



# ICRC

independent competition and regulatory commission

**Monitoring Report:  
Utility Licence Annual Report (ULAR) and  
National Energy Retail Law (NERL) Retailer  
Compliance Report 2022–23  
Report 4 of 2024, April 2024**



The Independent Competition and Regulatory Commission is a Territory Authority established under the *Independent Competition and Regulatory Commission Act 1997* (the ICRC Act). We are constituted under the ICRC Act by one or more standing commissioners and any associated commissioners appointed for particular purposes. Commissioners are statutory appointments. Joe Dimasi is the current Senior Commissioner who constitutes the Commission and takes direct responsibility for delivery of the outcomes of the Commission.

We have responsibility for a broad range of regulatory and utility administrative matters. We are responsible under the ICRC Act for regulating and advising government about pricing and other matters for monopoly, near-monopoly and ministerially declared regulated industries, and providing advice on competitive neutrality complaints and government-regulated activities. We also have responsibility for arbitrating infrastructure access disputes under the ICRC Act

We are responsible for managing the utility licence framework in the ACT, established under the *Utilities Act 2000* (Utilities Act). We are responsible for the licensing determination process, monitoring licensees' compliance with their legislative and licence obligations and determination of utility industry codes.

Our objectives are set out in section 7 and 19L of the ICRC Act and section 3 of the Utilities Act. In discharging our objectives and functions, we provide independent robust analysis and advice.

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# Snapshot of 2022-23

## Delivery of services

The 2022-23 year saw the licensed utilities proactive in identifying failures to meet guaranteed service levels and paying rebates to consumers. There were no material breaches of their licences and legislative obligations.

Evoenergy saw electricity and gas complaints falling significantly. Water complaints also reduced, although sewerage complaints increased marginally. Unplanned interruptions relating to these services also fell while planned interruptions increased. This suggests that while utilities responded to some significant events, their focus was on preventative maintenance and upgrades.

There was a noticeable increase in water losses from the distribution system over the year. Water losses add to the cost of the network which is born by customers and have environmental outcomes. We will continue to monitor Icon Water's progress in reducing these losses.

There was an increase in wrongful disconnections, which we will continue to monitor and report in the next Utility Licence Annual Report (ULAR). Evoenergy electricity reported that 45 customers were wrongly disconnected in 5 instances over the year (see section 3.1). Evoenergy gas technicians accidentally disconnected 3 customers.

Under national energy law, a person or business that engages in the retail sale of energy requires a retailer authorisation issued by the Australian Energy Regulator. These retailers are known as NERL retailers. ActewAGL is the incumbent NERL retailer in the ACT with a majority market share of customers. It reported that it had wrongfully disconnected 4 customers and Energy Australia said that it wrongfully disconnected 1 customer. The majority of these disconnections occurred where the customer at the premises had changed but the systems had not updated this change.

Connection times for services also continue to be higher than we would expect. While Evoenergy electricity has significantly reduced its number of late connections compared to 2020-21 and 2021-22, 460 customers did not have their connections made within the required time. Evoenergy has regularly met with us over the year to update what it is doing to improve connection times. We expect to see an improvement in connection times in the next ULAR.

## Automatic rebate payments

The *Consumer Protection Code 2020* (the Code) sets out guaranteed service levels (GSL) for the licensed utilities and NERL retailers. The Code requires utilities and NERL retailers to pay rebates automatically to affected customers when they have not met a GSL. A list of the GSLs and the corresponding rebates can be found at Appendix 2 of this report.

Although the introduction of automatic payments of rebates has increased the payments to customers for failure to meet the guaranteed standards (see table 0.1), the overall occurrences of non-compliance has not reduced, even though Evoenergy electricity and the NERL retailers reduced their levels of non-compliance.

In 2022-23 the number of rebates paid by Icon Water increased significantly after it identified a large number of rebates from previous years that had not been paid (see section 2.1). As this was an isolated incident it is anticipated that Icon Water's figures will reduce in the next ULAR.

Of the NERL retailers, ActewAGL reduced its failure to meet GSLs from 229 in 2021-22 to 12 in 2022-23 (see Table 8.1.).

**Table 0.1. Total rebates paid 2020-21 to 2022-23**

Utility	2020-21		2021-22		2022-23	
	Number of GSLs paid	Amount	Number of GSLs paid	Amount	Number of GSLs paid	Amount
Icon Water	739	\$66,280	543	\$70,680	1,483	\$181,340
Evoenergy (Elec)	1,227	\$85,180	1,684	\$226,270	1,265	\$178,260
Evoenergy (Gas)	2	\$150	2	\$80	4	\$260
NERL retailers	276	\$9,979	269	\$7,760	67	\$8,880
<b>Total</b>	<b>2,244</b>	<b>\$161,589</b>	<b>2,498</b>	<b>\$304,790</b>	<b>2,819</b>	<b>\$368,740</b>

### Utility licensing

The year also saw the issuing of a new utility licence to Lumea Pty Ltd for the transmission of electricity. Lumea Pty Ltd is a subsidiary company within the Transgrid group. Lumea provides electricity transmission services for a 10MW battery energy storage system<sup>1</sup> which forms part of the [Canberra Big Battery](#).

<sup>1</sup> Under section 6 of the Utilities Act 2000, generators, including batteries connected to an electricity network, require a utility licence if over 30MW

# Outcomes at a glance

## Electricity distribution

### Planned interruptions

**1,597**

Number of planned interruptions to services

▲ 216 from 2021–22

**70**

Electricity customers not notified within at least four business days before a planned interruption.

▼ 31 from 2021–22

### Unplanned interruptions

**46**

Events that lasted 12 hours or longer, which required a rebate (impacting 475 customers).

▼ 6 from 2021–22



## Water supply and sewerage services

**409**

Number of unplanned interruptions to water supply services.

▼ 29 from 2021–22.

**995**

Number of unplanned interruptions to sewerage services.

▼ 193 from 2021–22

**10**

Premises not restored to sewerage services within 12 hours.

▼ 6 from 2021–22

## Gas distribution



Evoenergy failed to provide 4 business days written notice to 3 customers.



1 interruption lasted more than 12 hours and 1 property experienced more than 20 hours of interruption.



### Water supply

**11,909** Water supply complaints

▼ 1078 from 2021–22

3 complaints were not responded to within 20 business days



### Sewerage services

**133**

Sewerage services complaints

▲ 26 from 2021–22.

All complaints were responded to within 20 business days



### Electricity distribution

**199** Electricity distribution complaints

▼ 136 from 2021–22

26 complaints were not responded to within 20 business days



### Gas distribution

**72**

Gas distribution complaints

▼ 68 from 2021–22

All complaints were responded to within 20 business days.

#### Icon Water

Water supply and sewerage service

#### Evoenergy

Electricity distribution

#### Evoenergy

Gas distribution

#### Number of times utilities paid rebates in 2022–23



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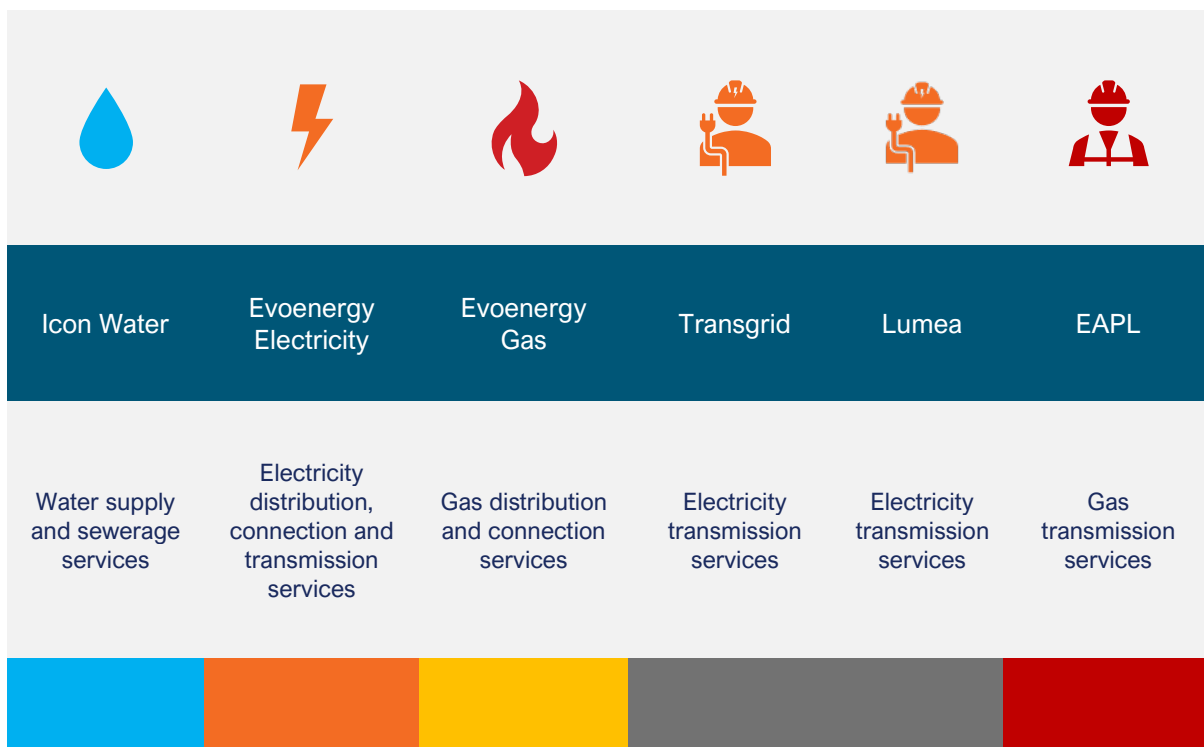
# Part A – Utility Licence Annual Report

# PART A

# 1. Our annual performance reporting

We are the Australian Capital Territory's (ACT) independent economic regulator under the *Independent Competition and Regulatory Commission Act 1997*. One of our responsibilities is to monitor and report publicly on the performance of the utilities operating in the ACT.

**Figure 1.1. Licensed utilities operating in the ACT during 2022-23**



## 1.1 Our framework

We manage the utility licence framework in the ACT established by the *Utilities Act 2000* (Utilities Act). We issue licences and ensure that licensed utilities in the ACT comply with the obligations in their licences and in industry codes made under the Utilities Act.

Each utility licence sets out obligations relating to environmental requirements, compliance reporting and record keeping.

More information on the regulatory framework is in Appendix 1.

We do not license retail energy providers. The Australian Energy Regulator (AER) authorises energy retailers under the national energy customer framework. The AER reports the performance of these retailers

annually on its website.<sup>2</sup> However, we apply industry codes to energy retailers through the Utilities Act. These codes impose standards and responsibilities on the retailers. We monitor their compliance with these codes.

## 1.2 How we monitor performance and compliance

We require each licenced utility to report to us annually on their performance in carrying out their functions under the Utilities Act and their compliance with licence conditions and industry codes. We assess utilities' performance and compliance based on information and data that utilities provide to us and then produce the monitoring and compliance report known as ULAR.

