



Notice

18 May 2021

Type 1 licence contravention

Simply Energy

On 5 May 2021, IPower Pty Ltd and IPower2 Pty Ltd (trading as Simply Energy) notified the Economic Regulation Authority that it had contravened clause 7.6(1)(a) of the *Compendium of Gas Customer Licence Obligations* by disconnecting a customer's supply of gas for non-payment of a bill, despite the disconnection notice being directly related to a customer complaint.

The ERA has classified clause 7.6(1)(a) as a Type 1 licence obligation, as a 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 10 March 2021, Simply Energy disconnected a customer for non-payment of a bill despite the customer contacting Simply Energy in December 2020 to dispute the disconnection notice he had received.

Simply Energy stated that it had processes in place to ensure disconnections were compliant with the Compendium. In this instance the contravention occurred because an agent did not follow the disconnection process correctly.

The customer was reconnected on 15 March 2021 after Simply Energy was contacted by the customer.

Remedial and preventative action taken by Simply Energy

Simply Energy said that it had completed an investigation into this matter and identified agent error as the cause of the breach. In addition to disciplinary action and retraining of the agents involved, Simply Energy will also carry out a review of the disconnection process to prevent recurrence.¹

¹ The agent who took the complaint and the agent who arranged the disconnection.

The ERA's response to the contravention

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

Further information

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