



Media Statement

20 December 2023

Annual data reports show energy retailer and distributor performance trends

The Economic Regulation Authority has published <u>two annual data reports</u> showing the trends in energy retailers and distributors' performance since 2017.

Retailers

Fewer residential customers are in hardship programs, decreasing by 2.4 per cent for electricity customers and 9.9 per cent for gas customers.

However, average bill debt for those in hardship programs increased, indicating that customers are finding it increasingly difficult to pay their electricity bills. Average bill debt for electricity customers entering a hardship program is now \$1,197, an increase of 50 per cent.

There was a 12 per cent increase in the number of residential electricity customers and a 134 per cent increase in the number of gas customers disconnected for non-payment, attributed to electricity and gas suppliers resuming disconnections for non-payment following a halt in disconnections during COVID. Retailers have improved customer assistance and hardship programs to facilitate access to energy as an essential service for all Western Australians, without which disconnection rates may have been higher. This year's retailers report includes new information on pre-payment meter disconnections, service standard payments to customers and family violence obligations.

Chair Steve Edwell said, "The new protections the ERA introduced to the Electricity Code have now come into effect and we're currently reviewing similar protections for gas customers to apply from July 2024. This provides vital support to residential customers facing payment challenges or family and domestic violence so they can continue to access energy as an essential service."

Distributors

The distributors report shows reliability generally improved over 2022/23 – when excluding outages relating to significant weather events. The data shows Western Power's outages fell 46.5 per cent overall, and 54.5 per cent for electricity customers in rural areas. However, outage frequency and duration remain higher than the service standard benchmarks for the CBD and Rural Short System Average Interruption Frequency Index (SAIFI) set in Western Power's access arrangement.

Chair Steve Edwell said, "We have a focus on improving regional reliability and we have set strong service standard benchmarks for Western Power to meet in its current access arrangement. The ERA is closely monitoring Western Power's performance against the benchmarks, as demonstrated in our recent publication of <u>Western Power's 2022/23 Service Standard Performance Report</u>."

More Horizon Power customers experienced electricity outages compared to the previous year due to ex-tropical cyclone Ellie and Horizon Power saw a 93 per cent increase in complaints about power

quality and reliability as a result. In contrast, Western Power and Horizon Power recorded reductions in complaints about customer protection and services.

ATCO is the predominant gas distributor in Western Australia. Very few gas customers experienced a supply interruption, however complaints to ATCO about network charges and cost rose significantly since 2020.

Performance reporting obligations apply only to distributors supplying small use customers. These are residential and small business customers consuming less than 160 megawatt hours of electricity or one terajoule of gas a year.

These reports provide data for a series of indicators over the past six years, covering the COVID-19 pandemic period. Care should be taken when drawing comparisons between the years. The short-term effect of factors such as weather events, disconnections moratoriums or additional concession payments from Government may skew longer term trends.

About the ERA

The ERA is Western Australia's independent economic regulator. We aim to benefit all Western Australians by promoting strong economic outcomes through effective regulation and decision making. We strive to make sure current and future consumers pay no more than necessary for safe and reliable utilities.

For further information contact:

Danielle Asarpota Manager Strategic Communications Ph: +61 428 859 826 media@erawa.com.au

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