

12 MAY 2004



The Editor  
Herald Sun  
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Dear Editor,

I refer to an article written by Jeremy Kelly entitled "Power companies hurting customers" that appeared in the 6 May edition of the Herald Sun and wish to correct the conclusions drawn by the Energy Ombudsman and St Vincent de Paul that customers are worse off since competition was introduced and that consumers have been duded by privatisation. Nothing could be further from the facts.

Since 1984 when the electricity industry was in public ownership, disconnection rates are close to 20 year lows. In 1984 disconnections were 1.25% of customers whereas in 2002 they are at 0.6%. The 20 year average for electricity is 0.88%. For gas it is a similar story where the 20 year average is 0.97% and the 2003 result is around 0.78%.

While the energy industry is continuing to seek ways to reduce the incidence of disconnections through the development of programs that assist those genuinely in need, it is of concern that some commentators seem intent on perpetuating a myth that privatisation and competition are not good for customers.

Signed

*transmission by e-mail*

Deane Russell  
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