



# ICRC

independent competition and regulatory commission

Issues Paper

## **Consumer Protection Code Review**

**Report 9 of 2018, 29 November 2018**



The Independent Competition and Regulatory Commission is a Territory Authority established under the *Independent Competition and Regulatory Commission Act 1997* (the ICRC Act). The Commission is constituted under the ICRC Act by one or more standing commissioners and any associated commissioners appointed for particular purposes. Commissioners are statutory appointments. Joe Dimasi is the current Senior Commissioner who constitutes the Commission and takes direct responsibility for delivery of the outcomes of the Commission.

The Commission has responsibilities for a broad range of regulatory and utility administrative matters. The Commission has responsibility under the ICRC Act for regulating and advising government about pricing and other matters for monopoly, near-monopoly and ministerially declared regulated industries, and providing advice on competitive neutrality complaints and government-regulated activities. The Commission also has responsibility for arbitrating infrastructure access disputes under the ICRC Act. In discharging its objectives and functions, the Commission provides independent robust analysis and advice.

The Commission's objectives are set out in section 7 and 19L of the ICRC Act and section 3 of the *Utilities Act 2000*.

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# Foreword

The Commission has commenced a formal review of its Consumer Protection Code. The Code outlines the basic rights of customers, consumers and utilities with respect to access to, and the provision of, utility services. The current Code has been in place since 1 July 2012.

The purpose of the review is to update the Code and ensure that it remains effective and relevant for the ACT community. The review and code redraft will focus on ensuring that:

- consumer protections (including minimum service standards) are appropriate and meaningful and support the objectives of the *Utilities Act 2000*;
- where possible and appropriate, the Code complements the National Electricity Customer Framework;
- the Code is accessible and easy to understand by stakeholders; and
- the Code amendments do not discourage retail energy competition in the ACT.

This issues paper sets out key issues that have come to the attention of the Commission that we propose to consider during the review. Stakeholder feedback is vital in ensuring that the redrafted Code reflects the needs and expectations of the ACT community. The Commission encourages submissions from stakeholders on the issues that should be addressed in the Code redraft and invites suggestions on any additional issues that have not been identified in this paper.

The process for making submissions is set out on page iv of this issues paper. Submissions on the issues paper close on **Friday, 1 February 2019**.



Joe Dimasi  
Senior Commissioner  
29 November 2018

# How to make a submission

Closing date for submissions: **1 February 2019**

This issues paper provides an opportunity for stakeholders to inform the Commission's Consumer Protection Code review. It will also ensure that relevant information and views are made public and brought to the Commission's attention.

The Commission will consider all submissions received by the closing date. Submissions, comments or inquiries regarding this paper should be sent to:

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The Commission encourages stakeholders to make submissions in either Microsoft Word format or PDF (OCR readable text format – that is, they should be direct conversions from the word-processing program, rather than scanned copies in which the text cannot be searched).

Submissions should be sent to the Commission with a completed submission cover sheet, which is available on the Commission's website at <http://www.icrc.act.gov.au/submissions/>.

The Commission is guided by the principles of openness, transparency, consistency and accountability. Public consultation is a crucial element of the Commission's processes. The Commission's preference is that all submissions it receives be treated as public and be published on the Commission's website unless the author of the submission indicates clearly that all or part of the submission is confidential and not to be made available publicly. Where confidential material is claimed, the Commission prefers that this be under a separate cover and clearly marked 'In Confidence'. The Commission will assess the author's claim and discuss appropriate steps to ensure that confidential material is protected while maintaining the principles of openness, transparency, consistency and accountability.

For submissions received from individuals, all personal details (for example, home and email addresses, telephone and fax numbers) will be removed for privacy reasons before the submissions are published on the website.

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## Abbreviations and acronyms

ACCC	Australian Competition and Consumer Council
ACAT	ACT Civil and Administrative Tribunal
ACL	Australian Consumer Law
AER	Australian Energy Regulator
AEMC	Australian Energy Market Commission
Code	Consumer Protection Code
Commission	Independent Competition and Regulatory Commission
ERAWA	Economic Regulation Authority of Western Australia
ESC	Essential Services Commission of Victoria
ESCOSA	Essential Services Commission of South Australia
GSL	Guaranteed Service Level
GST	Goods and Services Tax
ICRC	Independent Competition and Regulatory Commission
ICRC Act	<i>Independent Competition and Regulatory Commission Act 1997 (ACT)</i>
IPART	Independent Pricing and Regulatory Tribunal
NECF (National electricity customer framework)	The national framework that regulates the connection, supply and sale of energy comprising National Energy Retail Law, the National Energy Retail Regulations and the National Energy Retail Rules
NEL (National Electricity Law)	<i>National Electricity (South Australia) Act 1996 (SA)</i> and applied in each of the participating jurisdictions.
NEM (National electricity market)	The national market set out in the <i>National Electricity Law</i>
NER (National Electricity Rules)	The rules made under Part 7 of the <i>National Electricity Law</i>
NERL (National Electricity Retail Law)	<i>National Electricity Retail Law (South Australia) Act 2011 (SA)</i>
NERR (National Energy Retail Rules)	The rules made under section 238 of the <i>National Energy Retail Law</i>
NGL (National Gas Law)	<i>National Gas (South Australia) Act 2008 (SA)</i>
QCA	Queensland Competition Authority
Utilities Act	<i>Utilities Act 2000 (ACT)</i>



# 1 Introduction

The Independent Competition and Regulatory Commission (Commission) is conducting a review of the Consumer Protection Code<sup>1</sup> (Code), with a view to issuing a revised Code that will apply from the second half of 2019.

## 1.1 Background

The Code is an industry code made under Part 4 of the *Utilities Act 2000* (Utilities Act). The purpose of the Code is to outline the basic rights of customers, consumers<sup>2</sup> and utilities with respect to access to, and provision of, utility services. The Code covers a number of consumer protections including:

- circumstances in which a utility can interrupt, restrict or disconnect services;
- information and process requirements for billing and debt collection;
- obligations utilities must meet when dealing with customers, such as notice periods and complaint handling;
- requirements for standard customer contracts;
- properties with life support equipment; and
- minimum service standards and payment of rebates to customers.

The current Code primarily applies to water and sewerage services. However clause 11 and the schedule of minimum service standards also apply to electricity and gas retailers authorised under the National Electricity Law and to electricity and gas distributors.

The Code was first determined in 2000 and has undergone several revisions since then, with the most recent in 2012. The 2012 amendments were made to facilitate the Australian Capital Territory (Territory) entering into the National Electricity Customer Framework (NECF) and, apart from Clause 11 and the minimum service standards, removed all Territory requirements related to energy retail and distribution.

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<sup>1</sup> The *Utilities (Consumer Protection Code) Determination 2012* can be accessed at <https://www.legislation.act.gov.au/di/2012-149/>.

<sup>2</sup> The terms customer and consumer have similar meanings and can often be interchanged. A customer is usually a consumer; however a consumer is not always a customer. A customer is the account holder, whereas a consumer is a person using the service. For example a property may have several occupants and only one account holder; or in the case of water services on a rental property, the customer is the landlord and the tenant is the consumer.

## 1.2 Purpose, scope and objective of the review

The purpose of the review is to ensure the Code remains appropriate, taking into account current and emerging utility consumer protection issues.

The Commission will balance a number of considerations, including ensuring consumer protections are adequate, minimising regulatory compliance burden, ensuring appropriate harmonisation across jurisdictions and evidence of customers' willingness to pay for any increased protections. In undertaking the review, the Commission will be guided by its objectives under the Utilities Act,<sup>3</sup> of particular relevance:

- to encourage the provision of safe, reliable, efficient and high-quality utility services at reasonable prices;
- to minimise the potential for misuse of monopoly power in the provision of utility services;
- to promote competition in the provision of utility services;
- to protect the interests of consumers; and
- to ensure that advice given to the Commission by the ACAT is properly considered.

The specific objectives of this review and Code redraft are to ensure that:

- consumer protections (including minimum service standards) are appropriate and meaningful and support the objectives of the Utilities Act;
- where possible and appropriate, the Code complements the National Electricity Customer Framework;
- the Code is accessible and easy to understand by stakeholders; and
- the Code amendments do not discourage retail energy competition in the ACT.

The Commission is seeking stakeholder views to assist it in determining the priority issues that will be addressed in the review.

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<sup>3</sup> Section 3.

### 1.2.1 Issues that are not included in this review

The review can only consider consumer protection issues which relate to utility service delivery under the Utilities Act. These utility services include the delivery of water, sewerage, electricity and gas services. Specific areas that are outside of the scope of this review include:

- consumer protection issues that do not relate to utility service delivery;
- prices and charges for regulated utility services;<sup>4</sup>
- consumer protections for customers of NERL exempt sellers;<sup>5</sup> and
- consumer protections for customers within embedded networks.<sup>6</sup>

In November 2017, the Australian Energy Market Commission (AEMC) published its final report on its *Review of regulatory arrangements for embedded networks*.<sup>7</sup> As a result of this review, the AEMC is currently working on law and rule changes to strengthen consumer protections and increase access to competition for embedded network customers.<sup>8</sup>

## 1.3 Purpose and structure of this issues paper

The purpose of this paper is to seek stakeholder views and feedback on the priority issues that should be addressed in our Code redraft. Stakeholder feedback is vital in ensuring that the redrafted Code reflects the needs and expectations of the ACT community.

This issues paper lists potential issues that have come to the attention of the Commission. Stakeholders are invited to suggest any additional priority issues for consideration that have not been identified in this paper.

As a result of the review, changes may be proposed to general requirements or minimum service standards within the Code. Changes to the Code could have cost

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<sup>4</sup> Prices and charges for regulated utility services are determined in accordance with the ICRC Act and terms of reference from the ACT Government following price investigations. For information on price setting processes undertaken by the Commission, please visit: <http://www.icrc.act.gov.au/energy/electricity/> and <http://www.icrc.act.gov.au/water-and-sewerage/>.

<sup>5</sup> Industry codes do not apply to NERL exempt sellers (Utilities Act section 75C). A NERL exempt seller is an energy retailer that is exempted by the AER from the requirement of holding a retailer authorisation. For more information please visit: <https://www.aer.gov.au/retail-markets/retail-exemptions>.

<sup>6</sup> The *Utilities (General) Regulation 2017* (SL2017-35) exempted embedded networks from the Utilities Act, including industry codes.

<sup>7</sup> See <https://www.aemc.gov.au/markets-reviews-advice/review-of-regulatory-arrangements-for-embedded-net>.

<sup>8</sup> For information on the work being conducted by the AEMC, please visit <https://www.aemc.gov.au/market-reviews-advice/updating-regulatory-frameworks-embedded-networks>.

implications for utilities, which may be passed on to customers in increased charges. The Commission is interested in stakeholder views on the trade-off between increased consumer protections and the costs of providing greater consumer protections.

Following submissions on this paper, the Commission will produce a draft of the proposed Code for consultation, and will then finalise the Code.

### 1.3.1 Structure of the issues paper

Chapters 1–3 are background information chapters, while chapter 4 outlines issues currently under consideration.

