

Energy and Water Ombudsman (SA)
Limited

MEMBERSHIP APPLICATION MANUAL



ENERGY & WATER
OMBUDSMAN SA

Information to assist applicants 2019

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Energy and Water Ombudsman (SA) Limited

MEMBERSHIP APPLICATION MANUAL

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1. Introduction

If you are required to become a member of an energy and water ombudsman scheme, this Application Manual will help you with the application process. The Energy and Water Ombudsman (SA) Limited (“Energy & Water Ombudsman SA” or “the Scheme” or the “Company”) is the approved energy and water ombudsman scheme in South Australia.

This pack explains the application process and provides some information about the Scheme and its origins as well as some regulatory requirements for complaints handling.

2. Application process

The Energy & Water Ombudsman SA Board may accept, reject or defer consideration of any application for membership. If accepted, you will become a Member from the date of acceptance.

To be eligible to be a Member, you must be:

- a holder of a retail, distribution or transmission licence under the *Electricity Act 1996 (SA)*
- a holder of a retail or distribution licence under the *Gas Act 1997 (SA)*
- a holder of any licence issued under the *Water Industry Act 2012*
- a holder of a relevant authorisation under the *National Energy Retail Law (South Australia) Act 2011*
- a holder of an exemption under one of the above acts, or
- an exempt energy seller or an exempt network service provider (for example an Embedded Network operator)

providing energy or water services to small customers in South Australia.

You must complete our Application for Membership Form to apply and agree in writing to become a member of the Scheme and to undertake to:

- (i) participate in the South Australian Energy and Water Ombudsman Scheme in accordance with our Constitution and Charter
- (ii) comply with our Constitution and Charter
- (iii) pay the Joining Fee and Annual Levy as required.

Application forms are available from the Company Secretary at the email below. Please also lodge your completed application with the Company Secretary by:

- post: GPO Box 2947, Adelaide, SA 5001
- email: CompanySecretary@ewosa.com.au, or
- deliver to the Company’s Registered Office at 50 Pirie Street, Adelaide, SA 5000.

The Board has delegated the approval of membership applications to the Chief Executive Officer. All applications are presented to the Board at their meetings.

3. About Energy & Water Ombudsman SA

The Energy & Water Ombudsman SA Scheme originated from the privatisation of the South Australian electricity industry. Over the years the Scheme has been expanded to include gas, water and sewerage services and privacy related complaints.

We are the approved Scheme in South Australia to receive, investigate and facilitate the resolution of complaints by consumers about the supply of (or failure to supply) electricity, gas, water and sewerage services, billing, the administration of credit and payment services, disconnection and security deposits, land access and other areas by agreement.

We are also recognised as an external dispute resolution scheme (“EDR”) to handle privacy related complaints under the *Privacy Act 1988*. For Scheme Members, as credit providers, that means you do not need to join an alternative EDR scheme if you are a member of an energy and water ombudsman scheme in the relevant State.

As an ombudsman scheme, we work towards a fair and reasonable outcome for all parties. We are an independent body – we are not a consumer advocate, nor do we represent the industry.

Our Board consists of directors nominated by the industry members, directors appointed from groups representing customers of energy and water services or representing public interest issues relevant to energy and water, and an independent Chair.

All our investigation staff are multi-skilled across the areas of telephone enquiry handling, alternative dispute resolution and the utilisation of information systems. We recruit staff with professional qualifications and significant experience in dispute resolution and in the relevant industries. Investigation staff are highly trained and experienced prior to joining the Scheme and receive on-going in-house training.

Constitution and Charter

The primary responsibility of the Board is to oversee the governance of the Scheme and to maintain the independence of the Ombudsman. The independence of the Scheme is safeguarded by the Board make-up of an equal number of consumer representatives and industry representatives plus an independent Chair.

The Constitution and the Charter of the Company define the key principles, roles and responsibilities, corporate structure, membership arrangements, key operational procedures and budgetary and financial operations for the Company and its Board.

The Constitution and Charter also set out the roles and responsibilities of the Ombudsman and Board. The principal role of the Ombudsman under the Charter is to receive, investigate and facilitate the resolution of complaints within the jurisdiction. This includes the power to make a binding decision where necessary. The Ombudsman also, as the Chief Executive Officer, is responsible for the overall performance and managing the day to day operations of the Scheme.

Our mission

To facilitate the prompt resolution of complaints and disputes between consumers of electricity, gas, water and sewerage services and members of the Scheme by providing a free, independent, accessible, fair and informal service to consumers.

For more information please refer to our website www.ewosa.com.au.

4. Complaint handling procedures

Under the *National Energy Retail Law* every energy retailer and distributor must have a set of procedures for dealing with customer complaints and these procedures must be published on their website.

