QUESTION ON NOTICE

No. 1044

asked on Friday, 06 June 2008

MR DICKSON ASKED THE MINISTER FOR MINES AND ENERGY (MR WILSON)—

QUESTION:

- (1) Will he advise what action the State Government will take to ensure that electricity retailers charge customers, particularly pensioners, correctly as the current fines are not having a desired effect?
- (2) Will he list the number and amounts of fines for 2006-07 and 2007-08 (to date) and provide details for the same years of the numbers of complaints received regarding overcharging?

ANSWER:

I thank the Member for his question.

(1) There is no basis to your claim that the unprecedented fines have not had the desired effect.

In 2007-8, the Regulator issued three fines to electricity retailers for incorrect billing. Origin Energy was fined \$50,025; Queensland Electricity was fined \$15,000; and AGL was fined \$30,000.

The fines and subsequent demand by the Regulator for retailers to undertake thorough independent audits – at their expense - have clearly indicated to retailers that I want them to get their billing systems right and they are taking action to ensure that this occurs.

On 30 May 2008 I announced a Consumer Action Plan to help ensure pensioners and low income earners have access to affordable electricity.

The Consumer Action Plan includes:

- Increasing the State Government's rebate for pensioners and seniors the rebate is now \$165 a year, an increase of \$20 from last year.
- \$450,000 over three years to fund a consumer advocacy service through the Queensland Council of Social Service (QCOSS) to conduct energy consumer research and to take the views of pensioners and people in financial hardship directly to the body that determines the maximum uniform electricity price, the Queensland Competition Authority. This initiative will be jointly funded by the Department of Mines and Energy and the Office of Fair Trading.
- Immediate secondment of a departmental officer to work with QCOSS and other key consumer groups such as the Queensland Consumers Association

and the Pensioners and Superannuants League to help set up the consumer advocacy service.

- A record subsidy of over \$600 million to Ergon Energy to subsidise the cost of electricity for households and businesses in regional Queensland in 2007-08 around \$1,000 per customer on average.
- EnergyWise kits for pensioners, seniors and low-income earners with tips to help them save energy and save money.