

Independent Pricing and Regulatory Tribunal of NSW

and

Energy & Water Ombudsman NSW

Memorandum of Understanding

September 2013

Introduction

This memorandum of understanding (MOU) sets out arrangements to promote effective communication, cooperation and coordination between the Energy & Water Ombudsman NSW (EWON) and the Independent Pricing and Regulatory Tribunal (IPART). IPART and EWON have entered into this MOU to avoid duplication of effort and to ensure a consistent approach between them on common issues. IPART and EWON intend to work together to ensure that they are successful in managing consumer protection issues.

This MOU is a public document and communicates, in a transparent way to all stakeholders, the administrative arrangements that operate between EWON and IPART.

Parties to the MOU

Independent Pricing and Regulatory Tribunal (IPART)

The Independent Pricing and Regulatory Tribunal of NSW (IPART) is established under the *Independent Pricing and Regulatory Tribunal Act 1992*. Among other things, IPART is responsible for administering electricity distribution network service provider (DNSP) licences and gas reticulation authorisations in NSW. It is also responsible for the licence administration and compliance regulation of large public water utilities and private water utilities licensed under the *Water Industry Competition Act 2006*. In administering these licences, IPART's role includes monitoring compliance with licence and authorisation conditions and reporting to the relevant Ministers on these issues.

Energy & Water Ombudsman NSW (EWON)

The Energy & Water Ombudsman NSW (EWON) is the approved dispute resolution scheme for all New South Wales electricity and gas customers and some water customers. EWON'S Constitution gives it the power to receive, investigate and facilitate the resolution of customer complaints against electricity, gas and water providers which are members of the ombudsman scheme.

All electricity and gas retailers and distributors who supply small retail customers, all public water authorities with specific reference in their operating licence or Act and all private water utilities covered by the *Water Industry Competition Act 2006* and who operate in NSW are required to be members of the EWON scheme. EWON's jurisdiction also covers complaints by customers of electricity suppliers that are exempt from holding a retail authorisation and complaints against marketers acting for energy retailer authorisation holders.

Working arrangements

Handling consumer complaints

EWON is the main body for handling customer complaints, even those that may be about compliance with a licence or authorisation condition. IPART is responsible for monitoring and

reporting to the relevant Minister on electricity DNSP, gas reticulator, and water businesses' compliance with their licence and authorisation conditions. IPART can act directly to enforce licence or authorisation conditions, or can make recommendations to the Minister on enforcement.

IPART and EWON agree to establish working procedures to ensure efficient and effective administration and communication in dealing with:

- a) consumer complaints
- b) referral of licence or authorisation enforcement issues arising from those complaints.

Notification, consultation and exchanging information

IPART and EWON recognise the importance of mutual consultation when their responsibilities overlap, but also recognise that decisions must be made independently. Subject to the 'Information management' section below, where appropriate, IPART and EWON will endeavour to:

- a) notify each other of any activities that may be relevant to the other party, and keep each other informed of the progress of those matters. This could include:
 - i. compliance and enforcement activities and licence and authorisation arrangements relevant to energy distribution and water businesses or consumers in NSW;
 - ii. reports on systemic and compliance issues arising from consumer complaints about individual energy distribution or water businesses.
 - iii. reports on the energy or water industries;
 - iv. changes to regulatory instruments.
- b) provide each other with copies of publications that may be relevant to the other organisation. It may also be appropriate to provide an advance copy of, and briefing on, the publication prior to its general release.
- c) where a publication (such as a report or web page) by one party refers to another, provide that party with an opportunity to comment on the reference prior to the finalisation and general release of the publication.

Meetings

IPART and EWON staff will meet at six monthly intervals, or as otherwise agreed and necessary, to discuss matters of common interest including:

- a) updates and reports on consumer complaints that may demonstrate systemic issues, emerging trends or general consumer concerns about energy distribution or water issues

- b) performance of companies in the energy distribution and water industries and their compliance with their licence conditions
- c) information about any existing or proposed activities being undertaken by each party that may be of interest to the other party
- d) review of the referral of complaints and enquiries between the parties
- e) reports on any other developments that may impact on the other party
- f) information on issues that are within the responsibility of their organisation.

Information management

IPART and EWON agree to share information (subject to legal constraints, including State and Federal Privacy Laws and confidentiality obligations) necessary to enable both bodies to carry out their respective functions in a proper manner. IPART and EWON recognise that they each have obligations in relation to the protection of information and will take reasonable steps to protect any confidential information and personal information from any unauthorised use or disclosure.

IPART and EWON agree to give each other reasonable notice of information required from each other, wherever possible.

Management of the MOU

IPART and EWON will each nominate liaison officers to serve as points of contact in relation to matters arising under this MOU and be responsible for general liaison under this MOU.

The Ombudsman and Chief Executive Officer of IPART will meet as necessary to assess the operation of this MOU and to discuss matters arising under the MOU.

IPART and EWON will initiate a review of this MOU by no later than 30 June 2015.

This MOU is not intended to be legally binding on either party.

Signed: _____

Pamela Soon
Acting CEO, IPART

Signed: _____

Clare Petre
Energy & Water Ombudsman NSW