



Electricity Code Consultative Committee

ECCC draft review report 2024

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

September 2024

Electricity Code Consultative Committee

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This document can also be made available in alternative formats on request.

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Invitation for submissions

Submissions are due by 5:00pm WST, Monday, 21st October 2024

The Electricity Code Consultative Committee (ECCC) invites interested parties to provide comment on the matters discussed in this Draft review report on the ECCC's review of the *Code of Conduct for the Supply of Electricity to Small Use Customers 2022*.

This report includes the ECCC's draft recommendations to amend the Code (sections 2, 3 and 4) and seeks feedback on four issues (section 5) to inform further ECCC discussions. Interested parties are invited to comment:

- If they agree to the ECCC's recommendations, and if not to provide detailed reasons why they disagree.
- In response to the questions in section 5.

Comments can be submitted via the Economic Regulation Authority's online submission form: <https://www.erawa.com.au/consultation>

You can also send comments through:

Email: publicsubmissions@erawa.com.au

Post: Level 4, Albert Facey House, 469 Wellington Street, Perth WA 6000

Please note that submissions provided electronically do not need to be provided separately in hard copy.

All submissions will be made available on our website unless arrangements are made in advance between the author and the ERA. This is because it is preferable that all submissions be publicly available to facilitate an informed and transparent consultative process. Parties wishing to submit confidential information are requested to contact us at info@erawa.com.au.

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Overview

The Electricity Code Consultative Committee (ECCC) has commenced its statutory review of the *Code of Conduct for the Supply of Electricity to Small Use Customers 2022* (Code).

The Code regulates and controls the conduct of 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 this draft review report. The report contains preliminary recommendations to amend the Code. The ECCC's review identified three main areas for improvement. The report also includes questions about various other issues.

New customer protections (section 2)

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 3)

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

- Improve access to life support equipment 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 hardship customers to roll future bills into a payment plan.

Streamlining the Code (section 4)

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

Other issues seeking feedback (section 5)

The ECCC is seeking evidence to understand if Code changes are justified to address four additional issues:

- Notice to life support customers for a planned outages – number of days required.
- Mandating 'door knocks' for residential customers scheduled for disconnection.
- Banning disconnections for non-payment during extreme weather events.
- Payment of interest to customers on certain overcharges.

Way forward

Feedback during the public consultation period will inform the ECCC's final review report recommendations to the ERA. The ERA is responsible for amending the Code.

1. Background

1.1 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.¹

The Electricity Networks Corporation (trading as Western Power) is the monopoly distribution network provider to small use customers within the South West Interconnected System (SWIS), servicing over 1.2 million connections, or 95.7 per cent of the State's total distribution network connections.² Outside the SWIS, the Regional Power Corporation (trading as Horizon Power) serves as the distribution network provider.

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 (RIA)
- Wesfarmers Kleenheat Gas Pty Ltd

Most electricity small use customers in Western Australia are supplied by Synergy and Horizon Power. As at 30 June 2023, Synergy supplied 96 per cent of small use customers in Western Australia.³ Also at this time, Horizon Power, which sells electricity in regional and remote areas outside the SWIS, had 46,033 customers, or approximately 3.8 per cent of small use customers.

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 customers can choose their electricity retailer.

¹ A small use customer is a customer who consumes less than 160 megawatt hours of electricity per year. *Electricity Industry Act 2004* ([online](#))

² Economic Regulation Authority, *Annual data report 2022/23 – Energy distributors*, ([online](#))

³ Synergy had [1,156,753](#) residential and non-residential small use customers as at 30 June 2023.

⁴ 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

In 2022/23 Perth Energy supplied one residential contestable customer in the SWIS, while Synergy supplied the remaining 695 residential contestable customers. There were 87,630 non-contestable and 9,182 contestable business customers in the SWIS. For contestable business customers, Synergy supplied 72 per cent, Alinta and Perth Energy both supplied 10 per cent and the remaining 8 per cent were supplied by eight smaller retailers.⁵

1.2 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.⁶ 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 fees and charges Synergy and Horizon Power can charge in the supply of electricity to customers.⁷ 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 offer 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 customers to shift electricity usage away from evening peak times to the middle of the day.
- 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 has a product that can be added to the A2 tariff, the [Sunshine saver](#), where eligible customers on the A2 tariff can access the benefits of solar savings without an installed system.

1.3 Background of the Code

The Code is subsidiary legislation of the Electricity Act and first commenced in 2004.⁸ 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.
- Provide for compensation payments to be made to customers when standards of conduct are not met.

⁵ Economic Regulation Authority, Section 1.2.2 *Annual data report 2022/23 Energy retailers* ([online](#))

⁶ Energy Policy WA, website ([online](#))

⁷ *Energy Operators (Electricity Generation and Retail Corporation)(Charges) By-laws 2006* ([online](#)) and *Energy Operators (Regional Power Corporation)(Charges) By-laws 2006* ([online](#))

⁸ Section 79 of the *Electricity Industry Act 2024*

- Protect customers from undesirable marketing conduct.

The Code contains ancillary and incidental provisions necessary for this purpose.

The Code applies specifically to electricity small use customers, regardless of whether they are contestable or non-contestable.

The Code seeks to protect the interests of small use customers regarding billing, payment assistance, financial hardship, disconnection, reconnection, pre-payment meters, service standard payments, life support and vulnerable customer assistance.

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

1.4 ECCC role and composition

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:⁹

- 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:¹⁰

- Endeavour to promote consistency across the Code and the Gas Marketing Code of Conduct in Western Australia.¹¹
- 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.

⁹ Section 88 of the *Electricity Industry Act 2024*

¹⁰ ECCC Constitution and Procedures on the ERA's website, page 3 ([online](#)).

