



16 October 2018

Ms Emma Watts
Energy Charter Project Director

Via email: emma.watts@energycharter.com.au

Dear Ms Watts

Thank you for the opportunity to comment on the development of the Energy Charter. The comments contained in this letter reflect the feedback of Energy & Water Ombudsman New South Wales (EWON), Energy & Water Ombudsman South Australia (EWOSA), Energy and Water Ombudsman Queensland (EWOQ) and the Energy and Water Ombudsman (Victoria) (EWOV). We are the industry-based external dispute resolution schemes for the energy and water industries in New South Wales, Queensland, South Australia and Victoria.

We are broadly supportive of the initiative of the energy industry in pursuing the Energy Charter as an opportunity to build trust and confidence of consumers in the energy sector. While over recent years our schemes have experienced a relative stabilisation in case volumes, compared with peaks over the period 2011-2014, each of our Schemes will each report an upward trend (between 8 and 30%) in case volumes for 2017/18. We consider this reflects a continuing challenge for the energy industry to be create customer centric culture that delivers outcomes that reflect community expectations of an essential service industry. The Energy Charter is one element of the work that is required to build consumer confidence and reduce the occurrence of complaints.

While each of the principles present, in theory, initiatives which should increase customer trust, we note that there is one standout initiative included in the draft Charter under Principle 4. This is that customers should not have to engage with the market to experience the full benefits of competition. For too long energy retailers have discriminated against customers who do not, or cannot, engage with their retailer, or put the onus on customer to engage in order to be offered appropriate contracts. This initiative, if implemented will appropriately place the onus on retailers.

Accordingly, we support the intent and ambition contained in the five principles contained in the Energy Charter. However, a significant amount of work is required to put these principles into practice to drive the intended cultural and behavioural change. By way of comparison, we note that, despite the efforts made by the financial services industry to drive the appropriate conduct by way of industry codes, the Royal Commission into Misconduct in the Banking, Superannuation and Financial Services Industry has exposed conduct that falls well below community



expectations. This is an important consideration for the energy industry given the current media and political focus on a similar inquiry into the energy industry. We look forward to sharing our case handling experience with the energy industry to assist in operationalising the principles contained in the Energy Charter.

We consider that the ownership, governance and accountability arrangements will be crucial to ensuring the Energy Charter delivers on its stated objectives. We note that these arrangements are still in development and look forward to hearing more detail about the mechanisms that will ensure that required cultural and behavioural change occur.

Please do not hesitate to contact us if you would like further information regarding this work.

Yours sincerely

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