- **Chapter 1** – provides an overview of the review, its purpose, scope, timeline and how to make a submission
- **Chapter 2** – provides a high-level overview of the regulatory framework in the ACT and how the Code interacts with national energy laws. The chapter also provides an overview of codes in other Australian jurisdictions.
- **Chapter 3** – describes the purpose of minimum standards and provides comparisons to other Australian jurisdictions.
- **Chapter 4** – details potential issues that have come to the attention of the Commission, and seeks feedback from stakeholders.

## 1.4 Timeline of the Code review

Table 1-1 below outlines the Commission’s indicative timeline for the Code review.

**Table 1-1** Review timeline

Release of Issues Paper	29 Nov 2018
Public submissions close	<b>1 Feb 2019</b>
Release of draft decision and draft Code	Mar 2019
Public forum	April 2019
Submissions due date	May 2019
Release of Final determination and Code	June 2019
Commencement date of the Code	Aug 2019

## 2 Legal and regulatory framework

This chapter provides an overview of the legislative framework that provides the Commission’s power to make the Code and how it interacts with the NECF. The Chapter outlines recent regulatory reviews and consumer protection arrangements in other jurisdictions.

### 2.1 Consumer protections in Australian Consumer Law

Under Australian Consumer Law<sup>9</sup> (ACL) all consumers are provided with guarantees and general consumer protections when they purchase goods or services. These guarantees cover matters such as ensuring that goods are fit for purpose and that services are carried out in a reasonable time with due care and skill. The ACL gives consumers access to remedies, such as compensation if those guarantees are not met.

It is generally accepted that utility services are essential services. Utility services, particularly network and distribution services, are often provided by monopoly or near monopoly businesses, with consumers having limited or no choice in who provides the service. The essential nature of the services, combined with predominantly monopoly providers means that additional protections for consumers, beyond the ACL, are required. The need for special additional consumer protections for utility services is recognised across all Australian jurisdictions, at both national and state levels.

### 2.2 National framework

#### 2.2.1 Energy

Since the creation of the National Electricity Market (NEM), NECF and the Australian Energy Regulator (AER), energy retail and distribution within Australia is predominantly regulated through the National Electricity Law (NEL), National Gas Law (NGL) and the National Energy Retail Law (NERL). This has created a relatively uniform approach to regulation and consumer protection across the country. There are a few exceptions, with most jurisdictions continuing to set distributor Guaranteed Service Levels (GSL) and Victoria maintaining separate regulation over energy retail and distribution. Western Australia has not joined the NECF and maintains its own arrangements. Please refer to appendix Table A1- for details of codes or other arrangements in place, other than the NECF, in each jurisdiction.

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<sup>9</sup> *Competition and Consumer Act 2010* (Cth), Schedule 2 ‘Australian Consumer Law’.

The NERL establishes the national energy customer framework for the retail supply of energy to customers and makes provisions for the relationship between the distributors of energy and the consumers of energy. It is contained in Schedule 1 of the *National Energy Retail Law Act 2011* (SA) and is applied as a law of the Territory by the *National Energy Retail Law Act 2012* (ACT). The National Energy Retail Rules (NERR) are made under the NERL and are also applicable in the Territory.

### **2.2.2 Interaction of jurisdictional regulation with the national energy laws**

Energy regulation in the ACT shifted predominantly to a national scheme in 2012, with the majority of aspects now being regulated by the AER. However, the Code continues to operate and place some additional obligations on energy providers in the Territory. This section explains the difference between the national and state regulatory systems, and why the Code continues to apply to energy businesses.

The NEL, NGL and NERL place obligations and service standards upon energy distributors and retailers. This national framework includes civil penalty provisions for many consumer protection obligations. In the event of a breach of an obligation, the AER investigates and may issue a penalty (fine) directly to the retailer or distributor, which is payable to the AER. The civil penalty framework is focused on regulatory compliance, and is between the AER and the regulated energy business.<sup>10</sup>

In contrast, the ACT’s Code is focused on the relationship between the energy business and the customer. The Commission sets the requirement but is not directly involved in investigating individual failures. If a service standard is not met, the customer is able to seek recourse directly from the utility (in the form of a rebate). Additionally, the ACT Civil and Administrative Tribunal (ACAT) can make a decision and orders relating to a breach of any provision or standard within the Code. The Commission receives information from licensed utilities on compliance through the annual reporting process.

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<sup>10</sup> The national framework also includes conduct provisions where a customer can commence proceedings in a court for damages if a conduct provision is breached. The Consumer Protection Code and rebate scheme does not detract from a customer’s rights in this regard, however the rebate scheme may offer a more accessible and efficient resolution for consumers.



### 2.2.3 Harmonising energy regulation

In June this year the Australian Competition and Consumer Commission (ACCC) released its final Retail Electricity Pricing Report. Broadly, the ACCC found that differences in regulation across jurisdictions in the national framework were leading to increased complexity and cost: the ACCC report recommended that jurisdictions should seek to harmonise to the national framework and reduce regulatory burden.<sup>11</sup> The ACCC report recognised that there may be instances where the national framework may not suit jurisdictional needs or characteristics: recommending that departures from the national framework be limited to those situations.<sup>12</sup> Similarly, reports by the Australian Energy Market Commission (AEMC) and the Independent Pricing and Regulatory Tribunal (IPART) also found that differences in regulation across jurisdictions led to increased cost and posed a potential barrier to entry for new retailers.<sup>13</sup>

Q1. Do you have any comments on the interaction of the Code with the national electricity customer framework?

### 2.2.4 Applicability of Code to NERL Retailers

NERL retailers are the business that customers purchase their energy from (i.e. who the customer receives their electricity or gas bill from). They differ from the utility that provides and maintains the network (i.e. poles and wires). The Code is limited in its application to NERL retailers, with only Clause 11 and the minimum service standards applying.<sup>14</sup> An objective of the Code review is to align the Code to the NECF where appropriate and also to ensure that the Code does not discourage retail competition in the ACT.

Q2. Should the Code continue to apply to NERL retailers? Please indicate the reasons for your views.

Q3. Are there any specific areas of the Code that should be amended in relation to NERL retailers? Where possible, please indicate what benefit would be provided by such changes?

<sup>11</sup> ACCC *Retail Electricity Pricing Inquiry Final Report*, June 2018, recommendations 16, 27 & 28.

<sup>12</sup> ACCC, *Retail Electricity Pricing Inquiry Final Report*, June 2018, p. 228.

<sup>13</sup> IPART *Draft Report: Review of the performance and competitiveness of the retail energy market in NSW*, October 2018, p26-27 and AEMC *Final Report: 2018 Retail Energy Competition Review*, 15 June 2018, p18.

<sup>14</sup> Two minimum service standards apply to NERL retailers: Connection Times and Complaint Response times.

### 2.2.5 Water and sewerage

Unlike energy, there is no national scheme for water and sewerage regulation. Each State and Territory has developed its own requirements for consumer protections over time. There are similarities between jurisdictions, with each jurisdiction regulating processes surrounding billing practices, connection and disconnection, standard contract terms, complaint handling and disputes, planned interruptions, notice requirements, life support and financial hardship, however the specific details and requirements may vary.<sup>15</sup> Minimum service standards or guaranteed service levels differ from state to state and utility to utility.

## 2.3 Utilities Act

The Utilities Act provides a regulatory framework for utilities in the ACT. The Act covers network and service provision for water, sewerage, gas and electricity. Section 56A of the Utilities Act provides that the Commission may determine that an industry code applies to a NERL retailer if the ICRC is satisfied on reasonable grounds that it is appropriate for the code to apply to the retailer. When the Commission determined the Code in 2012, it determined that clause 11 and Schedule 1 of the Code apply to NERL retailers.<sup>16</sup>

Industry codes are made under Part 4 of the Utilities Act. Industry codes set out practices and standards in relation to the provision of utility services and, if determined, apply to NERL retailers as well as other licensed utility service providers.

Industry codes may deal with a broad variety of matters. The matters most relevant to the Consumer Protection Code review are:

- the protection of customers and consumers
- Guaranteed Service Level (GSL) Scheme<sup>17</sup>
- other utility service standards
- connections to and disconnection from a network
- metering of utility services
- termination or interruption of utility services; and
- the provision of utility services generally.<sup>18</sup>

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<sup>15</sup> The Victorian and the Tasmanian regulators have worked closely together; their water and sewerage codes are similar in form and content.

<sup>16</sup> *Utilities (NERL retailers – Application of Industry Codes) Determination 2012*, DI2012 – 171.

<sup>17</sup> A GSL scheme means a scheme set out in energy laws under which there are distributor service standards to which an associated payment (a Guaranteed Service Level payment or GSL payment) is payable by a distributor to the customer where the distributor fails to meet the service standard.

<sup>18</sup> Section 55, Utilities Act.

Part 12 of the Utilities Act sets out the ACAT jurisdiction in hearing complaints about utilities, including contravention of an industry code that deals with service standards.

## 2.4 Other Jurisdictions

As noted in 2.2.3 above, several recent regulatory reviews have found that inconsistency in regulation across jurisdictions led to increased complexity, cost and posed a potential barrier to entry for new energy retailers. An objective of the review is to align the Code with the requirements to the national framework where appropriate. As part of this review, the Commission is looking at the NECF consumer protections, and also reviewing state regulatory arrangements to gain insights into jurisdictional reasons for different provisions.

The Commission is also reviewing water and sewerage service arrangements in other jurisdictions and will look for opportunities to align consumer protections where it may be appropriate.

The Code's coverage of all utility services presented under one utility consumer code, reflects the utility services covered under the Utilities Act. The ACT's approach in this regard differs to other jurisdictions, where energy, water and sewerage regulations are generally separated. In its redraft, the Commission will review format and content of the Code, and consider whether differing schedules or separate Codes for each utility service are required.

### 2.4.1 Recent regulatory reviews

The reviews of other regulators can offer valuable insights and possible solutions into consumer protection issues. In monitoring jurisdictional reviews, the Commission gains insight into emerging issues in other jurisdictions, and is able to consider whether applying similar provisions in the ACT would benefit consumers and customers without imposing an unreasonable cost on the utility.

#### Victorian review of retail markets

The Victorian retail market continues to be regulated by the Victorian Essential Services Commission (ESC), rather than by the AER. Victoria's divergence from the national rules was discussed in the ACCC and AEMC reports above. The objective of the 2017 Thwaites review<sup>19</sup> was to examine electricity and gas retail markets in Victoria with a focus on improving outcomes for consumers. The review made 11 recommendations covering various aspects including improving consumer protections

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<sup>19</sup> Independent Review into the electricity & gas markets in Victoria, August 2017.

for vulnerable customers. The Victorian Government has recently announced its response to the recommendations.<sup>20</sup>

#### Electricity guaranteed service levels and reliability standards

The Essential Services Commission of South Australia (ESCOSA) and the Queensland Competition Authority (QCA) have released draft decisions on reviews of their guaranteed service level schemes in recent months.<sup>21</sup> Both reviews considered jurisdiction specific issues regarding distribution reliability targets, guaranteed service levels and payment values. Additionally, the QCA review considered whether guaranteed service levels should be extended to retailers, given the ‘Power of Choice’ smart meter reforms.

