

SYNERGY/ ALINTA — CUSTOMER ACCOUNT DEFAULTS

6406. Mr M.P. Murray to the Minister representing the Minister for Energy

My question is in relation to the utility account holders Synergy/Alinta Gas and I ask,

- (a) how many Synergy/Alinta Gas customers are currently in default of payments on their accounts;
- (b) since the Liberal–National Government gained office has there been an increase from historical numbers when compared to the three years prior to forming government of customers defaulting on these accounts; and
 - (i) if yes to (b) what is the number of increases; and
 - (ii) what does the increase equate to in dollar terms;
- (c) how many customers have accessed the Hardship Utility Grants Scheme (HUGS) to pay their accounts; and
- (d) apart from the HUGS program, does the Government have any other strategic plans to assist people that continue to struggle to meet their utility payments?

Mr J.H.D. DAY replied:

This answer relates to Synergy only as Alinta is a privately owned company.

- (a) Synergy provides customers with twelve days to pay their accounts after the generation of the customer's invoice. If an account is not paid by its due date, Synergy follows a process to encourage payment, through the issue of a reminder notice and disconnection warning. Synergy does not currently generate reports based on a definition of a customer in default, but rather manages debt according to amounts outstanding after 30, 60, 90 and 120 plus days.

Reports generated from Synergy's billing system have been designed to adhere to Economic Regulation Authority reporting requirements and definitions, as well as for internal management requirements. Synergy currently has no established and tested report which would provide the requested information. Current reports in relation to customers in default provide Synergy with data outlining the total amount of funds in default for credit management strategy purposes. Synergy advises it is planning to include the data in question in future reports, however, is not able to justify the prioritisation of the system changes required at this time.

Synergy does not provide gas to residential customers and has advised that commercial default rates are considered commercially confidential.

- (b) Not applicable. Refer response to question (a).
- (c) Synergy has provided the number of HUGS payments to customers in responses to previous questions (PQ 1298 and PQ 1336).
- (d) The Government has allocated \$78.4 million in 2011/12 for rebates and hardship assistance including HUGS. In addition, the Government is engaged in various other programs to assist the community in managing their utility costs through energy efficiency campaigns and programs to effect behavioural change. Further, the Government has been undertaking a Tariff and Concession Framework Review that is reviewing pricing structures to help ease the financial impact of rising energy prices as well as options for concessions.