




Speech By
Dale Last

MEMBER FOR BURDEKIN

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ENERGY AND WATER OMBUDSMAN AMENDMENT BILL

 **Mr LAST** (Burdekin—LNP) (5.02 pm): I rise to speak in support of the Energy and Water Ombudsman Amendment Bill 2015. I note that the review into this legislation was started under the previous LNP government. As a member of the Utilities, Science and Innovation Committee, I want to point out that the policy objectives of the bill were to amend the Energy and Water Ombudsman Act 2006 to allow non-residential electricity customers consuming between 100 and 160 megawatt hours of electricity per year access to the dispute resolution services of the Energy and Water Ombudsman Queensland; to extend the functions of the Energy and Water Ombudsman—known as EWOQ—to allow it to become a recognised external dispute resolution scheme in order to deal with credit-reporting complaints in relation to the misuse of a customer’s credit information; and to enable the Energy and Water Ombudsman to disclose customer-identifying information about complainants to their respective energy and water entities for billing purposes.

So why were these changes necessary? Currently, EWOQ provides a free and independent dispute resolution service for non-residential electricity customers who consume less than 100 megawatt hours per year and who are unable to resolve a complaint with their electricity, gas or water supplier in South-East Queensland. EWOQ routinely deals with issues such as high and disputed bills, customers experiencing payment difficulties, connection, disconnection and restriction of supply, compensation for damage and loss, disputes about compliance with contractual obligations, energy market conduct, customer service and quality of supply. EWOQ is fully funded by scheme participants through a combination of participation fees and user-pays fees. This bill extends the dispute resolution service for high energy-using small business customers consuming up to 160 megawatt hours of electricity per annum. I am talking about customers such as bakeries, laundries, small supermarkets and small food production and manufacturing businesses. Many not-for-profit organisations such as community groups and amateur sporting groups are also included in this category. Many of these customers experience difficulties similar to those experienced by residential customers when speaking to their energy retailer, have a relatively poor understanding of contracts and tariffs and experience long waiting times and delays when making phone calls, which I am sure many of us here in the chamber today are familiar with.

If the bill is enacted. It is estimated that approximately 5,100 additional high energy-using small business customers would be eligible to seek access to EWOQ, which would generate approximately 200 additional cases for EWOQ per year. Importantly, the proposed legislation would allow high energy-using small businesses to be on a more level playing field as they would enjoy access to the same electricity dispute resolution services as do other small businesses and ensure that Queensland’s arrangements are broadly consistent with high energy-using small business customer access to ombudsman services in other jurisdictions.

The bill also proposes to establish EWOQ so that it is eligible to apply for recognition as an external dispute resolution scheme under the Commonwealth’s Privacy Act 1998 to provide eligible

customers with access to a local dispute resolution service for complaints against their energy or water provider in relation to the misuse of a customer's credit information. The Privacy Act now includes new credit-reporting provisions, such as the introduction of more comprehensive credit reporting, a simplified and enhanced correction and complaints process, and the introduction of civil penalties for breaches of certain credit-reporting provisions.

Energy providers participate in the credit-reporting system so that they can access information relating to the creditworthiness of their customers. The bill proposes to ensure that energy providers can continue to participate in this system by providing the necessary legislative power for EWOQ to resolve privacy complaints relating to the misuse of energy consumers' credit information, to apply to the Australian Information Commissioner for recognition as the official scheme in Queensland for energy and water customers, and provide consumers with access to a local and independent avenue of redress for complaints or other issues that might arise between the individual and the service provider on credit-reporting matters.

The bill proposes to allow EWOQ to disclose customer-identifying information about complainants to the respective energy and water entities for billing reconciliation purposes for refer-back-to-provider cases. EWOQ is funded through user-pay fees. That means that the scheme participants pay EWOQ's costs. For example, if a customer from Ergon Energy makes a complaint to EWOQ, Ergon would then need to pay EWOQ for the cost of handling that complaint on a fee-for-service basis. The proposed legislation seeks to ensure that scheme participants have the ability to reconcile the customer information with the billing that they are getting from EWOQ. When we consider that over the last financial year almost \$375,000 in monetary redress was achieved, with significant monetary outcomes for some customers, we begin to understand the potential scale of compensation and debt waivers for customers.

Importantly, EWOQ offers a valuable advocacy, investigation and information service that would be able to assist customers to resolve disputes with their retailer, including being effective in assisting in the resolution of disputes before the matter progresses to litigation over contractual issues. Alternatively, if a resolution cannot be reached and a breach of contract is clear, EWOQ may refer the customer to other options, including recommending that the customer seek independent legal advice.

I am entirely supportive of any moves that will provide further assistance to small businesses. Small business makes up 97 per cent of all businesses in Queensland. I am pleased that this legislation will remedy the disparity that exists between businesses that are categorised as small and medium in terms of their turnover and employee size but categorised as large businesses in terms of their electricity consumption. With those points in mind, I support this bill, noting the safeguards that it provides small business and not-for-profit groups in Queensland.