



REVIEW OF ENERGY RETAIL PERFORMANCE INDICATORS

STAFF CONSULTATION PAPER

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1 INTRODUCTION

1.1 Purpose of review

This Staff Consultation Paper represents the first stage of a process to review and align the performance indicator framework used by the Essential Services Commission (the Commission) with the national framework. This involves discussion and consideration of:

- Comparisons between the Commission’s indicators and those of the Australian Energy Regulator (AER)
- Changes to the Victorian legislative framework in recognition of the National Energy Customer Framework (NECF)

Consistent with Government policy, we consider it timely to adopt the national performance monitoring framework and, wherever possible and appropriate, harmonise our performance indicators with those of the AER. There are, of course, individual cases for retaining existing indicators and/or definitions, despite inconsistency with the AER.

This process also presents an opportunity to streamline the data set, improve terminology and clarify definitions to provide certainty for energy retailers (regulated entities) when undertaking to complete the data collection and reporting requirements.

Some indicators require little or no amendment to align with the AER and changes to some others are not expected to alter the intention or meaning of the data. On the other hand, many of the changes proposed present significant risks, such as the way in which regulated entities capture and report the data to the Commission or the ability to compare data historically.

1.2 Structure of this paper

Chapters 2 – 6 deal with each of the five categories of indicators currently reported on by the Commission, while the remainder of the paper details the way forward:

- Chapter 2: Background indicators (that is, customer classifications and numbers)
- Chapter 3: Affordability indicators (that is, billing methods and issues, disconnections and reconnections)
- Chapter 4: Financial Hardship Program indicators
- Chapter 5: Call Centre Enquiries and Complaints indicators
- Chapter 6: Wrongful Disconnection Complaints indicators
- Chapter 7 details the next steps in this review process
- Appendix A summarises the proposed suite of performance indicators, including their recommended definitions, in table format

Each chapter recaps existing definitions of current indicators, followed by a comparison with the AER’s equivalent indicator (where applicable) and a discussion of the risks associated with making changes to the indicator or its definition. To minimise repetition, an overarching

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discussion of common themes is provided where indicators have similar alignment issues or definition shortcomings. A recommendation follows within the context of;

- (a) harmonise Commission indicators with those of the AER,
- (b) clarify definitions,
- (c) remove redundant indicators, and
- (d) introduce new indicators.

1.3 How to respond

This Staff Consultation Paper is designed to seek comment from stakeholders on the changes proposed to the Commission's Retail Energy Businesses Performance Indicator framework. Feedback will assist staff to refine the framework that, subject to the Commission's approval, will apply from either the 2012-13 reporting period (in the case of minor changes – the Commission will allow extra time to submit data for the current reporting period) or the 2013-14 reporting period (in the case of more complex changes). Feedback in the form of written submissions should address the recommendations proposed throughout this paper and any other general performance reporting issues.

Please send comments to elecindicators@esc.vic.gov.au by the close of business on Friday 18 January 2013. Submissions will be made available on our website, except for any information clearly identified as commercially confidential or sensitive. Any material that is confidential should be clearly marked as such.

Any queries regarding this paper or the performance indicator review process should be directed to:

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2 BACKGROUND INDICATORS (CUSTOMER NUMBERS)

2.1 Introduction

We collect data from regulated entities about the number of retail customers in various categories (based on their level of energy consumption), reported separately for electricity and gas, residential and business.

2.2 Harmonisation of indicators with the AER

Background indicators with an AER equivalent are denoted by an AER Reference number (from their published Performance Reporting Procedures and Guidelines) alongside in the table.

A common alignment issue between the Commission and the AER is that the AER requests customer numbers as at the last day of each quarter (rather than each month). For rapidly changing customer numbers in a high churn environment (including for new retailers entering the market and building a customer base), this provides a very different result to those reported monthly to the Commission when calculating yearly averages. We consider the accuracy of customer numbers data a high priority because this information is used as the basis for analysing many other indicators such as disconnections. We will continue to request customer numbers as at the last day of each month.

Furthermore, we currently obtain information about the number of electricity residential customers and business customers according to a number of consumption thresholds – that is, businesses consuming less than 40 MWh a year, consuming 40-160 MWh, 160-750 MWh and more than 750 MWh. The AER only distinguishes small businesses (those consuming less than 100 MWh) from large customers (those consuming 100 MWh or more).

For gas customers, we collect data in two categories only – ‘residential’ and ‘business’, while the AER requires retailers to separate small business (those consuming less than 1000 GJ) and large customers (those consuming 1000 GJ or more).

The AER also requires retailers to break down small customer numbers (residential and business) according to whether they are on a standard retail or market retail contract. We can see the value in seeking disaggregated data which is in accord with the National Energy Customer Framework (NECF).

To be consistent with the NECF and National Energy Retail Law (NERL), a minor change to our consumer threshold categories is needed to accommodate a new classification – the *small market offer customer*. These are a subset of small business customers who use between 40-100 MWh of electricity and/or 400-1000 GJ of gas a year. Small market offer customers would generally be on market retail contracts for the supply of electricity or gas, with retailers not obligated to offer a standard retail contract. All background indicators will therefore be aligned to this change.



2.3 Clarification of definitions

Most background indicators require changes to the definition to improve clarity and minimise areas of confusion for regulated entities when undertaking to meet reporting requirements. The definitions currently provided for background indicators are basic – anyone relying on them seems to be expected to have read the Information Specification in its entirety, rather than turning straight to a given indicator and its definition.

We provide an acceptable general definition of a retail customer, though it is only relevant to electricity:

Equivalent to an account/NMI for whom the retailer is the Financially Responsible Market Participant (FRMP). Where there are multiple accounts in one person's name, the number of accounts will be taken to be the number of customers.

Note: For all customer categories, numbers are to be taken as at the last day of each month within the reporting period (e.g. 31st March, 30th April, 31st May, etc.)

We propose updating the definition to be inclusive of gas terminology, making reference to *MIRN* (the meter identifier for gas, where *NMI* – the meter identifier for electricity – is used).

It would also be worth adding “as at the last day of each calendar month during the reporting period” to the definition of each individual indicator.

2.4 Recommendations for each indicator

ESC Indicator	AER Reference
Retail Electricity Customers – Residential	S2.1.a.i / S2.2.a.i
Current definition	
A customer who purchases energy principally for personal, household or domestic use at the relevant supply address.	
Discussion	
The AER’s definition of a customer follows that set out in the NERL: “A customer is a person to whom energy is sold for premises by a retailer; or who proposes to purchase energy for premises from a retailer.” While a residential customer is defined as “a customer who purchases energy principally for personal, household or domestic use at premises”.	
Recommendation	
Align our indicator to the AER by separating into two indicators:	
‘Residential Electricity Customers on standard retail contracts’ defined as: <p><i>The number of customers as at the last day of each calendar month during the reporting period who purchase electricity under a standard retail contract, principally for personal, household or domestic use at premises.</i></p>	
‘Residential Electricity Customers on market retail contracts’ defined as: <p><i>The number of customers as at the last day of each calendar month during the reporting period who purchase electricity under a market retail contract, principally for personal, household or domestic use at premises.</i></p>	



ESC Indicator	AER Reference
Customers – Non-residential < 40 MWh p.a.	S2.1.a.ii / S2.2.a.ii
Current definition	
The number of non-residential retail electricity customers consuming less than 40 MWh of electricity per annum.	
Discussion	
As mentioned under section 2.2 above, the AER requests small business customer data which is disaggregated according to standard retail or market retail contracts. We can see the value in this. In doing so, retailers will need to make the necessary changes to capture the added detail in gas customer data. Data reported in future could be easily reconciled with the past, if required, by simply adding the two gas residential customer indicators.	
Recommendation	
Align our indicator to the AER by separating into two indicators: ‘Small Business Retail Electricity Customers on standard retail contracts’ defined as: <i>The number of non-residential retail customers as at the last day of each calendar month during the reporting period, who purchase electricity for business premises under a standard retail contract and consume less than 40 MWh a year.</i> ‘Small Business Retail Electricity Customers on market retail contracts’ defined as: <i>The number of non-residential retail customers as at the last day of each calendar month during the reporting period, who purchase electricity for business premises under a market retail contract and consume less than 40 MWh a year.</i>	

ESC Indicator	AER Reference
Customers – Non-residential 40-160 MWh p.a.	S2.1.a.ii / S2.2.a.ii-iii
Current definition	
The number of non-residential retail electricity customers consuming between 40 and 160 MWh of electricity per annum.	
Recommendation	
Align our indicator to the AER by separating into two indicators, while incorporating the new consumption threshold classification for business customers: ‘Retail Electricity Small Market Offer Customers on standard retail contracts’ defined as: <i>The number of business retail customers as at the last day of each calendar month during the reporting period, who purchase electricity for business premises under a standard retail contract and consume between 40-100 MWh a year.</i> ‘Retail Electricity Small Market Offer Customers on market retail contracts’ defined as: <i>The number of business retail customers as at the last day of each calendar month during the reporting period, who purchase electricity for business premises under a market retail contract and consume between 40-100 MWh a year.</i>	



ESC Indicator	AER Reference
Customers – non-residential 160-750 MWh p.a. and Customers – non-residential > 750 MWh p.a.	S2.2.a.iii
Current definition	
<p>The number of non-residential retail electricity customers consuming between 160 and 750 MWh of electricity per annum; and</p> <p>The number of non-residential retail electricity customers consuming more than 750 MWh of electricity per annum.</p>	
Recommendation	
<p>Align our indicator to the AER, while also incorporating the changes to consumption threshold classifications for business customers, by merging into one indicator:</p> <p>‘Large Retail Electricity Customers’ defined as:</p> <p><i>The number of business retail customers, as at the last day of each calendar month during the reporting period, consuming more than 100 MWh of electricity a year.</i></p>	

