

# **MEMORANDUM OF UNDERSTANDING**

TASMANIAN ELECTRICITY REGULATOR

&

TASMANIAN ELECTRICITY OMBUDSMAN

# MEMORANDUM OF UNDERSTANDING

## Tasmanian Electricity Regulator & Tasmanian Electricity Ombudsman

### **PURPOSE**

The purpose of this Memorandum is to document the statutory and reporting obligations of the Electricity Ombudsman and establish protocols for ensuring that those responsibilities are discharged in a manner which meets the needs of the respective parties as well as fulfilling the statutory obligations

In addition, this Memorandum will establish a framework for co-operation between the offices of the Regulator and the Electricity Ombudsman in the regulation of the electricity supply industry in Tasmania.

This Memorandum will result in a better understanding of each agency's operations, improved decision-making and better public accountability. It will do this by instituting a framework promoting co-operation and co-ordination between the two offices.

### **DEFINITIONS**

'Electricity Ombudsman' and 'Ombudsman' refers to the Electricity Ombudsman appointed under the *Electricity Ombudsman Act 1998*.

'Regulator' refers to the Regulator appointed under the *Electricity Supply Industry Act 1995*.

'Act' refers to the *Electricity Ombudsman Act 1998*, unless otherwise indicated.

All references to statutory provisions are to provisions of the *Electricity Ombudsman Act 1998*, unless otherwise indicated.

## **RECITALS**

In exercising his powers under the *Electricity Supply Industry Act 1995*, the Regulator is to:

- promote efficiency and competition in the electricity supply industry;
- establish and maintain a safe and efficient system of electricity generation, transmission, distribution and supply;
- establish and enforce proper standards of safety, security, reliability and quality in the electricity supply industry; and
- protect the interests of consumers of electricity.

In exercising his powers and functions the Regulator must not unfairly discriminate between entities, customers for electricity or other persons.

The functions of the Electricity Ombudsman are to:

- receive, investigate and resolve complaints;
- make awards and register agreements as awards under Part 4 of the *Electricity Ombudsman Act 1998*;
- identify and review issues arising out of complaints; and
- assist electricity entities to develop procedures to resolve complaints.
- perform any other functions imposed on the Ombudsman by the Act.

In carrying out these functions and exercising his powers, the Electricity Ombudsman must act independently, impartially and in the public interest.

## OPERATIVE PART

### INFORMATION SHARING

The parties agree to make information available to each other upon request, subject to confidentiality and statutory restrictions.

The Ombudsman will make available to the Regulator information in relation to any systemic issues identified through the Ombudsman scheme in relation to industry compliance with the *Electricity Industry Supply Act 1995* and regulations, retailers' customer charters, licences and any other regulatory instruments as notified from time to time.

The Regulator, being mindful of the Ombudsman's obligations and undertakings, will keep the Ombudsman informed of his activities to the extent necessary for the Ombudsman to remain aware of issues that are of concern to the Regulator and of which he seeks to be advised by the Ombudsman.

If, pursuant to the administration of the Act, the Ombudsman receives information on better practices and procedures within the electricity industry, the Ombudsman will, provided that information is not confidential, make the information available to the Regulator. Likewise the Regulator will provide information to the Ombudsman where he or she considers that information of a non-confidential nature will assist the Ombudsman in the administration of the Act.

### CONSULTATION

Each office will discuss its priorities at an early stage to identify where and how the offices can work co-operatively on issues.

## **LIAISON**

In order that the Regulator and the Ombudsman may be kept appropriately informed of issues of mutual interest to their respective statutory functions, they will meet at least once every two months or as mutually determined by reference to complaints on hand and the Ombudsman's referral of complaints and matters under sections 10 and 19 of the Act.

For administrative efficiency, in the absence of the Ombudsman or the Regulator, persons representing the Ombudsman or the Regulator may meet for the purposes of the Act but only as authorised by the Ombudsman or the Regulator respectively and provided always that any action taken by their delegate is subsequently confirmed by the Ombudsman or the Regulator as the case may be.

## **CONSUMER AND INDUSTRY EDUCATION**

Each agency may carry out education and compliance activities appropriate to their respective areas of responsibility and may do so independently of the other but should put each other on notice of any such activities or programs.

Where appropriate, the two agencies may undertake joint compliance, education or information initiatives. Each agency will make copies of publications available to the other to assist with education.

## **REPORTING REQUIREMENTS**

1. The Ombudsman shall provide to the Regulator quarterly reports specifying the number of complaints in each category of complaints received by the Ombudsman in relation to each electricity entity during the period covered by the report as provided for in subsection 39(1) of the Act. Such reports are to be in a form approved by the

Regulator. In providing such reports, the Ombudsman is to comply with any written directions given to the Ombudsman by the Regulator as provided for in subsection 39(3) of the Act. The Ombudsman may provide such reports to the Regulator more frequently than on a quarterly basis.

