

Customer Service Charter Guidelines

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Economic Regulation Authority



WESTERN AUSTRALIA

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1 What are the Customer Service Charter Guidelines?

Western Australian gas, electricity and water companies are required to produce a charter. Electricity and water licensees are required to review their charter at regular intervals specified in the licence and submit the reviewed charter to the Authority for review in the case of electricity and for approval in the case of water.

The charter guidelines provide information on;

- the minimum requirements for charters in each of these industries;
- the guidelines for the review of charters, where review is required; and
- an explanation of the process that will be employed by the Authority in reviewing charters in the case of electricity and approving charters in the case of water.

2 What is a Customer Service Charter?

A charter can be broadly defined as a published statement containing:

- a list of customer entitlements;
- details regarding a licensee's services; and
- information relevant to the relationship between the customer and the licensee.

Charters have a range of purposes which may include customer education and the differentiation of service providers in a competitive market. The benefit derived from a charter is usually commensurate with the effort invested by the licensee in the development and review process.

In the energy industry, licensees are required to produce, and have approved by the Authority, a standard form contract. The standard form contract is the principle document that establishes the terms and conditions of the relationship with customers. In the water industry, where there is no approved standard form contract, the charter developed by water licensees represents the principle document governing the relationship between licensee and customer.

These guidelines provide the minimum content requirements for charters. Licensees may choose to provide additional information about matters such as safety within their charters, however, this is an internal business matter for the licensee.

3 Charters in the Gas Industry

The gas licence specifies that the charter must include at least a statement of the general principles upon which it will provide services to small use customers.

Further, it is a condition of the gas trading licence that a licensee must use its best endeavours to maintain a level of customer service at least consistent with the customer service code. The customer service code, until the Coordinator (Authority) approves another, is the Australian Gas Association Natural Gas Customer Service Code AG 755-1998 (AGA Code).

The AGA Code requires that a supplier shall prepare a customer charter and/or a standard form contract¹.

The AGA Code (s1.2) specifies that the charter should:

- summarise the AGA Code and any greater benefit which a supplier provides to a customer;
- include a reference to Authority or Authorities relevant for that supplier; and
- be in plain language and a format easily understood by customers.

The licence provides that the licensee must make available the following information to its small use customers on or before the date of the first bill:

- any information required to be made available to the small use customer under the standard customer contract, in the manner required by the standard customer contract;
- the information required to be provided under clause 2.1.2.1 of the (AGA) customer service code. This provision requires that the supplier provide, on or before the date of the first bill information which includes;
 - the type and frequency of bills the customer will receive;
 - payment options available to the customer;
 - government energy assistance schemes and concessions;
 - how to make a complaint to, or enquiry of, the supplier;
 - the supplier's 24 hour, 7 days a week emergency line;
 - the supplier's language translation or disability services;
 - the customer's quality of supply obligations; and
 - complaints and dispute resolution processes
- a summary of key relevant provisions of the (AGA) customer service code, together with information required by clause 1.3.4 of the customer service code regarding changes to the code;
- a summary of the licensee's key relevant powers in the event of an emergency; and
- a summary of the licensee's processes for handling enquiries and complaints.

Further, the *Gas Marketing Code of Conduct 2004 (Gas Code)* requires that a range of information be provided to the customer at the time of entering the contract or within two days of the contract being made.

Given the similarity between the information provision requirements within the licence and the Gas Code and the information requirements for charters, Gas licensees may choose to combine the relevant components of these requirements into their Charter.

In addition to the information provision requirements at the contract commencement, Part 5 of the *Energy Coordination (Customer Contracts) Regulations 2004* specifies that the supplier must, if requested to do so, provide a customer with a copy of its charter free of charge within 2 business days after receiving the request and, from time to time, include

¹ Currently Gas licensees are required to produce a standard form contract and submit to the Authority for approval prior to the grant of the Licence approval by the Authority (ss11WD&11WE *Energy Coordination Act 1994*) and to provide a customer service charter to its customers S45 of the *Energy Coordination (Customer Contracts) Regulations 2004*.

on a customer's bill a statement informing the customer of their entitlement to a copy of the charter at no cost.