ESC Indicator	AER Reference
Retail Gas Customers – Residential	S2.1.b.i / S2.2.b.i
Current definition	
Not provided in the Information Specification.	
Discussion	
<p>As mentioned under section 2.2 above, the AER requests small customer data which is disaggregated according to standard retail or market retail contracts. We can see the value in this. In doing so, retailers will need to make the necessary changes to capture the added detail in gas customer data. Data reported in future could be easily reconciled with the past, if required, by simply adding the two gas residential customer indicators.</p>	
Recommendation	
<p>Align our indicator to the AER by separating into two indicators. Also, provide a definition specific to gas:</p> <p>‘Residential Gas Customers on standard retail contracts’ defined as:</p> <p><i>The number of customers as at the last day of each calendar month during the reporting period who purchase gas under a standard retail contract, principally for personal, household or domestic use at premises.</i></p> <p>‘Residential Gas Customers on market retail contracts’ defined as:</p> <p><i>The number of customers as at the last day of each calendar month during the reporting period who purchase gas under a market retail contract, principally for personal, household or domestic use at premises.</i></p>	



ESC Indicator	AER Reference
Retail Gas Customers – Business	S2.1.b.ii / S2.2.b.ii-iii
Current definition	
Not provided in the Information Specification.	
Discussion	
<p>As mentioned under section 2.2 above, the AER requires retailers to separate small business (those consuming less than 1000 GJ a year) and large customers (those consuming 1000 GJ or more) as well as disaggregated small customer data according to whether they are on a standard retail or market retail contract. We can see the value in seeking disaggregated data which is in accord with the National Energy Customer Framework (NECF).</p> <p>In doing so, retailers will need to make the necessary changes to capture the added detail in gas customer data. Data reported in future could be easily reconciled with the past, if required, by simply calculating the total of all gas business customer indicators.</p>	
Recommendation	
<p>Align our indicator to the AER, while incorporating the new consumption threshold classifications for business customers, by introducing a number of disaggregated indicators as follows:</p> <p>‘Small Business Retail Gas Customers on standard retail contracts’ defined as: <i>The number of non-residential customers as at the last day of each calendar month during the reporting period, who purchase gas for business premises under a standard retail contract and consume less than 400 GJ a year.</i></p> <p>‘Small Business Retail Gas Customers on market retail contracts’ defined as: <i>The number of non-residential customers as at the last day of each calendar month during the reporting period, who purchase gas for business premises under a market retail contract and consume less than 400 GJ a year.</i></p> <p>‘Retail Gas Small Market Offer Customers on standard retail contracts’ defined as: <i>The number of business retail customers as at the last day of each calendar month during the reporting period, who purchase gas for business premises under a standard retail contract and consume between 400-1000 GJ a year.</i></p> <p>‘Retail Gas Small Market Offer Customers on market retail contracts’ defined as: <i>The number of business retail customers as at the last day of each calendar month during the reporting period, who purchase gas for business premises under a market retail contract and consume between 400-1000 GJ a year.</i></p> <p>‘Large Retail Gas Customers’ defined as: <i>The number of retail customers, as at the last day of each calendar month during the reporting period, consuming more than 1000 GJ of gas a year.</i></p>	



3 AFFORDABILITY INDICATORS (BILLING, DISCONNECTIONS, RECONNECTIONS)

3.1 Introduction

We collect data against a range of indicators to evaluate retailers' credit management policies and measure the affordability of electricity and gas for residential and business customers. These indicators include:

- Estimated accounts
- Budget instalment plans
- Refundable advances
- Direct debit plan defaults
- Disconnections
- Reconnections

More detailed affordability indicators are also collected which cross-reference residential disconnections and reconnections with the following:

- Customers on a budget instalment plan
- Customers who are concession cardholders
- Customers who had been disconnected on at least one other occasion

3.2 Harmonisation of indicators with the AER

The AER collects many of the same affordability indicators (as shown by the AER Reference number alongside in the table), with the exception of estimated accounts and direct debit plan defaults. The disconnections and reconnections indicators, including most of those cross-referenced with the other variables, are generally consistent between jurisdictions.

A common point of difference is that the AER requests quarterly data for many affordability indicators while in most cases we request monthly data. Where quarterly data is averaged over a year for the purpose of analysis and inclusion in the Commission's *Energy Retailers Comparative Performance Report* (Performance Report), this produces a value different to monthly data averaged over a year.

As such, we consider it prudent to continue to request monthly data from retailers to continue its trend analysis.

For both the Commission and the AER, data is reported separately for electricity and gas customers. We are not proposing any change to this reporting arrangement.



3.3 Clarification of definitions

Most affordability indicators would benefit from changes to definitions to improve clarity and provide greater certainty for retailers when undertaking to meet reporting requirements. For example, the words “(number of disconnections) *during each month within the reporting period*” have been added to specify the point of time for capturing data – though we consider the risk of retailers reporting inconsistent disconnections data has been low to date. It is however, quite a different story for several other affordability indicators.

3.4 Recommendations for each indicator

ESC Indicator	AER Reference
Estimated accounts	–
Current definition	
Total number of relevant customers who have received estimated accounts. The estimated accounts KPI does not include estimated bills where informed consent has occurred between a customer and retailer for innovative products.	
Discussion	
<p>The AER does not collect this data nor has the data reported been included in the Commission's recent performance reports. There is much conjecture surrounding estimated accounts as an indicator of a (potentially) inaccurate billing method which may cause financial hardship to customers once an actual meter reading is obtained at a later date, allowing for accounts to be reconciled.</p> <p>There is the matter of estimated accounts not being in the direct control of retailers because meter readings are the responsibility of distributors. Although, if it were this simple, we might expect all retailers to report a similar rate of estimated accounts – yet this is not the case. So, what are some retailers doing differently to rely less on estimated accounts? Or, are the variations in reported numbers due to a lack of clarity in the definition? With so many retailers offering monthly billing which implies the customer's informed consent for estimated accounts, are these retailers not counting those bills coinciding with scheduled meter reads (for example, quarterly in the case of electricity)? If a clearer definition would produce more robust data then we consider the following an improvement:</p> <p style="padding-left: 40px;"><i>The number of estimated bills issued during the reporting period; for example, where a customer's meter was not accessible on the day of a scheduled meter read. If a retailer has obtained explicit and informed consent from a customer to use estimated accounts, for example, for the purpose of monthly billing (bill-smoothing), these bills are not counted.</i></p> <p>We also need to consider the role of the estimated accounts indicator given the roll-out of electricity smart meters in recent years.</p>	
Recommendation	
<p>Retain the estimated accounts indicator, with the definition amended as proposed above, and monitor future data reported to ascertain whether this change has improved clarity for retailers.</p> <p>Undertake stakeholder consultation with regard to the indicator's application to smart meters.</p>	



ESC Indicator	AER Reference
Budget instalment plans	S3.13
Current definition	
<p>An arrangement between a retailer and a customer for the customer to pay arrears and continued usage charges on their account according to an agreed payment schedule and capacity to pay. It does not include customers using a payment plan as a matter of convenience or for flexible budgeting purposes. Budget instalment plans generally involve at least three (3) instalments, by arrears or advance, taking into account their capacity to pay and enable the customer to continue to receive supply and avoid disconnection.</p>	
Discussion	
<p>The AER equivalent 'Number of residential customers on a payment plan' (the AER does not collect payment plan data for business customers) is fairly consistent with our indicator, though more prescriptive and therefore, better defined. For example, the AER definition states "A <i>payment plan... must consist of at least three instalments</i>" rather than "Budget instalment plans generally involve at least three instalments". We consider a more prescriptive definition would ensure consistency in data reported by retailers.</p> <p>The main point of difference is their exclusion of hardship program customers, resulting in more meaningful data. (It is assumed that hardship program customers have payment plans in place. Therefore, of concern is the number of customers who are repaying debts via a payment plan yet are not in a retailer's financial hardship program.)</p> <p>If we align with the AER on this point of difference it will affect trend analysis but the data will enable enhanced monitoring. Retailers will also need to change their method of capturing the data to exclude hardship program customers.</p> <p>The AER also requests additional payment plan data (AER reference S3.14-16) which we do not consider necessary to monitor.</p>	
Recommendation	
<p>Align our definition and terminology to the AER by changing the indicator to: <i>Instalment payment plans</i> defined as:</p> <p><i>The number of customers (excluding hardship program customers) with an instalment payment plan in place on the last day of each month within the reporting period (for example, 31st March, 30th April, etc.)</i></p> <p><i>Further guidance:</i></p> <ul style="list-style-type: none"> - <i>An instalment payment plan is an arrangement between a retailer and a customer who is experiencing payment difficulties, for the customer to pay arrears and continued usage on their account according to an agreed payment schedule and their capacity to pay.</i> - <i>Customers using a payment plan as a matter of convenience or for flexible budgeting purposes are not to be counted for the purposes of reporting this indicator.</i> - <i>Must involve at least three instalments.</i> - <i>The key point is that the arrangements enable the customer to continue to receive supply and avoid disconnection.</i> - <i>There may be instances where a customer on an instalment plan elects to continue to make regular payments after any outstanding sums have been paid. In such instances, as indicated by the definition, the customer has moved to a bill smoothing arrangement and from that time should not be considered to be on an instalment payment plan.</i> 	



