



Listen Assist Resolve

21 December 2012

Sebastian Roberts
General Manager
Australian Energy Regulator
GPO Box 520
Melbourne VIC 3000

By email: VicGAAR@acc.gov.au

Dear Mr Roberts

Re: Australian Energy Regulator (AER) Customer Consultation Paper - Victorian Gas Access Arrangement Review (Consultation Paper)

Thank you for the opportunity to provide comment on the Australian Energy Regulator (AER)'s Customer Consultation Paper - Victorian Gas Access Arrangement Review (Consultation Paper).

As an industry-based external dispute resolution scheme, the Energy and Water Ombudsman (Victoria) (EWOV) provides alternative dispute resolution services to Victorian energy and water consumers by receiving, investigating and facilitating the resolution of complaints. Although the setting of energy prices is outside the scope of EWOV's jurisdiction, EWOV can provide information about our experience in dealing with customer affordability issues.

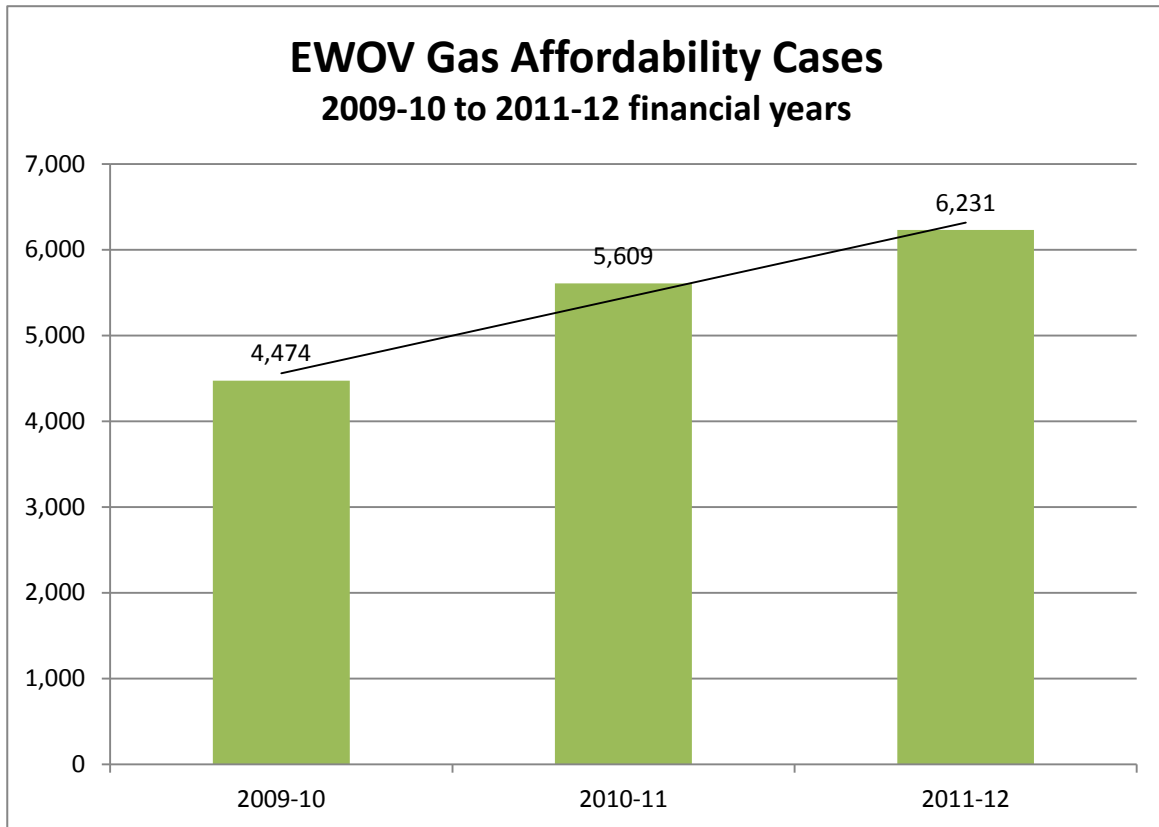
An increase in gas transmission or distribution charges can have an impact on the number of affordability cases received by EWOV. These cases include issues with billing (particularly 'high' bills), payment difficulties and disconnection and reconnection of supply. However, it is impossible to distinguish whether a customer is complaining about a transmission or distribution charge when they present to EWOV with gas affordability issues.

It is still important to note that EWOV has experienced a growth in cases that could involve gas affordability issues over the last three financial years, as shown in the graph on page 2 – a 28% increase recorded between the 2009-10 and 2011-12 financial years.

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The growing number of customers, who approach EWOV with gas affordability concerns, must be taken into account when the AER considers the implications of further price increases in line with its intent to ensure the quality, safety, reliability and security of supply¹.

We trust the above comments are helpful. Should you require further information or have any queries, please contact Belinda Crivelli, Senior Research and Communications Advisor, on (03) 9672 4460 or at Belinda.Crivelli@ewov.com.au.

Yours sincerely

Cynthia Gebert
Energy and Water Ombudsman (Victoria)

¹ The AER's Consultation Paper (Page 4) -

http://www.aer.gov.au/sites/default/files/AER%20Vic%20Gas%20Consultation%20Paper%20for%20Consumer%20Groups_3.docx