



INFORMATION

Electricity Retail Corporation (t/a Synergy)

CONTRAVENTION OF TYPE 1 LICENCE OBLIGATION

The Economic Regulation Authority has received notification from the Electricity Retail Corporation (**t/a Synergy**) regarding a contravention of clause 7.7(1)(a)-(c) of the *Code of Conduct for the Supply of Electricity to Small Use Customers (Code)*.

Clause 7.7(1) of the Code is classified as a Type 1 (considered the most serious and therefore immediately reportable) licence obligation. Type 1 compliance obligations are classified as having a major impact on the basis that:

- the consequences of a contravention would cause major damage, loss or disruption to customers; or
- the consequences of a contravention would endanger or threaten to endanger the safety or health of a person.

Requirements of the Code

Clause 7.7(1)(a) of the Code requires an electricity retailer to register a customer's supply address and contact details as a life support equipment address, subject to the customer providing confirmation from an appropriately qualified medical practitioner that a person residing at that address requires life support equipment.

Clause 7.7(1)(b) of the Code requires electricity retailers to register details of the life support equipment at the customer's supply address.

Clause 7.7(1)(c) further requires a retailer to notify the customer's distributor that the customer's address has been registered as a life supply equipment address within specified timeframes.

Details of the contravention

On 6 May 2013, Synergy placed the customer's supply address in the register of life support equipment addresses following the receipt of a verbal notification from the customer that a person requiring life support equipment was residing at that address. Synergy also requested the customer provide, by 6 August 2013, a medical certificate to confirm the need for life support equipment at the address.

Synergy advises that it did not receive the medical certificate from the customer by 6 August 2013. Synergy subsequently wrote to the customer on 6 August 2013 advising that, should the medical certificate not be provided by 20 August 2013, the customer's supply address would be removed from the life support register. The customer provided the medical certificate by facsimile on 15 August 2013. However, due to an error on the part of a Synergy customer support specialist, the medical certificate was not actioned, which resulted in Synergy removing the customer supply address from its life support register on 20 August 2013. Furthermore, Synergy advised the customer's distributor, Western Power, on the same day that the customer supply address had been removed from its life support register.

On 23 August 2013, the erroneous removal of the supply address from the life support register was identified when the customer support specialist became aware that the medical certificate had not been actioned. Synergy immediately notified Western Power that the customer supply address had been reinstated on the life support register. Western Power confirmed receipt of Synergy's notification on the same day.

Synergy advised the Authority that there was no impact on the customer arising from their removal from the life support register, as no disconnections, either planned or unplanned, were performed by the customer's distributor during that time.

Authority's response to the contravention

The information provided by Synergy shows that the incident occurred because there was a failure of controls in the life support application process. Clause 7.7(1) of the Code requires life support applications to be actioned immediately upon receipt by the retailer.

Synergy has taken a number of measures to prevent future recurrence of a contravention of this nature, involving training and counselling of the relevant staff, as well as improving the processes used to handle life support applications to ensure they are processed on the same day. The Authority will assess the effectiveness of the measures taken by Synergy in response to this incident when it receives the report on the next performance audit of Synergy's electricity retail licence.

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