



Notice

25 September 2018

ATCO Gas Australia Pty Ltd

Type 1 licence contravention

ATCO Gas Australia Pty Ltd has contravened its [gas distribution licence GDL8](#) by disconnecting a residential customer after 3pm on Tuesday, 28 August 2018, for non-payment of a bill. ATCO notified the Economic Regulation Authority of the contravention on 14 September 2018.

ATCO's 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, after noon on Friday, or on Saturday, Sunday, public holiday or 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 contravention

At the request of the retailer, ATCO disconnected one residential customer on Tuesday, 28 August 2018 for failure to pay a bill. The disconnection occurred after 3pm in contravention of clause 7.6(2)(b)(i) of the Compendium.

ATCO reconnected the customer on 4 September 2018.

ATCO did not receive any complaints about the disconnection, or a request from the customer to be reconnected.

Reasons for the contravention

ATCO uses contracted staff to perform its disconnections. When ATCO issues disconnection jobs to its staff, it includes a reminder notice not to disconnect the customer on particular days or times, including after 3pm, Monday to Thursday.

ATCO advised the ERA that, on this occasion, a staff member ignored the reminder notice and performed the disconnection after 3pm.

Remedial and preventative action taken by ATCO

ATCO is of the view that its current controls are reasonable and effective, but will ask the contractor to review its processes and reaffirm its contractual obligation to meet ATCO's customer service standards.

The ERA's response to the contravention

This is ATCO's third Type 1 licence contravention in 2018. The previous two contraventions occurred because ATCO disconnected customers the day before a public holiday.

After considering the cause of the contravention, ATCO's actions to address it, and ATCO's compliance history, the ERA believes ATCO's proposed actions may not prevent re-occurrence of this type of contravention.

The ERA does not agree that ATCO's controls to prevent disconnections outside the permitted times are effective. ATCO is overly reliant on staff viewing the reminder notices when they are about to perform disconnections. The three Type 1 contraventions that have occurred this year show ATCO's disconnection process needs to do more to prevent disconnections being performed outside the permitted times.

The ERA has requested that ATCO implement stronger controls to prevent disconnections being performed outside of the permitted timeframes, and provide details of these controls to the ERA by 31 October 2018.

Further information

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