

Approval of Water Corporation Customer Service Charter

11 April 2007

Economic Regulation Authority



WESTERN AUSTRALIA

DECISION

The Economic Regulation Authority (**Authority**) approved both the complete version and summary version of the Water Corporation Customer Service Charter (**charter**) on 11 April 2007.

The charter approved pertains to the water supply, sewerage and drainage aspects of the Water Corporation licence.

The Authority does not approve the charter in respect of the Water Corporation's irrigation services. A charter relevant to the irrigation component of the Water Corporation's licence will be submitted to the Authority for approval no later than 31 May 2007.

REASONS

Background

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.

The operating licence for water service providers (water 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. In doing so, the licensee must address all of the issues that are reasonably likely to be of concern to customers.

The water licence requires that the licensee produce a charter, submit the charter to the Authority for approval, review the charter at either 24 or 36 month intervals depending on the individual licence, and after that review, seek the Authority's approval.

In August 2006, the Authority published the Customer Service Charter Guidelines (charter guidelines). The charter guidelines provide information regarding:

- the minimum requirements for charters in the water, electricity and gas industries;
- the review of charters, where review is required; and

- the process that will be employed by the Authority in reviewing charters in the case of electricity and approving charters in the case of water¹.

In these guidelines, the Authority recommends that charters in the water industry 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 telephone 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.

The Authority guidelines provide the following criteria for the Authority's assessment of the charter:

Existence

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

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?

Consultation

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

¹ Currently gas licensees are required to produce a charter and to provide that charter to the Authority. However, the Authority does not have a role to review or approve a charter.

Accessibility

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

ASSESSMENT AGAINST GUIDELINES

Existence

Clause 3.3 of the Water Corporation water licence requires that the licensee must establish a customer service charter. Schedule 3 of the licence requires that the charter contain the principles, terms and conditions upon which the licensee intends to provide the service. Schedule 3 of the licence requires that the Water Corporation undertake a review of the charter at least once every two years and submit the charter for approval by the Authority.

Under Schedule 3 the Water Corporation is required to send a current copy, or a summary document approved by the Authority, to all customers at least once every two years. For this reason the Water Corporation has submitted both a comprehensive version of the charter and a second, summary version, for approval.

The Water Corporation submitted its charter to the Authority for approval on 16 March 2007. The previous charter was approved by the Authority on 1 March 2005. The Authority finds that the Water Corporation has submitted its new charter for approval within an acceptable timeframe and has satisfied the requirements of this criteria.

Accuracy

The Authority finds that both the comprehensive and summary versions of the charter are generally consistent with relevant legislation and licence requirements.

However, the Water Corporation has failed to include specific information about its irrigation services in either version of the charter. Therefore, this charter approval does not pertain to the irrigation licence held by the Water Corporation. The Authority has agreed that the Water Corporation may produce a charter specifically for irrigation customers and that this charter will be submitted to the Authority for approval by no later than 31 May 2007.

Consultation

The Water Corporation has advised that the following consultation was undertaken to review the charter:

- Research regarding charters and contracts of other licensees, including discussions with other licensees about their commitments;
- An internal workshop and other input from relevant Water Corporation staff;
- Input from the Water Corporation Customer Advisory Council; and
- Input from the Western Australian Council of Social Service (WACOSS).

The Authority understands that WACOSS hosted a workshop with approximately 12 participants from community organisations representing the interests of consumers. The Authority understands that there were eight recommendations arising from this workshop, with seven of these pertaining to the Water Corporation charter specifically. It is evident that the Water Corporation has endeavoured to address each of these recommendations in the new charter.

The Authority finds that, on the basis of the information provided, the Water Corporation has met the criteria regarding consultation as outlined in the Authority's guidelines.

Accessibility

Schedule 3 of the Water Corporation licence requires that the charter be developed in 'plain english' and that it should address all of the service issues likely to be of concern to its customers.

The Authority finds that the Water Corporation charter is generally consistent with the licence provision in covering all of the service issues likely to be of concern to its customers.

The Authority finds that the accessibility of the Water Corporation charter is generally sound, however, it could be further improved through the simplification of some technical and legalistic language.

The Authority understands that the Water Corporation is able to make the charter available in other formats for people with disabilities and will accommodate requests for alternative formats such as languages other than English as they are able. These initiatives provide further proof of a sound level of accessibility.

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CHAIRMAN

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