

Summary of Administrative Undertakings and assurances sought

Billing issues

The application of discounts to accounts: EnergyAustralia failed to credit 225 000 customers with discounts they were owed, and threatened collection activity for non-payment. *The Commission asked for an **assurance** that EnergyAustralia had corrected the problem and credited the customers with the sums to which they were entitled.*

Undertaking to reduce the number of unbilled accounts: for more than a year, EnergyAustralia has not been billing large numbers of customers on time. EnergyAustralia reported meeting an earlier undertaking to halve the unbilled number, by mid-September 2013, but had not committed to a further target and a time for reaching it. *The Commission required EnergyAustralia to enter a second **undertaking**, to halve again the unbilled number of accounts by 14 February 2014. EnergyAustralia has given this further Undertaking.*

Compliance and Billing Audit: a recent special audit found that EnergyAustralia could not show that the numbers of unbilled customers it had reported to the Commission were correct. *The Commission required **assurance** through a second audit that EnergyAustralia's reported numbers are as reliable and accurate as the Commission requires and that EnergyAustralia met its earlier target for the number of unbilled customers.*

Billing greater than nine months: EnergyAustralia has back-billed customers over periods longer than the permitted nine months. *The Commission therefore asked for **assurances** that EnergyAustralia:*

1. *would refund in full any amounts billed and paid for a period earlier than nine months before the date on which EnergyAustralia billed the customer;*
2. *would not in future recoup amounts owing on customers' accounts for such a period;*
3. *would calculate any amounts to be recouped according to the tariffs in force during the periods for which bills were not provided;*
4. *had not disconnected a customer for non-payment of an amount arising from a period in which an account was not issued by Energy Australia;*
5. *would not disconnect a customer for non-payment of an amount arising from a period in which an account was not issued by Energy Australia;*
6. *would not disconnect or issue a disconnection notice to a customer if the customer's payment difficulty arises from the repayment of amounts owing from a period when no bills were issued by EnergyAustralia;*
7. *would establish additional programs such as extended repayment periods for customers who, through Energy Australia's failure to issue bills, may experience difficulty repaying any amounts from the non-billed period;*
8. *would write to all customers affected by Energy Australia's failure to issue bills, advising them of the full range of repayment options, and display this information prominently throughout the EnergyAustralia website;*
9. *would have the aforementioned programs, and information regarding these programs, in place by 24 December 2013;*
10. *would put in place all necessary resources to 'fast track' any direct customer complaint or any referrals from the Commission or the Energy and Water Ombudsman of Victoria (EWOV) of customer complaints relating to any billing issues.*

Other issues

Undertaking to provide information for Ausgrid smart meter customers: the billing system that Ausgrid operates for some EnergyAustralia customers does not provide information required on smart meter bills. EnergyAustralia has not defined when and how it will comply with the obligations. *The Commission asked EnergyAustralia to enter an **undertaking** that, in 2014, the required information will be provided on or with every bill.* EnergyAustralia has not given an undertaking, and the issue is still under review.

Early Termination Fees: EnergyAustralia acquired Ausgrid's retail business in 2011 but some 2700 customers who transferred between the two entities were charged Early Termination Fees, in breach of the Code. *The Commission said it would ask EnergyAustralia for an **undertaking** to complete its remedial action by 24 December 2013 if EnergyAustralia had not done so by 30 November 2013.*

Recording customer explicit informed consent: EnergyAustralia has acquired the accounts of some 15,000 Victorian customers through marketing in clear and serious breaches of the relevant obligations. EnergyAustralia has identified the actions it must take to contact the customers and seek their consent. *The Commission asked for **assurances** that these attempts at remediation would be completed by 24 December 2013 and that EnergyAustralia will provide fortnightly progress reports.*