ESC Indicator	AER Reference
Refundable advances – number and amount	S3.28 and S3.29
Current definition	
<p>The number of customers who have paid a refundable advance (security deposit) to secure connection or reconnection to supply.</p> <p><i>There is no definition of “amount” in the Commission’s Information Specification.</i></p>	
Discussion	
<p>The AER’s terminology is ‘security deposits’. We cannot see the value in moving away from the term ‘refundable advance’. However, we need to define “amount” and with no current definition, it seems appropriate to align with the AER.</p> <p>The data reported for this indicator was analysed but not published by the Commission in its most recent performance report. We found that the use of refundable advances has all but come to an end, particularly for residential customers. We will continue to monitor this situation going forward.</p>	
Recommendation	
<p>Align our definition to the AER, while improving clarity:</p> <p>‘Refundable advances – number’ defined as:</p> <p><i>The number of customers who have paid a refundable advance (security deposit) to secure connection or reconnection to supply energy as at the last day of each month within the reporting period.</i></p> <p>‘Refundable advances – amount’ defined as:</p> <p><i>The aggregate dollar value of all refundable advances (security deposits) held by the retailer as at the last day of each month within the reporting period.</i></p>	

ESC Indicator	AER Reference
Direct debit customers	–
Current definition	
Not provided in the Information Specification.	
Discussion	
<p>There has been some confusion around this indicator over the past few years, including the way we analyse and report the data (for example, incorrectly reporting as the number of direct debit transactions). Providing greater clarity should resolve this and result in more meaningful data.</p> <p>This indicator is intended to separately capture the number of residential and business customers with a direct debit plan/facility; that is, paying their energy bills by direct debit. This could then be analysed and reported as a percentage of total customer numbers to indicate the take-up of direct debit as a payment method (relevant because many retailers offer discounts for payments made on time and/or by direct debit so it would be expected that direct debit becomes the payment method of choice).</p> <p>The AER does not request this data from retailers but does collect similar data, such as the number of residential customers using Centrepay as a payment method (AER reference S3.12). We can see how it may be appropriate to include Centrepay arrangements in the direct debit indicator as it too is a regular and ongoing payment arrangement – one which the retailer may have established on behalf of the customer. We will seek comments from retailers.</p>	



Recommendation
<p>Introduce the following definition and monitor the data reported going forward to ascertain whether this results in clear, consistent and meaningful data:</p> <p><i>The number of customers with direct debit arrangements in place on the last day of each month within the reporting period. This includes Centrepay arrangements. Note: The number of direct debit transactions processed during the month is <u>not</u> to be reported under this indicator.</i></p>

ESC Indicator	AER Reference
Direct debit plan terminations	–
Current definition	
<p>The number of direct debit plans cancelled as a result of default/non-payment. By definition, this excludes the cancellation of direct debit plans by choice, such as where a customer elects to move to a different payment option. It would generally require a default or rejection to occur in two successive payment periods, to reflect as far as possible true default on payments, rather than an error or a transitory shortfall. The payment periods are determined by the individual customer's arrangements so may relate to two fortnights, two quarters, etc.</p>	
Discussion	
<p>The termination of a direct debit payment arrangement is considered an unambiguous indication of financial stress. The fact that the retailer has cancelled the arrangement due to non-payment indicates that a serious situation has occurred.</p> <p>The terminology we use could be improved to provide greater clarity.</p> <p>Also, the termination of Centrepay arrangements should be included, consistent with the former indicator 'Direct debit customers'. The issue is that an arrangement has been cancelled due to non-payment, regardless of what account or institution the money was to have been debited from.</p>	
Recommendation	
<p>Change indicator to:</p> <p>'Direct debit cancellations – as a result of defaults' defined as:</p> <p><i>The number of direct debit arrangements cancelled within the reporting period due to direct debit payments being rejected for processing by the customer's bank.</i></p> <p><i>Further guidance:</i></p> <ul style="list-style-type: none"> – <i>It would generally require a default or rejection to occur in two successive payment periods, to reflect as far as possible true default on payments, rather than an error or a transitory shortfall.</i> – <i>The key aspect of this definition is that a direct debit plan has been terminated as a result of default. This indicator should not include terminations for reasons other than default, for example, at the request of the customer who has decided to adopt a different payment method.</i> – <i>The term 'two successive payment periods' is considered specific to each customer and is determined by their individual direct debit arrangements, so may relate to two fortnights or two quarters, etc.</i> – <i>Termination of Centrepay arrangements is included.</i> 	



ESC Indicator	AER Reference
Disconnections	S3.24.a / S3.24.b
Current definition	
<p>The number of small customers whose supply was disconnected for non-payment; that is, due to their failure to pay an amount owed. Note: Refers to the numbers of occasions where disconnection has occurred. For example, if a customer is disconnected twice in a reporting period, two disconnections must be reported.</p>	
Discussion	
<p>The AER definition only differs in that further guidance is provided around the meaning of disconnection. Like the AER, we require monthly data for disconnections.</p>	
Recommendation	
<p>Change our definition to align with the AER and improve clarity:</p> <p><i>Reported separately for electricity and gas under each customer category below, the number of customers whose supply was disconnected for non-payment during each month in the reporting period. Note: If a customer was disconnected twice in the same month, this is counted as two disconnections.</i></p> <p>(a) Residential customers</p> <p>(b) Small business (including small market offer) customers; that is, those consuming less than 100 MWh of electricity or 1000 GJ of gas a year.</p> <p><i>Note: Premises that are vacant at the time of disconnection should be excluded. Only completed disconnections should be recorded. That is, where a disconnection has been requested by a retailer but not completed within the reporting period, it should not be counted in the total for that period.</i></p>	

ESC Indicator	AER Reference
Reconnections within 7 days	S3.25.a / S3.25.b
Current definition	
<p>The number of small customers whose supply was reconnected in the same name and at the same address within 7 days following disconnection for non-payment.</p>	
Discussion	
<p>The AER definition only differs in that further guidance is provided around the meaning of reconnection and the 7 day timeframe. Like the AER, we require monthly reconnections data.</p>	



Recommendation
<p>Change our definition to align with the AER and improve clarity:</p> <p><i>Reported separately for electricity and gas under each customer category below, the number of customers whose supply was reconnected in the same name and at the same address within 7 days of being disconnected for non-payment during each month in the reporting period.. Note: If a customer was disconnected twice in the same month, this is counted as two disconnections.</i></p> <p>(c) Residential customers</p> <p>(d) Small business (including small market offer) customers; that is, those consuming less than 100 MWh of electricity or 1000 GJ of gas a year.</p> <p><i>Note: Only completed reconnections should be recorded. That is, where a reconnection has been requested by a retailer but not completed within the reporting period, it should not be counted in the total for that period. The 7 days are inclusive, with the day of disconnection being counted as the first day, and include weekends.</i></p>

For the following indicators we collect biannual numbers, rather than monthly data, in respect of residential customers only. The AER however, collects total numbers for each quarter, sometimes for each month during the quarterly reporting period. It is not recommended that we change the reporting period as this serves little purpose and may affect historical trend analysis.

ESC Indicator	AER Reference
Disconnections previously on a budget instalment plan	S3.24.e
Current definition	
The number of residential customers whose supply was disconnected for non-payment and who were on a budget instalment plan in the previous 24 months.	
Discussion	
The AER's definition is confined to customers who were on a payment plan within the previous (shorter time period of) 12 months. Given this difference, we would expect higher numbers reported to the Commission than to the AER. If we amend our definition to align with the AER, any comparison with historical data will need to come with a warning of possible inaccuracies.	
Recommendation	
Adopt new term 'Instalment payment plan' in the title and clarify the definition, though not aligned with the AER:	
'Disconnections previously on an instalment payment plan' defined as:	
<i>The number of residential customers disconnected for non-payment during the reporting period that were on an instalment payment plan in the previous 24 months. Note: If a customer is disconnected twice in the same reporting period, this is counted as two disconnections</i>	



ESC Indicator	AER Reference
Disconnections in the same name and address within past 24 months	S3.24.f
Current definition	
The number of residential customers whose supply was disconnected for non-payment and who have been disconnected for non-payment on one or more occasions in the previous 24 months.	
Discussion	
No difference between the Commission and AER, apart from the reporting period.	
Recommendation	
Simplify the title of our indicator to: <i>Disconnections on more than one occasion</i> and clarify our definition: <i>The number of residential customers disconnected for non-payment during the reporting period who have been disconnected at least once before in the previous 24 months.</i> <i>Note: If a customer is disconnected twice in the same reporting period, this is counted as two disconnections.</i>	

ESC Indicator	AER Reference
Disconnections of Concession Cardholders	S3.24.d
Current definition	
The number of residential customers whose supply was disconnected for non-payment and who are eligible for State Government administered energy concessions through the Federal Concession Card Scheme.	
Discussion	
Our definition refers to <i>State Government administered energy concessions</i> while the AER definition of an energy concession customer is “a residential customer that is recorded by the retailer as being entitled to receive an energy concession, where the concession is administered or delivered by the retailer.” The intent of this indicator is, however, the same and it could be expected that retailers are effectively capturing the same data.	
Recommendation	
Change our indicator to align with the AER: <i>Disconnections of energy concession customers</i> defined as: <i>The number of energy concession customers disconnected for non-payment during the reporting period. Note: An energy concession customer is a residential customer that is recorded by the retailer as being entitled to receive an energy concession, where the concession is administered by the retailer.</i>	



ESC Indicator	AER Reference
Reconnections previously on a budget instalment plan	S3.25.e
Current definition	
The number of residential customers whose supply was reconnected in the same name and at the same address within 7 days following disconnection for non-payment and who were on a budget instalment plan in the previous 24 months.	
Discussion	
As per 'Disconnections previously on a budget instalment plan'.	
Recommendation	
Adopt new term 'Instalment payment plan' in the title and clarify our definition, though not aligned with the AER: 'Reconnections previously on an instalment payment plan' defined as: <i>The number of residential customers reconnected during the reporting period within 7 days of being disconnected for non-payment, who had been on an instalment payment plan in the previous 24 months. Note: If a customer is reconnected twice in the same reporting period, this is counted as two reconnections.</i>	

