

Issues Paper – Dispute resolution Services for exempt customers

METER2CASH Solutions wishes to provide feedback to the Issues Paper as indicated above. Our response is below and is based on an embedded network billing agents perspective with both the customer and owners/Body Corporate in mind, who may ultimately bear the burden of debt during a delay dispute processes. It is our finding that a quick, informative decision and outcome suitable for all parties is best obtained..

It short Dispute resolutions processes should be:

- It should be low cost as to not burden occupants, Owners or Body Corporate's
- It should be mandatory with clear and consistent guidelines that complement the exemption conditions
- It should not place operation/reporting burdens on Owners or Body Corporate's

We are seeking stakeholder comment on four core questions:

1. What should be our approach to considering exempt customer access to ombudsman schemes?

The approach should be to obtain an outcome that is fair and equitable with consideration given to all parties. We believe it is imperative a strong focus be put on the timeliness of reply with transparency of information from and by all parties

The embedded network operator (ENO) should only incur charges in found at fault.

Consideration also needs to be given to embedded network billing agent's vs large retailers and the associated costs and cost structure involved. Consideration needs to be given to other governing legislations within an embedded network and some guidelines set around this before being able to enter into a dispute.

2. What is the scale of the problem?

M2C: METER2CASH Solutions has an internal dispute resolution process in line with AER Exempt Selling Guidelines (QLD does not have an appointed ombudsman). To date our internal dispute resolution process work very well. We receive very minimal disputes given the 25,000 plus occupants we bill each year. I would say we deal with approx. 20 escalated claims a year. Over the last 2 years and all of these have been resolved with the customer.

3. What is the nature of energy disputes experienced by exempt customers?

M2C: The majority of disputes are in relation to high consumption. These queries always increase at peaks months such as Summer season. Qld sees large spikes of usage due to air conditioning and customers meters and reads need to be verified and checked. We then see spikes again in Winter due to hot water consumption but this is small in comparison to Summer months. Education and staff response during these periods are critical at addressing customer concerns.

4. Can existing external dispute resolution mechanisms, other than ombudsman schemes, effectively deal with energy disputes?

M2C: In our experience we do not believe or have experienced an example of an external ombudsman that has provided timeliness in response to all parties to allow a suitable outcome to be reached quickly and effective. We have had some small success with community groups such as St Vincent's De Paul assisting occupants on an individual bases but this does not occur often and is generally related to other matters of assistance ie; job loss/financial stress.

Having said that, our experience as Ombudsman with Department of Energy & Water Supply (DEWS) prior to the AER Exempt selling Guidelines taking place in 2015 was a very good process and outcome for all parties and one that should be replicated again. Responses were handle professionally and quickly (response time 24 – 72hrs) which allowed a quick resolution to all parties. There was no cost for this service and provided the best outcome for tenant as debt that was put on hold during the resolution process did not compound due to lengthy reply times.

METER2CASH Solutions Pty Ltd

ABN 51 130 008 196

PO Box 404 Nundah QLD 4012

• Ph: 07 3350 5999 • Fax: 07 3265 4412

applications@meter2cashsolutions.com.au

3.1 What should be our approach to considering exempt customer access to ombudsman schemes?

Question 1: Do you agree with our approach to external dispute resolution? What are the barriers to pursuing this approach and how might these be overcome?

M2C: Yes I agree in principal but believe that they must first go through an internal dispute resolution process that has clear communication and timeframe guidelines.

Question 2: Noting the different approaches to dispute resolution in the Retail and Network Guidelines, what considerations should we be aware of if we align the two Guidelines?

M2C: We only deal with Retail disputes so no ting further to comment

Question 3: Are there any issues specific to small scale operators to which we should have regard?

M2C: Embedded network billing agent's bill on behalf of owners and body corporates to the users of the utility. As already mentioned, timeliness and accuracy in investigating data needs to be paramount. Embedded networks provide competitive tariff rates and service fees and do this by limiting debt. The account is put on hold during any dispute resolutions process and the re is a risk that the debt may then is borne by all of the Body Corporate or Owner.

A well-managed building providing benefits to all occupants through reduced tariff and service fee models should be supported by it's own robust internal dispute resolution process. For claims still in dispute there should be a more formal escalation process with a relevant ombudsman in that area. There should be no charge to the ENO for claims that are not to be deemed at fault by the ENO or billing agent if escalated.

Question 4: Are there any other considerations we should balance when forming a position on this issue?

M2C: Beside the AER Exempt Selling Guideline, National Energy Retail Rules (NERR) there are other legislations that may affect a disputed account. For instance, there are legislation/rulings under the Rental Tenancies Authority and Body Corporate Commissioner's Office (to name a few) which need to be taken into account. So the scope of the dispute within an exempt selling arrangement and the holding up of an account in disputes needs to factor in this. For instance if the dispute is outside the Exempt Selling or NERR requirements, should it be a requirement to still place that account on hold whilst the energy component is not the disputed claim?

All ombudsman disputes should be assigned a case number and given to all parties in order for an account to be put on hold past the internal dispute process. Without a case number there can be deemed no dispute.

3.2 What is the scale of the problem?

Question 5: How many energy disputes do exempt entities encounter per year?

M2C: Approx 20 in house mainly due to high consumption or metering queries all are resolved

Question 6: What measures can assist in quantifying the scale of energy disputes concerning exempt customers? What weight should we place on being able to quantify the scale of the issue?

M2C: We view a dispute as one that has not been able to be resolved at the consumer/staff level nor by internal processes. To quantify this it should be a recorded by both parties (billing agent ombudsman). The person making a dispute should contact

3.3 What is the nature of energy disputes experienced by exempt customers?

Question 7: Do you agree with our characterisation of energy disputes experienced by exempt customers? Is bundling of complaints with other issues common?
It can be yes,

Question 8: Is it possible to isolate and resolve energy-specific disputes where there are a number of issues raised by exempt customers?

Yes it is, we believe that the dispute is with that utility or service and not with the entire bill or invoice. Accounts can be put on hold while in dispute but this should not negate a customer's obligation to withhold non disputed amounts

3.4 Can existing external dispute resolution mechanisms effectively deal with energy disputes?

Question 9: What other external dispute resolution mechanisms exist to resolve energy disputes? Do they effectively deal with energy disputes?

M2C: There are other external dispute levels but they do not really relate or provide an outcome and are quite often referred back for further resolution with the customer.

Question 10: How many energy disputes encountered by exempt entities are escalated beyond internal dispute resolution processes?

M2C: Approx 4 per year and these would be relating to ta Body Corporate issues or Rental Tenancies complaint and outside our scope as billing agent.

Question 11: Do exempt customers have a clear understanding of the external avenues to resolve energy disputes? What are exempt customers' experiences of using these?

M2C: Yes, we provide everyone with a link to our dispute resolution processes during our sign up and Welcome letter process and provide links to our website.

3.5 Additional considerations

Question 12: Do stakeholders have comments on these additional considerations?

M2C: Our clients and owners deem it very unfair that debt can accrue whilst an account is in dispute. We generally see some occupants who know how to use the system to their advantage to leave a debt on vacating a premise. This is ultimately the debt of the Body Corporates who is providing a reduce tariff rate and service fee.

Question 13: What other issues should be considered?

There should be no operation/reporting burdens on Owners and Body Corporate's