



AUSTRALIA & NEW ZEALAND
ENERGY AND WATER
OMBUDSMAN NETWORK

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National Energy Customer Framework (NECF) Second Exposure Draft

Thank you for the opportunity to comment on the National Energy Customer Framework (NECF) Second Exposure Draft. This is a joint submission by members of the Australia & New Zealand Energy and Water Ombudsman Network (ANZEWON) as listed below.

Our core business is resolving customer disputes about the essential services of electricity, gas and in some jurisdictions, water. We are therefore able to contribute our experience of customer issues to the discussion of customer protection regulation.

ANZEWON members believe that the proposed framework provides a comprehensive national approach for consumer protections as well as distribution and retail services for customers. We support the individual submissions from the Energy & Water Ombudsman NSW (EWON) and the Energy and Water Ombudsman (Victoria) (EWOV) and recommend them for your consideration.

In contributing to the further development of the national framework ANZEWON members offer the following specific comments.

Welcome changes

- **Energy Ombudsman Powers:** ANZEWON members welcome the inclusion of a new section in the National Energy Retail Law, Part 4 *Small customer complaints and dispute resolution*. This reflects the current situation, and positions the role of independent dispute resolution centrally within the National Energy Retail Law.
- **Use of the term *disconnection*:** ANZEWON is pleased to note that the term *disconnection* will continue to be used for customer communications as a more understandable and accessible term to describe *de-energisation*, and that the term *disconnection* is used frequently throughout the NECF.

- **Hardship provisions:** ANZEWON welcomes the strengthening of the hardship provisions especially the greater role given to the Australian Energy Regulator (AER). We also welcome the extension of the payment plan provisions beyond hardship customers, to all customers requesting payment options.
- **Objective of the National Energy Retail Law:** ANZEWON strongly supports the inclusion of 113(2) in the National Energy Retail Law:
The national energy retail objective should not be taken to prevent or restrict the development and application of consumer protections for hardship customers and other small customers, including the development, approval and application of customer hardship policies.

It is important that the consumer protection provisions for hardship customers are entrenched in the Objective.

Remaining concerns

In contributing to the further development of the national framework we offer the following comments:

- **Retailer of Last Resort:** In the course of the two RoLR events to date, some ANZEWON members have received complaints from customers who have been impacted in various ways. The RoLR events have identified a number of areas where the application of the Law and Rules was not clear, particularly with respect to consumer protection, and the role of the energy ombudsman. The individual submissions from EWON and EWON provide detailed comments on this issue and we recommend these comments for your consideration.
- **Protections for Small Business Customers:** We continue to be concerned by the proposed reduction of consumer protections for small business customers. We believe this issue needs further consideration, on the basis that many small business customers face similar difficulties in resolving utility disputes as residential customers and therefore need similar consumer protection.
- **Meter Reading:** We have concerns about the requirement for actual meter reads to be at least once in 12 months. ANZEWON believes an actual read at least every six months will provide important information to customers and alert them to any issues about their consumption.
- **Shortened Collection Cycle:** The proposed shortened collection cycle seems to increase the likelihood of disconnection for customers experiencing financial difficulties while in contrast to this, the hardship provisions seem to be focused on preventing this outcome.
- **Contract Termination:** The conclusion of a contractual relationship 10 days after de-energisation seems unduly restrictive with potential adverse

consequences for customers. The ending of the contract with this time period could be limited to those customers who have not contacted their retailer.

Yours sincerely



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