

Electricity Code Consultative Committee

Final Review Report

2024 Review of the Code of Conduct for the Supply of Electricity to Small Use Customers 2022

November 2024

	Electricity Code	Consultative Committee

Electricity Code Consultative Committee

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1. Overview

This Final Review Report presents the Electricity Code Consultative Committee's (ECCC) findings of its statutory review of the Code of Conduct for the Supply of Electricity to Small Use Customers 2022.

The Code regulates and controls the conduct of marketing agents, retailers and distributors who supply electricity to residential and small business customers. It covers a broad range of areas including billing, payment, financial hardship, disconnection and complaints.

The objective of the ECCC's review is to re-assess the suitability of the provisions of the Code for the purpose of the *Electricity Industry Act 2004*.

As part of its review, the ECCC prepared a draft review report.¹ The report contained 13 draft recommendations to amend the Code as well as four questions for matters on which the ECCC had not yet formed a view. The ECCC released the report on 30 September 2024 for a three-week consultation period and received eight submissions from:²

- 1. Alinta Energy
- 2. Australian National University (ANU)
- 3. Expert Consumer Panel
- 4. Financial Counsellor's Association WA (FCAWA)
- 5. Kleenheat
- 6. Synergy
- 7. Western Australian Council of Social Service (WACOSS)
- 8. Western Power

The ECCC has made several changes to the 13 draft recommendations in response to the submissions. The ECCC's review identified three main areas for amending the Code:

New customer protections (section 3)

The ECCC proposes new changes to the Code to improve customer protections by:

- Prohibiting paper billing charges for customers on concessions, vulnerable customers and customers experiencing financial hardship.
- Requiring retailers to regularly advise non-contestable customers of available tariff options and products.

Strengthening existing customer protections (section 4)

The ECCC proposes to amend existing protections in the Code to better assist customers and improve access to protections. The changes will:

ECCC draft review report 2024 (online).

² Submissions to the draft review report (online).

- Improve continuous access to life support equipment (LSE) protections for regional customers and make it easier for customers in the Perth metropolitan area to maintain life support protections.
- Increase compensation payments to customers where retailers have failed to meet standards in the Code.
- Exempt retailers from providing a nine-month disconnection moratorium where a vulnerable customer expressly declines the protection.
- Provide bill payment assistance by allowing customers to roll future bills into a payment plan.

Streamlining the Code (section 5)

The ECCC proposes measures to streamline the Code by reducing duplication, updating standards and simplifying processes.

1.1 Recommendations

The changes made by the ECCC to the recommendations in its Draft review report are reflected in table 1. The full list of the ECCC's final recommendation is in Appendix 2.

Table 1: Change to recommendations made in the draft review report

Dra	aft recommendation	Final recommendation	Section
1.	Introduce a new provision that prohibits retailers from charging for a paper bill to customers receiving concessions, experiencing financial hardship and vulnerable customers	Unchanged	3.1
2.	Introduce a new obligation to advise non- contestable customers annually, that the retailer has other tariff plans available.	Unchanged	3.2
3.	Require retailers to offer a bill credit for any charges paid, where the meter is tested and found defective.	Unchanged	4.1.1
4.	Amend clause 23(3) of the Code to allow an estimate to be based on the longest available data series, where an accumulation meter has been exchanged for an interval meter.	Unchanged	4.1.2
5.	Allow a hardship customer with a payment plan to nominate up to three future bills to be incorporated in their payment plan.	Amend the recommendation to include all customers, not just those in hardship.	4.2.1

Dra	aft recommendation	Final recommendation	Section
6.	Allow other medical professionals (such as pharmacists and nurses) in regional areas to provide confirmation of a person's ongoing LSE requirement, for the purpose of the three-yearly periodic review, under clause 85(1).		4.3.1.1
7. a)	Amend clause 85(1) to allow triennial reconfirmation from a general practitioner that a person in the Perth metropolitan area continues to require LSE if: An appropriately qualified medical practitioner has certified the LSE requirement for registration of the address	Add a new recommendation to amend clause 85(1) remove the requirement of annual confirmation for nursing homes and similar facilities and	4.3.1.2
b)	An authorised medical practitioner has confirmed the persons condition is enduring and that the person will have an enduring need for life support equipment to manage the condition The GP confirms that they have sighted the specialist report certifying the enduring need for	require these customers to confirm every three years that LSE is still in use.	
8.	Clarify that where multiple persons require LSE at one supply address, the licensee is only obligated to notify the customer or other nominated person under clause 82.	Unchanged	4.3.2
9. a) b)	Family violence protections Amend clause 92(1) of the Code to exempt a retailer from providing the nine-month disconnection protection to a customer when the customer expressly declines the protection. The retailer must obtain the customer's verifiable and informed consent. Amend clause 92(1) of the Code to require a retailer, to confirm a customer's vulnerable status with either the customer or authorised contact, once they 'become aware' that the	Add the phrase "reasonable endeavours" to the second part of recommendation 9: • Amend clause 92(1) of the Code to require a retailer to use reasonable endeavours to confirm a customer's vulnerable status	4.4.1
10.	customer is a vulnerable customer. Increase the service standard payment amounts as set in clauses 94, 95,96, 97 and 98 by CPI since 2010.	Unchanged	4.5.1

Draft recommendation	Final recommendation	Section
 11. Complaint acknowledgement a) Remove acknowledgement times under subclause 88(a) from the Code. b) Remove service standard payments where retailers and distributors fail to meet complaint acknowledgement times in clauses 96(1) and 98(1) of the Code. c) Amend clause 87(2)(c) to include 	Unchanged	5.1
acknowledgement times. 12. Remove the requirement to proactively provide the information required by clause 66(2) to the customers who disconnect two or more times in any one month for longer than 120 minutes on each occasion	Unchanged	5.2
13. Update the Code for minor amendments as per Appendix 1.	Unchanged	5.3

2. Background

This section provides the context for the review and includes an overview of the retail electricity market and the protections available to customers.

2.1 Retail electricity market in Western Australia

Under the *Electricity Industry Act 2004* (Electricity Act) persons operating a distribution network or selling electricity to small use customers - primarily residential and small business - must obtain a distribution or retail licence (as applicable) from the ERA and comply with the Code as a condition of that licence.³

The Electricity Networks Corporation (trading as Western Power) is the monopoly electricity distribution network within the South West Interconnected System (SWIS) which spans the geographic area from Kalbarri in the north to Albany in the south and Kalgoorlie in the east. The Regional Power Corporation (trading as Horizon Power) is the vertically integrated retailer and distributor operating outside the SWIS, covering most of the remote and regional areas of Western Australia.

In the SWIS, only Synergy may sell electricity to customers who consume less than 50 megawatt hours of electricity per year.⁴ These customers, known as non-contestable customers, comprise almost all residential customers and some small businesses. Contestable small use customers consume over 50 and less than 160 megawatt hours of electricity per year, and may choose their electricity retailer.

Synergy supplies all non-contestable customers in the SWIS and approximately 96 per cent of all small use customers in Western Australia. Horizon Power supplies all non-contestable customers outside the SWIS and the vast majority of the approximately 1,400 pre-payment meter customers in Western Australia.

Nine licenced retailers currently supply small use customers in Western Australia:

- Alinta Sales Pty Ltd (trading as Alinta Energy)
- Amanda Energy Pty Ltd
- Change Energy Pty Ltd
- Electricity Generation and Retail Corporation (trading as Synergy)
- Perth Energy Pty Ltd
- Perdaman Energy Retail Pty Ltd
- Regional Power Corporation (trading as Horizon Power)
- Rottnest Island Authority

A small use customer is a customer who consumes less than 160 megawatt hours of electricity per year. Electricity Industry Act 2004 (online).

This is because, by law, if a customer consumes less than 50 megawatt hours of electricity per year, Western Power is only allowed to provide network services for the supply of electricity to that customer if the customer is a customer of Synergy.

Wesfarmers Kleenheat Gas Pty Ltd

Synergy supplies around 70 per cent of the approximately 10,000 contestable residential and business small use customers who have choice of retailer.

2.2 Retail tariffs in Western Australia

The Uniform Tariff policy means that small use customers of Synergy and Horizon Power pay the same rate for electricity, irrespective of their location or the actual cost of supplying energy to their area. The costs of supplying in regional and remote areas, are partially funded by the tariff equalisation contribution through Western Power's electricity network charges in the SWIS.

Respective electricity tariff by-laws outline the tariffs, fees and charges Synergy and Horizon Power can charge in the supply of electricity to customers.⁶ Adjustments to these tariffs, fees and charges are considered by the Western Australian Government annually as part of the State budget process.

