

Hundreds caught up in alleged 'phoney accent' energy switch

Simply Energy has paid penalties totalling \$2.5 million after two external door-to-door sales agents allegedly used phoney accents and fake names to switch hundreds of customers to new energy contracts without their consent.

The Essential Services Commission issued 125 penalty notices to Simply Energy after the agents allegedly impersonated customers consenting to the switch in phone calls to the company.

Commission chair Kate Symons says it's the most blatant case of fraudulent sales contractors the commission has dealt with to date.

"This behaviour from rogue sales contractors undermines customer trust in the market.

"This is the strongest action we have taken against an energy company and shows just how seriously we view customers being transferred by fraudulent means," she said.

Between July 2019 and April 2020, two sales agents undertook fraud to transfer 525 gas and electricity accounts at 264 properties without obtaining their consent.

Ms Symons says many customers only realised they had been transferred after it happened.

"Fourteen customers complained to the company after receiving unexpected information packs, but Simply Energy still went ahead with the transfers.

"Some customers spent hours trying to stop the transfers or to be transferred back to their original retailer," she said.

Ms Symons says it's the [third time](#) Simply Energy has been issued penalty notices for not obtaining explicit informed consent before transferring customers.

"That factored into our calculation of the appropriate number of penalties to be paid and our discussions with the company which have centred on gaining assurance this won't happen again.

"This action should send a strong message to Simply Energy and other retailers we will not tolerate behaviour that undermines customer trust," she said.

Editors' note: The commission can issue energy industry penalty notices where it has reason to believe a business has committed an energy industry contravention. Payment of a penalty is not an admission of a contravention of its retail licence.

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