




Speech By
Shane King

MEMBER FOR KALLANGUR

Record of Proceedings, 10 November 2015

ENERGY AND WATER OMBUDSMAN AMENDMENT BILL

 **Mr KING** (Kallangur—ALP) (4.38 pm): Currently, the Energy and Water Ombudsman of Queensland provides a free and independent dispute resolution service for business customers who consume less than 100 megawatt hours of electricity a year and who are unable to resolve complaints themselves. The Energy and Water Ombudsman's primary functions are: to receive and investigate energy issues in Queensland and water issues in South-East Queensland, to manage dispute resolution between customers and the energy and water providers, and to identify systemic energy and water issues.

The issues that the ombudsman routinely deals with are: overly high and disputed bills; customers with difficulties in making payments; connections, disconnections and restrictions of supply; compensation for damage and loss; disputes about compliance with contractual obligations; the conduct of energy marketers; customer service; and quality of supply. The Energy and Water Ombudsman is fully funded by scheme participants through a combination of participation fees and user-pays fees. The following classes of entities are paying members of the ombudsman's scheme: Queensland's electricity distributors, Queensland's electricity and reticulated gas retailers and South-East Queensland's water distributors and retailers.

The objectives of this bill are: to amend the Energy and Water Ombudsman Act 2006 to allow non-residential electricity customers consuming between 100 and 160 megawatt hours of electricity a year to access the dispute resolution services of the Energy and Water Ombudsman; to extend the functions of the Energy and Water Ombudsman 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 where this is required for the purpose of account verification, reconciling the Energy and Water Ombudsman Queensland user-pays fees for all case types.

As stated, the bill proposes to extend the dispute resolution service for high energy-using small business customers who consume up to 160 megawatt hours of electricity per annum. I have similar businesses in my electorate to those of the member for Glass House: bakeries, laundries, small supermarkets, small food production manufacturing businesses and basically any business dependent on the high use of electricity for their daily operations, though they may not have a large number of staff or be a big business in other respects. Many not-for-profit organisations, community groups and amateur sporting clubs are also included.

The Queensland government first identified a need to extend the service following a review of high energy-using small business customers. The review found that these customers experience similar difficulties to residential customers when speaking to their energy retailer, they have a relatively poor understanding of contracts and tariffs, and they experience long waiting times and delays when making

phone calls and attending to inquiries and disputes over services and bills. When this bill is enacted, the Department of Energy and Water Supply estimate that some 5,100 additional high energy-using small business customers will be eligible to seek access to the ombudsman, which would generate approximately 200 additional cases a year. According to the Department of Energy and Water Supply, the Energy and Water Ombudsman has identified that they should not have to employ any additional complaints officers to deal with the anticipated additional cases. When the bill is enacted, high energy-using small business customers will be on a more level playing field. They will enjoy access to the same electricity dispute resolution service as other small businesses, and it will ensure that Queensland's arrangements are broadly consistent with ombudsman services in other jurisdictions.

The change to this legislation aligns with the Palaszczuk government's policy of supporting small business to facilitate job creation. The Utilities, Science and Innovation Committee held departmental briefings and a public hearing. We have unanimously agreed that the bill be passed with one minor amendment which has been earlier sorted out. I would like to give thanks to the committee members for their hard work and willingness to work together for this outcome. On behalf of the committee I would like to thank those individuals and organisations who lodged written submissions on the bill. I would also like to thank the committee's secretariat and the Department of Energy and Water Supply for their assistance. I commend the bill to the House.