



NATIONAL COUNCIL OF WOMEN
OF NEW ZEALAND
TE KAUNIHERA WAHINE
O AOTEAROA
*Affiliated to the International
Council of Women*

February 23 2007

S07 06

Jenny Watson
Electricity Commission
Post Office Box 10041
WELLINGTON

Dear Jenny,

Submission to the Proposal: Approval Method for Consumer Complaints Resolution Schemes

Enclosed is a submission from the National Council of Women of New Zealand on the above Discussion Document

The Council would appreciate receiving a copy of the Summary of Submissions to this consultation process.

Thank you for the opportunity to comment on the proposals. Please contact me directly if there are any questions arising from this submission.

Yours sincerely

Lynda Sutherland
Executive Officer



Working for women for over 100 years



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17 February 2007

S07.06

**Submission to the Electricity Commission on the Consultation Paper – Approval
method for consumer complaints resolution schemes**

The National Council of Women of New Zealand (NCWNZ) is an umbrella organisation representing 42 Nationally Organised Societies. It has 31 branches throughout the country and meetings are attended by representatives of those societies and some other 150 organisations and individual members.

The function of NCWNZ is to work for the well-being of women, the family and the community at local, national and international levels through research, study, discussion and action.

The Council, as the spokesperson for these Women's groups, has had a long term interest in and focus on consumer issues and in representing the consumer viewpoint and concerns through consultation with our membership.

This submission has been prepared by the Nucleus group of the Consumer Affairs Standing Committee and presents feedback and comment from the members and other interested parties.

NCWNZ is supportive of the proposed approach for evaluation and approval of electricity consumer complaints resolution scheme or schemes and thanks the Electricity Commission for the opportunity to make this submission on behalf of the members.

NCWNZ will follow with interest the outcome of this consultation paper and would like to be informed of the subsequent results of the submission process and approval of a consumer complaints system.

Christine Low
President
Committee

Jan Brown
Convener – Consumer Affairs Standing

SUBMISSION FEED BACK

FEED BACK form 1

- 1: Considered an appropriate valuation method for the commission to use. It appears the ministry of Consumer Affairs in New Zealand has already consulted and assisted in the development of the benchmark principles and criteria.
How long has the method been used in Australia and how successful has it been in resolving consumer complaints were the questions asked by members in response to this question.
2. Yes- considered necessary to have levels of achievement for each of the Benchmark criteria as standardized guidelines to be attained to meet these criteria
3. Comments on individual benchmark criteria and achievement standards and detailed in the *table attached- appendix 1*
- a)The benchmark criteria were considered to be suitable for evaluation and the guiding principles comprehensive and appropriate
b)Achievement standards as detailed are considered to be suitable for evaluation -- *further feedback provided on form 2(1,2,3) Appendix B*
c)No additional benchmark criteria were considered, to be necessary
4. One scheme only recommended with possible minor regional variations.
Concern expressed about management of boundaries if more than one scheme was approved. Consumer confusion could result especially if retailer and lines company belong to different schemes.
5. Considered that consumer confusion would arise if more than one scheme was approved and used.
A risk that required achievement standards would not be fairly and equally applied between schemes and procedures established may not be recognized and enforced
6. If the commission is able to accept alternative evidence that a benchmark principle is met to an acceptable standard -- how would this be correlated and with whom?
Who will make the decision that one individual benchmark criteria as indicated by suggested level of achievement- if not met -- will be satisfactory for attainment?
7. Concern was expressed re the performance monitoring process and the possibility of monitors being influenced or persuaded to accept alternative achievement- standards in meeting benchmark criteria.
It is essential to monitor through annual reports.
It was suggested that it may be possible to appoint a monitor for a set period and at the end of this period to select another monitor or change the geographical region responsible for monitoring.

FEEDBACK form 2

| Benchmark Criteria Reference | Feedback on Benchmark Criteria | Feedback on achievement Standard |
|------------------------------|---------------------------------------|--|
| 1 accessibility 1.1 | Agreement in principle 1:1 to 1.22 | <p>Communication Plan – it was considered that</p> <ul style="list-style-type: none"> a) Advertising b) Notices on all invoices c) Websites <p>Would have more effect than presentation to c</p> <ul style="list-style-type: none"> d) Community groups e) as a consistent and visible presence <p>would suggest a, b, c as mandatory with one or other of d or e</p> |
| 1.3 | | Should include some indication of timeframe |
| 1.19 | | It was agreed adversarial approach should be discouraged. |
| 1.20 | | <p>It was agreed that the that the scheme should discourage legal representation particularly by scheme members as this would dis empower the complainant.</p> <p>Scheme members will have access to in house legal counsel therefore the scheme should have the power to fund legal representation for the complainant where necessary</p> <p>Without this the complainant will be disadvantaged.</p> |

| 2 INDEPENDENCE | Feedback on Benchmark Criteria | Feedback on Achievement Standard |
|----------------|----------------------------------|--|
| 2.2 | Agree with all of these criteria | A fixed term preferred as decision maker may become complacent as scheme members become known to them. |
| 2.3 | | Total agreement with his achievement standard as includes consumer representatives on the selection panel. |
| 2.7 | | Total agreement with this achievement standard – considered whenever consumer representatives are used must be financially supported used on the overseeing entity |
| 2.9 | | Funding should be provided in order that complainants cases will be heard within 2 months and thus avoid a backlog of cases awaiting a hearing. (e.g. Health and Disability Commissioner has a lengthy caseload waiting to be heard) |

| 3 FAIRNESS | Feedback on Benchmark Criteria | Feedback on Achievement Standard |
|------------|---|--|
| 3.9 | Agree with all these criteria 3.1 to 3.12 | It was considered that a scheme member should not be allowed to use a "commercially sensitive "screen as a way of preventing complainants getting relevant information |

| 4.ACCOUNTABILITY | Feedback on Benchmark Criteria | Feedback on Achievement Standard |
|------------------|---|---|
| 4.3 | Agree with all of these criteria 4.1 to 4.4 | Total agreement with a detailed and informative annual report ⁽¹⁾ being published. This report should be reported as close to relevant timeframe as possible. Annual report to be posted to members website considered mandatory |

| 5 EFFICIENCY | | |
|-------------------|--|--|
| | Feed back on Benchmark criteria | Feedback on Achievement Standard |
| 5.1 | Agree with all of these criteria 5.1 to 5.13 | Considered that complaint should be dealt with, within a two months timeframe. |
| 5.5 | | Considered that complaints should be dealt with in two months not 3 |
| 5.9 - 5.10 - 5.11 | | Considered that not only scheme keep a record of complaints and enquires ; their processes and outcomes – but the type of complaints should be analysed and the power given to the scheme to pass such information to the Ministry of Consumer affairs as soon as a trend recognised |

| EFFECTIVENESS | | |
|---------------|--|--|
| | Feedback on Benchmark Criteria | Feedback on Achievement Standards |
| 6.2 | Agree with all of these Criteria 6.1 to 6.13 | Recommend monetary value should be inflation adjusted at a regular basis |