

## PROPOSAL TO APPROVE A JOINT ELECTRICITY AND GAS COMPLAINTS RESOLUTION SCHEME

**Kit Wilson Chief Executive King Country Energy Limited**

<b>QUESTION</b>	<b>COMMENT</b>
Q1: Do you agree that the EGCC Scheme arrangements represent an appropriate basis for a single nationwide complaints resolution scheme for electricity and gas?	I do not agree that the EGCC is appropriate. The prime reasons are that it is essentially a judicial scheme rather than one that will try to achieve a resolution between the parties and also it distances itself from the complainants who do not have an opportunity to be heard face to face with the adjudicator.
Q2: Do you have particular areas of concern that would lead you to making suggestions for changes to the EGCC Scheme?	No, the scheme is fundamentally flawed in that it removes the complainant from participation in the process. While access is free it is not face to face , the location in Wellington removes the adjudicator from the scene of the complaint and even in the modified structure is excessively bureaucratic. One example would be the large numbers of complaints made about The Lines Company in recent years. Many of those who made complaints felt that they were disenfranchised by the Wellington bureaucracy and complained vociferously in local papers.
Q3: Do you agree that approval should be on the basis of an indefinite term, while encouraging cost-effective performance through the independent review process? If not, do you have any additional observations on the merits of a fixed-term?	Given our position that the EGCC is essentially an inadequate option, particularly for remote rural customers, a short fixed term would be a preferable option given that it appears to have been preselected.

<p>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?</p>	<p>This is a biased question. KCE will continue to provide its current scheme for its consumers who have been extremely satisfied with it,s operation. Given their experience with TLC it is most unlikely that anyone will complain to the EGCC so any transition is largely irrelevant.</p>
<p>Q5: Do you agree that the Service Provider Regulated Scheme and the Fully Specified Regulated Scheme are the only reasonably practical options to approving an applicant scheme, which meet the proposed regulatory objective? If not, what other reasonably practical options exist in your view?</p>	
<p>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&gt; If not, what other costs and benefits would you suggest?</p>	<p>These may be appropriate if you assume that the EGCC is acceptable. Alternate schemes have been proposed that are substantially better for the consumer, as potential complainant, and would have significantly enhanced opportunities for the consumer.</p>
<p>Q7: Do you agree that the simple scoring system set out in the table is a reasonable way of comparing costs and benefits across the options?</p>	<p>This is irrelevant in that the selection of the EGCC for evaluation prevents other substantially better proposal have been excluded from assessment.</p>
<p>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?</p>	<p>This is irrelevant in that the selection of the EGCC for evaluation prevents other substantially better proposal have been excluded from assessment.</p>
<p>Q9: Do you agree that the Approved Scheme option (approving the EGCC Scheme) is the best of the reasonably practical options?</p>	<p>No. The EGCC scheme, as it currently exist, is grossly expensive and ineffective for most consumers. All this proposal does is lock in these wasteful systems and spread them to other areas where more appropriate schemes have been developed that focus on the consumer and not the bureaucracy in Wellington.</p>

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 would be expected relative to the Status Quo?

This is a massive exaggeration of benefits and understating of costs. The remote rural customer that we serve will have a bureaucracy that has already failed them in their concerns with TLC and as well the costs to be imposed will be thousands of times higher than that which we currently face. This will be a major failure for the residents of the King Country.