Through the ULAR we monitor the utilities' compliance with licence conditions, which require that utilities comply with the Utilities Act and other ACT laws that relate to the provision of a utility licence, as well as industry and technical codes that apply to the utility. Current industry codes are the *Consumer Protection Code 2020*<sup>3</sup> (the Code), *Water and Sewerage Capital Contribution Code 2017*<sup>4</sup> and the *Electricity Feed-in Code 2020*<sup>5</sup>. The licences also set out obligations relating to environmental requirements, compliance reporting and record keeping.

The Code requires licensed utilities to meet all applicable GSLs. Failure to meet the GSLs requires utilities to automatically issue rebates to customers. These rebates serve as an acknowledgement to customers that they have not received the expected level of service. The list of GSLs and corresponding rebates is available in Appendix 2.

The number of times a GSL is not met is not the number of events that have occurred, rather it reflects the number of customers who have not received the GSL and are entitled to a rebate.

We look for issues that occur repeatedly over multiple reporting periods. We check whether there is a systemic problem that is negatively affecting customers or could prevent a utility from meeting its licence obligations. We proactively engage with utilities when issues are identified and encourage utilities to take action to improve their performance.

## 1.3 The purpose and scope of this report

This monitoring report helps make utilities accountable for their performance by giving the public information about where the utilities have performed well and where there is scope for improvement. This will give the utilities stronger incentives to improve their performance by providing better services to their customers. Publishing this report helps us achieve our objective of protecting the long-term interests of customers in the ACT.

<sup>2</sup> AER, <https://www.aer.gov.au/retail-markets/performance-reporting>

<sup>3</sup> [Utilities \(Consumer Protection Code\) Determination 2020 \(DI2020-6\)](#).

<sup>4</sup> [Utilities \(Capital Contribution Code\) Approval 2017 \(DI2017-291\)](#).

<sup>5</sup> [Utilities \(Electricity Feed-in Code\) Determination 2020 \(DI2020-86\)](#).

**Figure 1.2. Purpose of annual compliance monitoring**

Promote transparency, data integrity and accountability of licensed utilities



Reduce risks to customers and the community from a utility's non-compliance with its licence obligations



Inform customers and the ACT community about the performance of licensed utilities in the ACT



Encourage and motivate utilities to improve performance against obligations in their licence the Utilities Act and relevant industry codes

## 2. Water supply and sewerage services

Icon Water is the only licensed provider of water and sewerage services in the ACT. Icon Water reports on its performance over the year, compliance with its utility licence and compliance with the GSL in the Code.

Throughout 2022-23, Icon Water reports compliance with all of its licence and legislative responsibilities. It identified 1,483 times it did not achieve the GSLs in the Code and paid \$181,340 in rebates to affected customers.

[Icon Water's licence](#) is available to view online.

### 2.1 Icon Water's compliance with Guaranteed Service Levels

In 2022-23, Icon Water reports that it did not meet the GSLs 927 times, a 70.7% increase from last year (see Table 2.1).

While not meeting the GSLs 927 times over the year, Icon Water paid 1483 rebates, totalling \$181,340 to customers. These rebates were mainly for GSL-W6 (failure to respond to a notification relating to damage or fault or problem with the network within time) and include 633 rebates for breaches that occurred in 2020-21 and 511 rebates for breaches that occurred in 2021-22. Icon Water identified an issue with its system that had not identified these breaches of the GSL. This has now been amended.

Icon Water says that in June 2023 it identified that some customers who required postal notification of planned works had not received the required notice (GSL3). This resulted in the payment of 709 rebates that were paid in the 2023-24 year.

Table 2.1 Water supply – GSLs and rebates for 2020–21 to 2022–23

Guaranteed Service Levels	2020–21	2021–22	2022–23		
	Number of GSLs not met	Number of GSLs not met	Number of GSLs not met	Number of rebates paid	Value of rebates paid
<b>GSL-W1:</b> Connection not provided by required date	0	0	0	0	\$0
<b>GSL-W2:</b> Complaint not responded to within 20 business days	8	2	3	3	\$60
<b>GSL-W3:</b> Sufficient notice of a planned interruption to supply not provided	9	0	686	8 <sup>6</sup>	\$400
<b>GSL-W4:</b> An unplanned sustained interruption lasts 12 hours or longer	19	16	31	65	\$5,200
<b>GSL-W5:</b> Customer experiences more than 9 unplanned interruptions in a financial year	0	0	1	0	\$0
<b>GSL-W6:</b> Utility fails to respond to a notification about damage, problems or faults with the network within time <sup>7</sup>	703	527	206	1,407	\$175,680
<b>Total</b>	<b>739</b>	<b>545</b>	<b>927</b>	<b>1,483</b>	<b>\$181,340</b>

## 2.2 Interruptions to water supply and sewerage services

### 2.2.1 Unplanned interruptions to water supply continue to fall

In 2022-23 there was a 6.6% reduction in unplanned interruptions to water supply, decreasing to 409 from 2021-22. Only 3 unplanned interruptions lasted more than 12 hours and Icon Water reported that no consumers experienced impacts from these extended interruptions.

<sup>6</sup> See section 2.2.2

<sup>7</sup> If the issue is likely to affect public health, or is causing, or has the potential to cause substantial damage or harm to a person or property, the utility must respond as soon as practicable or within six hours. In all other cases, the utility must respond within 48 hours and respond the problem or concern within the time specified in the utility's response.



Mains breaks, major leaks and emergency repairs resulting from tree roots damaging pipes, as well as infrastructure damage by third parties, are the most common causes of unplanned interruptions to water supply and sewerage services.

The average duration of unplanned interruptions in Icon Water’s network was 3.1% shorter at 131 minutes.

Performance of the sewerage network also improved. There were 995 unplanned interruptions to sewerage services in 2022-23. This was a reduction of 16% from 2021-22. This continues a trend of reduction in unplanned sewerage interruptions. Wetter weather experienced over the last few years may have contributed to this reduction, as dry weather and low rainfall can cause tree roots seeking water to enter sewers, increasing the number of sewerage chokes.

Icon Water reported 10 unplanned interruptions to the sewerage supply that took 12 hours or longer to restore (GSL-W4). Icon Water said that delays handling the complaints at the call center caused most of these interruptions lasting more than 12 hours. Icon Water says that it has reviewed its training practice for call center staff and will be creating an in-house call center in 2023-24.

**Table 2.2 Water supply and sewerage service – unplanned interruptions, 2018–19 to 2021–22**

Measure	2018–19	2019–20	2020–21	2021–22	2022–23		Change
Number of unplanned interruptions to water supply	588	545	502	438	409	▼	29
Average interruption duration (minutes/property)	99	136 <sup>8</sup>	149	136	131	▼	5
Number of unplanned interruptions to sewerage services	2,433	2,843	1,797	1,188	995	▼	193
Number of premises not restored to sewerage services within 12 hours	0	0	0	16	10	▼	6

### 2.2.2 Planned interruptions increase, but with good reasons

Planned interruptions to water supply increased to 11,496 in 2022-23, a 52% increase from the previous year. This was mainly due to an increase in the replacement of household water meters under Icon Water’s water meter replacement program.

In accordance with the Code, Icon Water must provide customers with 2 business days’ notice when undertaking planned maintenance. Icon Water identified that it did not allow for the time for postage for

<sup>8</sup> During this reporting year, Icon Water implemented a new data system for recording water supply interruptions. Due to this system change, this figure only accounts for 10 months of that reporting year.

some notifications of planned works and identified that 686 customers did not receive the required notice. Icon Water confirmed that these customers received rebates in 2023-24.

**Table 2.3 Water supply – planned interruptions, 2018–19 to 2022–23**

Measure	2018–19	2019–20	2020–21	2021–22	2022–23		% Change
Number of planned interruptions to water supply	7,854	8,533	8,856	7,559	11,496	▲	52.1
Number of premises not given 2 business days' notice	0	0	13	0	686	▲	686

## 2.3 Complaints

In 2021-22, Icon Water changed its complaints handling process for water services. Icon Water advised that this change allowed it to capture a wider range of complaints, such as complaints made via social media, and includes complaints made to and resolved by the retailer which were previously unreported.

In the 2021-22 ULAR we used the previous complaint handling process when providing a comparison of the number of water services complaints over the previous years. For the 2022-23 ULAR, we have used the figures provided under the new complaints handling process to compare the last 2 years of data (See Figure 2.2).

### 2.3.1 Water supply complaints reduce slightly

Icon Water reports 11,909 water supply complaints in 2022-23. This was a reduction of 8.3% on the 2021-22 figure.

**Figure 2.1 Number of water supply complaints 2021–22 to 2022–23**

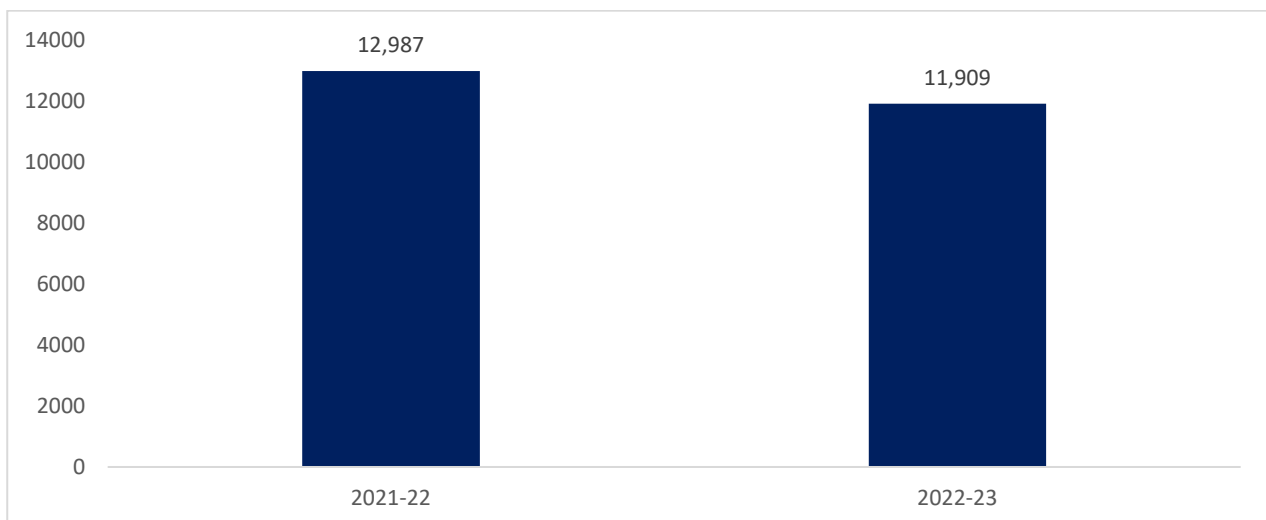


Table 2.4 sets out the number of water supply complaints received by category. The areas of accounts/billings and water supply quality experienced are the main increases in complaints. The areas of metering/meter reading, other network complaints and other retail complaints saw the main reduction of complaints.

