

# SUBMISSION

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To: Electricity Commission  
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On the: Proposal to Approve a Joint Electricity and Gas Complaints Resolution Scheme

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# SUBMISSION TO THE ELECTRICITY COMMISSION ON: PROPOSAL TO APPROVE A JOINT ELECTRICITY AND GAS COMPLAINTS RESOLUTION SCHEME

## 1. EXECUTIVE SUMMARY

- 1.1 Federated Farmers supports the Electricity and Gas Complaints Commission (EGCC) Scheme being approved by the Electricity Commission and recommended to the Minister of Energy by the Gas Industry Co.
- 1.2 The federation is strongly supportive of accessible, independent, fair, accountable, efficient and effective means to resolve consumer complaints in the electricity and gas sectors. This is because the Federation fields a large number of member enquiries disputing or complaining about the service received from electricity retailers and lines companies.
- 1.3 We have found the EGCC Scheme to be a vital tool and it has certainly helped the federation reassure its members that their disputes and complaints will be addressed in a timely manner.
- 1.4 It is important for our members to have the certainty to invest in their farming businesses, certainly the EGCC Scheme provides as an able and trusted consumer complaints resolution scheme.

## 2. COMMENTS

QUESTION	COMMENT
Q1: Do you agree that the EGCC Scheme arrangements represent an appropriate basis for a single nationwide complaints resolution scheme for electricity and gas?	Yes – of the schemes in operation, the EGCC is the only one with the coverage and membership that most closely resembles a single nationwide complaints resolution scheme for electricity and gas
Q2: Do you have particular areas of concern that would lead you to making suggestions for changes to the EGCC Scheme?	No, we do not – the Code of Practice has appropriate jurisdictional limits on disputes, as well as a helpfully broad mandate to consider consumer and landowner disputes where it was helpful for a scheme like the EGCC to be involved.
Q3: Do you agree that approval should be on the basis of an indefinite term, while encouraging performance through the independent review process? If not, do you have any additional observations on the merits of a fixed-term?	Yes – the independent review process should prove sufficient in ensuring the EGCC continues to be a relevant mechanism for addressing consumers complaints. Where it can be shown that another approach is required, or changes needed to the operation of the scheme, these can be pursued as and when required through the independent review process.
Q4: Do you agree that the transition to an approved EGCC Scheme should be relatively straight-forward? Do you have any views on how the transition should be managed?	Yes – the only issue the federation might raise is how consumer complaints are dealt with while non-member companies undergo the process of becoming member companies

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	to the approved scheme. The administrative delay is not considered to be significant, but worthy of attention so that consumer complaints can fall under the auspices of the EGCC Scheme as soon as can be managed once approval is granted.
Q5: Do you agree that the Service Provider Regulated Scheme and the Fully Specified Regulated Scheme are the only reasonably practicable options to approving an applicant scheme, which meet the proposed regulatory objective? If not, what other reasonably practicable options exist in your view?	Yes – they represent the two reasonable ways in which a nationwide complaints resolution scheme might be constituted. The Service Provider Regulated Scheme can accommodate the non-EGCC schemes currently in existence, so long as those schemes are able to satisfy the broader objective outlined in s158G of the Electricity Act 1992.
Q6: Do you agree that the costs and benefits set out in the table are the main costs and benefits that need to be considered? If not, what other costs and benefits would you suggest?	FFNZ is unable to provide informed comment.
Q7: Do you agree that the simple scoring set out in the table is a reasonable way of comparing costs and benefits across the options?	FFNZ is unable to provide informed comment.
Q8: Do you agree that the range of weighting of costs and benefits in the table are reasonable? If not, what alternative weightings would you suggest?	FFNZ is unable to provide informed comment.
Q9: Do you agree that the Approved Scheme option (approving the EGCC Scheme) is the best of the reasonably practicable options?	Yes – FFNZ supports the EGCC Scheme being approved as a complaints resolution scheme under s158G of the Electricity Act 1992.
Q10: Do you agree that the Approved Scheme option (approving the EGCC Scheme) would yield overall benefits that are reasonably material and that these benefits would outweigh the slight increase in overall costs that could be expected relative to the Status Quo?	Yes – FFNZ has seen the benefits to rural consumers from the EGCC providing impetus in the improvement of in-company complaints procedures, as well as the backstop of an EGCC determination on those complaints that member companies have been unable to resolve themselves.

<b>OTHER ISSUES</b>	<b>COMMENT</b>
EGCC constitution amendments and Scheme ownership	Without prejudice to the federation's support for the EGCC becoming an approved scheme, FFNZ does have some concerns with the Electricity Commission appearing to become the decision-making body of the EGCC under the proposed changes to the EGCC constitution. The EGCC has functioned very well for our members and been responsive to their needs as consumers, so we would consider it

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	important that the EGCC continue to enjoy the flexibility to meet the changing needs of its member companies and consumers. FFNZ is concerned with ensuring that the shift to the Electricity Commission assuming ownership of the scheme does not adversely affect this situation.
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### **3. ABOUT FEDERATED FARMERS OF NEW ZEALAND**

- 3.1 Federated Farmers of New Zealand welcomes the opportunity to comment on the Proposal for a Joint Electricity and Gas Complaints Resolution Scheme.
- 3.2 Federated Farmers of New Zealand is a member-based organisation representing farming and other rural businesses. Federated Farmers has a long and proud history of representing the needs and interests of New Zealand farmers.
- 3.3 The Federation aims to add value to its members' farming business. Our key strategic outcomes include the need for New Zealand to provide an economic and social environment within which:
- Our members may operate their business in a fair and flexible commercial environment;
  - Our members' families and their staff have access to services essential to the needs of the rural community; and
  - Our members adopt responsible management and environmental practices.
- 3.4 Federated Farmers is a long-time supporter of the work of the Electricity and Gas Complaints Commission scheme, especially as regards providing rural consumers the certainty and comfort that comes with their concerns being robustly addressed by member companies and the Commission where disputes

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