¹¹ Gas Marketing Code of Conduct ([online](#))

ECCC members

In March 2024, the ERA appointed the following members to the ECCC for the 2024-26 term, which expires on 5 March 2026:¹²

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.

1.5 The Code review process

Once the consultation period has ended, the ECCC will convene to discuss public feedback received. The results of these discussions will be incorporated into the ECCC's final review report, which will then be submitted to the ERA for consideration.

Table 1 sets out the steps for the current Code review.

Table 1: 2024 Code review – Anticipated timeframe

Action	Who	Anticipated timeframe
<ul style="list-style-type: none"> Publish Draft review report and notice inviting public submissions 	ECCC	September 2024
Public consultation period (three weeks)		
<ul style="list-style-type: none"> Consider public submissions 	ECCC	October/November 2024

¹² Electricity Code Consultative Committee, ERA website ([online](#))

Action	Who	Anticipated timeframe
<ul style="list-style-type: none"> Approves final review report and provides to the ERA 	ECCC	November 2024
Publish ECCC Final review report on ERA website		November 2024
<ul style="list-style-type: none"> Engage the Parliamentary Counsel's office to draft amendments to the Code Publishes draft decision and marked up Code 	ERA	December 2024 March 2025
<ul style="list-style-type: none"> Refer proposed amendments to the ECCC for advice 	ERA	April 2025
<ul style="list-style-type: none"> Publish a notice inviting public submissions on the ERA draft decision 	ECCC	April 2025
Public consultation period (three weeks)		
<ul style="list-style-type: none"> Consider public submissions 	ECCC	May 2025
<ul style="list-style-type: none"> Approve final advice and provide to the ERA 	ECCC	May 2025
<ul style="list-style-type: none"> Publish final decision 	ERA	July 2025
Amended Code commences		September 2025

2. New Customer Protections

This section outlines new customer protections recommended by the ECCC.

Recommendations in this Section

#	Draft 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	2.1 Prohibiting paper billing fees for disadvantaged customers
2	Introduce a new obligation to advise non-contestable customers annually, that the retailer has other tariff plans available.	2.2 Advising customers of available tariff options and products

2.1 Prohibiting paper billing fees for disadvantaged customers

New protections

Draft 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

What would change

Retailers will 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.¹³

Why the change is proposed

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.

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 2024.¹⁴

Introducing a prohibition on charging paper billing fees to customers receiving concessions, experiencing financial hardship or vulnerable customers, will ensure that protections are provided to those customers that need it most and will align with protections provided to gas and water customers.

Background

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 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.

Retailers voluntarily exempt some customers from paper billing charges such as certain concession card holders and customers in financial hardship.

¹³ 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*.

¹⁴ Clause 25 of the Compendium, ERA, ([online](#)), clause 12(5) of the Water Services Code of Conduct (Customer Service Standards) 2024, ERA, ([online](#))

2.2 Advising customers of available tariff options and products

New
protections

Draft recommendation 2

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

This issue is in relation to providing customers with information on a retailer's available tariff options on a regular basis.

What would change

Electricity retailers will be required to proactively inform customers of the availability of alternative tariff options. This obligation ensures that customers are aware of the standard tariffs available and are also provided with clear, accessible information about any alternative plans that could offer cost savings or other benefits. Customers will still need to determine which option is best for them.

Why the change is proposed

By proactively advising customers of these options, retailers can help empower consumers to make informed decisions about their energy usage and expenditure, promoting greater transparency. The proposed changes will:

- Alert 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.
- Support residents experiencing financial hardship by advising there may be alternative cost-effective tariff options that can provide essential relief.
- Encourage energy efficiency by making customers aware of tariffs that reward off-peak usage or promote energy efficiency. This can also lead to reduced overall demand on the grid and help manage energy resources more sustainably.
- Empower customers with the knowledge to choose the most appropriate and cost-effective energy solutions for their needs.

Electricity consumption needs are changing as new technologies and consumer energy resources become available. There is an increase in customers installing solar and batteries and increasing numbers of electric vehicles. Customers can withdraw and put energy back into the grid at different times, depending on their need, so being aware of tariffs and products that may suit their needs is important.

Most of Synergy and Horizon Power's residential customers have access to MyAccount facilities, which is an online portal that can be used by its residential customers with smart meters or Advanced Metering Infrastructure (AMI) to download and review their interval data for tariff consumption comparison purposes.¹⁵ The ECCC notes that retailers have advised they are making this consumption data easier for customers to navigate and understand.

¹⁵ Advanced metering infrastructure (AMI) such as interval meters, capture and store energy usage data at regular intervals

Retailers are currently required to provide information on available alternative tariffs to customers at no charge on request under clause 69 of the Code. The recommendation will require retailers to provide this information regularly and proactively, prompting customers to consider their consumption patterns and contact the retailer about the suitability of alternative tariffs.

Tariff options

Although most customers are on the subsidised tariffs (A1 and A2), the ECCC are 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 ECCC notes that Synergy proactively offers the Community Energy tariff to assist hardship customers to reduce their bill and to lower usage at peak times.¹⁶

The ECCC recommends that the Code be amended to include a new obligation that requires retailers to advise their customers once a year (not necessarily on the bill), of the tariff options available through their retailer. The change will improve customer awareness of any new tariffs or energy plans.

¹⁶ References to a 'hardship customer' is a '*customer experiencing financial hardship*' under clause 3 of the Code, meaning a residential customer who has been assessed by a retailer under clause 40 as experiencing financial hardship.

3. Strengthening Existing Customer Protections

This section outlines the changes the ECCC are recommending to existing provisions of the Code, to increase customer protections.