#### Water

On 31 January 2018 the Economic Regulation Authority of Western Australia (ERAWA) released its final decision of the review of the *Water Services Code of Conduct (Customer Service Standards)*.<sup>22</sup>

#### Hardship

The AEMC published a draft rule change to the NERL in September 2018 which is designed to ‘improve retailers’ hardship policies’. Information and submissions on the proposed rule change can be found here: <https://www.aemc.gov.au/rule-changes/strengthening-protections-customers-hardship>.

In June 2018 ERAWA published a Financial Hardship Policy Guideline for Water Services.<sup>23</sup>

In 2016, the ESC conducted an inquiry into hardship, as a result changes were made to the Energy Retail Code effective from 1 July 2018.<sup>24</sup>

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<sup>20</sup> See *Victorian Government Final Response to the Independent Review of the Electricity & Gas Retail Markets in Victoria*, p10-13.

<sup>21</sup> See *SA Power Networks 2020 reliability standards review*, <https://www.escosa.sa.gov.au/projects-and-publications/projects/electricity/sa-power-networks-2020-reliability-standards-review> and also *QCA 2020 Review of GSL’s* <http://www.qca.org.au/Electricity/Industry/Review-of-Minimum-Service-Standards/In-Progress/2020-Review-of-GSLs>.

<sup>22</sup> The full ERAWA review can be found here: <https://www.erawa.com.au/water/water-licensing/water-services-code-of-conduct-customer-service-standards-2018/2016-2017-code-review>.

<sup>23</sup> See <https://www.erawa.com.au/cproot/19209/2/Financial%20Hardship%20Policy%20Guidelines%20for%20Water%20Services%202018.PDF>.

<sup>24</sup> For full details of the ESC inquiry see: <https://www.esc.vic.gov.au/electricity-and-gas/electricity-and-gas-codes-guidelines-policies-and-manuals/energy-retail-code/energy-retail-code-review-2016-customers-facing-payment-difficulties>.

### Family violence

In response to recommendations from Victoria's Royal Commission into Family Violence the ESC amended its water customer services codes; requiring water utilities to provide assistance to customers experiencing family violence.<sup>25</sup> The ESC is currently consulting on similar changes to the Energy Retail Code.<sup>26</sup> The initiatives in Victoria constitute part of a larger Victorian Government wide policy response to tackling family violence arising out of the Royal Commission.

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<sup>25</sup> See *Water customer service code review 2017 (Royal Commission into Family Violence)* <https://www.esc.vic.gov.au/water/water-codes-and-guidelines/customer-service-codes/customer-service-code-review-2017-royal-commission-family-violence>.

<sup>26</sup> See *Family violence resources review 2018* <https://www.esc.vic.gov.au/electricity-and-gaselectricity-and-gas-inquiries-studies-and-reviews/family-violence-resources-review-2018>.



## 3 Minimum service standards

Parts 2 and 3 of the Code set out general requirements, including process obligations<sup>27</sup> and minimum service standards, with rebates payable if a utility fails to meet the standard. This chapter outlines the minimum service standards in the Code and provides a comparison to other jurisdictions.

### 3.1 What are minimum service standards

Minimum service standards are a base level performance standard. They set out key minimum service levels that are expected of utilities and result in a financial payment (rebate) being payable to a customer or consumer if the service level is not met. In the energy sector, these types of performance standards are often referred to as Guaranteed Service Levels (GSL). Not all performance requirements (i.e. those in Parts 2 and 3) within the Code have a rebate entitlement; it is only those specifically listed as minimum service standards in Schedule 1 of the Code.

The rebate scheme enables customers to receive financial recognition of service failings<sup>28</sup> without the cost, time or complexity of a court or tribunal process. The scheme does not detract from a customer's right to pursue compensation or other remedies available under the suite of national energy laws such as damages,<sup>29</sup> nor does it prevent the AER from investigating and issuing a civil penalty to a utility.

The rebate scheme under the Code was designed to offer an accessible, effective and efficient resolution for consumers, whilst providing an incentive for utilities to meet key performance standards.

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<sup>27</sup> Eg. Part 2 and Part 3 include (amongst others) obligations around conduct, appointments, complaints, content of notices and notice periods, access to information, billing processes, connection and disconnection.

<sup>28</sup> There is consistency across jurisdictions that GSL payments are not to be considered compensation for damages or loss. A similar purpose to GSL payments is defined in the AER's STPIS GSL (s6.3.3), the QCA's 2020 review of Guaranteed Service levels and ESCOSA's SA Power Networks reliability standards review draft decision.

<sup>29</sup> A person who suffers loss or damage due to a breach of a conduct provision within the NEL, NGL, NERL or their associated Rules and regulations may institute proceedings for damages in a jurisdictional court.

### 3.1.1 The national GSL model for electricity distributors

Under the National Electricity Rules (NER), the AER developed a Service Target Performance Incentive Scheme<sup>30</sup> (STPIS) for electricity distributors.<sup>31</sup> The STPIS includes a component for guaranteed service levels that are only applied if a jurisdictional scheme is not already in place.<sup>32</sup> The scheme is similar to the Code in that it offers payments to customers for service level failings: components include frequency and duration of interruptions, connection times and notice of planned interruptions.

Jurisdictions had developed their own GSL arrangements prior to the AER's STPIS scheme being developed. The AER's GSL scheme is not currently applied or available to customers in the ACT, as the Code is considered a 'jurisdictional GSL scheme'. This is not unusual in the NECF, with other jurisdictions continuing to maintain their own GSL schemes: setting GSL parameters and payment values based upon jurisdictional needs and priorities. Jurisdictional GSL schemes are generally consistent with the AER's model. Please see Appendix 2 for details of jurisdictional GSL schemes.

The minimum service standards in the Code differ from the AER's model GSL scheme.<sup>33</sup> As part of the review of the Code, the Commission will compare the ACT's scheme against the AER's GSL and other jurisdictions and where appropriate, the Commission may seek to align the Code.

The AER's STPIS can be found here: <https://www.aer.gov.au/networks-pipelines/guidelines-schemes-models-reviews/service-target-performance-incentive-scheme-2018-amendment>.

### 3.1.2 Interaction with AER Network pricing determination

The Code is considered a jurisdictional GSL scheme under the National Electricity Rules and the STPIS. Distributors' forecast GSL payments are included in revenue determinations made by the AER.

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<sup>30</sup> AER, *Electricity distribution network service providers Service target performance incentive scheme version 2.0*, November 2018.

<sup>31</sup> An electricity distributor is the company that provides the network (poles and wires), in the ACT this is Evoenergy.

<sup>32</sup> Clause 6.1, AER, *Electricity distribution network service providers Service target performance incentive scheme version 2.0*, November 2018.

<sup>33</sup> Chapter 3.3 contains a comparison of the Code's minimum standards to GSL schemes.



The cost of the current ACT GSL scheme on electricity distribution is minimal, with Evoenergy paying an average of \$2,920 per annum between July 2012 and June 2017.

**Table 3-1 Total rebates paid by Evoenergy between 2012-17**

	2012-13	2013-14	2014-15	2015-16	2016-17
<b>Number of rebates paid</b>	32	56	46	65	93
<b>Total value paid</b>	\$1,600.00	\$2,800.00	\$2,567.00	\$3,250.00	\$4,380.00

Source: Utility Licence Annual Reports submitted to the Commission by ActewAGL Distribution (now Evoenergy)<sup>34</sup>

## 3.2 ACT minimum service standards and rebates

Schedule 1 of the Code has five minimum service standards, covering connection times, complaint responses, responses to network problems, notification of planned interruptions and duration of unplanned interruptions. The ACT's minimum service standards and associated rebates are summarised in Table 3-2 below.

**Table 3-2 Current minimum service standards in the ACT**

Parameter	Threshold	Amount (\$)
Customer Connection Times	If the installation is physically connected to the network; and the customer is entitled to supply then the connection services must be provided: (a) on the same day as the request is made if the request is made before 2:00pm; or (b) by the end of the next Business Day if a request is made after 2:00pm, otherwise, on a day agreed between the customer and the obliged provider.	\$60 per day (max \$300)
Responding to complaints	The obliged provider, upon the receipt of complaint from a customer must: (a) acknowledge the Complaint immediately or as soon as practicable; and (b) respond to the Complaint within 20 Business Days.	\$20
Response time to notification of problem or fault	(a) as soon as practicable or within 6 hours, if the notification relates to damage to, or a fault or problem with the Network which is likely to affect public health, or is causing, or has a potential to cause, substantial damage or harm to a Person or property; or (b) within 48 hours on all other cases	\$60 per day (max of \$300)
Planned Interruptions - notice period	1. A Water and Sewerage Utility must give at least two Business Days notice of a Planned Interruption to a Utility Service to each Premises that will be affected by the interruption. 1A Gas and Electricity Distributors must give at least four business days notice prior to a planned interruption. 2. The notice must contain the following specific requirements:	\$50

<sup>34</sup> Information on the Utility Licence Annual Reports can be found at <http://www.icrc.act.gov.au/utilities-licensing/compliance-and-performance-framework/>.

Parameter	Threshold	Amount (\$)
	<ul style="list-style-type: none"> <li>(a) specify the reason for the interruption and the expected date, time and reasonably anticipated duration of the interruption; and</li> <li>(b) provide either:                             <ul style="list-style-type: none"> <li>i. a business hours telephone number for inquiries; or</li> <li>ii. a 24-hour telephone number for inquiries.</li> </ul> </li> </ul> <p>3. A Utility undertaking a Planned Interruption to a Utility Service must take all steps that are reasonable and practicable to ensure that the duration or the interruption:</p> <ul style="list-style-type: none"> <li>(a) does not exceed the expected duration set out in a notice given to the Premises; and</li> <li>(b) in any event, does not exceed 12 hours.</li> </ul>	
Unplanned Interruptions	a Utility must take all steps that are reasonable and practicable to restore the supply of the relevant Utility Service to affected Premises as soon as possible and, in any event within 12 hours.	\$20

The initial version of the Code had nine minimum service standards, which were consolidated and reduced to five in 2005.<sup>35</sup>

The dollar value of the rebates have not changed since the Code was created in December 2000.

Q4. Are the rebate values for failure to meet the minimum service standards outlined in schedule 1 of the Code still appropriate?
Q5. What is an appropriate methodology to review rebate values? What factors should be considered?

<sup>35</sup> An explanation of the changes to the minimum service standards can be found in the explanatory statement for DI2005-132 [https://www.legislation.act.gov.au/View/es/db\\_17525/20050630-19974/PDF/db\\_17525.PDF](https://www.legislation.act.gov.au/View/es/db_17525/20050630-19974/PDF/db_17525.PDF).

### 3.3 Minimum standards and rebates in other jurisdictions

In order to determine whether the service standards in the Code are still appropriate, it is useful to consider what arrangements are in place in other jurisdictions.

The following sections provide an overview of the minimum standards or GSL schemes in other jurisdictions. For specific information regarding each jurisdictional scheme, please refer to Appendix 2 and Appendix 3.

