2014 Annual Performance Report

Energy Retailers

December 2014

Economic Regulation Authority
WESTERN AUSTRALIA

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Economic Regulation Authority
Perth, Western Australia
Phone: (08) 6557 7900

Key Points

- Total electricity and gas customer numbers both grew; rising 2.2% and 3.9% respectively, in 2014.
- 2014 was the first full year of competition in the natural gas market; the new entrant, Wesfarmers grew its residential customer base by 164.2%, up from 8,212 customers to 21,697 customers.
- In 2014, the proportion of residential electricity customers granted more time to pay a bill continued its downward trend.
- The state-wide residential customer disconnection rate increased in electricity, reaching a six year high.
- Residential electricity complaints reached their lowest level since 2009. This was driven by a decline in complaints received by Synergy, due to its large customer base.

Overview

This is the latest in a series of annual reports[1] published by the Economic Regulation Authority (**ERA**) that examines the performance of energy retailers who supply small use customers in Western Australia. More information about the definition of small use customers, and the operation of the licensing scheme for retailers who supply these customers, can be found in **Appendix 1**.

The purpose of this report is to bring transparency and accountability to the performance of energy retail[2] businesses that supply small use customers and to benchmark, where possible, performance against similar businesses in other energy markets.

This report covers three key areas of the customer's interaction with their energy retailer: affordability, access to a supply (disconnections and reconnections), and customer service (complaints and telephone service).

In March 2014, WorleyParsons Asset Management Pty Ltd transferred its gas trading licence GTL11 to Esperance Gas Distribution Company Pty Ltd. GTL11 authorises the supply of gas within the Goldfields-Esperance Supply Area. Any reference in this report to Esperance Gas Distribution Company's performance in the years prior to the transfer is based on the data provided by WorleyParsons.

Affordability

Customers experiencing financial hardship are afforded a number of protections. The Electricity Customer Code[3] and the Gas Compendium[4] require retailers to assist customers experiencing payment difficulties or financial hardship. Assistance may involve giving the customer more time to pay a bill, and/or offering the customer an

[1] Each report covers the year ending 30 June 2014.

[2] Electricity retail licensees and electricity integrated regional licensees who retail to small use customers, along with gas trading licensees.

[3] *Code of Conduct for the Supply of Electricity to Small Use Customers.*

[4] *Compendium of Gas Customer Licence Obligations*

instalment plan to pay arrears and minimise the risk of the customer getting into further debt.

Electricity

The proportion of electricity customers on instalment plans increased in 2014, while the proportion of customers granted more time pay continued to decline…

The percentage of residential electricity customers who were granted more time to pay a bill under Part 6 of the Electricity Customer Code in 2014 (9.1%) has continued the downward trend from a six year peak of 11.3% in 2011. The percentage of non-residential electricity customers granted more time to pay in 2014 (5.6%) was also down, falling from a six year peak of 9.9% in 2012. Perth Energy was the only retailer to report an increase in customers granted more time to pay (due to 2014 being the first time Perth Energy has reported customers being granted more time to pay).

The percentage of residential and non-residential customers placed on an instalment plan in 2014 both rose, to 3.8% and 1.2% of customers respectively. At 3.8%, the percentage of residential customers placed on an instalment plan is almost at the six year peak of 3.9%. The percentage of non-residential customers on an instalment plan matched the six year peak of 1.2% reached in 2012. Alinta Energy was the only retailer to report a decrease in the percentage of non-residential customers placed on a plan; falling from 2.1% in 2013 to 1.6% in 2014.

Gas

The proportion of gas customers being granted more time to pay a bill increased in 2014, whilst the proportion of customers on instalment plans remained relatively unchanged…

Gas retailers were first required to report on customers granted more time to pay a bill in 2013. The percentage of residential and non-residential gas customers granted more time to pay rose, to 11.5% and 15.3% respectively; up from the first reported figures of 9.7% and 10.3% in 2013. As more data becomes available in future years, it will be possible to further analyse the trends among gas retailers.

Residential customers placed on an instalment plan increased slightly in 2014, with 2.2% of customers placed on a plan, up from 2.1% in 2013. The underlying data shows a notable increase in the number of customers on an instalment plan reported by Wesfarmers.

The percentage of non-residential customers on instalment plans has remained in a relatively narrow range of 0.3% to 0.6% over the past six years; in 2014, 0.4% of customers were on a plan.

On-time Billing

The percentage of customers issued with a bill by electricity retailers outside of the prescribed timeframes fell, while late bills issued to customers by gas retailers rose…

Horizon Power and Synergy were the only electricity retailers to issue bills outside of the prescribed time frames[5] to customers. Synergy issued late bills to 0.41% of residential and 1.75% of non-residential customers in 2014; down from 2.5% and 6.5% in 2013. Horizon Power's on-time billing performance has improved significantly, with 1.38% of residential and 6.9% of non-residential customers being issued with a late bill. This is compared to 44.6% of its (combined residential and non-residential) customers receiving late bills in 2013[6].

In gas, Alinta Energy issued late bills to 1.3% of residential customers and 4.4% of non-residential customers; compared to 1.5% and 3.2% in 2013. For the first time Wesfarmers reported issuing bills outside of the prescribed timeframes, with 1% of residential and 15.5% of non-residential customers receiving late bills. Esperance Gas Distribution Company (EGDC) issued late bills to 9% of its non-residential customers.

Termination of Direct Debit Plans

Electricity retailers terminated more direct debit plans due to default, while, in gas Alinta Energy terminated significantly fewer plans…

Both Horizon Power and Synergy terminated direct debit plans due to default in 2014; with both retailers reporting increases in the number of terminations. The number of direct debit plan terminations by Synergy was up 12% for residential customers (5,093 in 2013 to 5,707 in 2014), and by 21.9% for non-residential customers (169 in 2013 to 206 in 2014). Horizon Power terminated 39 residential customer direct debit plans in 2014; a 44.4% increase from the 27 residential customer direct debit plans terminated in 2013.

Alinta Energy was the only gas retailer to terminate direct debit plans; termination of residential direct debit plans dropped by 57%, falling from 722 in 2013 to 238 in 2014. Alinta Energy terminated one non-residential direct debit plan in 2014.

Disconnections

Recent trends in electricity and gas disconnections presented in this section show that, disconnections of both residential electricity customers and non-residential electricity and gas customers are trending upwards. The exception is residential gas customer disconnections that, despite a rise in 2013, have continued a six year downward trend. The absolute disconnection rates (per 100 customers) for gas and electricity are also markedly different; gas disconnection rates are substantially higher than electricity disconnection rates.

[5] The prescribed timeframe for retailers to issue a bill is contained in clause 4.1 of both the Gas Compendium and the Electricity Customer Code.

[6] System problems prevented Horizon Power being able to provide separate figures for residential and non-residential customer bills in 2013.

Electricity

Disconnection rates for residential electricity customers rose throughout Western Australia in 2014…

In 2014, the total residential electricity disconnection rate was 0.97 per 100 customers, up from 0.72 per 100 customers in 2013. Western Australia had the lowest disconnection rate of the three other jurisdictions that we benchmark against: New South Wales, South Australia and Victoria.

Approximately 15% of residential disconnections involved customers who had been disconnected on at least one other occasion in 2013 and 2014. The ERA generally considers multiple disconnections to be an indirect indicator of customers experiencing long term financial hardship.

Horizon Power's disconnection rate was 3.03 per 100 customers, up from 1.18 per 100 customers in 2013. Synergy's disconnection rate also rose; from 0.71 per 100 customers in 2013 to 0.89 per 100 customers in 2014. Both companies attributed the increase in disconnections to the introduction of new measures aimed at improving the collection of outstanding debt.

Total non-residential electricity disconnections rose; up from 0.43 per 100 customers in 2013 to 0.55 per 100 customers in 2014. Alinta Energy was the only retailer to report a decrease in its disconnection rate, falling from 0.81 per 100 customers in 2013 to 0.36 per 100 customers in 2014.

Gas

Gas disconnection rates fell to a near six year low in 2014…

In 2014, total residential gas disconnections were 1.55 per 100 customers, down from 1.69 per 100 customers in 2013. This rate is only marginally higher than the six year low of 1.52 per 100 customers reported in 2012. Total gas disconnections mirror Alinta Energy's disconnection rate, due to its large customer base.

In 2014, 25% of residential disconnections involved customers who had been disconnected on at least one other occasion in 2013 and 2014.

The Western Australian disconnection rate was the highest of the three other jurisdictions that we benchmark against: New South Wales reported a rate of 0.39 per 100 customers, Victoria's rate was 1.33 per 100 customers and South Australia's rate was 0.86 per 100 customers.

Total non-residential gas disconnections rose for the third consecutive year in 2014, up from 1.54 per 100 customers in 2013 to 1.65 per 100 customers in 2014.

Reconnections

Reconnections count the customers who were reconnected within seven days of disconnection. This measure is used as an indication of customers whose disconnection may have been avoided had they engaged with their retailer to agree to an arrangement in respect of the outstanding debt.

The data presented in this section shows that a significant proportion of the customers who are disconnected by retailers are not reconnected in the same name, or may not be reconnected at all, for example because they have vacated the premises.

Electricity

Reconnection rates for residential electricity customers in regional areas increased markedly in 2014…

Almost six in every 10 residential electricity customer disconnections in 2014 resulted in a reconnection within seven days, which is almost the same as in 2013 (60.1%). The underlying data for the two electricity retailers that supply residential customers shows, in 2014, Horizon Power's reconnection rate (within seven days) of19.6% was more than twice the level reached in 2013 (7.1%). Synergy's reconnection rate (within seven days) also rose, reaching a six year peak of 65.2% in 2014.

If we include the residential electricity reconnections that took place after seven days then the overall reconnection rate in 2014 rose slightly to 67.1%. Both electricity retailers reported that total residential reconnections were marginally higher than those that occurred within seven days; Horizon Power's total reconnection rate was 20.9%, while Synergy's was 73.6%.

Synergy performed the vast majority of non-residential reconnections in 2014. The overall level of non-residential electricity customer reconnections within seven days rose from 41.5% in 2013, to 44% in 2014; the equivalent rates for Horizon Power were 42.9% and 45.3%. If we include the non-residential reconnections that took place after seven days then Synergy's reconnection rate in 2014 increases to 57%.

Gas

Residential gas reconnection rates were slightly lower in 2014…

All three retailers that supply residential customers performed reconnections in 2014, although almost all of the reconnections were performed by Alinta Energy. The overall residential reconnection (within seven days) rate was 36.1% in 2014, down from 38.7% in 2013.

Gas retailers also provided data on the total number of residential reconnections that occurred in 2014 (i.e. including reconnections more than seven days after disconnection). The overall residential reconnection rate for both retailers was much higher than the within seven day rate: Alinta Energy's reconnection rate was 63.9% and Wesfarmers reconnection rate was 60.3%.

In 2014, for the first time, Alinta Energy was not the only retailer to disconnect non-residential customers, with Wesfarmers disconnecting one non-residential customer. In 2014, Alinta Energy's non-residential reconnection rate (within seven days) was 37.6%, down from 43.9% in 2013. The Alinta Energy non-residential reconnection rate rises to 58.9% if all of the reconnections are included.

Customer Service

Complaints

In 2014, electricity customer complaints fell, with residential complaints at their lowest level since 2009…

In 2014, total residential customer complaints per 100 customers received by electricity retailers continued the downward trend, reaching its lowest level since 2009, while residential customer complaints received by gas retailers were relatively unchanged.

Horizon Power's residential customer complaints fell to 0.72 per 100 customers in 2014, after reaching a six year high of 1.06 per 100 customers in 2013. Residential customer complaints received by Synergy continued to fall; down from 0.41 per 100 customers in 2013 to 0.30 per 100 customers in 2014.

Although the total residential gas complaint rate was relatively unchanged, Wesfarmers received 0.91 complaints per 100 customers, which is significantly higher than the industry average of 0.16 per 100 customers. Wesfarmers attributes the level of complaints they received to a range of factors related to their entry into the natural gas market: product understanding, calculation of instalment payments and the impact of customer churn on the calculation of the customer complaint rate.[7]

The total number of non-residential complaints received by electricity retailers also fell, down from 0.49 complaints per 100 customers in 2013 to 0.38 complaints per 100 customers in 2014. Horizon Power reported a substantial drop in complaints (down from 1.08 per 100 customers in 2013 to 0.58 per 100 customers in 2014), while Synergy reported a more modest reduction in complaints (down from 0.43 per 100 customers in 2013 to 0.35 per 100 customers in 2014).

Non-residential gas customer complaints received by Alinta Energy fell significantly, down to 0.07 per 100 customers in 2014 from 0.39 per 100 customers in 2013. Alinta Energy was the only gas retailer to receive non-residential customer complaints.

The majority of complaints continue to involve billing and account matters…

As has been the case in previous years, the majority of both residential and non-residential complaints received by electricity and gas retailers related to billing and account matters. Wesfarmers was the exception, with marketing complaints accounting for more than half of all complaints they received.

In 2014, the majority of electricity and gas retailers resolved between 80% and 100% of complaints within 15 working days. The exception was Horizon Power and Rottnest Island Authority. Horizon Power resolved 61.6% of residential complaints and 63% of non-residential complaints within 15 days. Rottnest Island Authority resolved 66.7% of complaints within 15 days; however, due to the small number of complaints involved, this rate can vary significantly each year.

[7] The calculation is based on the total number of complaints received during the year divided by the number of customers as at 30 June. The customers who made a complaint and then left Wesfarmers before 30 June are therefore excluded from the total number of customers, which has the effect of inflating the complaint rate.

Up until 2013, complaints data for Western Australian electricity and gas retailers has been compared with data for retailers in New South Wales, South Australia and Victoria. The Australian Energy Regulator (AER) has now taken over the role of retailer performance reporting for New South Wales, South Australia, Tasmania and the Australian Capital Territory. In 2014, the complaints data collected by the AER does not distinguish between electricity and gas complaints, instead being reported under a single energy category. There are also plans to transfer energy reporting for Victorian retailers to the AER in 2015. Accordingly, the ERA has decided to discontinue its inter-jurisdictional comparison of complaints.

Call Centre Performance

Calls to gas retailers increased in 2014 as Wesfarmers continued its expansion into the natural gas market…

In gas, the two gas retailers that operate a call centre, Alinta Energy and Wesfarmers, reported call volumes that were higher by 5.9% and 6.8% respectively in 2014. Compared to 2013, Alinta Energy reported a slight deterioration in its performance against all three measures; Wesfarmers reported a slight deterioration against two of the three measures with the third (percentage of unanswered calls) remaining unchanged.

In electricity, the total number of calls to electricity retailer call centres fell by 7.2% in 2014; Alinta Energy was the only retailer to report an increase in call volumes. Compared to 2013, Horizon Power, Synergy and Rottnest Island Authority improved their call handling performance, based on the three measures of average wait time, the percentage of calls answered within 30 seconds and the percentage of calls abandoned. Conversely, Alinta Energy reported a deterioration in more than one performance measure this year.

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Purpose of this Report

The Economic Regulation Authority (**ERA**) is the independent economic regulator for Western Australia.

In its regulatory role, the ERA assesses the terms and conditions, including prices, offered by owners of monopoly infrastructure to third parties in the gas, electricity and rail industries. It also licenses providers of gas, electricity and water services, and monitors compliance with licensing conditions and other related regulatory obligations. The ERA also has a range of responsibilities covering gas retailing and surveillance of the State's wholesale electricity market.

The ERA's functions are designed to maintain a competitive, efficient and fair commercial environment for the benefit of the Western Australian community.

This is the latest in a series of reports published by the ERA that examines the service provided by Western Australian electricity and gas retailers to their small use residential and business customers (customers who consume less than 160MWh of electricity or less than 1 Terajoule of gas per annum). Throughout this report, small use customers (defined in detail in Appendix 1) will be referred to as customers.

The purpose of this report is to bring transparency and accountability to the performance of energy retailers[8] who supply customers and to benchmark, where possible, their performance against similar retailers in other energy markets. The data presented in this report is for each financial year (1 July to 30 June), unless otherwise stated.[9]

This report examines the service provided by electricity and gas retailers in relation to:

- Affordability: information about the number of customers on instalment plans and shortened billing cycles, customers being granted more time to pay a bill, the level of direct debit plan terminations and on-time billing.
- Access: information about the rates of customer disconnection for non-payment and reconnection of these customers, with further attention being paid to customers on instalment plans, receiving a government funded concession and those who have been previously disconnected within the past 24 months.
- Customer Service: information about customer satisfaction with the service provided by their retailer, as measured by complaints and customer contact centre responsiveness.
- Compensation Payments: information about the number of compensation payments made by electricity retailers for failing to meet the service standards prescribed in the *Code of Conduct for the Supply of Electricity to Small Use Customers* (**Electricity Customer Code**).

[8] Electricity retail licensees, electricity integrated regional licensees who retail to small use customers and gas trading licensees.

[9] Reference to a year in this report means the 12-month period ending 30 June of that year, e.g. 2014 means the year ending 30 June 2014.

Energy Retail Market

This section of the report looks at the electricity and gas retail markets as measured by the number of retailers who are supplying the market and the number of customers that are supplied by each retailer. The remainder of this section provides information about:

- licensed electricity and gas retailers, including those who supply "large use" customers;
- retailers who are retailing electricity or gas to small use customers; and
- the electricity and gas markets, including small use customer numbers.

Energy Retailers

Table 1 details the number of licensed electricity and gas retailers over the past six years.

When the *Electricity Industry Act 2004* (**Electricity Act**) commenced in 2005, existing retailers were required to obtain a licence from the ERA by 30 June 2006. The majority of the licensed electricity retailers that are currently active in the market were granted a licence in 2006.[10] Between 1 July 2013 and 30 June 2014, five new licenses have been granted by the ERA, to Blair Fox Energy Retail, Amanda Energy, Blue Star Energy, Alinta Energy Transmission (Roy Hill) and Alinta DEWAP. Since 2010, the number of retailers supplying small use customers has remained unchanged.

Under the *Energy Coordination Act 1994* (**Gas Act**), only gas retailers who supply small use customers need to be licensed. The ERA took over responsibility for licensing gas retailers in 2005.[11] At that time there were three licensed gas retailers: Alinta Energy,[12] Wesfarmers Kleenheat Gas (**Wesfarmers**) and WorleyParsons Asset Management (**WorleyParsons**). Between 1 July 2006 and 30 June 2014, three new licences have been issued (Origin Energy, Perth Energy and Synergy) and one licence has been surrendered (Origin Energy). Additionally, WorleyParsons transferred its gas trading licence to Esperance Gas Distribution Company (**EGDC**).

Table 1: Number of licensed energy retailers

Licensed Retailers	2009	2010	2011	2012	2013	2014
Electricity						
All retailers	16	17	16	17	19	24
Retailing to small use customers	5	6	6	6	6	6
Gas						
Retailing to small use customers[13]	6	6	5	5	5	5

At 30 June 2014, there were three retailers that supply both electricity and gas to small use customers: Alinta Energy, Perth Energy and Synergy. Alinta Energy commenced supplying electricity to business customers in 2006, while Synergy commenced supplying gas to business customers in 2007. Perth Energy was granted a gas licence in November 2010 but has not yet commenced supplying customers.

[10] There were 11 electricity retail licences issued in 2006.

[11] Prior to 2005, gas licences were administered by the then Office of Energy, now the Public Utilities Office.

[12] Alinta Energy is the trading name of Alinta Sales Pty Ltd.

[13] Only gas retailers who supply small use customers are required to hold a licence (refer to page 40 of this report).

Customers

Electricity

Table 2 provides the total number of residential and non-residential electricity customers over the past six years.

During 2014, the total number of electricity customers grew by 2.2%, comprising a 2.1% increase in residential and a 2.7% increase in non-residential customers. Due to its large customer base, the overall growth rates for both residential and non-residential customers were heavily influenced by the growth in Synergy's customer numbers.

Table 2: Total number of electricity customers – change from the previous year

	Residential	Non-Residential	Total	Change from previous year
2009	879,878	91,616	971,494	2.1%
2010	881,470	100,176	981,646	1.0%
2011	921,374	100,491	1,021,865	4.1%
2012	928,841	97,131	1,025,972	0.4%
2013	930,593	107,986	1,038,579	1.2%
2014	950,598	110,865	1,061,463	2.2%

Table 3 provides a breakdown of the number of customers supplied by each retailer over the past two years.[14] All five retailers who supply non-residential customers increased their customer base in 2014. Alinta Energy, Horizon Power and Perth Energy all reported significant growth in the number of non-residential customers; however the overall growth rate was held back by the modest increase reported by Synergy.

