



25<sup>th</sup> July 2008

Manager, MCE Secretariat,  
Department of Resources, Energy and Tourism,  
GPO Box 9839  
Canberra ACT 2601  
MCEMarketReform@ret.gov.au

Dear Sir/Madam,

**RE: MCE SCO National Energy Customer Framework**

I make this submission on behalf of the Financial Counsellors' Association of Queensland (FCAQ).

FCAQ is the peak body for the Financial Counselling sector in Queensland. The association has 34 members located from Cairns to the Gold Coast and west to Darling Downs.

Our membership's client base (depending on funding agreements) ranges from wage/salary earners, gamblers, and Centrelink recipients; self funded retirees, small business owners and primary producers. Financial Counsellors provide support to individuals or families experiencing financial difficulties. Support is tailored to each client and includes advocacy, budgeting, education, and empowerment. Referrals are made where necessary and appropriate to other services to further improve the situation of the client.

This submission is allowed to be put in the public domain.

FCAQ welcomes the opportunity to add to the debate in this area and makes comment on some of the recommendations made in the MCE SCO Table of Recommendations - National Energy Customer Framework.

NO.	SUBJECT	FCAQ Comment
2.1	Tariffs and charges	Market contracts should not be excluded from publication or variations requirements as set out for Standard Retail contracts.  Consumers need to be aware of current contracts and offers to make well informed decisions.
2.3	Meter reads.	All contracts including market contracts should have a minimum read of once per year.  All new contracts should have a meter read within three months and no longer than four months from start of contract.

NO.	SUBJECT	FCAQ Comment
2.12	Interest.	Agree that retailer should pay interest on the security deposit held to customer.
2.14	Repayment of security.	Agree that a security deposit should be repaid to the customer after a period of time.
2.18	Apportionment.	Any payments made on an energy account should be applied firstly to the energy component of the account unless otherwise directed by the customer.
2.23	Payment methods.	Customers should not be penalised for whichever method they choose to pay.
2.24	Payment difficulties.	Customers <u>should</u> be offered a payment plan not <u>maybe</u> .
2.27	Limitations on disconnection.	In addition, Retailers cannot disconnect whilst a third party such as a Financial Counsellor is negotiating a repayment plan with the retailer.
2.36	Assessing credit risk.	Only credit history for utility related debt should be used in assessment.
2.37	Customer Consultative groups	Support the establishment of a fully resourced customer consultative group.
2.39	Fees for late payment.	Late payment fees should not be incurred where a direct debit has failed as this can add to the hardship of the customer when bank fees are added to the debit failure.  Retailers should be penalised where a direct debit has occurred earlier than was agreed to or where the direct debit has been cancelled.
2.40	Compensation for wrongful disconnection.	Retailers should be required to pay compensation to those who are wrongfully disconnected.  This will reduce any wrongful disconnections and allow a consumer recourse if it happens.
2.43	Competitive pricing information.	The rules should <u>require</u> the AER to present information in a format that allows comparison between competing offers.  Further this information should be updated on a regular basis and retailers penalised for offering a contract that is not listed on the AER website.

FCAQ is not in favour of making it harder for retailers to do business but we firmly believe that it is in the public good to ensure that the disadvantaged in our community are protected and that consumer protection is governed by enforceable rules and undertakings, and businesses are penalised for unconscionable conduct.

Yours Sincerely,

David Lawson  
Executive Member, FCAQ  
(p) 0407585497

helping consumers manage their financial challenges

phone 07 3321 3192 to find a listing of services from which FCAQ members operate