

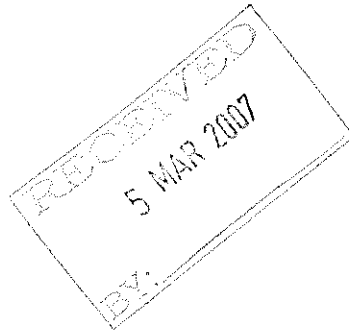


MINISTRY OF SOCIAL DEVELOPMENT
Te Manatū Whakahiato Ora

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2 March 2007

Jenny Walton
Electricity Commission
Level 7,
ASB Bank Tower
PO Box 10041
WELLINGTON



Dear Jenny

APPROVAL METHOD FOR CONSUMER COMPLAINTS RESOLUTION SCHEMES

We have attached our feedback on the above consultation paper.

If you have any questions concerning our response please feel free to contact the writer of this letter by phoning (04) 9784154

Yours sincerely

Ricky Miller
Business Development Manager

Question	Response
<p>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?</p>	<p>The Ministry of Social Development has no concerns around using these schemes. They appear to cover all of the areas of concern.</p>
<p>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?</p>	<p>The suggested levels of achievement can give a better indication of what a complaints service and process is meant to do. However we do have some concern with the use of "process measures" as opposed to more consumer pointed measures. An example is found in benchmark principle number 1.15 as outlined on the next page.</p>
<p>3. The Commission is seeking comments on the individual benchmark criteria and achievement standards detailed in the table attached as Appendix one:</p> <p>a) Identify <u>benchmark criteria</u> that are not suitable for the evaluation of an electricity consumer complaints resolution scheme. If possible, suggest an alternative;</p> <p>b) Identify <u>achievement standards</u> that are not suitable for the evaluation of an electricity complaints resolution scheme. If possible, identify an alternative; and</p> <p>c) Should any additional benchmark criteria be inserted? If so, what should the additional benchmark criteria specify, and what would the achievement standard be?</p>	<p>See page three for answers to specific benchmark criteria.</p>
<p>4. Should the Commission approve more than one scheme?</p>	<p>It is viewed by the Ministry that the confusion that having multiple complaint services could create outweighs any benefits of having more than one national service. Consumers would benefit from only having to have one point of contact to make complaints to.</p>

<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 criteria 6.2(a) sufficient?</p>	<p>The Ministry supports only having one 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 would seem to make sense in the fact that it allows the Commission to be open to new ideas that may not have been thought of before.</p>
<p>7. Do you have any comments on the performance monitoring process?</p>	<p>The Ministry supports the process as outlined as being robust.</p>

Benchmark/benchmark criteria reference	Feedback on benchmark criteria	Feedback on achievement standard
1.13		This maybe a useful place to include Government Agencies in as another place through which information is made available.
1.15		Having this standard only guarantees that a step by step guideline has been produced. This does not ensure that it is easy for consumer to understand. It would be useful to include another external method to determine this. This could be through a survey or a focus group as examples.
6.2		The Ministry seeks further advice from the Commission as to whether the \$20,000 bench mark would seem to be an appropriate cap for monetary awards. It would be useful to know what the average size of an award would be.
6.5		The redress through court action can be a costly option for consumers. Are any other options available to the consumer to have a decision looked at i.e. political avenues.