Table 3: Electricity residential and non-residential customers by retailer

	Residential			Non-residential			Total		
Retailer	**2013**	**2014**	**Change from 2013**	**2013**	**2014**	**Change from 2013**	**2013**	**2014**	**Change from 2013**
Alinta Energy	0	0	0%	1,351	1,967	45,.6%	1,351	1,967	45.6%
Horizon Power	36,051	37,398	3.7%	8,050	9,235	14.7%	44,101	46,633	5.7%
Perth Energy	0	0	0%	171	229	33.9%	171	229	33.9%
Rottnest Island Authority	0	0	0%	25	26	4%	25	26	4%
Synergy	894,542	913,200	2.1%	98,389	99,408	1%	992,931	1,012,608	2%
All Retailers	**930,593**	**950,598**	**2.1%**	**107,986**	**110,865**	**2.7%**	**1,038,579**	**1,061,463**	**2.2%**

Alinta Energy, Perth Energy and Synergy retail to customers supplied through the SWIS;[15] while Horizon Power and the Rottnest Island Authority supply customers through networks that they own and operate. In 2014, the SWIS accounted for 96.1% of residential and 91.6% of non-residential customers in the State (Table 3). Within the SWIS, Synergy supplies 100% of residential, and 97.8% of non-residential customers, with the remaining non-residential customers shared between Alinta Energy and Perth Energy.

[14] Clear Energy has been excluded from this table because they have not supplied any customers since their licence was granted in 2010.

[15] The South West Interconnected System (SWIS) comprises the transmission and distribution networks operated by Western Power, which includes the coastal area from Kalbarri to Bremer Bay and the Goldfields.

The customers supplied by retailers outside of the SWIS are all contestable, but the retailers supplying customers in these areas, Horizon Power and the Rottnest Island Authority, do not have any competitors.[16] Table 4 provides a breakdown of the number of contestable customers[17] supplied by each retailer (in the area supplied through the SWIS) over the past two years.[18]

Comparing Table 4 with Table 3 shows that, in 2014, only 0.03% of residential and 8.8% of non-residential customers in the SWIS supply area were contestable. The number of contestable customers in the SWIS is consistent with that reported in 2013, when 0.04% of residential and 8.7% of non-residential customers were contestable customers. Synergy has reported a fall in the number of contestable residential and non-residential customers in 2014. 2014 is the third consecutive year that Synergy's contestable non-residential customers have fallen. Synergy has previously offered three alternative possibilities for the decline in its contestable non-residential customers: customers increasing their consumption above 160 MWh, exiting the market or churning to another retailer.

Table 4: Contestable electricity customers

Retailer	Residential			Non-residential		
	2013	2014	Change from 2013	2013	2014	Change from 2013
Alinta Energy	0	0	0%	1,351	1,967	45.6%
Horizon Power	36,051	37,398	3.7%	8,050	9,235	14.7%
Perth Energy	0	0	0%	171	229	33.9%
Synergy	333	315	-5.4%	7,173	6,767	-5.7%
All Retailers	**36,384**	**37,713**	**3.7%**	**16,745**	**18,198**	**8.7%**

Gas

Table 5 provides the total number of residential and non-residential gas customers over the past six years.

Table 5: Total number of gas customers – change from the previous year

	Residential	Non-Residential	Total	Change from previous year
2009	585,058	8,172	593,230	3.4%
2010	604,609	8,338	612,947	3.3%
2011	616,431	8,513	624,944	2.0%
2012	629,142	8,612	637,754	2.0%
2013	632,822	8,552	641,374	0.6%
2014	657,899	8,626	666,525	3.9%

During 2014, the total number of gas customers grew by 3.9%, comprising a 4% increase in residential customers and a 0.8% increase in non-residential customers (Table 5 and Table 6). The residential gas customer market grew by 4% in 2014 (Table 6), with all retailers reporting an increase in customer numbers. Wesfarmers reported strong growth in its residential customer base, with a 164.2% increase in customers from 2013. The growth in Wesfarmers' customer base is expected, with its ongoing sales campaign in the areas

[16] The Rottnest Island Authority customers do not have a choice of retailer because of legal barriers that prevent other retailers operating on Rottnest Island.

[17] See Appendix 2 for the definition of contestable electricity customers.

[18] Table 30 in Appendix 3 provides full details of contestable electricity customers over the past six years.

supplied through the ATCO distribution networks[19]. Prior to entering this market in March 2013, Wesfarmers only supplied Liquified Petroleum Gas (**LPG**) to customers on small distribution networks that it owns and operates.

The increase in the number of non-residential customers is attributable to the increase in Wesfarmers customer base, which had over a ten-fold increase from its 2013 customer numbers. Given the small growth in the overall number of non-residential customers during 2014, it would appear that the growth in Wesfarmers non-residential customer base is mostly due to churn from Alinta Energy and Synergy, both of which experiencing reductions in customer numbers over the year.

Table 6: Gas residential and non-residential customers by retailer

Retailer	Residential			Non-residential		
	2013	2014	Change from 2013	2013	2014	Change from 2013
Alinta Energy	624,314	635,893	1.9%	8,355	8,282	-0.9%
Synergy	0	0	0%	141	79	-44%
Wesfarmers	8,212	21,697	164.2%	20	232	1060%
EGDC	296	309	4.4%	36	33	-8.3%
All Retailers	**632,822**	**657,899**	**4%**	**8,552**	**8,626**	**0.9%**

Data for the number of customers covered by the Gas Market Moratorium (**Moratorium**)[20] from Wesfarmers was collected for the first time in 2014. It was not collected from Wesfarmers in 2013 because it had only commenced supply part-way into the reporting year. Table 7 shows the number of residential and non-residential customers covered by the Moratorium. In 2014 the number of residential customers covered by the Moratorium rose to 5.2%; Alinta Energy has 96.8% of the residential customers and 97.8% of the non-residential customers covered by the Moratorium. Further analysis of the data will be undertaken in future years as trends emerge.

Table 7: Residential and non-residential customers covered by the Gas Market Moratorium

	2009	2010	2011	2012	2013	2014
Residential						
Alinta Energy	583,655	603,687	615,454	628,084	624,122	635,701
Wesfarmers	-	-	-	-	-	21,058
Total	**583,655**	**603,687**	**615,454**	**628,084**	**624,122**	**656,759**
Change from previous year	**-**	**3.2%**	**2.0%**	**2.0%**	**-0.6%**	**5.2%**
Non-residential						
Alinta Energy	7,684	6,340	6,513	6,496	6,541	6,361
Wesfarmers	-	-	-	-	-	142
Total	**7,684**	**6,340**	**6,513**	**6,496**	**6,541**	**6,503**
Change from previous year	**-**	**-17.5%**	**2.7%**	**-0.3%**	**0.7%**	**-0.6%**

Electricity Pre-Payment Meter Customers

A pre-payment meter is a meter that requires a customer to pay for the supply of electricity prior to consumption. The regulatory framework governing pre-payment services within

[19] ATCO Gas Australia Pty Ltd is the largest gas distribution network operator in the State. ATCO operates natural gas distribution networks in the coastal area from Geraldton to Busselton and Kalgoorlie, as well as a LPG network in Albany. The other retailers supplying customers through the ATCO networks are Alinta Energy and Synergy.

[20] Refer to Appendix 2 for more information on the operation of the Gas Market Moratorium.

Western Australia restricts these services to areas of the State that have been declared by the Minister for Energy by notice published in the *Government Gazette*. Until 2010, the deployment of pre-payment meters was restricted to Aboriginal and Remote Communities Power Supply Project or Town Reserves Regularisation Program communities that are supplied by Horizon Power in the north of the State. In 2010, Synergy commenced supplying customers through prepayment meters when the Ninga Mia Aboriginal Community in the Goldfields was gazetted by the Minister.

Since 2009, the total number of pre-payment meter customers has increased by an average of 10.8% per annum (Table 8). The growth in pre-payment meter customers during 2014 was 4%.

Table 8: Electricity pre-payment meter customers by retailer

Retailer	2009	2010	2011	2012	2013	2014
Horizon Power	515	608	705	784	811	845
Synergy	-	17	20	17	17	16
Total	**515**	**625**	**725**	**801**	**828**	**861**

Since 2010, the rate of growth in pre-payment meter customers has slowed considerably because of the retailer's difficulties in obtaining a pre-payment meter that complies with the requirements of Part 9 of the Electricity Customer Code. In mid-2014, Horizon Power successfully completed the trial of a new, compliant, pre-payment meter solution in the Mid-West. Horizon Power plans to roll out the new meters to Aboriginal communities in the North-West of the State in the coming months, which is expected to result in an increase in the number of pre-payment meters during the reporting year ending 30 June 2015.

Affordability

Affordability of energy is influenced by price, consumption levels, income, and competing demands for expenditure. The credit management policies of electricity and gas retailers can impact significantly on those customers who are experiencing financial hardship or payment difficulties. This section of the report provides information about some of the measures implemented by retailers to facilitate customer access to an energy supply.

Retailers who supply small use customers are required to have a standard form contract (**SFC**) that is approved by the ERA. A SFC specifies the terms and conditions upon which a retailer will supply electricity to its customers. These terms and conditions form a "safety net" for small use electricity and gas customers.[21]

The ERA's energy customer protection framework is articulated in the Electricity Customer Code, the Gas Compendium and the Gas Marketing Code. In both the Electricity Customer Code and the Gas Compendium, the customer protection framework is based on the principle that disconnecting a customer from supply because they are unable to pay is a last resort measure. Energy retailers are required to provide assistance to customers to stay connected to their electricity and gas supply by offering special billing arrangements, access to concessions and government grants and energy efficiency audits. Retailers can also refer residential customers experiencing financial difficulties to the Hardship Utility Grants Scheme (**HUGS**). The HUGS scheme provides grants to customers at risk of disconnection to help them stay connected.

The Electricity Customer Code and the Gas Compendium both require electricity and gas retailers to develop a financial hardship policy to assist small use residential customers in meeting their financial obligations and responsibilities to the retailer. The Codes and the ERA's Energy Financial Hardship Policy Guidelines specify the minimum contents of such policies and require the retailer to develop their hardship policy in consultation with relevant consumer representative organisations. Retailers are required to review their hardship policy annually and submit the policy to the ERA for review.

The Electricity Customer Code and the Gas Compendium specify a number of payment assistance options to assist customers in temporary or longer-term financial difficulties:

- granting the customer more time to pay a bill;
- offering the customer an instalment plan to pay arrears and continued usage on their account, according to an agreed payment schedule and capacity to pay; and/or
- placing the customer on a shortened billing cycle.

Customers may be offered one or more of the above options at the same time.

Retailers are required to report to the ERA annually on the number of customers (and percentage of their customer base) that have accessed each of the three payment assistance options detailed above.

Rottnest Island Authority has reported that none of their customers accessed any of the above payment options since the licence was granted. Accordingly, Rottnest Island

[21] A retailer and small use customer may also negotiate terms and conditions different from the retailer's standard form contract, referred to as a "non-standard contract". Even though a non-standard contract does not require the ERA's approval, it must still comply with relevant legislation

Authority has been excluded from the coverage under this section. In 2014, Perth Energy has reported customers accessing the payment options discussed above for the first time.

Retailers are also required to report on their on-time billing performance. The Electricity Customer Code and the Gas Compendium regulate the minimum and maximum period of time between bills, with an option for the retailer to bill outside these time limits with the consent of the customer. Retailers are required to identify the number of customers who have received a bill outside the regulated or, if applicable, agreed time limits.

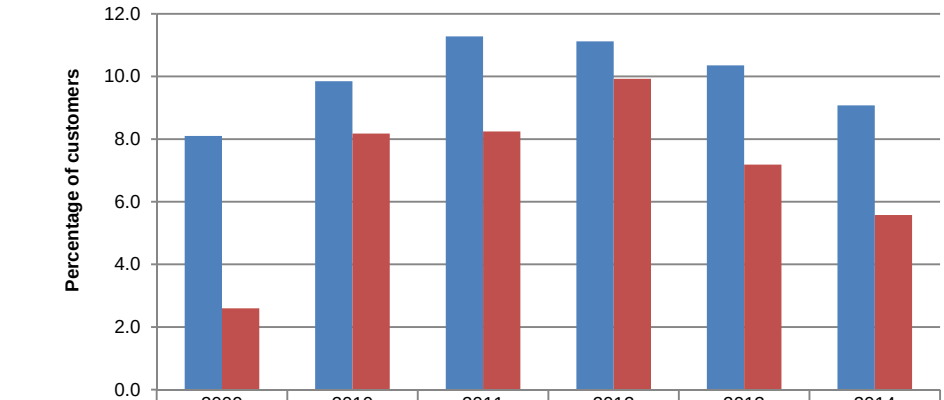
Granting customers more time to pay a bill

Granting the customer more time to pay all, or part of, a bill may be a useful approach to addressing temporary financial difficulties, particularly where the customer has a short-term cash flow problem, or faces competing demands for their limited financial resources.

Electricity

Figure 1 shows the number of residential and non-residential electricity customers granted more time to pay a bill under Part 6 of the Electricity Customer Code. The percentage of residential customers granted more time to pay is showing a downward trend from the peak level reached in 2011. The percentage of non-residential customers granted more time to pay in 2014 also fell, down from a six year peak of 9.9% in 2012.

Figure 1: Percentage of electricity customers granted more time to pay a bill

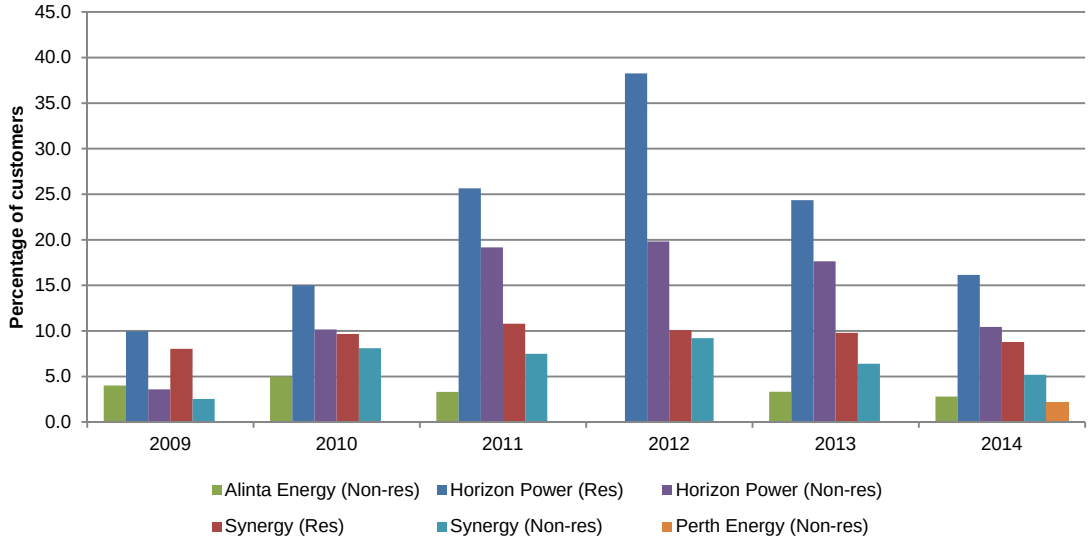


	2009	2010	2011	2012	2013	2014
Residential	8.1	9.8	11.3	11.1	10.4	9.1
Non-residential	2.6	8.2	8.2	9.9	7.2	5.6

Figure 2 shows the breakdown of residential and non-residential electricity customers granted more time to pay a bill by each retailer.

Horizon Power recorded the largest fall in the percentage of residential customers granted more time to pay, down from 24.4% in 2013 to 16.2% in 2014. Synergy reported a more modest reduction: 9.8% in 2013 to 8.8% in 2014. The picture for non-residential customers being granted more time to pay a bill was mixed, Horizon Power, Synergy and Alinta Energy reported reductions in customers granted more time to pay, while, for the first time, Perth Energy reported granting customers more time to pay.

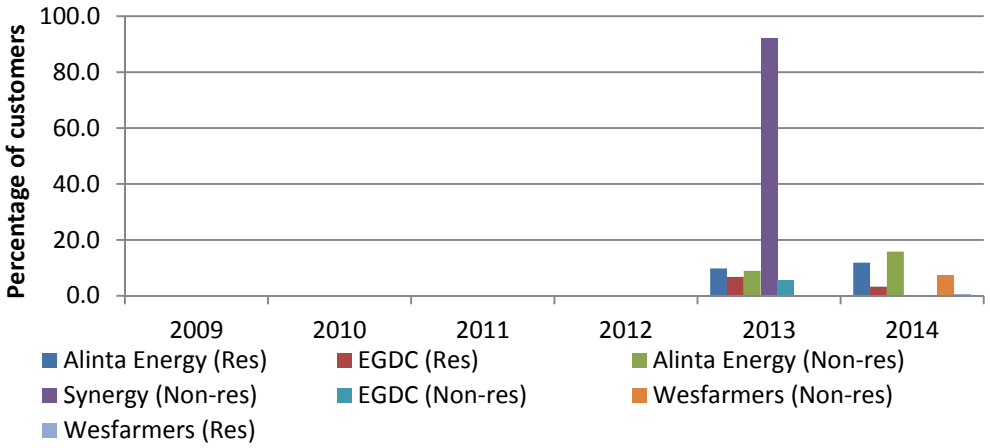
Figure 2: Percentage of electricity customers granted more time to pay a bill by each retailer



Gas

In 2014, Alinta Energy reported a rise in the percentage of residential customers granted more time to pay, up from 9.8% in 2013 to 11.9% in 2014, while EGDC reported a 50% reduction, down from 6.8% in 2013 to 3.2% in 2014. For the first time, Wesfarmers reported granting residential customers more time to pay, with 0.5% of customers granted more time to pay in 2014.[22]

Figure 3: Percentage of gas customers granted more time to pay a bill by each retailer



The overall percentage of non-residential customers granted more time to pay increased, from 10.3% in 2013 to 15.3% in 2014. Alinta Energy reported an increase in non-residential customers granted more time to pay, rising from 9.0% in 2013 to 15.8% in 2014. For the first time, Wesfarmers reported granting non-residential customers more time to pay, with 7.3% of customers granted more time to pay in 2014. In contrast, Synergy did not grant any of its non-residential customers more time to pay in 2014, down from 92.2% of in 2013[23]. Synergy has stated that during 2013-14, its requests from gas customers for payment

[22] The Wesfarmers residential data does not appear in Figure 3 due to the scale being skewed by the large percentage of customers granted more time to pay by Synergy in 2013.

[23] Synergy granted 92.2% of their non-residential customers more time to pay, which includes all payment extension requests for one day or more.

extensions under Part 6 of the Compendium substantially declined relative to the previous year.

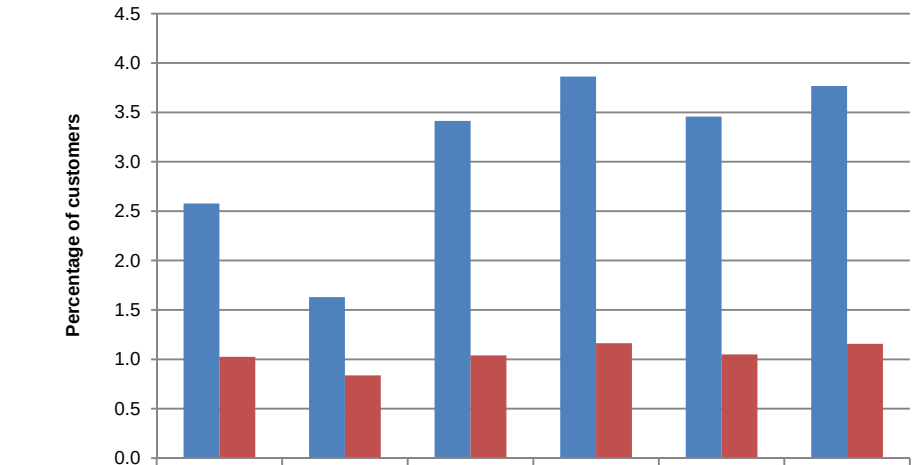
Instalment Plans

Energy retailers are required to offer an interest-free and fee-free instalment plan to any residential customer who is assessed as experiencing payment difficulties or considered to be in financial hardship. The instalment plan provides a means of paying off accrued arrears, connection or disconnection charges and ongoing consumption through regular payments. The retailer is required to take into account the customer's ongoing consumption needs and capacity to pay when setting up an appropriate instalment plan.