#### 3.3.1 Electricity Guaranteed Service Level arrangements

Most GSL arrangements focus on connection performance, reliability of supply and the provision of notice to customers for planned interruptions. Table 3-3 illustrates the various GSL arrangements across jurisdictions.

Table 3-3 GSL arrangements in other jurisdictions<sup>36</sup>

GSL parameter	Jurisdiction								
	ACT	AER <sup>a</sup>	NSW	VIC	QLD	TAS	SA	WA	NT
Connection Times	✓	✓	✓	✓	✓		✓	✓	✓
Responding to complaints	✓							✓	
Response to notification of problem (fault)	✓								
Planned Interruptions - notice period	✓	✓			✓			✓	✓
Interruptions - duration (single event)	✓	✓	✓	✓	✓	✓	✓	✓	✓
Reliability - Interruption frequency		✓	✓	✓	✓	✓	✓		✓
Reliability - Interruptions duration (cumulative)		✓		✓					✓
Repair of faulty street lights <sup>b</sup>		✓	✓	✓			✓		
Missed / Timely appointments				✓	✓		✓		✓
Wrongful disconnection				✓	✓			✓	

a. The AER's Service Target Performance Incentive Scheme includes a GSL Payment scheme that could be applied in states that do not have a jurisdictional GSL payments scheme

b. The electricity distributor is not responsible for Streetlight maintenance in the ACT

<sup>36</sup> See Appendix 2 for more detailed information on GSL arrangements in other jurisdictions.

As shown in Table 3-4 below, the value of GSL payments in other jurisdictions are generally similar to those in the ACT, the exception being the value for a single interruption.

**Table 3-4 GSL values in other jurisdictions**

GSL parameter	Jurisdiction								
	ACT	AER	NSW	VIC	QLD <sup>b</sup>	TAS	SA <sup>b</sup>	WA	NT
Connection Times	\$60 (max \$300)	\$50 (max \$300)	\$60 (max \$300)	\$70 (max \$350)	\$57		\$60 (max \$325)	\$60 (max \$300)	\$56.50 (max \$300)
Responding to complaints	\$20							\$20	
Response to notification of problem (fault)	\$60 (max \$300)								
Planned Interruptions - notice period	\$50	\$50			\$28- \$71			\$50	\$56.50
interruptions - duration (single event)	\$20	\$80	\$80 (max \$320)	\$80	\$114	\$80- \$160	\$100- \$605	\$80	\$90- 141
Reliability - Interruption frequency		\$80	\$80 (max \$320)	\$120- \$360	\$114	\$80	\$100- \$200		\$90
Reliability - Interruptions duration (cumulative)		\$100- \$300		\$120- \$360					\$141
Missed / Timely appointments				\$30	\$57		\$25		\$22.50
Wrongful disconnection				\$500 (max \$3500)	\$142			\$100	

a. A range of values indicates multiple service level thresholds. For example, the AER scheme has three thresholds for annual cumulative interruptions (20, 30 & 60 hours), the payment value if the threshold is exceeded is \$100, \$150 & \$300 respectively.

b. The QLD and SA GSL schemes are currently under review.

### 3.3.2 Water and sewerage service arrangements

Customer related standards for water and sewerage services are set by each jurisdictional regulator. Not all jurisdictions have set payments associated with failure to meet specific standards, and the standard and payment value can differ between water utilities in the same state.

Table 3-5 provides an overview of service standards for each jurisdiction.

**Table 3-5 Water & sewerage standards in other jurisdictions**

Service standard	Jurisdiction							
	ACT	NSW	VIC	QLD	TAS	SA	WA	NT
Planned Interruptions - notice period	✓	✓	✓	✓	✓	✓	✓	✓
Planned Interruptions (water) timing during peak hour			✓					
Interruptions - duration (single event)	✓	✓	✓	✓	✓	✓		✓
Reliability - Interruption frequency		✓	✓	✓	✓			
Response to an incident	✓			✓	✓	✓		
Sewer spill / overflow	Partial <sup>a</sup>	✓	✓	✓	✓	✓		✓
Water pressure / flow rates		✓	✓	✓	✓			✓
Water quality		✓		✓		✓		
Connection Times	✓		✓		✓	✓	✓	
Responding to complaints / enquiries	✓		✓		✓	✓	✓	✓

*a. A sewer spill in the ACT would be covered under the 'response to an incident' standard, requiring a response within 6 hours. Other jurisdictions specify a response of 1–2 hours for a sewer spill within a residential property.*

Not all jurisdictions require customers to receive rebates or payments if the performance targets are not met. Table 3-6 provides details of payment values in the ACT, NSW and two Victorian retailers.<sup>37</sup>

**Table 3-6 Water & sewerage minimum service values other jurisdictions**

Service standard	Jurisdiction			
	ACT	NSW <sup>38</sup>	VIC <sup>39</sup>	
			Yarra Valley Water	City West Water
Planned interruptions - notice period	\$50		\$50	\$75
Planned Interruptions (water) timing during peak hour			\$50	\$50
interruptions - duration (single event)	\$20	\$35	\$50	\$75
Reliability - Interruption frequency		Service charge	\$50	\$200
Response to an incident	\$60 (max \$300)			
Sewer spill / overflow <sup>a</sup>		\$60-service charge	\$1000-\$2000	\$75-\$3000
Water pressure / flow rates		\$35	\$77.87	
Water quality		\$35	\$50	
Connection Times	\$60 (max \$300)			
Responding to complaints / enquiries	\$20		\$50	

a. A range of values indicates multiple service parameters. For example, the Yarra Valley Water has three different parameters relating to sewage spills (1 within a house, 2 on a property (not within a house), and 3 A subsequent spill) depending on the scenario the rebate value differs.

Q6. The Code currently outlines the same minimum service standards and rebate values for all utility services (e.g. connection times, maximum interruption duration). Should the minimum service standards and rebates be the same for electricity, gas and water services?

Q7. Are the current minimum service standards appropriate for the ACT? Please indicate where standards may not be appropriate and how they could be improved.

<sup>37</sup> The Victorian *Customer Service Code – Urban Water Businesses* includes approved service standards for 16 water utilities.

<sup>38</sup> Source: Sydney Water Customer Contract, Clause 7.2.

<sup>39</sup> Source: Essential Services Commission *Customer Service Code – Urban Water Businesses*.

## 4 Issues raised by stakeholders

In preparing this issues paper the Commission spoke to a number of stakeholders to gauge their views on potential matters for inclusion in the review. Targeted consultation included meetings with a range of stakeholders from consumer groups, regulated businesses, and government entities such as the Technical Regulator and the ACAT.

### 4.1 Consumer awareness of the Code and availability of rebates

In preliminary discussions, stakeholders raised concerns that many consumers may not know about the Code, the minimum service standards, available rebates and the process for receiving a rebate.

#### 4.1.1 When are customers advised of the minimum service standards?

The electricity and gas deemed standard connection contract<sup>40</sup> and the water and sewerage services connection and supply standard customer contract make references to customers being entitled to the service levels outlined in the Code. The Commission understands that these contracts are sent to new customers when they connect to the relevant network.

There is no requirement under the NERL, or within the Code, for energy retailers to advise customers of the Code in their contracts. In drafting this issues paper, the Commission looked at the market contracts offered by the three retailers in the ACT. Currently one contract mentions the Code.<sup>41</sup>

Minimum service standards or guaranteed service levels in other jurisdictions are published within customer charters and/or on utility websites.<sup>42</sup>

Q8.	How can customers be made adequately aware of the Code and minimum service standards? How often and who should be responsible for making customers aware and what are the appropriate channels (e.g. website, letter, media)?
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<sup>40</sup> This contract is approved by the Australian Energy Regulator. Clause 5.4 (Guaranteed Service Levels) notes that service levels are in accordance with the Consumer Protection Code.

<sup>41</sup> Origin Agreement Terms, Electricity, Green Gas, GreenPower and Natural Gas, April 2018.

<sup>42</sup> See [Victorian Customer Service Code Urban Water Businesses](#) and [Tasmanian Water and Sewerage Industry Customer Service Code](#), also refer [Ergon Energy Network Guaranteed Service Levels](#) and [SA Power Networks Guaranteed Service Level Claims](#).

### 4.1.2 Performance against the minimum service standards

The Commission receives data, through the Utility Licence Annual Report (ULAR),<sup>43</sup> on minimum service standard performance and rebates paid each year from Icon Water and Evoenergy (previously ActewAGL Distribution).<sup>44</sup> The following tables show that utility performance against the minimum service standards is generally good.

However they also show that few customers apply to licensed utilities for a rebate when a standard is not met. Evoenergy (electricity) consistently pays more rebates than are applied for. However they do not match the number of incidents where the standards have not been met.

Table 4-1 Number of rebates claims and number of rebates paid

Utility / service	2012-13			2013-14			2014-15			2015-16			2016-17		
	Claims (no.)	Paid (no.)	Value (\$)	Claims (no.)	Paid (no.)	Value (\$)	Claims (no.)	Paid (no.)	Value (\$)	Claims (no.)	Paid (no.)	Value (\$)	Claims (no.)	Paid (no.)	Value (\$)
Icon Water (water)	10	58	2670	0	0	0	0	1	50	0	0	0	0	0	0
Icon Water (sewerage)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Evoenergy (Electricity)	0	32	1,600	0	56	2,800	0	46	2,567	0	65	3,250	–	93	4,380
Evoenergy (Gas)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>Total</b>	<b>10</b>	<b>90</b>	<b>4,270</b>	<b>0</b>	<b>56</b>	<b>2,800</b>	<b>0</b>	<b>47</b>	<b>2,617</b>	<b>0</b>	<b>65</b>	<b>3,250</b>	<b>0</b>	<b>93</b>	<b>4,380</b>

Source: Utility Licence Annual Reports submitted to the Commission

Table 4-1 above shows that for the five-year period July 2012–June 2017 a total of 10 claims were made for rebates (all to Icon Water), and 351 were paid. The majority (292) of rebates were paid by Evoenergy (electricity). During the same period the minimum service standards were not met for customers by each of the utilities as follows:

- Icon Water: on 2901 occasions (Table 4-2), the majority being for failure to respond to a problem or fault within 48 hours;
- Evoenergy electricity: on 2517 occasions (Table 4-3), the majority relating to notice periods for planned interruptions; and
- Evoenergy gas: on 1381 occasions (Table 4-4), the majority being for failure to respond to a problem or fault within 48 hours.

<sup>43</sup> For information and the latest ULAR, please visit <http://www.icrc.act.gov.au/utilities-licensing/compliance-and-performance-framework/>.

<sup>44</sup> The Commission does not currently gather statistics on energy retailer performance against the minimum service standards. Energy retailers are not ‘licensed utilities’ under the Utilities Act and are not required to submit a Utility Licence Annual Report.



