

Approval of Aqwest (Bunbury Water Board)

Customer Service Charter

31 May 2007

Economic Regulation Authority



WESTERN AUSTRALIA

DECISION

The Economic Regulation Authority (**Authority**) approved both the complete version and summary version of the Aqwest Customer Service Charter (**charter**) on 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:

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.

- 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?

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 Aqwest 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 Aqwest undertake a review of the charter at least once every two years and submit the charter for approval by the Authority.

Under Schedule 3 Aqwest 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 Aqwest has submitted both a comprehensive version of the charter and a second, summary version, for approval.

Aqwest originally submitted its charter to the Authority for approval on 28 February 2007. The previous charter was approved by the Authority on 28 February 2005. The Secretariat of the Authority provided informal feedback to Aqwest regarding the charter which resulted in Aqwest submitting a further draft of the charter on 2 April 2007. Following feedback from the Secretariat, in particular regarding the consumer consultation requirement of the charter guidelines, Aqwest requested, and the Authority approved, an extension of the Aqwest charter review date until 31 May 2007. The Authority received the final version of the charter and the summary document on 28 May 2007. The Authority finds that Aqwest has submitted its new charter for approval within the required timeframe and has satisfied the requirements of this criteria.

Accuracy

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

Consultation

Aqwest has advised that the following consultative processes were employed in the review of the charter:

- An internal project team comprising both Staff and Board representatives was convened;
- The project team reviewed the charters of a range of other water service providers in Western Australia and other states;
- All staff completed an Employee Survey regarding the charter and service standards; and
- An advertisement inviting comment was placed, on several occasions, in two local newspapers.

The Authority finds that, on the basis of the information provided, Aqwest has undertaken a reasonable level of public consultation with regard to this review.

Accessibility

Schedule 3 of the Aqwest 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.

Aqwest has advised that a special 'plain English' review has been undertaken of the charter. The Authority finds that both the charter and the summary are written in a "plain English" manner.

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

LYNDON ROWE
CHAIRMAN

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