Synergy has over one million residential customers and currently offers four residential tariff options:

- A1 tariff the government subsidised tariff that most (97 per cent) of Synergy's customers are on.
- Midday saver tariff a time of use tariff, with different rates during the day for peak, off peak and super off peak.
- Community energy plan for customers in financial hardship. Synergy may offer this time of use plan to incentivise hardship customers to shift electricity usage away from evening peak times to the middle of the day to reduce their electricity costs.
- The Electric Vehicle add on plan.

Most of Horizon Power's residential customers are on the A2 tariff (government subsidised) or pre-payment meter arrangements. Horizon Power also have a product that can be added to the A2 tariff for certain customers, the Sunshine saver, where eligible customers on the A2 tariff can access the benefits of solar savings without an installed system.

2.3 **Background of the Code**

The Code is subsidiary legislation of the Electricity Act and first commenced in 2004.⁷ The Code exists to regulate and control the conduct of distribution licensees, retail licensees and marketing agents to:

Define standards of conduct in the supply and marketing of electricity to customers.

⁵ Energy Policy WA, website (online).

Energy Operators (Electricity Generation and Retail Corporation)(Charges) By-laws 2006 (online) and Energy Operators (Regional Power Corporation)(Charges) By-laws 2006 (online).

Section 79 of the Electricity Industry Act 2024.

- Provide for compensation payments to be made to customers when standards of conduct are not met.
- Protect customers from undesirable marketing conduct.

The Code's provisions include customer protections regarding billing, payment assistance, financial hardship, disconnection, reconnection, pre-payment meters, service standard payments, life support and customers affected by family violence.

The ERA is responsible for monitoring and enforcing compliance with the Code, and for making and amending the Code in consultation with the ECCC.

2.4 ECCC role

The Electricity Act authorises the ERA, in consultation with the ECCC, to replace or amend the Code. The ERA is required to establish the ECCC to carry out the review and provide advice to the ERA on any amendments.

The ERA first established the ECCC in 2006 to advise it on matters relating to the Code. The ECCC is required to:8

- carry out a review of the Code one year after commencement and then every two years
- give any interested person an opportunity to comment on the review
- advise the ERA on any proposed amendments or replacements of the Code.

The object of each Code review is to assess if the Code is suitable for its legislative purpose of defining standards of conduct (section 79(2) of the Electricity Act).

The ERA has determined the membership, constitution, and procedures of the ECCC to provide the opportunity for interested and affected stakeholders to be actively involved in Code reviews. The ECCC's voting members are an even number of representatives from industry and consumer organisations, plus representatives from state government agencies. The Chair and executive officer from the ERA have no voting rights.

The ECCC shall:9

- Endeavour to promote consistency across the Code and the Gas Marketing Code of Conduct in Western Australia.¹⁰
- Keep itself informed of the trends in code development in the energy sector in other States and promote code consistency at a national level where appropriate.
- Promote code consistency according to principles of best practice in consumer protection.

⁸ Section 88 of the *Electricity Industry Act 2024*.

⁹ ECCC Constitution and Procedures on the ERA's website, page 3 (online).

¹⁰ The Gas Marketing Code of Conduct is available on the ERA's website (online).

2.5 ECCC members

In March 2024, the ERA appointed the following members to the ECCC for the 2024-26 term, which expires on 5 March 2026:¹¹

Chair	Employer
Executive Director, Regulation	ERA
Executive Officer	
Principal Regulatory Officer	ERA
Consumer organisation representatives	
Sophie Hantz	Western Australia Council of Social Services
Helena Jakupovic	Financial Wellbeing Collective
Leanne Berard	Financial Counsellors' Association of WA
Mamta Kochhar	United in Diversity WA Inc.
Industry representatives	
John Saratsis	Perth Energy
Samantha Torrens	Western Power
Simon Thackray	Synergy
Troy Mulder	Horizon Power
Government representatives	
Charlotte Nobbs	Energy Policy WA, Department of Energy, Mines, Industry Regulation and Safety
Amanda Blackwell	Consumer Protection, Department of Energy, Mines, Industry Regulation and Safety

Brent Savage, Energy Policy WA, attended the ECCC meetings as an observer.

2.6 The Code review process

The table below sets out the remaining steps for the 2024 Code review:

Table 2: Remaining steps for the 2024 Code review

Ac	tion	Who	Anticipated timeframe
•	Publish ECCC Final review report Engage the Parliamentary Counsel's office to draft amendments to the Code Publish draft decision and marked up Code	ERA	November 2024 December 2024 March 2025
•	Refer ERA's proposed amendments to the ECCC for advice	ERA	April 2025

The list of members of the Electricity Code Consultative Committee is on the ERA website (online).

Action	Who	Anticipated timeframe
 Invite public submissions on the ERA draft decision 	ECCC	April 2025
Public consultation period (three weeks)		
Consider public submissions	ECCC	May 2025
Approve final advice and provide to the ERA	ECCC	May 2025
Publish final decision	ERA	July 2025
Amended Code commences		September 2025

3. New Customer Protections

This section outlines the ECCC's recommendations on new customer protections.

3.1 Prohibiting paper billing fees for disadvantaged customers

Draft review report (draft recommendation 1)

The ECCC proposed that retailers be prohibited from charging a fee for a paper bill to customers that are receiving concessions, customers experiencing financial hardship and vulnerable customers as defined in the Code.¹²

The ECCC noted that customers experiencing certain vulnerabilities may rely on paper bills due to limited or unreliable internet access, low digital literacy or for ease of access by a third party, such as a financial counsellor or support person, to assist with managing bills.

Introducing a prohibition on charging paper billing fees to certain customers would align with protections provided to gas and water customers. Recent updates to the customer protection instruments for gas and water services prohibit retailers from charging a paper billing fee to customers receiving concessions, vulnerable customers and customers experiencing financial hardship, effective from 1 July 2024.¹³

The ECCC considered prohibiting paper billing charges for all customers; however, the *Energy Operators* (*Electricity Generation and Retail Corporation*) (*Charges*) *By-laws 2006* and the *Energy Operators* (*Regional Power Corporation*) (*Charges*) *Amendment By-laws 2022*, prescribe the fees that Synergy and Horizon Power can charge for energy and supply services, including billing fees under Schedule 4. Prohibiting charging of all customers in the Code would conflict with the ability to charge fees under the By-laws unless the By-laws are also amended.

Currently, some retailers including Synergy voluntarily exempt some customers from paper billing charges such as certain concession card holders and customers in financial hardship.

Submissions received

Synergy supported the recommendation subject to the caveat that the Code provision is not inconsistent with the *Energy Operators (Electricity Generation and Retail Corporation) (Charges) By-laws 2006.* WACOSS supported the recommendation and suggested that the relevant By-laws be amended to prohibit paper billing fees for all customers.

Alinta Energy, FCAWA and Kleenheat supported the recommendation.

The ECCC's response to submissions is to retain the recommendation.

Clause 3 of the Code defines a customer experiencing financial hardship as a residential customer who has been assessed by a retailer under clause 40 as experiencing financial hardship.

Clause 25 of the Compendium, ERA, (online), clause 12(5) of the Water Services Code of Conduct (Customer Service Standards) 2024, ERA, (online).

New

Recommendation 1

Introduce a new provision that prohibits retailers from charging for a paper bill to customers receiving concessions, experiencing financial hardship and vulnerable customers.

3.2 Advising customers of available tariff options and products

Draft review report (draft recommendation 2)

The ECCC proposed that electricity retailers be required to proactively inform customers annually, of the availability of alternative tariff options. This includes informing non-contestable business customers. For more information on tariffs in Western Australia, see Section 2.2.

Although most customers are on the subsidised tariffs (A1 and A2), the ECCC were concerned that many customers are unaware of other tariff options which may better suit their energy consumption needs such as the Midday saver or EV add on energy plan.

The proposal aims to provide a mechanism for customers to be aware of the standard tariffs available and to provide them with clear, accessible information about any alternative plans that could offer cost savings or other benefits. Customers would still need to determine which option is best for them.

The recommendation would help empower customers to make informed decisions about their energy usage and expenditure by:

- Alerting customers of available electricity options that may better align with their energy consumption patterns and encourage them to contact their retailer to discuss these options.
- Supporting residents experiencing financial hardship by advising there may be alternative cost-effective tariff options that can provide essential relief.
- Encouraging energy efficiency by making customers aware of tariffs that reward offpeak usage or promote energy efficiency. This can also lead to reduced overall demand on the grid and help manage energy resources more sustainably.
- Empowering customers with the knowledge to choose the most appropriate and costeffective energy solutions for their needs.