Table 4-2 Icon Water number of instances performance standard not met

Minimum service standard	Parameter	2012–13 (no.)	2013–14 (no.)	2014–15 (no.)	2015–16 (no.)	2016–17 (no.)
<b>Customer connection times</b>	Connection made on same day if request made before 2pm or by the end of next business day	0	0	0	0	0
<b>Responding to complaints</b>	Respond within 20 business days	24	19	38	14	26
<b>Response times (faults)</b>	For a problem that is likely to affect public health or has the potential to cause substantial harm - within 6 hours	1	0	0	0	0
	In all other cases, within 48 hours	562	389	493	353	407
	resolve the problem within the time specified in the response	133	115	124	89	108
<b>Planned interruptions</b>	Provide 2-business days' notice	5	0	0	0	1
	does not exceed 12 hours	0	0	0	0	0
<b>Unplanned interruptions</b>	does not exceed 12 hours	0	0	0	0	0

Source: Utility Licence Annual Reports submitted to the Commission.

Table 4-3 Evoenergy (electricity) number of instances performance standard not met

Minimum service standard	Parameter	2012–13 (no.)	2013–14 (no.)	2014–15 (no.)	2015–16 (no.)	2016–17 (no.)
<b>Customer connection times</b>	Connection made on same day if request made before 2pm or by the end of next business day	0	0	0	0	0
<b>Responding to complaints</b>	Respond within 20 business days	7	14	44	0	2
<b>Response times (faults)</b>	For a problem that is likely to affect public health or has the potential to cause substantial harm - within 6 hours	No data recorded	No data recorded	0	8	0
	In all other cases, within 48 hours	No data recorded	No data recorded	8	5	0
	resolve the problem within the time specified in the response	No data recorded	No data recorded	8	13	0
<b>Planned interruptions</b>	Provide 4-business days' notice	159	377	298	697	84
	does not exceed 12 hours <sup>45</sup>	0	3	18	127	118
<b>Unplanned interruptions</b>	does not exceed 12 hours <sup>46</sup>	No data recorded	153	81	136	92

Source: Utility Licence Annual Reports submitted to the Commission.

<sup>45</sup> These figures represent the total number of customers affected by the interruption.

<sup>46</sup> These figures represent the total number of customers affected by the interruption, and exclude Major Event Days (as defined by the AER).

Table 4-4 Evoenergy (gas) number of instances performance standard not met

Minimum service standard	Parameter	2012–13 (no.)	2013–14 (no.)	2014–15 (no.)	2015–16 (no.)	2016–17 (no.)
<b>Customer connection times</b>	Connection made on same day if request made before 2pm or by the end of next business day	0	0	0	0	0
<b>Responding to complaints</b>	Respond within 20 business days	0	0	0	0	0
<b>Response times (faults)</b>	For a problem that is likely to affect public health or has the potential to cause substantial harm - within 6 hours	0	0	0	0	0
	In all other cases, within 48 hours	266	225	390	306	194
	resolve the problem within the time specified in the response	0	0	0	0	0
<b>Planned interruptions</b>	Provide 4-business days' notice	0	0	0	0	0
	does not exceed 12 hours	0	0	0	0	0
<b>Unplanned interruptions</b>	does not exceed 12 hours	0	0	0	0	0

Source: Utility Licence Annual Reports submitted to the Commission<sup>47</sup>

Electricity GSL schemes in other jurisdictions do not require customers to apply for payment when a service level parameter is triggered. Instead, payments are automatically applied by the distributor. In practice this is usually through the retailer.<sup>48</sup> The Commission received recommendations from the ACT Government's standing committee on public accounts in 2017 relating to the Code, the recommendations included the automatic application of rebates when service levels were not met.

Q9. Should utilities be required to automatically make a payment directly to the account-holder (i.e. via the retailer) when they fail to meet a standard, rather than a customer having to be aware of and apply for a rebate?

<sup>47</sup> For information on Utility Licence Annual Reports please visit <http://www.icrc.act.gov.au/utilities-licensing/compliance-and-performance-framework/>.

<sup>48</sup> AER Electricity distribution network service providers service target performance incentive scheme Clause 6.3.2 'a GSL payment must be made to a customer when the service performance to that customer exceeds the GSL parameter threshold'. See also South Australian Electricity Distribution Code Clause 2.3 'the distributor will pay' and Queensland's Electricity Distribution Network Code Clause 2.3.11 'A distribution entity must use best endeavours to automatically give a GSL payment'. An electricity distributor is able to identify the retailer through meter data.

## 4.2 Electricity reliability payments

Electricity reliability is measured in both the frequency and duration of outages. The Code currently includes rebates for supply outages in excess of 12 hours. The ACT is currently the only NECF jurisdiction that does not have a minimum service standard or GSL, for frequency of interruptions, some jurisdictions also include a parameter for cumulative hours of outages over a year.

According to the AER, the ACT has one of the most reliable electricity networks in Australia, averaging less than 1 outage, and less than 40 minutes off supply, per customer per year.<sup>49</sup> However, concerns were raised with the Commission in regards to electricity reliability after a spike in outages in Gungahlin in 2017.

In 2017, the ACT Government’s standing committee on public accounts made recommendations relating to the Code. One of the recommendations included the introduction of a reliability measure for multiple interruptions over a set period.

The Commission notes that in the AER’s 2019–2024 draft decision the consumer challenge panel observed that Evoenergy’s proposal had focused (in the cost/reliability trade-off) more on reliability than some customers would prefer.<sup>50</sup>

The Commission is mindful that the cost of jurisdictional GSL schemes is included in the AER’s network pricing determinations and any significant change could impact future network pricing.

Q10. Should the ACT include additional reliability measures into the minimum service standards, similar to those in other jurisdictions? Please suggest any appropriate measures you consider should be included and the benefits of including such measures.

## 4.3 Ensuring customers are informed

### 4.3.1 Processes, costs, timeframes and delays

Concerns have been raised with the Commission in relation to the level of consultation with customers regarding, primarily, customer initiated works on property. The concerns relate to the level of information provided to customers regarding processes, anticipated timeframes, associated costs and options to dispute quoted prices, and the timely communication of any delays. These concerns cover a range of projects across utility services, such as smart meter installation delays and connection upgrades for industrial sites. The Commission notes that the AEMC is

<sup>49</sup> AER *Electricity distribution network service provider performance data 2006-2017*, 5 November 2017.

<sup>50</sup> AER *Draft Decision Evoenergy: Distribution Determination, Overview September 2018*, p 8.

currently consulting on national rule changes regarding electricity meter installation timeframes<sup>51</sup> and therefore the Commission will not be addressing meter installation timeframes as part of this review.

Q.11 Are stakeholders receiving adequate information from ACT utility service provide providers regarding processes, timelines costs and dispute mechanisms? Please provide comments on the quality of information and communication practices from ACT utility service providers.
--

## 4.4 Hardship policies and processes

There is currently no requirement in the Code that a utility must have a financial hardship policy. Hardship policy provisions in codes generally cover the requirement for a utility to develop and publish a policy that will identify customers undergoing financial hardship and provide guidance as to its content. The content provisions include items such as assessing capacity to pay, referring customers to financial counsellors and other assistance organisation, hardship payment arrangements, staff training and approval by the regulator.<sup>52</sup>

Electricity and gas retailers are required to have hardship policies under the NERL, therefore energy customers are protected by the AER's enforcement of these provisions.<sup>53</sup> However due to the current drafting of the Code there is no specific requirement for a water retailer to have a policy.<sup>54</sup> Customer service codes and jurisdictional regulations in most other states require water utilities to have a hardship policy.

Q12. Should the Code require water utilities to have a hardship policy, and if so what elements should it cover?
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<sup>51</sup> See <https://www.aemc.gov.au/rule-changes/metering-installation-timeframes>.

<sup>52</sup> Examples of jurisdictional requirements can be found at [South Australian Water Retail Code Major Retailers](#) (Clause 9), [Western Australia Financial Hardship Policy Guidelines for Water Services](#) and [Guidance on AER approval of customer hardship policies](#).

<sup>53</sup> The AEMC is currently consulting on a rule change to strengthen hardship policies.

<sup>54</sup> Clause 13.14 does require a Utility to provide information relating to any hardship program offered. The Commission understands that Icon Water currently offers and applies ActewAGL Retail's Hardship policy to any customers experiencing hardship.

## 4.5 Undercharging and billing practices

### 4.5.1 Undercharging

Undercharging is when a utility discovers that charges issued are inaccurate and do not cover a customer’s actual consumption and appropriate tariff. This can arise in a variety of ways, such as from estimated meter readings,<sup>55</sup> customer tampering or system errors.

Clause 13.10 of the Code specifies the current process for a utility to recover any undercharges to a customer. Under the Code a utility can recover undercharges for a maximum of 12 months. Under the National Energy Retail Rules (NERR)<sup>56</sup> energy retailers are permitted to recover undercharges for a maximum of nine months. The effect is that energy retailers in the ACT can recover undercharges for nine months, and water utilities can recover for 12 months.

Q13. For consistency across utility retail services, should the undercharging provisions in the Code be reduced to nine months?

### 4.5.2 ‘EvenPay’ increases on disputed accounts

In preliminary discussions with stakeholders, concerns were raised regarding the automatic increase of ‘EvenPay’ payments (a type of bill smoothing arrangement) on accounts where there was an estimated and/or disputed account. Bill smoothing is an arrangement where a customer’s average annual consumption is used to determine a pre-payment value (for example fortnightly) so that the customer does not experience bill shock in high use periods. When the customer’s meter is read, and an account issued, the system re-calculates the average usage and pre-payment is adjusted in line with anticipated annual consumption to ensure upcoming accounts will be covered.

The Commission notes that for energy bill smoothing arrangements are regulated under the NERR.<sup>57</sup> However there are no current provisions within the Code that specifically cover bill smoothing for water utilities. The Commission seeks stakeholder views on bill smoothing programs.

Q14. Are bill smoothing provisions required in the Code, including to cover water services? Please provide reasons for your answer.

<sup>55</sup> Estimated meter readings may be necessary in situations where the utility is unable to gain access to read a meter in accordance with regulatory requirements, for example due to locked gates, or data upload/validation errors.

<sup>56</sup> Clause 30.

<sup>57</sup> Part 2, Division 4, Clause 23.

### 4.5.3 Concession application and availability

In stakeholder discussions, concerns were raised regarding the expiration of customer concessions without notice to the customer, resulting in customers not having concessions applied to their accounts. The Commission has been advised by utilities that concession entitlements are managed by external government agencies and that utilities are not provided with notice of individual concessions expiring. The Commission has noted that the ACCC's Retail Electricity Pricing Inquiry Report<sup>58</sup> has recommended that the Council of Australian Governments (COAG) should look to improve concession schemes, with a national approach to electricity concessions and removal of the need for consumers to reapply for concessions.

The Code currently requires utilities to provide information on how to apply for Territory concessions,<sup>59</sup> and also includes provisions for granting Territory concessions.<sup>60</sup>

Q15. Do stakeholders have any specific concerns regarding the current provisions within the Code that relate to the application of concessions?

## 4.6 Other

### 4.6.1 Inspection of assets at customer request

In order to provide a utility service to customers, utilities may have assets on a customer's property such as electricity poles and meters. There is currently no right stipulated within the Code that, if a customer has a concern regarding the asset, such as a safety concern, that they can request the asset to be inspected by the utility. The technical regulator has raised this with the Commission, particularly in respect of internal gas meter installations,<sup>61</sup> but also in respect of general assets on customer's property, suggesting that customer's may require a limited right (such as once per year, upon application) to seek an inspection of assets.