Electricity

Figure 4 shows that the percentages of residential and non-residential customers on an instalment plan during 2014 were both higher than in 2013. While there has been significant variance in the level of residential customers on instalment plans over the past six years, the level of non-residential customers on plans has remained relatively constant.

Figure 4: Percentage of residential and non-residential electricity customers on instalment plans

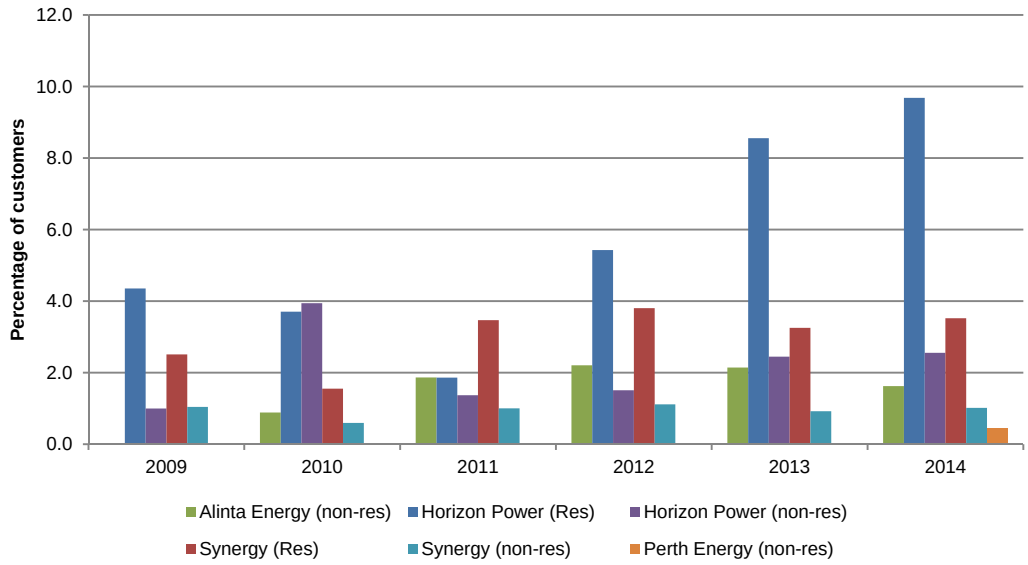


	2009	2010	2011	2012	2013	2014
Residential	2.6	1.6	3.4	3.9	3.5	3.8
Non-residential	1.0	0.8	1.0	1.2	1.0	1.2

Figure 5 provides a breakdown of electricity customers on instalment plans for each retailer. In 2014, Perth Energy reported placing customers on an instalment plan for the first time.

The upward trend in the number of Horizon Power's residential and non-residential customers on plans continued in 2014. Compared with 2013, there were increases of 17.4% and 19.8% respectively. The other retailers reported performance that was close to their historical averages.

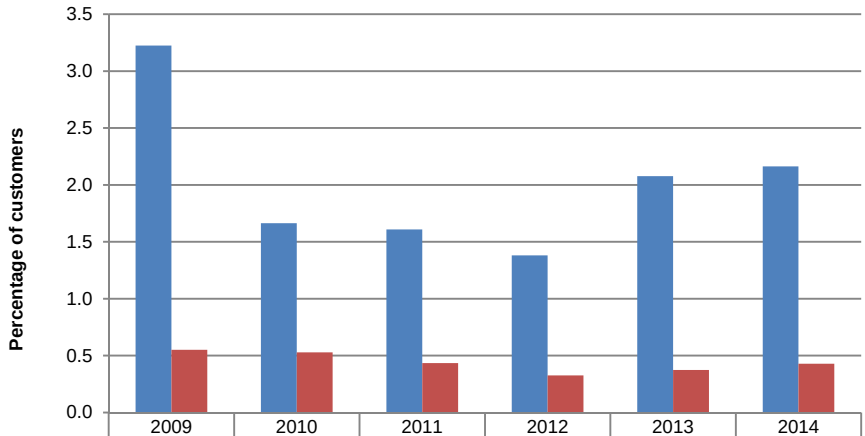
Figure 5: Percentage of electricity retailer's residential and non-residential customers on instalment plans



Gas

Figure 6 shows that the percentage of residential gas customers on an instalment plan during 2014 increased slightly, while the percentage of non-residential customers remained unchanged from the previous year. Due to its large customer base, both the residential and non-residential market percentages are in line with those reported by Alinta Energy.

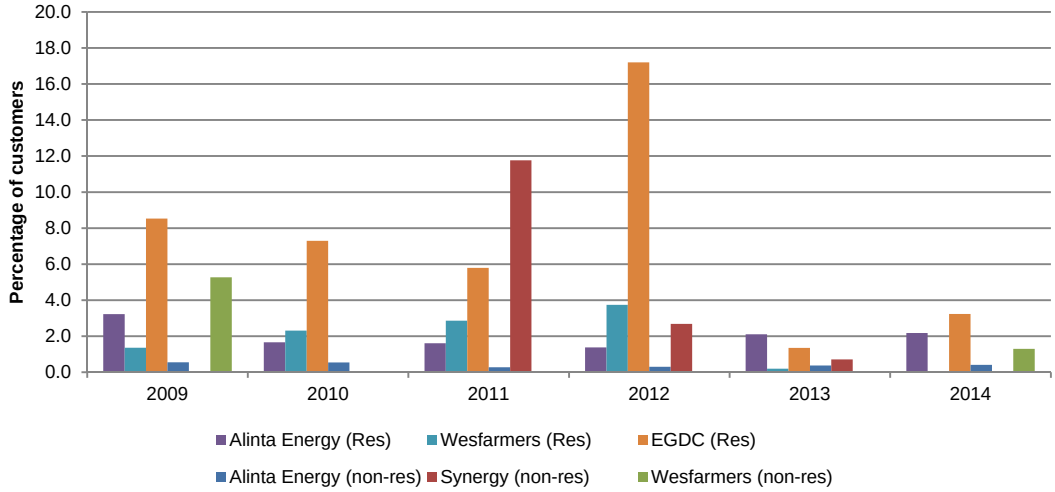
Figure 6: Percentage of residential and non-residential gas customers on instalment plans



	2009	2010	2011	2012	2013	2014
Residential	3.2	1.7	1.6	1.4	2.1	2.2
Non-residential	0.6	0.5	0.4	0.3	0.4	0.4

Figure 7 provides a breakdown of gas customers on instalment plans for each retailer. EGDC reported the largest percentage rise in customers on instalment plans, up from 1.4% in 2013 to 3.2% in 2014. Wesfarmers also reported an increase, rising from 0.2% in 2013 to 1.7% in 2014.

Figure 7: Percentage of gas retailer's residential and non-residential gas customers on instalment plans



Customer Billing

On-time Billing

Electricity

Horizon Power and Synergy were the only electricity retailers to issue bills outside the prescribed timeframes[24] during 2014. Retailers are required to identify the cause of the delay (fault on the part of the retailer, delayed billing date from the distributor, or actions on the part of the customer[25]) for bills issued to residential complaints, but a single aggregated figure for late bills issued to non-residential customers.

In 2014, Synergy issued one or more bills outside the prescribed timeframes, where the delay was due to fault on their part, to 0.41% (3,720 customers) of residential customers, down from 1.37% (12,231 customers) in 2013. The proportion of non-residential customers issued with a late bill also fell, down from 6.5% (6,397 customers) in 2013 to 0.18% (1,749 customers) in 2014. Synergy has attributed the fall in late bills to improvements to its billing processes.

2014 is the first year that Horizon Power has been able to separately report its on-time billing performance for residential and non-residential customers, with 1.38% of residential and 6.9% of non-residential customers being issued with a late bill.

Gas

This is the second year that gas retailers are required to report their on-time billing performance. In 2014, Alinta Energy, Wesfarmers and EGDC all issued late bills to customers.

In 2014, Alinta Energy issued late bills to 1.3% (8,080 customers) of residential customers, down from 1.5% (9,256 customers) in 2013. For non-residential customers, the equivalent figures are 4.4% (365 customers) in 2014, up from 3.2% (271 customers) in 2013.

[25] For example, denying the distributor access to the meter.

Wesfarmers and EGDC both reporting issuing late bills for the first time: in 2014, Wesfarmers issued late bills to 1% (220 customers) of residential customers, while EGDC issued late bills to 9% (3 customers) of non-residential customers.

Shortened Billing Cycle

Retailers may place customers on a shortened billing cycle (i.e. issuing bills at a frequency greater than the standard billing interval). In previous years this has not been implemented by electricity or gas retailers, however, in 2014 Horizon Power has reported 154 customers were placed on a shortened billing cycle, representing 0.41% of its customer base.

Security Deposits

A security deposit is a refundable advance payment made by a customer to secure connection or reconnection to an electricity or gas supply. Requiring a security deposit before supplying energy to a customer can go some way towards insuring the retailer against default, particularly for those customers with poor credit history.

Historically, Synergy was the only retailer that had required some of its customers to provide a security deposit to obtain a supply. Between 2009 and 2010, a total of 52 of Synergy's non-residential customers provided security deposits; since 2010, no customers have provided security deposits.

Termination of Direct Debit Plans

Retailers are required to keep records of the number of direct debit plans they have terminated as a result of default or non-payment by a customer covering two or more successive payment periods. Customers often use direct debit arrangements to smooth the cost of their energy consumption over the year. The number of direct debit defaults is an indicator of financial stress among the customers who have these plans.

Electricity

Table 9 provides the number of direct debit plans terminated by electricity retailers. In 2014, Horizon Power terminated 39 residential direct debit plans, up from 27 in 2013. Compared to 2013, Synergy reported increases in the number of residential and non-residential direct debit plans terminated, up by 12.1% and 21.9% respectively.

Table 9: Customer direct debit plans terminated by electricity retailers

	Horizon Power		Synergy	
	Residential	Non-residential	Residential	Non-residential
2009	-	-	202	8
2010	-	-	2,087	93
2011	-	-	3,925	100
2012	-	-	4,164	134
2013	27	0	5,093	169
2014	39	0	5,707	206

Gas

In 2014 Alinta Energy was the only gas retailer to report terminating direct debit plans due to default by the customer.

Compared to 2013, the number of residential direct debits terminated by Alinta decreased by 67%, hitting a six year low. Alinta attributes this decrease to system improvements and enhanced communication with customers on direct debit plans.

Table 10: Customer direct debit plans terminated by Alinta Energy

	2009	2010	2011	2012	2013	2014
Residential	697	624	642	512	722	238
Non-residential	41	2	1	2	2	1

Disconnections and Reconnections

Disconnections

The Electricity Customer Code and the Gas Compendium require retailers to help assist customers by putting in place effective policies that assist customers who are in financial hardship or experiencing payment difficulties. The Code and Compendium also prescribe a process to be followed by retailers that provides adequate opportunity for customers to enter into an arrangement with the retailer to avoid disconnection.

The effectiveness of the retailer's hardship policies can be assessed by customer's access to, and use of, the affordability measures covered earlier in this report in conjunction with the disconnection and reconnection data presented below. For residential customers this information is brought together in the additional disconnection and reconnection indicators reported by retailers:

- customers previously on an instalment plan;
- concession card holders; and
- customers who have been disconnected multiple times in the past 24 months.

The impact of disconnection on customers can be significant; access to an essential service is removed for the duration of the disconnection, and the customer faces additional fees and charges to secure reconnection to their supply following disconnection. Consequently, retailers are expected to treat disconnection as a last resort, to be applied when all other reasonable attempts to secure payment of an outstanding debt have been exhausted.

Equally, it is important to recognise that disconnection is a reasonable option for retailers to collect payment for the energy they have already supplied to customers, which enables them to operate a financially viable business for the benefit of all their customers.

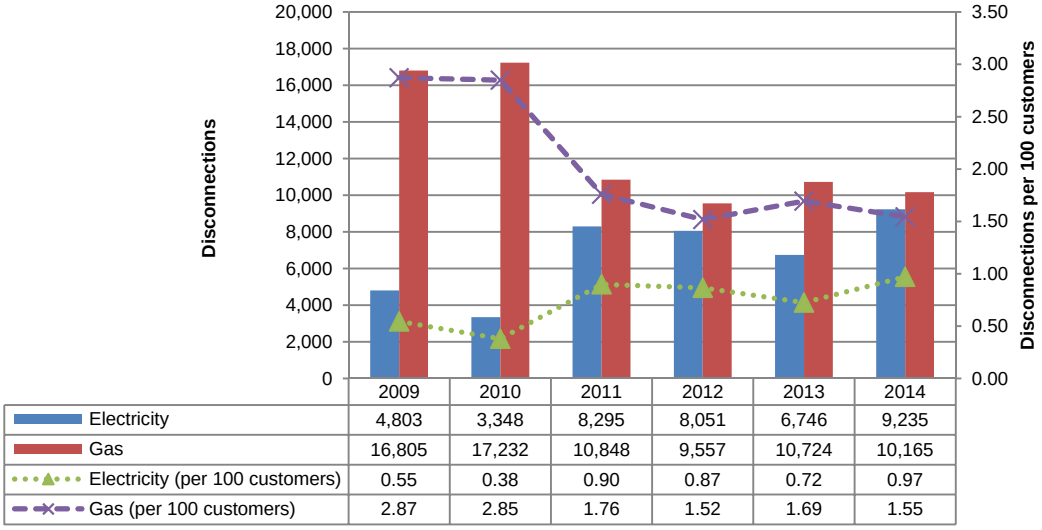
Residential Customers

Figure 8 shows the overall level of residential electricity and gas customer disconnections over the past six years.

In 2014, the overall residential electricity disconnection rate (per 100 customers) rose to a six year high of 0.97 per 100 customers. In practice, Synergy's large residential customer base means that the overall residential disconnection rate tracks its disconnection rate (Table 11). However, the increase in Horizon Power's residential disconnection rate to 3.03 per 100 customers, up from last year's rate of 1.18 per 100 customers, also contributed to the higher than average rate in 2014.

In contrast to electricity, the overall residential gas disconnection rate (per 100 customers) fell to 1.55 per 100 customers in 2014, which is only marginally higher than the six year low of 1.52 per 100 customers recorded in 2012. The 2014 disconnection rate is still significantly below the six year average of 2.04 per 100 customers. Again, Alinta Energy's large customer base means that the overall residential disconnection rate tracks its disconnection rate (Table 11).

Figure 8: Residential energy customer disconnections



	2009	2010	2011	2012	2013	2014
Electricity	4,803	3,348	8,295	8,051	6,746	9,235
Gas	16,805	17,232	10,848	9,557	10,724	10,165
Electricity (per 100 customers)	0.55	0.38	0.90	0.87	0.72	0.97
Gas (per 100 customers)	2.87	2.85	1.76	1.52	1.69	1.55

Table 11 provides a six year view of residential disconnection rates for each electricity and gas retailer.

Looking at residential electricity disconnection rates, Horizon Power's disconnection rate rose by 156% in 2014. Horizon Power has stated that the spike in disconnection was the result of delayed disconnection actions from 2013 being carried out in 2014. These disconnection actions had been delayed due to billing issues that occurred in 2013 that have since been resolved. In addition, Horizon Power introduced a more effective disconnection process in May 2013 that has also contributed to the increase in customer disconnections in 2014.

Synergy's residential disconnection rate also rose to 0.89 residential disconnections (per 100 customers); a 25.4% increase from 2013. Synergy advises that it has implemented a new strategy aimed at improving debt recovery, which includes early communication with customers who may be experiencing financial hardship (when the level of debt is more manageable) and contacting customers more often, so those customers who need access to assistance measures can do so faster.

Alinta Energy's residential disconnection rate fell by 9.3% in 2014 to 1.56 residential disconnections per 100 customers. This rate is only marginally higher than the six year low of 1.52 per 100 customers recorded in 2012.

Table 11: Residential energy customer disconnection rates for each retailer (per 100 customers)

Retailer	2009	2010	2011	2012	2013	2014
Electricity						
Horizon Power	1.95	1.97	2.19	0.96	1.18	3.03
Synergy	0.49	0.30	0.86	0.86	0.71	0.89
State Total	**0.55**	**0.38**	**0.90**	**0.87**	**0.72**	**0.97**
Gas						
Alinta Energy	2.88	2.85	1.76	1.52	1.72	1.56
Wesfarmers	0.0	0.0	0.0	0.0	0.09	1.06
EGDC	0.95	3.86	2.70	0.0	1.69	1.94
State Total	**2.87**	**2.85**	**1.76**	**1.52**	**1.69**	**1.55**

Wesfarmers reported a significant increase in the residential customer disconnection rate, rising from 0.09 per 100 customers in 2013 to 1.06 per 100 customers in 2014. The increase in customer disconnections coincides with the expansion of Wesfarmers residential

customer base since entering the natural gas markets in areas supplied by ATCO (see Table 6). Additionally, 2014 is the first time a full year of disconnection data has been available.[26]

Over the past six years, EGDC's disconnection rate has been quite variable, the result of having a small customer base against which to measure the disconnection rate.

Table 12 provides a breakdown of the additional residential disconnection information for each retailer in 2014, and compares it to 2013. In electricity, disconnections involving Horizon Power's customers who are concession card holders increased significantly, rising from 6.8% of disconnections in 2013 to 25.7% in 2014. Horizon Power attributes this increase to improved processes which led to reduced timeframes for completing disconnections.[27] Horizon Power's customers who were previously on an instalment plan and customers disconnected more than once over the past 24 months both also rose in 2014. In contrast, Synergy reported modest falls in the values for all three disconnection categories in 2014.

In 2014, for the first time, Wesfarmers reported disconnections involving gas customers who were previously on an instalment plan and customers who had been disconnected more than once over the past 24 months. Alinta Energy reported an increase in customers disconnected that were previously on an instalment plan, while the number of customers disconnected at the same supply address over the past 24 months fell slightly.

Table 12: Residential disconnections - additional disconnection information

			Customers previously on an instalment plan		Customers disconnected at the same supply address within the past 24 months		Concession card holders[28]	
	Total disconnections		% of disconnections		% of disconnections		% of disconnections	
	2013	2014	2013	2014	2013	2014	2013	2014
Electricity								
Horizon Power	424	1132	39.9	43.2	6.8	7.5	6.8	25.7
Synergy	6,322	8103	34.7	31.6	18.5	15.8	29.3	27.6
Electricity Total	**6,746**	**9,235**	**35.0**	**33**	**17.8**	**14.8**	**28.2**	**27.4**
Gas								
Alinta Energy	10,712	9930	4.5	7.7	26.2	25.3	-	-
Wesfarmers	7	229	0.0	10.5	0.0	12.7	-	-
EGDC	5	6	0.0	0.0	0.0	0.0	-	-
Gas Total	**10,724**	**10,165**	**4.5**	**7.7**	**26.2**	**25**	**-**	**-**

Inter-jurisdictional comparison of residential electricity and gas disconnections

Figure 9 compares the overall residential electricity disconnection rate for Western Australian retailers with the residential disconnection rates in New South Wales, South Australia and Victoria.

Since 2010, New South Wales and Victoria's residential disconnection rates have been trending upwards. Although Western Australia's rate had been trending downwards, in

[26] Wesfarmers entered the natural gas market in March 2013.

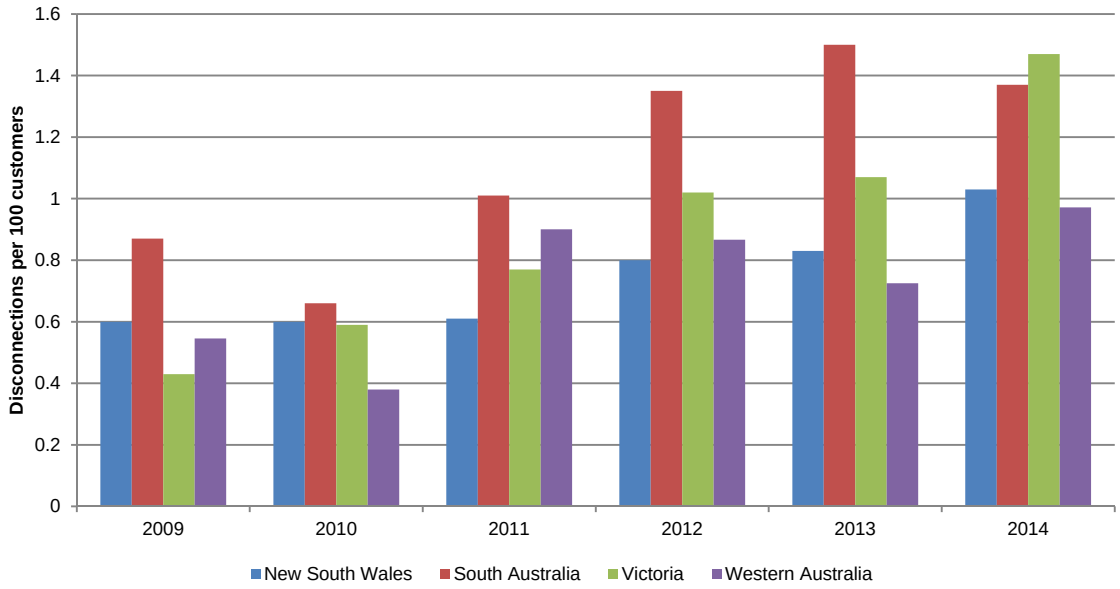
[27] Horizon also commented that the improved disconnection process has led to significant reductions in outstanding debt.

