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Ms Sarah Proudfoot
General Manager, Consumers and Markets Branch
Australian Energy Regulator
GPO Box 520
Melbourne VIC 3001

14 February 2019

Dear Ms Proudfoot

**Submission to the Australian Energy Regulator (AER):
Draft Customer Hardship Policy Guideline**

The Energy and Water Ombudsman (SA) Limited (“EWOSA”) welcomes the opportunity to comment on the Australian Energy Regulator’s *Draft Customer Hardship Policy Guideline*.

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 requirements on retailers contained in the Draft Customer Hardship Policy Guideline (Hardship Guideline) and particularly the redrafted form of the standardised statements. The language in the standardised statements is now simpler and likely to be easier to understand for most hardship customers and the standardised statements clarify the responsibilities of energy retailers and the rights of hardship customers.

We believe the Hardship Guideline will improve the ability of retailers to identify residential customers experiencing payment difficulties due to hardship and to assist those customers to better manage their energy bills on an ongoing basis. Importantly, there is likely to be greater consistency across retailers in the treatment of customers experiencing hardship.

Our main suggested change to the Hardship Guideline is to the final dot point of clause 28 regarding the retailer’s procedures for handling customer complaints and disputes. We would like the words “including informing a hardship customer of their right to contact the energy ombudsman in their state or territory if they are not satisfied with the handling of their complaint by the retailer”, or something similar, added to the end of the final dot point.

The Notice of Draft Instrument states on page 21 “The intent of the requirement is to ensure that retailers are effectively able to handle hardship customer complaints and disputes.” In the event that a retailer does not effectively handle the complaint of a hardship customer, we believe that the hardship customer should be alerted to the fact that they have the option of forwarding their complaint to a free, fair and independent external dispute resolution body.

We also suggest that the AER consider including a clause or standardised statement in the Hardship Guideline requiring retailers to include in their customer hardship policies a reference to the fact that once a hardship customer leaves a retailer, the retailer they have switched from has no obligations or responsibilities to assist them.

This would provide greater clarity to hardship customers about their rights and the responsibilities of retailers. It would probably also be in the retailer's interests to make this known to both potential and existing hardship customers.

We appreciate that the AER considered our suggestion of including metrics to assist energy retailers in identifying and assisting hardship customers in a later iteration of the Hardship Guideline and look forward to participating in any stakeholder consultation that may take place on this issue in the future.

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

Yours faithfully



Antony Clarke
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Energy and Water Ombudsman SA