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<sup>58</sup> Chapter 15.

<sup>59</sup> Clause 13.5 (1)(v).

<sup>60</sup> Clause 13.13.

<sup>61</sup> Internal meters are meters that are installed inside a customer's premises (eg. under a sink). This installation practice is no longer permitted under the gas installation rules.

The Commission understands that asset inspections have both a time and cost implication for utilities.

Q16. Are there adequate existing mechanisms for customers to request inspection of utility assets on their property? If not, should asset inspection be covered in the Code and what limitations should be placed on the right (e.g. such as number of inspections over a set timeframe, applying to certain types of assets only)?

#### 4.6.2 Smart Meter installation timeframes

The Commission has not been provided with any evidence or specific advice that there are systemic issues in regards to smart meter installations in the ACT, but is aware of concerns in other jurisdictions. Smart meter installations are currently being considered at the national level by the AEMC, and the Commission is maintaining a watching brief over rule developments in this area.

#### 4.6.3 Consumption charges in unit title properties (SA example)

In South Australia, the Water Retail Code – Major Retailers, has provisions that allow for customers who share a single meter (for example in a strata title property) to be billed individually.<sup>62</sup> In practice, SA Water allows owners corporations to submit a form, accompanied by a unanimous decision of owners, outlining the agreed share of the consumption for each unit owner.<sup>63</sup>

This practice is not available in the ACT (or other jurisdictions). Currently in the ACT, individual unit owners are directly charged the supply fee for water by Icon Water, and water consumption is charged to the bulk water meter owner (the owners' corporation). The owners' corporation will then divide and pass on the consumption charges to individual unit holders in accordance with internal charging processes. An account issued by an owners' corporation is subject to goods and services tax (GST), whereas an account issued directly from a water authority is not. Effectively unit holders are charged GST on water consumption, and single dwelling residences are not; however the GST amounts are small.

It is usual practice in most jurisdictions (apart from South Australia), that the meter owner is responsible for charges associated with consumption. The current Code reflects this and states that a customer's account must be based on a meter reading.<sup>64</sup> The Code does not have provisions that allows for a utility to divide a bulk meter (i.e. strata property) consumption into individual unit allocations. If the Code allowed for such an arrangement, there could be consequential matters that would need to be

<sup>62</sup> Clause 18.4.2.

<sup>63</sup> See <https://www.sawater.com.au/accounts-and-billing/strata-and-community-title-billing>.

<sup>64</sup> Clause 13.

considered, such as ultimate responsibility for unpaid accounts and utility rights to restrict services.

Q17. What type of considerations are relevant to deciding whether there would be a benefit in amending the Code to allow owners' corporations to request water utilities to directly charge usage to unit title owners (similar to the South Australian provisions)?
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#### 4.6.4 Additional priority issues

The Commission invites feedback and information from stakeholders on any additional items that may need to be considered and addressed in the Code review. Stakeholders should provide as much information as possible to assist the Commission in understanding the issue, its impacts, how it could be addressed and any potential cost implications.



## Summary of consultation questions

The questions raised throughout this issues paper are listed below.

Stakeholders are invited to provide submissions on as many individual questions as they wish. If stakeholders do not provide a response to all questions, please clearly note the question in your submission so that the Commission can identify the appropriate issue.

Stakeholders are also invited to provide submissions on any additional priority issues for consideration that have not been identified in this paper.

Submissions should be sent to the Commission with a completed submission cover sheet, which is available on the Commission's website at <http://www.icrc.act.gov.au/submissions/>.

	Question	Page
1.	Do you have any comments on the interaction of the Code with the national electricity customer framework?	7
2.	Should the Code continue to apply to NERL retailers? Please indicate the reasons for your views.	7
3.	Are there any specific areas of the Code that should be amended in relation to NERL retailers? Where possible, please indicate what benefit would be provided by such changes?	7
4.	Are the rebate values for failure to meet the minimum service standards outlined in schedule 1 of the Code still appropriate?	16
5.	What is an appropriate methodology to review rebate values? What factors should be considered?	16
6.	The Code currently outlines the same minimum service standards and rebate values for all utility services (e.g. connection times, maximum interruption duration). Should the minimum service standards and rebates be the same for electricity, gas and water services?	20
7.	Are the current minimum service standards appropriate for the ACT? Please indicate where standards may not be appropriate and how they could be improved.	19
8.	How can customers be made adequately aware of the Code and minimum service standards? How often and who should be responsible for making customers aware and what are the appropriate channels (e.g. website, letter, media)?	21

Summary of consultation questions

9.	Should utilities be required to automatically make a payment directly to the account-holder (i.e. via the retailer) when they fail to meet a standard, rather than a customer having to be aware of and apply for a rebate?	22
10.	Should the ACT include additional reliability measures into the minimum service standards, similar to those in other jurisdictions? Please suggest any appropriate measures you consider should be included and the benefits of including such measures.	25
11.	Are stakeholders receiving adequate information from ACT utility service providers regarding processes, timelines, costs and dispute mechanisms? Please provide comments on the quality of information and communication practices from ACT utility service providers.	25
12.	Should the Code require water utilities to have a hardship policy, and if so what elements should it cover?	26
13.	For consistency across utility retail services, should the undercharging provisions in the Code be reduced to nine months?	27
14.	Are bill smoothing provisions required in the Code, including to cover water services? Please provide reasons for your answer.	27
15.	Do stakeholders have any specific concerns regarding the current provisions within the Code that relate to the application of concessions?	28
16.	Are there adequate existing mechanisms for customers to request inspection of utility assets on their property? If not, should asset inspection be covered in the Code and what limitations should be placed on the right (e.g. such as number of inspections over a set timeframe, applying to certain types of assets only)?	28
17.	What type of considerations are relevant to deciding whether there would be a benefit in amending the Code to allow owners' corporations to request water utilities to directly charge usage to unit title owners (similar to the South Australian provisions)?	29

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# Appendix 1 Codes and regulations in other jurisdictions

Table A1-1 Energy Codes and Regulations in other jurisdictions

Legislation / Code	Comments
<b>Victoria</b>	
<a href="#">Energy Retail Code</a>	
<a href="#">Electricity Distribution Code</a>	
<a href="#">Gas Distribution System Code</a>	
<b>South Australia</b>	
Distribution Code	Individual licence conditions also specify requirements around connections, disconnections, planned interruptions and life support.
<b>New South Wales</b>	
<a href="#">Electricity Supply (General) Regulation 2014</a>	
<b>Queensland</b>	
<a href="#">Electricity Distribution Network Code</a>	
<a href="#">Gas Distribution Network Code</a>	Sets out customer protection provisions for gas infrastructure that is not a distribution system under the national energy retail law
<b>Tasmania</b>	
<a href="#">Guaranteed Service Level (GSL) Scheme 2012 Guideline</a>	
<a href="#">Tasmanian Electricity Code</a>	This code has predominantly been superseded by the national electricity rules, however certain provisions that provide consumer protections are still active.
<a href="#">Tasmanian Gas Distribution Code</a>	
<a href="#">Tasmanian Gas Retail Code</a>	
<b>Northern Territory</b>	
<a href="#">Electricity Industry Performance Code</a>	
<b>Western Australia</b>	
<a href="#">Code of Conduct for the Supply of Electricity to Small Use Customers</a>	
<a href="#">Compendium of Gas Customer Licence Obligations</a>	

**Table A1-2 Water & Sewerage codes & regulations in other jurisdictions**

Legislation / Code	Comments
<b>Victoria</b>	
Customer Service Code Urban Water Businesses	Includes a schedule of approved guaranteed service levels and service standards for each water utility
<b>South Australia</b>	
Water Retail Code – Major Retailers	
<b>New South Wales</b>	
<i>Water Industry Competition (General) Regulation 2008</i>	In addition to the Regulation, utility operating licenses also contain requirements for notice to customers prior to disconnection for non-payment. Service standards for each utility are detailed in standard customer contracts and utility operating licenses.
<b>Queensland</b>	
South East Queensland customer water and wastewater code <sup>65</sup>	
<b>Tasmania</b>	
Tasmanian Water and Sewerage Industry Customer Service Code	
<b>Northern Territory</b>	
Power and Water Corporation is required to comply with the minimum standards set by the Minister in accordance with the terms and conditions of its licence. <sup>66</sup>	Customer and minimum service standards are set out in the Customer Contract.
<b>Western Australia</b>	
Water Services Code of Conduct (Customer Service Standards) 2018	

<sup>65</sup> This code applies to small customers in 5 councils in South East Queensland: QLD Urban Utilities, Unitywater, City of Gold coast, Logan city council, and Redland city council.

<sup>66</sup> For more information visit the Utilities Commission <http://www.utilicom.nt.gov.au/WaterAndSewerage/Pages/Performance.aspx>

## Appendix 2 GSL regimes in other jurisdictions

### A2.1 Australian Energy Regulator

Table A2-1 Australian Energy Regulator GSL payment amounts

Parameter	Threshold	Amount (\$)
Frequency of interruptions	9 or more interruptions (CBD and Urban feeders) 15 or more interruptions (rural feeders)	\$80
Duration of interruptions	12 hours (CBD and Urban feeders) 18 hours (Rural feeders)	\$80
Total duration of interruptions		
Level 1	20 hours or more	\$100
Level 2	30 hours or more	\$150
Level 3	60 hours or more	\$300
Streetlight repair	5 days	\$25
New connections	Connection on or before the day agreed	\$50 per day to a maximum of \$300
Notice of planned interruptions	Less than 4 days (excluding weekends or public holidays)	\$50

Source: AER, *Electricity distribution network service providers – service target performance incentive scheme Version 2.0*, November 2018

### A2.2 New South Wales

Table A2-2 New South Wales GSL payment amounts

Parameter	Threshold	Amount (\$)
Interruption duration	Single interruption longer than 12 hours (metropolitan) 18 hours (non-metropolitan)	\$80 per claim (max \$320)
Interruption frequency	More than four interruptions, of greater than or equal to four hours duration within financial year. (metropolitan)	\$80 per claim (max \$320)
Connection on an agreed date	Connection service not provided on or before the agreed date.	\$60 per day (max \$300)
Streetlight repair	Failure to repay faulty street lighting on or before the date agreed	\$15

Source: Ausgrid, *Deemed Standard Connection Contract* and Ausgrid, *Your rights and guaranteed service levels*.

## A2.3 South Australia

SA Power Networks reliability standards are currently under review. Please refer to <https://www.escosa.sa.gov.au/projects-and-publications/projects/electricity/sa-power-networks-2020-reliability-standards-review> for information on this project. The table below outlines the GSLs in place at the time of release of this issues paper.