Submissions received

Alinta Energy, FCAWA, Synergy and WACOSS supported the recommendation.

ECP did not support the recommendation unless the information was personalised to advise individual households how much they would save by switching plans. ECP suggested retailers should be required to develop a simple and personalised comparison tool based on interval usage data to advise households of bill amounts under other tariffs.

Kleenheat expressed several concerns about the recommendation, suggesting it might increase service costs, that the information is already available to customers and that it could contravene Commonwealth legislation on spam and on privacy if customers have opted out of receiving information.

The ECCC's response to submissions is to amend the recommendation to include other products available.

New

Recommendation 2

Introduce a new obligation to advise non-contestable customers annually, that the retailer has other tariff plans or products available.

4. Strengthening Existing Customer Protections

This section outlines the ECCC's recommendations on amending existing provisions of the Code to increase customer protections and rights.

4.1 Billing

4.1.1 Applying the refund as a bill credit when the meter is found defective

Draft review report (draft recommendation 3)

The ECCC proposed that when a customer's meter has been tested and found defective, the retailer must offer the option to use the refund of any amounts paid for testing, as a credit on the customer's account in addition to the right to request a refund.

Clause 28(3) of the Code requires a retailer to directly refund any charges a customer has paid to have their meter checked, if the meter is subsequently found to be defective.

The recommendation will allow a customer to direct the amount against future bills.

Submissions received

Alinta Energy, FCAWA, Kleenheat and Synergy supported the recommendation.

The ECCC's response to submissions is to retain the recommendation.

Strengthening protections

Recommendation 3

Require retailers to offer a bill credit for any charges paid, where the meter is tested and found defective.

4.1.2 Estimating based on the longest available data – Post meter exchange

Draft review report (draft recommendation 4)

The ECCC proposed that where an accumulation meter has been exchanged for an interval meter, retailers would be able to base an estimate on whichever meter was in place for the longest duration in the past billing period.

Under clause 23(3) of the Code, a bill is taken to be based on an estimation in relation to an interval meter, if more than 10 per cent of the interval meter readings are estimated interval meter readings and the actual energy data cannot otherwise be ascertained.

If more than 10 per cent of the interval data is estimated, the *entire bill* must be labelled as estimated, even though in some cases only part of the bill is based on estimated energy data. This does not consider a situation where a meter exchange from basic to interval meter may

have occurred during the billing period, and there is actual data available from reading the accumulation meter.

Submissions received

Alinta Energy, FCAWA, Kleenheat, Synergy and Western Power supported the recommendation.

Western Power suggested customers are made aware that the bill includes estimated data.

The ECCC's response to submissions is to retain the recommendation

Strengthening protections

Recommendation 4

Amend clause 23(3) of the Code to allow an estimate to be based on the longest available data series, where an accumulation meter has been exchanged for an interval meter.

4.2 Payment assistance

4.2.1 Including future bills in a payment plan

Draft review report (draft recommendation 5)

The ECCC proposed that hardship customers on a payment plan would be able to nominate up to three future bills to be included in their payment plan, rather than re-engaging after each bill to negotiate a new plan. Retailers would still not be able to change the periodic payment amount when a new bill was added, without the customer's express consent.

Changes in the last Code review prevented retailers varying a payment plan without a customer's consent because it may leave a customer worse off (for example if payment amounts increased and a customer incurred bank fees from having insufficient funds in their account). New bills for customers on a payment plan must be added to the payment plan prior to the due date to avoid default. This means that customers need to proactively contact their retailer before each new bill is due to include it in their existing payment arrangement.

After the change, the ECCC noted that customers were reluctant to engage with their retailer, for many reasons, including stigma, language barriers or fear of affecting their credit ratings. This resulted in greater numbers of customers at risk of disconnection as new bills were not paid.

Submissions received

Alinta Energy and WACOSS supported the recommendation.

FCAWA supported the recommendation and noted "the importance of obtaining consumer consent and ensuring a clear process for what occurs leading up to and after the third bill. Effective engagement between the utility provider and the consumer is crucial".

Kleenheat supported the recommendation but noted it may only benefit a small number of customers while potentially leaving others worse off. Kleenheat's submission noted several possible concerns including the potential for escalating customer debt and payment plans not considering changing customer circumstances. The submission highlighted the importance of prioritising early debt intervention and regular engagement between customers and retailers to provide assistance to customers.

Synergy suggested all small use customers be given the same rights as hardship customers to opt in to having three future bills incorporated in a payment plan.

ECCC response to submissions

The ECCC amended its recommendation to extend the option of nominating up to three future bills to all small use customers.

⁴ A payment plan for the purpose of the Code is an interest-free and fee-free plan or other arrangement between a retailer and a residential customer under which the customer is allowed to pay a bill by instalments. Payment plans have been used by hardship customers for at least 20 years.

¹⁵ Clause 44(5) of the Code.

Strengthening protections

Recommendation 5

Allow any customer with a payment plan to nominate up to three future bills to be incorporated in their payment plan.

4.3 Increasing protections for life support customers

The Life Support Equipment (LSE) scheme under the Code aims to protect vulnerable customers who rely on LSE. Retailers and distributors must provide protections from disconnection and outage notification requirements for registered LSE addresses. To obtain these protections, a customer must meet initial and ongoing recertification requirements by appropriately qualified medical practitioners to confirm that a person at the supply address requires LSE. Pursuant to clause 85(1), these recertifications may occur annually or triennially.

4.3.1 LSE periodic reviews

Under Part 11 of the Code, the initial confirmation required to establish a customer's eligibility for the LSE scheme must be completed by an appropriately qualified medical practitioner who can confirm the requirement for LSE equipment. Every three years, LSE customers within the Perth Metropolitan area are required to obtain confirmation of an ongoing LSE need at their address, by a specialist practitioner, a hospice doctor, or a medical practitioner working within a specialist department of a hospital. Outside of the Perth metropolitan area confirmation can also be obtained from a GP who works at a hospital or rural health service. ¹⁶

4.3.1.1 Easier confirmation of ongoing LSE needs in regional areas

Draft review report (draft recommendation 6)

The ECCC proposed for regional areas to allow other medical professionals such as a nurse or a pharmacist to provide confirmation that a person residing at the supply address continues to require LSE for the purpose of the triennial review.¹⁷

Customers in regional areas often face difficulties obtaining confirmation of LSE needs due to limited access to specialists.

The recommendation will broaden who can provide confirmation of an LSE need for the triennial review, making it easier for customers to retain their LSE scheme registration.

This recommendation does not change the requirement that the initial certification must be completed by an appropriately qualified medical practitioner.

Submissions received

Alinta, FCAWA, Kleenheat and Synergy supported the recommendation.

ECP suggested removing the need for the periodic review for an ongoing medical condition.

ECCC response to submissions

The ECCC does not support introducing changes to the Code that are inconsistent with the frequency of periodic reviews under current state government policy, i.e.of triennial certification requirement under the Life Support Equipment Energy Subsidy (LSEES).

The ECCC retains the recommendation.

¹⁶ Clause 85 of the Code.

¹⁷ Clause 85(1) of the Code.

Strengthening protections

Recommendation 6

Allow other medical professionals (such as pharmacists and nurses) in regional areas to provide confirmation of a person's ongoing LSE requirement, for the purpose of the three-yearly periodic review, under clause 85(1).

4.3.1.2 Easier confirmation of ongoing LSE needs in Perth metropolitan areas

Draft review report (draft recommendation 7)

The ECCC proposed aligning with the recent amendments to the LSEES to allow a general practitioner (GP) to provide confirmation that a person residing at the customer's supply address continues to require LSE for the purpose of the triennial review.¹⁸

The Government introduced changes to the LSEES in September 2023 for LSE applicants living in the Perth Metropolitan area to allow a GP to provide confirmation that a person continues to require LSE. This was to recognise that some life support customers have a medical pathway that does not need regular specialist appointments after the initial diagnosis.

The recommendation will allow a GP to confirm a person's ongoing LSE needs for customers in the Perth Metropolitan area, where, like the LSEES:

- The person's first application to the LSE Scheme was certified by an appropriately qualified medical practitioner.
- An appropriately qualified medical practitioner has confirmed that the person's condition is enduring, and that the person will have an enduring need for LSE to manage the condition.
- The GP confirms that it has sighted the specialist report certifying the enduring need for LSE.