Recommendations in this section

#	Recommendation	Section
3	Require retailers to offer a bill credit for any charges paid, where the meter is tested and found defective	3.1.1 Applying the refund as a bill credit when the meter is found defective
4	Amend clause 23(3) of the Code to allow an estimate to be based on the longest data series, where an accumulation meter has been exchanged for an interval meter.	3.1.2 Estimating based on the longest available data – post meter exchange
5	Allow a hardship customer with a payment plan to nominate up to three future bills to be incorporated in their payment plan.	3.2.1 Including future bills in a 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).	3.3.1.1 Easier confirmation of ongoing LSE needs in regional areas
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: <ul style="list-style-type: none"> - An appropriately qualified medical practitioner certified the LSE requirements for registration of the address. - An authorised medical practitioner has confirmed that the person's condition is enduring, and that the person will have an enduring need for life support equipment to manage the condition. - The GP confirms that it has sighted the specialist report certifying the enduring need for life support equipment 	3.3.1.2 Easier confirmation of ongoing LSE needs in Perth metropolitan areas
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.	3.3.2 Clarifying obligations when more than one person requiring LSE resides at a supply address.

#	Recommendation	Section
9	<p>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.</p> <p>b) 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 customer is a vulnerable customer.</p>	3.4.1 Respecting vulnerable customer's choices
10	Increase the service standard payment amounts in clauses 94, 95, 96, 97 and 98 by CPI from 2010.	3.5.1 Higher compensation payments to customers

3.1 Billing

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

Strengthening
protections

Draft recommendation 3

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

What would change

A customer will have the option to use the refund as a credit on their account, when their meter has been tested and found defective, in addition to the existing right to request a refund.

Why the change is proposed

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 Code does not allow retailers to offer this as a credit against a customer's account instead of issuing a refund.

The proposed change will allow a customer to direct the amount against future bills. Customers will receive instant financial relief by having the refund applied directly to their electricity bill, without the need to wait for a separate payment or reimbursement process.

If a customer chooses this option, it will also streamline the refund process for retailers. It eliminates the need for additional administrative steps, such as issuing and processing separate refunds, making it a more efficient solution.

What the clause may look like

Where a customer has been overcharged, clause 30(1) of the Code requires a retailer to ask the customer whether the amount should be credited to the customer's next bill, or a bank account nominated by the customer. Similar wording could be included in clause 28.

3.1.2 *Estimating based on the longest available data – Post meter exchange*

Strengthening
protections

Draft 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.

This issue relates to estimates in instances where a customer's accumulation meter has been replaced by an interval meter during a billing period. In general terms, an accumulation meter measures the total amount of electricity consumed over a period (typically between meter readings) and an interval meter (smart meter) measures electricity consumption in

regular intervals. Clause 1.3 of the *Electricity Industry (Metering) Code 2012* provide definitions for these meters.¹⁷

What would change

Where an accumulation meter has been exchanged for an interval meter during a billing period, retailers will be able to label a bill as an actual or an estimate on the data available for whichever meter has been in place the longest, rather than requiring the entire bill to be an estimate if more than 10 per cent of the interval meter reading is estimated as is currently the case.

Why the change is proposed

Retailers have requested the Code be amended to include situations where an accumulation meter has been replaced by an interval meter mid-way through a billing cycle and an estimate is required because there has been a subsequent issue with the interval data.

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.

During a billing period where an accumulation meter has been changed to an interval meter, there are generally four energy data scenarios:

- 1) The accumulation meter and interval meter readings are both actuals.
- 2) The accumulation meter reading is actual, and the interval meter reading is estimated (some or all of the intervals).
- 3) The accumulation meter reading is estimated, and interval meter reading is actual.
- 4) The accumulation meter and interval meter readings are both estimates.

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.

Representing a bill to be an estimated bill based on a threshold of more than 10 per cent of interval meter data being estimated does not contemplate 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.

The proposed change accounts for meter changes during a billing period, allowing the estimate to be based on whichever meter (accumulation or interval) was in place for the longest duration in the past billing period.

¹⁷ WA Government ([online](#))

3.2 Payment assistance

3.2.1 *Including future bills in a payment plan*

Strengthening
protections

Draft recommendation 5

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

Changes in the last Code review, prevented retailers varying a payment plan without a customer's consent and without knowledge of the customer's financial circumstances (clause 44(5)).¹⁸

What would change

Hardship customers on a payment plan will 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 will still not be able to change the periodic payment amount (for example the fortnightly direct debit amount) when a new bill rolls in, without the customer's express consent.

Why the change is proposed

Allowing a hardship customer to agree in advance to include future bills into the arrangement will avoid default bills and refusal of further payment assistance, reduce collection procedures and risk of disconnection.¹⁹ The change will:

- Help customers spread their costs over an extended period, making it easier to manage and budget for ongoing expenses. For customers facing financial hardship, it may help to prevent the accumulation of unmanageable debt.
- Help customers avoid falling behind on their payments by providing a proactive financial management approach. This will assist customers to stay on top of their cost reducing the risk of disconnection and associated stress.
- Give greater flexibility for customers in managing their household finances by having plans that cover future bills, allowing customers to plan around their income cycles, and meet obligations with less strain.
- Allow customers to maintain their eligibility for Hardship Utility Grant Scheme without the need for additional communication with their retailer.²⁰
- Streamline the administration of customer accounts and reduce the need for frequent renegotiations of payment terms.

¹⁸ 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

¹⁹ Under the Code, a retailer cannot commence debt proceedings for the recovery of a debt from a hardship customer, while the customer makes payments under a payment arrangement.

²⁰ To meet the eligibility criteria for HUGS, hardship customers must adhere to a payment plan for 90 days. WA Government – Hardship Utility Grant Scheme ([online](#))

In the previous Code review, it was noted that amending payment plans without the customer's consent was common practice but 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.