**Table A2-3 South Australia GSL payment amounts**

Parameter	Threshold	Amount (\$)
Frequency of interruptions	>9 and ≤12 interruptions	\$100
	>12 and ≤15 interruptions	\$150
	>15 interruptions	\$200
Duration of supply interruption <sup>67</sup>	>12 and ≤15 hours	\$100
	>15 and ≤18 hours	\$150
	>18 and ≤24 hours	\$200
	>24 and ≤48 hours	\$405
	>48 hours	\$605
Timeliness of appointments	No more than 15 minutes late	\$25
Timeliness of connections of a new supply address	On date agreed with customer, or within 6 business days	\$65 per day to a maximum of \$325
Repair of faulty street lights	Urban Within 5 business days	\$25 per 5 business day period
	Country (and other areas) Within 10 business days	\$25 per 10 business day period

Source: Essential Services Commission of South Australia, *Electricity Distribution Code*, January 2018.

<sup>67</sup>.In ESCOSA’s draft decision this standard will be removed and replaced with ‘total annual duration’ payments SA Power Networks reliability standards review – Draft Decision p33-34.



## A2.4 Queensland

The Queensland Competition Authority is currently reviewing the Guaranteed Service Levels that apply to Energex and Ergon Energy. Please refer to <http://www.qca.org.au/Electricity/Industry/Review-of-Minimum-Service-Standards> for information on this project. The table below outlines the GSLs in place at the time of release of this issues paper.

**Table A2-5 Queensland GSL payment amounts**

Parameter	Threshold	Amount (\$)
Wrongful disconnection	When disconnection wrongful under the electricity legislation	\$142
Planned interruptions	Notice of a planned interruption to supply not given	
	Residential customers	\$28
	Small business customers	\$71
Reliability – interruption duration	CBD feeder >8 hours	\$114
	Urban or short rural feeder >18 hours	
	Long rural or isolated feeder >24 hours	
Reliability – interruption frequency	Number of interruptions in a financial year. <sup>68</sup>	\$114
	Energex: CBD and urban feeders 10 interruptions	
	short rural feeder 16 interruptions	
	Ergon Energy: urban feeder 13 interruptions	
short rural, long rural and isolated feeders 21 interruptions		
Connection	Connection not provided by the agreed date	\$57 per day
Reconnection	CBD / Urban feeders - If request is made to retailer by 12pm on a business day, reconnection on the same day, otherwise by the next business day or as otherwise agreed with the customer	\$57 per day
Hot water supply	Failure to attend to customer's premises within the time required (within one business day for CBD or rural feeders)	\$57 per day
Appointments	Failure to attend appointments on time	\$57

Source: Electricity Distribution Network Code QLD

<sup>68</sup> A customer is not entitled to more than one GSL payment under the Electricity Distribution Network Code, clause 2.3.9(a)(ii) in a financial year.

## A2.5 Northern Territory

Table A2-6 Northern Territory GSL payment amounts

Parameter	Threshold	Amount (\$)
Reliability - interruption duration (single event)	>12 hours and ≤ 20 hours	\$90 per event
	>20 hours	\$141 per event
Reliability - frequency of interruptions	> 12 interruptions in a financial year	\$90 per financial year
Cumulative duration of interruptions	> 20 hours of interruptions in a financial year	\$141 per financial year
Time for establishing a connection Re-connection	within 24 hours of receipt of notice	\$56.50 per day (max \$300)
New connection (excluding connections requiring network extension or augmentation)	within 5 business days of receipt of valid electrical certificate of compliance.	
Time for giving notice of planned interruptions	At least 2 business days' notice prior to the commencement of the day upon which the planned interruption will occur	\$56.50
Keeping appointments	Within 30 minutes of the time agreed with the small customer	\$22.50

Source: Utilities Commission (NT), 2019-20 onwards *Guaranteed Service Levels*

## A2.6 Tasmania

Table A2-4 Tasmania GSL payment amounts

Parameter	Threshold	Amount (\$)	
Reliability: Outages frequency Urban, High density commercial, Critical infrastructure	10 outages	\$80	
	Higher density rural		
	Lower density rural		
Single outage duration Urban, High density commercial, Critical infrastructure	8 hours	\$80	
	16 hours	\$160	
	Higher density rural	8 hours	\$80
		16 hours	\$160
	Lower density rural	12 hours	\$80
		24 hours	\$160

Source: Office of the Tasmanian Economic Regulator, *Guaranteed Service Level (GSL) Scheme, guideline*, July 2012.

## A2.7 Western Australia

Table A2-7 Western Australia GSL payment amounts

Parameter	Threshold	Amount (\$)
Re-connection times		
Metropolitan area	within 1 business day of receipt request (business day prior to 3pm) within 2 business days of receipt of the request (after 3pm on a business day, weekends, or public holiday)	\$60 per day (max \$300)
Regional area	within 5 business day of receipt request (business day prior 3 pm) within 6 business days of receipt of the request (after 3pm on a business day, weekends, or public holiday)	
Wrongful disconnection	Customer is wrongfully disconnected (applies to retailers and distributors)	\$100 per day
Disconnection notices	retailer must give customer: a reminder notice - not less than 15 business days from the date of dispatch of the bill; and disconnection warning - at least 20 business days from the dispatch of the bill that contains a notice of disconnection within 5 days.	\$100 per day
Responding to complaints	retailer or distributor must acknowledge written complaint within 10 business days; and respond to the complaint by addressing the matters within 20 business days	\$20 for each written complaint; \$50 from Western Power

Source: Economic Regulation Authority of Western Australia, *Code of conduct for the supply of electricity to small use customers 2018*, Sec 14.

Western Power service standards		
Time for giving notice of planned interruptions	At least 72 hours notice prior to the commencement the planned interruption	\$50
Reliability - interruption duration (single event)	Customers affected by power outages lasting 12 continuous hours or more	\$80
Responding to complaints	retailer or distributor must acknowledge written complaint within 10 business days; and respond to the complaint by addressing the matters within 20 business days	\$50

Source: Western Power service standards <https://westernpower.com.au/faults-outages/make-a-claim/>

## A2.8 Victoria

Table A2-8 Victoria GSL payment amounts

Parameter	Threshold	Amount (\$)
Annual duration of unplanned Interruptions		
Level 1	more than 20 hours	\$120
Level 2	more than 30 hours	\$180
Level 3	more than 60 hours	\$360
Duration of Individual interruption (where customer has experienced 20 hours or less of unplanned interruptions in a year)		
CBD or urban feeder	more than 12 hours	\$80
Rural feeder	more than 18 hours	\$80
Annual frequency of unplanned interruptions		
Level 1	more than 8	\$120
Level 2	more than 12	\$180
Level 3	more than 24	\$360
Annual frequency of momentary interruptions		
Level 1	More than 24 hours	\$30
Level 2	More than 36 hours	\$40
Appointments	where distributor is more than 15 mins late for an appointment	\$30
Connection time	where customer is not connected by agreed date	\$70 (max of \$350)
Faulty streetlights	where distributor owned street light is not repaired within 2 business days after notification	\$25
Wrongful disconnection <sup>69</sup>	where customer is wrongfully disconnected	Regulator's prescribed amount; or if no amount prescribed \$500 per day (max \$3,500)

Source: Essential Services Commission Victoria, *Review of the Victorian Electricity Distributor's Guaranteed Service Level Payment Scheme - Final Decision*, December 2015; and *Energy Legislation Amendment (Consumer Protection) Act 2015* (VIC)

<sup>69</sup> Part 2 (9) *Energy Legislation Amendment (Consumer Protection) Act 2015* (VIC)

## Appendix 3 Water & sewerage minimum standards in other jurisdictions

### A3.1 New South Wales

Table A3-1 New South Wales (Sydney) minimum standards

Standard	Target	
Water pressure standard	no more than 6,000 Properties experience a Water Pressure Failure (the Water Pressure Standard).	
Water Continuity Standard	i) no more than 40,000 Properties experience an Unplanned Water Interruption that lasts for more than five continuous hours; and ii) no more than 14,000 Properties experience three or more Unplanned Water Interruptions that each lasts for more than one hour (the Water Continuity Standard).	
Wastewater Overflow Standard	i) no more than 14,000 Properties (other than Public Properties) experience an Uncontrolled Wastewater Overflow in dry weather; and ii) no more than 175 Properties (other than Public Properties) experience three or more Uncontrolled Wastewater Overflows in dry weather (the Wastewater Overflow Standard).	
<b>Schedule 4 - Customer Contract standards</b>	<b>Service parameter</b>	<b>rebate value</b>
Planned interruptions	We will inform you of the time and duration of any planned interruption, at least two days in advance if you are a residential customer, and seven days in advance if you are a non-residential customer, unless you agree to another period Where your water supply service and/or your wastewater service is interrupted for over five hours by a planned interruption.	\$35
Unplanned interruption	Where your water supply and/or your wastewater service is interrupted for over five hours by an unplanned interruption	\$35
Low water pressure	Where your drinking water pressure is below 15 metres head of pressure at the point of connection to our water system for a continuous period of 15 minutes, unless as a result of a supply interruption. This rebate is payable for one event each quarter.	\$35
Wastewater overflow	If you experience a wastewater overflow on your property due to a failure of our wastewater system.	\$60
Dirty water	If we do not provide you with clean water suitable for normal domestic purposes.	\$35
Boil water alert	If NSW Health issues a 'boil water alert' due to contamination of drinking water caused by us	\$35
Rebates for recurring unplanned interruptions	If you are a customer and experience three or more unplanned interruption events to your property that last for over one hour in a 12 month period	service charge
Rebates for recurring wastewater service disruption or internal wastewater overflows	If you are a customer and experience two or more wastewater service disruptions or internal wastewater overflows on your property in a 12 month period due to capacity constraints in our system	service charge

Source: IPART, Sydney Water Corporation Operating Licence 2015-2020

## A3.2 South Australia

Table A3-2 South Australia water service standards

Service area	Service Standard
Planned interruptions	A retailer must provide a customer with at least 4 business days, unless otherwise agreed with the customer, notice of any planned interruption
Connection (reconnection or removal of flow restriction)	Where a retailer is obliged to arrange for the reconnection or removal of a flow restriction in respect of the supply of water services and the customer has satisfied the requirements before 12 pm on a business day, the retailer must arrange for the reconnection or the removal of the flow restriction on the day of the request in metropolitan Adelaide
<b>Schedule 1: Service standards</b>	
Customer service and complaint handling	Answer 85 percent of telephone calls within 30 seconds
	Respond to 95 percent of written complaints within the required timeframes (Required timeframes: complaints that do not require investigation = 10 business days; complaints that require investigation = 20 business days)
	Respond to 96 percent of water quality complaints in metropolitan Adelaide within the required timeframes (Required timeframes: Priority 1 = 1 hour; Priority 2 = 2 hours; Priority 3 = 48 hours)
	Respond to 99 percent of water quality complaints in regional areas of South Australia within the required timeframes (Required timeframes: Priority 1 = 1 hour; Priority 2 = 2 hours; Priority 3 = 48 hours)
Connection services	Process 95 percent of connection applications within 20 business days
	Construct 95 percent of water connections within the required timeframes (Required timeframes: standard installation = 25 business days; non-standard installation = 35 business days)
	Construct 90 percent of sewerage connections within the required timeframes (Required timeframes: standard installation = 30 business days; non-standard installation = 50 business days)
	Process 99 percent of trade waste applications within 10 business days
Field crew attendance at the site of service issues in the Adelaide metropolitan area	Attend 99 percent of water network breaks, leaks and bursts in the Adelaide metropolitan area within the required timeframes (Required timeframes: Priority 1 = 1 hour; Priority 2 = 5 hours)
	Attend 99 percent of sewerage network overflows in the Adelaide metropolitan area within the required timeframes (Required timeframes: inside building = 1 hour; outside building on customer's property = 2 hours; external to customer's property = 4 hours)
Service restoration and clean-up in the Adelaide metropolitan area	Perform 99 percent of water network service restorations in the Adelaide metropolitan area within the required timeframes (Required timeframes: Category 1 = 5 hours; Category 2 = 8 hours; Category 3 = 12 hours)
	Perform 95 percent of sewerage network service restorations in the Adelaide metropolitan area within the required timeframes (Required timeframes: Category 1 = 5 hours; Category 2 = 5 hours; Category 3 = 12 hours; Partial loss of service (such as slow drainage of sewage) = 18 hours)
	Perform 98 percent of sewerage network overflow clean-ups in the Adelaide metropolitan area within the required timeframes (Required timeframes: inside building = 4 hours; outside building on customer's property = 6 hours; external to customer's property = 8 hours)