[28] Because government subsidies and concessions are paid through electricity bills, the gas retailers do not know which of their customers are receiving a concession.

2014 it hit its highest level in six years, however the residential disconnection rate (0.97 per 100 customers) remains the lowest of the four jurisdictions.

In 2014, South Australia was the only jurisdiction to report a decline in residential disconnections, the first decline in South Australia since 2010.

Figure 9: Jurisdictional comparison of residential electricity disconnection rates (per 100 customers)



The ERA has not previously published an inter-jurisdictional comparison of residential gas disconnection rates. The data provided to the ERA by other jurisdictions[29] does permit a single year snapshot of disconnections for three jurisdictions: New South Wales (0.39 per 100 customers), South Australia (0.86 per 100 customers) and Victoria (1.33). The data for Western Australia (Table 11) shows that, in 2014, the gas residential disconnection rate in Western Australia is the highest of the four jurisdictions, at 1.55 per 100 customers.

Non-residential Customers

Figure 10 shows the overall level of non-residential electricity and gas customer disconnections over the past six years.

In 2014, the non-residential electricity disconnection rate (per 100 customers) rose to a six year high of 0.55 per 100 customers. Alinta Energy was the only retailer to report a decrease in its disconnection rate, falling from 0.81 per 100 customers in 2013 to 0.36 per 100 customers in 2014. Alinta has stated that this fall can be attributed to its improved credit management practices and working more closely with customers to minimise disconnection levels. In practice, Synergy's large non-residential customer base means that the overall non-residential disconnection rate tracks its disconnection rate (Table 13).

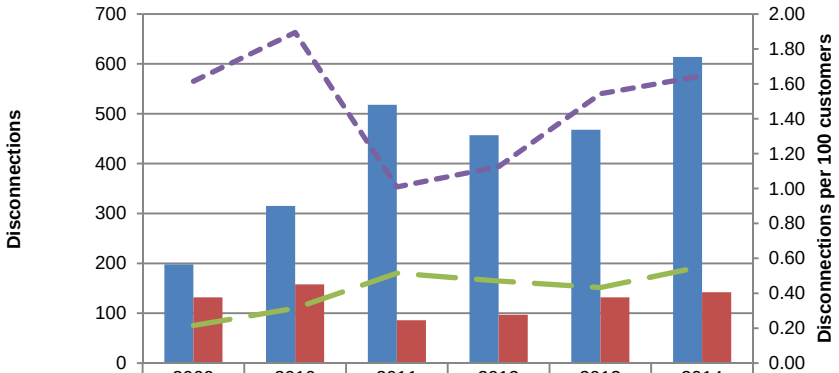
In 2014, the non-residential gas disconnection rate continued its upwards trend, reaching 1.65 per 100 customers. Although the 2014 disconnection rate is still below the six year high of 1.89 per 100 customers in 2010, the gap has been progressively closing since 2011.

[29] Data for Victoria was provided by the Essential Service Commission, while the Australian Energy Regulator provided the data for New South Wales and South Australia.

Alinta Energy's large non-residential customer base means that the overall gas disconnection rate tracks the Alinta Energy rate (Table 13).

Since reaching a low of 0.94 in 2011, the ratio of gas customer disconnections to electricity customer disconnections has increased in the subsequent years, to reaching 3.0 in 2014.[30]

Figure 10: Non-residential energy customer disconnections



	2009	2010	2011	2012	2013	2014
Electricity	198	315	518	457	468	614
Gas	132	158	86	97	132	142
Electricity (per 100 customers)	0.22	0.31	0.52	0.47	0.43	0.55
Gas (per 100 customers)	1.62	1.89	1.01	1.13	1.54	1.65

Table 13 provides a six year view of the non-residential disconnection rates for each electricity and gas retailer.

In 2014, for the first time, Wesfarmers reported disconnecting non-residential gas customers, while Alinta Energy reported an increase in the non-residential gas customer disconnection rate for the third consecutive year. Alinta has stated that it is working more closely with customers to minimise disconnection levels and will continue to refine and improve its processes in future. The overall non-residential gas disconnection rate is now just below the six year period peak of 1.93 per 100 customers recorded in 2010.

In electricity, Alinta Energy reported a significant drop in the non-residential disconnection rate, down to 0.36 per 100 customers, following on from the six year high of 0.81 recorded in 2013.

Horizon Power's non-residential customer disconnection rates rose significantly, again attributed to the deferment of disconnection actions from 2013 because of billing problems (see the discussion in relation to residential electricity disconnections beginning at page 15 above). Synergy also reported an increase in the non-residential electricity customer disconnection rate this year; reaching 0.57 per 100 customers, which is a six year high.

Perth Energy reported disconnecting non-residential customers for the first time in 2014, with 1.75 disconnections per 100 customers. Although this rate is significantly higher than the average disconnection rate, it is a result of Perth Energy's smaller customer base.

[30] Some caution should be applied to interpreting this ratio because of the large difference in non-residential electricity and gas customers (Table 2 and Table 5). Nonetheless, the ratio does provide a useful comparator of the respective disconnection rates.

Table 13: Non-residential energy customer disconnection rates for each retailer (per 100 customers)

Retailer	2009	2010	2011	2012	2013	2014
Electricity						
Alinta Energy	0.0	0.0	0.0	0.14	0.81	0.36
Horizon Power	0.56	1.82	0.27	0.15	0.09	0.41
Synergy	0.20	0.20	0.54	0.50	0.46	0.57
Perth Energy	-	-	-	-	-	1.75
State Total	**0.22**	**0.31**	**0.51**	**0.47**	**0.43**	**0.55**
Gas						
Alinta Energy	1.65	1.93	1.03	1.15	1.58	1.70
Wesfarmers	-	-	-	-	-	0.43
State Total	**1.62**	**1.89**	**1.01**	**1.14**	**1.54**	**1.65**

Reconnections

The standard reconnection measure counts customers who have been reconnected in the same name and at the same address within seven (calendar) days of being disconnected for non-payment of a bill. The rationale for setting a seven day measurement window is that this counts the customers whose disconnection might have been avoided had they taken action to engage with their retailer earlier in the disconnection process, or customers who were experiencing financial difficulties. However, in the absence of any information about whether the customer was in financial hardship immediately prior to disconnection, which is the case currently, it is not possible to separate the customers who could not pay from those who chose not to pay.

In general, reconnections within seven days will always be less than the corresponding disconnections because it excludes customers who are reconnected later than seven days after disconnection, customers who reconnect in a different name at the same address within seven days and customers who have already abandoned the property.

A more reliable estimate of the total number of reconnections performed each year can be obtained by removing the seven day limit. Retailers are also required to report on the total number of reconnections that they have requested each year. This will provide additional information estimating the number of customers who needed more time to arrange their reconnection, and those customers who were not reconnected.

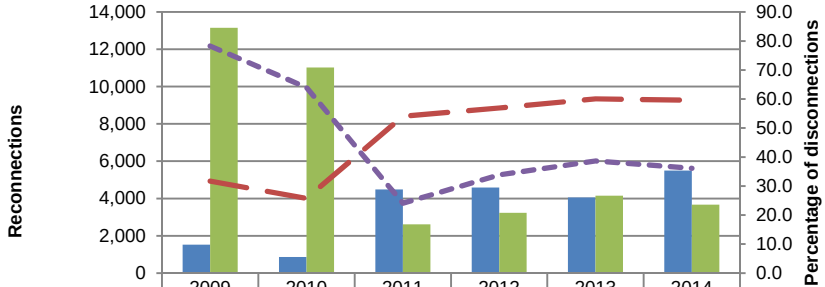
Residential Customers

Figure 11 shows the overall level of residential electricity and gas reconnections (within seven days of disconnection) for the past six years.

The percentage of residential electricity customer reconnections (within seven days) fell slightly to 59.6%. The majority of the reconnections were performed by Synergy (Table 14).

The percentage of residential gas customer reconnections (within seven days) has also decreased to 36.1%. Due to its large customer base, almost all of the reconnections were performed by Alinta Energy (Figure 12).

Figure 11: Residential energy customer reconnections within seven days



	2009	2010	2011	2012	2013	2014
Electricity	1,523	863	4,486	4,585	4,052	5,502
Gas	13,153	11,029	2,615	3,236	4,148	3,673
Electricity (% of disconnections)	31.7	25.8	54.1	56.9	60.1	59.6
Gas (% of disconnections)	78.3	64.0	24.1	33.9	38.7	36.1

Table 14 and Figure 12 show the residential reconnections (within seven days) performed by each electricity and gas retailer over the past six years.

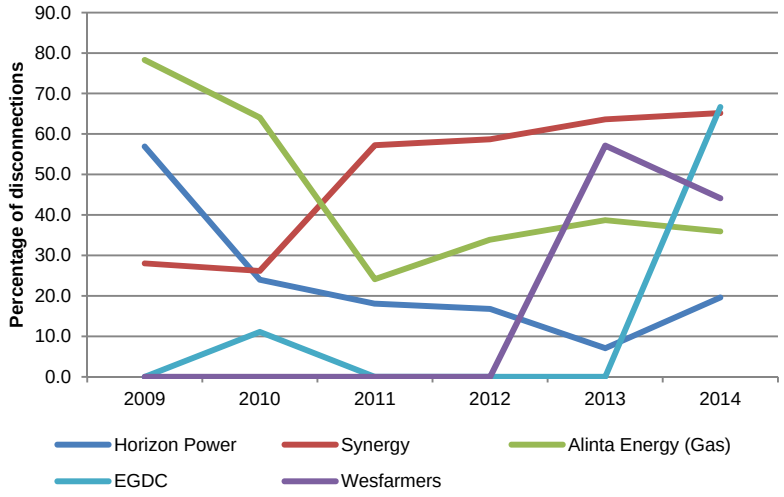
In 2014, the percentage of reconnections (within seven days) performed by both electricity retailers rose; Synergy reported an increase in reconnections, while Horizon Power reported an increase from 7.1% in 2013, to 19.6% in 2014. Despite this rise, Horizon Power's reconnection rate is still significantly lower than Synergy's reconnection rate. Horizon Power attributes the increased reconnection rate to the increase in the number of disconnections. Horizon Power also notes that the reconnection rate (within seven days) is dependent on when the customer request is received; in the majority of Horizon Power's service area the reconnection timeframe is 5-6 business days.

In 2014, both Alinta Energy and Wesfarmers reported falls in the percentage of residential gas reconnections performed, reaching 35.9% and 44.1% respectively.

Table 14: Residential electricity and gas customer reconnections within seven days

	2009	2010	2011	2012	2013	2014
Electricity						
Horizon Power	350	145	120	55	30	222
Synergy	1,173	718	4,366	4,530	4,022	5280
State Total	**1,523**	**863**	**4,486**	**4,585**	**4,052**	**5502**
Gas						
Alinta Energy	13,153	11,028	2,615	3,236	4,144	3568
Wesfarmers	0	0	0	0	4	101
EGDC	0	1	0	0	0	4
State Total	**13,153**	**11,029**	**2,615**	**3,236**	**4,148**	**3673**

Figure 12: Percentage of residential energy customers reconnected by retailers within seven days



Commencing in 2013, electricity and gas retailers have provided data on the total number of residential customer reconnections they have performed during the year.[31] Table 15 provides information on the total number of residential reconnections performed by electricity and gas retailers.

In 2014, Horizon Power and Synergy had a total reconnection rate of 20.9% and 73.6%, respectively. Horizon Power has reported a slight fall in the total reconnection rate, down from 22.4% from 2013, while Synergy reported a slight increase, up from 69.5% in 2013.

Comparing the 2014 total reconnection rate with the reconnections within seven days data (Table 14) shows that the majority of both Horizon Power's and Synergy's residential reconnections were performed within seven days of disconnection. Just under four in every five disconnections performed by Horizon Power did not result in a reconnection at all. This contrasts with Synergy, where approximately one in every four disconnections did not result in a reconnection. Not reconnecting a customer does not mean that the supply to the premises remains disconnected; the reconnections data excludes customers moving out of premises without providing prior notice, or remaining at the premises but having a new account established in a different person's name.

Table 15: Total residential energy customers reconnected at same supply address after disconnection

	Number						Percentage of disconnections					
	2009	2010	2011	2012	2013	2014	2009	2010	2011	2012	2013	2014
Electricity												
Horizon Power	-	-	-	-	95	237	-	-	-	-	22.4	20.9
Synergy	-	-	-	-	4,396	5,962	-	-	-	-	69.5	73.6
Electricity Total	**-**	**-**	**-**	**-**	**4,491**	**6,199**	**-**	**-**	**-**	**-**	**66.6**	**67.1**
Gas												
Alinta Energy	-	-	-	-	8,082	6,350	-	-	-	-	75.4	64
Wesfarmers	-	-	-	-	4	138	-	-	-	-	57.1	60.3
EGDC	-	-	-	-	0	5	-	-	-	-	0.0	83.3
Gas Total	**-**	**-**	**-**	**-**	**8,086**	**6,493**	-	-	-	-	**75.4**	**63.9**

[31] This metric measures customers disconnected during 2014 that were subsequently reconnected any time following disconnection. See the explanation in the introduction to this section of the report.

The data provided by Alinta Energy shows nearly two in every three disconnections resulted in a reconnection in 2014, down from three in every four in 2013. In 2014, just over half of Alinta Energy's reconnections involved customers who were reconnected more than seven days after disconnection.

Wesfarmers total reconnection rate was 60.3% in 2014, a modest increase over 2013. Nearly three quarters of Wesfarmers' reconnections involved customers who were reconnected within 7 days. EGDC's reconnection rate was 83.3%, meaning the majority of its customers were reconnected.

Retailers are also required to provide a breakdown of reconnections into three additional information categories. Table 16 provides the disaggregated reconnection data for 2014, and compares it to 2013.

Table 16: Residential reconnections within seven days - additional reconnection information

			Customers previously on an instalment plan		Customers disconnected at the same supply address within the past 24 months		Concession card holders	
	Total reconnections		% of disconnections		% of disconnections		% of disconnections	
	2013	2014	2013	2014	2013	2014	2013	2014
Electricity								
Horizon Power	30	222	6.8	11.6	1.4	1.2	2.4	6.5
Synergy	4,022	5,280	31.4	29.5	16.3	12.4	23.2	20.1
Electricity Total	**4,052**	**5,502**	**29.8**	**27.3**	**15.4**	**11**	**23.4**	**18.4**
Gas								
Alinta Energy	4,144	3,568	2.2	3.2	7.7	7	-	-
Wesfarmers	4	101	-	3.5	-	7.9	-	-
EGDC	0	4	-	16.7	-	16.7	-	-
Gas Total	**4,148**	**3,673**	**2.2**	**3.2**	**7.7**	**7.1**	**-**	**-**

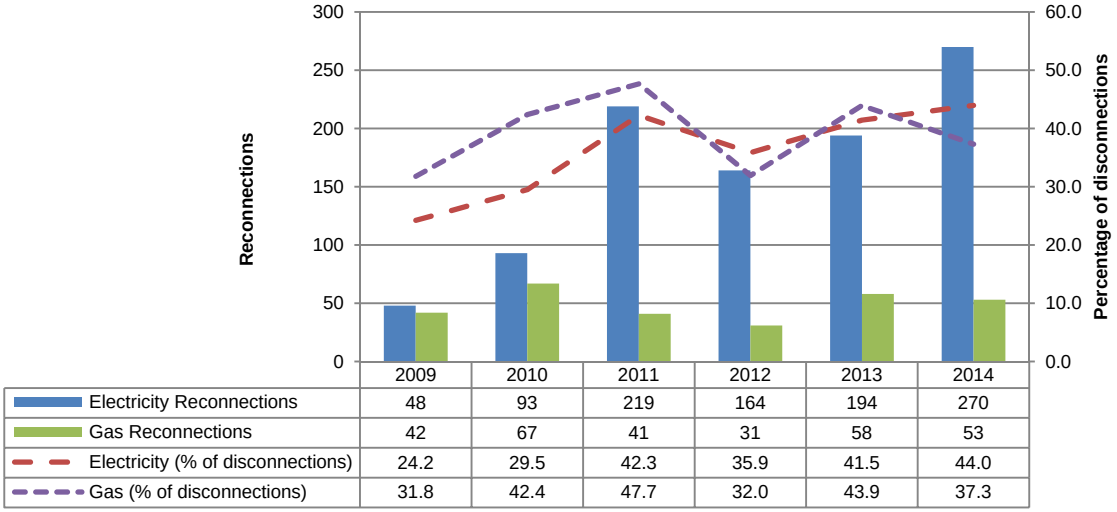
Comparing 2014 with 2013, Synergy reported reductions in the percentage of reconnections involving customers who fall into all three of the additional reconnection categories. Horizon Power's reconnection of concession card holders increased to 6.5% in 2014, up from 2.4% in 2013. Horizon Power's reconnections of customers previously on an instalment plan also increased by 4.8%.

Alinta Energy reported an increase in reconnections of customers previously on an instalment plan, up from 2.2% in 2013 to 3.2% in 2014.

Non-residential Customers

Figure 13 shows the overall level of non-residential electricity and gas customer reconnections over the past six years, while Table 17 provides details of the reconnections performed by each retailer. In practice, the overall non-residential electricity reconnection percentage tracks the Synergy disconnection rate, and the overall gas reconnection rate tracks Alinta Energy (Table 49, Appendix 3). Compared to 2013, the overall non-residential electricity reconnection percentage increased, to reach a six year of 44%, while the gas reconnection rate decreased.

Figure 13: Non-residential energy customer reconnections within seven days



	2009	2010	2011	2012	2013	2014
Electricity Reconnections	48	93	219	164	194	270
Gas Reconnections	42	67	41	31	58	53
Electricity (% of disconnections)	24.2	29.5	42.3	35.9	41.5	44.0
Gas (% of disconnections)	31.8	42.4	47.7	32.0	43.9	37.3

Table 17 and Figure 14 show the reconnections for each retailer. The reconnection percentages for Alinta Energy (electricity), Horizon Power and Perth Energy need to be treated with caution because of the small number of disconnections these three retailers have performed each year.

Table 17: Non-residential energy customers reconnected by retailers within seven days

	2009	2010	2011	2012	2013	2014
Electricity						
Alinta Energy	0	0	0	9	1	5
Horizon Power	9	44	1	1	0	5
Synergy	39	49	218	154	193	256
Perth Energy	0	0	0	0	0	4
State Total	**48**	**93**	**219**	**164**	**194**	**270**
Gas						
Alinta Energy	42	67	41	31	58	53
State Total	**42**	**67**	**41**	**31**	**58**	**53**

Figure 14: Percentage of non-residential energy customers reconnected by retailers within seven days

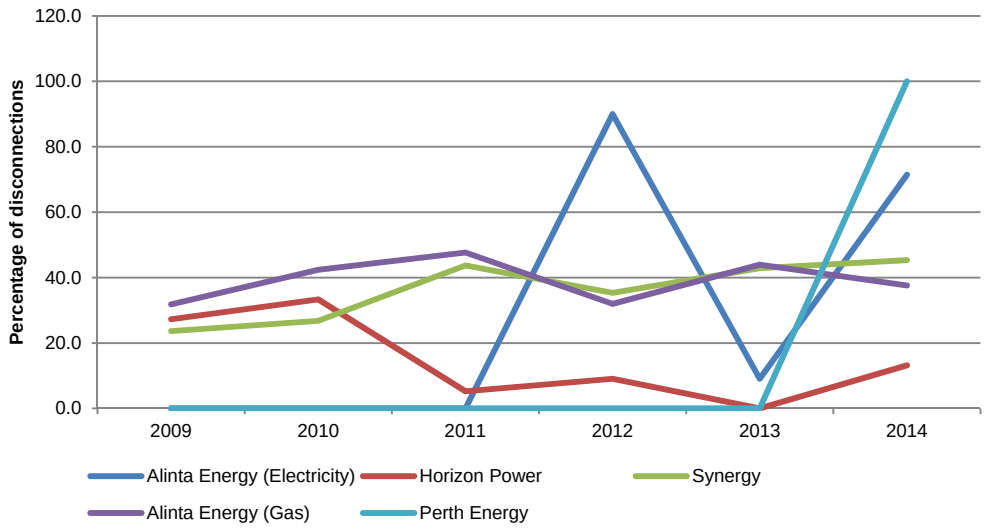


Table 50 in **Appendix 3** provides the total non-residential electricity and gas reconnections in 2014 (including reconnections carried out more than seven days after disconnection). Comparing the data in Table 50 with Figure 14 shows that all of the non-residential electricity and gas reconnections performed by each retailer were completed within seven days of disconnection.

