

Ergon Energy

Fees

The increased fee would greatly impact Ergon Retail's cost to serve targets. It could also impact QCA tariff pricing which requires Electricity Retailers to consult regarding all fees and charges that are ultimately taken into consideration when determining future electricity prices. What investment is Services Australia making to better protect and support customers by the increased fee? Ergon Retail would recommend a tiered approach, incentivising Businesses who manage and process a high volume of Centrepay transactions per month. 0 - 999 - \$0.90 1000 - 4999 - \$0.75 5000 - 9999 - \$0.50 10000 - 49999 - \$0.40 50000 + - \$0.30

Mandatory Deduction Authority Form

The introduction of the mandatory Deduction Authority Form introduces significant administrative effort and will add an additional 30 minutes at minimum to customer interactions via telephone.

The content itself seems ok, although it should be made to be easier for a customer to understand. Ergon Retail's feedback is that the Deduction Authority Form should only be mandatory for customers who wish to make an application for a Centrepay Deduction manually or via post. Customers without access to the form or those who have literacy restrictions would be disadvantaged by the imposition of the form. Deduction Authority Forms should not be mandatory when oral consent and/or online consent is obtained. Ergon Retail does not perceive any benefit to any party (particularly better protect and support customers) by imposing such an arduous form to complete as a mandatory obligation.

Clause 9.6

9.6 (c) - Ergon Retail only submits requests to Services Australia to cancel customers' deduction authorities, Services Australia ultimately process and confirm such requests received and as such would be better positioned to inform customers directly. Introducing new functionality to comply with the communication requirements would involve considerable and costly system development. Services Australia could issue customers with a fortnightly ledger outlining all of their existing Centrepay Deduction Authorities and the specific details pertaining to each. A change to allow concurrent deductions from the same benefit type so that customers may make contributions to both their final account with debt as well as their current electricity account.

Proposed Business Obligations and Compliance Requirements

Clause 20.2 Ergon Retail does not maintain an account for each contributor of Centrepay Deductions. Ergon Retail's account is based on the application from a financially responsible party.

15.1 (a) - Under NERR, Centrepay is required to be made available to all customers, where allowed to by law, Ergon Retail may wish to limit the availability of Centrepay

16 (b) (v) - Personnel should be changed to Authorised Officer Services Australia should establish procedures for verification that only customers who are financially responsible account holders are permitted to initiate a Centrepay deduction.

Having reviewed PART C 'Payments to you' and Clause 38 of the Centrepay Terms of Use, do you understand your obligations and rights with respect to incorrect payments?

Clause 13.2 is very vague and open to interpretation, it also indicates that Services Australia have no obligation to assist in the refund of incorrect monies to customers. It is not suitable for Ergon Retail to have the sole obligation and it insists on a collaborative approach to minimise financial impact to customers and ensure that any incorrect payments are returned to the contributor of the payment without delay, which may not be the Ergon Retail account holder. To be consistent with refunding monies, the process to reunite customers with their incorrect payments should be via the means that it was received. In this case, any incorrect payment should be returned and accepted by Services Australia within 5 business days of them being made aware. Investment into Services Australia's system to allow a systematic approach to returning incorrect payments is necessary.

Having read Centrepay Terms of Use at PART F - Complaints, does this impact you or your business?

As per 4.6 (a) (ii) of the Centrepay Policy, Ergon Retail does not have an Authorised Officer manage the complaint at a customer level. This would be a change to the structure of the business, job descriptions, etc.

Does the proposed transition plan outlined in Centrepay Terms of Use at Schedule 4 'Transition' impact you or your business?

Ergon Retail would be required to make both system and process changes. Ergon Retail would require at least a 12-month transition in period to align all systems and processes with any of the proposed policy changes.

Terms of Use

Deduction Authorities

Ergon Retail currently has an option for customers to lodge their deduction authority via its MyAccount (online) portal. There is no mention of gaining consent electronically, is Services Australia implying that this form on consent will no longer be available under the new policy?

It is not possible for Ergon Retail to lodge the request for change, suspension, or cancellation within 24 hours. It would require 3 business days Proposed wording update for clause (c): If you won't or can't agree to lodge a customer's request.

Ergon Retail rejects the responsibility to contact the customer when the deduction is due to be, or it has requested Services Australia to change, suspend or cancel. This is a Services Australia payment and as such, Services Australia should be the authority confirming when this has occurred and should communicate with customers accordingly.