There is no requirement for gas licensees to review their charter at this time.

The licence requires licensees to submit their charter to the Authority, however, the Authority has no role in reviewing or approving these charters.

4 Charters in the Electricity Industry

The *Code of Conduct (For the Supply of Electricity to Small Use Customers)* (Code) requires that electricity retail and distribution licensees produce and publish a charter.

Provisions of the Code and the licence require that the charter must contain:

- a summary of both the customer's and the retailer or distributor's rights and obligations under the Code;
- an explanation of the complaints handling process;
- the availability of different types of meters;
- an explanation of the difference between the retail and distribution functions;
- reference to key documents in relation to the sale of electricity to customers; and
- contact details of the retailer or distributor, the Authority, Energy Safety and the Electricity (Energy) Ombudsman.

It is a condition of the licence that the charter be reviewed at least once every 36 months and that the review have regard to the guidelines published in this document. The licence requires that the licensee submit the results of the review to the Authority within 5 business days.

It is a licence condition that the Authority publish the review and the Authority's assessment of the review on the Authority's website within a reasonable time of receiving the review. Further, the licensee may amend its charter at any time by submitting the amendment to the Authority. In this case the Authority will review the amendment and publish the result of that review on the Authority website within a reasonable period.

These guidelines are to apply to an assessment undertaken by the Authority in accordance with clauses 15.5 and 16.2 of an electricity retail licence and 12.5 and 13.2 of the electricity distribution licence.

5 Charters in the Water Industry

The operating licence requires that a licensee through the development of a charter set out, in writing, the principles, terms and conditions upon which it intends to provide water services to its customers and in doing so must address all of the issues that are reasonably likely to be of concern to customers.

The Authority recommends that the charter contain elements including:

- An introduction which provides a brief description of the utility and a commitment to service that states the service values underpinning the operations of the utility.
- A section detailing conditions for connection including how customers can obtain services and a list of products and services offered. These should be clearly and individually identifiable.

- A statement of standards and customer rights including the level of service that customers can expect should be specified.
- A section detailing the utility's powers including, for example, the power to prohibit the discharge of unauthorised substances into the wastewater system.
- A section detailing communication procedures including information on customer committees, notice for work to be undertaken, and dealing with correspondence.
- Contact information containing the address, telephone number and general business hours of the agency. It should also contain the positions and numbers of relevant contact officers, and make it clear who is the appropriate point of contact. The charter also needs to explain how customers can obtain emergency assistance with a list of appropriate telephone numbers.
- A section dealing with complaints resolution mechanisms, including relevant contact details for the Department of Water.

It is a licence condition that all licensees review their charter not less than once in every 36 month period or more often in some cases where specified in the licence.

The licence requires that any proposed amendment to the charter must be forwarded to the Authority for approval prior to implementation.

The Authority aims to utilise the guidelines laid out in this document as a basis for the approval process. As is the case in electricity, the Authority will publish the review and the Authority's assessment of the review or amendment on the Authority's website within a reasonable time of receiving the review.

6 Charter Review Guidelines for Electricity & Water

It is important that the Authority undertakes a transparent decision making process when reviewing or approving charters. To this end, the Authority has developed a list of criteria that it plans to use when undertaking the charter review or approval process:

6.1 Existence

Has the licensee undertaken a review process, at regular intervals and within the required timeframe?

6.2 Accuracy

Does the charter comply with all relevant legislative, code or regulatory requirements and is it in line with the standard form contract and/or the licence requirements?

6.3 Consultation

Has the licensee engaged with customers and/or their representatives in the development and/or review process?

6.4 Accessibility

Has the final document been prepared in simple language that is easily understood by customers?