The Code was amended so that retailers must require explicit customer consent for each variation to their payment arrangement. New bills for customers complying with a payment plan must be added to the payment plan prior to the due date for the new bill to avoid default. This resulted in the requirement for customers to proactively contact their retailer before each new bill to include it in their existing payment arrangement.

The ECCC notes that retailers proactively seek to contact customers to ask if the customer wishes to roll subsequent bills into their existing payment plan. Unfortunately, some customers in the debt collection process can be reluctant to engage with the retailer so they are having to pay subsequent bills without the coverage of a payment plan. This can lead to disconnection action if the customer cannot pay.

The ECCC notes that customers were reluctant to engage for many reasons, including stigma, language barriers or fear of affecting their credit ratings. The ECCC notes that Synergy and Horizon Power, as government trading entities, are prohibited from credit reporting activities.

The ECCC considered if hardship customers should be allowed to agree to rolling in up to six future bills into a payment plan but decided that adding six bills (12 months of charges) may result in higher outstanding amounts and greater pressure on customers.

The ECCC recommends allowing a hardship customer to include up to three future bills to in a payment plan. Customers will need to engage with their retailer at the end of the billing cycle of the third bill to discuss further payment assistance if required. This will ensure the customer remains connected with their retailer approximately every six months.

Limiting the number of bills rolled into a payment plan and ensuring regular check-ins with the retailer will help to manage the risk of accumulating higher debt, maintain financial stability and stay engaged with the retailer so they can continue to assist if any further issues arrive.

Retailers will not be able to change the periodic payment amount, such as the fortnightly direct debit amount without the customer's express consent. The recommendation applies only to hardship customers, so other customers on payment plans will not be affected.

3.3 Increasing protections for life support customers

The Life Support Equipment (LSE) scheme under the Code, aims to protect vulnerable customers who rely on life support equipment. Retailers and distributors must provide protections from disconnection and outage notification requirements for registered LSE addresses.²¹ To obtain these protections, a customer must meet initial and ongoing recertification requirements by appropriately qualified medical practitioners, that a person at the supply address requires LSE.

²¹ Clause 3 of the Code: *Life support equipment* means specified equipment under the Life Support Equipment Electricity Subsidy Scheme as administered by the department of the Public Service principally assisting in the administration of the *Taxation Administration Act 2003* immediately before 1 January 2023.

3.3.1 *Life support equipment periodic reviews*

Under the 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. Customer eligibility is periodically reviewed, and reconfirmation of a person's requirement is required every three years by an appropriately qualified medical practitioner.²²

Clause 3 - Terms

appropriately qualified medical practitioner means —

- (a) within the Perth metropolitan area —
 - (i) a specialist medical practitioner; or
 - (ii) a hospice doctor; or
 - (iii) a medical practitioner working in a specialist department of a hospital;
- (b) otherwise —
 - (i) a specialist medical practitioner; or
 - (ii) a hospice doctor; or
 - (iii) a medical practitioner working in a specialist department of a hospital; or
 - (iv) a doctor or general practitioner who works at a local hospital or rural health service (whether or not on a full-time basis);

3.3.1.1 *Easier confirmation of ongoing LSE needs in regional areas*

Strengthening
protections

Draft 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).

Both retailers and customers are facing challenges in obtaining confirmation from an appropriately qualified medical practitioners in regional areas, for the purpose of the periodic review under clause 85(1).

What would change

Regional customers will be able to obtain confirmation from medical professionals such as a nurse or a pharmacist, that a person residing at the supply address continues to require life support equipment. The change would remove the challenge of finding a specialist medical practitioner or general practitioner to conduct the recertification (for the purpose of the periodic reviews).

Why the change is proposed

Customers in regional areas often face difficulties obtaining confirmation of LSE needs due to limited access to specialists. Travelling long distances to see specialists or attend rural

²² Clause 85 of the Code.

health or hospital services can be a significant burden for patients with serious health conditions or mobility issues. In addition, customers may be reluctant to visit medical practitioners, due to appointment costs, fear or difficulty securing an appointment.

Expanding who can provide recertification of a person's LSE needs, to include other medical professionals such as pharmacists and nurses in regional areas, means that those relying on LSE could obtain the necessary documentation to provide to their retailer without the need for lengthy travel or waiting periods.

The ECCC recommends broadening who can provide confirmation of an LSE need to include other medical professionals in regional areas. This recommendation does not change the requirement that the initial certification must be completed by an appropriately qualified medical practitioner.

3.3.1.2 *Easier confirmation of ongoing LSE needs in Perth metropolitan areas*

Draft recommendation 7

Strengthening protections

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

This change will align the reconfirmation requirements for the Code with recent amendments to the Government's Life Support Equipment Energy Subsidy (LSEES).

What would change

A customer will be able to obtain confirmation from a general practitioner that a person residing at the customer's supply address continues to require LSE (for the purpose of the triennial periodic reviews).

Why the change is proposed

The Government introduced changes to the LSEES in September 2023 for LSE applicants living in the Perth metropolitan area, to allow a general practitioner (GP) to provide confirmation that a person continues to require LSE. Aligning the Code's LSE scheme with the LSEES will provide persons within the Perth metropolitan area, easier ways to confirm their LSE needs.

The Life Support Equipment Energy Subsidy

The LSEES is provided by the State Government to assist people to meet energy costs associated with operating LSE in their home.²³ To be eligible, applicants must hold certain means-tested concession cards and provide confirmation of ongoing LSE needs from an authorised medical practitioner every three years.

The LSEES allow a GP to provide confirmation of ongoing LSE needs if:

- The person's first subsidy application was certified by an authorised medical practitioner.²⁴
- An authorised 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; and
- The GP confirms that it has sighted the specialist report certifying the enduring need for LSE.

