

QUEENSLAND COMPETITION AUTHORITY

MINUTES OF CONSUMER ADVISORY COMMITTEE MEETING

WEDNESDAY, 27 MAY 2009 – 10:00AM

LEVEL 19, 12 CREEK STREET, BRISBANE

PRESENT: Members

Mr Gary Henry (Queensland Competition Authority, Presiding Officer)
Ms Penny Carr (Tenants Union of Queensland)
Mr Eric Danzi (Queensland Farmers Federation/Queensland Cane Growers Organisation)
Mr Ian Jarratt (Queensland Consumers Association)
Ms Sarah Kearney (Chamber of Commerce and Industry Queensland, in place of Mr Nick Behrens)
Mr David Lawson (Financial Counselors Association of Queensland)
Mr Ken Murphy (The Retailers Association, in place of Mr Scott Driscoll)
Ms Linda Parmenter (Queensland Council of Social Service)

Observers

Mr John Jones (Energy Ombudsman Queensland, in place of Mr Barry Adams CEO)
Mr Darren Schneider (Mines and Energy)
Mr Adam Liddy, Ms Yewy Tan (Queensland Competition Authority)

APOLOGIES: Mr Barry Adams (Energy Ombudsman Queensland)
Ms Salma Osman (Mines and Energy)
Mr Nick Behrens (Chamber of Commerce and Industry Queensland)
Mr Scott Driscoll (The Retailers Association)

MINUTES

1. The Committee resolved that, subject to any comments from Members following the meeting, the minutes of the meeting held on 25 March 2009 be accepted as a true record of proceedings.

GENERAL BUSINESS

2. Status of Outstanding Issues Members were advised that the Queensland Consumers Association would seek disaggregated data on consumers switching behaviour related to the Choice article 'Power Play' presented to members at the March 2009 meeting.

MATTERS FOR INFORMATION

3. Continuation of Nominations Members accepted the extension the membership of the existing Committee Members for a further 12 months. This will be presented to the Authority for confirmation.
4. Judicial Review of 2008-09 BRCI Decision Members were provided with an update on the judicial review of the 2008-09 BRCI Decision.
- Members were advised of progress on the judicial review and the gazettal process for the 2008-09 Remade Decision and the 2009-10 BRCI. It was noted that, in effect, there should be no price change until 1 July 2009.
5. Benchmark Retail Cost Index for 2009-10 Members were provided with an update on progress of the 2009-10 BRCI.
- Members discussed various aspects of the review process. Problems associated with the current BRCI legislation which constrained the effectiveness of the BRCI framework and the Queensland pricing methodology were noted.
6. No Disconnection Threshold Members noted that the non-disconnection threshold had been increased in line with the Committee's recommendations.
- In relation to disconnection complaints, Members were advised that EOQ responded to disconnection complaints by ensuring a retailer had provided a reasonable payment option and where possible negotiating a payment option that might be acceptable to both parties.
- There was some general concern amongst Members that customers may not complain when they have been disconnected but it was acknowledged that increased awareness of EOQ should encourage more consumers to file a complaints where appropriate.
7. Reporting Code Review Members were advised that the Authority had taken up the suggestion of the Committee regarding a review of regarding a review of Code reporting requirements. An interim consultation notice would be released shortly.
- The Queensland Consumers Association presented a paper on 'Complaints about the Energy Industry – A Consumer Perspective'. It was suggested that complaints data was too heavily relied on and that there was a need to focus on consumer satisfaction/dissatisfaction using consumer surveys. It was also noted that the review to be conducted by the Authority should consider scope for more Guaranteed Service Level (GSL) payments and defined performance standards in the legislative framework.
- It was noted that the Department of that Mines and Energy was closely monitoring and participating in the national reform agenda. However, it was noted that it was difficult to compare disconnection data from year to year, across regions and between states.

9. QCA Decisions since last meeting.

Agenda papers were noted.

Members discussed the following issues:

Prospective Code amendments to prevent retrospective price changes

Review of Format and Content of Energy Retailers' Electricity Bills.

10. Future QCA decisions and consultations.

Agenda papers were noted.

11. EOQ update

EOQ provided Members with an update of activity. EOQ has received between 13,500-14,500 cases this financial year, a 100% increase from the previous year. Of these, billing complaints remained the most common grievance addressed by EOQ, accounting for approximately 70% of complaints. Customer service complaints, particularly regarding call centres, accounted for 15% of complaints.

12. Update from Mines and Energy on any matters of interest.

The Department provided an overview of involvement in the national reform agenda and its efforts to get appropriate changes incorporated into the reforms. It was also noted that Mines and Energy would be engaging with consumer groups to develop policies and support mechanisms for vulnerable customers as part of the reform process.

Meeting concluded 12:15 pm

NEXT MEETING

The next ordinary meeting of the Committee will be held on Wednesday 26 August 2009 from 10:00am to 12:00pm.