



AUSTRALIA & NEW ZEALAND
ENERGY AND WATER
OMBUDSMAN NETWORK

25 July 2008

Manager, MCE Secretariat,
Department of Resources, Energy and Tourism,
GPO Box 9839
Canberra ACT 2601
MCEMarketReform@ret.gov.au

Re: National Framework for Regulating Electricity and Gas (Energy) Distribution and Retail Services for Customers Policy Response June 2008.

Thank you for the opportunity to comment on the MCE SCO Paper National Framework for Regulating Electricity and Gas (Energy) Distribution and Retail Services for Customers Policy Response June 2008. This is a joint submission by the members of the Australia & New Zealand Energy and Water Ombudsman Network (ANZEWON) 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 an important overview and a comprehensive approach for achieving the objective of a comprehensive national approach for distribution and retail services for customers. We support the individual submissions from EWON and EWOV and recommend them for your consideration.

In contributing to the further development of a relevant framework ANZEWON members offer the following particular comments.

- In relation to the definition of distribution services it would add value to include services related to metering at the customer's premises.
- The reduction of obligation to supply and consumer protections for non residential customers is a matter that we believe needs further consideration.
- We have concerns over the reduced requirements for actual meter reads, the proposed shortened collection cycle and the increase of days when

disconnections can occur - all of which are included in the proposed standing offer terms and conditions.

- We also have concerns over the proposal that will allow retailers to set their own tariffs for the purpose of deemed supply.

ANZEWON members welcome the inclusion of minimum terms and conditions for prepayment meters. We also strongly support the proposed inclusion of obligations to customers in hardship, and in particular the proposal for the AER to establish hardship indicators and the monitoring and reporting of performance in this arena.

Finally ANZEWON notes that some operational matters concerning external dispute resolution remain unclear. We welcomed the earlier decisions that identified that external dispute resolution would remain a matter for jurisdictional regulation. As noted in EWON's submission to this Policy Response Paper

There are references and obligations relating to external dispute resolution processes in current licenses, laws and regulations. These need careful consideration to ensure that the process of allocating these to either the jurisdictional or national framework does not inadvertently create difficulties for consumers.

To ensure the success of this process and thus ensure that dispute resolution as a critical part of consumer protection is fully retained it is essential that there be a comprehensive approach.

Therefore ANZEWON recommends that there be a specific consultation between SCO, jurisdictional authorities, and the Ombudsman schemes to address these issues.

Yours sincerely



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