These recertification requirements recognise that some life support customers have a medical pathway that does not need regular specialist appointments after the initial diagnosis. For example, ongoing functioning of CPAP machines are checked by a CPAP provider rather than a medical specialist.

Confirmation of ongoing LSE needs by a General Practitioner

Under the Code, 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 be obtained from a GP who works at a hospital or rural health service (and is proposed at 3.3.1.1 above, to include confirmation of ongoing LSE needs by other medical professionals).

For customers within the Perth metropolitan area, having differing confirmation requirements of ongoing LSE needs, between the LSEES and the Code's LSE scheme can be burdensome. Allowing GPs to provide confirmation will streamline the process under the Code, reduce unnecessary healthcare expenses, and minimise inconvenience for patients who rely on LSE.

The ECCC recommends amending clause 85 of the Code to allow (for the purpose of the triennial periodic review) a GP to confirm a persons' 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 life support equipment to manage the condition; and
- The GP confirms that it has sighted the specialist report certifying the enduring need for life support equipment.

²³ The LSEES is administered by the Department of Finance and Energy Policy WA ([online](#))

²⁴ An authorised medical practitioner for the LSEES has the same meaning as an appropriately qualified medical practitioner in the Code

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

Strengthening
protections

Draft 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 84.

What would change

The Code 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).

Why the change is proposed

Licensees sought clarification on who is required to be notified under Part 11 of the Code when there are multiple people registered as requiring LSE at one address.

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 life support equipment.

The ECCC recommends amending the Code to clarify that licensees are only required to notify the customer or another nominated person under clause 84, when more than one person requiring life support equipment resides at a supply address. The customer holds the contract with the retailer and may not necessarily be the person that requires LSE.

3.4 Family violence protections

3.4.1 *Respecting vulnerable customer's choices*

Strengthening
protections

Draft recommendation 9

- 1) 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.
- 2) 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 customer 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.²⁵

The recommendations would amend 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.

What would change

- A retailer will be exempt from providing the nine-month disconnection moratorium when a customer expressly declines the protection, with verifiable and informed consent.
- The retailer will 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 is 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.²⁶

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

- **Shame or 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.

²⁵ Clause 3 of the Code.

²⁶ Not providing the disconnection protection is a Type 1 obligation breach of the Code. Electricity Compliance Reporting Manual, ERA ([online](#))

The ECCC notes 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 notes that changing the Code comes with 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 it 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.

Balancing the customer's right to choose with ensuring a customer in a difficult situation has access to all available supports and protections can be difficult. 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.

Reduction of stigma: customers may feel shame or 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: the recommendation provides flexibility within the Code's framework to accommodate customers who may feel that the protection does not align with their preference or needs.

Reduce 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 proposes that retailers must obtain the customer's full and informed consent to not provide the disconnection protection. For example, this can be achieved by recording consent during the telephone conversation, as most telephone calls with retailers are typically recorded.

By allowing customers to expressly decline the moratorium, it 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.

Becomes aware

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 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, such as customer's circumstances changing.

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.

3.5 Service standard payments

3.5.1 Higher compensation payments for customers

Strengthening
protections

Draft recommendation 10

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

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.²⁷

What would change

Service standard payment amounts under the Code will increase by the Consumer Price Index.

Table 2: 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) ²⁸	\$20	\$28

Why the change is 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).

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.²⁹

²⁷ Clauses 94 -98 of the Code

²⁸ Note the proposed removal of the acknowledgement timeframe and SSP for acknowledgment in 4.1

Table 3: 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 Consumer Price Index from 2010 will restore their value. It will also align payments with comparable payments in other jurisdictions.

Indexing payments

The ECCC proposes the amounts are indexed at the Consumer Price Indexation amount since 2010. This will bring the payment amounts when retailers or distributors fail to meet certain obligations, in line with or slightly 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.

Table 4: Comparison of service standard payment amounts across jurisdictions with proposed payment increases

	WA	QLD ³⁰	SA ³¹	VIC ³²	NT ³³	NSW ³⁴
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	\$100 per	\$155 per	N/A	N/A	N/A	N/A

²⁹ Chapter 7.2 Annual data report 2022/23 – Energy Retailers, ERA (online)

³⁰ QLD Competition Authority, *Review of Guaranteed Service Levels to apply in Queensland from 1 July 2025* (online).

³¹ Essential Services Commission of South Australia, *Electricity Distributions Code EDC13 July 2020* (online)

³² Essential Services Commission Victoria *Electricity Distribution Code of Practice (version 2)* (online)

³³ Utilities Commission of the Northern Territory, *Electricity Industry Performance Code* (Standards of Service and Guaranteed Service Levels) – Table 1, (online)

³⁴ Clause. 9 of the *Electricity Supply (General Regulation 2001)*, NSW - Includes energisation and re-energisation (connection and reconnection)

	WA	QLD ³⁰	SA ³¹	VIC ³²	NT ³³	NSW ³⁴
disconnections	day	day (\$188 from July 2025)				
Customer service – written complaints	\$20	N/A	N/A	N/A	N/A	N/A

4. Streamlining the Code

This section outlines new customer protections recommended by the ECCC.

Recommendations in this section

#	Draft Recommendation	Section
11	<ul style="list-style-type: none"> 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 	4.1 Removing inconsistent complaint acknowledgement times
12	Remove the requirement to proactively provide the required information in clause 66(2) to the customers who disconnect two or more times in any one month for longer than 120 minutes on each occasion.	4.2 Streamlining information for frequent pre-payment meter disconnections
13	Update the Code for minor amendments as per Appendix 1.	4.3 Minor administrative amendments

4.1 Removing inconsistent complaint acknowledgement times

Streamlining the Code

Draft 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

This recommendation will remove conflicting acknowledgement times between the Code and the complaints and dispute resolution standard AS/NZS 10002:2022. Currently, licensees must acknowledge complaints within 10 business days.