An examination of Figure 4 shows that the non-residential reconnection percentages for each retailer vary over time. In general terms, the highest variability occurs for the retailers with relatively small customer bases.

Complaints

Both the Electricity Customer Code and the Gas Compendium require retailers to develop, maintain and implement an internal process for handling complaints and resolving disputes that complies with AS ISO 10002 – 2006.[32]

AS ISO 10002 – 2006 defines a complaint as:

> An expression of dissatisfaction made to an organisation, related to its products, or the complaints-handling process itself, where a response or resolution is explicitly or implicitly expected.[33]

The Electricity Customer Code and the Gas Compendium also require retailers to comply with any guideline developed by the ERA that distinguishes customer queries from customer complaints. The ERA published the Customer Complaints Guidelines in 2008 to further clarify the distinctions between queries, complaints and other customer communications.

Complaints are further separated into four categories to provide further information about the underlying cause(s) of each complaint:

- **Billing complaints** - includes billing errors, incorrect billing of fees and charges, failure to receive relevant Government rebates, high billing, credit collection, disconnection and reconnection, and restriction due to billing discrepancy.
- **Marketing complaints** - includes advertising campaigns, contract terms, sales techniques and misleading conduct.
- **Transfer complaints** - includes failure to transfer a customer within a certain time period, disruption of supply due to transfer and billing problems directly associated with the transfer (e.g., delay in billing, double billing).
- **Other complaints** - includes poor service, privacy considerations, failure to respond to complaints in a timely manner, health and safety issues, and any other matter not falling into the billing, marketing and transfer categories.

The retailers who supply pre-payment meter customers are required to separately record complaints from customers that relate to pre-payment meter services.

A key measure of the effectiveness of the complaints handling process implemented by a retailer is how quickly a complaint is concluded. A complaint is concluded when all of the relevant parts of the retailer's complaints handling process have been exercised in an attempt to resolve the complaint. Energy retailers are required to report on the percentage of complaints from residential and non-residential customers that are concluded within both 15 business days and 20 business days. For the purposes of complaint handling performance analysis, the ERA uses the proportion of complaints concluded within 15 days as the measure.

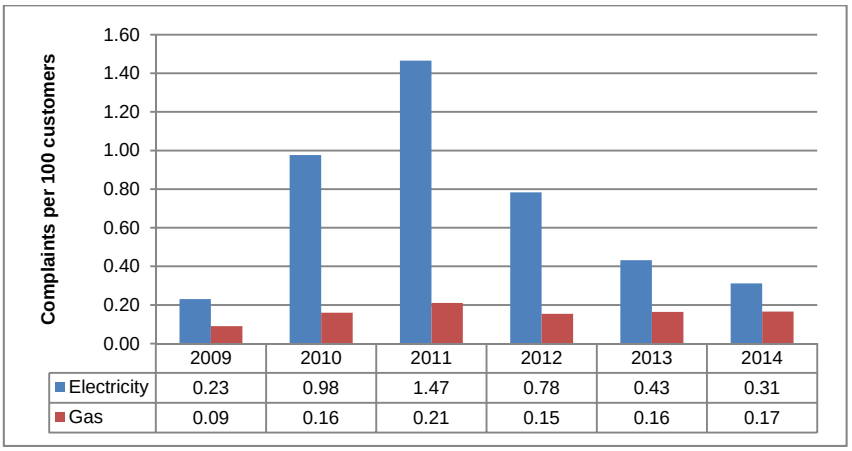
[32] Standard AS ISO 10002-2006, Customer satisfaction – Guidelines for complaints handling in organisations.

[33] The Codes have slightly modified this definition by adding the words "or services" immediately after "products" because energy retailers provide a service rather than a product to their customers.

Residential Complaints

Figure 15 shows the total complaints made to electricity and gas retailers by residential customers. In 2014, the complaints received by electricity retailers fell for the third consecutive year, while complaints received by gas retailers increased slightly.

Figure 15: Total residential energy complaints



	2009	2010	2011	2012	2013	2014
Electricity	0.23	0.98	1.47	0.78	0.43	0.31
Gas	0.09	0.16	0.21	0.15	0.16	0.17

Table 18 provides the number of residential customer complaints received by each retailer over the past six years. Synergy received the majority of the residential electricity complaints, and Alinta Energy received the majority of the residential gas complaints. This is largely the result of having the majority of the residential electricity and gas customers, respectively.

The number of residential customer complaints received by Horizon Power in 2014 fell from last year's peak of 382 complaints to 268 complaints (or 0.72 complaints per 100 customers). Despite the fall in the number of complaints, the level of complaints is still above Horizon Power's six year average of 0.58 complaints per 100 customers.

Residential customer complaints received by Synergy peaked in 2011, which was due to a combination of rapidly increasing residential electricity tariffs and problems with their change of billing system implemented in late 2009. Over the past three years, complaints received by Synergy have fallen by 80%. A recent report published by Synergy[34] provides a number of reasons for the reduction in complaints, including:

- system and process changes to reduce late bills;
- proactive management of customers in debt;
- improved service levels by Western Power {in relation to meter reads};
- improved training for customer service staff regarding compliance with internal processes; and
- focus on resolving customer enquiries at the first point of contact.

The number of complaints received by Wesfarmers increased significantly in 2014, reaching 0.91 complaints per 100 customers. This is substantially higher than the (six year) industry average of 0.16 per 100 customers. Wesfarmers attributes the higher than average rate of complaints to product understating and the calculation of regular instalment payments for

[34] Page 12, Electricity Retail Indicators 2012-13, Year in Review, accessed on the Synergy webpage: http://www.synergy.net.au/about_us/annual_report.xhtml

its direct debit payment option.[35] These complaints were weighted to the first half of the year, after which Wesfarmers implemented initiatives to address the cause(s) of the complaints. Wesfarmers attributes the level of complaints it received to:

- product understanding and the calculation of instalment payments (these were weighted to the first half of the year, after which communication improvements were made);
- the calculation of the complaint rate including complaints from customers who then left Wesfarmers before the end of the year;[36] and
- The high customer churn rate Wesfarmers has experienced, as a new market entrant.

Wesfarmers also commented that its complaint rate is similar to the average complaint rates in other jurisdictions where there is significant customer churn.

Table 18: Residential energy complaints by retailer

Retailer	2009	2010	2011	2012	2013	2014
Electricity						
Horizon Power	124	174	100	133	382	268
Synergy	1,903	8,432	13,403	7,144	3,635	2694
State Total	**2,027**	**8,606**	**13,503**	**7,277**	**4,017**	**2962**
Gas						
Alinta Energy	529	964	1,298	968	996	892
Wesfarmers	0	0	0	2	44	197
EGDC	0	1	0	0	0	0
State Total	**529**	**965**	**1,298**	**970**	**1,040**	**1089**

Table 19 compares the residential complaints received by each retailer in 2013 and 2014, broken down into four complaint categories. Table 19 shows that the majority of complaints made to electricity retailers relate to billing matters; in electricity both retailers reported over 80% of complaints fell into this category.

Alinta Energy reported two thirds of complaints received in 2014 were billing complaints; a slight reduction from 2013 when 70.9% of complaints related to billing.

For Wesfarmers, just over half of the complaints it received in 2014 related to marketing, however billing complaints rose significantly from 2013, which is explained by the earlier comments about the rise in direct debit payment complaints (refer to page 27). Wesfarmers attributes its marketing complaints to a lack of customer understanding of its natural gas product offering.

[35] This should not be confused with instalment plans that are used to manage historical debt.

[36] The total number of customers used to calculate the complaint rate is the active customers at 30 June 2014, which excludes customers who switched to another retailer during the year.

Table 19: Residential energy complaints by complaint category

	Percentage of complaints in each category							
	Billing complaints		Marketing complaints		Transfer complaints		Other complaints	
	2013	2014	2013	2014	2013	2014	2013	2014
Electricity								
Horizon Power	88.7	83.6	0.0	0.4	0.0	1.1	11.3	14.9
Synergy	83.9	88.8	13.7	8.4	0.0	0.9	0.03	1.9
Gas								
Alinta Energy	70.9	66.4	3.1	4.7	0.0	0.0	26.0	28.9
Wesfarmers	6.8	35.5	56.8	54.4	11.4	6.6	25.0	33.5

Residential complaint resolution

Table 20 compares the percentage of non-residential complaints resolved by each retailer within 15 business days in 2014, and compares it with 2013. This is an important measure of the effectiveness of the retailer's complaint resolution processes.

Horizon Power's complaint resolution performance improved in 2014, with 61.2% of complaints resolved within 15 days. Although an improvement on 2013, this is still significantly lower than the100% resolution performance achieved in 2010, 2011 and 2012 (Appendix 3, Table 57). The increase in complaint resolution performance corresponds with a decrease in the number of complaints received in 2014 (Table 18).

Table 20: Residential energy complaints resolved within 15 days

	Complaints resolved within 15 days		% of complaints received	
	2013	2014	2013	2014
Electricity				
Horizon Power	205	165	53.7	61.2
Synergy	3,632	2,539	99.9	94.3
Gas				
Alinta Energy	874	805	87.8	90.3
Wesfarmers	44	194	100.0	98.5

Synergy's complaint resolution performance decreased slightly in 2014, down from 99.92% (its best performance since reporting commenced in 2010) to 94.25%. Synergy has stated that the complaints not concluded within 15 and 20 business days were complaints that had been referred to the Energy and Water Ombudsman.

In 2014, Alinta Energy's complaint resolution performance improved slightly, while Wesfarmers reported a slight fall in performance. Wesfarmers has stated that the complaints it failed to resolve within 20 business days were outside of its control, with the customers concerned failing to respond to Wesfarmers, or to the Energy and Water Ombudsman.

Non-residential Complaints

Figure 16 shows the total complaints received by electricity and gas retailers from non-residential customers. Complaints received by electricity retailers fell for the second consecutive year, mirroring the trend in residential complaints (Figure 15). Complaints received by gas retailers fell sharply in 2014, down by over 80% from the six year peak in 2013.

Figure 16: Total non-residential energy complaints

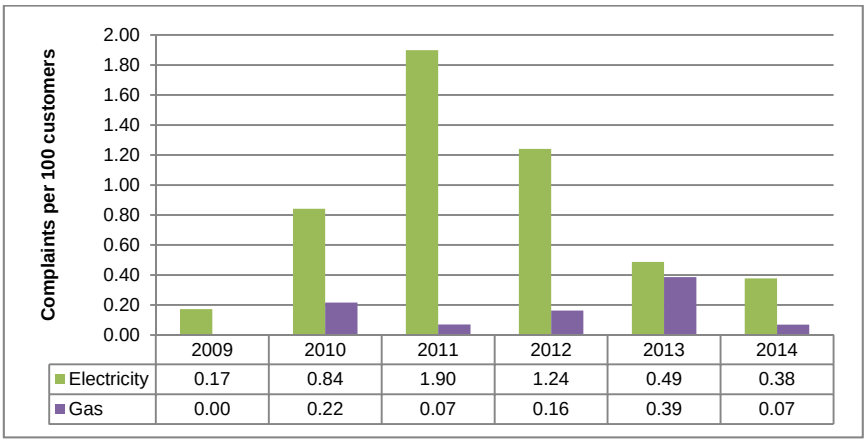


Table 21 details the number of non-residential customer complaints received by each retailer over the past six years. Comparing Table 20 with Figure 16 shows that Alinta Energy accounts for all of the non-residential gas complaints, and Synergy accounts for the majority of the non-residential electricity complaints.

In 2014, the number of non-residential complaints received by Horizon Power fell to 0.58 per 100 customers, after reaching a six year high of 1.08 per 100 customers in 2013.

Non-residential electricity customer complaints received by Synergy continued to decline in 2014; over the past three years, the number of complaints received by Synergy has fallen by 81.3%. The reasons underlying the reduction in the number of non-residential complaints are the same as those underpinning the reductions in residential complaints.

Alinta Energy received six non-residential gas customer complaints in 2014, down 81.8% on 2013. Alinta Energy attributes this decrease to improved account management processes.

Table 21: Non-residential energy complaints by retailer

	2009	2010	2011	2012	2013	2014
Electricity						
Alinta Energy	4	6	6	17	13	10
Horizon Power	25	4	37	4	87	54
Perth Energy	1	1	0	1	1	0
Rottnest Island Authority	1	0	0	1	0	6
Synergy	127	832	1,865	1,182	425	349
State Total	**158**	**843**	**1,908**	**1,205**	**526**	**419**
Gas						
Alinta Energy	0	4	5	14	33	6
Synergy	0	14	1	0	0	0
State Total	**0**	**18**	**6**	**14**	**33**	**6**

Table 22 compares the non-residential complaints received by each retailer in 2013 and 2014, broken down into four complaint categories. The majority of complaints from non-residential customers relate to billing matters.

Alinta Energy was the only gas retailer to receive complaints from non-residential customers. Comparing their complaints data for 2013 and 2014 it can be seen that the billing and marketing complaints fell, matched by a corresponding increase in complaints

falling into the other category, which includes administrative processes, privacy issues and responsiveness to complaints.

Table 22: Non-residential energy complaints by complaint category

	Percentage of complaints in each category							
	Billing complaints		Marketing complaints		Transfer complaints		Other complaints	
	2013	2014	2013	2014	2013	2014	2013	2014
Electricity								
Alinta Energy	100.0	70.0	0.0	30.0	0.0	0.0	0.0	0.0
Horizon Power	86.2	92.6	0.0	0.0	0.0	0.0	13.8	7.4
Perth Energy	100.0	-	0.0	-	0.0	-	0.0	-
Rottnest Island Authority	0.0	100.0	0.0	0.0	0.0	0.0	0.0	0.0
Synergy	91.8	86.2	4.9	9.8	0.0	2.0	3.3	2.0
Gas								
Alinta Energy	56.7	83.3	3.3	16.7	0.0	0.0	40.0	0.0

Non-residential complaint resolution

Table 23 compares the percentage of non-residential complaints resolved by each retailer within 15 business days in 2014, and compares it with 2013.

This is an important measure of the effectiveness of the retailer's complaint resolution processes.

In 2014, Horizon Power resolved nearly two thirds of the non-residential complaints it received within 15 days, which was an improvement over 2013, where just under half were resolved within 15 business days. Synergy resolved just under 90% of the complaints it received within 15 days in 2014, up from 80.8% in the previous year.

Alinta Energy reported falls in complaint resolution performance for both its electricity and gas customers.

Table 23: Non-residential energy complaints resolved within 15 days

	Complaints resolved within 15 days		Percentage of complaints received	
	2013	2014	2013	2014
Electricity				
Alinta Energy	13	9	100.0	90
Horizon Power	39	34	44.8	63
Perth Energy	1	-	100.0	-
Rottnest Island Authority	-	4	-	66.7
Synergy	425	313	80.8	89.7
Gas				
Alinta Energy	30	5	90.9	83.3

Inter-jurisdictional comparison of complaints

The Australian Energy Regulator (AER) has taken over the role of retailer performance reporting. In previous years complaints data has also been collected from New South Wales and South Australia; however, the complaints data collected by the AER does not

distinguish between electricity and gas complaints, instead they are reported under a single energy category. There are also plans to transfer energy reporting for Victorian retailers to the AER in 2015. Accordingly, the ERA has decided to discontinue its inter-jurisdictional comparison of complaints. Table 23 has been retained in this report to provide historical comparison, but it will be withdrawn in the 2015 report.

Table 24: Inter-jurisdictional comparison of electricity and gas complaints (per 100 customers)

State	2009	2010	2011	2012	2013
Electricity complaints					
NSW	0.4	0.7	1.0	1.6	2.8
SA	1.26	1.54	2.5	2.7	n/a
VIC	2.22	2.10	4.2	4.7	5.5
WA	0.22	0.96	1.51	0.83	0.44
Gas Complaints					
NSW	0.51	0.97	1.23	1.54	2.3
SA	0.50	0.53	1.47	1.8	n/a
VIC	0.80	0.74	1.18	1.5	2.4
WA	0.09	0.16	0.21	0.15	0.17

Call Centre Performance

The majority of a customer's interaction with their retailer is by telephone. Accordingly, it is important that retailers are able to provide ready telephone access for customers to contact them about service related issues during business hours. The larger retailers operate call centres which employ multiple customer service agents to handle customer enquiries and complaints.

Smaller retailers offer a simpler telephone service, which is often based on the customer calling their switchboard, which then connects them to the appropriate contact person.

The retailers that have a call centre to handle customer calls are able to record a range of information about the incoming calls, including performance statistics. Some of the call centres operated by retailers handle other calls in addition to calls about the electricity or gas retail service. Unless the retailer can separately record the statistics for the retail calls from all other calls, the call centre performance reported for retail customers is based on the overall performance of the call centre.

Measuring the telephone service provided by the retailer helps to assess the customer experience when they contact their retailer. There are three key responsiveness measures that are uniformly measured across service industries:

- percentage of calls answered within 30 seconds;
- average duration before a call is answered, measured in seconds; and
- percentage of unanswered calls.

The remainder of this section presents electricity and gas retailer call centre performance in relation to these responsiveness measures. If the retailer call centre uses Interactive Voice Response equipment[37] to handle calls then the responsiveness measures only apply to those calls where the customer has indicated that they wish to speak to an operator.

Electricity

Of the five active electricity retailers covered by this report,[38] only Perth Energy does not have a call centre. Perth Energy provides telephone support to its customers using simpler telephone systems that do not record performance statistics.

The Rottnest Island Authority call centre handles calls for both retail and distribution customers, and also handles calls related to other areas of their business. This is the first year that Horizon Power has been able to separate retail calls from distribution calls.

Table 25 shows that the total volume of calls to electricity retailer call centres fell by 7.2% in 2014, the third consecutive year of decline. The decline in total call volume was driven by Synergy, recording a reduction of 7.4%.

Alinta Energy was the only retailer to report an increase in calls to its call centre during 2014, reporting an increase of 3.7% compared to 2013.

[37] Interactive Voice Response equipment allows a call centre telephone system to detect voice and keypad tone signals and then respond with pre-recorded or dynamically generated audio to further direct callers to the service they require.

[38] The sixth electricity retailer, Clear Energy, has not supplied any small use customers since they were first granted a retail licence.

Table 25: Volume of calls to electricity retailer call centres

	2009	2010	2011	2012	2013	2014
Alinta Energy	2,861	2,173	2,452	2,426	2,728	2,828
Horizon Power	94,018	89,200	71,215	82,587	103,301	99,347
Rottnest Island Authority	N/A	1,027	5,272	5,840	6,173	4,850
Synergy	919,948	1,257,153	1,439,432	1,315,881	1,223,000	1,132,395
All retailers	**1,012,009**	**1,349,553**	**1,518,371**	**1,406,734**	**1,335,202**	**1,239,420**

In order to assess the overall performance of retailer call centres it is prudent to examine all three performance measures together. Figures 17, 18 and 19 show each retailer's performance against these measures over the six years to 2014.