ESC Indicator	AER Reference
Reconnections in the same name and address in the previous 24 months	–
Current definition	
The number of residential customers whose supply was reconnected in the same name and at the same address within 7 days following disconnection for non-payment and who have been disconnected for non-payment on one or more occasion in the previous 24 months.	
Discussion	
The AER does not have an equivalent indicator but does collect the number of reconnections “regardless of the date of disconnection” (AER reference S3.26); that is, those customers reconnected in the same name and at the same address but not limited to being within 7 days of disconnection. If we consider introducing this indicator, there would need to be analysis of what the data is revealing. Further guidance is needed around the term “within the reporting period” because retailers report a biannual total only and we must be certain that customers with multiple reconnections within a six month period are counted accurately.	
Recommendation	
Simplify our indicator to: 'Reconnections on more than one occasion' and clarify our definition: <i>The number of residential customers reconnected during the reporting period within 7 days of being disconnected for non-payment, who had been disconnected on at least one other occasion. Note: If a customer is reconnected twice in the same reporting period, this is counted as two reconnections.</i>	



ESC Indicator	AER Reference
Reconnections of Concession Cardholders	S3.25.d
Current definition	
The number of residential customers whose supply was reconnected in the same name and at the same address within 7 days following disconnection for non-payment and who are eligible for State Government administered energy concessions through the Federal Concession Card Scheme.	
Discussion	
As per 'Disconnections of concession cardholders'.	
Recommendation	
Change our indicator to align with the AER: 'Reconnections of energy concession customers' defined as: <i>The number of energy concession customers reconnected in the same name and at the same address during the reporting period within 7 days of being disconnected for non-payment. Note: An energy concession customer is a residential customer that is recorded by the retailer as being entitled to receive an energy concession, where the concession is administered by the retailer.</i>	



4 FINANCIAL HARDSHIP PROGRAM INDICATORS

4.1 Introduction

Under the *Energy Legislation (Hardship, Metering and Other Matters) Act 2006*, all Victorian energy retailers must have a financial hardship policy for domestic customers approved by the Commission. Retailers' policies must incorporate specific provisions set out in the legislation, in particular the provision of energy audits and replacement appliances. Monitoring and reporting on the existing financial hardship indicators is intended to inform the Victorian Government, the Commission, industry and community about how effective retailers' financial hardship policies are in meeting their statutory obligations under the Act.

4.2 Harmonisation of indicators with the AER

We request retailers to report data under a single 'Energy' customer category, while the AER requests separate data for electricity customers and gas customers. Presumably under the AER method of reporting 'hardship program' data, a customer who purchases both their electricity and gas supply from the same energy retailer would be counted twice (once in each energy category) yet they are likely to be just one person to that retailer's Hardship team. We will continue single category reporting.

4.3 Clarification of definitions

The hardship indicators are only a recent (2008) addition to the current set of performance indicators so retailers are new to interpreting the data requirements. We are covering new ground in conducting analysis of these indicators and are well-placed to clarify any indicators by refining definitions.

4.4 Recommendations for each indicator

ESC Indicator	AER Reference
Hardship program participants	S4.1
Current definition	
The number of current participants in a retailer's hardship program as at the last day of each month within the reporting period (e.g. 31 st March, 30 th April, 31 st May, etc).	
Discussion	
No difference between the Commission and AER. Further guidance within the definition will ensure consistent data is reported by retailers. This will not affect how retailers capture the data but will provide the Commission with certainty that the data is reliable.	



Recommendation
<p>We propose a minor change to the definition to provide guidance to retailers:</p> <p><i>The number of current participants in a retailer’s hardship program as at the last day of each month within the reporting period, reported under a single ‘Energy’ category. Note:</i></p> <p><i>No. of participants reported in the previous month</i></p> <p>+ <i>new entrants into the program</i></p> <p>– <i>total exits from the program</i></p> <p>= <i>No. of participants reported as at the end of the current month</i></p>

ESC Indicator	AER Reference
Hardship program participants for whom access was sought by a third party	–
Current definition	
<p>The number of current participants in a retailer’s hardship program as at the last day of each month within the reporting period for whom access to the program was sought on their behalf by a third party (e.g. a financial counsellor rang the retailer’s hardship team directly). Note: By default, this will also enable the Commission to calculate the remaining participants in a hardship program who were either identified by their retailer or who identified themselves.</p>	
Discussion	
<p>There is no equivalent AER indicator.</p> <p>Analysis of retailer-wide data over the past four years tells us that consistently around 6 to 7 per cent of hardship program participants fell into this category. (Individual retailers ranged up to 12 per cent.) The flip-side is that the remaining 93 per cent of participants either identified themselves to their retailer’s hardship team or were referred by their retailer’s own staff.</p> <p>This indicator was originally introduced to measure the effectiveness of a retailer’s processes to identify customers in financial hardship for entry into their program. We considered transparent and accessible programs key to the success of retailers’ hardship policies. Our expectation was that a higher or increasing rate of ‘self-referrals’ may indicate that a retailer’s policy was reaching its target audience. Also, referrals by retailer staff may also indicate awareness and sensitivity of these staff to customers experiencing financial hardship.</p> <p>The trend shows minimal change and reflects positively against our expectations. We consider there is little value in continuing to collect this data.</p>	
Recommendation	
<p>We propose to remove this indicator which also aligns with AER reporting requirements.</p>	



ESC Indicator	AER Reference
Hardship program participants who are concession cardholders	S4.2
Current definition	
<p>The number of current participants in a retailer's hardship program as at the last day of each month within the reporting period who are eligible for State Government administered energy concessions through the Federal Concession Card Scheme. Note: By default, this will also enable the Commission to calculate the remaining participants in a hardship program who are non-concession cardholders.</p>	
Discussion	
<p>Our definition refers to State Government administered energy concessions while the AER definition of an energy concession customer is "a residential customer that is recorded by the retailer as being entitled to receive an energy concession, where the concession is administered or delivered by the retailer."</p> <p>The intent of this indicator is, however, the same and it could be expected that retailers are effectively capturing the same data.</p>	
Recommendation	
<p>Change our indicator to align with the AER:</p> <p>'Hardship program participants receiving energy concessions' defined as:</p> <p><i>The number of current participants in a retailer's hardship program as at the last day of each month within the reporting period who are also energy concession customers. An energy concession customer is a residential customer that is recorded by the retailer as being entitled to receive an energy concession, where the concession is administered by the retailer.</i></p> <p><i>Note: By default, this will also enable the Commission to calculate the remaining participants in a hardship program who are not in receipt of energy concessions.</i></p>	

ESC Indicator	AER Reference
Customers denied access to a retailer's hardship program during the period	S4.3
Current definition	
<p>The number of customers denied access to a retailer's hardship program during the reporting period (report monthly numbers).</p>	
Discussion	
<p>The AER provides the same definition but also defines "denied access". We can see how this would further clarify what is to be included for this indicator.</p>	



Recommendation
<p>Align our indicator with the AER:</p> <p>‘Customers denied access to a retailer’s hardship program’ defined as:</p> <p><i>The number of customers denied access to a retailer’s hardship program during each month within the reporting period. This includes those customers referred to the hardship program by any means but who are not accepted into the program. It does not include customers who decline to participate in the program.</i></p>

Proposed new ESC indicator	AER Reference
New entrants into a retailer’s hardship program	–
Discussion	
<p>We collect ‘Average debt of new entrants into a hardship program’, yet we do not collect the number of new entrants. This would enable the Commission to monitor participant numbers throughout the year and, by cross-referencing with exit numbers, validate other hardship indicators, including current numbers of participants.</p> <p>Retailers should not encounter problems capturing this data because it closely correlates to the next (existing) indicator ‘Average debt of new entrants’.</p>	
Recommendation	
<p>We propose to introduce the following indicator:</p> <p>‘New entrants into a retailer’s hardship program’ defined as:</p> <p><i>The number of customers accepted into a retailer’s hardship program during each month within the reporting period.</i></p>	

ESC Indicator	AER Reference
Average debt of new entrants into a hardship program	S4.4
Current definition	
<p>Average dollar amount outstanding for over ninety days for customers entering a retailer’s hardship program during the reporting period (report monthly amount).</p>	
Discussion	
<p>The AER collects average debt data for each quarter while we collect data for each month. We can see no benefit in changing our reporting period and will continue to collect monthly data.</p> <p>The AER also reports on a separate indicator (S4.5), with retailers required to report the entry debt levels according to ranges (i.e. between \$0 and \$500; over \$500 but less than \$1,500; over \$1,500 but less than \$2,500; and \$2,500 or more). We would be interested in obtaining this extra detail to provide a more complete picture of hardship program customer circumstances since averages are greatly affected by extreme outliers.</p>	



Recommendation
<p>Align our indicator with AER reporting requirements:</p> <p style="padding-left: 40px;"><i>The average debt (amount outstanding for over ninety days) of those customers entering a retailer's hardship program during each month within the reporting period.</i></p> <p>Introduce debt categories in line with AER reporting requirements as follows:</p> <p style="padding-left: 40px;"><i>The number of customers entering a retailer's hardship program during each month within the reporting period with a debt that was:</i></p> <ul style="list-style-type: none"> (a) <i>Between \$0 and \$500</i> (b) <i>Over \$500 but less than \$1,500</i> (c) <i>Over \$1,500 but less than \$2,500</i> (d) <i>\$2,500 or more</i>

