

NATIONAL ENERGY RETAIL LAW

SECTION 308

INFRINGEMENT NOTICE ISSUED TO

ORIGIN ENERGY ELECTRICITY LIMITED

TO: Origin Energy Electricity Limited
ACN 071 052 287
321 Exhibition Street
Melbourne VIC 3000

Infringement Notice No.: AER017-2017

1. The Australian Energy Regulator (**AER**):
 - (a) has reason to believe that Origin Energy Electricity Limited (ACN 071 052 287), which is a *retailer* within the meaning of the *National Energy Retail Law* (**Retail Law**), has breached rule 107(2) of the *National Energy Retail Rules* (**Retail Rules**), by arranging the de-energisation of a customer's premises otherwise than in accordance with rules 111(1)(b), 111(1)(e) and 111(1)(f) of the Retail Rules in the manner set out in Schedule 1 to this Infringement Notice (**the alleged breach**); and
 - (b) has decided to serve this Infringement Notice on Origin Energy Electricity Limited under section 277 of the National Gas (NSW) Law being the Schedule to the *National Gas (South Australia) Law 2008* (**National Gas Law**) as applied by section 308 of the Retail Law.
2. Rule 107(2) of the Retail Rules is a civil penalty provision within the meaning of the Retail Law.
3. The infringement penalty is \$20,000.

WHAT CAN ORIGIN ENERGY ELECTRICITY LIMITED DO IN RESPONSE TO THIS INFRINGEMENT NOTICE?

4. Origin Energy Electricity Limited can choose whether or not to comply with this Infringement Notice. If Origin Energy Electricity Limited chooses not to comply with this Infringement Notice, the AER may commence proceedings against it in relation to the alleged breach. Origin Energy Electricity Limited is entitled to disregard this Infringement Notice and to defend any proceedings in respect of the alleged breach.
5. If Origin Energy Electricity Limited chooses to comply with this Infringement Notice, it must pay the infringement penalty by **13 November 2017**, being not less than 28 days from the date of service of this Infringement Notice, beginning on the day after the day on which this Infringement Notice is served (**the compliance period**).
6. To ensure payment is made in accordance with this Infringement Notice, payment must be received on or before **13 November 2017**.

7. If Origin Energy Electricity Limited pays the infringement penalty within the compliance period, the AER will not institute proceedings in respect of the alleged breach unless the Infringement Notice is withdrawn before the end of the compliance period in accordance with section 282 of the National Gas Law as applied by section 308 of the Retail Law.

HOW TO PAY AN INFRINGEMENT NOTICE

8. Origin Energy Electricity Limited may pay the \$20,000 infringement penalty in two ways:
- (a) by cheque made out to the "ACCC Official Administered Account",* enclosing a copy of this Infringement Notice to:

Australian Energy Regulator
GPO Box 520
MELBOURNE VIC 3001

you should allow at least 5 business days for payment to be received

or

- (b) by electronic funds transfer to the following account:*

Account name: ACCC Official Administered Account
BSB: 032-730
Account: 146550
Description: AER017-2017

you should allow at least 2 business days for payment to be received.

- * The Australian Competition and Consumer Commission handles the receipt of infringement penalty payments for the AER on behalf of the Commonwealth of Australia. All payments received are paid into the Consolidated Revenue Fund.

9. Please allow sufficient time for your payment to be received within the compliance period.
10. Origin Energy Electricity Limited will be issued with a Tax Invoice following payment of the \$20,000 infringement penalty.

DATE OF ISSUE: 12 October 2017



Paula Conboy
Chair
Australian Energy Regulator

SCHEDULE 1

MATTERS CONSTITUTING AN ALLEGED BREACH OF A CIVIL PENALTY PROVISION: RULE 107(2) OF THE NATIONAL ENERGY RETAIL RULES

1. Origin Energy Electricity Limited (Origin Energy) is a 'retailer' within the meaning of section 2 of the National Energy Retail Law (Retail Law).
2. Under Part 6 of the National Energy Retail Rules (Retail Rules), a retailer may arrange the de-energisation of a customer's premises for amongst other things the non-payment of a bill.
3. By reason of rule 107(2) of the Retail Rules, Origin Energy must not arrange the de-energisation of a customer's premises for non-payment of a bill, except in accordance with rule 111 of the Retail Rules.
4. Origin Energy arranged for the de-energisation of the premises at [REDACTED] in the State of New South Wales (the Premises) for the non-payment of a bill, by sending a disconnection request to a distributor on or about 30 October 2015. The Premises were de-energised on 10 November 2015.
5. Origin Energy did not comply with rules 111(1)(b), 111(1)(e) and 111(1)(f) of the Retail Rules with regard to the de-energisation of the Premises by:
 - (a) failing to offer the affected customer an instalment arrangement as required by rule 111(1)(b)(ii), prior to giving the affected customer a disconnection warning notice dated 24 April 2015, for the purposes of 111(1)(e) of the Retail Rules;
 - (b) failing to use its best endeavours to contact the affected customer, in connection with the failure to agree to the offer of the instalment arrangement as referred to in rule 111(1)(b)(ii), after giving the affected customer a disconnection warning notice dated 2 November 2015, in accordance with rule 111(1)(e) of the Retail Rules; and
 - (c) failing to comply with rule 111(1)(f) of the Retail Rules by arranging the de-energisation of the Premises for non-payment of a bill when the affected customer had taken reasonable action towards settling the debt, namely:
 - i. making several payments in the amount of \$1 228 between May 2015 and November 2015
 - ii. with a St Vincent de Paul Society volunteer acting on his behalf, he telephoned Origin Energy on 7 July 2015 to negotiate a payment plan for the remainder of his debt
 - iii. during the phone conversation with an Origin Energy agent on 22 October 2015, he explained his personal circumstances which had prevented him from paying his energy bill on time and informed the agent that he had a case worker helping him organise his finances
 - iv. telephoning Origin Energy on 26 October 2015 and during a phone conversation with Origin Energy on 27 October 2015, asking to speak to the agent who he had spoken to on 22 October 2015.