The complaint category of 'other network complaints' includes complaints such as customer service, quality and pressure of water services, safety concerns and poor service from staff.

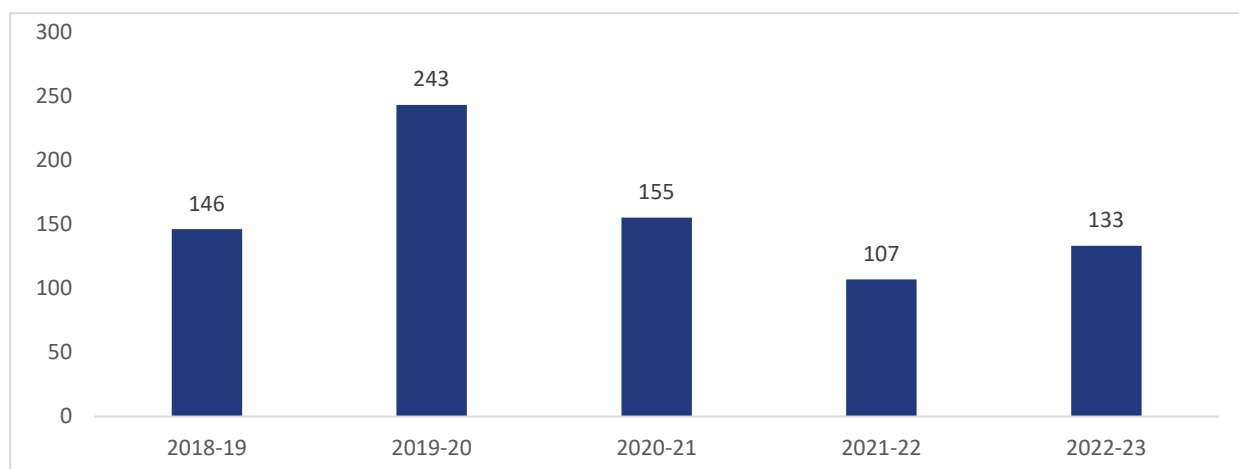
The complaint category of 'other retail complaints' includes complaints such as staff not providing correct information, staff behavior/misconduct, request not met/failure to reply and issues with the self-service platform.

**Table 2.4 Water supply complaints from 2021–22 to 2022–23 by category**

Complaint categories	2021–22	2022–23		Change	% Change
Metering / meter reading	6,581	4,268	▼	2,313	35.1
Accounts / billing	3,689	5,362	▲	1673	45.4
Other retail complaints	2,552	2,031	▼	521	20.4
Water supply quality	40	135	▲	95	237.5
Property damage and restoration of property	33	60	▲	27	81
Other network complaints	80	38	▼	42	52.5
Unplanned interruptions	2	7	▲	5	250
Water supply reliability	1	7	▲	6	600
Failure to provide notice	9	1	▼	8	88.9
<b>Total number of complaints</b>	<b>12,987</b>	<b>11,909</b>	<b>▼</b>	<b>1,078</b>	<b>8.3</b>

### 2.3.2 Sewerage service complaints

Icon Water reports 133 sewerage service complaints in 2022-23. While this is a slight increase from the 2021-22 figure, sewerage service complaints remain stable.

**Figure 2.2 Number of sewerage service complaints 2018–19 to 2022–23**

The types of sewerage service complaints received are outlined in Table 2.5. The table shows increases in complaints in the area of property damage/restoration of property.

**Table 2.5 Sewerage service complaints from 2018–19 to 2022–23 by category**

Complaint categories	2018–19	2019–20	2020–21	2021–22	2022–23		Change	% change
Property damage and restoration of property	73	98	79	35	85	▲	50	142.8
Sewerage odour complaints	14	22	18	30	20	▼	10	33.3
Sewerage services reliability	29	74	27	26	16	▼	10	38.5
Other network complaints	0	45	20	13	11	▼	2	15.3
Failure to provide notice	5	4	11	3	1	▼	2	66.6
Unplanned interruptions	0	0	0	0	0	-	0	0.0
Other retail complaints	25	0	0	0	0	-	0	0.0
<b>Total number of complaints</b>	<b>146</b>	<b>243</b>	<b>155</b>	<b>107</b>	<b>133</b>	▲	<b>26</b>	

### 2.3.3 Icon Water's complaint handling procedure

The Code requires utilities to maintain a complaint handling procedure that complies with the Australian Standards. Icon Water reports that during 2022–23 it met its obligations under the Code and had a [complaint handling procedure](#) in place that complied with Australian Standard 10002-2018: *Customer satisfaction—Guidelines for complaints handling in organisations*.

Icon Water’s complaint handling includes giving customers and consumers information about its complaint handling procedures when acknowledging complaints. This also includes information about customers’ rights of review and complaint.

Records of complaints lodged have to be kept for at least 12 months after resolving the complaint. Icon Water reports that during 2022–23, it recorded all enquiries and complaints, along with the actions taken to rectify the problem. Icon Water confirms it keeps records of complaints for at least twelve months after resolving the complaint.

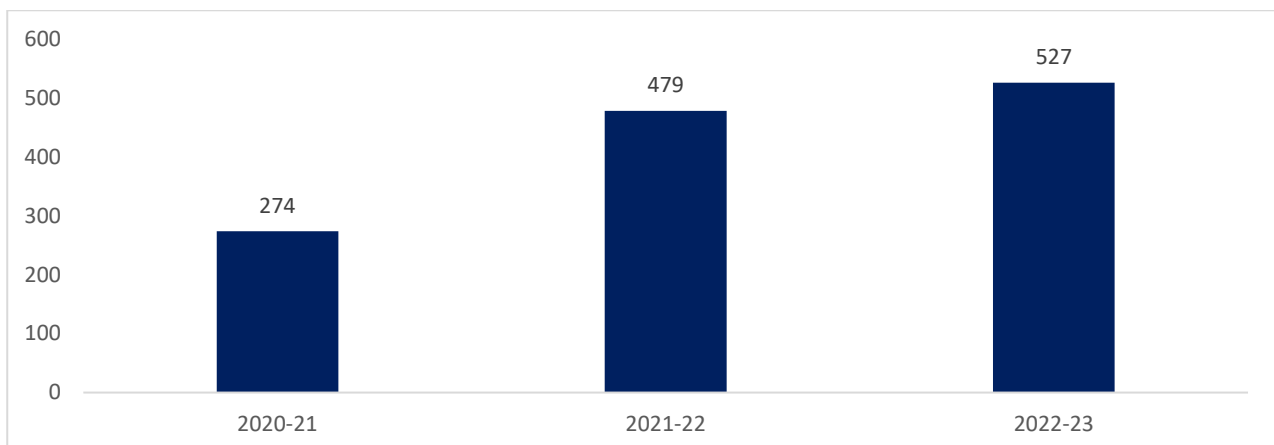
## 2.4 Hardship and customer support

Under the Code, Icon Water cannot disconnect water supply or withdraw sewerage services from a customer for failure to pay their water or sewerage account.

Icon Water reports that there were no disconnections of water supply, no restrictions on a customer’s water flow, and no withdrawal of sewerage services in 2022-23.

Icon Water must have a hardship policy for customers facing financial hardship. Icon Water publishes [Staying Connected Program](#) which is its financial hardship policy on its website. While the number of customers seeking assistance for financial hardship remain low in relation to the total number of customers Icon Water provides water and sewerage services to, 2022-23 year saw an increase in customers accessing the Staying Connected Program to 527. Icon Water reports that the number of active cases on 30 June 2023 was 344.

**Figure 2.3 Number of customers accessing the Staying Connected Program 2020–21 to 2022–23**



Icon Water’s utility licence requires it to maintain a 24-hour emergency telephone service that is accessible to the public every day of the year. In 2021–22 Icon Water reports no outages to the emergency telephone service.

Icon Water makes information on its 24-hour emergency telephone number available to customers and the public through the White Pages telephone directory, customer bills, Icon Water’s website, newspaper advertisements, brochures, correspondence with customers, and social media.

## 2.5 Licence and reporting obligations

Icon Water's licence requires it to comply with legislation including the Utilities Act, the Utility Technical Regulation Act, relevant industry and technical codes, and any directions given by the commission or the Technical Regulator.

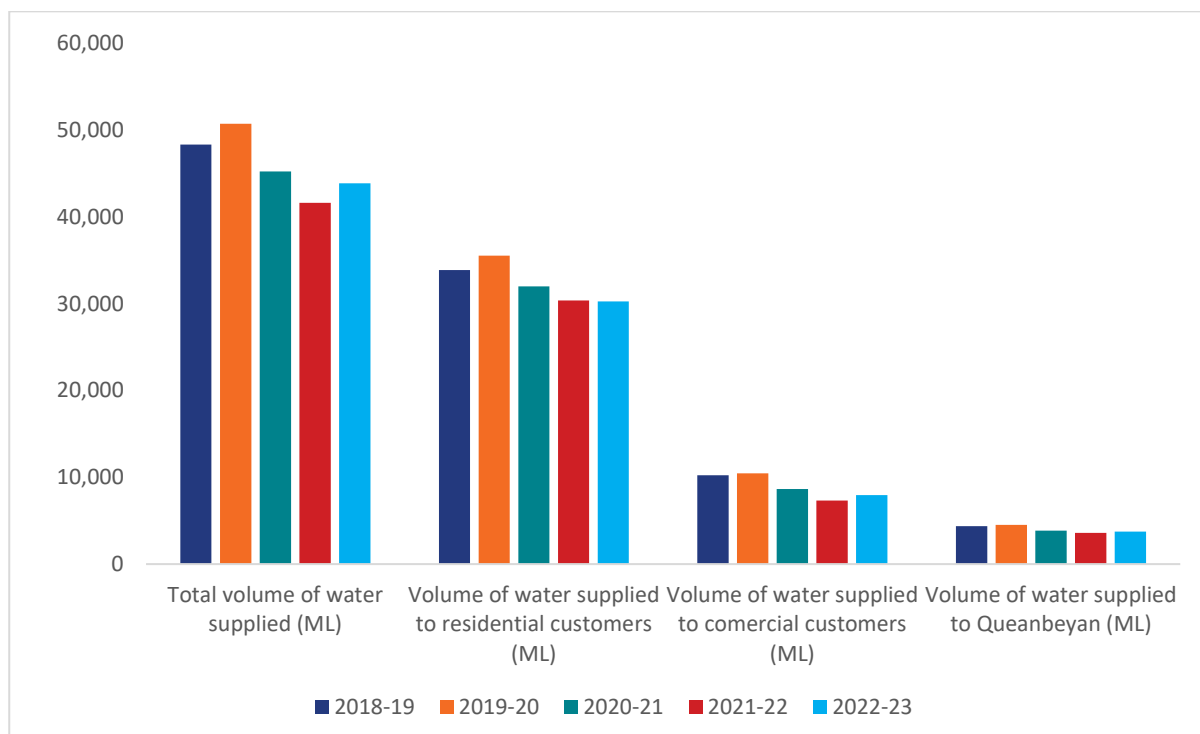
The licence also requires Icon Water to report any material (significant) breach or non-compliance to us. This section reports on Icon Water's compliance with its licence requirements and other reporting obligations during 2022–23, including obligations under the [Water and Sewerage Capital Contribution Code](#).

