

GPO Box 2947 Adelaide SA 5001

T 1800 665 565 F 1800 665 165

ABN 11 089 791 604

ewosa.com.au

Lissa Arcoverde
Director, Policy
Essential Services Commission of South Australia
GPO Box 2605
ADELAIDE SA 5001

By email reviews@escosa.sa.gov.au

8 April 2025

Dear Lissa,

Submission to the Essential Services Commission of South Australia (Commission): Review of the Retailer Energy Productivity Scheme Code Draft Decision

The Energy and Water Ombudsman (SA) Limited (EWOSA) welcomes the opportunity to submit to the Commission on the Draft Decision on the Review of the Retailer Energy Productivity Scheme Code (REPS Code).

EWOSA is the 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 support most of the proposed amendments to the REPS Code in the Commission's Draft Decision. In particular, EWOSA strongly agrees with the draft decisions to:

- require customers to be informed of their ability to contact EWOSA where a complaint remains unresolved Clause 6.1.3(e)
- require retailers to ensure that any persons directly contracted to deliver REPS activities on its behalf are a Member of the Ombudsman scheme – Clause 6.2.2.

We elaborate on dispute resolution for the REPS below.

Our main areas of concern are with:

- the draft decision not to require retailers to provide information about the REPS to customers through websites and bills and to customers experiencing financial hardship
- the proposed minimum of 5% of activities that obliged retailers are required to have audited.

These are also elaborated on below.

Dispute resolution for the REPS

EWOSA strongly supports the proposed additions to the REPS Code regarding external dispute resolution and the role of our office. We are a free, fair, independent and accessible service for customers trying to resolve disputes with their energy and water service providers. As discussed in the Draft Decision by the Commission, this service should be accessible to customers of the REPS where there are unresolved disputes.

There could be a wide variety of complaints about the REPS, from concerns about marketing activity, customer service and information provision, to problems with the installed products themselves.

If the issue is about the installation or performance of the product, it is unlikely that EWOSA could resolve the complaint and such a complaint would most likely need to be handled by Consumer and Business Services (CBS). This would be consistent with Australian Consumer Law and with the current situation where if a customer has a complaint about the installation or operation of their solar panels, for example, they need to refer that to CBS, rather than EWOSA. EWOSA already refers such complaints onto CBS if the consumer contacts our office first

For complaints about unreasonable marketing activity, poor customer service, inadequate information provision, breaches of contracts and not obtaining customer consent, EWOSA already resolves such customer complaints about energy retailers in their broader activities as retailers and could do so about retailers and energy activity providers for the REPS.

One of the most important things that customers need to know about external dispute resolution is their ability to access the services of EWOSA. The proposed clause 6.1.3(e) provides for this:

"6.1.3(e) – That the customer can contact the Energy and Water Ombudsman SA where a complaint remains unresolved to their satisfaction."

To enable customer complaints to be resolved by EWOSA, the service provider must be a Member of the Scheme. The proposed clause 6.2.2 provides for this:

"6.2.2 – Obliged retailers must ensure that any person directly contracted by the obliged retailer to undertake energy productivity activities on its behalf, has and maintains membership with the Energy and Water Ombudsman SA at all times during which that person undertakes activities that are intended to be lodged as energy productivity activities under the Retailer Energy Productivity Scheme."

As discussed in the Draft Decision by the Commission, the funding model already established within EWOSA means that small members in new membership categories, such as energy activity providers for the REPS, need only pay a small joining fee and a small ongoing annual fee, if there are no complaints escalated to EWOSA about them. Additional fees apply only when there are complaints. This funding model has been approved by EWOSA's Board and works well for other small member membership categories, such as embedded networks. This keeps costs to a minimum and provides the funding our office needs to service such Members, including providing information and education to these Members, usually through manuals and contact by our Relationships Manager.

EWOSA expects to need to change its Constitution and Charter to include energy activity providers for the REPS within its scope and this will require approval by the Board. The implementation date for the new REPS Code of 1 January 2026 provides adequate time for this to occur.

General information for consumers

The draft decision not to require obliged energy retailers to provide information about the REPS to customers through websites and bills and to customers experiencing financial hardship seems like a missed opportunity to promote the REPS.

Given the Commission is working on redesigning and improving the REPS information on its own website, we believe that obliged retailers should be required to provide a link on their own websites to the REPS information contained on the Commission's website. If such a link was provided in a relatively prominent position, with the appropriate wording, this would be likely to raise awareness and understanding of the REPS at very little cost to retailers.

A "one-stop shop" for general information about the REPS, on the Commission's website, would ensure that such information is consistent for all consumers. This would not preclude retailers or energy productivity activity providers from providing their own specific information about how they apply the REPS on their own websites, should they wish to provide it.

EWOSA also believes that obliged retailers should be required to provide information about the REPS to customers experiencing vulnerable circumstances and affordability issues, particularly to those entering their retailer's hardship program or going onto a payment plan. This seems like a good communication or contact point to provide customers with such information.

This would also enable retailers to better meet their obligations under the REPS in delivering energy productivity activities to priority group households. In our submission to the Department for Energy and Mining's Issues Paper on the REPS for the 2026-2030 period, we have suggested that the energy productivity target for priority group households be returned to the 20% that applied at the start of the 2021-2025 period and be maintained at that proportion, at a minimum.

Given that the aim of the REPS is to "support South Australia's transition to a modern, flexible energy system and improve energy productivity for business and households, with a focus on low-income households", it is paramount that low-income or priority group households are supported appropriately. Requiring obliged energy retailers to provide information about the REPS when their customers enter a hardship program or go onto a payment plan would help to achieve this aim.

Compliance and assurance

Our main concern with the proposed compliance and assurance changes to the REPS Code relates to the minimum of 5% of activities that obliged retailers should ensure are audited to check compliance with regulatory requirements. We question whether this percentage is high enough and could result in the audit of activities that are easy to audit or are most likely to be compliant.

EWOSA generally agrees with the draft decision to not require any changes in marketing practices, even though we did suggest in our submission to the Issues Paper that the Commission consider whether marketing activities associated with the REPS should be subject to the energy marketing provisions of the National Energy Retail Rules.

We note that enabling EWOSA to receive complaints from customers experiencing problems with the REPS – including regarding issues such as marketing, as well as information provision, customer service and obtaining customer consent – would provide important information for the Commission in undertaking its compliance and enforcement functions.

Analysis of complaints data could also provide insights for any potential future changes to the REPS Code, should any significant or systemic issues be identified, including associated with marketing practices.

Thank you for consideration of this submission. Should you require further information or have any enquiries regarding this submission, please contact me at antony.clarke@ewosa.com.au or on (08) 8216 1861.

Yours sincerely

Antony Clarke

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Policy and Governance Manager