

**ESSENTIAL SERVICES COMMISSION**  
**WRONGFUL DISCONNECTION DECISION**  
**UNDER SECTION 40B OF THE *ELECTRICITY INDUSTRY ACT 2000***  
**LUMO ENERGY & CUSTOMER A**  
**DECISION AND REASONS**

**Summary**

Customer A moved into the premises at Suite 11/12-14 Garden Boulevard, Dingley Village 3172 on 9 September 2013, established an electricity account with its preferred retailer and began taking supply. The previous occupant of the premises had been a customer of Lumo Energy (Lumo), and Customer A's retailer of choice had not yet issued a transfer request, which meant that Lumo was the financially responsible market participant (FRMP) for the premises under the National Electricity Rules (until responsibility for supply is transferred to another retailer). Lumo established an anonymous 'occupier account' for the meter at the premises when, in June 2013 after the previous occupant had moved out, it was notified by the distributor that supply was being drawn at the premises. The premises was known to Lumo as 14/14 Garden Boulevard, Dingley Village 3181.

In the Market Settlements and Transfer Solution (MSATS) database, maintained by AEMO and updated by distribution businesses, the address associated with the National Meter Identifier number (NMI) of the meter at the premises was 14/14 Garden Boulevard, Dingley Village 3181. As Lumo relies solely on MSATS for its address data, the account was established under this address. Lumo forwarded all correspondence relating to the account to this address. Customer A advised the Energy and Water Ombudsman Victoria (EWOV) that it did not receive any correspondence from Lumo. When the occupant failed to provide identification and set up an account in its name in response to Lumo's correspondence, Lumo sent disconnection warning notices to 14/14 Garden Boulevard, Dingley Village 3181. Having received no contact from the customer, Lumo arranged for the distributor to disconnect the electricity supply to the premises on 10 October 2013.

When Customer A referred its case to EWOV, EWOV was able to establish (by consulting the LandVic website) that 14/14 Garden Boulevard, Dingley Village 3181 is not a valid address – and that 3181 is the postcode for Prahran, not Dingley Village.

EWOV has asked the Commission to determine whether the disconnection of electricity supply to Customer A's premises was wrongful under section 40B of the *Electricity Industry Act 2000* (the Act) and, if so, the amount of any payment Lumo is required to make to Customer A.

**Chronology of events**

<b>Date</b>	<b>Event / Comment</b>
17 April 2013	Previous occupant advised Lumo that they were vacating premises. Disconnection order for the NMI was issued to the distributor by Lumo but not completed due to access issues (locked meter box).
17 June 2013	Occupier account established by Lumo following actual read received from distributor on 11 June 2013, indicating consumption at property. Customer A had not yet moved into the premises. Welcome letter addressed to Occupier of premises sent to 14/14 Garden Boulevard, Dingley Village 3181.
25 June 2013	Not having received any contact from the occupier, Lumo sent a second letter to 14/14 Garden Boulevard, Dingley Village 3181, addressed to Occupier of premises.
9 September 2013	Customer A moved into supply premises and established an account with its preferred retailer (Origin).
10 October 2013	Electricity supply to premises was disconnected.
10 October 2013	Electricity supply to premises was reconnected at request of Customer A.
30 October 2013	Lumo received transfer request from Origin. Lumo did not object to this request.

**Decision**

Having considered the advice and information provided by Lumo and EWOV, the Commission finds:

1. In disconnecting the supply of electricity to Customer A's premises, Lumo failed to comply with the terms and conditions of the contract specifying the circumstances in which the supply of electricity to those premises may be disconnected. Hence Lumo is required to pay Customer A wrongful disconnection compensation under s 40B of the Act.
2. The wrongful disconnection compensation payable is for the whole of the period during which the electricity supply to Customer A's premises was disconnected – 10 hours and 30 minutes, between 11.00 am and 9.30 pm on 10 October 2013.
3. In accordance with section 40B(1A)(5)(b) of the Act, Lumo is required to pay Customer A wrongful disconnection compensation of \$109.

## **Reasons**

The reasons for the Commission's decision are as follows:

1. The supply of electricity to Customer A's premises was subject to a deemed contract under section 39 of the Act, which began when Customer A first drew supply at the premises on 9 September 2013. Customer A was a customer of Lumo for the duration of the contract, therefore the wrongful disconnection regime established under section 40B of the Act applies. According to section 39(1)(a) of the Act, the terms and conditions of the contract were Lumo's standing offer terms and conditions.
2. Clause 29 of Lumo's standing offer terms and conditions (the T&Cs) requires each party to comply with the Code.
3. In disconnecting electricity supply to Customer A's premises, Lumo did not comply with clause 13.4 of the Code and 18(d) of the T&Cs as Lumo failed to give Customer A a disconnection warning.

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Dr Ron Ben-David

Chairperson

Date: 19 December 2014