Standard complaints and dispute resolution procedures

Section 81 of the *National Energy Retail Law* sets out the requirements for standard complaints and dispute resolution procedures:

- (i) Every retailer and every distributor must develop, make and publish on its website a set of procedures detailing its procedures for handling small customer complaints

and disputes – known as your standard complaints and dispute resolution procedures.

- (ii) The procedures must be regularly reviewed and kept up to date.
- (iii) The procedures must be substantially consistent with the Australian Standard AS ISO 10002-2006 (Customer satisfaction - Guidelines for complaints handling in organisations).

Please note the most recent Australian Standard is Australian and New Zealand Standard Guidelines for complaint handling in organizations AS/NZS 10002:2014.

The National Energy Retail Law also states that in dealing with customer disputes retailers and distributors must advise the customer that if they are not satisfied with the outcome they can contact the Energy & Water Ombudsman SA and provide the customer with our contact details.

Complaints made to retailer or distributor for internal resolution

Section 82 of the National Energy Retail Law details the handling of complaints made to retailer or distributor for internal resolution:

1. A small customer may make a complaint to a retailer or distributor about any relevant matter concerning the customer and the retailer or distributor.
2. The retailer or distributor must deal with the complaint if it is made in accordance with the retailer's or distributor's standard complaints and dispute resolution procedures, including any time limits applicable under those procedures for making a complaint.
3. The complaint must be handled in accordance with the retailer's or distributor's standard complaints and dispute resolution procedures, including any time limits applicable under those procedures for handling a complaint.
4. The retailer or distributor must inform the small customer of the outcome of the complaint process, and of its reasons for the decision regarding the outcome as soon as reasonably possible and in any event, within any time limits applicable under the its standard complaints and dispute resolution procedures.
5. A retailer or distributor must inform a small customer:
 - (a) that, if the customer is not satisfied with the outcome, the customer may make a complaint or take a dispute to the energy ombudsman, and
 - (b) of the telephone number and other contact details of the energy ombudsman.

Similar provisions apply to water service providers under the Water Retail Code in South Australia.

5. Awareness of Energy & Water Ombudsman SA Scheme

Energy and water service providers need to be proactive in promoting the Scheme – you should ensure that your call centre staff and specialist complaints team, your complaint handling material and your website promote the availability of independent assistance and dispute resolution services from our office at any time. Further, when responding to a customer complaint, you should include details of where they can go for free, independent advice and assistance if they are dissatisfied or unclear about the outcome of their complaint.

Once you are a member of the Scheme, you will need to make your customers aware of the existence of the Energy & Water Ombudsman SA in South Australia. The following provides guidance about the information that you must provide to a customer.

National Energy Retail Rules

Under the *National Energy Retail Law* every retailer must have a set of procedures for dealing with customer complaints and they must be published on their website. Specific requirements for retailers and distributors include making customers aware of energy ombudsman schemes and to provide their contact details.

Water Retail Code (South Australia) – Major Retailers

The Water Retail Code includes obligations for a water services retailer to:

- develop a Customer Charter which must contain the retailer's process for resolving disputes with customers and complainants and contact details for the industry ombudsman
- advise customers of the availability of its Customer Charter
- place a copy of its Customer Charter on its website, in a readily accessible location
- prominently display its Customer Charter in the parts of its offices that customers can access
- prepare and submit to the Essential Services Commission (of South Australia) ("the Commission") its customer enquiry procedures which deal with the existence and operations of the industry ombudsman scheme (among other things)
- submit to the Commission its procedures for resolving customer complaints and disputes, including referral to the industry ombudsman scheme where the complaint is not satisfactorily resolved.

Benchmarks for Industry Based Customer Dispute Resolution

Benchmark 1 deals with promotion and awareness and includes:

- 1.4 The office [*energy and water Ombudsman scheme*] requires participating organisations [*members*] to inform customers about the office. This may include providing information at the point of service (for example, in displays or brochure stands), in contracts, codes of practice and customer service charters, on websites and in newsletters and correspondence forwarded to customers.
- 1.5 The office ensures that information about its services, procedures and scope is made available to customers by participating organisations when the participating organisation responds to a complaint.
- 1.6 The office also ensures that this information is made available by participating organisations:
 - a) when customers are not satisfied in whole or in part with the outcome of the internal complaints mechanism of a participating organisation
 - b) when the participating organisation refuses to deal with a complaint, or
 - c) when a reasonable time has passed for the participating organisation to resolve a complaint, and the complaint remains unresolved, whichever first occurs.

Australian and NZ Standard Guidelines for complaint handling

Australian and NZ Standard Guidelines for complaint handling in organisations AS/NZS10002:2014 includes a requirement to have a three tier complaints system which includes having an external avenue of review that customers are made aware of.

