



**energy & water
OMBUDSMAN SA**

Essential Services Commission of South Australia
GPO Box 2605
Adelaide
South Australia 5000

ABN 11 089 791 604
GPO Box 2947
Adelaide SA 5001
Free call 1800 665 565
Free fax 1800 665 165
contact@ewosa.com.au
www.ewosa.com.au

8 August 2012

Dear Sir/Madam

Draft Water Industry Retail Licence and Water Retail Code

The Energy and Water Ombudsman (SA) Limited welcomes the opportunity to comment on the draft Water Industry Retail Licence ("the Licence") and Draft Water Retail Code ("the Code").

In this submission we concentrate on matters that are specifically of interest to our Scheme. In relation to any other matters, brief general comments are made where appropriate.

Our comments on the Licence and the Code are set out in the attached document.

Should you have any enquiries in relation to this submission, please contact Pia Bentick on (08) 8216 1888 or at pia.bentick@ewosa.com.au.

Yours faithfully

Sandy Canale
Energy and Water Ombudsman



Comments on the draft Licence and Code

Water Industry Retail Licence

9. OMBUDSMAN AND DISPUTES

The draft Licence states that *"the licensee must, if notified in writing by the Commission, participate in an Ombudsman Scheme"*. However, the Water Industry Act 2012 ("the Act") states that *"The Commission must make a licence subject to conditions determined by the Commission (h) if the water industry entity provides designated services to designated customers, or designated classes of customers, requiring the water industry entity to participate in an ombudsman scheme determined or approved by the Commission"*.

We submit that the licence requirement should be consistent with the Act. The legislation will prevail in any case ie. entities will be required to join ombudsman scheme if they provide designated services to designated customer, whether or not ESCOSA requires so in writing. We understand certain entities may be exempted from holding a retail licence and therefore also not required to join an ombudsman scheme, and also note that no services or customers have been designated at this time.

SCHEDULE: DEFINITIONS AND INTERPRETATION

Part 1 - Definitions

"business day means a day other than a Saturday, Sunday or public holiday in the State of South Australia"

This definition is slightly different to definition in the draft Water Retail Code. We submit the definition should be consistent with the Retail Code definition:

"business day means a day on which banks are open for general banking business in Adelaide, other than a Saturday or a Sunday"

"Ombudsman Scheme means an ombudsman scheme, the terms and conditions of which are approved by the Commission."

The Act defines an ombudsman scheme as "an ombudsman scheme determined or approved by the Commission". We submit the Retail Licence definition should be consistent with the Act definition.

Water Retail Code

General Comments

We fully support the proposed new Code. However, we note it is very much based on the existing Energy Retail Code, rather than the National Energy Retail Rules. Perhaps, where practical, the Code should be modelled on the National Energy Customer Framework, for example back billing being limited to 9 months, mandated hardship policies, and in general using similar format and terminology throughout the Code.

Additionally, it would be desirable to have a clearer definition of a customer, and clarification as to whether it does extend to tenants. From our perspective this is material in our ability to deal with complainants and to refer matters to SA Water for resolution. However, whilst it appears that the legislative intention is to include tenants in the scope of the customer protections, we appreciate you may be restricted by the definitions in the Act, and any regulations that are yet to be passed. We assume the regulations will designate services and customers or classes of customers accordingly prior to the operation of the Code.

1.8 Definitions

Refer to comments above with regard to "**business day**".

Existence of industry ombudsman scheme

3.1 Customer enquiry procedures

- 3.1.1 A retailer must ... prepare and submit to the Commission, for approval, its procedures for handling customer enquiries ...
- 3.1.2 Customer enquiry procedures must deal with at least the following matters:
 - (vi) the existence and operations of the industry ombudsman scheme.

3.2 Customer complaint and dispute resolution

- 3.2.1 A retailer must ... prepare and submit to the Commission, for approval, its procedures for resolving customer complaints and disputes ...
- 3.2.2 Customer complaints and dispute resolution procedures must deal with at least the following matters:
 - (e) referral to the industry ombudsman scheme where the complaint is not satisfactorily resolved;...

Whilst the above clauses require retailers to include in their procedures specified matters about the industry ombudsman scheme, there does not appear to be a requirement to inform the customers of the procedures or the existence of the industry ombudsman scheme. We suggest these could be included for example in the Customer Charter (clause 2.4).