7 February 2011

General Manager, Markets Branch
Australian Energy Regulator
GPO Box 520
Melbourne VIC 3001

AERInquiry@aer.gov.au

Thank you for the opportunity to comment on the Draft Decision: Approach to Compliance with the National Energy Retail Law, Rules and Regulations, December 2010.

The Energy & Water Ombudsman NSW investigates and resolves complaints from customers of electricity and gas providers in NSW, and some water providers.

EWON supports the changes introduced in response to feedback to the original Issues Paper, and believes the proposed Procedures and Guidelines achieve an appropriate compliance regime, with sufficient flexibility to allow for a range of enforcement responses on a case by case basis.

We noted the concerns expressed in a number of submissions about over-reliance on complaints data from the energy ombudsmen as a basis for monitoring compliance, and in fact we had drawn attention to the limitations on our data in our original response to the Issues Paper. We agree that a complaint is not necessarily indicative of a compliance breach, and we endorse the AER’s comment at page 11 of the Draft Decision that ‘as a signal that something may be amiss, we consider this data to be a valuable trigger for the AER to explore an issue further’. We trust that our data will continue to be useful as indicative of emerging compliance trends and customer concerns.

If you would like to discuss this matter further, please contact me or Prue McLennan, Investigations Policy Officer on 82185250.

Yours sincerely

Clare Petre
Energy & Water Ombudsman NSW