

Memorandum of Understanding

Independent Pricing and Regulatory Tribunal

and

Energy & Water Ombudsman NSW

Introduction

This memorandum of understanding (MOU) sets out arrangements to promote effective communication, cooperation and coordination between the Energy & Water Ombudsman NSW (EWON) and the Independent Pricing and Regulatory Tribunal (IPART). IPART and EWON have entered into this MOU to avoid duplication of effort and to ensure a consistent approach between them on common issues. IPART and EWON intend to work together to ensure that they are successful in managing consumer protection issues.

This MOU is a public document and communicates, in a transparent way to all stakeholders, the administrative arrangements that operate between EWON and IPART.

Parties to the MOU

Independent Pricing and Regulatory Tribunal

IPART is established under the *Independent Pricing and Regulatory Tribunal Act 1992*. Among other things, IPART is responsible for administering:

- electricity distribution network service provider (DNSP) licences and gas reticulation authorisations in NSW;
- licences granted to large public water utilities; and
- licences granted to private water utilities under the *Water Industry Competition Act 2006* (WIC Act).

In administering these licences and authorisations, IPART's role includes monitoring compliance with licence and authorisation conditions and reporting to the relevant Ministers on these issues.

IPART also monitors NSW electricity network operators' compliance with safety and reliability obligations, regulates certain water prices and has a market monitoring role in retail electricity.

Energy & Water Ombudsman NSW

EWON is the approved dispute resolution scheme for all New South Wales electricity and gas customers and some water customers. EWON'S Constitution gives it the power to receive, investigate and facilitate the resolution of customer complaints against electricity, gas and water providers which are members of the ombudsman scheme.

All electricity and gas retailers and distributors who supply small retail customers, all public water authorities with specific reference in their operating licence or Act and all private water utilities covered by the WIC Act and who operate in NSW are required to be members of the EWON scheme. EWON's jurisdiction also covers complaints by customers of electricity suppliers that are exempt from holding a retail authorisation and complaints against marketers acting for energy retailer authorisation holders.

Working arrangements

Handling consumer complaints

EWON is the main body for handling customer complaints, even those that may be about compliance with a licence or authorisation condition. IPART is responsible for monitoring and reporting to the relevant Minister on electricity DNSPs', gas reticulators', and water businesses' compliance with their licence and authorisation conditions. IPART can act directly to enforce licence or authorisation conditions, or can make recommendations to the Minister on enforcement.

IPART and EWON agree to establish working procedures to ensure efficient and effective administration and communication in dealing with:

- a) consumer complaints; and
- b) referral of licence or authorisation enforcement issues arising from those complaints.

Notification, consultation and exchanging information

IPART and EWON recognise the importance of mutual consultation, but also recognise that decisions must be made independently. Subject to the 'Information management' section below, where appropriate, IPART and EWON will endeavour to:

- a) notify each other of any activities that may be relevant to the other party, and keep each other informed of the progress of those matters. This could include:
 - i. compliance and enforcement activities and licence and authorisation arrangements relevant to energy and water businesses or consumers in NSW;
 - ii. reports on systemic and compliance issues arising from consumer complaints about individual energy or water businesses;
 - iii. reports on the energy or water industries; and
 - iv. changes to regulatory instruments.
- b) provide each other with copies of publications that may be relevant to the other organisation. It may also be appropriate to provide an advance copy of, and briefing on, the publication prior to its general release.
- c) where a publication (such as a report or web page) by one party refers to the other, provide that party with an opportunity to comment on the reference prior to the finalisation and general release of the publication.

Meetings

Unless the parties agree otherwise, IPART and EWON staff will meet at six monthly intervals to discuss matters of common interest including:

- a) updates and reports on consumer complaints that may demonstrate systemic issues, emerging trends or general consumer concerns about energy or water issues;
- b) performance of companies in the energy and water industries and their compliance with their licence conditions;

- c) information about any existing or proposed activities being undertaken by each party that may be of interest to the other party;
- d) review of the referral of complaints and enquiries between the parties;
- e) reports on any other developments that may impact on the other party; and
- f) information on issues that are within the responsibility of their organisation.

Information management

IPART and EWON agree to share information necessary to enable both parties to carry out their respective functions in a proper manner.

Each party only agrees to provide information to the other under the MOU to the extent that it is permitted to do so by law.

IPART and EWON recognise that they each have obligations in relation to the protection of information and will take reasonable steps to protect any confidential information and personal information (as defined in State and Federal privacy law) from any unauthorised use or disclosure.

Each party agrees to allow the other a reasonable time period to provide information under this MOU.

Management of the MOU

Liaison

IPART and EWON will each nominate liaison officers to serve as points of contact in relation to matters arising under this MOU and be responsible for general liaison under this MOU.

The Energy & Water Ombudsman and the Chief Executive Officer of IPART will meet as necessary to assess the operation of this MOU and to discuss matters arising under the MOU.

Variation

This MOU may be varied at any time with the parties' prior written agreement.

Termination

Either party may terminate this MOU by giving 30 days written notice to the other party. The termination will take effect on the date that is 30 days after the notice is issued unless otherwise agreed, in writing, by the parties.

Term

This MOU commences on the date that it is executed (Commencement Date) and continues in force until such time as it is terminated or replaced.

Review

The parties will review this MOU at least once every four years with the first four year period commencing on the Commencement Date. Either EWON or IPART may initiate a review of this MOU.

Publication

Each party may publish this MOU on its website.

Parties do not intend to be legally bound by MOU

This MOU is not intended to be legally binding on either party.



**Hugo Harmstorf
Chief Executive Officer
Independent Pricing and Regulatory Tribunal**

3 July 2017



**Janine Young
Ombudsman
Energy & Water Ombudsman NSW**

3 July 2017