What would change

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

Licensees will 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.’*³⁵

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 the ECCC recommends deleting the acknowledgement time of 10 days from clause 88(a) of the Code.

³⁵ Australian Standard: Guidelines for complaint management in organisation AS 10002:2022, available from Intertek SAI Global ([online](#))

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

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.

4.2 Streamlining information for frequent pre-payment meter disconnections

Streamlining the Code

Draft 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.

This aims 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 will not receive duplicated information from retailers when they are disconnected multiple times in any one month, for longer than 120 minutes.

Why the change is 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 that 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.

The ECCC recommends removing the requirement under clause 66(1)(b) to regularly provide this information. Retailers are still required to provide this information under the Code if a customer is experiencing financial hardship but can focus on more proactive meaningful ways to engage with PPM customers who experience frequent disconnections.

4.3 Minor administrative amendments

Streamlining
the Code

Draft recommendation 13

Update the Code for minor amendments as per Appendix 1.

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

5. Other issues seeking feedback

This section includes issues that the ECCC considered but is seeking public submissions from stakeholders to understand the scope and extent of the issue.

In responses, stakeholders should clearly number the issue and questions they are responding to.

#	Questions	Section
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?	5.2 Notification times of a planned interruption for life support customers
2	a) Could the benefits of the 'Knock to stay connected' initiative being trialled in other jurisdictions be replicated in Western Australia? b) What the operational challenges and concerns do you have with this initiative?	5.2 Door knock prior to disconnection
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?	5.3 Disconnection moratorium in extreme heatwave or fire danger
4	a) Should the Code be amended to require retailers to pay interest on overcharges? If yes: <ul style="list-style-type: none"> - 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?	5.4 Paying interest to customers on overcharges

5.1 Notification times of a planned interruption for life support customers

Other issues

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 ECCC is assessing if the current notice requirements for a LSE registered customer regarding planned interruptions, are adequate. The notification period is intended to allow users of LSE time to prepare for the planned interruption.

5.1.1 The Code

When a customer's supply address is registered as a LSE address, the retailer must provide certain information to an LSE customer.³⁶ This includes advice that there may be planned or unplanned interruptions and a recommendation that the customer prepare a plan of action in case of an unplanned interruption.

Clause 84 of the Code requires a distributor to provide at least three business days' written notice of a planned interruption to a customer or other nominated person. The distributor must use its best endeavours to obtain acknowledgement from either the customer, someone residing at the supply address or other nominated person, that the notice has been received.

The timeframe is shorter than the four-day notice period prescribed under the National Energy Retail Rules (NERR) for other jurisdictions.³⁷

5.1.2 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 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 electronically) and 53 per cent receive notifications via letter 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.³⁸ This carries significant consequences, including regulatory scrutiny, internal investigations and public notification of the breach.

³⁶ Clause 82(3) of the Code.

³⁷ National Energy Retail rules – 124B(1)(d)/124B2(iv) ([online](#))

The ECCC notes 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 will still allow the preventative works. Distributors were concerned that the longer notification would leave insufficient time avoid the emergency.

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.

The ECCC is seeking to understand 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.

5.2 Door knock prior to disconnection

The ECCC is seeking 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.

Other issues

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?

Most customers who are disconnected for non-payment are promptly reconnected as they reach out to their retailer to arrange payment. The process can be stressful for customers and may result in additional costs for reconnection.³⁹

Electricity disconnections in general, have significant impacts on customers such as spoilage of food and medicines in the fridge, loss of heating or cooling causing significant health impacts, loss of internet, computers and cooking facilities.

The 'Knock to stay connected' initiative was developed under the Energy Charter and is voluntarily being trialled by some electricity suppliers in other jurisdictions.⁴⁰ It was initially trialed by Essential Energy (a large NSW distributor) who has implemented the initiative for customers facing disconnection.⁴¹

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.

³⁸ Obligation 238, Electricity Compliance reporting manual, ERA ([online](#))

³⁹ Costs for reconnection:

- Synergy - \$31.10 (reconnection), \$208.01 (urgent reconnection) – Standard fees and charges, Synergy's [website](#)
- Horizon Power - \$6.70 for all reconnections – Fees and charges, Horizon Power's [website](#)

⁴⁰ National Customer Code – Knock to stay connected ([online](#))

⁴¹ 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 electricity retailers to disconnect homes and small businesses for non-payment every month (prior to Covid).

The ECCC notes 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. While Synergy and Horizon do offer support for customers in financial hardship, there is a real risk that customers in hardship may not identify themselves and therefore do not have access to the protections from disconnection

5.2.1 Essential Energy's trial

In 2020, Essential Energy trialed visits to customers scheduled to be disconnected. It has stated that 70-80 per cent of disconnection requests were cancelled by the retailer after the door knock. Customer feedback was positive, with customers feeling grateful and aware. Staff conducting the door knock also had a better experience with the door knock process feeling less stressful or confrontational than a disconnection process without prior notice.

Essential Energy's trial of this program has shown promise in reducing the rate of disconnections, improving customer outcomes and fostering a more compassionate approach to energy supply management. With the success in other regions, the ECCC is considering how the initiative may provide similar benefits in Western Australia.

5.2.2 Western Australia disconnections vs other jurisdictions

Disconnection for non-payment is a last resort for retailers. In addition to the minimum standards required by the Code, retailers undertake a range of activities to encourage customers to make payment and remain connected.