### 2.5.1 Environmental requirements

Under its utility licence, Icon Water must collect information and report annually on the volume of water supplied in the ACT. The licence also requires Icon Water to develop and implement cost-effective programs to minimise unaccounted for water from its water network.

The total water supplied in 2022-23 increased by 2,241 ML to 43,902 ML. Over half of this change was an increase in water lost in distribution (discussed below). Residential customers in the ACT received 30,286 ML, commercial customers received 7,940 ML and Queanbeyan received 3,745 ML.

**Figure 2.4 Water volumes 2018-19 to 2022–23 (ML)**



The volume of water lost from the network increased over the year. Icon Water reports an average annual distribution loss of 3,791 ML from the network. This represents a 54% increase from 2021-22.

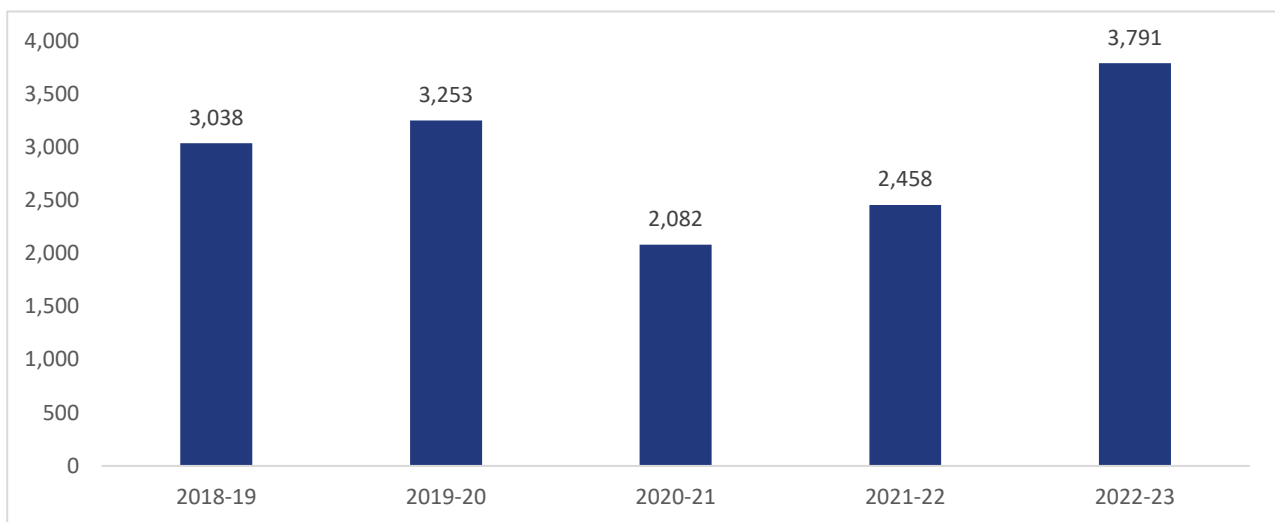
Icon Water undertook steps to minimise water loss including:

identification and reporting of alleged unauthorised connections to water network through routine field investigations and meter inspections,

- identification and replacement of zero consumption meters and meter defect reporting
- maintaining and reporting on internal water use through metered standpipe fleet for operation and maintenance crews, and
- water mains renewal program targeting problematic pipe cohorts and reactive repair of mains burst to reduce physical losses.

Icon Water reports that the reason for the increase in water losses is under investigation. The increase could relate to real losses for example leaks in the system or apparent losses such as meter inaccuracies or unauthorised consumption. Its investigations are still ongoing, and we will report further in the next ULAR.

**Figure 2.5 Annual water distribution loss 2018–19 to 2022–23 (ML)**



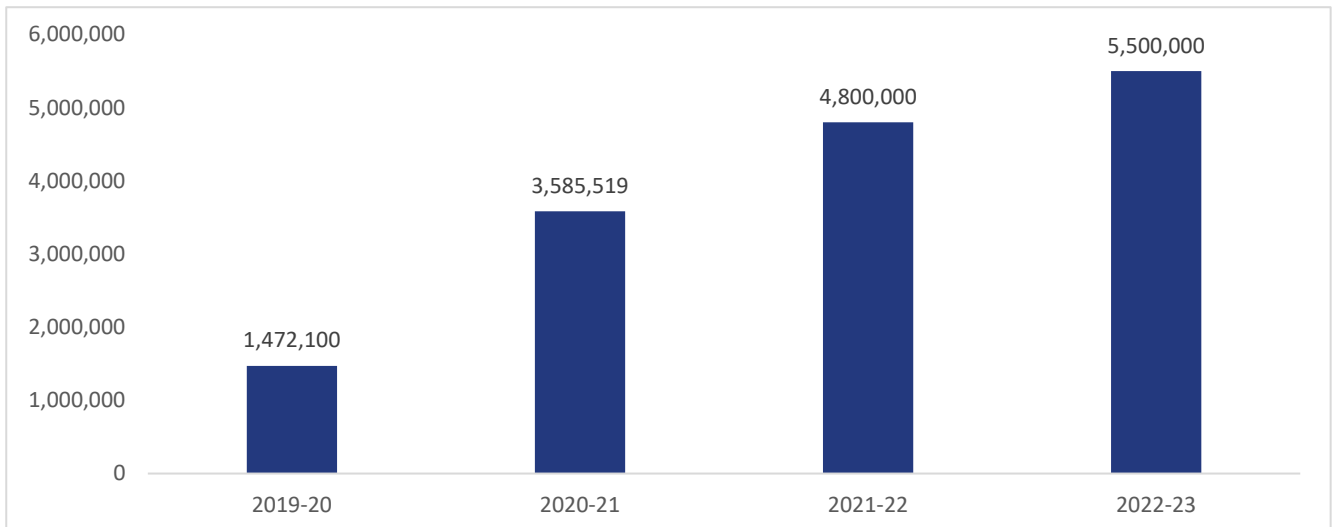
## 2.5.2 Material breach reporting

If Icon Water commits breach or non-compliance that reaches the level of a material breach as outlined in the ICRC [Material Breach Guideline](#), it must immediately report that breach to us. We did not receive any self-reported material breaches. We have reviewed all the information reported by Icon Water in its ULAR reporting and did not find a material breach.

## 2.5.3 Capital contribution charges

In 2017, the commission approved a [Water and Sewerage Capital Contribution Code](#). This code is an industry code made under the Utilities Act and sets out the framework, where Icon Water may require a customer to contribute towards developing or expanding the water network or sewerage network.

When the Water and Sewerage Capital Contribution Code commenced in January 2018, there was an 18 month transition period for properties purchased before the commencement date of the code. As can be seen in figure 2.6 the amount of capital contribution charges paid by customers has increased each year. For 2022-23 Icon Water reports customers contributed \$5.5 million in charges.

**Figure 2.6 Capital contribution charge 2019–20 to 2022–23 (\$)**

### 2.5.4 Other

Over the year the Technical Regulator has been drafting a new water metering code under the Utilities Technical Regulation Act. We will review Icon Water’s utility licence for any amendments required when the new code commences.

Icon Water has informed the commission that it will be reviewing its standard customer contract in 2024-25. We understand the review will look at the language and structure of the contract to improve the accessibility and clarity of the contract.



## 3. Electricity distribution

Evoenergy has a utility licence for transmission, distribution and connection of electricity services in the ACT. Evoenergy has held its licence since 2001.

[Evoenergy's licence](#) is available to view online.

### 3.1 Evoenergy's compliance with the Guaranteed Service Levels for electricity distribution

Evoenergy reported that it did not meet GSLs on 1,265 occasions and paid rebates totalling \$178,260 in 2022-23. In 2021-22, Evoenergy reported that it had not met the GSL's on 1,684 occasions and paid \$226,270 in rebates.

Evoenergy reported that 45 customers were wrongly disconnected in 5 instances over the year. Mistakes in the labelling of the system map provided to technicians were responsible for 2 of these instances. This resulted in 41 customers being wrongly disconnected rather than those properties intended to be disconnected. Evoenergy has investigated these instances to ensure that this does not occur in future.

**Table 3.1 Electricity distribution – Number of GSLs not met and rebates paid**

Guaranteed Service Level	2020-21	2021-22	2022-23				
	Number of times GSL was not met	Number of times GSL was not met	Number of times GSL was not met		Change	Number of rebates paid	Total value of rebates paid
GSL-E1: Connection not provided by required date	1,906	891	460	▼	431	460	\$105,540
GSL-E2: Customer disconnected wrongfully	3	5	45	▲	40	45	\$4,500
GSL-E3: Complaint not responded to within 20 days	6	2	26	▲	24	26	\$520
GSL-E4: Sufficient notice of a planned interruption not provided	679	101	70	▼	31	70	\$3,500
GSL-E5: Unplanned sustained interruption lasts 12+ hours	349	885	475	▼	410	475	\$38,000
GSL-E6: Total of unplanned sustained interruptions for a customer is 20+ hours in a year	186	297	189	▼	108	189	\$26,200
GSL-E7: Customer experiences more than 9 unplanned sustained interruptions in a year	0	0	0	-	0	0	\$0
GSL-E8: Utility fails to respond to damage, problems or faults with the network within time <sup>9</sup>	3	1	0	▼	1	0	\$0
<b>Total</b>	<b>3,132</b>	<b>1,684</b>	<b>1,265</b>	<b>▼</b>	<b>419</b>	<b>1,265</b>	<b>\$178,260</b>

## 3.2 Complaints fall

Complaints about Evoenergy's electricity distribution network have decreased significantly over the last 5 years and fell from 335 in 2021-22 to 199 in 2022-23. Table 3.2 shows a breakdown of electricity distribution complaints for 2022-23 in 8 categories. The highest number of complaints remained those concerning network operations which includes the timing of work and damage to property.

<sup>9</sup> If the issue is likely to affect public health, or is causing, or has the potential to cause substantial damage or harm to a person or property, the utility must respond as soon as practicable or within six hours. In all other cases, the utility must respond within 48 hours and respond the problem or concern within the time specified in the utility's response.

