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synergy

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Mr Paul Kelly
ECCC Chairman
c/o Level 6, Governor Stirling Tower
197 St Georges Terrace
PERTH WA 6000

Dear Paul

**REVIEW OF THE CODE OF CONDUCT FOR THE SUPPLY OF ELECTRICITY TO
SMALL USE CUSTOMERS**

Thank you for the opportunity to comment on the above.

Synergy's comments on the Electricity Code Consultative Committee's (ECCC) draft review report are provided in Attachment 1.

Synergy notes the comprehensive nature of the ECCC's draft report and commends the ECCC Secretariat for its work undertaken in that regard.

Yours sincerely

SIMON THACKRAY
MANAGER RETAIL REGULATORY & COMPLIANCE

Recommendation 1 – Commencement date

Supported. Synergy further recommends the ECCC secretariat considers a mechanism which enables a retailer to implement specific Code amendments prior to the commencement date, but in doing so, is not deemed to be acting in a manner which is inconsistent with existing code provisions.

Recommendation 2 – Definition of contestable customer

Supported.

Recommendation 3 – Definition of customer

Supported.

Recommendation 4 – Electronic means

Supported.

Recommendation 5 – Contract provision

Supported.

Recommendation 6 – Limits on information provision

Supported.

Recommendation 7 – Compliance with National Privacy Principles

Supported.

Recommendation 8 – Review of the Electricity Industry Metering Code / Customer Service Code

Synergy supports an independent review to determine the extent to which there are any regulatory gaps between the Metering Code (including Metering Code documents and the model service level agreement) and the Customer Service Code.

One of the key objectives of the Metering Code is to facilitate the operation of the Customer Service Code, specifically Part 4 - Billing. Further, one of the objectives of the Customer Service Code under section 79(2) of the *Electricity Industry Act 2004* (Act) is to regulate and control the conduct of the holder of a distribution licence by defining standards of conduct of in the supply of electricity to customers.

Given the undertaking of a meter read, provision of metering data, data accuracy and data disclosure is fundamental to preparing and issuing a customer's bill, Synergy considers it appropriate and timely for the Metering Code to be independently reviewed to ascertain the extent to which there are regulatory gaps between the two Codes and whether the Metering Code is facilitating the operation of the Customer Service Code, with respect to:

- Ownership, security and rights of access to data (clause 4.8).
- Meter reading (clause 5.3 and 5.4).
- Metering data provision (Division 5.2).
- Data quality (Division 5.3).
- Data disclosure (clause 7.6).
- Financial liability to the end use customer or retailer for the act or omission of a distributor (currently not addressed).

Synergy advocates the independent review being completed by 31 December 2009.

Recommendation 9 – Concession eligibility

Supported subject to clarifying that a retailer is not required to list each and every concession potentially available to the customer on the bill. This is not practical given space limitations. Synergy does however, support informing customers of the existence of concessions and advising them how to obtain further information regarding their eligibility.

Recommendation 10 – Bill estimates

No comment.

Recommendation 11 – Overcharging

Review of a bill

Under clause 4.18(2) of the Customer Service Code, if a retailer proposes to recover an amount undercharged as a result of an act or omission by the retailer or the distributor (including where a meter has been found to be defective), the retailer must, amongst other matters, limit the amount to be recovered to no more than the amount undercharged in the 12 months prior to the date on which the retailer notified the customer that the undercharging occurred.

Furthermore, the Customer Service Code also stipulates that where a customer has been overcharged as a result of an act or omission of a retailer or a distributor (including where a meter has been found to be defective), the retailer must use its best endeavours to inform the customer within 10 business days of becoming aware of the error and ask the customer for instructions as to how the amount is to be repaid by either crediting the account or repaying the amount to the customer – refer clause 4.19(2) of the Code.

A customer can be under or over charged for electricity, due to an act or omission by a distributor, in a number of ways including the following situations:

- A meter is faulty.
- A meter has not been programmed correctly.
- A meter has been installed at the wrong premises.
- A distributor has not advised a retailer that premises have been connected and supply is occurring.

Under the current provisions of the Customer Service Code, a retailer is financially liable for the actions of a distributor both in terms of under and over charging notwithstanding that the acts or omissions are, in the above situations, outside of its control.

The Customer Service Code however, makes no provision for the distributor to be liable to the customer or the retailer. Accordingly, Synergy advocates the review proposed to be undertaken in accordance with recommendation 8 considers and addresses this matter.

Overcharging

Supported. Since the release of the ECCC's report, the state government has announced residential tariff increases of 25% by 1 July 2009. Therefore, Synergy recommends the threshold amount of \$45 be increased to \$56.

Recommendation 12 – late payment fees

No comment.

Recommendation 13 – Consumer representation

Supported.

Recommendation 14 – Limits on disconnection

Supported.

Recommendation 15 – Correction of typographical error

Supported.

Recommendation 16 – Correction of typographical error

Supported.

Recommendation 17 – Provision of consumption data by a distributor

No comment.

Recommendation 18 – Service standard payment availability

Supported subject to a distributor paying the retailer's reasonable costs incurred in notifying customers of the availability of distributor service standard payments.

Recommendation 19 – National interpreter symbol

No comment.

Recommendation 20 – Customer service charter

Supported.

Recommendation 21 – Marketer complaints

No comment.

Recommendation 22 – Performance reporting

No comment.

Recommendation 23 – Performance reporting

Supported.

Recommendation 24 – Performance reporting

No comment.

Recommendation 25 – Service standard payments

Supported.

Other matters

Synergy recommends the ECCC consider:

- Amending clause 4.5(1)(a) to provide retailers with an ability to specify the supply period (i.e. metering period) or the date of the current meter reading.
- Amending clause 4.5(1)(z) to reflect the change to clause 10.11(2) i.e. inclusion of the National Interpreter Symbol
- Amending clause 4.8(1)(c) to refer to a customer's ability to request a verification of a meter reading in addition to a request for a meter reading.
- Amending clause 13.12 to require a distributor to report fault call management performance distinct from all telephone calls.