



# Notice

19 July 2018

## Type 1 licence contraventions

### ATCO GAS AUSTRALIA PTY LTD

ATCO Gas Australia Pty Ltd has contravened its [gas distribution licence GDL8](#) by disconnecting two residential customers on a day before a public holiday for non-payment of a bill. ATCO notified the Economic Regulation Authority (ERA) of the contravention on 3 July 2018.

ATCO's gas distribution licence requires it to comply with the [Compendium of Gas Customer Licence Obligations](#). Clause 7.6(2)(b) of the Compendium prohibits a distributor from disconnecting a customer any time after 3pm on Monday to Thursday, or on a Friday, Saturday, public holiday or on the day before a public holiday.

The ERA classifies clause 7.6(2)(b) as a Type 1 licence obligation, because a disconnection under these circumstances can cause major disruption to a customer. The licensee must report Type 1 breaches to the ERA as soon as they become known.

### Details of the contraventions

At the request of the retailer, ATCO disconnected the two residential customers on 25 January 2018 and 24 April 2018 respectively for failure to pay a bill. On both occasions, the disconnection occurred the day before a public holiday.

In both instances, the retailer had made two earlier requests to ATCO to disconnect the customer, but ATCO was unable to disconnect the customer due to difficulties accessing the meter box.

ATCO did not receive any complaints about the disconnections, or requests to be reconnected.

### Reasons for the contraventions

Staff performing the disconnections failed to identify that the day nominated for disconnection was the day before a public holiday. ATCO informed the ERA that disconnection jobs issued to staff normally include a reminder notice not to disconnect the customer on particular days or times, including the day before a public holiday.

On the two occasions that ATCO breached the Compendium, reminder notices were not issued to its staff.

### Remedial and preventative action taken by ATCO

ATCO has implemented two changes to its disconnection processes to prevent the contravention reoccurring:

- A communication every six months to remind staff of ATCO's obligations when disconnecting a customer.
- A monthly monitoring program to check the date and time of completed disconnection jobs.

In further correspondence with the ERA, ATCO also advised that it intends to update its 'planning work instructions' (operating procedures) to make disconnection requirements more explicit.

## **The ERA's response to the contraventions**

ATCO has a very good compliance record with Type 1 licence obligations. These are the first Type 1 licence contraventions by ATCO in over four years, and ATCO performed more than 13,000 disconnections in 2017/18.

ATCO has also advised the ERA that it expects to be fully compliant with its disconnection obligations following implementation of the process changes outlined above.

These two contraventions highlight the importance of ensuring a network operator's disconnection processes include all relevant requirements, and staff are provided with suitable, ongoing training.

The ERA is concerned that it took until 3 July 2018 for ATCO to identify licence contraventions that occurred in January and April 2018. The ERA has asked ATCO to review its licence compliance monitoring processes to ensure Type 1 licence contraventions are identified when they occur.

After considering the cause of the contraventions, the actions taken by ATCO to address it, and ATCO's compliance history with Type 1 licence obligations, the ERA has decided not to take any further action on this matter.

For further information contact:

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