ESC Indicator	AER Reference
Average debt upon exit from a hardship program	–
Current definition	
<p>Average dollar amount outstanding for over ninety days for customers exiting a retailer's hardship program during the reporting period (report monthly amount). Note: The debts of all customers exiting a program are to be included, including those customers considered to have successfully completed a hardship program, those customers who may have opted out prematurely and others deemed by the retailer to no longer be eligible to continue, having failed to meet program requirements.</p>	
Discussion	
<p>There is no equivalent AER indicator.</p> <p>We introduced this indicator with the aim of evaluating the effectiveness of participation in retailers' hardship programs. However, in our Final Decision: Energy Financial Hardship Policy Performance Indicators (September 2007) we said:</p> <p style="padding-left: 40px;"><i>The Commission has reviewed how it will interpret the information that will be provided by this indicator and does not intend to compare debts levels on entry to those on exit. Given that the Commission is expecting average debt on entry to reduce over time, it would be inaccurate to compare these indicators in future reporting periods as it is unlikely a participant will enter and subsequently exit the hardship program within the one reporting period.</i></p> <p style="padding-left: 40px;"><i>Furthermore, the Commission maintains that 'exit' should include all reasons for the participant concluding their involvement in the program as this reflects the possibility that defining 'successful' participation may be overly prescriptive. The Commission will therefore take into consideration the average debt of all participants on exit when evaluating the effectiveness of this participation.</i></p> <p>We have found this indicator too open to misinterpretation, particularly in light of our expectations and may not be the best measure of effective participation in a hardship program.</p> <p>The AER collects 'Average debt of hardship program customers' (S4.7) which examines the debt levels of current program participants. If those customers who fail to meet program requirements usually exit the program prematurely (either of their own or the retailer's choosing), this leaves only those customers who <i>actively participate</i> in the program (that is, those who have a <i>willingness to pay</i>).</p>	



We consider the AER's indicator is more accurate for the intended purpose. Although this amounts to a material change in the way retailers capture the data, it does align with AER reporting requirements.

Recommendation

We propose a material change to this indicator to align with AER reporting requirements:

'Average debt of hardship program customers' defined as:

The average debt (amount outstanding for over ninety days) of all current hardship program customers as at the last day of each month within the reporting period.

ESC Indicator	AER Reference
Average length of participation for customers in a hardship program at the end of period	–
Current definition	
Average number of days since current participants entered a retailer's hardship program (calculated as at the end of each month in the reporting period).	
Discussion	
There is no equivalent AER indicator.	
This indicator was intended to be another measure of the effectiveness of participation in a retailer's hardship program. We consider it may indicate the willingness of retailers to support customers in financial hardship over a period long enough to establish a pattern of regular and sustainable payments.	
We have found that, on average, customers are participating in hardship programs for an increasing period of time (now averaging over 500 days) since we first collected this data.	
This indicator is considered useful, particularly when analysed in conjunction with other indicators.	
Recommendation	
We propose to retain this indicator but simplify title to:	
'Average length of participation for customers in a hardship program'	

ESC Indicator	AER Reference
Participants exiting a hardship program by agreement with the retailer	S4.9.a
Current definition	
The number of participants exiting a hardship program by agreement with the retailer during each month within the reporting period. Note: The exit need not follow 'successful completion' and includes all exits other than those participants excluded for not complying with program requirements (reported at next indicator below).	



Discussion
<p>The AER’s definition is “successfully completed the hardship program or exited with the agreement of the retailer”. Our definition lacks clarity and may capture numbers of customers who really ought to be included at the following indicator.</p> <p>The AER has a third indicator (S4.9.c) capturing the number of customers exiting a hardship program due to switching, transferring or leaving the retailer. We do not currently collect this data separately so these numbers would presumably be counted as an exit “by agreement”. We propose to align with the AER by splitting exits across three categories/indicators.</p>
Recommendation
<p>Amend definition to align with AER on all indicators relating to hardship program exit numbers:</p> <p style="padding-left: 40px;"><i>For each month within the reporting period, the number of customers exiting a hardship program following successful completion of the program or by agreement with the retailer.</i></p> <p>Also, introduce the following indicator to align with AER reporting requirements:</p> <p>‘Hardship program exits due to switching, transferring or leaving the retailer’ defined as:</p> <p style="padding-left: 40px;"><i>For each month within the reporting period, the number of customers exiting a retailer’s hardship program because they switched / transferred to another retailer or otherwise left the retailer.</i></p>

ESC Indicator	AER Reference
Hardship program participants excluded for not complying with requirements	S4.9.b
Current definition	
<p>The number of participants exiting a retailer’s hardship program during each month within the reporting period due to the retailer excluded them following the customer’s failure to meet program requirements.</p>	
Discussion	
<p>The AER’s definition:</p> <p style="padding-left: 40px;"><i>Were excluded or removed from the program for non-compliance (for example, where the customer did not make the required payments, or where they failed to contact the retailer. This should also include those hardship program customers who leave the program because they feel they are not able to meet the program requirements or payments requested by the retailer).</i></p> <p>Some of those customers specifically included by the AER are likely to be reported under the Commission’s previous indicator owing to our wording “includes all exits other than those participants excluded for not complying...”</p>	
Recommendation	
<p>Amend definition to align with AER for all indicators relating to hardship program exit numbers:</p> <p style="padding-left: 40px;"><i>For each month within the reporting period, the number of customers excluded or removed from a retailer’s hardship program for non-compliance with program requirements (for example, customer did not make the required payments or failed to maintain contact the retailer). Note: This should also include those participants who leave the program because they feel they are unable to meet program requirements or make the payments required by the retailer.</i></p>	



ESC Indicator	AER Reference
Disconnections of previous hardship program participants within 12 months	S4.10
Current definition	
The number of customers whose supply was disconnected for non-payment during each month within the reporting period who had, within the previous 12 months, participated in the retailer's hardship program.	
Discussion	
The AER's definition is restricted to disconnections of customers who had successfully completed a hardship program or exited by agreement with their retailer, while we include disconnections of all customers previously participating in a hardship program. We can see the value in collecting disaggregated disconnections data but note that the ability to compare with past data collected would be lost. Disconnections data cross-referenced with different categories of past hardship program participants is also onerous for retailers to capture. We will continue to monitor this indicator in its existing form.	
Recommendation	
Amend the title of our indicator and the definition, without changing the intent, to highlight its difference from the similar AER indicator: 'Disconnections of all previous hardship program customers within 12 months' defined as: <i>The number of customers whose supply was disconnected for non-payment during each month within the reporting period who had, within the previous 12 months, been on the retailer's hardship program.</i>	

ESC Indicator	AER Reference
Reconnections of previous hardship program participants within 12 months	S4.11
Current definition	
The number of customers whose supply was reconnected in the same name and at the same address within 7 days following disconnection for non-payment during each month within the reporting period who had, within the previous 12 months, participated in the retailer's hardship program.	
Discussion	
As per 'disconnections' above.	
Recommendation	
Amend the title of our indicator and the definition, without changing the intent, to highlight its difference from the similar AER indicator: 'Reconnections of all previous hardship program customers within 12 months' defined as: <i>The number of customers whose supply was reconnected in the same name and at the same address within 7 days following disconnection for non-payment during each month within the reporting period who had, within the previous 12 months, been on the retailer's hardship program.</i>	



ESC Indicator	AER Reference
Energy field audits provided at no cost to customer	–
Current definition	
The number of energy field audits provided at no cost to customers during each month within the reporting period. By definition, this energy audits conducted by telephone.	
Discussion	
The legislation requires that retailers provide audits of a domestic customer's energy usage either wholly or partly at the retailers' expense. This indicator is quantified in the Commission's annual Performance Report for the purpose of meeting the Victorian Government's information requirements. There is no equivalent AER indicator.	
Recommendation	
Simplify title of indicator only: <i>'Energy field audits provided at no cost'</i>	

ESC Indicator	AER Reference
Energy field audits provided at partial cost to customer	–
Current definition	
The number of energy field audits provided at partial cost to customers during each month within the reporting period. By definition, this energy audits conducted by telephone.	
Discussion	
As per 'Energy field audits provided at no cost to customer'.	
Recommendation	
Simplify title of indicator only: <i>'Energy field audits provided at partial cost'</i>	

ESC Indicator	AER Reference
Average cost contributed by customers where a partial contribution was required	–
Current definition	
Average dollar amount contributed by customers to cover the cost of an energy field audit during each month within the reporting period. Note: The average is based only on customers from whom a partial contribution was required, thereby excluding those audits provided at no cost to the customer.	



Discussion
This indicator is an extension of the previous two indicators.
Recommendation
Amend title of indicator only for clarification: 'Average cost contributed to an energy field audit where a customer contribution was required'

ESC Indicator	AER Reference
Appliances provided under a hardship program	S4.12
Current definition	
<p>The number of appliances provided to participants of a retailer's hardship program, either by the retailer or by a third party nominated by the retailer, during each month within the reporting period. Note: This indicator is intended to reflect the Energy Legislation (Hardship, Metering and Other Matters) Act 2006 (page 4) which refers to "flexible options for the purchase or supply of replacement electrical equipment designed for domestic use".</p>	
Discussion	
<p>There is no equivalent <i>quantitative</i> AER indicator.</p> <p>The Act referred to in our definition also requires retailers' financial hardship policies to include flexible options for the purchase or supply of replacement electrical equipment designed for domestic use, from the retailer or a third party nominated by the retailer.</p> <p>Reporting of this information therefore meets the Victorian Government's information requirements.</p> <p>We need to provide guidance about what is counted as an 'appliance' because some retailers count the number of light globes provided to customers. Perhaps this indicator could be expanded to include some qualitative data from retailers to highlight the number and types of appliances being provided at no cost to the customer as well as the number of larger appliances with associated commentary about how these are being supplied. (This qualitative data would align with the AER's indicators at S4.12 and S4.13).</p>	
Recommendation	
<p>Tighten the definition to exclude light globes as an 'appliance' to ensure consistent reporting by retailers and consider requesting retailers to provide commentary alongside their data.</p> <p><i>The number of appliances provided to participants of a retailer's hardship program, either by the retailer or by a third party nominated by the retailer, during each month within the reporting period. This indicator is intended to reflect the Energy Legislation (Hardship, Metering and Other Matters) Act 2006 (page 4) which refers to "flexible options for the purchase or supply of replacement electrical equipment designed for domestic use". For the purposes of this indicator, light globes and power boards are not to be counted.</i></p>	



ESC Indicator	AER Reference
Customers referred to Home Wise / Capital Grants program for appliance replacement	–
Current definition	
The number of Homewise / Capital Grants applications initiated by the retailer for appliance replacement assistance for the reporting period.	
Discussion	
There is no equivalent AER indicator. The Victorian Government's Home Wise program was discontinued on 3 rd May 2011 so this indicator is no longer relevant.	
Recommendation	
We propose to remove this indicator.	

