

# Decision to approve Gascoyne Water Co-operative Ltd's Customer Service Charter

20 December 2010

Economic Regulation Authority



WESTERN AUSTRALIA

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## DECISION

1. The Economic Regulation Authority (**Authority**) approves Gascoyne Water Co-operative Ltd's (**GWC**) Customer Service Charter (**charter**) for irrigation services.

## REASONS

2. The Authority has reviewed the charter against the requirements of GWC's Operating Licence 38 (**licence**) and notes the following:

### Existence

3. Schedule 3, clause 2.1 of the licence states that the licensee must have in place a charter that accords with the Authority's Customer Service Charter Guidelines (**review guidelines**).
4. Schedule 3, clause 2.6 of the licence requires that GWC undertake a review of the charter at least once in every three year period. Similarly, clause 5.1 of the review guidelines requires the licensee to undertake a review process at regular intervals and within the required timeframe.
5. The previous charter was approved by the Authority in November 2006.
6. The charter was due for review by 30 November 2009. GWC submitted the first draft of its charter to the Authority for approval on 25 November 2009. The Secretariat of the Authority provided feedback to GWC regarding the draft charter. The Authority granted a request from GWC for an extension to the due date to make the necessary changes to the charter. GWC submitted a revised version of its charter on 28 June 2010. GWC subsequently requested a second extension to undertake public consultation on the reviewed charter. The Authority granted the request and received the final version of the charter on 13 October 2010.
7. Although the Authority has approved the charter, the Authority finds that the time frame within which GWC has submitted its charter has been unduly long. The Authority expects any future reviews to be undertaken within the required time frames.

### Accuracy

8. Under Schedule 3, clause 2.1 of the licence, the charter must accord with the Authority's review guidelines. Clause 5.2 of the review guidelines requires that the charter comply with all relevant legislative, code or regulatory requirements and be in line with the standard form contract and/or the licence requirements.
9. Paragraph 6.5 of the charter states that, upon securing a membership, applicants will be informed of their rights as a member, and any fees that may be due. The Authority requested further information from GWC regarding this statement. In particular, the Authority queried whether prospective members and customers are

advised about applicable fees prior to becoming a member. GWC was invited to clarify this issue within their charter.

10. In response to the Authority's request, GWC replied that prospective members and customers are aware of all applicable fees and charges prior to becoming a member or customer of the co-operative.
11. Paragraph 6.7 of the charter states that members of GWC cannot have their irrigation service disconnected once their property is attached to the irrigation network. The Authority requested further information from GWC regarding this statement. In particular, the Authority queried whether members who no longer wish to purchase water from GWC continue to be liable for certain fees and charges. The Authority also questioned whether, if members continue to be liable, this is explained to them before they become a member of the co-operative. The Authority invited GWC to clarify this issue within their charter.
12. In response to the Authority's request, GWC replied that members of the co-operative cannot request disconnection. As a result, members who no longer wish to purchase water from GWC remain liable for the asset contribution fee and the fixed water charge (on the minimum volume of water). Customers of the cooperative can request disconnection by submitting a written request for disconnection to GWC.
13. Although GWC declined to address both issues within its charter, the Authority finds the absence of this information in the charter insufficient to warrant declining approval.

## Consultation

14. Clause 5.3 of the review guidelines requires that the licensee engage with customers and/or their representatives in the review process.
15. GWC has advised that it placed an advertisement in the local paper advising the public of GWC's intention to review the charter and calling for public submissions. No public submissions were received.
16. The Authority finds that, on the basis of the information provided, GWC undertook a reasonable level of public consultation with regard to this review.

## Accessibility

17. Schedule 3, clause 2.2 of the licence states that the charter should be developed in 'plain English' and that it should address all of the service issues likely to be of concern to customers.

### *'Plain English'*

18. The Authority finds that the accessibility of the charter is generally sound.

*Issues likely to be of concern*

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

LYNDON ROWE  
**CHAIRMAN**