





16 November 2016

# **Type 1 Licence Contravention**

# **REGIONAL POWER CORPORATION (T/A HORIZON POWER)**

Horizon Power contravened its electricity licence on 28 September 2016 by disconnecting a customer outside of the prescribed timeframe.

On 3 November 2016,<sup>1</sup> Horizon Power notified the Economic Regulation Authority (**ERA**) about a contravention of clause 7.6(2)(b) of the *Code of Conduct for the Supply of Electricity to Small Use Customers*. The clause prescribes the times when electricity distributors are not allowed to disconnect customers from supply. The ERA has classified breach of this clause as a Type 1 (immediately reportable) licence obligation, because disconnection outside of office hours can be a major disruption to a customer.

## **Details of the Contravention**

The contravention occurred on Wednesday 28 September 2016. Horizon Power disconnected one customer in the Kimberley community of Looma after the 3pm deadline prescribed by clause 7.6(2). Horizon Power reported that the contravention occurred because a staff member cleared the order at 3:36pm and an automated disconnection took place immediately.

### Remedial and Preventative Action taken by Horizon Power

Horizon Power reported that it has a fully automated system to prevent such occurrences, but this contravention revealed a gap in the system, where disconnection orders referred to staff for review could take place outside of allowed timeframes. Horizon Power has advised that it is implementing measures to prevent re-occurrence and expects to be compliant with clause 7(6)(2)(b) from 9 November 2016.

### The ERA's Response to the Contravention

The ERA considers the effect of the contravention was limited, as Horizon Power had scheduled the disconnection of the customer a day earlier than the disconnection took place. The disconnection was due to non-payment of bills and the customer remains disconnected. After considering these factors, the ERA decided not to take any further action against Horizon Power.

For further information contact:

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<sup>&</sup>lt;sup>1</sup> Horizon Power notified the ERA by phone and email on 3 November 2016 as per the ERA's *Electricity Compliance Reporting Manual* requirements. Horizon Power provided a more detailed report to the ERA on 11 November 2016.