3 June 2016

Ms Lily Mitchell Senior Adviser Australian Energy Market Commission PO Box A2449 SYDNEY SOUTH NSW 1235



energy & water OMBUDSMANSA

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Dear Ms Mitchell

Submission on the Consultation Paper: Improving the Accuracy of Customer Transfers

The Energy and Water Ombudsman (SA) Limited ("EWOSA") welcomes the opportunity to comment on the Australian Energy Market Commission's *Improving the Accuracy of Customer Transfers* Consultation Paper.

In this submission, the EWOSA primarily addresses matters that are specifically of interest to the EWOSA Scheme.

EWOSA is an independent Energy and Water Ombudsman Scheme in South Australia. It receives, investigates and facilitates the resolution of complaints by customers with regard to (inter alia) the connection, supply or sale of electricity, gas or water.

There were 660 transfer-related complaints received by EWOSA in 2014-15. These accounted for just 5 per cent of all complaints and were down 56 per cent compared to 2013-14. The three largest areas of transfer-related complaints were: 'Delay in Transfer' (39 per cent), 'Never Requested Transfer' (32 per cent) and 'Transfer in Error' (20 per cent).

We support the assessment framework proposed by the Australian Energy Market Commission for analysing the *Improving the Accuracy of Customer Transfers* rule change request.

We support the introduction of an address standard to improve the accuracy and timeliness of customer transfers between retailers. We believe the improvements would enhance customer experiences with the transfer process and significantly reduce the number of transfer-related complaints received by EWOSA.

Our main concern with the rule change request is the proposed maximum of six months for the Australian Energy Market Operator to develop and publish the address standard following the commencement of the new rule. We believe this may not provide enough time for sufficient consultation with stakeholders and that this period should be longer.

We support placing the onus on the retailer the affected customer contacts first to take primary responsibility for coordinating the resolution of the erroneous transfer. It is unreasonable for retailers to expect the affected customer to be responsible for coordinating the resolution of being erroneously transferred – even more so if the customer never requested a transfer in the first place.

We believe streamlining the process to resolve erroneous transfers would enhance customer experiences with the transfer process and significantly reduce the number of transfer-related complaints received by EWOSA.

We also support the extension of the proposed changes to gas. This would be a sensible approach, particularly for dual-fuel retailers.

We believe implementation of the rule change request would increase customer confidence in the transfer process, as well as result in retailers handling customer transfers more effectively, thereby promoting competition. The transparency and certainty of legal frameworks would also be improved. While there may be costs associated with implementing an address standard and updating processes to resolve erroneous transfers, these are likely to be at least partially offset – if not more than offset – by savings associated with more accurate and timely customer transfer processes, as well as there being fewer complaints to handle, both by retailers and by Ombudsmen.

Should you require further information or have any enquiries in relation to this submission, please telephone me on (08) 8216 1851 or email me at antony.clarke@ewosa.com.au.

Yours faithfully

allunds

Antony Clarke

Policy and Research Officer

Energy and Water Ombudsman SA