

14 February 2019

Dr Peter Boxall
Chairman
Independent Pricing and Regulatory Tribunal
PO Box K35
Haymarket Post Shop
NSW 1240

Dear Dr Boxall

2019 Review of the Sydney Water Operating Licence

Thank you for the opportunity to comment on IPART's *Draft Sydney Water Corporation Operating Licence*.

The Energy & Water Ombudsman NSW (EWON) investigates and resolves complaints from customers of electricity, gas and some water providers, including Sydney Water, in NSW. Our comments are informed by our investigations into these complaints, and also from our community outreach and stakeholder engagement activities.

Our submission focuses on the proposed changes to the Operating Licence and Customer Contract that have relevance arising from our casework, experience and expertise. For clarity, our comments are referenced using the numbers in the Draft Operating Licence and Customer Contract.

Operating Licence

5 Performance Standards for Service Interruptions

EWON welcomes the improved performance standards for Water Continuity (5.1), Water Pressure (5.2) and Wastewater Overflow (5.3). The move to a measure that provides incentive for better performance and that allows for the growth in the number of connections without lowering the performance standards is a considerable improvement. Such a positive approach should result in fewer complaints around these issues.

6.3 Consumers

The inclusion of this section which specifically extends protections to private residential tenants is a positive and significant change which will ensure that the rights of tenants are explicit rather than inferred.

6.5 Family Violence Policy

EWON is currently working on its own family violence policy and is keen to liaise with Sydney Water to share and learn from the policy development process. This would enable best practice in this important area to be built into our respective policies.

6.8 External Dispute Resolution Scheme

Currently EWON jurisdiction is expanding to provide dispute resolution to WICA customers and to customers of exempt energy networks. In this context EWON is working to ensure there are consistent messages across utilities.

The draft licence (6.8.2) requires Sydney Water to prepare a pamphlet listing the dispute resolution services provided by EWON and the rights of customers to have a dispute referred to EWON. Sydney Water is also required to distribute this annually. EWON reiterates our offer, made in our submission to the IPART Issues Paper, to work with Sydney Water to develop appropriate wording.

Customer Contract

2.2.2 & 2.2.3 Tenants

These two clauses in the draft Customer Contract action the new Licence Condition 6.3 that specifically defines tenants, both residential and commercial, as consumers and identifies which clauses of the Customer Contract are applicable. This specific identification of rights is particularly welcome and sets a new standard which EWON looks forward to seeing included in other water providers licences.

4.5 Undercharging

EWON notes that the provision related to undercharging provides less customer protection than the current energy protections. Where the undercharge is not caused by an action of the customer, energy retailers are limited to recovering only nine months of any undercharge. Further, a customer is provided with a time equal to the undercharge period to repay the arrears. EWON believes IPART should consider extending a similar level of protection to the customers of Sydney Water.

7.2 Rebates

EWON recognises the improvement in the rebate regime which now provides a higher level of rebate for unplanned events which cause a greater level of inconvenience. This is an improvement to customer protection.

12.4.1 External Dispute Resolution

The third paragraph of this clause of the Customer Contract states:

You should attempt to resolve the issue with Sydney Water prior to referring the matter to EWON.

EWON's Constitution requires members to inform customers that EWON is available to provide them with a free complaints resolution service. This includes making customers aware that they can come directly to EWON at any time for independent advice and information, in addition to being able to come to EWON if they are dissatisfied with the outcome of their complaint.

EWON recommends that its members use the following wording:

All our customers have the right to contact the Energy & Water Ombudsman NSW (EWON) at any time for independent advice and assistance. However, we do hope you will contact us directly to allow us the opportunity to rectify any issues.

This wording reflects the fact that, while EWON expects customers to try to resolve their dispute with a provider before we will investigate a matter, there are some customers and/or issues where an initial approach to EWON is appropriate. This can be for customers wishing to understand their rights and responsibilities before approaching Sydney Water, where a customer is vulnerable, or where the resolution of an issue is urgent.

If you would like to discuss any aspects of the above submission further, please contact me or Rory Campbell, Manager Policy & Research on (02) 8218 5266.

Yours sincerely



Janine Young
Ombudsman
Energy & Water Ombudsman NSW