2. The matters listed in Schedule One of this Memorandum shall be included in the reports referred to in paragraph 1.
3. Where possible and appropriate quarterly reports shall contain statistics for the quarter and cumulative statistics for the current financial year.
4. The Ombudsman shall also provide to the Regulator an annual report detailing the costs of administering the Act in a form approved by the Regulator. In doing so, the Ombudsman is to comply with any written directions given to the Ombudsman by the Regulator as provided for in subsection 39(3) of the Act.
5. As well as detailing the costs of administering the Act, the Ombudsman's annual reports shall include the matters listed in Schedule Two of this Memorandum.
6. The Ombudsman shall have a discretion as to how he presents, in quarterly and annual reports, information regarding the number and percentage of complaints falling within the primary issue categories of complaints in relation to each entity. When exercising this discretion the Ombudsman shall take into consideration any views expressed by the Regulator as to the presentation of such information.

7. The Ombudsman shall, where reasonably possible, present statistics regarding the matters dealt with in paragraphs 1, 2 and 3 of both Schedules One and Two as percentages and numbers.
8. The Ombudsman shall use reasonable endeavours to ensure that the categories of complaints used by the Ombudsman are consistent with those utilised by Ombudsman's offices in other jurisdictions.
9. Subject to the exercise of the Ombudsman's discretion under paragraph 29(3)(d) of the Act, the Ombudsman shall provide the Regulator with a copy of any report of the findings and conclusions of an investigation, prepared at the completion of the investigation, that the Ombudsman considers would assist the Regulator to perform his functions and achieve his objectives under the *Electricity Supply Industry Act 1995*.

## **REFERRALS TO THE REGULATOR**

1. Prior to making a referral to the Regulator under paragraph 10(1)(b) or subsection 19(1) of the Act, the Ombudsman must consult the Regulator.
2. In referring a complaint or matter to the Regulator in accordance with paragraph 10(1)(b) or subsection 19(1) of the Act:
  - i) the Ombudsman will have regard to the Regulator's functions under subsection 6(1) of *the Electricity Industry Supply Act 1995*, and the objectives of the Regulator as set out in subsection 6(2) of the same Act; and
  - ii) the Ombudsman must give to the Regulator all documents and information in the possession of the Ombudsman that relate to

the complaint or matter so referred in accordance with  
subsection 20(2) of the Act.

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Andrew Reeves  
Regulator

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Damon Thomas  
Electricity Ombudsman

Date: .....

Date:.....

## SCHEDULE ONE

1. The number and percentage of complaints falling within each of the complexity categories of complaints (enquiry, simple, intermediate, complex and dispute) received in relation to each entity.
2. The number and percentage of complaints falling within each of the primary issue categories of complaints received in relation to each entity.
3. The number and percentage of complaints received from residential or business customers in relation to each entity to the extent that it is reasonably possible to provide such information.
4. A brief explanation of the various complexity categories of complaints.
5. Number of new complaints received per month.
6. Contact between the Ombudsman and entities.
7. Trends regarding complaints dealt with by the Ombudsman in the last quarter.
8. Costs and revenue for the Ombudsman.
9. Details as to any awards made by the Ombudsman and any agreements between complainants and entities registered as awards during the period covered by the report.
10. Number of active, new and closed cases for the quarter.
11. Number of complaints that were dismissed.
12. Number of complaints that were withdrawn.
13. Comments on reasons for complaints being dismissed.
14. Most common postcodes of complainants.

## SCHEDULE TWO

1. The number and percentage of complaints falling within each of the complexity categories of complaints (enquiry, simple, intermediate, complex and dispute) received in relation to each entity.
2. The number and percentage of complaints falling within each of the primary issue categories of complaints received in relation to each entity.
3. The number and percentage of complaints received from residential or business customers in relation to each entity to the extent that it is reasonably possible to provide such information.
4. A brief explanation of the various complexity categories of complaints.
5. Number of new complaints received per month.
6. Contact between the Ombudsman and entities.
7. Trends regarding complaints dealt with by the Ombudsman in the last year.
8. Costs and revenue for the Ombudsman.
9. Details as to any awards made by the Ombudsman and any agreements between complainants and entities registered as awards during the period covered by the report.
10. Number of complaints that were dismissed.
11. Number of complaints that were withdrawn.
12. Comments on reasons for complaints being dismissed.
13. Education and compliance activities undertaken by the Ombudsman.
14. Number of complaints and/or matters referred to the Regulator by the Ombudsman and comments on reasons for such referrals.
15. Number of complaints and/or matters referred to persons or bodies other than the Regulator by the Ombudsman and comments on reasons for such referrals.
16. Number of complaints dealt with by way of a recommendation that court proceedings be commenced and comments on reasons for such recommendations.
17. Most common postcodes of complainants.