



29 April 2013

Queensland Competition Authority
GPO Box 2257
Brisbane QLD 2257

By e-mail: electricity@qca.org.au

REQUESTED AMENDMENTS TO THE ELECTRICITY INDUSTRY CODE - CUSTOMER DISCONNECTION PROVISIONS

Origin Energy (Origin) welcomes this opportunity to respond to the Queensland Competition Authority's (the QCA's) consultation paper on the request lodged by Energex to amend the Electricity Industry Code (the Code). As a retailer with a significant number of electricity customers in Queensland, Origin will be materially impacted by the proposed changes.

Origin acknowledges the connection characteristics that can make the physical de-energisation of electricity supply challenging. Despite these challenges, Origin does not support the inclusion of the Meter Switch Seal (MSS) process to the Code. Allowing this exception to be preserved in the Code normalises an anomaly in the Queensland electricity retail market.

Retailers have no influence over the application of the MSS process or ability to audit or scrutinise its effectiveness. Origin does acknowledge the support Energex provides in some cases where information is provided to establish a new electricity account with a move-in customer, or address situations where the main switch is turned on again following a de-energisation for non-payment request. It remains the case however that retail businesses bear material financial risks that will become difficult to mitigate in the future should the proposed changes to the Code be made with limited corresponding incentive for the cause of the problem to be managed by the distribution business.

As such, in cases where the retailer faces financial losses due to the inability of the distributor to disconnect, compensation arrangements should continue. Ideally, installing a meter isolation link would be the best long-term solution to resolve de-energisation complications in multiple occupancy sites. At the very least, network use of system charges incurred where energy continues to be consumed at a site where the MSS process has been applied should be waived.

While it is acknowledged Energex has made improvements in performance with respect to completing de-energisation requests since 2007, Origin does not believe it is appropriate to codify a sub-optimal solution to a common business-to-business request issued by retail businesses.

Should you have any questions or comments in relation to this response, please contact me in the first instance.

Regards

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