Compared to 2013, Horizon Power and Synergy both improved their overall call centre performance in 2014, while Rottnest Island Authority reported a mixed result:

- Horizon Power answered 81.5% (up from 75.9%) of calls within 30 seconds, while the average wait for a call to be answered fell from 36 seconds to 26 seconds, and the percentage of unanswered calls fell to 2.0%.
- Synergy answered 81.8% (up from 79.9%) of calls within 30 seconds, while the average wait for a call to be answered fell from 23 seconds to 18 seconds, and the percentage of unanswered calls fell from 2.1% to 1.1%.
- Rottnest Island Authority answered 90.8% (up from 81.2%) of calls within 30 seconds, while the average wait for a call to be answered reduced slightly, from 13 seconds in 2013 to 12 seconds. The percentage of unanswered calls rose slightly, to 2.7%, up from 2.1% in 2013.

Comparing 2014 with 2013, Alinta Energy reported deterioration in all three performance measures: answering 75.2% (down from 88%) of calls within 30 seconds, while the average wait for a call to be answered increased from 17 seconds to 22 seconds, and the percentage of unanswered calls increased from 1.0% to 2.3%.

Figure 17: Percentage of electricity retail calls answered within 30 seconds

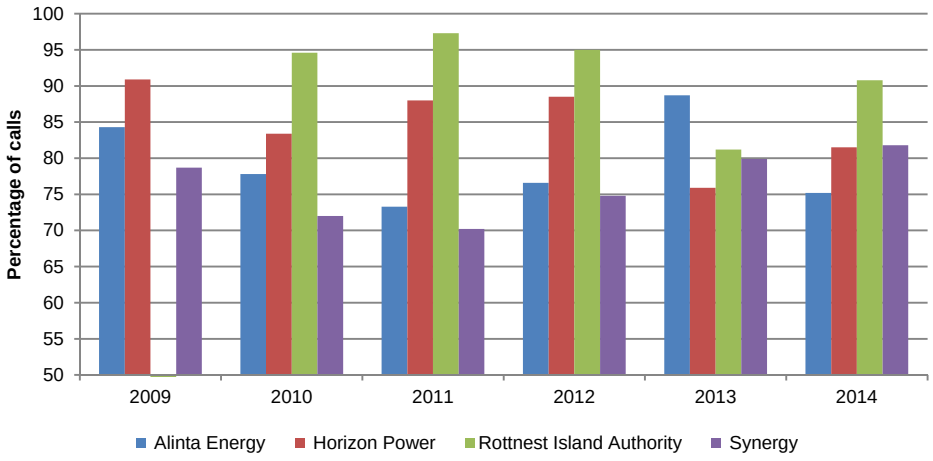


Figure 18: Average duration before a call is answered by electricity retail call centres

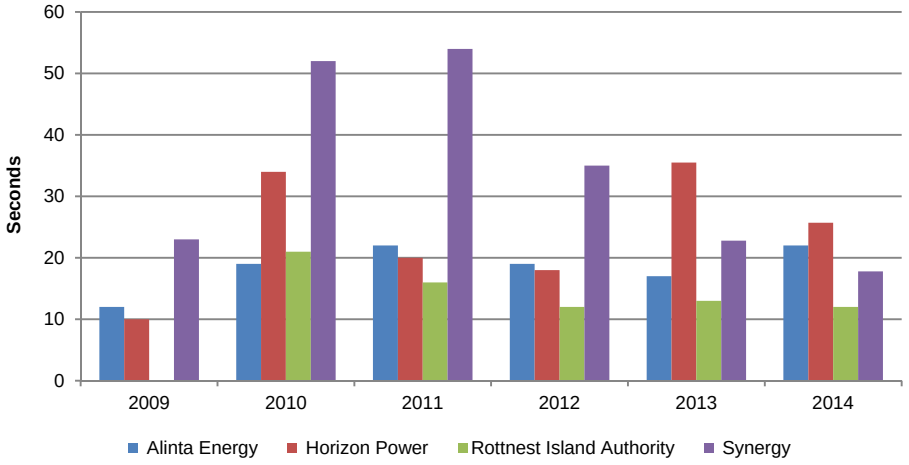
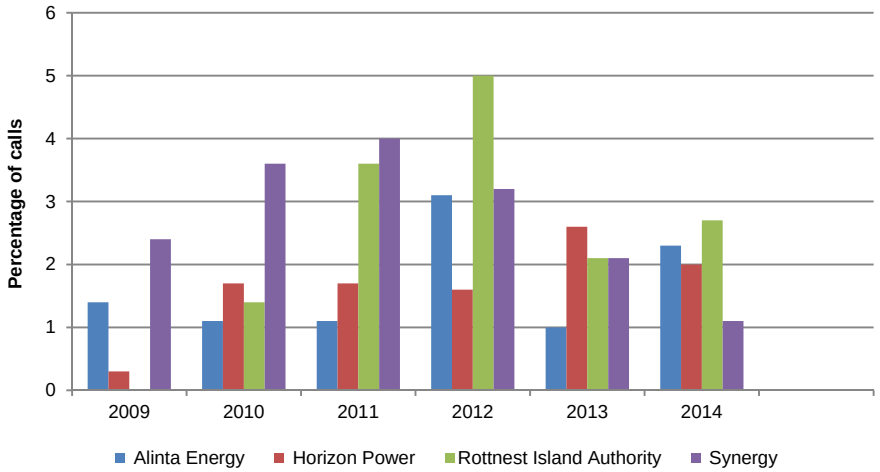


Figure 19: Percentage of calls that are unanswered by electricity retailers



Gas

Only two of the four active gas retailers, Alinta Energy and Wesfarmers,[39] operate call centres.[40] Synergy and EGDC provide telephone support to their customers using simpler telephone systems that do not record performance statistics.

Table 26 shows that the total volume of calls to gas retailer call centres increased by 5.9% in 2014. Both retailers reported increases in call volumes; Alinta Energy by 5.6% and Wesfarmers by 6.8%.

Table 26: Volume of calls to gas retailer call centres

Retailer	2009	2010	2011	2012	2013	2014
Alinta Energy	606,063	727,524	720,439	686,935	696,694	735,884
Wesfarmers	179,119	172,080	190,764	214,280	220,710	235,698
All retailers	**785,182**	**899,604**	**911,203**	**901,215**	**917,404**	**971,582**

[39] The calls to the Wesfarmers call centre include calls related to gas retailing, gas distribution and all other Wesfarmers services, which needs to be considered when interpreting the data provided.

[40] Perth Energy has not supplied any customers since the licence was granted.

As is the case for electricity retailers (see above), an assessment of the overall performance of retailer call centres requires an examination of all three performance measures taken together. Figures 20, 21 and 22 show the retailer's performance against these three measures for the six years to 2014.

Compared to 2013, Alinta Energy reported a slight deterioration in its performance against all three measures; calls answered within 30 seconds fell to 79.7% (down from 82.8%), while the average wait for a call to be answered rose slightly, from 18 seconds to 20 seconds, and the percentage of unanswered calls increased from 1.8% to 3.0%.

Compared to 2013 Wesfarmers reported slight deterioration against two of the three measures with the third remaining unchanged. Wesfarmers answered 77.8% of calls within 30 seconds, down from 82.4% in 2013. The average wait for a call to be answered increased from 19 seconds to 21 seconds, while the percentage of unanswered calls remained at 2.2%.

Figure 20: Percentage of gas retail calls answered within 30 seconds

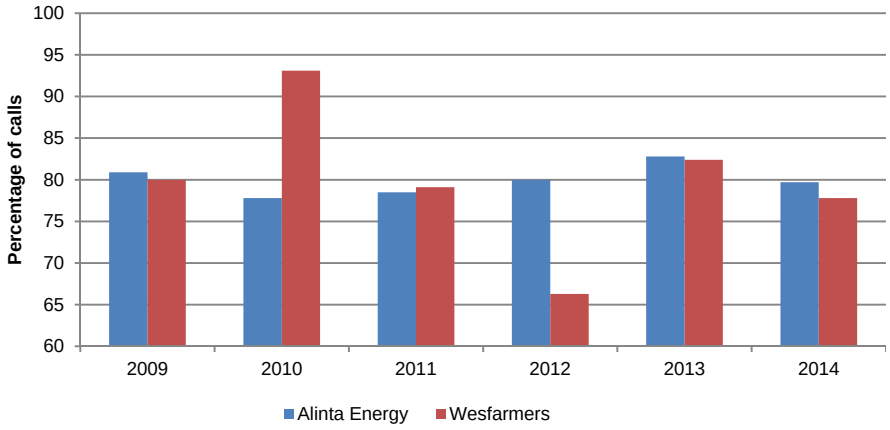


Figure 21: Average duration before a call is answered by gas retailers

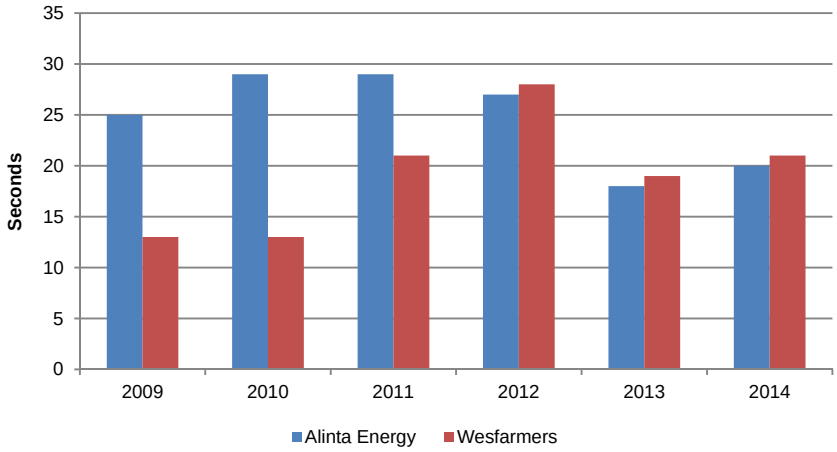
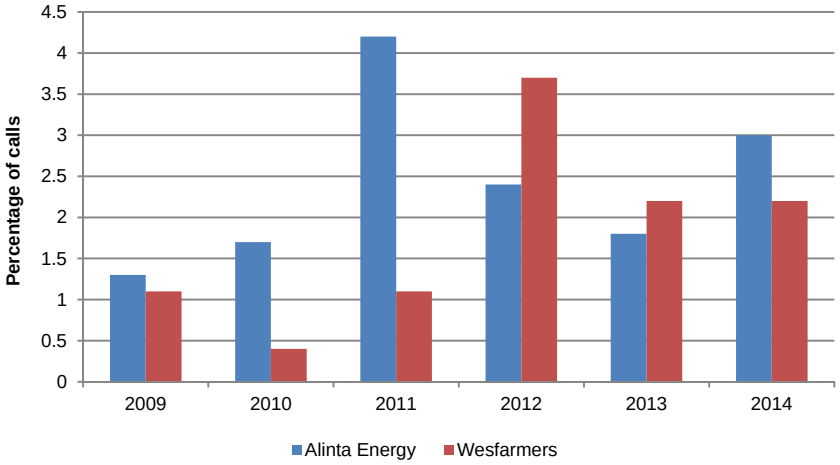


Figure 22: Percentage of calls that are unanswered by gas retailers



Service Standard Payments by Electricity Retailers

Under the Electricity Customer Code, service standard payments are available for:

- late reconnection, at a rate of $60 per day up to a maximum of $300 total (clause 14.1);
- wrongful disconnection, at a rate of $100 per day (clause 14.2); and
- failure to acknowledge or respond to a customer query or complaint within the prescribed timeframes at a rate of $20 for each written query or complaint (clause 14.3).

Horizon Power and Synergy are the only retailers that have made service standard payments over the past six years. Table 26 details the number of service standard payments made by these retailers.

In 2014, Horizon Power has reported a significant increase in service standard payments compared to those made in 2013: Horizon Power's payments for late reconnection were up 140% while wrongful disconnection payments were up 175%. Horizon Power has commented that wrongful disconnections were due to either the wrong supply address being provided, or non-application disconnections[41] not being cancelled [i.e. the customer has established an account with them prior to disconnection].

Synergy also reported an overall rise in service standard payments, with a continued upwards trend in payments for wrongful disconnections, rising 27.5% from 2013. In contrast, Synergy's payments for late reconnections fell 25% in 2014.

Table 27: Number of service standard payments made by electricity retailers

	Horizon Power			Synergy		
	Late reconnection	Wrongful disconnection	Timely response to customer complaints	Late reconnection	Wrongful disconnection	Timely response to customer complaints
2009	4	1	0	12	4	3
2010	0	1	0	0	0	0
2011	6	3	0	44	4	24
2012	6	2	0	13	14	1
2013	5	4	0	16	40	0
2014	12	11	0	12	51	4

[41] A non-application disconnection is where a person consumes electricity at a premises without establishing an account with the relevant retailer.

Appendix 1: Background information about energy retailing

Definition of a customer

Throughout this report, unless otherwise stated, the following definitions of a customer are used:

- Customer - means a customer account that:
  - consumes less than 1TJ (or approximately $32,000) of gas per annum, or
  - consumes less than 160MWh (or approximately $40,000) of electricity per annum.
- Contestable customer - means a customer who is able to choose their retailer. This applies even if there is only a single retailer supplying energy within the supply area:
  - Gas: full retail contestability exists, allowing all customers to choose their retailer. However, in the areas supplied through the ATCO Gas Australia distribution networks, the Gas Market Moratorium (see page 40) prevents Synergy from supplying customers who consume less than 0.18TJ (or approximately $6,200) of gas per annum.
  - Electricity: full retail contestability exists outside the area supplied through the South West Interconnected System (**SWIS**).[42] Within the SWIS, customers who consume less than 50MWh (or approximately $12,600) of electricity per annum are non-contestable. These customers can only be supplied by Synergy.

Retail Licence Performance Reporting Obligations

All energy retail licences include obligations for the licensee to provide information to the ERA in respect of the activities covered by the licence.

Electricity Licences

Electricity retail licences include a condition that the licensee must provide to the ERA any information that the ERA may require to fulfil its functions under the Electricity Act. The Electricity Compliance Reporting Manual (**Electricity Manual**) published by the ERA requires the electricity retail licensees who supply small use customers to provide non-financial performance information to the ERA each year.[43] The Electricity Manual incorporates the record keeping requirements of the Electricity Customer Code, which in turn references the 2007 SCONRRR Framework.[44]

[42] South West Interconnected System, which includes the coastal area from Kalbarri to Bremer Bay and the Goldfields.

[43] The most recent version of the Electricity Manual was published in June 2013.

[44] National Energy Retail Performance Indicators, Utility Regulators Forum Steering Committee on National Regulatory Reporting Requirements – Retail Working Group, May 2007.

Gas Licences

Gas trading licences include a condition that the licensee must provide to the ERA any information that the ERA may require to fulfil its functions under the Gas Act. The Gas Compliance Reporting Manual (**Gas Manual**) published by the ERA requires gas trading licensees to provide non-financial performance information to the ERA each year.[45] The Gas Manual incorporates the record keeping requirements in Gas Compendium, which in turn references the 2007 SCONRRR Framework.

Standard Form Contracts

Electricity

Retailers who supply electricity to small use customers are required to have a standard form contract approved by the ERA. The *Electricity Industry (Customer Contracts) Regulations 2005* prescribes the format and content of the standard form contract, including the requirement that the standard form contract include pricing information. Section 54A of the Electricity Act mandates that Horizon Power and Synergy must offer a standard form contract to supply small use customers who request supply, subject to the limitations specified in those regulations.

The Energy Operators (Powers) Act 1979 includes powers for the Governor to approve By-Laws to regulate the retail tariffs, fees and charges that Horizon Power and Synergy can charge customers. Small use customers, who request supply from Synergy and Horizon Power, must be offered a standard form contract which includes the regulated tariffs. Small use customers supplied by Horizon Power and Synergy have the option to contract at regulated tariffs under a standard form contract, or may seek to negotiate a separate non-standard supply contract.

The other four electricity retailers (Alinta Energy, Clear Energy, Perth Energy and Rottnest Island Authority) who supply small use customers are not obliged to offer to supply, nor to offer regulated tariffs. However, under the *Electricity Industry (Customer Contracts) Regulations 2005* these retailers are required to make pricing information available to customers in their standard form contract.

Gas

Retailers who supply gas to small use customers are required to develop a standard form contract. The standard form contract must be approved by the ERA. The ERA will only approve a standard form contract if it considers that the contract meets all relevant legal and regulatory requirements.

A retailer and customer may also negotiate terms and conditions different from the retailer's standard form contract. This is referred to as a non-standard contract. Although a non-standard contract does not require ERA's approval, it must still comply with the relevant legislation.

The Energy Coordination (Gas Tariffs) Regulations 2000 require retailers who wish to supply customers in the areas supplied by the ATCO Gas Australia distribution networks (that cover over 99% of gas customers in the State) to have at least one capped tariff for

[45] The most recent version of the Gas Manual was published in March 2013.

the supply area. The regulations also require retailers to offer to supply a new customer under a standard form contract at a capped tariff.

Supplier of Last Resort

Under section 68(1) of the Electricity Act, the ERA can designate supply areas for which there is to be an electricity supplier of last resort (**SoLR**) plan. In the event that a licensed electricity retailer exits the market and is unable to supply existing customers, the nominated SoLR is required to supply electricity to affected customers. The SWIS has been designated a SoLR area, with Synergy nominated as the SoLR.

Under Part 2A, Division 6A of the Gas Act, the ERA must ensure that for each gas supply area in which there is small use customers, there is at all times a last resort supply plan that has been approved or determined by the ERA. The ERA may designate any holder of a gas trading licence in the supply area as a SoLR. At present, no retailer has been nominated by the ERA as a SoLR. The nomination of a SOLR in the areas supplied through the ATCO Gas Australia distribution network is under review following the entry of Wesfarmers into these markets.

Review of the Electricity Customer Code

Under section 88 of the Electricity Act, the Electricity Code Consultative Committee (**ECCC**) must carry out a review of the Electricity Customer Code as soon as practicable after the first anniversary of its commencement and then every two years. The ECCC has completed reviews of the Electricity Customer Code in 2007, 2009, 2011 and 2013. The 2013 review concluded on 4 June 2014, and the new Code came into effect from 1 July 2014.

Review of the Gas Compendium and the Gas Marketing Code of Conduct

Gas Marketing Code of Conduct

Under section 11ZPM of the Gas Act, the ERA may, in consultation with the Gas Marketing Code of Conduct Committee (**GMCCC**), approve a code of conduct to regulate and control the conduct of the holders of trading licences and gas marketing agents, with the object of protecting customers from undesirable marketing conduct and defining standards of conduct in the marketing of gas to customers. The code of conduct is called the Gas Marketing Code of Conduct (**Marketing Code**).

Under section 11ZPV of the Gas Act, the GMCCC must carry out a review of the Marketing Code as soon as practicable after the first anniversary of its commencement and then every two years. The GMCCC has previously carried out reviews of the Marketing Code in 2008 and 2011.

The most recent review of the Marketing Code was undertaken by the GMCCC between June 2013 and November 2013. The ERA approved the new Marketing Code on 26 November 2013, which commenced on 1 January 2014.

Gas Compendium

The Gas Compendium contains licence conditions made by the ERA under section 11(M)(1) of the Gas Act. The Gas Compendium forms Schedule 2 of gas trading licences.

In 2009, the ERA introduced the Gas Compendium into the licences of retailers who supply small use customers to ensure these customers received, where possible, protection equal to that provided for electricity customers under the Electricity Customer Code. This objective is realised by the combination of the Gas Compendium and the Marketing Code, with the latter being inserted into Part 2 of the Gas Compendium.

On 7 November 2014, the ERA approved a new version of the Gas Compendium, which is scheduled to commence on 1 January 2015.

Appendix 2: The development of the Western Australian energy market

Historically, the Western Australian energy sector for small use customers has been dominated by government owned monopoly utilities. The State Energy Commission of Western Australia (**SECWA**) was established on 1 January 1975 as an amalgamation of the State Electricity Commission of Western Australia (established in 1945) plus the Fuel and Power Commission.

On 1 January 1995 SECWA was split into separate gas and electricity utilities: AlintaGas and Western Power Corporation. Both of these entities have subsequently been disaggregated further into businesses that focus on particular segments of the market. The following sections provide further details of the disaggregation in the electricity and gas markets.

Electricity market development

In 2006, the Government restructured Western Power Corporation into four new statutory Corporations:

- Electricity Networks Corporation (t/a Western Power): operates the transmission and distribution network in the South West Interconnected System;
- Electricity Retail Corporation (t/a Synergy): retails electricity within the SWIS;
- Regional Power Corporation (t/a Horizon Power): vertically integrated electricity business that operates in areas of the State outside the SWIS; and
- Electricity Generation Corporation (t/a Verve Energy): operates the former Western Power generation facilities.