Submissions received

Alinta Energy, FCAWA, Kleenheat and Synergy supported the recommendation.

Alinta Energy suggested updating the requirement for certain customers, such as those in a nursing home and similar facilities, to confirm annually that there is a person residing who continues to require LSE. Alinta's submission suggested a triennial periodic review to confirm the continued use of LSE at a facility, rather than medical authorisation for each LSE individual would be more appropriate.

ECCC response to submissions

In considering Alinta's suggestion, ECCC has given weight to reducing administrative burden on facilities that routinely have LSE customers.

The LSEES is provided by the State Government to assist eligible people to meet energy costs associated with operating LSE in their home and is administered by the Department of Finance and Energy Policy WA (online).

The ECCC has amended the recommendation to remove the requirement of annual confirmation for nursing homes and similar facilities and require these customers to confirm every three years that LSE is still in use.

Recommendation 7

Amend clause 85(1) to allow triennial reconfirmation from a general practitioner that a person in the Perth metropolitan area continues to require LSE if:

- a) An appropriately qualified medical practitioner has certified the LSE requirement for registration of the address.
- b) An authorised medical practitioner has confirmed the persons condition is enduring and that the person will have an enduring need for life support equipment to manage the condition.
- c) The GP confirms that they have sighted the specialist report certifying the enduring need for LSE.

Amend clause 85(1) remove the requirement of annual confirmation for nursing homes and similar facilities and require these customers to confirm every three years that LSE is still in use.

4.3.2 Clarifying requirements where more than one person requiring LSE exists at a supply address

Draft review report (recommendation 8)

The ECCC proposed amending the Code to clarify that licensees are only required to notify the customer or another nominated person under clause 82, when more than one person requiring LSE resides at a supply address. The customer holds the contract with the retailer and may not necessarily be the person that requires LSE.

Under the Code, once a customer provides a retailer with confirmation that a person requires LSE, the retailer must register that address as an LSE supply address. The Code imposes various obligations on the retailer and distributor, including regular reviews to confirm the ongoing need for LSE, and notifying the customer or other nominated person before a planned supply interruption.

The Code does not address retailer and distributor notification obligations where more than one person requiring LSE resides at the address. Clause 86(8) provides that a supply address must not be de-registered if the retailer is aware that another person at the supply address still requires LSE.

The recommendation will clarify the obligations of retailers and distributors where more than one person requires LSE at a supply address (for example aged care facilities or a hospice).

Submissions received

Alinta Energy, Kleenheat, Synergy and Western Power supported the recommendation.

The ECCC's response to submissions is to retain the recommendation

Strengthening protections

Recommendation 8

Clarify that where multiple persons require LSE at one supply address, the licensee is only obligated to notify the customer or other nominated person under clause 82, and not every user of LSE at that address.

4.4 Family violence protections

4.4.1 Respecting vulnerable customers' choices

Draft review report (draft recommendation 9)

The ECCC proposed amending the Code to account for a vulnerable customer choosing not to receive the nine-month moratorium protection. It also clarifies situations where a retailer indirectly becomes aware that a person is a vulnerable customer.

Clause 92(1) of the Code prevents retailers from disconnecting the supply of electricity for a vulnerable customer for nine months, except in certain circumstances (for example an emergency). The protection was introduced in the last Code review to allow vulnerable customers to remain connected without the need to engage with a retailer's financial hardship program. The nine months applies from the date the retailer becomes aware the customer is vulnerable.

A vulnerable customer under the Code is a designated person-

- (a) Who has advised the retailer that they are affected by family violence: or
- (b) Who the retailer has reason to believe is affected by family violence. 19

What would change

- A retailer would be exempt from providing the nine-month disconnection moratorium when a customer expressly declines the protection, with verifiable and informed consent.
- The retailer would also be required to confirm a person's vulnerable customer status either directly or with an authorised contact, if they become aware that a person may be a vulnerable customer through indirect ways (such as through a welfare agency).

Why the change was proposed

Disconnection moratorium

Clause 92(1) requires a retailer to ensure that a vulnerable customer is not disconnected due to the non-payment of bills for nine months from the retailer becoming aware that the customer is vulnerable. If a retailer does not provide a vulnerable customer the protection, they are in breach of their obligations.²⁰

The nine-month disconnection moratorium was introduced in the last Code review, to offer temporary relief from financial stress and allow electricity dependent safety measures, such as home security systems, to remain operational.

The moratorium was designed to provide essential protection during vulnerable times but not all customers may wish to accept this assistance. The Code does not expressly provide for a situation where a person does not want the nine-month disconnection protection. The ECCC noted that vulnerable customers may decline the protection for reasons including:

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¹⁹ Clause 3 of the Code.

Not providing the disconnection protection is a Type 1 obligation breach of the Code. Electricity Compliance Reporting Manual, ERA (online).

- **Stigma**: Customers may associate the moratorium with financial hardship or dependency and feel embarrassed or stigmatised.
- **Privacy concerns**: Customers might be concerned that their information may be shared with the perpetrator or government agencies such as child protection.
- **Autonomy and choice**: Customers may prefer to manage their energy bills without the protection of a disconnection moratorium.

The ECCC noted that retailers do have privacy processes in place to protect information and do not share details of any customers with other agencies. The recommended approach supports the customer's autonomy to make decisions that best suit their individual needs and circumstances.

Risks

The ECCC noted that changing the Code has certain risks:

- Lack of understanding: Customers may not fully understand the implications of declining and may later face financial hardship and disconnection for non-payment.
- **Pressure on customer**: Customers may feel pressured by others, such as the perpetrator, to decline the moratorium, even if is not in their best interest to do so.
- **Financial flexibility**: Customers may use the moratorium to temporarily redirect the funds from electricity bills towards saving money to leave the perpetrator. Declining the protection means that customers must continue engaging with the retailer's financial hardship program to avoid disconnection for non-payment.

Ensuring a customer has understanding of and access to all available supports and protections and honouring their self-determination is critical. Ignoring customer preferences can result in customers feeling they are not being heard, disempowered to make decisions, may increase complaints or disengagement with the retailer.

Benefits

Allowing an exemption from a retailer to provide the disconnection protection when a customer requests it includes the following benefits:

- **Respecting customer choices**: Allowing customers to opt out of the protection makes them feel respected of their decision and acknowledges that they are better placed than their retailer to make decisions about their own circumstances.
- **Reducing stigma**: Customers may feel stigma, particularly if a third-party has advised of their situation. The option can empower the customer, reduce stigma to manage the situation on their own terms.
- **Flexibility**: Provides flexibility within the Code's framework to accommodate customers who may feel that the protection does not align with their preference or needs.
- **Reducing retailer breach risk**: A retailer can accommodate the choices of vulnerable customers about the disconnection protection, without risking a breach of obligations.

In recommending the change, the ECCC considered specialist advice from family violence advocates to better understand the risks.

The ECCC is of the view that retailers must obtain the customer's full and informed consent to not provide the disconnection protection. For example, this might be demonstrated by recording consent during the telephone conversation, as most telephone calls with retailers are recorded.

By allowing customers to expressly decline the moratorium, a retailer respects their autonomy and personal choices and reduces the risk of licence breaches. However, this flexibility must be carefully managed to ensure that vulnerable customers are fully informed and protected from potential harm in doing so.

Identifying vulnerable customers

Clause 92(1) requires the retailer to commence the disconnection moratorium from when it 'becomes aware' that a customer is a vulnerable customer. The clause protects customers at risk due to their circumstances so that they receive appropriate support and protections as soon as possible. It does not expressly require confirmation of the customer's status when informed by a third party (for example, through notifications from welfare agencies or community organisations conducting energy efficiency audits).

Third party notifications to retailers can be a useful mechanism for identifying vulnerable customers, but without confirmation of a person's circumstances retailers may be acting on inaccurate or outdated information, as a customer's circumstances may have changed.

The ECCC recommends requiring a retailer to confirm a customer's vulnerable status with either the customer or authorised contact, once they 'become aware' that the customer is a vulnerable customer. This will ensure the retailer has accurate and up-to-date information about the customer's status, empowers customers to be actively involved in confirming their status, and can ensure that the protections available are understood.

Submissions received

Alinta Energy, Kleenheat FCAWA and Synergy supported the recommendation.

Kleenheat and Synergy both suggested the recommendation should clarify the approach where the retailer cannot make contact with the customer, with Synergy suggesting the provision should be amended to provide for a retailer to use 'reasonable endeavours' to confirm a customer's vulnerable status.

FCAWA and WACOSS both highlighted the importance that retailers have a clear policy in place regarding their responsibility to obtain the customer's verifiable and informed consent.

