



# Notice

21 May 2018

## Type 1 licence contravention

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

Horizon Power has contravened its electricity licence by disconnecting a business customer for non-payment of a bill outside the permitted times.

On 1 May 2018, Horizon Power notified the Economic Regulation Authority (ERA) that it contravened clause 7.6(2)(b) of the *Code of Conduct for the Supply of Electricity to Small Use Customers 2016* (Code) when it disconnected a business customer on a day before a public holiday. This clause does not allow electricity distributors to disconnect customers from supply on the day before a public holiday, subject to certain exclusions.<sup>1</sup>

The ERA has classified this clause as a Type 1 licence obligation, as disconnection under these circumstances can cause major disruption to a customer. Type 1 breaches are reportable by the licensee to the ERA as soon as they become known.

#### Details of the contravention

On 24 April 2018, Horizon Power disconnected a business customer in Port Hedland for non-payment of a bill. The Anzac Day public holiday was on the following day, 25 April 2018.

The business customer was manually disconnected because it had a CT meter, which does not communicate with Horizon Power's advanced meter infrastructure network.

Horizon Power said that the contravention occurred because a manual check of the disconnection service order to ensure compliance with the Code requirements was not performed. The advanced meter infrastructure network uses an automated disconnection process that ensures scheduled automatic disconnections only occur during the times permitted under the Code.

Horizon Power said that the premises was reconnected on 26 April 2018 following contact from the customer who advised the arrears had been paid. Horizon Power advised that it had paid the prescribed service standard payment for wrongful disconnection to the customer.

#### Remedial and preventative action taken by Horizon Power

Horizon Power said that a process rule is now in place to ensure all manual service orders explicitly include reference to Code requirements about public holidays. In addition, Horizon Power will provide training to all teams involved with the disconnection process to ensure they have an understanding of the Code requirements.

#### The ERA's response to the contravention

After considering the cause of this contravention, and the actions taken by Horizon Power to address it, the ERA has decided not to take any further action against Horizon Power.

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<sup>1</sup> The exclusions are in clauses 7.6(2)(b)(iv),(v) and (vi) of the Code. Horizon Power confirmed these clauses do not apply to the business customer in question.

For further information contact:

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