The restructuring of the former Western Power Corporation followed the deregulation of electricity supply in the State, with the passing into law of the Electricity Act.

On 1 January 2014, the state government merged the Electricity Retail Corporation with the Electricity Generation Corporation to create the Electricity Generation and Retail Corporation (t/a Synergy).

The Electricity Act includes provisions for the licensing of electricity supply and in particular, Part 2 of the Electricity Act sets out the provisions pertaining to the licensing scheme for electricity service providers. The Electricity Act prescribes five classes of electricity licence:

- Distribution – construct and operate electricity distribution networks.
- Generation – construct and operate electricity generation plant.
- Retail – sell electricity to customers.
- Transmission – construct and operate electricity transmission networks.
- Integrated Regional – undertake one or more of the activities listed above.

Details of electricity licences can be found on the ERA's website (www.erawa.com.au).

From 1 January 2005, the Government introduced measures to make all electricity customers within the SWIS who consume 50MWh or more of electricity per annum at a

network exit point eligible to choose their electricity retailer. This created two classes of small use customer in the SWIS:

- Contestable customers: consume 50-160MWh of electricity per annum.
- Non-contestable customers: consume <50MWh of electricity per annum.

Non-contestable customers in the SWIS are currently only supplied by the government owned electricity retailer, Synergy.[46]

Across the State, customers who consume more than 160MWh of electricity per annum are also contestable customers, but these customers are not covered by the Electricity Customer Code.

Electricity Retail Contestability

Section 55 of the *Electricity Corporations Act 2005* requires that the Government review the introduction of full retail contestability (**FRC**) by April 2009. The WA Office of Energy[47] undertook a review to assess:

- electricity tariff arrangements to make tariffs more cost reflective, promote competition and to examine the merits of time of use tariffs and critical peak pricing;
- the costs and benefits associated with the implementation of FRC in Western Australia; and
- the costs and benefits associated with the rollout of smart meters.

The Office of Energy stated that the rollout of smart meters and the introduction of FRC will be the subject of a separate consultation process to that used to assess electricity tariff arrangements.

In January 2009, the Office of Energy released its Final Recommendation Report on electricity tariffs.[48] The report recommended a move towards cost reflective electricity tariffs, commencing in 2009. Since the report was published regulated residential electricity tariffs have been increased by a total of 69.1% and small business tariffs have increased by 54.4%.[49] However, despite these increases in tariffs, most regulated electricity tariffs will remain below the cost of supply and will continue to be subsidised by Government. In the year ending 30 June 2013 the subsidy amounted to $371 million.[50]

Gas Retail Contestability

The Western Australian government introduced full retail contestability to the gas retail market on 31 May 2004. Unlike in electricity, all gas network infrastructure and gas retailing in Western Australia is being undertaken by privately owned businesses, with the exception of Synergy, which is government owned.

[46] In May 2010, Clear Energy was granted a licence to retail electricity to customers, including customers consuming less than 50MWh per annum, within the SWIS area. However, they have not supplied electricity to customers since the licence was granted.

[47] Now the Public Utilities Office.

[48] Office of Energy, Final Recommendations Report – Review of Electricity Tariff Arrangements, which is available on the Public Utilities Office website: www.finance.wa.gov.au.

[49] From 2012, retailers were also allowed to pass on any carbon costs they incurred to customers.

[50] Source: Public Utilities Office website: http://www.finance.wa.gov.au/cms/content.aspx?id=15096

Gas licensing is regulated by the Gas Act. Part 2A of the Gas Act deals with the licensing of gas supply. The functions of the ERA[51] in respect of licensing are to:

- administer the licensing scheme;
- monitor and report to the Minister for Energy on the operation of the licensing scheme and the compliance of licensees with their licences; and
- inform the Minister of any failure by a licensee to meet the requirements of its licence.

The Gas Act prescribes two classes of gas supply licence:

- Distribution - which authorises the licensee to construct a distribution system and transport gas through it, or to transport gas through an existing distribution system.
- Trading - which authorises the licensee to sell gas to small use customers that is transported through a distribution system.

Gas trading licences permit the retailer[52] to supply gas in one or more supply areas, or one or more parts of one or more supply areas. Details of the eight gas supply areas in the State are available on the ERA's website (www.erawa.com.au).

Gas Market Moratorium

Synergy entered the small use gas retail market in July 2007. This followed the changes to the Gas Market Moratorium (**Moratorium**)[53] that reduced the contestable customer consumption threshold applying to Synergy from 1TJ to 0.18TJ per annum. The purpose of the Moratorium is to provide equity, in the absence of full retail contestability,[54] between the small use electricity market in areas supplied by Synergy and the gas market in areas supplied by Alinta Energy.

All customers who consume less than 1TJ of gas are contestable customers. In the areas supplied by the ATCO Gas Australia distribution systems, the Moratorium prevents Synergy from supplying customers who consume less than 0.18TJ (or 180GJ) of gas. The Moratorium does not extend to other retailers supplying customers in the areas that are supplied by Alinta Energy.[55]

[51] Section 11AA of the Gas Act.

[52] For the purposes of this report, the terms 'gas trader' and 'gas retailer' are interchangeable.

[53] See the Public Utilities Office website: http://www.finance.wa.gov.au/cms/content.aspx?id=17541.

[54] As discussed earlier in this report, the Government introduced market reforms to the Western Australian gas retail market on 31 May 2004. These reforms included the introduction of practical full retail contestability. Achieving full retail contestability means that all of the legal and technical requirements are now in place to allow new gas companies to enter the marketplace, thereby providing retail choice for all gas customers in the State.

[55] Wesfarmers commenced supplying natural gas to customers in the areas supplied by the ATCO Gas Australia distribution systems in March 2013.

Appendix 3: Additional Retailer Performance Information

Customers

Table 28: Number of electricity customers by retailer

	Residential customers							Non-residential customers					
	2009	2010	2011	2012	2013	2014		2009	2010	2011	2012	2013	2014
Alinta Energy	0	0	0	0	0	0	Alinta Energy	922	903	1,447	1,449	1,351	1,967
Horizon Power	31,475	30,595	30,371	34,037	36,051	37,398	Horizon Power	5,905	7,249	7,159	7,939	8,050	9,235
Perth Energy	0	0	0	0	0	0	Perth Energy	374	568	32	68	171	229
Rottnest Island Authority[56]	91	85	85	0	0	0	RIA	100	90	90	25	25	26
Synergy	848,312	850,790	890,918	894,804	894,542	913,200	Synergy	84,315	91,366	91,763	87,650	98,389	99,408
State Total	**879,878**	**881,470**	**921,374**	**928,841**	**930,593**	**950,598**	**State Total**	**91,616**	**100,176**	**100,491**	**97,131**	**107,986**	**110,865**

Table 29: Number of gas customers by retailer

	Residential customers							Non-residential customers					
	2009	2010	2011	2012	2013	2014		2009	2010	2011	2012	2013	2014
Alinta Energy	584,035	603,943	615,717	628,328	624,314	635,893	Alinta Energy	8,024	8,191	8,359	8,468	8,355	8,282
Synergy	0	0	0	0	0	0	Synergy	98	112	119	112	141	79
Wesfarmers	812	433	455	535	8,212	21,697	Wesfarmers	19	2	1	1	20	232
EGDC	211	233	259	279	296	309	EGDC	31	33	34	31	36	33
State Total	**585,058**	**604,609**	**616,431**	**629,142**	**632,822**	**657,899**	**State Total**	**8,172**	**8,338**	**8,513**	**8,612**	**8,552**	**8,626**

[56] RIA informed the ERA that it had incorrectly reported customer numbers prior to 2012, which has resulted in significant changes to customer numbers from 2012 onwards.

Table 30: Contestable and non-contestable residential electricity customers by retailer

	Contestable						Non-contestable						
	2009	2010	2011	2012	2013	2014		2009	2010	2011	2012	2013	2014
Alinta Energy	0	0	0	0	0	0	Alinta Energy	0	0	0	0	0	0
Horizon Power	685	30,595	30,371	34,037	36,051	37,398	Horizon Power[1]	30,790	0	0	0	0	0
Perth Energy	0	0	0	0	0	0	Perth Energy	0	0	0	0	0	0
Synergy	4,844	4,227	1,095	1,749	333	315	Synergy	843,468	846,563	889,823	893,055	894,209	912,885
Rottnest Island Authority	0	0	0	0	0	0	Rottnest Island Authority	91	85	85	22[57]	0	0
State Total	**5,529**	**34,822**	**31,466**	**35,786**	**36,384**	**37,713**	**State Total**	**874,349**	**846,648**	**889,908**	**893,077**	**894,209**	**912,885**

Table 31: Customers covered by the Gas Moratorium in areas supplied through the ATCO distribution networks

	2009	2010	2011	2012	2013[58]	2104
Residential	583,655	603,687	615,454	628,084	624,122	656,759
Non-residential	7,684	6,340	6,513	6,496	6,541	6,503
Total	591,339	610,027	621,967	634,580	630,663	663,262
Change from previous year	-	3.2%	2.0%	2.0%	-0.6%	5.2%

[57] RIA has advised the ERA that it had misinterpreted the definition of a customer and this figure has been over reported during previous years.

[58] The 2013 data values are an estimate based on the data provided by Alinta Energy. Wesfarmers commenced supplying customers in the areas supplied by the ATCO distribution networks in March 2013. Some of the customers that they have acquired will be covered by the Moratorium.

Table 32: Contestable and non-contestable non-residential electricity customers by retailer

	Contestable						Non-contestable					
	2009	2010	2011	2012	2013	2014	2009	2010	2011	2012	2013	2014
Alinta Energy	922	903	1,447	1,449	1,351	1967	0	0	0	0	0	0
Horizon Power	1,116	1,375	1,354	7,939	8,050	9235	4,789	5,874	5,805	0	0	0
Perth Energy[59]	374	568	32	68	171	229	0	0	0	0	0	0
Synergy	12,213	9,032	8,781	7,849	7,173	6,767	72,102	82,334	82,982	79,801	91,216	92,641
Rottnest Island Authority	8	7	7	3	0	0	92	83	83	22	25[60]	26
State Total	**14,633**	**11,885**	**11,621**	**17,308**	**16,745**	**18,198**	**76,983**	**88,291**	**88,870**	**79,823**	**91,241**	**92,667**

[59] Previous reports incorrectly reported a zero value for Perth Energy's contestable customers. All of Perth Energy's non-residential customers are, in fact, contestable, which is reflected in this year's report.

[60] Rottnest Island is a marine reserve covered by legislation. Under the legislation, other retailers can only commence operation if approved by the Rottnest Island Authority. Because there are no other retailers approved to supply customers on the island, the ERA is of the view that the existing customers supplied by Rottnest Island Authority are non-contestable.

Affordability

Table 33: Residential energy customers issued with a bill outside of the prescribed timeframes (due to fault on the part of the retailer)

	Number						Percentage of customers					
	2009	2010	2011	2012	2013	2014	2009	2010	2011	2012	2013	2014
Electricity												
Horizon Power[61]					-	516					-	1.4
Synergy					12,231[62]	3,720					1.4	0.4
Gas												
Alinta Energy					9,256	8,080					1.5	1.3
Wesfarmers					0	220					0.0	1
EGDC					0	0					0.0	0.0

Table 34: Non-residential energy customers issued with bill outside of the prescribed timeframes

	Number						Percentage of customers					
	2009	2010	2011	2012	2013	2014	2009	2010	2011	2012	2013	2014
Electricity												
Horizon Power[63]					-	637					-	6.9
Synergy					6,397	1,749					6.5	1.8
Gas												
Alinta Energy					271	365					3.2	4.4
Wesfarmers					0	36					0.0	15.5
EGDC					0	3					0.0	9

[61] Horizon Power was not able to report separate values for residential and non-residential customers. The total number of late bills issued in 2013 was 19,655.

[62] There was an error in the data in the 2013 report, which stated 29,098 customers received late bills.

[63] Refer to the previous footnote.

Table 35: Residential energy customers on instalment plans

	Number						Percentage of customers					
	2009	2010	2011	2012	2013	2014	2009	2010	2011	2012	2013	2014
Electricity												
Horizon Power	1,371	1,134	566	1,848	3,084	3,622	4.4	3.7	1.9	5.4	8.6	9.7
Synergy	21,314	13,229	30,893	34,026	29,098	32,190	2.5	1.6	3.5	3.8	3.3	3.5
Electricity Total	**22,658**	**14,363**	**31,459**	**35,874**	**32,182**	**35,812**	**2.6**	**1.6**	**3.4**	**3.9**	**3.6**	**3.8**
Gas												
Alinta Energy	18,832	10,031	9,890	8,622	13,119	13,845	3.3	1.7	1.6	1.4	2.1	2.2
Wesfarmers	11	10	13	20	16	372	1.4	1.2	3.0	3.7	0.2	1.7
EGDC	18	17	15	48	4	10	8.5	8.1	6.4	17.2	1.4	3.2
Gas Total	**18,861**	**10,058**	**9,918**	**8,690**	**13,139**	**14,227**	**3.3**	**1.7**	**1.6**	**1.4**	**2.1**	**2.2**

Table 36: Non-residential energy customers on instalment plans

	Number						Per 100 customers					
	2009	2010	2011	2012	2013	2014	2009	2010	2011	2012	2013	2014
Electricity												
Alinta Energy	0	8	27	32	29	32	0.0	0.9	1.9	0.3	2.1	1.6
Horizon Power	59	286	98	120	197	236	1.0	3.9	1.4	2.8	2.4	2.6
Synergy	881	545	920	977	907	1,013	1.0	0.6	0.9	1.1	0.9	1.0
Perth Energy	0	0	0	0	0	1	0.0	0.0	0.0	0.0	0.0	0.4
Electricity Total	**940**	**839**	**1,045**	**1,129**	**1,133**	**1,282**	**1.0**	**0.8**	**1.0**	**0.9**	**1.0**	**1.2**
Gas												
Alinta Energy	44	44	23	25	31	34	0.6	0.5	0.3	0.3	0.4	0.4
Synergy	0	0	14	3	1	0	0.0	0.0	12.5	2.7	0.7	0.0
Wesfarmers	1	0	0	0	0	30	5.3	0.0	0.0	0.0	0.0	1.3
EGDC	0	0	0	0	0	0	0.0	0.0	0.0	0.0	0.0	0.0
Gas Total	**45**	**44**	**37**	**28**	**32**	**37**	**0.6**	**0.5**	**0.4**	**0.3**	**0.4**	**0.4**

Table 37: Residential and non-residential electricity customers who have been granted additional time to pay a bill

	Number						Per 100 customers					
	2009	2010	2011	2012	2013	2014	2009	2010	2011	2012	2013	2014
Residential												
Horizon Power	3,138	4,589	7,790	13,022	8,781	6,040	10.0	15.0	25.6	38.3	24.4	16.2
Synergy	68,158	82,223	96,148	90,262	87,601	80,264	8.0	9.7	10.8	10.1	9.8	8.8
Residential Total	**71,296**	**86,812**	**103,938**	**103,284**	**96,382**	**86,304**	**8.1**	**9.8**	**11.3**	**11.1**	**10.4**	**9.1**
Non-residential												
Alinta Energy	37	45	48	0	45	55	4.0	5.0	3.3	0.0	3.3	2.8
Horizon Power	212	736	1,372	1,573	1,420	964	3.6	10.2	19.2	19.8	17.6	10.4
Synergy	2,131	7,411	6,867	8,069	6,296	5,158	2.5	8.1	7.5	9.2	6.4	5.2
Perth Energy	0	0	0	0	0	5	0.0	0.0	0.0	0.0	0.0	2.2
Non-residential Total	**2,380**	**8,192**	**8,287**	**9,642**	**7,761**	**6,182**	**2.6**	**8.2**	**8.2**	**10.1**	**7.2**	**5.6**

Table 38: Residential and non-residential gas customers who have been granted additional time to pay a bill

	Number						Per 100 customers					
	2009	2010	2011	2012	2013	2014	2009	2010	2011	2012	2013	2014
Residential												
Alinta Energy					61,204	75,523					9.8	11.9
Wesfarmers					0	102					0.0	3.2
EGDC					20	10					6.8	0.5
Residential Total					**61,224**	**75.635**					**9.7**	**11.5**
Non-residential												
Alinta Energy					748	1,307					9.0	15.8
Synergy					130	0					92.2	0.0
Wesfarmers					0	17					0.0	7.3
EGDC					2	0					5.6	0.0
Non-residential Total					**880**	**1,324**					**10.3**	**15.3**

Table 39: Residential and non-residential energy customers with direct debit plans terminated as result of default

	2009		2010		2011		2012		2013		2014	
Electricity	**Residential**	**Non-residential**	**Residential**	**Non-residential**	**Residential**	**Non-residential**	**Residential**	**Non-residential**	**Residential**	**Non-residential**	**Residential**	**Non-residential**
Horizon Power	-	-	-	-	-	-	-	-	27	0	39	0
Synergy	202	8	2,087	93	3,925	100	4,164	134	5,093	169	5,707	206
Gas												
Alinta Energy	697	41	624	2	642	1	512	2	722	2	238	1
Synergy	0	0	0	1	0	0	0	0	0	1	0	0

Table 40: Residential and non-residential energy customers who have provided a security deposit

	2009		2010		2011		2012		2013		2014	
Electricity	**Residential**	**Non-residential**	**Residential**	**Non-residential**	**Residential**	**Non-residential**	**Residential**	**Non-residential**	**Residential**	**Non-residential**	**Residential**	**Non-residential**
Synergy	0	51	0	1	0	0	0	0	0	0	0	0
Gas	**Residential**	**Non-residential**	**Residential**	**Non-residential**	**Residential**	**Non-residential**	**Residential**	**Non-residential**	**Residential**	**Non-residential**	**Residential**	**Non-residential**
Synergy	-	-									0	0

Disconnections and Reconnections

Table 41: Residential energy customers disconnected for a failure to pay a bill

	Number						Per 100 customers					
	2009	2010	2011	2012	2013	2014	2009	2010	2011	2012	2013	2014
Electricity												
Horizon Power	615	604	664	328	424	1132	1.95	1.97	2.19	0.96	1.18	3.03
Synergy	4,188	2,744	7,631	7,723	6,322	8,103	0.49	0.32	0.86	0.86	0.71	0.89
Electricity Total	**4,803**	**3,348**	**8,295**	**8,051**	**6,746**	**9,235**	**0.55**	**0.38**	**0.90**	**0.87**	**0.72**	**0.97**
Gas												
Alinta Energy	16,803	17,223	10,841	9,557	10,712	9,930	2.88	2.85	1.76	1.52	1.72	1.56
Wesfarmers	-	-	-	-	7	229	-	-	-	-	0.09	1.06
EGDC	2	9	7	0	5	6	0.95	3.86	2.70	0.00	1.69	1.94
Gas Total	**16,805**	**17,232**	**10,848**	**9,557**	**10,724**	**10,165**	**2.87**	**2.85**	**1.76**	**1.52**	**1.69**	**1.55**

Table 42: Additional residential electricity disconnection indicators

	Number						Percentage of disconnections					
	2009	2010	2011	2012	2013	2014	2009	2010	2011	2012	2013	2014
Previously the subject of an instalment plan												
Horizon Power	165	138	214	135	169	489	26.8	22.8	32.2	41.2	39.9	43.2
Synergy	882	711	1,993	2,342	2,193	2,559	21.1	25.9	26.1	30.3	34.7	31.6
Total	**1,047**	**849**	**2,207**	**2,447**	**2,362**	**3,048**	**21.8**	**25.4**	**26.6**	**30.4**	**35.0**	**33**
Disconnected at the same supply address within the past 24 months												
Horizon Power	231	55	153	62	29	85	37.6	9.1	23.0	18.9	6.8	7.5
Synergy	550	200	858	1,546	1,170	1,284	13.1	7.3	11.2	20.0	18.5	15.8
Total	**781**	**255**	**1,011**	**1,608**	**1,199**	**1,369**	**16.3**	**7.6**	**12.2**	**20.0**	**17.8**	**14.8**
Concession card holders												
Horizon Power	114	19	68	57	48	291	18.5	3.1	10.2	17.4	6.8	25.7
Synergy	805	1,066	2,189	2,369	1,853	2,237	19.2	38.9	28.7	30.7	29.3	27.6
Total	**919**	**1,085**	**2,157**	**2,426**	**1,901**	**2,528**	**19.1**	**32.4**	**26.0**	**30.1**	**28.2**	**27.4**

Table 43: Additional residential gas disconnection indicators

	Number						Percentage of disconnections					
	2009	2010	2011	2012	2013	2014	2009	2010	2011	2012	2013	2014
Previously the subject of an instalment plan												
Alinta Energy	449	274	151	351	477	761	2.7	1.6	1.4	3.7	4.5	7.7
Wesfarmers	-	-	-	0	0	24	-	-	-	0.0	0.0	10.5
EGDC	2	1	0	0	0	0	100.0	11.1	0.0	0.0	0.0	0.0
Total	**449**	**275**	**151**	**351**	**477**	**327**	**2.7**	**1.6**	**1.4**	**3.7**	**4.5**	**7.7**
Disconnected at the same supply address within the past 24 months												
Alinta Energy	6,636	7,784	2,946	1,960	2,806	2,510	39.5	45.2	27.2	20.5	26.2	25.3
Wesfarmers	-	-	-	0	0	29	-	-	-	0.0	0.0	12.7
EGDC	-[64]	0	3	0	0	0	-	0.0	20.5	0.0	0.0	0.0
Total	**6,636**	**7,784**	**2,949**	**1,960**	**2,806**	**719**	**39.5**	**45.2**	**27.2**	**20.5**	**26.2**	**25**

Table 44: Inter-jurisdictional comparison of residential electricity disconnections (per 100 customers)

	New South Wales	South Australia	Victoria	Western Australia
2009	0.60	0.87	0.43	**0.55**
2010	0.60	0.66	0.59	**0.38**
2011	0.61	1.01	0.77	**0.90**
2012	0.80	1.35	1.02	**0.87**
2013	0.83	1.5	1.07	**0.72**
2014	1.03	1.37	1.47	**0.97**

[64] Data for 2009 has been removed from the table because of an error identified by the ERA.