**Table 3.2 Electricity distribution complaints from 2018–19 to 2022–23**

Complaint categories	2018–19	2019–20	2020–21	2021–22	2022–23		Change	% of total
Network operations	246	202	68	105	75	▼	30	37.7
Other	45	56	72	52	52	-	0	26.1
Network and service quality	154	98	47	100	32	▼	68	16
Notice of work and outage	64	82	47	11	10	▼	1	5
Fees and charges	13	20	6	16	10	▼	6	5
Meter and meter reading	23	39	27	21	9	▼	12	4.5
Customer service	24	58	46	29	7	▼	22	3.5
Connection/Disconnection	49	18	3	1	4	▲	3	2
<b>Total number of complaints</b>	<b>618</b>	<b>573</b>	<b>316</b>	<b>335</b>	<b>199</b>	▼	<b>136</b>	

Complaints about ‘network operations’ made up 37.7% of all complaints. Complaints decreased from 105 in 2021-22 to 75 in 2022-23. This category includes complaints about timing of work (30) and damage to property (25). Evoenergy advised that the majority of timing of work complaints related to customers working from home requirements. In relation to damage to property complaints, Evoenergy says that it investigated these complaints and repaired damage and paid compensation to the affected customers where necessary.

The second largest number of complaints falls under ‘other’ and accounted for 26.1% of complaints. This category includes complaints such as poor service, damage to appliances and loss of food.

The other significant complaint area was ‘network and service quality’ and accounted for 16% of all complaints. Most of the complaints in this area relate to trees interfering with the wires and the quality of the electricity supply. Evoenergy says that it undertakes a vegetation management process and most of the complaints it receives relate to liability for vegetation management and associated costs. Evoenergy says it investigates all complaints concerning electricity quality and make supply changes at the substations when required.

## Complaint handling procedures

As required by its licence, Evoenergy has a complaint handling procedure that complies with the Australian standards<sup>10</sup>. In summary, Evoenergy’s complaint practices include:

The Code requires utilities to maintain a complaint handling procedure that complies with the Australian Standards. Evoenergy reports that during 2022–23 it met its obligations under the Code and has a [customer charter](#) and [complaint handling procedure](#) in place that complied with Australian Standard 10002-2014.

<sup>10</sup> [Guidelines for complaint management in organizations \(ISO 10002:2018, NEQ\) \(standardsau.com\)](#)

## 3.3 Interruptions to electricity supply

We monitor and report on interruptions to the supply of electricity from the electricity distribution network to assess the reliability of electricity supply in the ACT and identify the main causes of supply interruptions. We also monitor Evoenergy's compliance with the required GSLs under the Code.

### 3.3.1 Planned interruptions increased

As shown in Table 3.3, planned interruptions to electricity distribution network increased from 1,381 in 2021-22 to 1,597 in 2022-23. Evoenergy reported that the number of customers impacted by these interruptions increased by 56.8% from 35,852 to 56,227.

Under the Code, Evoenergy must give customers at least four business days' notice of a planned interruption. During 2022-23, Evoenergy did not give 70 customers the required notice. This is 30.7% fewer than in 2021-22.

The Code specifically identifies the need for registered life support customers to receive an uninterrupted electricity supply. When the electricity supply to premises with a registered life support customer needs to be interrupted, the customer must be provided with the same four business days' notice of the planned interruption<sup>11</sup>.

In 2022-23, Evoenergy reported that 2 customers with registered life support equipment did not receive the required notification about planned outages and experienced interruptions (one of 39 minutes and one of 2 hours 39 minutes). Evoenergy undertook a welfare check with both of the customers. Evoenergy says it has implemented improvements to its systems to reduce the likelihood of such a failure occurring in future.

**Table 3.3 Electricity distribution – planned interruptions, 2018–19 to 2022–23**

Measure	2018–19	2019–20	2020–21	2021–22	2022–23		Change
Number of planned interruptions to the electricity distribution network	1,186	1,093	1,263	1,381	1,597	▲	216
Number of premises not given at least four business days' notice of a planned interruption (GSL-E4)	316	54	678	101	70	▼	31

### 3.3.2 Single event interruptions and cumulative interruptions decrease

Evoenergy reported that 475 customers experienced unplanned sustained interruptions lasting 12 hours or longer across 46 events. Evoenergy paid rebates totalling \$38,000 to these customers (see tables 3.1 and 3.4).

<sup>11</sup> Clause 10.2 of the *Consumer Protection Code 2020*.

Forty-six customers experienced cumulative outages totalling more than 20 hours during the reporting year, 142 customers experienced cumulative outages exceeding 30 hours in total and 1 customer experienced cumulative outages exceeding 60 hours in total.

Evoenergy explained that while these numbers had reduced significantly from 2021-22, delays in the removal of vegetation, necessary for repairs, significantly contributed to extended delays.

**Table 3.4 Electricity distribution – unplanned sustained interruptions, 2018–19 to 2022–23**

Measure	2018–19	2019–20	2020–21	2021–22	2022–23		Change
Number of premises affected by an unplanned interruption (single event) to the electricity distribution network that lasted for 12 consecutive hours or more (GSL-E5)	128	614	349	885	475	▼	410
Number of customers experiencing a cumulative total of unplanned sustained interruptions equalling or exceeding (GSL-E6):							
Level 1 – 20 hours	n/a	n/a	129	246	46	▼	200
Level 2 – 30 hours			49	50	142	▲	92
Level 3 – 60 hours			8	1	1	-	0
Number of customers experiencing more than 9 unplanned sustained interruptions in a financial year (GSL-E7)	n/a	n/a	0	0	0	-	0
<b>Total</b>	<b>128</b>	<b>614</b>	<b>535</b>	<b>1,182</b>	<b>664</b>	<b>▼</b>	<b>518</b>

## 3.4 Evoenergy met its licence and reporting obligations

Evoenergy's utility licence requires it to comply with any requirements under the Utilities Act, relevant industry and technical codes, and directions we provided. Evoenergy must also report any material breach and non-compliance with its licence conditions for its electricity distribution network.

### 3.4.1 Performance of network operations

Evoenergy must operate the network safely and take all reasonable steps to ensure that network operations minimise inconvenience, detriment and damage to private land. Table 3.5 shows Evoenergy's performance in operating its electricity distribution network against its obligations under the Utilities Act.

Evoenergy says it fully investigated each complaint and resolved the issues with the customers.

**Table 3.5 Network operation performance indicators and requirements under the Utilities Act**

Performance indicator	2019–20	2020–21	2021–22	2022–23		Change
Number of complaints about inconvenience, detriment and damage to land while carrying out network operations	10	14	27	26	▼	1
Times failed to give landholder at least 7 days' notice before commencing a network operation	0	0	0	0	-	0
Times notice given for disrupting a heritage site to ACT Heritage Council <sup>12</sup>	1	0	0	0	-	0
Number of complaints about carrying network operations that involve clearing, trimming, or removing trees, roots or vegetation on private land without at least 7 days' notice	4	0	1	1	-	0
Number of complaints about failure to ensure that land was restored to its original condition following a network operation	33	8	1	2	▲	1
<b>Total</b>	<b>48</b>	<b>22</b>	<b>29</b>	<b>29</b>	<b>-</b>	<b>0</b>

### 3.4.2 Material breach reporting

If Evoenergy commits a material breach, it needs to immediately report that breach to us. We did not receive any self-reported material breaches. Also, during our review of Evoenergy's ULAR report, we did not find any material breach.

### 3.4.3 Feed-in Tariff scheme

Evoenergy did not report any compliance breaches with operation of the *Electricity Feed-in (Renewable Energy Premium) Act 2008* during 2021-22 and received no complaints relating to the scheme.

### 3.4.4 Emergency telephone service

Evoenergy's utility licence requires it to have a 24-hour emergency telephone service that is staffed and accessible to the public every day of the year and can receive reports of network emergencies. Evoenergy reports that the emergency phone service experienced no outages in the year.

<sup>12</sup> Utilities are required to give 7 days' notice to the ACT Heritage Council, if in its network operations it has affected, or may have affected, a place or object of heritage significance.

## 4. Gas distribution

Evoenergy is the only licensed distributor of gas supply and connection services in the ACT. Evoenergy has held a utility licence since 2001.

[Evoenergy's licence](#) is available to view online.

In August 2022, the ACT Government [announced](#) that it will phase out fossil fuel gas by 2045 by electrifying Canberra over the next 20 years.

Amendment to the [Climate Change and Greenhouse Gas Reduction Act 2010](#) has made compliance with new part 13A *restriction on certain new gas connections*, a condition of the gas distribution licence. In November 2023 the ACT Government introduced the [Climate Change and Greenhouse Gas Reduction Amendment Regulation](#) which restricts new natural (fossil fuel) gas network connections to all residential, commercial and community facility zones.

Evoenergy will report on restricted gas connections in the 2023-24 ULAR.

### 4.1 Evoenergy's compliance with the Guaranteed Service Levels for gas distribution

Evoenergy reported that it did not meet GSLs on 4 occasions and paid 4 rebates totalling \$260 in 2022-23. In 2021-22, Evoenergy reported that it had not met the GSL's on 8 occasions and paid 2 rebates.

### 4.2 Complaints reduced

Complaints to Evoenergy about its gas distribution network decreased from 140 in 2021-22 to 72 in 2022-23. Table 4.1 shows the number of complaints by category over the last 5 years.

**Table 4.1 Number of complaints by category, 2018–19 to 2022–23**

Complaint categories	2018–19	2019–20	2020–21	2021–22	2022–23		Change	% of total
Fees and charges	47	47	47	47	35	▼	12	25.5
Property damage and restoration	8	9	19	9	17	▲	8	88.8
Meter and meter reading	17	25	60	50	8	▼	42	84
Connection and supply	31	12	36	21	6	▼	15	71.4
Serious incidents	7	11	8	7	5	▼	2	28.5
Customer service	8	7	13	6	1	▼	5	83.3
<b>Total number of complaints</b>	<b>118</b>	<b>111</b>	<b>183</b>	<b>140</b>	<b>72</b>	▼	<b>68</b>	<b>48.5</b>

Complaints about meter and meter reading have reduced significantly from 50 in 2021-22 to 8.

Property damage and restorations complaints increased over the year from 9 in 2022-22 to 17. Evoenergy say that most of these complaints relate to damage arising with new connections.

## 4.3 Interruptions to gas distribution network

There were 957 planned interruptions in 2022-23 which was an increase of 41% from the previous year. Evoenergy failed to provide 4 business days written notice to 3 customers. All 3 occasions were the result of technicians accidentally disconnecting the meters. Evoenergy reports that staff received National Energy Consumer Framework (NECF) refresher training in April 2023.

One interruption lasted more than 12 hours and 1 property experienced more than 20 hours of interruption in the reporting year.

## 4.4 Evoenergy met its licence and reporting obligations

Evoenergy's utility licence requires it to comply with any requirements under the Utilities Act, relevant industry and technical codes, and any directions we provide. Evoenergy must also report any material breach and non-compliance with its licence conditions for its gas distribution network.

### 4.4.1 Network operations affecting a place or object of heritage significance

The Utilities Act requires Evoenergy to provide the heritage council with at least 7 days' notice before undertaking work on a registered place or object.

Evoenergy says that it provided the heritage council with the required notice before undertaking work at Woolshed Creek bridge.

