

Question	Response
1 Do you see any problems with the Commission using the Australian Benchmarks consumer complaints resolution schemes? If so what valuation method should the commission use?	The Australian Benchmark provides a reasonable framework for the Commission to use through the six principles it espouses and KCE has adopted these principles in conjunction with the KCEPT in the preparation of the proposed scheme. It is essential that the EC provide "achievement standards" to relate to NZ conditions. The main shortcoming of the proposal as presently laid out is that it ignores the impact of size of some alternative schemes which are much smaller, but more effective, than the EGCC megalith. These schemes may generate, on average, less than one complaint per year that is not fully resolved internally. For example King Country Energy in the last three and a half years has had only two complaints which needed to go to outside determination and which were settled by paying all costs associated with the "Small Claims Tribunal".
2 The suggested level of achievement is to indicate the level at which the Commission believes the benchmark criteria would be met. Is it useful to have a suggested level of achievement for each of the benchmark criteria?	The suggested level of achievement is a fair concept as long as alternative methods of achieving the same standard are recognised. This recognition of alternative ways of achieving is essential if the EC is to meet its required goal of promoting competition. Small and new players in the Electricity Market need to develop very differently to the established major parties in order to create a viable niche for their operation.
3 The Commission is seeking comments on the individual benchmark criteria and achievement standards.	Response to detailed criteria and achievement standards is in Feedback Form 2. Please note that KCE's comments on the proposed benchmarks and achievement standards are entirely without prejudice to its application for approval of its complaints scheme. Failure to comment on any particular benchmark or achievement does not constitute acceptance thereof.
4 Should the Commission approve more than one scheme?	In order to respond to this correctly we must first of all point out that there is a significant error in the EC Consultation document. In para 28 the EC claims that King Country Energy as a retailer has established its own scheme. This is incorrect as the scheme has been established by an independent party, the King Country Electricity Consumers Trust which is made up of trustees elected by the local communities. King Country Energy worked with KCECT to develop the proposed scheme but the final responsibility rests with the Trust. Returning to the question, King Country Energy is strongly of the opinion that more than one scheme creates an opportunity for smaller market participants to compete effectively by assisting in the setting up of schemes which will provide enhanced service for their consumers in ways that can not be met nationally. For example local adjudicators can travel to meet complainants face to face in their own surroundings which make the process much less daunting than dealing with some faceless megalithic structure based many miles from those people affected.

<p>5 If the Commission were to approve more than one scheme what should be required of each scheme to ensure that consumer confusion is avoided? Are the achievement standards under 6.2(a) sufficient?</p>	<p>Boundary issues can be resolved simply by requiring the scheme first approached to make a ruling on the responsible party after requesting information from appropriate schemes and scheme members. Additionally approval of any scheme should require that the scheme and its members recognise the findings of any other approved scheme.</p>
<p>6 Is it appropriate that the Commission is able to consider applications that do not meet the level of achievement for each benchmark criterion? That is, should the Commission be able to accept alternative evidence that a benchmark principle is met to an acceptable standard even though individual benchmark criteria are not satisfied as specified by the achievement standards?</p>	<p>This question involves a paradox because there is confusion between the achievement standards and the level of achievement. The question implies that the achievement standards are the level whereas, in reality, they are an expression of one way of reaching the desired level. It is totally appropriate for schemes to develop different ways of achieving the desired level that will fulfil the requirements of the relevant principle. We anticipate that the Commission will adopt a flexible 'fit for purpose' approach to evaluation and approval of complaints schemes. We also expect that the Commission will engage with applicants during the evaluation process so as to address areas where established achievement levels are not met.</p>
<p>7 Do you have any comments on the performance monitoring process?</p>	<p>Approved schemes should include reference to the approval (and date) in their publicity for the scheme and in their communications with their customers about the scheme.</p>