



# Notice

31 January 2018

## **2016-17 Review of the *Water Services Code of Conduct (Customer Service Standards) 2013***

### **PUBLICATION OF FINAL DECISION**

The Economic Regulation Authority (ERA) has released its [final decision](#) on the 2016-17 review of the *Water Services Code of Conduct (Customer Service Standards) 2013* (2013 Code).

The 2013 Code will be repealed and replaced with the *Water Services Code of Conduct (Customer Services Standards) 2018* (2018 Code). The 2018 Code will commence on 1 July 2018.

The 2018 Code takes into account the public submissions the ERA received from stakeholders in response to its draft decision, as well as the letters of advice it received from the Water Code Consultative Committee.

The final decision explains the amendments the ERA has made to the Code. A copy of the 2018 Code is attached to the final decision along with a marked-up version showing the differences between the 2013 Code and the 2018 Code.

The Code is an integral component of the protection framework for water customers and covers areas such as billing, connection, metering, financial hardship and complaints. Many of the amendments introduce new, or clarify existing, protections for customers. The ERA will also remove some provisions from the Code.

### **BACKGROUND**

#### **Improving safeguards for customers**

The 2018 Code includes important new safeguards for customers.

##### ***Payment plans***

Licensees will have to take into account a customer's capacity to pay and consumption history when setting the conditions of a payment plan for customers that are experiencing payment difficulties or financial hardship. This will make it more likely that customers will be able to meet the conditions of their payment plan.

### **Reminder and restriction notices**

Licensees will be required to send their customers a reminder notice and a restriction notice before supply may be reduced or cut off.<sup>1</sup> The notices must advise customers of their rights and responsibilities.

### **Life support**

Licensees will have to keep a register of persons who need water to operate a dialysis machine or other life support equipment.<sup>2</sup> Supply may not be restricted to persons who are on the register, regardless of whether they are the account holder or not.

### **Contracting out of the Code**

Residential customers will no longer be allowed to contract out of the Code. This amendment will ensure that the Code's minimum service standards always apply to residential customers.

Non-residential customers will continue to be able to contract out of all provisions of the Code.<sup>3</sup>

## **Removing unnecessary regulatory burden**

Some amendments aim to remove unnecessary regulatory burdens for licensees, for example:

- The Code no longer applies to irrigation and drainage services.
- Licensees that do not charge for the provision of water services do not have to comply with those parts of the Code that relate to billing and payment.
- Local government licensees do not have to comply with the Code to the extent that the Code is inconsistent with the *Local Government Act 1995*.

## **Matters not addressed in the 2018 Code**

### **Service standard payments**

Service standard payments compensate customers for inconvenience experienced, and also provide an incentive for licensees to meet certain core service standards. However, licensees incur costs in administering and making these payments to customers. The ERA considers that, at present, those costs outweigh the benefits and has therefore decided not to include service standard payments in the 2018 Code. The ERA will revisit the issue as part of the next Code review.

### **Pre-payment meters**

The ERA received two public submissions proposing changes to the Code to allow the use of prepayment water meters in regional and remote Aboriginal communities. The ERA considers that the use of prepayment water meters raises some complex issues, including concerns about health and safety and the technical capabilities of water meters.

The ERA considers that the current review process does not provide the ERA and stakeholders with sufficient time to consider all of the issues involved. The ERA would like to consult more widely before considering whether to amend the Code to permit the use of pre-payment meters.

A more detailed discussion of this matter is in the final decision.<sup>4</sup>

---

<sup>1</sup> Under the 2013 Code, licensees were not required to advise their customers in writing that their supply may be reduced or cut off. They were only required to use best endeavours to inform customers 'in person, by telephone or electronic means' that their supply may be reduced.

<sup>2</sup> Persons who require water 'for a special need of another kind' must also be included on the preserved supply register.

<sup>3</sup> Where a non-residential customer is letting a property to a residential tenant they are not allowed to contract out of clause 37(1)(h), which deals with restricting the supply of water to a property.

<sup>4</sup> Refer to paragraphs 548 to 563.

## Public consultation

On 26 September 2017, the ERA published its draft decision for public comment.<sup>5</sup> The draft decision set out the amendments the ERA proposed to make to the Code, and included a copy of the proposed revised Code.

The ERA received six submissions on its draft decision from:

- Aqwest (Bunbury Water Corporation)
- Busselton Water
- Midland Information Debt and Legal Advocacy Service Inc (MIDLAS)
- Rio Tinto Pty Ltd
- WA Council of Social Service (WACOSS)
- Water Corporation

The submissions are in Appendices 3 to 8 of the final decision.

For further information contact:

**Media Enquiries**

Richard Taylor  
Riley Mathewson  
Work: 08 9381 2144  
Mobile: 0451 471 006  
Email: [rjt@rmpr.com.au](mailto:rjt@rmpr.com.au)

**General Enquiries**

Paul Reid  
Economic Regulation Authority  
08 6557 7976  
0415 602 718  
[records@erawa.com.au](mailto:records@erawa.com.au)

---

<sup>5</sup> The draft decision is available at: <https://www.erawa.com.au/water1/water-licensing/water-services-code-of-conduct-customer-service-standards-2013/2016-2017-code-review>.