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Dr Tom Parry
Chairman
Independent Pricing and Regulatory Tribunal
PO Box Q290
QVB Post Office NSW 1230

9 May 2003

Dear Tom

Thank you for providing the Public Interest Advocacy Centre with the opportunity to comment on ActewAGL's proposed miscellaneous charges for the Shoalhaven retail gas business. PIAC notes that the proposed miscellaneous charges are the same as AGLRE's miscellaneous charges for their NSW customers - these latter charges were finally regulated by IPART in 2001.

The major difference between the proposed miscellaneous charges and AGLRE's current charges is that the latter were tempered by, in some circumstances how they could be applied. This was done because there were a number of concerns raised by consumer and community organisations that wanted to ensure that some charges did not disproportionately fall on households on low incomes.

There are a number of the proposed miscellaneous charges that are not of concern to PIAC. These are the collector call fee, disconnection/reconnection fee, high bill field visit, and the dishonoured payment fee. However the following charges are of concern to PIAC:

- account establishment fee. AGLRE only applies this fee once on a new account. If this fee is applied every time a household moves (as it is applied by some electricity distributors), it impacts on low income households who rent privately and is grossly inequitable. If this fee becomes part of the Voluntary Pricing Principle in Nowra and Bomaderry, it must be applied only on new connections. This should apply also for the pensioner establishment fee.
- late (payment) fee. AGLRE introduced this fee before the Tribunal regulated their miscellaneous charges. At that time, consumer and community organisations believed that this was a high late payment fee given the average size of individual householder's gas bills, approximately \$ 70 per quarter. A further point is that the electricity industry in NSW is only allowed to charge \$5 (plus GST) as a late payment fee. The Tribunal's decision as to the conditions applied to AGLRE late payment fee in 2001 is now out of date, principally because EAPA vouchers are now available to pay gas as well as electricity bills and ActewAGL customers have access to the Energy and Water Ombudsman. The Tribunal's Determination on the conditions for the electricity industry of 1999 are therefore more appropriate.

The fee is not to be applied in the electricity industry:

- during the period of an extension, where the customer and distributor have agreed to an extension of time to pay the account
- where a customer has made a billing related complaint to the Energy and Water Ombudsman or another external dispute resolution body and the complaint remains unresolved
- during the period of an instalment arrangement, where the customer has entered into an instalment arrangement to pay the account.

Additionally, the fee is to be waived:

- where the customer has contacted a welfare agency/support service for assistance; or
- payment is by EAPA voucher; or
- on a case by case basis as appropriate.

The late payment charge may only be levied:

- on or after the date which is at least 5 business days after the due date shown on the account; and
- provided the customer has been notified in advance that the late payment fee will be charged if the account is not paid, or alternative payment arrangements entered into, by the due date.

We would suggest that these conditions should also be applied to AGLRE by the Tribunal during the mid-term review AGLRE's retail tariffs that will also be addressed in PIAC's submission to this review.

- security deposit. PIAC is concerned that there is no attached policy from ActewAGL as to when a security deposit can be applied and what the timeframe is for the return to the customer of a security deposit. At the very least, this policy should be the same as what has been adopted by AGLRE for their NSW customer base. We recommend that a policy for security deposits be formalised before this charge is incorporated into the Voluntary Pricing Principles for Nowra and Bomaderry.

If you have any queries about the issues raised in this short submission, please do not hesitate to contact on **9299-7833**.

Yours sincerely

Public Interest Advocacy Centre

Trish Benson

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