They both noted the potential risks, including that the proposed amendment could enable systems abuse or a rejection of the moratorium based on a misunderstanding. Both FCAWA and WACOSS suggested retailers adopt policies and practices of obtaining consent that are trauma-informed and guided by family and domestic violence experts.

ECCC response to submissions

The ECCC has amended part 2 of the recommendation to include 'reasonable endeavours'.

Recommendation 9

- a) Amend clause 92(1) of the Code to exempt a retailer from providing the ninemonth disconnection protection to a customer when the customer expressly declines the protection. The retailer must obtain the customer's verifiable and informed consent.
- b) Amend clause 92(1) of the Code to require a retailer, to use reasonable endeavours to confirm a customer's vulnerable status with either the customer or authorised contact, once they 'become aware' that the customer is a vulnerable customer.

4.5 Service standard payments

4.5.1 Higher compensation payments for customers

Draft review report (draft recommendation 10)

The ECCC proposed to increase service standard payment amounts when these standards are not met.

Retailers and distributors are required to meet certain service standards when supplying electricity to customers. Customers are entitled to a payment, when these standards are not met.²¹

What would change

Service standard payment amounts under the Code would increase by the Consumer Price Index (CPI).

Table 3: Current and proposed payment amounts

Service payment	Current payment amount	New amount after indexing
Customer reconnections (clause 94)	\$60 per day up to \$300	\$84 per day up to \$420
Wrongful disconnections (clauses 95, 97)	\$100 per day	\$140
Customer service (clauses 96, 98) ²²	\$20	\$28

Why the change was proposed

The service standard payments under the Code have not been updated since 2010, which has led to their value diminishing in real terms. Since these payments are designed to compensate consumers for service disruptions and poor service, and to act as an incentive to retailers to maintain and improve their service standards, their effectiveness is compromised if they do not keep pace with the cost of living.

There are three types of service standard payments under the Code:

- Facilitating customer reconnections (failing to reconnect a customer within a timeframe) (clause 94).
- Wrongful disconnections (clauses 95 and 97).
- Failing to respond to customer complaints within a timeframe (clauses 96 and 98).

²¹ Clauses 94 -98 of the Code.

Note the proposed removal of the acknowledgement timeframe in Section 5.1.

The ERA reports on service standard payments made by retailers each year. During 2022/23, a combined total of 125 compensation payments were made by Horizon Power and Synergy, 95 per cent of these were for wrongful disconnections.²³

Table 4: Service standard payments from Synergy and Horizon to retail customers

Service Payment	2018/20	2019/20	2020/21	2021/22	2022/23
Customer reconnections (clause 94)	8	7	0	1	6
Wrongful disconnections (clause 95)	24	49	35	233	119
Customer service (clause 96)	2	1	1	1	0
Total	34	57	36	234	125

Increasing the payment amounts by the CPI from 2010 would restore the value from when the payments were last updated.

Indexing payments

The ECCC proposes the amounts are indexed at the CPI amount since 2010. This would bring the payment amounts when retailers or distributors fail to meet certain obligations, in line with or above, service level payments to customers in other jurisdictions.

Comparison to other jurisdictions

The reconnection payment currently in the Code (\$60 per day up to \$300) is similar to rates paid in NSW, SA, QLD and the NT. Victoria is the outlier with \$80/day up to \$400. Only QLD has a comparable payment for wrongful disconnections, paying \$155 compared to \$100 in the Code. No other jurisdictions have a comparable payment for failure to respond to complaints within an appropriate timeframe.

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²³ Chapter 7.2, ERA Annual data report 2022/23 – Energy Retailers, (online).

Table 5: Comparison of service standard payment amounts across jurisdictions with proposed payment increases

Category	WA	QLD ²⁴	SA ²⁵	VIC ²⁶	NT ²⁷	NSW ²⁸
Reconnections (or connections)	\$84 per day up to \$420 (currently \$60 per day up to \$300)	\$62 per day (\$75 per day from July 2025)	\$65 per day (up to \$325)	\$80 per day (up to \$400)	\$62 per day up to \$300	\$60 per day up to \$300
Wrongful disconnections	\$100 per day	\$155 per day (\$188 from July 2025)	N/A	N/A	N/A	N/A
Customer service – written complaints	\$20	N/A	N/A	N/A	N/A	N/A

Submissions received

Alinta Energy, FCAWA, Kleenheat, Synergy and Western Power supported the recommendation.

ECP suggested that there should be annual CPI indexation rather than considering the amounts during each review process.

ECCC response to submissions

The ECCC retains the recommendation.

Strengthening protections

Recommendation 10

Increase the service standard payment amounts as set in clauses 94, 95, 96, 97 and 98 by CPI since 2010.

QLD Competition Authority, Review of Guaranteed Service Levels to apply in Queensland from 1 July 2025

²⁵ Essential Services Commission of South Australia, Electricity Distributions Code 13 July 2020 (online).

²⁶ Essential Services Commission Victoria Electricity Distribution Code of Practice (version 2) (online).

²⁷ Utilities Commission of the Northern Territory, Electricity Industry Performance Code (Standards of Service and Guaranteed Service Levels) – Table 1, (online).
Clause. 9 of the *Electricity Supply (General Regulation 2001),* NSW - Includes energisation and re-

energisation (connection and reconnection).

5. Streamlining the Code

This section outlines the changes ECCC recommends to streamline the Code.

5.1 Removing inconsistent complaint acknowledgement times

Draft review report (draft recommendation 11)

The ECCC proposed to remove conflicting acknowledgement times between the Code and the complaints and dispute resolution standard AS/NZS 10002:2022.

What would change

Licensees would no longer have an express obligation under the Code to acknowledge a complaint within a given timeframe, and a service standard payment would no longer be available.

Licensees would still be required to meet the acknowledgement timeframes of standard AS/NZS 10002:2022 within three business days (if possible), as clause 87(3) requires a licensee to have procedures that comply with the standard.

Why the change is proposed

Clause 88 of the Code requires licensees to acknowledge a complaint within 10 business days and respond by addressing the matter within 20 business days.

Clause 87(1) and (2) of the Code requires licensees to develop, maintain and implement a complaint and dispute resolution procedure that addresses the lodgement and handling of complaints, as well as the times and method of response. Clause 87(3) requires the procedure to comply with AS/NZS 10002:2014 (*Guidelines for complaint management in organisations*). AS/NZS 10002:2014 has been superseded, and the Code will be updated to the current version AS/NZS 10002:2022 (see minor amendments Appendix 1).

The previous standard did not include a timeframe for either acknowledging or responding to complaints, but AS/NZS 10002:2022 now provides at clause 5.2.1 and 8.6, "the organization should promptly acknowledge each complaint received, within three working days of receiving it if possible". ²⁹

Having both a 10-day timeframe in the Code and a different timeframe in the standard will create confusion for licensees regarding which timeline should be prioritised. The ECCC notes that the shorter timeframe for acknowledgement in the new standard promotes a higher level of customer service and responsiveness. To avoid conflicting with the standard the ECCC recommends deleting the acknowledgement time of 10 days from clause 88(a) of the Code.

The ECCC recommends including that the licensee's complaints and dispute resolution procedure must also include "acknowledgement" in clause 87(2)(c), to ensure compliance with acknowledgement times in the standard.

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²⁹ Australian Standard: Guidelines for complaint management in organisation AS 10002:2022, available from Intertek SAI Global (online).

Note: The service standard payments at clauses 96(1) and 98(1) of the Code, when a complaint is not acknowledged within 10 days, will also be removed but the payment when a complaint is not responded to within 20 business days will remain.

Submissions received

Alinta Energy, FCAWA, Kleenheat, Synergy and Western Power supported the recommendation.

The ECCC's response to submissions is to retain the recommendation.

Streamlining the Code

Recommendation 11

- a) Remove acknowledgement times under subclause 88(a) from the Code.
- b) Remove service standard payments where retailers and distributors fail to meet complaint acknowledgement times in clauses 96(1) and 98(1) of the Code.
- c) Amend clause 87(2)(c) to include acknowledgement times.

5.2 Streamlining information for frequent pre-payment meter disconnections

Draft review report (draft recommendation 12)

The ECCC proposed to reduce the duplication of the provision of information to pre-payment meter (PPM) customers that are disconnected multiple times in any one month (for longer than 120 minutes).

What would change

PPM customers would not receive duplicated information from retailers when they are disconnected multiple times in any one month, for longer than 120 minutes.