ESC Indicator	AER Reference
Customers referred to Home Wise / Capital Grants program resulting in an appliance being replaced	–
Current definition	
The number of Homewise / Capital Grants applications initiated by the retailer which resulted in an appliance being replaced.	
Discussion	
There is no equivalent AER indicator. The Victorian Government's Home Wise program was discontinued on 3 rd May 2011 so this indicator is no longer relevant.	
Recommendation	
We propose to remove this indicator.	



5 CALL CENTRE ENQUIRIES AND COMPLAINTS INDICATORS

5.1 Introduction

We monitor and report on energy retailers' call centre performance and complaints to provide information about how the competitive market has impacted on business responsiveness, efficiency and service delivery trends. This information is of interest not only to the Commission but also the Victorian Government, industry, consumers and their advocates.

5.2 Harmonisation of indicators with the AER

The definitions of many of these indicators closely align with the AER equivalent (as shown by the AER Reference number alongside in the table) and require little or no amendment to be consistent with the national performance indicator framework. In fact, the complaints indicators are almost word-for-word and we consider that, where the AER definition is better worded, we propose to align our indicator to achieve greater clarity and consistency.

On a minor note, we collect monthly data and the AER collects annual (calls data) and quarterly (complaints data). For these indicators, which are presenting a sum total of calls and complaints (rather than averages), differences in reporting periods does not result in a difference in data reported. We see no need or grounds for changing the reporting periods to align with the AER.

There is, however, a major point of difference with the complaints indicators – we request separate data for electricity and gas, also disaggregated for residential and business. The AER also requests disaggregated residential and (small) business complaints data but under a single 'energy' category. If we make changes to align with the AER on these points of difference, we will lose the ability to monitor complaints by fuel type, including trends analysis.

Yet, as they stand, the indicators are open to retailers' judgement on how to count and categorise their complaints. For example, how does a retailer record a marketing complaint made by a person who was approached to sign up for both electricity and gas? Two complaints – one for each fuel type – or one complaint (that is, the retailer makes the assumption to count as one complaint and chooses which fuel type to record against)? A complaint about general privacy concerns would encounter similar issues.

We can see how this would be unclear from a retailer's perspective and with clarity and consistency a priority, we will be asking retailers to count any 'dual fuel' complaints (and complaints that are not specifically related to electricity or gas) under 'electricity'.



5.3 Recommendations for each indicator

Call centre enquiries indicators

The AER provides a definition of an automated or Integrated Voice Response (IVR) telephone system:

Technology which allows customers to service their own enquiries by following the instructions and navigating menu choices via the telephone keypad or by speech recognition.

We consider this definition provides greater clarity to those seeking to understand and/or meet reporting requirements in relation to retailers' call centre performance. We propose to adopt this definition.

We also recognise the need to be specific in clearly defining our jurisdiction for these indicators as some retailers have, in the past, provided national data rather than for Victoria only.

ESC Indicator	AER Reference
Calls to account line	–
Current definition	
Includes calls answered by an automated response service (IVR) that do not require operator assistance, as well as those forwarded to an operator. Note: Includes all general calls but excludes calls to sales, unless transferred after initial enquiry at the customer's request.	
Discussion	
In May 2007 the Utility Regulators Forum (URF) issued a Final Paper titled ' <i>National Energy Retail Performance Indicators</i> ' prepared by the Steering Committee on National Regulatory Reporting Requirements – Retail Working Group. The paper recommended changing the existing telephone responsiveness indicator to seek only <i>the total number of calls to an operator</i> , rather than the total number of calls received by an energy retailer's call centre. We currently monitor both indicators. The AER does not include 'calls to account line' in its performance reporting.	
Recommendation	
We propose to remove this indicator to align with AER reporting requirements.	

ESC Indicator	AER Reference
Calls to an operator	S3.1
Current definition	
The total number of calls received by a retailer that were forwarded to an operator or Customer Service Officer. In the case of an IVR system, this includes only those calls where the customer has selected the relevant operator option (and thereby excludes all other calls not requiring operator attention; e.g. automated credit card payments). Note: Includes abandoned calls not answered within 30 seconds but excludes emergency services calls.	



Discussion
<p>The AER explicitly include sales calls in its definition. In the URF’s Final Paper issued in May 2007, referred to in the previous indicator above, it was considered appropriate that all calls to an operator be monitored, including sales.</p> <p>AER also refers to and includes “any abandoned calls to an operator” and “where retailers use an (IVR) telephone system, any calls abandoned before the customer opts to speak to an operator should be excluded”. It is unclear from our definition whether to also include calls abandoned within 30 seconds. It is possible that some retailers may have made this assumption already. We will adopt the AER’s definition for clarity.</p>
Recommendation
<p>Align to AER definition with regard to the inclusion of both sales calls and abandoned calls to provide clarity to retailers around which calls to include in the data set.</p> <p><i>The total number of calls to an operator or customer service officer during each month within the reporting period, reported under a single ‘energy’ category, including any abandoned calls to an operator. Where retailers use an automated or IVR telephone system, this includes those calls where the customer has selected the relevant operator option (that is, indicated they wish to be connected to an operator) and excludes all calls that do not require operator attention:</i></p> <ul style="list-style-type: none"> – any calls abandoned before the customer opts to speak to an operator – IVR calls where the customer does not select an operator option <p><i>Only calls from Victorian retail customers (residential and business) should be reported. Regulated entities with only large customers and no IVR telephone system in place are not obliged to report on this indicator.</i></p>

ESC Indicator	AER Reference
Calls to an operator responded to within 30 seconds	S3.2
Current definition	
<p>The number of calls to an operator (of the total number of calls to an operator) that were answered within 30 seconds. (In the case of an IVR system, the recorded time should commence from when the caller selects the operator option and end when an operator picks up the call). Note: Includes calls abandoned within 30 seconds (on the basis that the caller has not allowed sufficient time for the retailer to meet its service standard).</p>	
Discussion	
<p>The AER definition does not specify the inclusion of calls abandoned within 30 seconds so it is unclear if the intention is the same. The AER definition also has the added complexity of reference to call centre option to call the customer back (some customers may choose this rather than remaining in the queue). We will align to the AER to include these calls.</p> <p>We consider the intention of this indicator to capture calls <i>responded to</i> is not accurately reflected if abandoned calls are counted. Only those calls that are answered are relevant. Whilst we propose to change our definition to align with the AER’s for clarity and consistency, we recommend the exclusion of all calls abandoned after the customer has selected the option to speak to an operator.</p> <p>For the purpose of analysis, this indicator is presented as a percentage of all calls to an operator.</p>	



Recommendation
<p>Align our definition with the AER, with the added reference to excluding all abandoned calls:</p> <p><i>The total number of calls to an operator during each month within the reporting period, reported under a single 'energy' category, that were responded to within 30 seconds.</i></p> <p><i>Excludes all calls abandoned after the customer has selected the operator option.</i></p> <p><i>Where retailers use an automated or IVR telephone system, the measurement period is calculated from the time that the customer selects an operator option (that is, if the caller's enquiry is answered by the IVR, meaning they don't need to speak to an operator, the call is not counted). For non-IVR telephone systems, the measurement period commences when the call is received by the switchboard.</i></p> <p><i>Where a retailer provides an option to call the customer back within a specified time period (rather than have the customer wait on hold until the next operator is available), the call will be considered to have been answered within 30 seconds providing the caller selected the option within 30 seconds and the telephone call was returned by the call centre within the specified time.</i></p> <p><i>Only calls from Victorian retail customers (residential and business) should be reported.</i></p> <p><i>Regulated entities with only large customers and no IVR telephone system in place are not obliged to report on this indicator.</i></p>

ESC Indicator	AER Reference
Average waiting time	S3.3
Current definition	
<p>The average time in seconds waited by callers before their telephone call was responded to by an operator; calculated by dividing the total time waited by callers by the total number of calls to an operator. Note: This indicator requires a retailer to report on the time waited by callers before a call is answered and so only answered calls are relevant. This indicator should not include abandoned calls, nor include the average waiting time before a call is abandoned. Where an IVR system operates, it is not appropriate to regard the call as answered as soon as the IVR system accepts the call.</p>	
Discussion	
<p>The AER definition, again, does not refer to the inclusion or exclusion of calls abandoned.</p> <p>Our definition appears to conflict with the current definition of the preceding indicator 'Calls to an operator responded to within 30 seconds', which does not require the retailer to have actually responded (as it includes calls abandoned within 30 seconds). Here, <i>waiting time</i> does require the retailer to have responded to the call. This inconsistency will be corrected with the recommended changes proposed above.</p>	



Recommendation
<p>Change our indicator as defined below to provide clarity:</p> <p><i>The average time in seconds waited by callers before an operator answered their call; reported under a single 'energy' category and calculated as follows:</i></p> <p style="text-align: center;"><i><u>total time waited by callers during the reporting period</u></i> <i>total number of calls to an operator during the reporting period</i></p> <p><i>This indicator requires a retailer to report on the time waited by callers before a call is answered and so only answered calls are relevant. This indicator should not include abandoned calls, nor include the average waiting time before a call is abandoned.</i></p> <p><i>Where an IVR system operates, it is not appropriate to regard the call as answered as soon as the IVR system accepts the call</i></p> <p><i>Only calls from Victorian retail customers (residential and business) should be counted.</i></p> <p><i>Regulated entities with only large customers and no IVR telephone system in place are not obliged to report on this indicator.</i></p>

ESC Indicator	AER Reference
Abandoned calls	S3.4
Current definition	
The number of calls abandoned while still awaiting operator response after being forwarded to an operator.	
Recommendation	
<p>Change our indicator as defined below to provide clarity:</p> <p><i>The total number of calls abandoned during each month within the reporting period while awaiting operator response after being forwarded to an operator, reported under a single 'energy' category. For retailers with an IVR telephone system, only those calls where the customer had already selected the operator option before abandoning the call are counted.</i></p> <p><i>Only calls from Victorian retail customers (residential and business) should be reported.</i></p> <p><i>Regulated entities with only large customers and no IVR telephone system in place are not obliged to report on this indicator.</i></p>	

Complaints indicators

We currently provide a general definition of a complaint:

An expression of dissatisfaction made to an organisation, related to its products/services, or the complaints-handling process itself where a response or resolution is explicitly or implicitly implied.