### 4.4.2 Material breach reporting

Evoenergy licence requires it to report any material (significant) breach or non-compliance to us. Evoenergy reported that there were no material breaches or non-compliance of its utility licence in 2022-23.

### 4.4.3 Complaint handling procedures

As required by its licence, Evoenergy has a complaint handling procedure that complies with the Australian standards<sup>13</sup>.

<sup>13</sup> [Guidelines for complaint management in organizations \(ISO 10002:2018, NEQ\) \(standardsau.com\)](https://standardsau.com)



The Code requires utilities to maintain a complaint handling procedure that complies with the Australian Standards. Evoenergy reports that during 2022–23 it met its obligations under the Code and has a [customer charter](#) and [complaint handling procedure](#) in place that complied with Australian Standard 10002-2014.

#### 4.4.4 Emergency telephone service

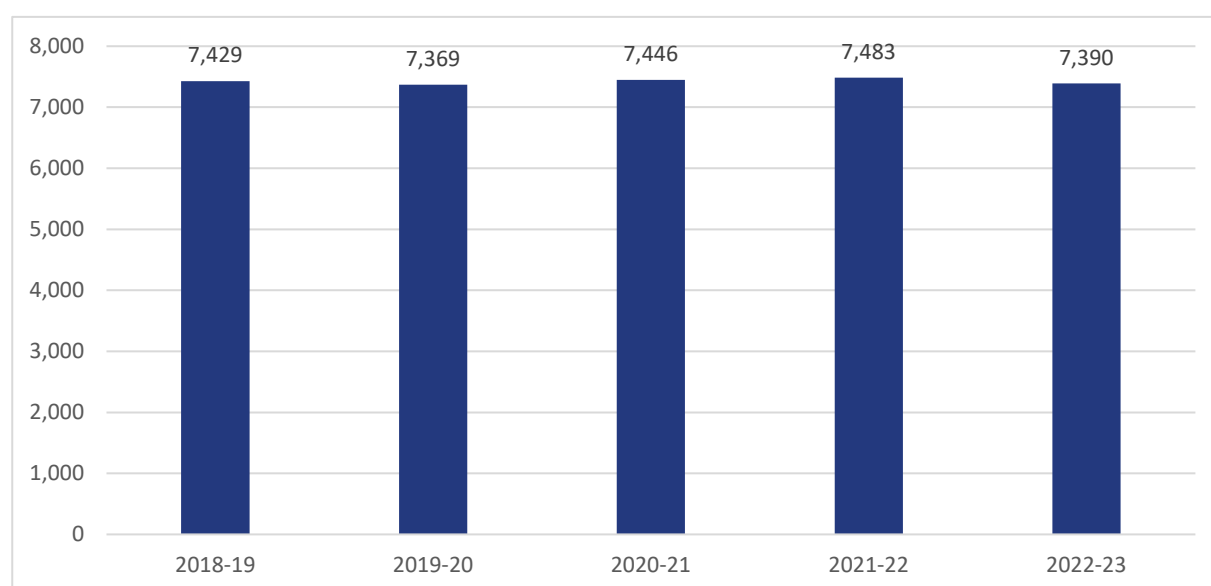
Evoenergy’s utility licence requires it to maintain a 24-hour emergency telephone service that is accessible to the public every day of the year. In 2022–23, Evoenergy did not report any outages to its emergency telephone service.

Evoenergy tells customers and the public about the emergency telephone service through the public telephone directory and customer bills issued by retailers.

## 4.5 Gas distribution

During 2022-23, Evoenergy distributed 7,390 terajoules (TJ) of gas across the gas distribution network, compared to 7,483 TJ in 2022-22. See figure 4.1.

**Figure 4.1 Volume of gas distributed (TJ)**



## 5. Electricity transmission

There are 3 utilities in the ACT who hold a utility licence for the transmission of electricity through an electricity network.

- Transgrid has held a utility licence since 1 July 2001
- Lumea has held a utility licence since 1 July 2022
- Evoenergy has held a utility licence for electricity transmission, distribution and connection services since 1 July 2001. We discuss Evoenergy's reporting in part 3 of this report.

### 5.1 Transgrid

Transgrid is the primary licensed utility for the transmission of electricity in the ACT.

#### 5.1.1 Licence and reporting obligations

Transgrid reports that it has a corporate compliance framework for managing its compliance obligations across its operations. Transgrid is required to audit the services and operations authorised under its utility licence.

Transgrid reports that in 2022-23 it undertook audits into its second line assurance, data collection, reporting processes compliance and an ISO 55001 surveillance audit. Transgrid also reports that it has established a governance structure with defined roles and responsibilities for the oversight of its compliance related activities.

#### 5.1.2 Material breaches reporting

Based on information from Transgrid and our monitoring during the year, there were no material breaches of its utility licence in 2022-23.

#### 5.1.3 Non-compliances reporting

Transgrid reports no non-compliances with its obligations under its utility licence, the Utilities Act and the Utilities (Technical Regulation) Act.

#### 5.1.4 Complaints

The Utilities Act requires Transgrid to ensure that its network operations minimise inconvenience, detriment and damage to land. The Act also requires Transgrid to restore land to its original condition after a network operation. We assessed Transgrid's performance against these requirements by looking into the number of complaints Transgrid received about its network operations.

Transgrid reports that it received no complaints during the year.

## 5.2 Lumea

Lumea Pty Ltd is a subsidiary company within the Transgrid group. Lumea provides electricity transmission services for a 10MW battery energy storage system which forms part of the [Canberra Big Battery](#).

### 5.2.1 Licence and reporting obligations

Lumea reported that Transgrid operates all assets for Lumea through a formal operating agreement between the two entities. Transgrid's Asset Management System and Electricity Network Safety Management System carries out data collection, audit and reporting processes on behalf of Lumea.

### 5.2.2 Material breaches reporting

Based on information from Lumea and our monitoring during the year, there were no material breaches of its utility licence in 2022-23.

### 5.2.3 Non-compliances reporting

Lumea reported no non-compliances with its obligations under its utility licence, the Utilities Act and the Utilities (Technical Regulation) Act.

### 5.2.4 Complaints

The Utilities Act requires Lumea to ensure that its network operations minimise inconvenience, detriment and damage to land. The Act also requires Lumea to restore land to its original condition after a network operation. We assessed Lumea's performance against these requirements by looking into the number of complaints Lumea received about its network operations.

Lumea has reported that it received no complaints during the year.

## 6. Gas transmission

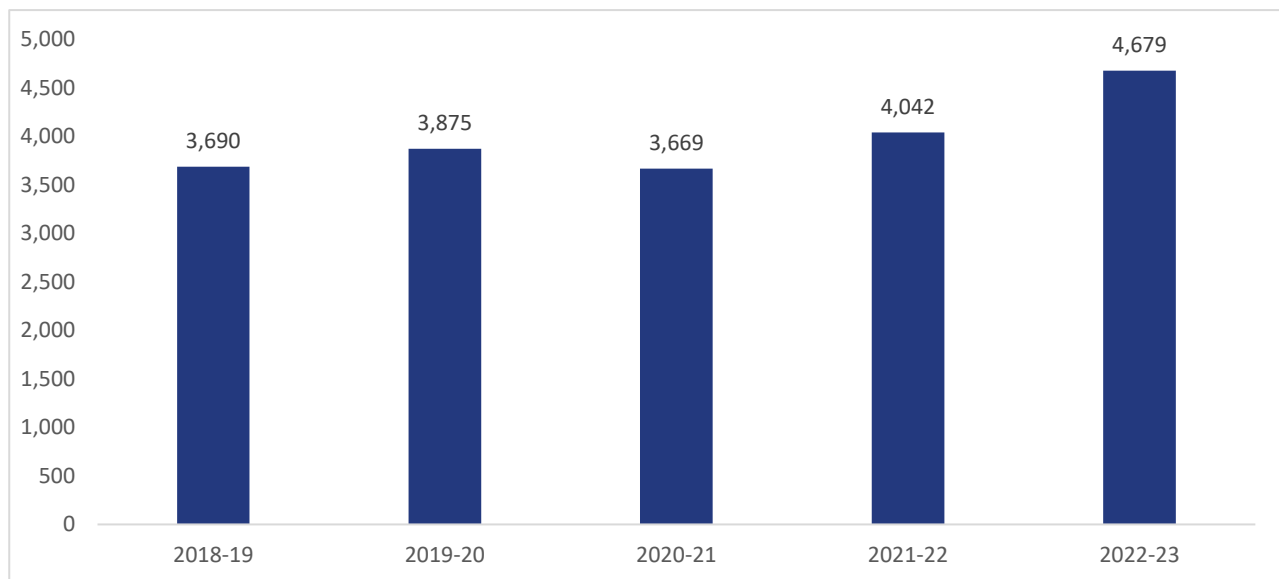
The Eastern Australia Pipeline Limited (EAPL) is a subsidiary company of the APA Group and holds the only utility licence for gas transmission in the ACT. EAPL has held a utility licence for gas transmission since July 2001.

[EAPL's licence](#) is available to view online.

### 6.1 EAPL met its licence and reporting obligations

EAPL's utility licence requires it to report annually on the amount of gas transferred to the gas distribution network. During 2022-23, EAPL transferred 4,679 terajoules (TJ) of gas from the transmission network to the gas distribution network, compared to 4,042 TJ in 2022-22 (see Figure 6.1).

**Figure 6.1 Total of gas transferred (TJ)**



#### 6.1.1 Material breaches and non-compliances reporting

Based on information from EAPL and our monitoring during the year, there were no material breaches or non-compliances of its utility licence in 2022–23.

#### 6.1.2 Utilities Act obligations

EAPL reported that it met its obligations under the Utilities Act in 2022–23 and did not receive any complaints about inconvenience, detriment or damage to land caused by its network operations.

EAPL conducts its network operations under easement guidelines registered with *DP490019, Australian Standards—Pipelines Gas and liquid petroleum (AS2885.3)*<sup>14</sup> and the APA Group Operational Environmental Management Plan.

### 6.1.3 Emergency telephone service

EAPL's licence requires it to maintain an emergency telephone service that is accessible to the public every day of the year and can receive reports of escapes of gas. In 2022–23, EAPL reported no outages to the emergency telephone service. EAPL used pipeline easement signs and landowner annual awareness programs to tell people how they can contact EAPL to report escapes of gas.

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<sup>14</sup> Australian Standards—Pipelines Gas and liquid petroleum (AS2885.3) sets the minimum requirements for the operation and maintenance of pipelines.

## 7. Assessment of the licenced utilities' administration of their annual performance reporting

We assess each utility's administration of its ULAR. The assessment framework encourages the licensed utilities to improve their administration of their ULAR processes and the quality of their reports by assessing:

- the completeness of the report
- the accuracy and quality of the data and information in the report
- each utility's responsiveness to our requests
- whether the utility submitted its report by the due date.

This assessment is not about how well each utility performed in delivering services to customers or whether it complied with its licence conditions and obligations under the Utilities Act. Sections 2 to 6 report on the utilities' performance and compliance.