Under the Code, a retailer is required to provide the customer with a reminder notice and a disconnection notice before disconnecting a customer for failing to pay a bill. A residential customer cannot be disconnected if the amount outstanding is less than \$300 and the customer agrees to pay this amount.⁴² Exemptions from disconnection also exist for vulnerable customers (clause 92) and LSE customers (clause 52(b)).

In 2022/23, there were 11,488 residential customer disconnections in Western Australia for the non-payment of bills. Of those 8,688 of those were in the South West (representing less than one per cent of the total customer base of Synergy).⁴³ The customer base for Horizon Power covers significant area, including rural and remote towns.

Of Synergy's disconnections for non-payment, 71 per cent of those customers were on a payment plan, 37 per cent held a concession and 16 per cent were customers who had been disconnected on at least one other occasion in that reporting year or the previous reporting year.⁴⁴

5.2.3 Benefits for consideration

By providing a final opportunity for customers to engage with their retailer before disconnection, the initiative seeks to address underlying issues such as financial hardship, missed communications or other barriers that may prevent timely payment or engagement.

⁴² Clauses 48 and 49 of the Code (online)

⁴³ Economic Regulation Authority, *Annual Data report 2022/23 – Energy retailers* ([online](#))

⁴⁴ Economic Regulation Authority, *Annual Data report 2022/23 – Energy retailers* ([online](#))

Introducing a similar initiative in Western Australia may:

- Reduce the number of disconnections by providing a final reminder and an opportunity for last minute engagement with the retailer to agree an alternative course of action.
- Support customers in hardship or facing payment difficulties to advise of assistance options to avoid ultimately being disconnected.
- Reduce the risk of spoiling food or medicines if the power supply ceases.

5.2.4 Challenges for consideration

The ECCC notes that one retailer historically undertook something similar by sending out field credit officers to customers prior to disconnection. It is estimated that during this time, 60 per cent of customers were unavailable or declined to answer the door. Consideration would need to include what might occur when the customer was not at home or failed to open the door.

While the initiative offers significant benefits, there are several challenges to be considered:

- The geographical spread in Western Australia, particularly in regional areas, may pose logistical challenges if extended to all areas. There is also increased complexity of seasonal weather in regional areas. The ECCC notes that including requirements for only a subset of customers, such as those within the Perth metropolitan area would deny the same level of protections for customers outside of this area.
- Requiring a door knock for customers about to be disconnected will incur additional operational costs for retailers or distributors, including training, labour, travel and developing and enacting safety procedures. These new costs may be substantial and may be spread across all consumers.
- There will progressively be less need for the distributor to visit a supply address to read or disconnect the meter, as AMI disconnection and reconnection can be operated remotely. Additional staff may be required to implement a door-knock initiative.
- The effectiveness of a door knock may be limited in situations where customers are not at home, unwilling to engage or where language barriers exist. In some cases, the door knock may not lead to a successful resolution, resulting in the same disconnection outcome. Staff that undertake the door knock may be faced with some safety risks, such as aggressive customers and dogs
- The lack of information on whether customers who initially avoid disconnection after a door knock are later disconnected, suggesting the door knock might only be postponing the issue.

The ECCC notes that additional costs of the proposal may in some cases, be offset by the reduced need for a visit to disconnect the supply if the customer responds to the door knock. Additionally, should the door knock be undertaken by distributors, the number of unpleasant interactions by door knocking rather than disconnecting may result in reduced work, health and safety concerns.

The ECCC is seeking to understand the costs and benefits of amending the Code to require retailers or distributors to 'door knock' prior to disconnection and what implementation barriers and concerns might exist.

5.3 Disconnection moratorium during a heatwave or extreme fire danger

Other issues

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?

The ECCC is seeking stakeholder feedback on prohibiting disconnections for the non-payment of a bill, if the property is in an area forecast on that day as a heatwave or extreme fire danger.

Of particular interest is if there is a need to amend the Code or if the benefits of the proposal could be realised in other ways

Extreme fire danger days and heatwaves are becoming more common. They pose significant risks to public health and safety, particularly for vulnerable customers. Ensuring continuous access to electricity during such events is crucial for maintaining essential services, including air conditioning, refrigeration and medical equipment. Introducing a prohibition in the Code would align with similar provisions in other jurisdictions.

5.3.1 Other jurisdictions

The NERR and the National Electricity Market include provisions that prohibit electricity disconnections on days declared as extreme weather events. These provisions are triggered when specific conditions are met as determined by a relevant authority.

The NERR framework provides a model for prohibiting disconnections during extreme weather events. Under the NERR, retailers are restricted on disconnecting a customer during an extreme weather event, which is 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.⁴⁵

5.3.2 Adapting the Code

Western Australia experiences a range of extreme weather events, including heatwaves, cyclones, bushfires, severe storms and flooding, particularly in the northern regions where temperatures regularly exceed 40 degrees. Adapting this model to WA's environmental context needs further consideration and input from stakeholders.

To meet any proposed new obligation, distributors and retailers will 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 following will need to be addressed to include a similar provision in the Code:

⁴⁵ [NERR Part 6: De-energisation \(or disconnection\) of premises—small customers - AEMC Energy Rules](#)

- Defining a heatwave or extreme fire danger days - clear definitions and criteria for what constitutes a heatwave and extreme fire danger, possibly in consultation with relevant meteorological authorities.
- Notification and communication requirements – the responsibilities of retailers to inform customers of the prohibition and the process for lifting the prohibition once the weather event has passed will need to be outlined.
- Prohibition length - any abrupt action that could harm customers, particularly if they are recovering from a significant event may have further negative effects. Will provisions be needed on how disconnections will resume after the event has passed.
- Exceptions and exemptions – what exemptions to a prohibition will be required, such as for properties that are vacant, where the customer has requested disconnection or if there is a bushfire event that requires the emergency de-energisation of electricity supply.
- Additional debt - are additional measures needed in the Code for customers who may accrue further debt during prohibition periods (for example further payment assistance).

