



16 May 2013

Residential Parks Act Review  
Fair Trading Policy  
PO BOX 972  
PARRAMATTA NSW 2124  
[policy@services.nsw.gov.au](mailto:policy@services.nsw.gov.au)

Thank you for the opportunity to comment on the *Residential (Land Lease) Communities Bill 2013 Consultation Draft*. We have only commented on those areas of the Draft which relate to 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 notes that NSW is to introduce the National Energy Customer Framework (NECF) from 1 July 2013. This will include provisions covering exempt retailers such as Residential Parks, which charge for electricity supply. This framework provides a range of consumer protections for customers and details EWON jurisdiction.

### *Service Availability Charge*

We note that a key consumer protection issue not covered by the NECF is covered in the Draft under clause 7.1 of the proposed Act in relation to the charging of a discounted Service Availability Charge. EWON welcomes clause 7.1:

#### **7.1 Nature of utility charges**

(1) *A utility charge refers to usage charges and service availability charges where applicable.*

(2) *The regulations may provide that a service availability charge for electricity payable by home owners to the operator of a community is to be discounted in accordance with the regulations where less than 60 amps are being supplied (as ascertained under the regulations).*

We look forward to seeing the proposed Regulation carry forward the current protections concerning the charging of a discounted Service Availability Charge, where less than standard amps are supplied.



### *Late Payment Fee and Dishonoured Payment Fee*

The Draft specifically allows for the introduction of late payment fees. EWON looks forward to consultation on the details of this proposal under the Regulations as the proposed wording in the Draft appears unclear as to how the fee would be calculated and applied. We seek clarification of this Section and how it should be interpreted and applied in practice.

Section 7.5 (1) states

#### **7.5 Unpaid utility charges**

*(1) If a home owner is required to pay a utility charge to the operator of a community under this Part, the operator may charge a fee for late payment or a dishonoured payment, limited to (or proportionate to) the amount of the fee payable by the operator for late payment.*

We are concerned that Section 7.5 (1) seems to establish a relationship between the park operator being charged a late payment fee and the home owner paying their bill late. A late payment fee for the commercial business contract between the park operator and the energy provider, and late payment fees to residential customers are likely to be significantly different. We query why potentially one resident from a community should have to pay the commercial rate applied to the park operator.

### *Compensation for both failure to supply and interruption of service*

We believe the current compensation arrangements for both failure to supply and interruption of service should be considered for inclusion in the Regulations. These matters are not covered in the NECF and we believe this Act should not result in a reduction of current protections, at present captured in the Customer Service Standards:

*Customer Service Standards - March 2006*

#### **2.1.1 Failure to connect supply by the agreed date**

*The park owner will arrange the connection of electricity supply to the moveable dwelling by the date agreed between the parties. If the park owner fails to connect the electricity by the agreed date, the park owner will compensate the resident for the delay, by giving compensation of \$60 per day for each day after that date until the date the connection is actually provided, up to a maximum of \$300.*

#### **2.1.2 Failure to advise of Planned Interruption**

*The park owner will provide at least two business days notice of any planned interruption to the electricity supply. If the park owner:*

- fails to provide at least two business days notice of the interruption, or*
- interrupts the supply for longer than the time indicated in the notice then the park owner will pay each affected permanent site \$20 compensation for the interruption of supply.*



Energy & Water  
Ombudsman NSW

PO Box A2436  
Sydney South NSW 1235

Admin (02) 8218 5250  
Fax (02) 8218 5233  
**Freecall 1800 246 545**  
Email [omb@ewon.com.au](mailto:omb@ewon.com.au)  
Web [www.ewon.com.au](http://www.ewon.com.au)

ABN 21 079 718 915

If you would like to discuss this matter further, please contact me or Emma Keene,  
Manager Policy, on 8218 5225.

Yours sincerely

A handwritten signature in black ink that reads "Clare Petre".

Clare Petre  
Energy & Water Ombudsman NSW