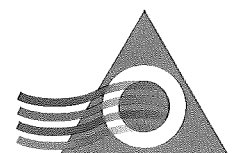


15 January 2016

Ms Sarah Proudfoot
General Manager – Retail Markets Branch
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Dear Ms Proudfoot

**Submission on the Additional Consultation:
AER Retail Exempt Selling Guideline**

The Energy and Water Ombudsman (SA) Limited (“EWOSA”) welcomes the opportunity to comment on the Australian Energy Regulator’s additional consultation on the *AER Retail Exempt Selling Guideline*.

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.

We generally support the amendments to Section 4.4 and Appendix B of the *AER Retail Exempt Selling Guideline*. The changes will ensure that customers within embedded networks are better informed about changes affecting them. They will also be more aware of the choices they have, including the option to provide a submission to the AER if they do not agree with the changes, as well as with regards to choosing their own retailer.

The EWOSA Scheme and most other energy Ombudsman schemes in Australia do not currently include operators of embedded networks. This means that customers who source their energy from such operators usually do not have access to the dispute resolution services that Ombudsmen provide and instead should contact the Australian Energy Regulator (or other appropriate party) if they have problems that they cannot resolve. We believe customers within embedded networks should be aware of this.

The *AER Retail Exempt Selling Guideline* contains requirements on operators of embedded networks (Classes D1, D2, D3, R1, R2, R3, R4 and R7) to provide information to their customers on their access or otherwise to dispute resolution processes, including those provided by energy Ombudsmen. These are referred to in Appendix A-2, Condition 2: Information Provision (1 c ii) and Condition 15: Dispute Resolution (1 b). They apply to most classes of embedded networks (not D3).

Likewise, the current changes being considered to the *AER Retail Exempt Selling Guideline* should require operators retrofitting embedded networks to provide information to their customers about whether or not they will have access to the services of the energy Ombudsman in their jurisdiction.

As such, we believe the following words should be added at the end of Appendix B 16 a:

"... and the tenants' / customers' ability or otherwise to access the services of the energy Ombudsman in their jurisdiction."

This would provide customers within embedded networks being retrofitted with more information on whether they wish to source their energy from the operator of the embedded network or would prefer to choose their own retailer. Choosing their own retailer would, in turn, most likely provide them with access to the services of the energy Ombudsman, should they need assistance with resolving complaints.

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



Antony Clarke
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Energy and Water Ombudsman SA