The AER provides the same definition but adds:

Complaints can be made in person, by telephone or in writing (for example, letter, email, facsimile). For the avoidance of doubt, complaints include the following type of contacts:



- Where a customer expresses dissatisfaction and seeks a response or resolution regarding the conduct, action, proposed action, or failure to act by the retailer, its employees, agents, contractors or other representatives. This includes failure by the retailer to observe its published or agreed practices or procedures or in respect of a product or service offered or provided by the retailer or its representatives;
- Where a customer threatens to involve, or enquired about the possibility of involving, a third party, for example, the jurisdictional energy ombudsman or Member of Parliament.
- Where a complaint is directed to the retailer on behalf of the customer by an energy ombudsman scheme.

We consider this further guidance provided by the AER clarifies the meaning of a complaint and will include it in our general definition of a complaint, with the addition of the following to enable retailers to accurately report complaint numbers:

- More than one complaint can be made per customer/call. For example, if a customer makes a billing complaint and then makes a marketing complaint during the same call then two complaints should be recorded.
- Each individual customer contact that is a complaint should be recorded and categorised as a complaint, irrespective of the number of times the caller has made contact with a retailer on an issue.

ESC Indicator	AER Reference
Complaints – billing / credit	S3.5
Current definition	
A complaint regarding overcharging, prices, payment terms and methods, and debt recovery practices. This category may include billing errors, incorrect billing of fees and charges, failure to receive relevant government rebates, high billing, credit collection, disconnection and reconnection, and restriction due to billing discrepancy, but is not limited to these examples.	
Recommendation	
Change indicator to ‘Complaints – billing’ defined as: <i>The number of complaints received each month during the reporting period, reported separately for electricity and gas*, including (but not limited to) those regarding:</i> <ul style="list-style-type: none"> - prices - overcharging - high bills - billing errors - payment terms and methods - failure to receive government rebates - debt recovery practices - imminent and actual disconnection. <p><i>* If a customer has both electricity and gas accounts with a retailer and makes a single billing complaint of a general nature (for example, relating to the retailer’s debt recovery practices), this should be counted as an electricity complaint.</i></p>	



ESC Indicator	AER Reference
Complaints – marketing	S3.6
Current definition	
A complaint associated with a retailer’s actions* in seeking to sign up a small customer for a market contract, and may include matters such as the nature of the approach or conduct, advertising campaigns, contract terms, sales techniques and misleading conduct, but is not limited to these examples.	
Discussion	
* The AER goes one step further by adding “or its agents/representatives’ actions” in its definition to ensure outsourced sales and marketing is clearly included.	
Recommendation	
Change indicator to ‘ Complaints – marketing ’ defined as: <i>The number of complaints received each month during the reporting period, reported separately for electricity and gas*, including (but not limited to) complaints associated with a retailer’s or its agents/representatives’ actions in seeking to sign up a small customer for a contract for energy supply/service, and complaints regarding:</i> <ul style="list-style-type: none"> – sales approach or conduct – advertising campaigns – contract terms – sales techniques – misleading conduct. <i>* If a customer makes a single complaint regarding the marketing of both electricity and gas, this should be counted as an electricity complaint.</i>	

ESC Indicator	AER Reference
Complaints – transfers	S3.7
Current definition	
A complaint associated with the financial responsibility for a customer’s NMI or MIRN being transferred to a market contract with either an existing or new retailer and may include, but is not limited to, failure to transfer within a certain time period, disruption of supply due to transfer and billing problems directly associated with the transfer (e.g. delay in billing, double billing).	
Recommendation	
Change indicator to ‘ Complaints – customer transfers ’ defined as: <i>The number of complaints received each month during the reporting period, reported separately for electricity and gas*, regarding the financial responsibility for a customer’s electricity and/or gas account being transferred to either an existing or new retailer, and includes (but not limited to):</i> <ul style="list-style-type: none"> – failure to transfer within a certain time period – disruption of supply due to transfer – billing problems directly associated with transfer (for example, billing delays). <i>* If a customer makes a single complaint of a general nature regarding the transfer of both their electricity and gas accounts to a retailer (for example, failure to transfer within a certain time period), this should be counted as an electricity complaint.</i>	



ESC Indicator	AER Reference
Complaints – other	S3.8
Current definition	
Any complaint about the quality and timeliness of retail service, other than a billing complaint, marketing complaint or a transfer complaint. Examples include poor service, privacy consideration, failure to respond to complaints, and health and safety issues.	
Discussion	
The AER definition does not include examples which we consider are helpful to include.	
Recommendation	
Simplify the definition to improve clarity: <i>The number of complaints received each month during the reporting period, reported separately for electricity and gas*, that do not classify as a billing, marketing or customer transfer complaint. Examples include (but are not limited to):</i> <ul style="list-style-type: none">– <i>poor customer service</i>– <i>privacy issues</i>– <i>failure to respond to complaints</i>– <i>health and safety concerns.</i> <i>* If a customer makes a single complaint of a general nature not specific to either electricity or gas (for example, a privacy concern), this should be counted as an electricity complaint.</i>	



6 WRONGFUL DISCONNECTION COMPLAINT INDICATORS

6.1 Introduction

The Wrongful Disconnection Payment (WDP) scheme in Victoria is a statutory obligation not replicated in the NECF. It requires an energy retailer who wrongfully disconnects one of its residential customers to pay that customer \$250 for each day their electricity or gas supply remains disconnected.

The Energy Legislation Amendment (Bushfire Mitigation and Other Matters) Act 2011 amended the Electricity Industry Act 2000 and Gas Industry Act 2001 to cap payments to \$3500 if the customer does not notify the retailer of the disconnection within 14 days after the disconnection. This amendment came into effect 1 January 2012.

The primary intention of the WDP scheme was to place a monetary incentive on retailers to guard against disconnecting a customer who is willing, but does not have the capacity, to pay their energy bills. The Energy Retail Code seeks to ensure that retailers follow a proper process for procuring disconnections and that claims of financial incapacity and other hardship are taken into account. The WDP scheme strengthens retailer compliance with the Code.

A case of wrongful disconnections can be identified by the retailer itself, by the customer or, quite often, by being brought to the attention of the Energy and Water Ombudsman (Victoria) (EWOV). Some cases are referred to the Commission for consideration and determination.

6.2 Existing performance monitoring and reporting

We monitor enquiries and complaints made to retailers regarding wrongful disconnection (not including those cases that require determination by the Commission). Retailers report the following:

- (a) Incidents detected by retailer (self-identified cases)
- (b) Incidents identified by customer raised directly with retailer
- (c) Enquiries referred by the EWOV
- (d) Complaints referred by EWOV

And, for each of the above categories, the following data is collected from retailers:

- Number of incidents raised for investigation of wrongful disconnection
- Number of incidents where compensation for wrongful disconnection was paid
- Total amount of compensation paid for wrongful disconnection
- Minimum amount of compensation paid for wrongful disconnection
- Maximum amount of compensation paid for wrongful disconnection



Retailers are also required to provide a written summary of each incident that resulted in a WDP being made, including:

- the relevant clause of the Energy Retail Code relating to the breach
- a detailed explanation of the circumstances, and
- the WDP compensation paid.

This information is not currently published in our annual Performance Report.

We do, however, publish complaints data reported to the Commission by EWOV. Complaints are categorised by EWOV according to 'affordability', 'disconnections' and 'other retail' complaints.

6.3 Discussion

We consider there may be duplication in the collection and reporting of these indicators by retailers.

As required by the Commission's Retail Compliance Reporting Manual (the Manual – updated September 2012), licensed retailers must report breaches of their regulatory obligations. The Manual classifies each obligation as Type 1, 2 or 3 with a WDP generally involving a breach of a Type 1 obligation.

Our compliance reporting requirements for a breach of obligations is:

- Type 1 – immediately (initially by phone or email)
- Type 2 – six monthly
- Type 3 – annually

A proforma for reporting breaches is included in the Manual. Using this proforma, retailers submit the same, if not greater, level of detail of their breaches as that which is collected as part of the Commission's performance monitoring (template).

Since all breaches of compliance must also be reported annually, regardless of whether the breach has already been reported during the year, this places a heavy regulatory burden on retailers to meet their reporting requirements.

However, we consider there may be value in seeking additional data from EWOV regarding WDP complaints to supplement the information already reported to the Commission.

