

Jenny Walton
Electricity Commission
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Wellington

Dear Jenny

As requested here is our feedback on the proposed approach for evaluating electricity complaint resolution schemes.

- WEL Networks Ltd support a national scheme.
- Please find below feedback on the Australian benchmarks/suggested standards.

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?	Partial – see below for specific comments
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?	Yes
3 The Commission is seeking comments on the individual benchmark criteria and achievement standards detailed in the table attached as Appendix one:	Refer below

<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>4 Should the Commission approve more than one scheme?</p>	<p>No</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>n/a</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>n/a</p>
<p>7 Do you have any comments on the performance monitoring process?</p>	<p>Refer below</p>

Issues with specific benchmark requirements

criteria reference	Achievement standard suggested	Feedback on achievement standard
<i>Criteria 1.1</i>	<p>The scheme must have a communications plan setting out what activities it will undertake to promote its existence to potential complainants and information about its complaint procedures. An example of a suitable level of activity in this area would be a programme encompassing three or more of the following:</p> <ul style="list-style-type: none"> a. Advertisements/articles in national or relevant local newspapers outlining how the scheme works (at least every three months). b. Member organisations to insert notices on all invoices; c. Promotion of the complaints scheme on member organisations' websites; and d. Information or presentations to all major community groups at least once a year. e. Consistent and visible presence in the community such as at shopping malls or booths at fairs and sports fixtures. 	<ul style="list-style-type: none"> 1) We believe the Commission is best set up to promote itself. 2) Some of the suggested activities are more conducive to retailers who have more direct contact with customers. 3) Some of the suggested activities would have an associated cost. WEL does not support having to pay extra material costs in this regard, however we are happy to promote on our website.
<i>Criteria 1.4</i>	<p>Standards:</p> <ul style="list-style-type: none"> a. Scheme member must ensure that their staff receive appropriate training so that they are able to recognise complaints and potential complaints. b. Scheme members must advise all customers contacting their call centres who communicate any expression of dissatisfaction or concern that they have an internal complaints scheme, and 	<p>C. We believe that our first response to customers should be to actually resolve the issue, therefore advising customers who are dissatisfied that they have an option of using an external scheme at the time of an initial phone call is not necessary.</p> <p>This should be left to the second stage of a complaints/resolution process where a customer remains dissatisfied with the response/outcome they have</p>

	c. Customers who communicate any expression of dissatisfaction or concern must also be advised by members' call centres that if the internal complaints procedure fails, the organisation is a member of an external complaint scheme which will independently consider the complaint.	received.
<i>Criteria 1.5</i>	Comment – a check list of advice must be developed which advises when members must advise complainants of the scheme (as well as details of the scheme - see benchmark criteria 3: Fairness)	As above for 1.4 we support this as long as another stage is put into the checklist
<i>Criteria 1.22</i>	The scheme provides for the scheme member to pay the legal costs of complainants where the scheme member is the first party to request to be legally represented and the decision-maker agrees to that request.	We understand the desire to discourage legal intervention and support this, however feel that there should be some exceptions allowed re scheme members paying complainants legal costs such as: 1) if it is a test case, and 2) if there is significant money involved.
<i>Criteria 2.9</i>	Standard - The scheme is sufficiently self-funded to enable its caseload and other relevant functions necessary to fulfil the requirements of these benchmarks.	WEL believe costs should reflect the user pays principle where those scheme members who cause the most complaints have this reflected in their cost structure.
<i>Criteria 3.9</i>	<p>Standard – the scheme's policies must state that, if required by the decision-maker, scheme members must provide all information relevant to the complaint in a timely fashion, unless that information identifies a third party to whom a duty of confidentiality is owed or unless it contains information which the scheme member is prohibited by law from disclosing.</p> <p>Comment – the Commission accepts that members might want to provide such information on a 'without prejudice' basis in relation to any future consideration by another jurisdiction.</p>	<p>In addition to what has currently been set down regarding release of information WEL would want to add:</p> <p>We should be able to withhold information on the following grounds:</p> <p>Protect the privacy of natural persons, including that of deceased natural persons; or</p> <p>Would disclose a trade secret; or Would be likely unreasonably to prejudice the commercial position of the supplier</p> <p>Protect information which is subject to an obligation of confidence or which any person has been or could be</p>

		<p>compelled to provide under the authority of any enactment, where the making available of the information— (i) Would be likely to prejudice the supply of similar information, or information from the same source, and it is in the public interest that such information should continue to be supplied; or</p> <p>(ii) Would be likely otherwise to damage the public interest; or</p> <p>(a) Avoid prejudice to measures protecting the health or safety of members of the public; or</p> <p>(b) Avoid prejudice to measures that prevent or mitigate material loss to members of the public; or</p> <p>(c) Maintain legal professional privilege; or</p> <p>(d) Prevent the disclosure or use of official information for improper gain or improper advantage.</p>
<p><i>Criteria 5.1</i></p>	<p>The scheme deals only with complaints which are within its terms of reference and have not been dealt with, or are not being dealt with, by another dispute resolution forum, and:</p> <p>a. Which have been considered, and not resolved to the customer's satisfaction, by a scheme member's internal complaints resolution mechanism; or</p> <p>b. Where a scheme member has refused, or failed within a reasonable time, to deal with a complaint under its internal complaints resolution mechanism.</p> <p>Standard – the scheme specifies that 'reasonable time' under benchmark criterion 5.1(b) is:</p> <p>i. Two months from the original complaint; or</p>	<p>Should be 40 working days rather than 2 months to allow for extended leave periods such as the Christmas / New year break that many companies take.</p>

	ii. The resolution agreed to by the member does not eventuate within two months of that agreement.	
<i>Criteria 6.2</i>	6.2(b) The Commission considers \$20,000 to be the benchmark figure for schemes' maximum monetary award, unless good reason can be given why the nature of complaints dealt with by a particular scheme must be otherwise	<ol style="list-style-type: none"> 1) There should be an absolute ceiling to this. 2) If there is 'good reason' then the scheme members requirements under criteria 1.22 (paying for the legal costs of the complainant) should be waived.
<i>Criteria 6.8</i>	<p>Standards:</p> <p>a. The scheme has capacity to advise scheme members about their internal complaints mechanisms; and</p> <p>b. Scheme members undertake to abide by all reasonable requests made by the scheme about their internal complaints mechanisms.</p>	<ol style="list-style-type: none"> 1) We trust that there would be no dictating by the Scheme concerning what standards we should use, or how to run our internal complaints mechanisms (WEL is one of very few electricity related companies that meets the requirements under ISO 9001:2000). 2) We can appreciate the advantage in having the Scheme check and clear our internal process, but this should be voluntary and not a requirement to submit to 'audit'.
<i>Criteria 6.10</i>	Standard – the scheme's policies state that the determinations of the decision-maker are binding on its members if complainants accept the determination.	<ol style="list-style-type: none"> 1) The binding requirement in this scenario should also apply to the complainant. 2) Does this binding then remove the right of appeal under normal court processes?

Kind regards

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