Is there any intent for Services Australia to advise Ergon Retail if the deductions have ceased?

Ergon Retail does not have any way to validate whether the information provided by the customer is true and correct and as such, rejects this clause and the risk it is imposing. Customers should have responsibility of providing only true and correct information.

Ergon Retail does not complete government IDV check at every interaction with customers, nor will it begin as this would become resource restrictive. Ergon Retail confirms first name, surname and date of birth when speaking with its customer. Ergon Retail would not know whether a customer provides a CRN which is not theirs, as the single source of this information, Ergon Retail expects that this obligation would sit with Services Australia should customer details and their CRN not match.

Payments To You

With regard to clause (c) the amount involved may reasonably be regarded as significant - Ergon Retail expects a defined value to be deemed "significant".

Fees

Could Services Australia please explain the rationale for the fee increase where the proposed documents from the reform appear to significantly reduce the risk and obligations on Services Australia. E.g. Will there be reinvestment into the CBOS system, will there be a creation of an API to verify deductions being requested are a match to Ergon Retail's system?

Ergon Retail rejects the proposed process to deduct any fees owed by Ergon Retail from customer's payments. This is contradictory to other terms in that Ergon Retail must apply the deduction payment value to the customer's account.

General Obligations

With regard to clause (v), Ergon Retail will not be advising of each change to personnel, this is not practical in a large scale business, however it will commit to advising of changes to Authorised Officers or Contact Officers.

Ergon Retail can only provide details pertaining to its customers and their subsequent electricity accounts. It cannot identify payees or details at a CRN level. Any contributions associated with the account/reference number will be included at an account level.

Compliance

Ergon Retail will not set up and maintain an account for each contributor of Centrepay deductions. Accounts are established by financially responsible parties. With regard to clause (c) - Ergon Retail has no reporting on each Centrepay deduction at a CRN level, only on the defined Ergon Retail account level. Any other obligations should be managed by Services Australia as the product owner. Clarity is required as to whether clause (d) (i) is referring to an Ergon Retail representative or the payee. It is suggested that Services Australia implement a process/system to stop allowing non-Ergon Retail customers to establish Centrepay deductions.

Change, Suspension and Termination

Ergon Retail expects direct and thorough engagement from Services Australia regarding any changes or proposed changes to the agreement.

With regard to clause (c), is this to say that Services Australia can suspend, restrict or terminate access to CBOS should Ergon Retail for receiving incorrect payments?

Ergon Retail insists on a collaborative process to handle incorrect payments and return without delay to customers. Ergon Retail would like to explore avenues of which Services Australia will take that will support the minimisation of incorrect payments being established without Ergon Retail's involvement.

General

Ergon Retail rejects this clause as it has no control over receiving incorrect payments, particularly if the deduction was established without Ergon Retail's involvement. Ergon Retail implores Services Australia to take appropriate steps to validate whether its customer holds and is financially responsible for an Ergon Retail account and/or whether the payment is in excess of the amount owing for a current or future bill.

It is noted that Services Australia has defined "incorrect payments" in a similar way to what was previously known as "overpayments". Could Services Australia please rationalise the change?

With regard to clause (p), could Services Australia please confirm if this is 5.00pm AEST?

Policy

Introduction

Ergon Retail would not be in favour of setting-off fees. This would be a significant accounting change.

Getting Approval to Use Centrepay

Authorised Officers and Contact Officers do manage customer's deductions in the general course of business. These are managed by Ergon Retail's front line staff. Authorised Officers and Contact Officers do not have their details listed on the ABR.

Centrelink Electronic Systems

Ergon Retail's frontline staff are trained regarding obligations of the policy.

Schedule 3 Form of Deduction Authority

Part D states "Secretary", however this is not defined.

For customers who have advised of DFV and do not wish to have the form stored, what is the process?

Part D states the customer is to sign the declaration based on information in Part E, however Part E has not been completed yet

Centrepay Deductions – Information for Customers

It has been noted that the business cannot fill out the form for customers, however this contradicts clause 8.3 and the functionality of the Centrepay Deduction Authority for businesses form itself.

This is proposed to be provided to the customer before setting up a Deduction Authority, this is a very arduous process to impose on a customer. Particularly in circumstances where literacy or access may be an imposition.