Why the change was proposed

Clause 66(2) of the Code requires retailers to provide specific information to PPM customers who disconnect two or more times in any one month for periods longer than 120 minutes. Repeatedly providing this information may not be received well by the customer and increases the administrative burden and costs for retailers.

Tracking when customers are disconnected two or more times in a month, for periods longer than 120 minutes so that retailers can provide information, can be both time-consuming and costly.

Many PPM customers experience disconnections on a weekly or monthly basis. Disconnections greater than 120 minutes may in some instances be due to a customer's limited access to recharge facilities. The ECCC notes some customers may also be choosing to allow the meter to be disconnected as a reminder to purchase further credit and may not be experiencing payment problems.

The ECCC notes that PPM customers often may not receive this information due to factors such as changes to family household members without changing the account holder if they

are no longer living there, and limited access to email or postal services. This can make the continuous provision of such information redundant and ineffective.

The ECCC notes there is a risk that discontinuing the provision of information could worsen a customer's situation if they are in financial difficulties and unable to find current information on available help. It also notes that Horizon Power provides access to this information by other methods, such as a dedicated pre-payment line or mobile customer service staff assisting customers in some communities.

The ECCC expects that the change will prompt retailers to consider more targeted and efficient communication strategies that better address the needs of these customers.

Retailers are still required to provide this information under the Code if a customer is experiencing financial hardship but can focus on more proactive and meaningful ways to engage with PPM customers who experience frequent disconnections.

Submissions received

Alinta Energy, Kleenheat and Synergy supported the recommendation.

ANU sought clarity on how the change would be achieved and noted the impost was on the customer to proactively engage with the retailer to access support.

FCAWA supported the recommendation "provided that retailers maintain a strong focus on proactive measures to assist consumers facing financial hardship".

WACOSS suggested that retailers establish a mechanism to assess customer awareness of available support, ensuring that this provision does not limit access to information.

The ECCC's response to submissions is to retain the recommendation.

Streamlining the Code

Recommendation 12

Remove the requirement to proactively provide the information required by clause 66(2) to the customers who disconnect two or more times in any one month for longer than 120 minutes on each occasion.

5.3 Minor administrative amendments

Draft review report (draft recommendation 13)

The ECCC proposed minor administrative amendments as outlined in Appendix 1.

Submissions received

Alinta Energy, FCAWA, Kleenheat and Synergy supported the recommendation.

The ECCC's response to submissions is to retain the recommendation.

Streamlining the Code

Recommendation 13

Update the Code for minor amendments as per Appendix 1.

6. Response to feedback

In the draft review report, the ECCC sought feedback on four issues to understand if amendments were required to the Code. After considering the information provided in submissions, and through other research, the ECCC has decided not to recommend any changes to the Code on these four topics. Instead, this section outlines the ECCC's response to each issue and includes considerations for other administrative and policy processes.

6.1 Notification times of a planned interruption for life support customers

The ECCC has considered the adequacy of the current notice requirements for an LSE registered customer regarding planned interruptions. The ECCC sought feedback on the following questions in the draft review report:

Question 1

- a) How has the current three-day notice period impacted your ability (or any LSE customers that you are aware of) to prepare for planned interruptions?
- b) What concerns do you have with extending the notice period?

The Code

When a customer's supply address is classified as a LSE address, specific obligations are placed on the retailer to ensure the safety and preparedness of the customer.³⁰ These obligations include:

- Providing information about potential planned or unplanned power interruptions.
- Recommending that the customer prepare an action plan in the event of an unplanned power outage to manage their reliance on LSE.
- Under clause 84 of the Code, distributors are required to issue a minimum of three
 business days' written notice to the customer or a nominated representative for any
 planned interruptions. Additionally, the distributor must make reasonable efforts to
 obtain acknowledgment of receipt of this notice from the customer, a resident at the
 address, or the nominated person.

The timeframe is shorter than the four-day notice period prescribed under the National Energy Retail Rules (NERR) for other jurisdictions.³¹

Current notification processes in Western Australia

Distributors currently initiate the notification process for planned interruptions to all customers well in advance of the Code requirements. For Western Power, all customers (including LSE customers) that are registered to receive electronic notifications will be notified of a planned outage ten days before the outage. For all customers (including LSE) that receive

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Olause 82(3) of the Code.

National Energy Retail Rules (NERR) – 124B(1)(d)/124B2(iv) (online).

notifications by post, notification can be received between five to seven business days before the outage, depending on Australia Post delivery times.

Currently, 47 per cent of Western Power's LSE customers receive electronic notifications either via SMS or by email and 53 per cent receive notifications via post. Outage maps on Western Power's website also provide details of upcoming planned outages.

If a distributor fails to meet the notice requirements under the Code, it constitutes a Type 1 obligation breach.³² This carries significant consequences, including regulatory scrutiny, internal investigations and public notification of the breach.

The ECCC noted concerns from distributors, that there would be less flexibility to respond to emerging network issues and urgent preventative work, which could become an emergency if not rectified. In these situations, a manual letter drop to LSE customers within three business days would still allow the preventative works to be undertaken.

Finding the balance between sufficient notice for a customer to adequately prepare for an outage, not providing notification too early so customers inadvertently forget and distributors having adequate time to attend to emerging network issues is difficult.

To assist the ECCC in understanding what issues customers have experienced in preparing for planned notifications under the current processes and if customers have adequately prepared action plans for unplanned notices as recommended on registration, Western Power conducted a survey of 2,914 LSE customers (registered as at 6 September 2024). The results of the survey found:

- Most people with a planned outage back-up plan were able to enact that plan within 48 hours. This suggests that increasing the notification period would be unlikely to result in any additional benefits for those people with a backup plan in place.
- Concerningly, approximately 30 per cent of respondents did not have a backup plan at all and 46 per cent of respondents did not have a backup plan for an unplanned outage.

Submissions received

Synergy and Western Power did not support a change to minimum notification times. In Synergy's view, the current planned notification period under the Code is reasonable and does not warrant Code changes. Synergy's rationale for this was based on the Western Power survey of LSE customers.

Western Power considered the results of the LSE survey to indicate that LSE customers are generally able to prepare for a planned interruption quite quickly, with the majority able to put their backup plan in place within one day of being notified. The submission noted concerns that customers may overlook the date and be less prepared if they received notifications too far in advance.

Western Power also noted that increasing the timeframe would have an impact on its operations including the ability to respond to urgent network issues, maintain a reliable supply to customers and would require extensive changes to procedures, processes and systems. Western Power advised that on the morning of a planned interruption it contacts LSE customers again "by either SMS, telephone or a physical door knock, as a final check that the LSE customer is aware that the planned interruption is about to commence".

Obligation 297F, Electricity Compliance reporting manual, ERA (online).

FCAWA noted the importance of effective communication, suggesting that impacted consumers should be notified as early as possible as well as given a follow-up notification if the interruption is cancelled. FCAWA suggested this would benefit customers who rely on external support or relocation as part of their contingency plans.

ECCC response to submissions

Given the results of the survey and the feedback received, the ECCC view is that there is insufficient evidence to justify increasing the notification timeframe from three days. To address the apparent gap in LSE customers maintaining a backup plan, the ECCC will:

- a. Write to Energy Policy WA advising of the survey results and request that government consider how to assist customers to form and implement backup plans for outages, particularly for LSEES recipients.
- b. Encourage retailers to include a reminder to customers about a backup plan in the annual and triennial registration notification.³³
- **c.** Promote the work of the Consumer Health Forum and Energy Charter to assist LSE customers to plan for outages.

6.2 Door knock prior to disconnection

The ECCC sought stakeholder feedback on the feasibility, benefits, challenges and potential costs, associated with introducing a requirement for retailers or distributors to conduct a 'door knock' prior to disconnecting a customer. The ECCC asked the following questions in the draft review report:

Question 2

- a) Could the benefits of the 'Knock to stay connected' initiative being trialled in other jurisdictions be replicated in Western Australia?
- b) What operational challenges and concerns do you have with this initiative?

Experiencing electricity disconnection due to non-payment can be stressful and disruptive for customers. Although many customers manage to get reconnected quickly by contacting their retailer to arrange payment, the process can still bring about significant inconvenience and potential additional reconnection fees.³⁴

The impact of electricity disconnection can be profound, including:

- Spoilage of food and medicine due to lack of refrigeration.
- Loss of heating or cooling, which can be a serious health concern, especially for vulnerable individuals such as the elderly, infants, or those with medical conditions.

Clause 85(1)(a) and (b) of the Code.

