

QUEENSLAND COMPETITION AUTHORITY

MINUTES OF CONSUMER ADVISORY COMMITTEE MEETING

WEDNESDAY, 30 MAY 2012 – 10:00AM

LEVEL 19, 12 CREEK STREET, BRISBANE

PRESENT:

Members

Mr Charles Millsted (Queensland Competition Authority, Presiding Officer)

Mr Max Howard (Queensland Consumers Association)

Ms Nadine Lester (Queensland Council of Social Service)

Mr Peter Swan (Centre for Credit and Consumer Law)

Observers

Mr Virginia Hunter (DEWS)

Mr Gary Sacre (Energy and Water Ombudsman Queensland)

Mr Adam Liddy (Queensland Competition Authority)

APOLOGIES:

Mr Gary Henry (Queensland Competition Authority, Presiding Officer)

Ms Megan Johns (Commerce Queensland)

Mr Warren Males (Queensland Cane Growers Association)

Mr John O'Malley (Financial Counselors Association of Queensland)

Mr Ben Scott (United Retail Federation)

MINUTES

1. Previous Minutes The Committee resolved that the minutes of the meeting held on 29 February 2012 be accepted as a true record of proceedings.

MATTERS FOR INFORMATION

2. Authority responsibilities under the NECF Members discussed the delay in the implementation of the National Energy Customer Framework, specifically that the committee would continue operation until the implementation Bill was passed by Parliament. Members also discussed the role of the Authority in the new financial year. Members noted that this would be clarified when draft changes to the Queensland Industry Codes were released. Members were informed that DEWS would be releasing draft Industry Code changes in the near future.
3. Retail Price Determination 2012-13 Members discussed the 2012-13 Retail Price Determination, including, in general terms:
- how the Tariff 11 price freeze was being implemented;
 - time of use signals in tariffs;
 - estimation of wholesale energy costs;
 - network tariffs for very large customers in the Ergon Energy

	<p>distribution area;</p> <ul style="list-style-type: none"> • consideration of competition issues; • more detailed customer impact assessments; and • transitional arrangements. <p>Members were informed that the Authority would release its final determination by 31 May 2012.</p>
4. Code Enforcement Issues	<p>Members were provided with an overview of the enforcement issues dealt with by the Authority since the last meeting, including:</p> <ul style="list-style-type: none"> • a billing issue by TRUenergy; • a marketing issue by Lumo; • an overcharging issue by AGL; and • a de-energisation issue by Energex.
5. QCA Decisions since last meeting	<p>Members were provided with an overview of decisions made by the Authority since the last meeting, including:</p> <ul style="list-style-type: none"> • Electricity Industry Code amendments relating to Minimum Service Standards; • small customer disconnections complaints and hardship statistics for the December quarter 2012; • market customer reporting for the December Quarter 2012; • Electricity (Retail Billing Guaranteed Service Level) Code Report for the December quarter 2012; and • the distributor's Minimum Service Standards and Guaranteed Service Level report for the December Quarter 2012.
6. Forward Work Program	<p>Agenda paper noted.</p>
7 Committee Membership	<p>Members were informed that, due to the delay in the NECF implementation legislation, the Authority would be retaining the CAC. All members present confirmed their nomination until the NECF legislation is passed, or for the next 12 months.</p> <p>Members resolved to continue meeting quarterly in the immediate future.</p>
8. EWOQ update	<p>EWOQ reported to members that from 1 July 2011 to 30 April 2012, EWOQ received approximately 11,500 cases, with an average of about 1,150 cases per month. These statistics include water complaints which account for around only 5% of total cases received by EWOQ.</p> <p>Billing remains the highest case category with 4,938 cases, with Customer Service issues the second highest case category with 1,405 cases. Credit issues are third with 1,105 cases, while Transfer issues are fourth with 741 complaints. Overall, EWOQ case numbers have remained reasonably stable for the financial year.</p> <p>EWOQ is awaiting further advice as to whether the implementation of the NECF legislation and framework occurs on 1 July 2012.</p>

9. DEWS Update Members were informed that the legislation necessary to implement the NECF was unlikely to be passed by Parliament by 1 July 2012. Members were also informed that the Department would seek amendments to Queensland Industry Codes to operate in the interim. These amendments would be distributed shortly.

Members were also informed that the Ministerial Consumer Reference Group would continue to operate under the new Government.

GENERAL
BUSINESS

Members discussed the press release regarding the freezing of Tariff 11, including mention of a review of energy pricing and costs. Members were informed that an inter-departmental committee was looking at these issues.

Members also discussed what communication strategies would be employed to inform consumers regarding the NECF and energy regulation from 1 July 2012.

Members discussed disconnection and hardship statistics. While the latest hardship statistics showed retailers were not refusing hardship applications, Members noted that QCOSS's disconnections survey and feedback from the community sector suggested difficulties in initially accessing hardship programs were common.

NEXT
MEETING

The next ordinary meeting of the Committee will be held on Wednesday 29 August 2012 from 10:00am to 2:00pm.