Energy & Water Ombudsman SA Constitution

Our Constitution requires that a member:

- must at all times comply with the Constitution and the Charter

- must operate a bona fide internal complaints handling service in relation to its energy or water services for the benefit of its customers and publicise to users of their energy or water services the availability of that service
- must inform customers of their energy and water services that the Scheme is available to provide them with a free complaints resolution service
- must appoint a contact person for the Scheme and provide the Scheme with the name and contact details of that person and any replacement contact person appointed from time to time
- must comply with any Ombudsman's Binding Decision, as defined in the Company's Charter.

Energy & Water Ombudsman SA Charter

The procedures adopted by the Ombudsman to handle complaints must include the following:

- the Ombudsman will verify with the Member concerned on receiving a complaint whether the Member has had the opportunity to consider the complaint
- subject to reasonable time limits, the Ombudsman may proceed to investigate the complaint only after the Member has had the opportunity and has been notified that the Ombudsman intends to investigate the complaint
- on receiving notification of an investigation from the Ombudsman, the Member concerned must provide to the Ombudsman within reasonable time limits all documentation relevant to the complaint, other than documentation containing confidential information of a third party, who despite the reasonable efforts of the Member, has refused to consent to disclosure of the information to the Ombudsman.

Case Management Procedures Manual for Members (“the Member Manual”)

The Member Manual sets out our case management procedures in detail and gives guidance to Members on the working methods and processes we have adopted and the working relationships between the us and the Scheme Members.

The Manual also sets out case management timeframes that the Members undertake to adhere to.

We will provide the Member Manual to you once you become a member together with training on our procedures where necessary.

6. Members of the Scheme, eligibility and funding

Electricity and gas transmission, distribution and retail service providers (including certain exempt sellers) and water and sewerage service providers (with certain exceptions) are required to participate in an ombudsman scheme and are members of the Scheme.

A Register of Members is maintained by the Company Secretary and kept at the Registered Office of the Company.

The establishment of Annual Levies and Funding for the Scheme and the basis for their calculation are detailed in the Constitution.

Eligibility

A person is eligible to join the Scheme only if the person holds one of the following:

- a retail, distribution or transmission licence issued under the Electricity Act
- a retail or distribution licence issued under the Gas Act
- any licence issued under the Water Act
- a relevant authorisation under the National Energy Retail Law
- an exemption under the Electricity Act, the Gas Act, the Water Act, the National Electricity Law or the National Energy Retail Law, including an exempt energy seller or an exempt network service provider distributing energy or water to small customers within South Australia.

The eligible person must agree in writing:

- to become a Member of the Company by completing the prescribed application for membership form
- to participate in the Scheme in accordance with the provisions of the Constitution and the Charter (as amended from time to time)
- to pay the Joining Fee and the Annual Levy as determined by the Board.

For the avoidance of doubt an agent of a Member is not a Member by virtue of being the agent of that Member and is not eligible to be Member by virtue of being the agent.

The Board may accept, reject or defer consideration of any application for membership. If accepted, the applicant will become a Member from the date of the acceptance. The Board has delegated the approval of membership applications to the Chief Executive Officer.

Member Fees and Levies

The current funding model was developed and approved by Members during 2009 and commenced from 1 July 2010. The funding arrangements are based on a 'user pays' business model and are made up of three components:

- a fixed component based on customer numbers
- a contribution to fixed costs, and
- a balance based on case handling fees.

The fee structure is reviewed annually to accommodate any changes to the Scheme and the memberships. The fees and levies for the current financial year are available from the Company Secretary at CompanySecretary@ewosa.com.au.

7. Application Checklist

You will be required to provide some information about your organisation to us at the application stage and some after your application has been accepted. We will contact you once your application for membership has been approved.

| √ | ACTION |
|---|---|
| | Complete Application Form: |
| | <ul style="list-style-type: none"> provide full company name with ACN/ABN/partnership details |
| | <ul style="list-style-type: none"> Registered Office address and business address |
| | <ul style="list-style-type: none"> provide any trading names |
| | <ul style="list-style-type: none"> select membership type: electricity/gas/water (noting separate memberships are required if dual fuel) |
| | <ul style="list-style-type: none"> form to be executed by duly authorised officers of the entity (eg. for a company, usually a director and the secretary) |
| | <ul style="list-style-type: none"> if unincorporated entity, provide explanation of authority of signatories |
| | State the criteria for your eligibility eg. authorised retailer in SA, application pending etc. |
| | <ul style="list-style-type: none"> attach a copy of your licence, authorisation or exemption as applicable |
| | Provide contact details for relevant staff in your organisation: |
| | <ul style="list-style-type: none"> for formal notices of general meetings, statutory matters, corporate structure/changes |
| | <ul style="list-style-type: none"> for billing, annual fees & levies |
| | <ul style="list-style-type: none"> for your Customer service/advocacy team – who we contact about complaints from your customers |
| | Confirm your customer numbers in South Australia |