Table 45: Non-residential energy customers disconnected for a failure to pay a bill

	Number						Per 100 customers					
	2009	2010	2011	2012	2013	2014	2009	2010	2011	2012	2013	2014
Electricity												
Alinta Energy	0	0	0	10	11	7	0.0	0.0	0.0	0.14	0.81	0.36
Horizon Power	33	132	19	11	7	38	0.56	1.82	0.27	0.15	0.09	0.41
Synergy	165	183	499	436	450	565	0.20	0.20	0.54	0.50	0.46	0.57
Perth Energy	0	0	0	0	0	4	0	0	0	0	0	1.75
Electricity Total	**198**	**315**	**518**	**459**	**468**	**614**	**0.22**	**0.31**	**0.51**	**0.47**	**0.43**	**0.55**
G a s												
Alinta Energy	132	158	86	97	132	141	1.65	1.93	1.03	1.15	1.58	1.70
Wesfarmers	-	-	-	0	0	1	-	-	-	0	0	0.43
Gas Total	**132**	**158**	**86**	**97**	**132**	**142**	**1.62**	**1.89**	**1.01**	**1.14**	**1.54**	**1.65**

Table 46: Residential energy customers reconnected at same supply address within 7 days of disconnection

	Number						Percentage of disconnections					
	2009	2010	2011	2012	2013	2014	2009	2010	2011	2012	2013	2014
Electricity												
Horizon Power	350	145	120	55	30	222	56.9	24.0	18.1	16.8	7.1	19.6
Synergy	1,173	718	4,366	4,530	4,022	5,280	28.0	26.2	57.2	58.7	63.6	65.2
Electricity Total	**1,523**	**863**	**4,486**	**4,585**	**4,055**	**5,502**	**31.7**	**25.8**	**54.1**	**56.9**	**60.1**	**59.6**
Gas												
Alinta Energy	13,153	11,028	2,615	3,236	4,144	3,568	78.3	64.0	24.1	33.9	38.7	35.9
Wesfarmers	-	-	-	-	4	101	-	-	-	-	57.1	44.1
EGDC	0	1	0	0	0	4	0.0	11.1	0.0	0.0	0.0	66.7
Gas Total	**13,153**	**11,029**	**2,615**	**3,236**	**4,148**	**3,673**	**78.3**	**64.0**	**24.1**	**33.9**	**38.7**	**36.1**

Table 47: Total residential energy customers reconnected at same supply address after disconnection

	Number						Percentage of disconnections					
	2009	2010	2011	2012	2013	2014	2009	2010	2011	2012	2013	2014
Electricity												
Horizon Power	-	-	-	-	95	237	-	-	-	-	22.4	20.9
Synergy	-	-	-	-	4,396	5,962	-	-	-	-	69.5	73.6
Electricity Total	**-**	**-**	**-**	**-**	**4,491**	**6,199**	**-**	**-**	**-**	**-**	**66.6**	**67.1**
Gas												
Alinta Energy	-	-	-	-	8,082	6,350	-	-	-	-	75.4	63.9
Wesfarmers	-	-	-	-	4	138	-	-	-	-	57.1	60.3
EGDC	-	-	-	-	0	5	**-**	**-**	**-**	**-**	0.0	83.3
Gas Total	**-**	**-**	**-**	**-**	**8,086**	**6,493**	-	-	-	-	**75.4**	**63.9**

Table 48: Additional residential electricity reconnection indicators

	Number						Percentage of disconnections					
	2009	2010	2011	2012	2013	2014	2009	2010	2011	2012	2013	2014
Previously the subject of an instalment plan												
Horizon Power	98	54	46	38	29	131	15.9	8.9	6.9	11.6	6.8	11.6
Synergy	445	566	1,805	2,073	1,984	2388	10.6	20.6	23.7	26.8	31.4	29.5
Total	**543**	**620**	**1,851**	**2,111**	**2,013**	**2,519**	**11.3**	**18.5**	**22.3**	**26.2**	**29.8**	**27.3**
Reconnected at the same supply address within the past 24 months												
Horizon Power	42	6	24	13	6	14	6.8	1.0	3.6	4.0	1.4	1.2
Synergy	133	111	544	1,048	1,033	1006	3.2	4.1	7.1	13.6	16.3	12.4
Total	**175**	**117**	**568**	**1,061**	**1,039**	**1020**	**3.6**	**3.5**	**6.8**	**13.2**	**15.4**	**11**
Concession card holders												
Horizon Power	96	6	21	14	10	74	15.6	1.0	3.2	4.3	2.4	6.5
Synergy	530	681	1,512	1,565	1,567	1626	12.7	24.8	19.8	20.3	23.2	20.1
Total	**626**	**687**	**1,533**	**1,579**	**1,577**	**1,700**	**13.0**	**20.5**	**18.5**	**19.6**	**23.4**	**18.4**

Table 49: Additional residential gas reconnection indicators

	Number						Percentage of disconnections					
	2009	2010	2011	2012	2013	2014	2009	2010	2011	2012	2013	2014
Previously the subject of an instalment plan												
Alinta Energy	230	284	147	156	231	318	1.4	1.7	1.4	1.6	2.2	3.2
Wesfarmers	-	-	-	-	0	8	-	-	-	-	0.0	3.5
EGDC	0	1	0	0	0	1	0	11.1	0.0	0.0	0.0	16.7
Total	**230**	**285**	**147**	**156**	**231**	**327**	**1.4**	**1.7**	**1.4**	**1.6**	**2.2**	**3.2**
Disconnected at the same supply address within the past 24 months												
Alinta Energy	5,640	2,546	573	491	825	700	33.6	14.8	5.3	5.1	7.7	7
Wesfarmers	-	-	-	-	0	18	-	-	-	-	0.0	7.9
EGDC	1	0	0	0	0	1	50	0.0	0.0	0.0	0.0	16.7
Total	**5,641**	**2,546**	**573**	**491**	**825**	**719**	**33.6**	**14.8**	**5.3**	**5.1**	**7.7**	**7.1**

Table 50: Non-residential energy customers reconnected at same supply address within 7 days of disconnection

	Number						Percentage of disconnections					
	2009	2010	2011	2012	2013	2014	2009	2010	2011	2012	2013	2014
Electricity												
Alinta Energy	0	0	0	9	1	5	0.0	0.0	0.0	81.8	9.1	71.4
Horizon Power	9	44	1	1	0	5	27.3	33.3	5.3	8.3	0.0	13.2
Synergy	39	49	218	154	193	256	23.6	26.8	43.7	35.3	42.9	45.3
Perth Energy	0	0	0	0	0	4	0	0	0	0	0	100
Electricity Total	**48**	**93**	**219**	**164**	**194**	**270**	**24.2**	**29.5**	**42.3**	**35.7**	**41.5**	**44**
Gas												
Alinta Energy	42	67	41	31	58	53	31.8	42.4	47.7	32.0	43.9	37.6
Gas Total	**42**	**67**	**41**	**31**	**58**	**53**	**31.8**	**42.4**	**47.7**	**32.0**	**43.9**	**37.3**

Table 51: Total non-residential energy customers reconnected at same supply address after disconnection

	Number						Percentage of disconnections					
	2009	2010	2011	2012	2013	2014	2009	2010	2011	2012	2013	2014
Electricity												
Alinta Energy	-	-	-	-	1	5	-	-	-	-	9.1	71.4
Horizon Power	-	-	-	-	0	15	-	-	-	-	0.0	39.5
Synergy	-	-	-	-	222	322	-	-	-	-	49.3	57
Perth Energy	-	-	-	-	0	4						100
Electricity Total	**-**	**-**	**-**	**-**	**223**	**346**	**-**	**-**	**-**	**-**	**47.6**	**56.4**
Gas												
Alinta Energy	-	-	-	-	96	83	-	-	-	-	72.7	58.9
Wesfarmers	-	-	-	-	0	1						100
Gas Total	**-**	**-**	**-**	**-**	**96**	**84**	**-**	**-**	**-**	**-**	**72.7**	**59.2**

Customer Complaints

Table 52: Residential energy complaints

	Number						Per 100 customers					
	2009	2010	2011	2012	2013	2014	2009	2010	2011	2012	2013	2014
Electricity												
Horizon Power	124	174	100	133	382	268	0.39	0.57	0.33	0.39	1.06	0.72
Synergy	1,903	8,432	13,403	7,144	3,635	2,694	0.22	0.99	1.50	0.80	0.41	0.30
Electricity Total	**2,027**	**8,606**	**13,503**	**7,277**	**4,017**	**2,962**	**0.23**	**0.98**	**1.47**	**0.78**	**0.43**	**0.31**
Gas												
Alinta Energy	529	964	1,298	968	996	892	0.09	0.16	0.21	0.15	0.16	0.14
Wesfarmers	0	0	0	2	44	197	0.00	0.00	0.00	0.37	0.54	0.91
EGDC	0	1	0	0	0	0	0.00	0.43	0.00	0.00	0.00	0.00
Gas Total	**529**	**965**	**1,298**	**970**	**1,040**	**1,089**	**0.09**	**0.16**	**0.21**	**0.15**	**0.16**	**0.17**

Table 53: Residential electricity complaints by complaint category

	Billing (%)						Marketing (%)					
	2009	2010	2011	2012	2013	2014	2009	2010	2011	2012	2013	2014
Horizon Power	51.6	36.2	42.0	63.2	88.7	83.6	0.8	0.0	0.0	0.0	0.0	0.4
Synergy	83.8	89.1	94.3	83.0	83.9	88.8	8.5	1.5	1.3	5.6	13.7	8.4
	Transfer (%)						**Other (%)**					
	2009	2010	2011	2012	2013	2014	2009	2010	2011	2012	2013	2014
Horizon Power	0.0	0.0	0.0	0.0	0.0	1.1	47.6	63.8	58.0	36.8	11.3	14.9
Synergy	0.0	0.0	0.0	0.4	0.0	0.9	7.7	9.4	4.4	11.0	0.03	1.9

Table 53: Residential gas complaints by complaint category

	Billing (%)						Marketing (%)					
	2009	2010	2011	2012	2013	2014	2009	2010	2011	2012	2013	2014
Alinta Energy	32.5	39.5	41.4	47.3	70.9	66.4	1.9	1.6	1.3	1.9	3.1	4.7
Wesfarmers	-	-	-	50.0	6.8	35.5	-	-	-	0.0	56.8	54.4
	Transfer (%)						**Other (%)**					
	2009	2010	2011	2012	2013	2014	2009	2010	2011	2012	2013	2014
Alinta Energy	0.0	0.0	0.0	0.0	0.0	0.0	65.6	58.9	57.3	50.8	26.0	28.9
Wesfarmers	-	-	-	0.0	11.4	6.6	-	-	-	50.0	25.0	33.5

Table 54: Non-residential energy complaints

	Number						Per 100 customers					
	2009	2010	2011	2012	2013	2014	2009	2010	2011	2012	2013	2014
Electricity												
Alinta Energy	4	6	6	17	13	10	0.43	0.66	0.41	0.11	0.96	0.51
Horizon Power	25	4	37	4	87	54	0.42	0.06	0.41	0.05	1.08	0.58
Perth Energy	1	1	0	1	1	0	0.27	0.18	0.00	0.14	0.58	0.00
Rottnest Island Authority	1	0	0	1	0	6	1.00	0.00	0.00	0.40	0.00	23.08
Synergy	127	832	1,865	1,182	425	349	0.15	0.91	2.03	1.35	0.43	0.35
Electricity Total	**158**	**843**	**1,908**	**1,205**	**526**	**419**	**0.17**	**0.84**	**1.90**	**1.24**	**0.49**	**0.38**
Gas												
Alinta Energy	0	4	5	14	33	6	0.00	0.05	0.06	0.17	0.39	0.07
Synergy	0	14	1	0	0	0	0.00	12.50	0.84	0.00	0.00	0.00
Gas Total	**0**	**18**	**6**	**14**	**33**	**6**	**0.00**	**0.22**	**0.07**	**0.16**	**0.39**	**0.07**

Table 55: Non-residential electricity complaints by complaint category

	Billing (%)						Marketing (%)					
	2009	2010	2011	2012	2013	2014	2009	2010	2011	2012	2013	2014
Alinta Energy	100.0	50.0	83.3	100.0	100.0	70.0	0.0	33.3	16.7	0.0	0.0	30.0
Horizon Power	52.0	50.0	43.3	50.0	86.2	92.6	0.0	0.0	0.0	0.0	0.0	0.0
Perth Energy	100.0	100.0	0.0	100.0	100.0	-	0.0	0.0	0.0	0.0	0.0	-
Rottnest Island Authority	0.0	0.0	0.0	100.0	0.0	100.0	0.0	0.0	0.0	0.0	0.0	0.0
Synergy	93.7	88.3	95.2	83.0	91.8	91.8	1.1	1.2	1.3	5.6	4.9	9.8
	Transfer (%)						Other (%)					
	2009	2010	2011	2012	2013	2014	2009	2010	2011	2012	2013	2014
Alinta Energy	0.0	0.0	0.0	0.0	0.0	0.0	0.0	16.7	0.0	0.0	0.0	0.0
Horizon Power	0.0	0.0	0.0	0.0	0.0	0.0	48.0	50.0	56.7	50.0	13.8	7.4
Perth Energy	0.0	0.0	0.0	0.0	0.0	-	0.0	0.0	0.0	0.0	0.0	-
Rottnest Island Authority	0.0	0.0	0.0	0.0	0.0	0.0	100.0	0.0	0.0	0.0	0.0	0.0
Synergy	0.0	0.0	0.1	0.4	0.0	2.0	5.5	10.6	3.4	11.0	3.3	2.0

Table 56: Non-residential gas complaints by complaint category

	Billing (%)						Marketing (%)					
	2009	2010	2011	2012	2013	2014	2009	2010	2011	2012	2013	2014
Alinta Energy	0.0	0.0	60.0	71.4	56.7	83.3	0.0	0.0	20.0	21.4	3.3	16.7
Synergy	0.0	57.1	100.0	0.0	0.0	-	0.0	0.0	0.0	0.0	0.0	-
	Transfer (%)						Other (%)					
	2009	2010	2011	2012	2013	2014	2009	2010	2011	2012	2013	2014
Alinta Energy	0.0	0.0	0.0	0.0	0.0	0.0	0.0	100.0	20.0	7.1	40.0	0.0
Synergy	0.0	0.0	0.0	0.0	0.0	-	0.0	42.9	0.0	0.0	0.0	-

Table 57: Complaints from residential energy customers resolved within 15 business days

	Number						Percentage of complaints					
	2009	2010	2011	2012	2013	2014	2009	2010	2011	2012	2013	2014
Electricity												
Horizon Power		174	100	133	205	165		100.0	100.0	100.0	53.7	61.6
Synergy		6,793	5,672	5,097	3,632	2,539		80.6	42.3	71.4	99.9	94.2
Gas												
Alinta Energy	-	964	1,298	948	874	805	-	100.0	100.0	97.9	87.8	90.2
Wesfarmers	-	-	-	2	44	194	-	-	-	100.0	100.0	98.5
EGDC	-	0	-	-	-	-	-	0.0	-	-	-	-

Table 58: Complaints from non-residential energy customers resolved within 15 business days

	Number						Per 100 customers					
	2009	2010	2011	2012	2013	2014	2009	2010	2011	2012	2013	2014
Electricity												
Alinta Energy	-	1	6	16	13	9	-	16.7	100.0	94.1	100.0	90.0
Horizon Power		4	37	4	39	34		100.0	100.0	100.0	44.8	63.0
Perth Energy	-	1	-	1	1	-	-	100.0	-	100.0	100.0	-
Rottnest Island Authority	-	-	-	1	-	4	-	-	-	100.0	-	66.7
Synergy	-	587	603	720	425	313	-	69.6	32.3	60.9	71.4	89.7
Gas												
Alinta Energy	-	4	5	13	30	5	-	100.0	100.0	92.9	90.9	83.3
Synergy	-	9	1	-	-	-	-	64.3	100.0	-	-	-
Wesfarmers		-	-	-	-	-	-	-	-	-	-	-
EGDC	-	-	-	-	-	-	-	-	-	-	-	-

Call Centre Performance

Table 59: Total number of calls received by energy retailer call centres

	2009	2010	2011	2012	2013	2014
Electricity						
Alinta Energy	2,681	2,173	2,452	2,462	2,728	2.828
Horizon Power	94,018	89,200	71,215	82,587	103,301	99,347
Rottnest Island Authority	-	1,027	5,272	5,840	6,173	4,850
Synergy	919,948	1,257,153	1,439,432	1,315,881	1,223,000	1,132,395
Electricity Total	**1,012,009**	**1,349,553**	**1,518,371**	**1,406,770**	**1,335,202**	**1,239,420**
Gas						
Alinta Energy (Gas)	606,063	727,524	720,439	686,935	696,694	735,884
Wesfarmers	179,119	172,080	190,764	214,280	220,710	235,698
Gas Total	**785,182**	**899,604**	**911,203**	**901,215**	**917,404**	**971,582**

Table 60: Average duration before a call is answered and the percentage of calls that are answered within 30 seconds

	Average duration before a call is answered (seconds)						Percentage answered within 30 seconds					
	2009	2010	2011	2012	2013	2014	2009	2010	2011	2012	2013	2014
Electricity												
Alinta Energy	12.0	19.0	22.0	19.0	17.0	22.0	84.3	77.8	73.3	76.6	88.7	75.2
Horizon Power	10.0	34.0	20.0	18.0	35.5	25.7	90.9	83.4	88.0	88.5	75.9	81.5
Rottnest Island Authority	-	21.0	16.0	12.0	13.0	12.0	-	94.6	97.3	95.0	81.2	90.8
Synergy	23.0	52.0	54.0	35.0	22.8	17.8	78.7	72.0	70.2	74.8	79.9	81.8
Gas												
Alinta Energy	25.0	29.0	29.0	27.0	18.0	20.0	80.9	77.8	78.5	80.0	82.8	79.7
Wesfarmers	13.0	13.0	21.0	28.0	19.0	21.0	80.0	93.1	79.1	66.3	82.4	77.8

Table 61: Percentage of unanswered calls

	Percentage of unanswered calls					
	2009	2010	2011	2012	2013	2014
Electricity						
Alinta Energy	1.4	1.1	1.1	3.1	1.0	2.3
Horizon Power	0.3	1.7	1.7	1.6	2.6	2.0
Rottnest Island Authority	-	1.4	3.6	5.0	2.1	2.7
Synergy	2.4	3.6	4.0	3.2	2.1	1.1
Gas						
Alinta Energy	1.3	1.7	4.2	2.4	1.8	3.0
Wesfarmers	1.1	0.4	1.1	3.7	2.2	2.2