

29 February 2012

Residential Parks Act Review  
Fair Trading Policy  
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Thank you for the opportunity to comment on *Improving the Governance of Residential Parks Discussion Paper 2011*. We have only commented on those areas of the paper within EWON's jurisdiction.

The Energy & Water Ombudsman NSW (EWON) investigates and resolves complaints from customers of electricity and gas providers in NSW, and some water providers. EWON has jurisdiction concerning some electricity supply issues under the *Residential Parks Act* and the *Customer Service Standards for the Supply of Electricity to Permanent Residents of Residential Parks*. EWON will also have a role under the Australian Energy Regulator's (AER) *Exempt Selling Guidelines*.

EWON is aware that some tenants in residential parks are vulnerable, with limited income and few alternative accommodation options. These consumers have limited access to the competitive energy market or to Government support programs and assistance measures.

EWON notes that there is no data available about the number of residents who are dependent on a park owner for the supply and billing of their electricity supply. We know that some residents are not separately metered and therefore a park recovers the cost of provision of electricity through rental payments. Other residents are separately metered and directly supplied by energy retailers and therefore the *Customer Service Standards for the Supply of Electricity to Permanent Residents of Residential Parks* or the AER's *Exempt Selling Guidelines* do not apply.

It is hoped that the new licensing of park operators and the registration process for exempt retailers proposed by the AER will provide a clearer picture of the actual electricity supply arrangements within residential parks in NSW.

### *Matters covered by other laws*

The discussion paper correctly identifies that the National Energy Customer Framework (NECF) will include provisions covering exempt retailers such as Residential Parks which meter and charge for electricity supply.

The three key areas of current protection which will be weakened if park residents were to be placed entirely under the AER jurisdiction are:

- compensation for failure to connect
- the imposition of late payment fees, and
- the critical setting of service payment fees where the provision of supply is less than 60 amps.

The inclusion of these protections under the *Customer Service Standards for the Supply of Electricity to Permanent Residents of Residential Parks* was welcomed by EWON and we continue to support these provisions.

In general we believe that the AER's *Exempt Selling Guideline* will improve the situation of park residents and that the continuation of the three identified current protections under the *Service Standard* will be complementary, rather than in contradiction to the *NECF Exempt Selling Guidelines*.

If you would like to discuss this matter further, please contact me or Chris Dodds, Senior Policy Officer on 02 8218 5250.

Yours sincerely



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