

Review of Horizon Power Customer Service Charter

23 September 2009

Economic Regulation Authority



WESTERN AUSTRALIA

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DECISION

1. The Economic Regulation Authority (**Authority**) finds that Horizon Power's review of its Customer Service Charter (**charter**) for the supply of electricity and the reviewed charter meet the requirements of Horizon Power's Electricity Integrated Regional Licence 2 (**licence**).

REASONS

2. The Authority has assessed the review and the charter against the requirements of Horizon Power's licence and notes the following:

Existence

3. Clause 15.1 of the licence states that the licensee must prepare a charter if it supplies electricity to small use customers. Clause 15.2 of the licence requires that Horizon Power review the charter at least once every 36 months from the grant of the licence. As the licence was granted to Horizon Power on 30 March 2006, the charter review was due by 30 March 2009.
4. In 2008, Horizon Power submitted a number of amendments to the charter for the Authority's approval. Given that a charter review was due shortly, Horizon Power and the Authority agreed to combine the amendment and review process.
5. Horizon Power submitted a copy of the reviewed charter on 17 April 2009. As the charter had not been made available for public consultation, as outlined in the Authority's Customer Service Charter Guidelines (**guidelines**), the Authority granted an extension to the due date until 29 May 2009. Horizon Power submitted a revised copy of the charter on 3 June 2009. The Secretariat of the Authority provided feedback to Horizon Power regarding the revised charter which resulted in Horizon Power submitting a final version of the charter on 15 September 2009.
6. Although the Authority has approved the charter, the Authority finds that the timeframe within which Horizon Power has submitted its charter has been unduly long. The Authority expects future reviews to be undertaken within the required timeframe.

Accuracy

7. Section 82 of the *Electricity Industry Act 2004* provides that it is a condition of every integrated regional licence that the licensee comply with the provisions of the *Code of Conduct for the Supply of Electricity to Small Use Customers* (**Code of Conduct**) that apply to the licensee.
8. Clause 11.1(2) of the Code of Conduct states that a charter must at least include a summary of the customer's and licensee's rights and obligations under the Code of Conduct. In addition, a charter should include an explanation of the

licensee's complaints handling process and the difference between distribution and retail functions, reference to key documents in relation to the supply of electricity to customers, and contact details of the retailer, the Authority, Energy Safety (Department of Commerce) and the electricity ombudsman. Clause 10.11(2) of the Code of Conduct requires that a charter include the licensee's telephone numbers for TTY services and for independent multi-lingual services.

9. The Authority finds that the contents of the charter is generally consistent with the relevant legislation and licence requirements.

Consultation

10. Clause 15.4 of the licence states that any review of the charter should have regard to the guidelines. Paragraph 5.3 of the guidelines requires a licensee to engage with its customers and/or their representatives in the review of their charter.
11. Horizon Power has advised that it sent a survey together with a copy of the charter to all new customers who contacted Horizon Power and established a new account over a two-week period in May 2009. A total of 244 surveys were sent out, of which 34 were completed and returned by customers.
12. Horizon Power also requested WACOSS to review the charter. According to Horizon Power, WACOSS provided a good summary of the document and requested a number of changes and inclusions. Some of these were accommodated, while some were noted for investigation prior to the next charter review.
13. The Authority finds that, on the basis of the information provided, Horizon Power undertook a sound level of public consultation with regard to this review.

Accessibility

14. Clause 15.4 of the licence states that any review of the charter should have regard to the guidelines. Paragraph 5.4 of the guidelines requires a charter to be prepared in simple language that is easily understood by customers.
15. The Authority finds that the charter is generally written in a 'plain English' manner.

LYNDON ROWE
CHAIRMAN

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