We provided our proposed assessment results to each utility invited them to make comments. Evoenergy responded that it believed that the assessments for "data and Information quality and integrity" and "quality and relevance of supporting statements and responses" should be increased from satisfactory to good. For the reasons set out at 7.2.2 below we have not increased the assessment of these areas.

### 7.1 How we assess the utilities' administration

#### 7.1.1 Assessment criteria

Our assessment framework has 4 assessment criteria that the licensed utilities must meet to receive a good rating on their ULAR administration and reporting. The criteria are timeliness, responsiveness, data quality and integrity, and the quality and relevance of supporting statements. Figure 7.1 provides a description for each criterion.





Figure 7.1 Assessment criteria

Criteria	Description
 <b>1. Timeliness</b>	The utility meets the reporting deadline.
 <b>2. Responsiveness</b>	The utility responds to our questions and requests for further information and explanation by the agreed date.
 <b>3. Data and information quality and integrity</b>	The utility uses accurate, relevant, up to date and complete data and information in its ULAR.
 <b>4. Quality and relevance of supporting statements and responses</b>	The utility gives clear and relevant explanations for significant changes across years or apparent anomalies in reported data and information.

## 7.1.2 Assessment rating scale

We use an assessment rating scale for each assessment criterion. Each rating level has a brief description of indicators or examples of performance that would result in the rating, as shown in Figure 7.2. The rating scale creates consistency in assessing utilities and shows utilities where they can improve their ULAR administration and reporting in future years.

**Figure 7.2 Assessment rating scale**

Rating and description	Indicator of performance
 <p><b>4 Excellent</b></p> <p>The utility has gone above what is needed to achieve a rating of good and provided high quality and timely information or responses.</p>	<p>The utility performed at a very high level.</p>
 <p><b>3 Good</b></p> <p>The information or response was good and has fully met the expected requirements.</p>	<p>The utility provided the information or response as required or expected.</p>
 <p><b>2 Satisfactory</b></p> <p>A utility receives satisfactory when further work was needed to ensure the ULAR meets the requirements, particularly in relation to providing clarification and/or further information.</p>	<p>Satisfactory applies when reporting of figures or information needed follow up work to respond to issues or correct errors we found.</p>
 <p><b>1 Unsatisfactory</b></p> <p>The utility would receive unsatisfactory where it has failed to resolve issues or correct errors we found.</p>	<p>A rating of unsatisfactory would occur when the utility did not give us information we asked for, or correct errors, or did not respond within a reasonable timeframe.</p>



## 7.2 Assessment results for 2022-23

Table 7.1 shows a summary of assessment results for each utility for 2022-23. We have provided the individual assessment results to the licenced utilities for comment prior to publishing.

**Table 7.1 Assessment results for each utility against the assessment criteria, 2021–22**

Criteria	Icon Water	Evoenergy (Electricity)	Evoenergy (Gas)	Transgrid	Lumea	EAPL
<b>Timeliness</b>	Good	Good	Good	Good	Good	Good
<b>Responsiveness</b>	Good	Good	Good	Good	Good	Good
<b>Data and information quality and integrity</b>	Good	Satisfactory	Satisfactory	Good	Good	Good
<b>Quality and relevance of supporting statements and responses</b>	Satisfactory	Satisfactory	Satisfactory	Good	Good	Satisfactory

### 7.2.1 Icon Water

Icon Water submitted its report prior to the 1 October deadline. While the information Icon Water provided for the ULAR was accurate, some information required additional explanation.

For timeliness, responsiveness and data quality we found that Icon Water had administered its ULAR report as required or expected receiving a 'good' rating. For the quality and relevance of the supporting statements we found that more detailed information should have been provided and this would have reduced the amount of additional information that we needed to request. We have awarded a satisfactory assessment for this criterium.

### 7.2.2 Evoenergy (electricity distribution)

Evoenergy submitted its report prior to the 1 October deadline. The information provided revealed inconsistencies, prompting the need to request additional information.

While timeliness and responsiveness to the ULAR request received a good rating, the quality of the data and accompanying supporting information was below the standard expected and required requests for

additional information. Some of this information was also inconsistent or unclear and necessitated further requests for additional information. We have made an assessment of satisfactory for these criteria.

### 7.2.3 Evoenergy (gas distribution)

Evoenergy submitted its report prior to the 1 October deadline. The information provided revealed inconsistencies, prompting the need to request additional information.

As with the electricity distribution ULAR return outlined at 7.2.2 above, timeliness and responsiveness of the ULAR submission received a good rating while the quality of parts of the data quality and supporting information required seeking addition information and received a satisfactory rating.

### 7.2.4 Transgrid and Lumea

Transgrid met the reporting requirements for both Transgrid and Lumea in a timely manner. We found the information provided in the reports to be accurate, complete and in plain-English. We did not identify any issues that required additional information. Transgrid received a good rating for its ULAR return and the return it provided for Lumea.

### 7.2.5 EAPL

EAPL met the reporting requirements in a timely manner and provided its information in advance of the reporting deadline. We found the information provided in the reports to be accurate and in plain-English. EAPL received a good rating for timeliness, responsiveness and data quality.

In the 2021-22 ULAR report we noted that EAPL's report would benefit from further information about EAPL's ongoing audits and process reviews. Unfortunately, its report for 2022-23 does not contain any additional information but reiterates its statement from 2021-22 that it has commenced implementation of a formal Asset Information Improvement Initiative. EAPL has received a satisfactory rating for the quality of its supporting information.

## 7.3 Suggestions for further improvement in ULAR administration

In preparation for submitting a ULAR for the 2023-24 reporting year, the commission makes the following recommendations to utilities:

- continue to improve the plain English of the returned reports. Keep explanations clear, readable and easily compressible, avoiding jargon and acronyms
- provide more detailed explanations especially where there has been a large change, positive or negative from the previous report
- take more care in assuring consistency in the figures across the ULAR return and provide context where inconsistency occurs but is correct

- draw our attention to any trends or other information that you believe the commission or general public would find valuable and informative.
- talk with us if you have a question or concern with the reporting template.

# Part B - NERL Retailer Compliance Report

# PART B

## 8. Energy retailers

Under national energy law, a person or business that engages in the retail sale of energy requires a retailer authorisation issued by the Australian Energy Regulator. These retailers are known as NERL retailers.

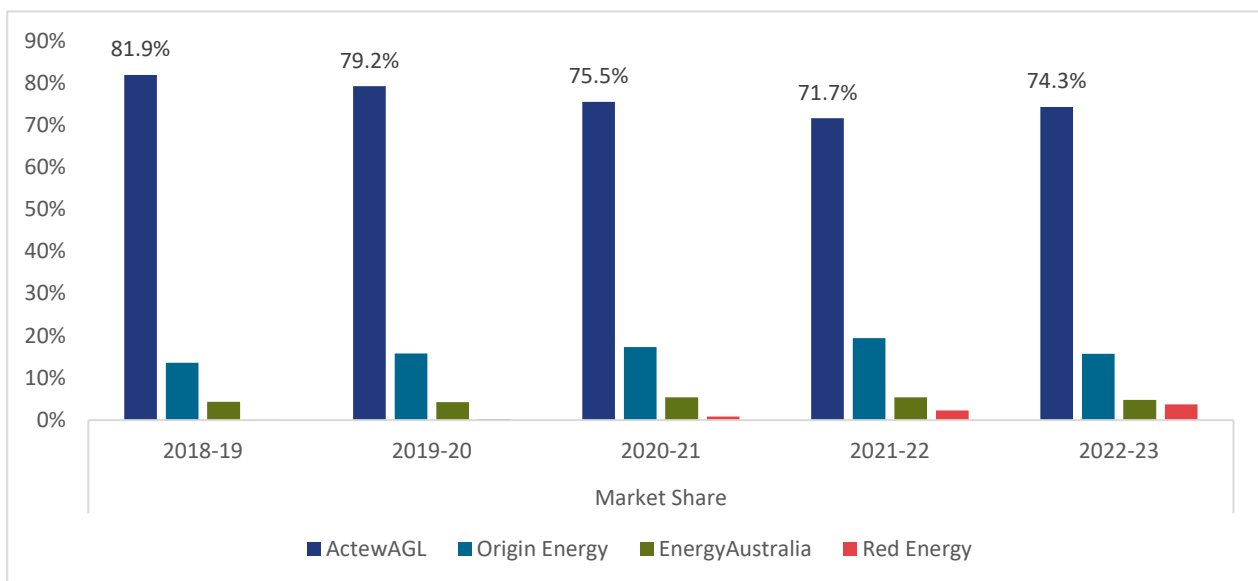
### 8.1 Major NERL retailers in the ACT

ActewAGL is the incumbent electricity retailer in the ACT with a majority market share of customers. Over the years the market share held by ActewAGL has been reducing and other retailers are gaining market share in the ACT.

In 2022-23 there were 27 NERL retailers operating in the ACT. Of these, 11 retailers supply to large customers that can negotiate protections in their contracts directly with retailers. There were 16 retailers offering electricity offers to small customers.

Looking at the retailers offering electricity offers to the small residential customers electricity market, four retailers hold 98.7% of the market. These retailers are ActewAGL (74.3%), Origin Energy (15.8%), Energy Australia (4.8%) and Red Energy (3.8%).

**Figure 8.1 Market Share for ACT NERL Retailers 2018-19 to 2022-23**



### 8.2 Compliance with GSLs

We require that NERL retailers report on their compliance with their obligations in the Code. The parts of the Code that apply to NERL retailers are found in Schedule 3 of the Code.

In summary, Schedule 3 places the following obligations on NERL retailers:

- report to us on their compliance with the Code

- engage in ethical and fair conduct
- manage complaints effectively comply with the guaranteed service levels that apply to them (GSLs E1 - E4)
  - GSL-E1: Customer connection times
  - GSL-E2: Wrongful disconnection
  - GSL-E3: Responding to complaints
  - GSL-E4: Notice of planned interruption to service.
- pay rebates to customers when the retailer has not met the GSLs.

There were 3 retailers who reported not meeting the relevant GSLs over the year. These retailers all paid rebates to their affected customers.

Table 8.1 shows how often retailers did not meet GSLs and rebates paid for 2021-22 and 2022-23. While the overall number of GSLs not met decreased significantly from 269 in 2021-22 to 64 in 2022-23, the total rebate paid to customers increased from \$7,760 to \$9,060. This is because not all GSLs have the same rebate penalty if not met.