³⁴ Costs for reconnection:

⁻ Synergy - \$31.10 (reconnection), \$208.01 (urgent reconnection) – Standard fees and charges, Synergy's <u>website</u>.

Horizon Power - \$6.70 for all reconnections – Fees and charges, Horizon Power's website.

- Inability to access the internet or computers, affecting communication, work, and access to important information.
- Loss of cooking facilities, which can disrupt daily living and nutrition.

These challenges highlight the importance of ensuring proactive support for customers facing payment difficulties, such as payment plans or assistance programs, to minimise the chances of disconnection and its related impacts.

The 'Knock to stay connected' initiative was developed under the Energy Charter and is voluntarily being trialled by some electricity suppliers in other jurisdictions. ³⁵ It was initially trialled by Essential Energy (a large NSW distributor) who has implemented the initiative for customers facing disconnection. ³⁶

The initiative requires distributors to physically knock on a customer's door before disconnecting their service, encouraging the customer to contact their retailer to avoid disconnection. Outlined below are the key outcomes of the trial:

- Essential Energy commenced its 2019 trial as its disconnection process was ineffective; it was unable to complete the disconnection in approximately 50 per cent of cases due to dogs, locks and customer-initiated prevention.
- The trial was intended to prompt customers to contact their retailer prior to disconnection, reducing Essential Energy's return visits to reconnect customers.
- In the trial, approximately 80 per cent of disconnection requests were cancelled after a visit. Consumer advocacy groups helped produce the leaflet that was left with customers at the door knock. A sample is available on the Energy Charter website.
- Since implementing the door knock, the volume of disconnection requests to Essential Energy from retailers has fallen due to bushfires, floods, COVID19 and as more customers are registered with retailers as being in hardship.
- The effectiveness of the door knock has fallen over five years there has been a reduction in disconnection requests cancelled from 80 per cent to 50-60 per cent.

The ECCC is aware that there are several reasons why customers may not engage with retailers prior to disconnection, including a lack of understanding, not receiving written correspondence, language or literacy barriers or deliberately avoiding engagement due to high levels of distress.

Submissions received

ANU, ECP, FCAWA, and WACOSS supported a 'knock to stay connected'.

ANU noted the benefits of a door knock in other states and the increasing numbers of household disconnections for non-payment in Western Australia. ANU also encouraged broader support for pre-payment households that experience frequent disconnections.

ECP recognised the difficulties with a door knock in remote areas and suggested door knocks only occur if the property is within a 20-minute drive of a Horizon Power office. ECP also

electricity retailers to disconnect homes and small businesses for non-payment every month (prior to Covid).

National Customer Code – Knock to stay connected (online).

Essential Energy is distributor in New South Wales and Queensland, providing services to 890,000 customers in regional, rural and remote areas. Essential Energy receive around 1,750 requests from

suggested further exemptions when weather or conditions impact on the ability of the retailer to undertake a site visit.

WACOSS supported the recommendation highlighting that electricity is an essential service and customers should be afforded suitable supports to keep them connected.

Kleenheat noted several concerns with the initiative including the cost, existing Code obligations, customers may be unavailable or may not appreciate face-to-face communication and possible safety concerns for staff.

Alinta Energy supported a trial if it includes clear success measures, as identified collaboratively by retailers and distributors, to assess if the trial led to genuine positive results.

Western Power and Synergy did not support a 'knock to stay connected'. Western Power noted its concern for staff undertaking the door knocks as they may encounter abusive or aggressive customers, and some properties would not be able to be accessed due to locked gates and dogs at the property. Western Power suggested it would be a backward step as one of the reasons the AMI program was introduced was to reduce the need for field staff, as AMI meters can be remotely read.

Synergy submitted that it is unknown if there would be benefits in Western Australia without a trial being undertaken. It noted a trial conducted by Energy Australia involving 27,000 knock-to-stay-connected visits achieving direct contact with 10-15 per cent of customers. For the remaining 85 per cent, detailed informational materials were left behind. Notably, 69-70 per cent of those who received the information subsequently contacted Energy Australia allowing them to provide various forms of customer support including assistance through the Energy Assist Program for ongoing payment help. ³⁷ Synergy did not support the changing the Code without a trial to consider the costs and benefits.

ECCC response to submissions

The ECCC has concluded that in the absence of Western Australian specific data on the impact of the initiative, it will not recommend mandating door-knock prior to disconnection in the Code at this time. Instead, to promote the benefits of keeping customers connected, and create the opportunity to explore the initiative further, the ECCC will:

- Encourage Government to act on the recommendation in the WACOSS State Budget submission recommendation for a 'knock to stay connected' pilot to reduce disconnections for non-payment.³⁸
- Encourage retailers to consider how elements in the handouts provided during the 'knock to stay connected' in other jurisdictions can be incorporated in disconnection notices currently provided to customers. ^{39,40}

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³⁷ Knock to Stay Connected Launch - June 2023 on Vimeo, from 22 minutes (online).

WACOSS State Budget Submission 2025-26, see page 33 (online).

³⁹ Energy Charter template (end of page) (<u>online</u>).

⁴⁰ Clause 48 of the Code (online)

6.3 Disconnection moratorium during a heatwave or extreme fire danger

The ECCC raised the below questions to determine the potential benefits and implications of prohibiting disconnections for the non-payment of a bill, if the property is in an area forecast as to have a heatwave or extreme fire danger. Of particular interest to the ECCC was to assess if there was a need to amend the Code or if the benefits of a moratorium could be realised in other ways.

Question 3

- a) Is there a need to amend the Code or can the benefits of a moratorium for disconnecting customers in a heatwave or extreme fire danger be better realised in other ways?
- b) What are the operational challenges with including this proposal in the Code?

Western Australia's diverse climate subjects it to a variety of extreme weather events including heatwaves, cyclones, bushfires, severe storms and flooding, especially in the northern regions where temperatures frequently exceed 40 degrees creating challenging living conditions.

To meet any new obligation, distributors and retailers would need to add new steps to current disconnection procedures. Distributors would need to implement procedures to prevent disconnection orders from being executed during extreme events. This may require real time updates between the operator and distributors.

The NERR and the National Electricity Market include provisions that prohibit electricity disconnections on days declared as extreme weather events. Under the NERR, retailers are restricted from disconnecting a customer during an extreme weather event, defined as an event declared by a local instrument as an extreme weather event in the jurisdiction in which the customer's premises are located.⁴¹

South Australia is the only state to enliven the NERR provisions, and heatwaves are the only type of extreme weather event that has been defined for the purpose of energy retail legislation. South Australia has a long standing protection from disconnection for non-payment on very hot days and defines 'extreme weather events' as:⁴²

any day where the forecast for the Adelaide Metropolitan area issued by the Bureau of Meteorology at 4 p.m. CST indicates that the following day is the third day in a sequence of 3 days (which may occur on a rolling basis) where the average of the minimum and maximum temperature for each day equals or exceeds 28° Celsius.

Submissions received

Synergy, Alinta Energy, Kleenheat and Western Power did not support a moratorium on disconnection during extreme weather events.

Synergy did not consider it necessary to add disconnection moratoriums in a heat wave or extreme fire danger to the Code. For disconnection moratoriums during major weather events like bushfires, storms etc, Synergy has voluntarily undertaken this in conjunction with Western

NERR Part 6, Rule 116(1)(h) De-energisation (or disconnection) of premises—small customers - AEMC Energy Rules. (online).

Regulation 8 of National Energy Retail Law (Local Provisions) Regulations 2013 (SA) (Online)

Power in the past. Synergy noted that if a disconnection moratorium for extreme weather events was put in the Code the obligation should sit with a distributor, not individual retailers.

Western Power highlighted the challenges of implementing a process to prevent customer disconnections for non-payment during periods of extreme fire danger and heat waves. For the benefit of retailers, the affected areas of the state under such moratoriums would need to be clearly defined with precise boundaries. It was noted that heat wave conditions do not uniformly affect the entire state at the same time, and within the Western Power network, daily weather conditions can vary significantly between locations such as Kalbarri and Albany.

The responsibility to issue disconnection warnings lies with the retailer. Western Power acts upon disconnection requests received from retailers. Under clause 52(3) of the Code, a distributor may disconnect a customer's supply address if there are health or safety concerns or an emergency necessitating the disconnection. Furthermore, the distributor determines whether feeder-level disconnections, rather than individual meter disconnections, are necessary to preserve network integrity during emergencies like bushfires or other critical events. Western Power submitted that these powers are retained in any future amendments to the Code.

