



23rd January 2012

Dr R Ben-David
Chairperson
Essential Services Commission
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Dear Dr Ben-David

RE PERFORMANCE INDICATORS FOR CUSTOMER SERVICE

I refer to your letter dated 9th December 2011.

Set out below is Red Energy's response to the matters raised in your letter.

1. Electricity disconnections and reconnections

The disconnection rate of 1.22 per 100 customers is within the range of 0.44 – 1.29 seen over the last five years. Red Energy continues to proactively assist and support customers in line with its Hardship Policy and within the guidelines of the Energy Retail Code.

2. Direct debit defaults

We note that your letter suggests direct debit defaults for electricity customers increased to 0.62 per cent of monthly transactions. In fact, there was a decrease from 0.79 to 0.62, as per the data shown in the 2010-11 ESC Energy Retailers Comparative Performance Report (table 3.1, p20).

3. Call centre performance

As a result of initiatives to address the call centre performance, the proportion of calls answered by Red Energy within 30 seconds in the last six month period (Jul – Dec 2011) was 78% and we are committed to maintaining this performance in the foreseeable future.



4. Complaints

Ombudsman complaints across the industry increased significantly in the last year, however the proportion of those complaints relating to Red Energy customers remains at 3%, consistent with the prior year. This proportion is well below that of our customer market share indicating that Red Energy customers have had to resort to the Ombudsman far less than the industry average.

Should you have any further queries please do not hesitate to contact me directly.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Iain Graham', with a stylized flourish extending from the end.

Iain Graham
Chief Executive Officer
Red Energy Pty Ltd