

Electricity Networks Association

7th Floor, Gen-I House, 154 Featherston Street

PO Box 1017

Wellington 6140, New Zealand

Telephone: 64-4-471 1335 Fax: 64-4-496 5209

E-mail adj@electricity.org.nz

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Bronwyn Christie
Electricity Commission
PO Box 10041
Wellington

Submission on Approval of a Complaints Resolution Scheme

The ENA Board met on 7 April to discuss the impasse created by three of the retailers voting against the proposed amendments that had been designed to equip the scheme to become the industry complaints mechanism required under Section 158G(1) of the Electricity Act, and agreed that the case for promoting the E&GCC as the sole complaints resolution mechanism remains strong. Our Board saw no merit in multiple complaints schemes, and considered that the concern expressed by some retailers about the creation of “a new monopoly cost element” if just the one scheme were approved missed the point that consumers require an effective and accessible scheme and would be unlikely to want to take the rival merits of competing complaints arrangements into account when trying to compare the benefits of switching retailers.

In forming this view, our Board was also conscious that the current (and the revised draft) Government Policy Statement on Electricity Governance states:

The Government believes that consumers' best interests are more likely to be served by a single independent complaints resolution scheme that includes both electricity and gas. The reason for this is that a single dual-fuel scheme provides benefits such as ease of access, consistency of outcomes and efficiencies of scale. The size of the gas market does not justify a separate scheme and many of the same companies are involved in both sectors. Many customers buy electricity and gas from the same retailer.

Separate schemes for the electricity industry would seem similarly flawed. As the April E&GCC General Meeting vote demonstrated, there is strong support within the lines industry for the Electricity & Gas Complaints scheme (no lines companies voted against the proposed changes). Accordingly, we confirm that electricity lines businesses believe that the E&GCC should become the approved industry scheme.

Yours sincerely

Alan Jenkins
Chief Executive