6.4 Recommendation

We propose to remove the wrongful disconnection complaint indicators from the performance monitoring framework to ease the regulatory burden on retailers of reporting WDP and associated complaints.

Compliance reporting will continue to provide the necessary information to enable monitoring of wrongful disconnections.

We will consult with EWOV regarding the possibility of including supplementary wrongful disconnection complaints data in their report to the Commission.



7 NEXT STEPS

This document forms the basis of a discussion with selected stakeholders that will address changes to the energy retail performance indicators. Based on the feedback received, we may hold a workshop for retailers in late January to discuss the changes proposed.

We aim to produce a Final Decision by March. Where possible, minor changes to the performance indicators will take immediate effect and the Commission will make this possible by granting extensions to the date for submitting data templates for the period 1 July 2012 to 31 December 2012. Material changes and new additions to the data set are proposed for the 2013/14 reporting year.

We also invite comments from other interested parties. Feedback in the form of written submissions should address the recommendations proposed throughout this paper, and any other general performance reporting issues. Submissions should be emailed by the close of business 18 January 2013 to elecindicators@esc.vic.gov.au. Alternatively, written submissions can be sent to:

Energy

Essential Services Commission
Level 2, 35 Spring Street
Melbourne VIC 3000

Submissions will be made available to the public on our website, except for any commercially confidential or sensitive information. Any material that is confidential should be clearly marked as such.



APPENDIX A. PROPOSED SUITE OF PERFORMANCE INDICATORS

7.1 List of proposed indicators

Indicator	Proposed definition	AER reference	Proposed ESC indicator compared with the AER	Material change or not
<i>Background Indicators</i>				
Residential Electricity Customers on standard retail contracts	See page 6	S2.1.a.i	Intent of definition is the same, different reporting period	Minor change – we will now disaggregate residential customers into 'standard' and 'market' contracts but will add up to previous total
Residential Electricity Customers on market retail contracts	See page 6	S2.2.a.i		
Small Business Retail Electricity Customers on standard retail contracts	See page 7	S2.1.a.ii	Different reporting period AER collects aggregated small business customer numbers (0 – 100 MWh per year), split according to 'standard retail contracts' and 'market retail contracts', while we will also be able to identify the number of customers in the sub-category of 'small market offer' (consuming 40 – 100 MWh)	Minor change – we will now disaggregate small business customers into 'standard' and 'market' contracts but will add up to previous total (0 – 40 MWh consumption)
Small Business Retail Electricity Customers on market retail contracts	See page 7	S2.2.a.ii		
Retail Electricity Small Market Offer Customers on standard retail contracts	See page 7	S2.1.a.ii		
Retail Electricity Small Market Offer Customers on market retail contracts	See page 7	S2.2.a.ii		Material change – we are changing our business customer categories to reflect the new 'small market offer' customer (40 – 100 MWh consumption), which will be difficult to compare with earlier data collected
Large Retail Electricity Customers	See page 8	S2.2.a.iii	Intent of definition is the same, different reporting period	
Residential Gas Customers on standard retail contracts	See page 8	S2.1.b.i	Intent of definition is the same, different reporting period	Minor change – we will now disaggregate residential customers into 'standard' and 'market' contracts but will add up to previous total
Residential Gas Customers on market retail contracts	See page 8	S2.2.b.i		



Indicator	Proposed definition	AER reference	Proposed ESC indicator compared with the AER	Material change or not
Small Business Retail Gas Customers on standard retail contracts	See page 9	S2.1.b.ii	Different reporting period	Material change – we are introducing various categories differentiated by consumption threshold, while also disaggregated into ‘standard’ and ‘market’ contracts, though all categories will still add up to the previous total for ‘business customers’
Small Business Retail Gas Customers on market retail contracts	See page 9	S2.2.b.ii	AER collects aggregated small business customer numbers (0 – 1000 GJ per year), split according to ‘standard retail contracts’ and ‘market retail contracts’, while we will also be able to identify the number of customers in the sub-category of ‘small market offer’ (consuming 400 – 1000 GJ)	
Retail Gas Small Market Offer Customers on standard retail contracts	See page 9	S2.1.b.ii		
Retail Gas Small Market Offer Customers on market retail contracts	See page 9	S2.2.b.ii		
Large Retail Gas Customers	See page 9	S2.2.b.iii	Intent of definition is the same, different reporting period	
<i>Affordability Indicators</i>				
Estimated accounts	See page 11	–	–	Definition clarified only
Instalment payment plans	See page 12	S3.13	Intent of definition is the same, different reporting period and AER only collects data for residential	Material change – we are now excluding hardship program customers from the data set
Refundable advances – number	See page 13	S3.28	Intent of definition is the same, different reporting period	Definition clarified only
Refundable advances – amount	See page 13	S3.29		
Direct debit customers	See page 13	–	–	Definition clarified only
Direct debit cancellations – as a result of defaults	See page 14	–		
Disconnections	See page 15	S3.24.a-b	Same	Definition clarified only
Reconnections within 7 days	See page 15	S3.25.a-b	Same	Definition clarified only



Indicator	Proposed definition	AER reference	Proposed ESC indicator compared with the AER	Material change or not
Disconnections previously on an instalment payment plan	See page 16	S3.24.e	Different reporting period and AER restricts to customers previously on an instalment payment plan in only the past 12 months (not 24 months)	Definition clarified only
Disconnections on more than one occasion	See page 17	S3.24.f	Different reporting period only	Definition clarified only
Disconnections of energy concession customers	See page 17	S3.24.d	Different reporting period only	Definition clarified only
Reconnections previously on an instalment payment plan	See page 18	S3.25.e	Different reporting period and AER restricts to customers previously on an instalment payment plan in only the past 12 months (not 24 months)	Definition clarified only
Reconnections on more than one occasion	See page 18	S3.26	Different reporting period and AER counts all reconnections (not just within 7 days of disconnection)	Definition clarified only
Reconnections of energy concession customers	See page 19	S3.25.d	Different reporting period only	Definition clarified only
<i>Financial Hardship Program Indicators</i>				
Hardship program participants	See page 20	S4.1	ESC collect single 'energy' category	No change
Hardship program participants receiving energy concessions	See page 22	S4.2	Different reporting period and ESC collects for single 'energy' category	Definition clarified only
Customers denied access to a retailer's hardship program	See page 22	S4.3	ESC collect single 'energy' category	Definition clarified only
New entrants into a retailer's hardship program	See page 23	–	–	Inclusion of this indicator is expected to be straightforward, requiring only minor changes to retailers' data capture systems
Average debt of new entrants into a hardship program	See page 23	S4.4 / S4.5	Different reporting period and ESC collects for single 'energy' category	Definition clarified and new debt categories introduced



Indicator	Proposed definition	AER reference	Proposed ESC indicator compared with the AER	Material change or not
Average debt of hardship program customers	See page 24	S4.7	Different reporting period and ESC collects for single 'energy' category	Material change – we previously collected 'Average debt on exit' so there will be no comparison with earlier data collected
Average length of participation for customers in a hardship program	See page 25	–	–	No change
Participants exiting a hardship program by agreement with the retailer	See page 25	S4.9.a	Different reporting period only for individual category reporting, however the AER also collects <i>total</i> exit numbers per month (S4.8)	Minor change – we previously collected exit numbers according to two categories and exits due to switching, transferring or otherwise leaving the retailer were captured under 'exit by agreement'
Hardship program participants excluded for not complying with requirements	See page 26	S4.9.b		
Hardship program exits due to switching, transferring or leaving the retailer	See page 26	S4.9.c		
Disconnections of all previous hardship program customers within 12 months	See page 27	S4.10	Different reporting period and the AER collects this data for only those customers who successfully completed a hardship program or exited by agreement with retailer	Definitions clarified only
Reconnections of all previous hardship program customers within 12 months	See page 27	S4.11		
Energy field audits provided at no cost	See page 28	–	–	No change
Energy field audits provided at partial cost	See page 28	–		
Average cost contributed to an energy field audit where a customer contribution was required	See page 28	–		
Appliances provided under a hardship program	See page 29	S4.12	AER asks for a written summary from retailers once a year, while we request quantitative data monthly	Minor change to tighten the definition may result in a reduction in numbers of appliances reported



Indicator	Proposed definition	AER reference	Proposed ESC indicator compared with the AER	Material change or not
<u>Call Centre Enquiries Indicators</u>				
Calls to an operator	See page 32	S3.1	Different reporting period and ESC collects Victoria-specific data while the AER accepts national data for those retailers operating across jurisdictions	By clarifying the definitions we may alter the resulting data and for some indicators there is a material change, however retailers will benefit from greater consistency with national reporting requirements
Calls to an operator responded to within 30 seconds	See page 33	S3.2		
Average waiting time	See page 34	S3.3		
Abandoned calls	See page 35	S3.4		
<u>Complaints Indicators</u>				
Complaints – billing	See page 36	S3.5	Different reporting period and the AER collects data under a single ‘energy’ category while ESC will continue to request separate data for electricity and gas (with all “dual fuel” complaints to be counted under the electricity category)	Minor change (possibly no change in reality) to request “dual fuel” complaints data under the electricity category
Complaints – marketing	See page 37	S3.6		
Complaints – customer transfers	See page 37	S3.7		
Complaints – other	See page 38	S3.8		



7.2 Indicators recommended for removal

The Information Specification will be updated to reflect the removal of the following indicators from regulated entities' future performance reporting requirements.

- **Hardship program participants for whom access was sought by a third party** (refer page 21)
- **Customers referred to Home Wise / Capital Grants program for appliance replacement** (refer page 30)
- **Customers referred to Home Wise / Capital Grants program resulting in an appliance being replaced** (refer page 30)
- **Calls to account line** (refer page 32)
- **All Wrongful disconnection complaints indicators** (refer pages 39-40)