Source: Water Retail Code – Major Retailers (SA) and Schedule 1 Service Standards

## A3.3 Northern Territory

Table A3-3 Northern Territory minimum standards

Performance indicator	Minimum Standard
<b>Customer issues</b>	
Special health need	Provide five days advance notice of any planned interruptions
Supply disconnection	Provide five days written warning when disconnecting due to failure to pay accounts, unless a prior payment arrangement has been made
Queries	Respond within five working days
Meter tests	Arrange test within five days of request
<b>Water</b>	
Water quality	Monitor the quality of drinking water against a drinking water monitoring program, agreed with the Department of Health and Families and report the results to the Chief Health Officer
Water flow and pressure	Minimum flow rate of 20 litres/minute (DN 20 service) and minimum water pressure at the mains tap 15m head
Planned interruption	Two days advance notice
Restore water service after unplanned interruption	95% within five hours
Water service reliability	
• Unplanned interruptions (average duration):	
◦ Darwin	Two hours
◦ Alice Springs	Two hours
• Planned interruptions (average duration):	
◦ Darwin	3.1 hours
◦ Alice Springs	3.1 hours
<b>Sewerage</b>	
Sewer spill in residence:	
• Notice from a plumber that the fault is due to Power and Water's sewer	Attend within one hour
• Notice or advice of a spill occurring from a Power and Water sewer	Attend within one hour
• Restore sewerage after unplanned interruptions	97.5% within five hours
Sewerage service system reliability (average duration of unplanned interruption):	
• Darwin	Three hours
• Alice Springs	Three hours

Source: Power and Water Corporation, *Customer Contract*

## A3.4 Tasmania

Table A3-4 Tasmanian minimum service standards

Service provisions with Customer Service Code	
<b>Connection</b> A regulated entity must connect to a property that is owned or occupied by a person within 10 business days, or such later date as agreed between the regulated entity and the person	
<b>Flow rates</b> A regulated entity must ensure that a customer's water supply is at least equal to minimum flow rates	
<b>Complaints</b> the regulated entity will take no more than 10 business days to provide a reply to a customer's complaint	
<b>Planned interruptions – notice</b> Special needs / life support - at least four business days before a planned interruption unless a longer period of notice is requested by a customer	
Schedule 1: Minimum Service Standards	2018-19 Target
Water main breaks (no. per 100km of water main)	35
Percentage of response times within 60 minutes to attend Priority 1 bursts and leaks	90%
Percentage of response times within 180 minutes (3 hours) to attend Priority 2 bursts and leaks	90%
Percentage of response times within 4320 minutes (3 days) to attend Priority 3 bursts and leaks	90%
Incidence of unplanned interruptions – water (no. per 1,000 properties)	170
Incidence of planned interruptions – water (no. per 1,000 properties)	20
Average duration of an unplanned interruption – water (minutes)	180
Average duration of a planned interruption – water (minutes)	180
Percentage of unplanned water supply interruptions restored within 5 hours	94%
Percentage of planned water supply interruptions restored within 5 hours	90%
Percentage of non-revenue water (of total sourced potable water) (unaccounted for water)	28%
Sewerage mains breaks and chokes (no. per 100km of sewer main)	65
Percentage of response times within 60 minutes to attend sewer spills, breaks and chokes	85%
Percentage of sewage spills contained within 5 hours	99%
Total water and sewerage complaints (no. per 1,000 properties)	11
Water and sewerage complaints to the Ombudsman (no. per 1,000 properties)	0.5
Percentage of calls answered by an operator within 30 seconds	85%

Source: Tasmanian Water and Sewerage Industry Customer Service Code 2018 (TAS)



## A3.5 Queensland

The *South East Queensland Customer Water and Wastewater Code (QLD)* sets out general requirements including notices for planned interruptions and requirements for providers in setting service standards.

**Table A3-5 South East Queensland service standards**

<p><b>Water quality</b> We will supply you with safe and clean drinking water</p> <p><b>Standard:</b> Safe and clean drinking water that continually complies with Australian Drinking Water Guidelines</p> <p><b>Standard:</b> Less than or equal to six water quality complaints per 1000 properties per year</p>
<p><b>Water service reliability</b> We will provide you with a reliable water supply that meets your needs.</p> <p><b>Standard:</b> Less than or equal to 100 unplanned water interruptions per 1000 properties per year</p> <p><b>Standard:</b> 39 water main breaks per 100 km of water main per year</p>
<p><b>Responding to interruptions</b> We will respond to water and sewerage incidents as soon as possible.</p> <p><b>Standard:</b> Respond to urgent incidents in less than one hour, on 80% of occasions.</p> <p><b>Standard:</b> Respond to non-urgent incidents in less than 24 hours, on 80% of occasions.</p>
<p><b>Restoration of supply</b> If there is an interruption to your water supply or sewerage service, we will work to restore service as soon as we can.</p> <p><b>Standard:</b> Restore in less than five hours on 90% of occasions</p>
<p><b>Sewerage service reliability</b> We will provide a reliable sewerage network that safely removes sewage and minimises impacts on the environment and our customers</p> <p><b>Standard:</b> 30 sewerage main breaks and chokes per 100 km of sewerage main per year.</p>
<p><b>Water Pressure</b> We will provide you with water pressure that meets our minimum standards.</p> <p><b>Standard:</b> Not less than 10 metres head of water in designated trickle feed areas and designated lower pressure areas where properties are likely to require a private pressure booster pump as part of their plumbing.</p> <p><b>Standard:</b> Not less than 21 metres head of water in all other areas.</p>
<p><b>Water Flow</b> We will provide you with water flow that meets our minimum standards.</p> <p><b>Standard:</b> 25 litres per minute in all areas except those designated as trickle feed</p> <p><b>Standard:</b> 3.2 litres per minute in trickle feed areas.</p>
<p><b>Interruptions</b> Service providers must give at least 2 business days' notice</p> <p>Service providers must give small customers and other occupants with special needs at least 4 business days' notice before a planned interruption</p>

Source: Queensland Urban Utilities, *Residential Customer Charter*

## A3.6 Western Australia

Table A3-6 Western Australia service standards

<p><b>Service Interruption</b> Must give 48 hours notice of any planned service interruption to each customer that will be affected by the service interruption.</p>
<p><b>Complaints</b> Must have a written procedure in relation to investigating and dealing with complaints that must provide for resolving a complaint within 15 business days.</p>
<p><b>Connections</b> A standard supply connection must be completed before the end of the period of 10 business days</p>
<p><b>Re-connection / restoration events (supply after non-payment)</b> Within Metropolitan area: if the restoration event occurs before 3 pm on a business day, by the next business day; or if the restoration event occurs at any other time, within the next 2 business days,  Outside metropolitan area: if the restoration event occurs before 3 pm on a business day, within the next 2 business days; and if the restoration event occurs at any other time, within the next 3 business days,</p>

Source: *Water Services Code (Customer Service Standards) 2018 (WA)*

## A3.7 Victoria

The *Customer Service Code: Urban Water Businesses 2018* (VIC) contains general requirements including requirements to connect, notices for planned interruptions approved guaranteed service levels for 16 water utilities. Two water utility GSL schemes have been included below.

**Table A3-7 Victoria service standards**

Service provisions with Customer Service Code		
<b>Connection</b> A water business must connect to a property that is owned or occupied by a person within 10 business days, or such later date as agreed between the regulated entity and the person		
<b>Complaints</b> the regulated entity will take no more than 10 business days to provide a reply to a customer's complaint		
<b>Flow rates</b> A water business must ensure that a customer's water supply and recycled water supply is at least equal to minimum flow rates specified in the water business's approved service standards		
<b>Planned interruptions – notice</b> A water business must inform affected customers in writing of the time and duration of any planned interruption to a service at least two business days in advance.  Special needs / life support - at least four business days before a planned interruption unless a longer period of notice is requested by a customer		
Approved Service level obligation	Yarra Valley Water payment value	City West Water payment value
Customer's planned water or sewerage service interruption exceeds 5 hours	50	
Customer's planned water or sewerage interruption is longer than advised	50	
Customer is not provided at least (1 weeks' [Yarra] / 2 days [City West]) notice of a planned water interruption	50	75
Customer experiences a planned (water supply [Yarra]) interruption during peak hours (5am to 9am and 5pm to 11pm)	50	50
Customer's water service is not restored within (4 hours [Yarra] / 5 hours [City West]) of an unplanned event occurring	50	100
Customer's water service is not restored within 12 hours of an unplanned event occurring	50	
Customer experiences more than 5 unplanned water or sewerage interruptions in total within any 12 month period	50	
No more than 3 unplanned water interruptions within any 12 month period		100
No more than five unplanned water supply interruptions in a 12 month period.		200
No more than three sewerage service interruptions in a 12 month period		100
Customer water flow does not meet minimum standard	77.87	
Sewage spill within a customer's house is not contained within 1 hour of notification	1000	3000
Customer experiences a subsequent sewage spill in their house that is not contained within 1 hour of notification in a 12 month period	2000	

Sewage spill (within a customer's property [Yarra]) is not contained within (4 hours [Yarra] / 5 hours [City West])	1000	75
Customer experiences a subsequent sewage spill in their property that is not contained within 4 hours in a 12 month period	2000	
Customer's sewerage service is not restored within (4 hours [Yarra] / 5 hours [City West]) of an unplanned event occurring	50	75
Customer's sewerage service is not restored within 12 hours of an unplanned event occurring	50	
Customer experiences more than 3 unplanned sewerage service interruptions within any 12 month period	50	
Customer's letter or contact is not responded to within 4 days	50	
Customer experiences more than 2 separate water quality related issues in 12 months	50	
Not restricting the water supply of, or taking legal action against, a residential customer prior to taking reasonable endeavours (as defined by the Essential Services Commission) to contact the customer and provide information about help that is available if the customer is experiencing difficulties paying	300	300

Source: *Customer Service Code: Urban Water Businesses 2018* (VIC)