energy | 0.1% | 0.0% | 0.1% |
| EnergyAustralia | 0.2% | 0.1% | 0.2% |
| Origin Energy | 0.1% | 0.1% | 0.1% |
| TRUenergy | 0.2% | 0.3% | 0.4% |
| Grand Total | 0.4% | 0.3% | 0.5% |

Table A.16 Number and percentage of customer complaints by type

| | 2005/06 | 2006/07 | 2007/08 |
|---|----------------|----------------|----------------|
| Billing complaints | 3,136 | 2,507 | 3,576 |
| Billing complaints as % of total complaints | 78.6% | 73.7% | 70.9% |
| Marketing complaints | 362 | 117 | 114 |
| Marketing complaints as % of total complaints | 9.1% | 3.4% | 2.3% |
| Other' complaints | 492 | 776 | 1,351 |
| Other complaints as % of total complaints | 12.3% | 22.8% | 26.8% |
| Total number of complaints | 3,990 | 3,400 | 5,041 |

B Notes and Definitions

B.1 Customers

'Customer' means the person in whose name a gas account is held under one supply contract.

'Small retail customer' means a customer whose gas consumption in NSW is no more than 1,000 gigajoules per year.

'Residential small retail customer' means a small retail customer who uses their premises primarily for residential purposes.

'Non-residential small retail customer' means a small retail customer who uses their premises primarily for non-residential purposes.

The customer statistics collected here will be used in conjunction with the other statistics in this schedule to derive operating measures (eg, percentages or numbers per 1,000). The customer numbers themselves will not be published without the licence holder's permission.

B.2 Telephone service for account inquiries

Only retailers who supplied small retail customers during the period are asked to report on their telephone service for account inquiries.

The resulting measures that may be used in IPART's compliance report are:

- ▼ Percentage of calls answered within 30 seconds.
- ▼ Percentage of calls that dropped out or were abandoned by the caller.

These measures are based upon a guaranteed customer service standard established under clause 49 and Schedule 1, Part 2, clause 14(2) of the *Gas Supply (Natural Gas Retail Competition) Regulation 2001*. A supply contract between a retail supplier and a small retail customer must require a supplier to provide a telephone service that operates during business hours on which a person can be connected for not less than the price of a local telephone call and that can receive notice of, and give information concerning, customer's bills and customer connection services arranged by the supplier. An automated answering service satisfies this requirement only if it makes provision for the transfer of calls to a human operator.

B.3 Supply discontinuance

Only retailers who supplied small retail customers during the period are asked to report on supply discontinuances. Each instance that supply is discontinued for failing to pay an amount due to the licence holder must be reported, including discontinuing supply to vacant premises. For example, if a customer's supply has been discontinued twice in the reporting year, two supply discontinuances must be reported.

'Payment plan' is an arrangement between a retailer and a customer for the customer to pay arrears and continued usage on their account according to an agreed payment schedule and capacity to pay. It does not include customer using a payment plan as a matter of convenience or for flexible budgeting purposes. Payment plans involve at least three instalments. The plans enable customers to make payments in instalments, by arrears or advance, taking into account their capacity to pay. The key point about payment plans is that they enable a customer to continue to receive supply and avoid disconnection.

In relation to the statistic 'how many were on a payment plan prior to having supply discontinued', all small retail customers who were on a payment plan during the 12 months prior to disconnection should be included.

The resulting measures that may be used in IPART's compliance report are:

- ▼ Proportion of residential small retail customers whose supply was discontinued during the year for failing to pay an amount due.
- ▼ Proportion of non-residential small retail customers whose supply was discontinued during the year for failing to pay an amount due.
- ▼ Number and proportion of small retail customers whose supply was discontinued during the year at a prohibited time or on a prohibited day for failing to pay an amount due.

B.4 Supply recontinuance

Only retailers who supplied small retail customers during the period are asked to report on supply recontinuances.

The resulting measures that may be used in the IPART's compliance report are:

- ▼ Proportion of residential small retail customers whose supply was recontinued in the same name after being discontinued during the year for failing to pay an amount due.
- ▼ Proportion of non-residential small retail customers whose supply was recontinued in the same name after being discontinued for failing to pay an amount due.

B.5 Complaints

Only retailers who supplied small retail customers during the period are asked to report on customer complaints.

'Complaint' means a written or verbal expression of dissatisfaction about an action, a proposed action, or a failure to act by a licence holder, its employees, agents or contractors. This includes failure by a licence holder to observe its published or agreed practices or procedures. It does not include a complaint made about the licence holder to any other body.

The complaint sub-categories (ie 'billing', 'marketing' and 'other matters') are to be reported using the Energy and Water Ombudsman NSW's methodology for allocating issues into categories.

Marketing has been added as a complaint sub-category from 2004/05. This data is collected to assist in monitoring the competitive retail market.

The following measures may be published by IPART:

- ▼ Proportion of residential small retail customers that complained about retail supply matters.
- ▼ Proportion of non-residential small retail customers that complained about retail supply matters.
- ▼ Percentage of complaints from residential small retail customers that were related to billing, marketing and other matters.
- ▼ Percentage of complaints from non-residential small retail customers that were related to billing, marketing and other matters.

IPART will seek information from EWON on the number of small retail customers who took their complaint about a retailer's service to EWON.

B.6 Security deposits

Only retailers who supplied small retail customers during the period are asked to report on security deposits.

The resulting measures that may be used in IPART's compliance report are:

- ▼ Percentage of residential small retail customers that lodged security deposits.
- ▼ Percentage of non-residential small retail customers that lodged security deposits.
- ▼ Average dollar value of security deposits held from residential small retail customers.
- ▼ Average dollar value of security deposits held from non-residential small retail customers.

- ▼ Number and percentage of security deposits held from residential and non-residential small retail customers that have been held for longer than 12 months and 24 months respectively.

B.7 Payment methods

Only retailers who supplied small retail customers during the period are asked to report on payment methods.

Direct debits from a customer's bank account are to include direct debits from any financial institution, including a customer's credit card.

The resulting measures that may be used in IPART's compliance report are:

- ▼ Percentage of residential small retail customers using direct debit arrangements to pay their bills.
- ▼ Percentage of residential small retail customers paying off billing arrears under an instalment payment plan.
- ▼ Percentage of residential small retail customers using Centrelink's Centrepay bill payment facility.