The consensus among retailers is that non-codified processes already exist to suspend disconnections during extreme weather events. Retailers expressed support for extending these voluntary disconnection suspensions to include heatwaves and extreme fire danger days but prefer to maintain this practice at the retailers or distributors discretion rather than through regulation.

ANU, FCAWA and WACOSS supported a disconnection moratorium noting the requirement to have clear definitions for the extreme weather conditions which would enliven the protections, including but not limited to heat waves and extreme fire risk.

ANU also expressed concern that pre-payment meter customers would not be included in any new moratorium on extreme weather as they do not receive a bill and submitted that "in the interests of consistency, equivalent protections or alternative financial supports should be extended to pre-payment customers who face known risks of disconnection when it is very hot or very cold".

ECCC response to submissions

Western Australia is vast with different climatic zones, making the task of defining and communicating the boundaries of areas impacted by heatwaves particularly complex. Locations can have vastly different weather conditions on the same day. While Perth might experience a severe heatwave, other parts, such as coastal or southern regions like Albany, could have more moderate weather.

Defining boundaries is essential for consistent application of the suspension of disconnections. Without clear boundaries, some areas might not receive the necessary protections, leading to uneven protections.

Given the uncertainty in clear definitions for geographical boundaries, the ECCC will address the risk of customers being disconnected during heatwaves/bushfire by:

 Writing to the State Emergency Management Committee, recommending that disconnections during heatwaves or extreme fire danger be prohibited as part of the State hazard management plans. The SEMC can then coordinate operational details between retailers, distributors and the relevant hazard management agency. This would allow the State Emergency Management Committee to coordinate measures taken by all relevant entities during emergencies, such as water, electricity and public utilities.

 Encourage retailers to consider extending current non-codified processes currently used to suspend disconnections during cyclones and bushfires, to heatwaves and extreme fire danger days, at the discretion of the retailer.

6.4 Paying interest to customers on overcharges

The Code currently provides that interest is not payable on overcharges made to customers. The ECCC sought additional information to evaluate if the Code should be amended to require retailers to pay interest to customers on certain overcharges. The ECCC sought feedback on the following questions in the draft review report:

Question 4

- a) Should the Code be amended to require retailers to pay interest on overcharges?
 If yes:
 - What types of overcharges should be eligible for interest payments?
 - What types of overcharges should be excluded?
 - Should there be a minimum threshold amount of overpayment before interest is payable
- b) What are the potential operational challenges or concerns with this issue?

The current provision in the Code, which states that interest is not payable on overcharges to customers, was considered by the ECCC to assess whether this should be amended. The Code currently defines overcharging as any amount billed in excess due to an error, defect, or fault for which the retailer or distributor is responsible, or due to billing based on an estimated usage that exceeds actual consumption.

Clause 30(5) explicitly notes that interest is not payable on such overcharged amounts.

Industries like financial services often pay interest on refunds when customers are overcharged. For instance, if a customer is charged too much for a premium, they typically receive both the refund and an interest payment as compensation for the time the overcharge was held. Paying interest on overcharges can be seen as a way to ensure fairness and compensate customers for the loss of use of their money

The ECCC noted that overcharging electricity customers is not systemic and that retailers have advised it is a relatively rare occurrence. Where prolonged overcharging may have occurred, retailers can offer customers goodwill payments on a case-by case basis.

Submissions received

Synergy, Alinta Energy, Kleenheat did not support amending the Code as the benefits were considered negligible as most over charges caused by retailer error are small. Submissions noted that there would be minimal benefits for customers compared to the costs of implementing a change to the Code.

ECCC response to submissions

Retailers have indicated that overcharging is a relatively rare event in the energy sector and is not systemic. When overcharging does occur and is prolonged, retailers may already offer

goodwill payments on a case-by-case basis, which can serve as a partial remedy. This reduces the immediate need for mandatory interest payments.

No additional evidence was provided by stakeholders to demonstrate a systemic issue with overcharging or customer concern over this issue.

Given the assessment by ECCC that overcharges affect only a small proportion of customers and there is no evidence of a systemic issue, requiring mandatory interest payments on overcharges does not justify the regulatory changes. No recommendation on overcharges will be made.

Appendix 1 Minor administrative amendments

Table 6: Minor administrative amendments

Table 6: Minor administrative amendments							
Item	Clause	Amendment	Reason				
1	3 – Terms: "National Interpreter symbol"	Removing standard number from the definition of "National Interpreter symbol"	The National Interpreter symbol is a national public information symbol developed by Victoria in partnership with the Commonwealth, State and Territory governments in 2006. Standard AS2342-1992 Development, testing and implementation of information and safety symbols and symbolic signs was complied with when the symbol was developed. The standard has now been superseded by AS 1743:2018 Road signs – specifications.				
			The context of referencing the standard in the Electricity Code, is in various clauses that require the retailer to provide 'the telephone number for interpreter services, identified by the National Interpreter Symbol'.				
			As the standard has been superseded retaining the reference may cause some confusion (the new Standard does not apply in this context).				
			The amended Compendium removed the reference to the superseded standard in the definition and removing it in the Electricity Code definition will align both customer protection instruments.				
2	87(3)	Update standard AS 10002:2022 Complaints	The standard referenced in clause 87(3) of the Code has been superseded by AS 10002:2022 Guidelines for complaint management in organisations.				
3	3 – Terms: "Complaint"	Amend the term "organisation" to "person" in the definition of complaint	'Person' is defined in the <i>Interpretation Act</i> 1984, includes a public body, company, or association or body of persons, corporate or unincorporate. The term 'organisation' is not defined in the <i>Interpretations Act</i> 1984 or the Code. Minor amendment for clarity.				
4	3 – Terms: "Undercharging"	Delete (b) does not include an amount charged in accordance with a bill smoothing arrangement	The term bill smoothing is no longer used in the Code – all references were removed in the previous review.				

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Table 6:	Minor administrative amendments	

Appendix 3 Recommendations

This Appendix lists the ECCC's recommendations to the ERA for change as a result of the ECCC's 2024 review of the *Code of Conduct for the Supply of Electricity to Small Use Customers* 2022.

	Recommendation for change to the Code			
1.	Introduce a new provision that prohibits retailers from charging for a paper bill to customers receiving concessions, experiencing financial hardship and vulnerable customers.			
2.	Introduce a new obligation to advise non-contestable customers annually, that the retailer has other tariff plans available.			
3.	Require retailers to offer a bill credit for any charges paid, where the meter is tested and found defective.			
4.	Amend clause 23(3) of the Code to allow an estimate to be based on the longest available data series, where an accumulation meter has been exchanged for an interval meter.			
5.	Allow all customers with a payment plan to nominate up to three future bills to be incorporated in their payment plan.			
6.	Allow other medical professionals (such as pharmacists and nurses) in regional areas to provide confirmation of a person's ongoing LSE requirement, for the purpose of the three-yearly periodic review, under clause 85(1).			
7.	 Amend clause 85(1) to allow triennial reconfirmation from a general practitioner that a person in the Perth metropolitan area continues to require LSE if: a) An appropriately qualified medical practitioner has certified the LSE requirement for registration of the address. b) An authorised medical practitioner has confirmed the persons condition is enduring and that the person will have an enduring need for life support equipment to manage the condition. c) The GP confirms that they have sighted the specialist report certifying the enduring need for LSE. Amend clause 85(1) remove the requirement of annual confirmation for nursing homes and similar facilities and require these customers to confirm every three years that LSE is still in use. 			
8.	Clarify that where multiple persons require LSE at one supply address, the licensee is only obligated to notify the customer or other nominated person under clause 84.			
9.	 a) Amend clause 92(1) of the Code to exempt a retailer from providing the nine-month disconnection protection to a customer when the customer expressly declines the protection. The retailer must obtain the customer's verifiable and informed consent. b) Amend clause 92(1) of the Code to require a retailer to use reasonable endeavours to confirm a customer's vulnerable status with either the customer or authorised contact, once they 'become aware' that the 			

	Recommendation for change to the Code		
10.	Increase the service standard payment amounts as set in clauses 94, 95, 96, 97 and 98 by CPI since 2010.		
11.	Complaint acknowledgement: a) Remove acknowledgement times under subclause 88(a) from the Code. b) Remove service standard payments where retailers and distributors fail to meet complaint acknowledgement times in clauses 96(1) and 98(1) of the Code. c) Amend clause 87(2)(c) to include acknowledgement times.		
12.	Remove the requirement to proactively provide the information required by clause 66(2) to the customers who disconnect two or more times in any one month for longer than 120 minutes on each occasion.		
13.	Update the Code for minor amendments as per Appendix 1.		