The ECCC notes that retailers have processes in place to suspended disconnections for failing to pay a bill during extreme weather events like cyclones and bushfires, but typically not during heatwaves.

5.3.3 Emergency management

The State Emergency Management Committee (SEMC) arranges for the preparation of emergency management plans for WA. The [State Emergency Management Plan](#) (appendix E) lists the responsibilities of relevant entities (including the distributors) in prevention, preparedness, response and recovery.⁴⁶

Hazard specific emergency management arrangements are developed by the responsible agency. Separate plans exist for heatwaves and fires. The Department of Health is the responsible agency for heatwaves. The heatwave [State Hazard Plan](#) lists the responsibilities Western Power and Horizon Power which include maintaining the integrity of the power system (appendix C). The Department of Fire and Emergency Services is responsible for the fire [State Hazard Plan](#) which sets out the levels of response based on the severity and complexity of the fire.

The ECCC is seeking to understand if disconnections for non-payment should be prohibited during heatwaves and extreme fire danger, and if so, if the Code or the SEMC's framework is the best place for such a prohibition.

⁴⁶ Emergency management plans, Government of Western Australia ([online](#)).

5.4 Paying interest to customers on overcharges

Other issues

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 Code currently provides that interest is not payable on overcharges made to customers. The ECCC is seeking additional information to evaluate if the Code should be amended to require retailers to pay interest to customers on certain overcharges.

Overcharging is defined in the Code, as an amount overcharged as a result of either an error, defect or fault for which the retailer or distributor is responsible or the retailer basing a bill on estimated energy that is greater than the actual value (from a meter actual reading).

Clause 30(5) of the Code expressly provides that interest *is not payable* to a customer on an amount that has been overcharged.

In contrast, other industries, like financial services, pay interest to customers on overcharges for example if the insurer charged too much for the premium, they will provide interest on the refund.

The ECCC notes that typically 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.

5.4.1 Overcharges in the Code

Overcharging by retailers can occur due to various reasons, often stemming from errors or issues in the billing and metering process. For example, manual meter reading errors, faulty meters, estimated bills, pre-payment meter issues or billing system errors.

Estimated Bills

There are several reasons why estimated bills occur, for example issues with access to the meter or issues with self-read information. The estimation process is a standard operational practice, where the subsequent bill is adjusted for any overcharges or undercharges. Retailers do not charge interest to customers on any undercharges as part of the estimation process.

Pre-payment meter overcharges

If a pre-payment meter customer has been overcharged because of an act or omission (including a defective pre-payment meter), the retailer must credit or refund the customer (clause 65(5)). The Code expressly provides that interest *is not payable* to a pre-payment meter customer on an amount that has been overcharged.

Pre-payment meter systems are designed to provide real time usage and payment tracking, which reduces the likelihood of overcharging. Additionally, where a pre-payment meter customer has been undercharged following an act or omission (including as a result of a defective pre-payment meter), the Code specifically expresses that a retailer *must not charge interest* or a late payment fee on the amount.

Including payments for overcharges for pre-payment meters, will add to operational complexity for retailers and complicate the management of pre-paid balances.

5.4.2 Interest charging restrictions

The Energy Operators (Electricity Generation and Retail Corporation) (Charges) By-laws 2006 clause 8(3) only permits Synergy to charge interest on unpaid charges exceeding \$1,000. In 2022/23, the average bill debt of residential electricity customers (excluding hardship customers) was \$772 for Synergy and \$798 for Horizon Power.⁴⁷ This means that most customers under the Code would not be charged interest.

Managing interest payments for potentially small amounts across a large customer base could be administratively burdensome and costly for retailers. The process for determining which overcharges qualify for interest payments could be complex and require clear guidelines.

Any new requirement for retailers to pay interest to customers on overcharged amounts cannot be offset by revenue from interest charges on underpayments due to the restrictions.

5.4.3 Other Jurisdictions

Not paying interest to customers on amounts overcharged is consistent with all other States and Territories of Australia. Clauses 30(5) and 66(5) are currently aligned with the National Energy Retail Rules and the Retail Code of Practice which states, “No interest is payable on an amount overcharged”.⁴⁸

The ECCC is seeking to understand if customers have incurred additional costs as a result of being overcharged (such as interest). If a provision should be included to require retailers to pay interest to customers on overcharged amounts, what overcharges would attract interest and how will the interest amount be calculated.

⁴⁷ ERA, Annual data report 2022/23 – Energy retailers Clause 3.1.1 ([online](#))

⁴⁸ National Energy Retail Rules (NSW, QLD, SA, TAS, ACT) - Rule 31(4)([online](#)), Energy Retail Code of Practice (VIC) – Clause 71(4) ([online](#))

Appendix 1 – Minor administrative amendments

Table 5: Minor Administrative amendments

Item	Clause	Proposed amendment	Reason
1	3 – Terms “National Interpreter symbol”	Removing standard number from the definition of “National Interpreter symbol”	<p>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.</p> <p>The standard has now been superseded by AS 1743:2018 Road signs – specifications.</p> <p>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’.</p> <p>As the standard has been superseded retaining the reference may cause some confusion (the new Standard does not apply in this context).</p> <p>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.</p>
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 1984</i> , 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 1984</i> or the Code. Minor amendment for clarity.
4	3 – Terms: “Undercharging”	Delete (b) <i>does not include an amount charged in accordance with a bill smoothing arrangement</i>	The term bill smoothing is no longer used in the Code – all references were removed in the previous review.