**Table 8.1 NERL retailers – GSL not met, and rebates paid.**

NERL Retailer	2021-22		2022-23					
	Number of GSLs not met	Total value of rebates paid	Number of GSLs not met	GSL1	GSL2	GSL3	GSL4	Total value of rebates paid
ActewAGL	229	\$5,200	12	7	4	1	0	\$700
Origin Energy	8	\$960	34	11	0	21	2	\$2,500 <sup>15</sup>
Energy Australia	32	\$1,600	21	20	1	0	0	\$5,680
<b>Total</b>	<b>269</b>	<b>\$7,760</b>	<b>67</b>	<b>38</b>	<b>5</b>	<b>22</b>	<b>2</b>	<b>\$8,880</b>

### 8.2.1 ActewAGL

ActewAGL failed to meet the GSLs 12 times in 2022-23, and paid 9 rebates to customers, totalling \$700. There were also 3 breaches of GSLs where the rebates had not been paid due to an internal miscommunication. These rebates were paid to customers in the first quarter of 2023-24. ActewAGL said that it has provided refresher training to staff and reviewed and updated its internal procedures.

<sup>15</sup> This figure includes \$1,980 relating to 11 rebates of GSL-E1 (connection times) that were paid to the affected customers in quarter 2 of 2023-24.

The breaches by ActewAGL include:

- not meeting the GSL for timely connection on 7 occasions (GSL- E1)
- wrongfully disconnection 4 premises (GSL-EL2)
- not responding to complaints within 20 business days for one customer (GSL- E3). ActewAGL advised that non-compliance is due to increased queues and unexpected staff leave and confirmed that there is an ongoing focus to ensure future occurrences are minimised.

ActewAGL acknowledged that it had wrongfully disconnected 4 customers over the year. In 3 of these matters the customer at the premises had changed and ActewAGL was unaware that the new customer had already moved in. In the fourth matter, ActewAGL disconnected a small business for nonpayment unaware that a payment had been made the day disconnection occurred. In 3 cases the power was restored the day that ActewAGL was made aware of the error and in the fourth matter it was restored the following day.

The AER reports<sup>16</sup> that 2022-23 saw an increase in both the average energy debt of small customers and the number of small customers accessing hardship programs in all jurisdictions. ActewAGL had 5,992 customers on its hardship policy.

ActewAGL and Origin Energy are the energy retailers of the last resort in the ACT.<sup>17</sup> This role is to ensure smooth transition of customers where their current retailer exits the market.

## 8.2.2 Origin Energy

Origin failed to meet the GSLs 34 times this year, and paid rebates to customers, totalling \$2,500.

The breaches by Origin Energy include:

- 11 connections not provided by the required time/date (GSL-E1).
- 21 complaints failed to respond to within 20 business days (GSL-E3)
- 2 premises not provided with the notice of 4 business days ahead of a planned interruption (GSL-E4). One customer was a registered life support customer which is also a breach of clause 10.2(2) of the Code.

Origin explained that when it changed its billing system some GSLs were not identified. Origin explained that it has rectified this issue and rebates for 11 GSLs relating to connection times that had not been met in 2022-23 were paid in Q2 2023-24.

Origin says it regularly reviews its procedures and had 545 customers on hardship policy.

## 8.2.3 EnergyAustralia

EnergyAustralia failed to meet the GSLs 21 times in 2022-23 and paid rebates to customers totalling \$5,680.

The breaches by Energy Australia include:

<sup>16</sup> [Annual Retail Market Report 2022-23 \(aer.gov.au\)](https://www.aer.gov.au/publications/annual-retail-market-report-2022-23)

<sup>17</sup> [Register of RoLRs | Australian Energy Regulator \(AER\)](https://www.aer.gov.au/register-of-ro-lrs)

- 20 customers were not provided connections by the required time/date (GSL-E1)
- 1 wrongful disconnection where a customer's move-out date was not processed correctly (GSL-E2).

EnergyAustralia had 127 customers on its hardship policy.

### **8.2.4 Red Energy**

Red Energy reported that met all of its GSL obligations in the last two reporting years 2021-22 and 2022-23 and it had a total of 123 customers on the hardship program.



# Appendix 1 Regulatory framework

## A.1.1 Licensed utilities in the ACT

If a person wants to provide a utility service in the ACT, that person needs a licence from us or an exemption from the Minister. A licence requires that the utility obeys relevant laws and codes. Licence obligations include complying with:

- the Utilities Act
- the *Utilities (Technical Regulation) Act 2014* (UTR Act)
- the utility licence
- industry codes determined by the Commission under Part 4 of the Utilities Act
- technical codes determined by the Utilities Technical Regulator under Part 3 of the UTR Act.

Current licensed utilities are listed in Figure 1.1 and their licences are available on our website at <https://www.icrc.act.gov.au/utilities-licensing/current-licences>.

## A.1.2 Reporting of material breaches and non-compliances

A licensed utility must tell us about any material breach of its licence as soon as practicable.

Material breach reporting under the licence is for serious matters and incidents. A breach would potentially be 'material' if the negative impact on customers is high.

For other incidents of non-compliance that are not a material breach, the utility must give us a brief statement that explains the circumstances of and reasons for the non-compliance, consequences of the non-compliance and actions the utility will take to rectify the non-compliance.

In 2021, we published a new Material Breach Guideline<sup>18</sup>. We developed the guideline to provide utilities with more guidance on what we consider to be a material breach. We note that if a utility reports a material breach to us, this does not remove the utility's responsibility to report to the Utility Technical Regulator where required.

## A.1.3 Consumer Protection Code

The Code is the main industry code that licensed utilities report against in their annual performance (ULAR) reports. The Code sets out:

- the basic rights of customers, consumers and utilities with respect to access to and provision of utility services

<sup>18</sup> See [https://www.icrc.act.gov.au/\\_\\_data/assets/pdf\\_file/0019/1800064/Material-Breach-Guidance-Note-2021.pdf](https://www.icrc.act.gov.au/__data/assets/pdf_file/0019/1800064/Material-Breach-Guidance-Note-2021.pdf)

- the general conduct of utilities (and their agents) in delivering utility services
- circumstances in which a utility can interrupt, restrict or disconnect a utility service
- provisions that a utility must give effect to in its customer contracts
- obligations for responding to enquiries or complaints
- performance standards utilities must meet and rebates for not meeting that respective standard.

Utilities must address complaints from customers or consumers and must provide the customer or consumer with information relating to the utility's complaint handling procedures<sup>19</sup>. In its final decision on a complaint, a utility must tell a customer or consumer of his or her rights to refer the complaint to the ACT Civil and Administrative Tribunal (ACAT).

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<sup>19</sup> A customer of a utility service is a person for whom the service is provided under a customer contract. A consumer is the customer or an occupier of a customer's premises to which the service is provided. In the case of a rented property the landlord is usually the customer, and the tenant is the consumer.

## Appendix 2 Guaranteed Service Levels and rebates

Measure	Threshold	Amount
<b>GSL-E1</b> Customer connection times	Connection not provided by required date	\$60 per day (maximum \$300)
<b>GSL-E2</b> Wrongful disconnection	Where customer is wrongfully disconnected	\$100
<b>GSL-E3</b> Responding to complaints	Upon receiving a complaint, utility does not: 1. Acknowledge the complaint immediately or as soon as practicable; and 2. Provide a response addressing the matters in the complaint within 20 business days	\$20
<b>GSL-E4</b> Notice of planned interruption	1. For electricity and gas distributors, 4 business days' notice is not given  2. For NERL retailers, 4 business days' notice not given, unless the NERL retailer has obtained consent from the customer for a shorter period	\$50  \$50
<b>GSL-E5</b> Duration of interruptions (single event)  This GSL applies to an electricity distributor or a gas distributor only.	An unplanned sustained interruption lasts for 12 hours or longer.	\$80
<b>GSL-E6</b> Total duration of interruptions (cumulative)  This GSL applies to an electricity or gas distributor only.	Total cumulative hours of unplanned sustained interruptions experienced by customer in a financial year is equal or exceeds:  Level 1 – 20 hours Level 2 – 30 hours Level 3 – 60 hours	\$100 \$150 \$300

Measure	Threshold	Amount
<b>GSL-E7</b> <b>Frequency of interruptions</b>  <b>This GSL applies to an electricity distributor or a gas distributor only.</b>	Customer experiences more than 9 unplanned sustained interruptions in a financial year	\$80
<b>GSL-E8</b> <b>Response time to notification of a fault, problem or concern that affects the premises of the customer.</b>  <b>This GSL applies to an electricity distributor or gas distributor only.</b>	Utility fails to respond: <ol style="list-style-type: none"> <li>1. If the notification relates to damage to, or a fault or problem with the network which is likely to affect public health, or is causing, or has the potential to cause, substantial damage or harm to a person or property, respond as soon as practicable and in any event within six hours; or</li> <li>2. In all other cases within 48 hours; and</li> <li>3. Resolve the problem or concern within the time specified in the response.</li> </ol>	\$60 per day (maximum \$300)

Measure	Threshold	Amount
<b>GSL-W1</b> <b>Customer connection and removal of flow restrictors</b>	Connection not provided, or flow restrictors not removed, by required date	\$60 per day (maximum \$300)
<b>GSL-W2</b> <b>Responding to complaints</b>	Upon receiving a complaint, utility does not: <ol style="list-style-type: none"> <li>(a) Acknowledge the complaint immediately or as soon as practicable; and</li> <li>(b) Provide a response addressing the matters in the complaint within 20 business days</li> </ol>	\$20
<b>GSL-W3</b> <b>Notice of planned interruption</b>	Two business days' notice not given	\$50
<b>GSL-W4</b> <b>Duration of interruption (single event)</b>	An unplanned interruption lasts for 12 hours or longer	\$80
<b>GSL-W5</b> <b>Frequency of unplanned interruptions</b>	Customer experiences more than 9 unplanned interruptions in a financial year	\$80

<p><b>GSL-W6</b></p> <p><b>Response time to a fault, problem or concern that affects the premises of the customer</b></p>	<p>Utility fails to respond:</p> <p>(a) If the notification relates to damage to, or a fault or problem with the network which is likely to affect public health, or is causing, or has the potential to cause, substantial damage or harm to a person or property, respond as soon as practicable and in any event within six hours; or</p> <p>(b) In all other cases within 48 hours; and</p> <p>(c) Resolve the problem or concern within the time specified in the response.</p>	<p>\$60 per day (maximum \$300)</p>
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## Appendix 3 Abbreviations and acronyms

ACAT	ACT Civil and Administrative Tribunal
ACT	Australian Capital Territory
APA Group	Comprises two registered investment schemes - Australian Pipeline Trust (APT) and APT Investment Trust (APTIT) - and their controlled entities.
Code	<i>Utilities (Consumer Protection Code) Determination 2020</i>
Commission	Independent Competition and Regulatory Commission
EAPL	East Australian Pipeline Limited
EPA	Environment Protection Authority
GSL	Guaranteed Service Level
ICRC	Independent Competition and Regulatory Commission
ICRC Act	<i>Independent Competition and Regulatory Commission Act 1997</i>
KL	Kilolitre
KM	Kilometre
ML	Megalitre
MSS	Minimum Service Standard
NSW	New South Wales
TJ	Terajoules
ULAR	Utility Licence Annual Report
Utilities Act	<i>Utilities Act 2000</i>
UTR Act	<i>Utilities (Technical Regulation) Act 2014</i>



# ICRC

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