

25 May 2011

The General Manager Adjudication Branch
Australian Competition and Consumer Commission
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Thank you for the opportunity to comment on the request by Energy Assured Limited (EAL) for authorisation for its Code of Practice and Complaints Process. EWON notes that this Code is designed to regulate door-to-door energy sales that are undertaken on behalf of electricity and gas retailers.

The Energy & Water Ombudsman NSW investigates and resolves complaints from customers of electricity and gas providers in NSW. This includes customer complaints about marketing, and this category of complaint saw a 34% increase during 2009/2010.

EWON believes that there are clear indications from industry that there is to be a rapid expansion of marketing activities in NSW over the next 12 to 18 months. EWON considers that the EAL proposal will be a welcome discipline for retailers and more importantly for marketing companies and agents.

As EWON has indicated in previous comments and as discussed with Deputy Chairman Peter Kell on 13 May 2011, we see this proposal as complementary to current regulations. Of particular benefit is the proposal to register marketing agents and to bring some oversight to the source of the majority of complaints concerning misleading marketing, the agents actually engaged in the misleading activity.

We consider that an attempt to take action and encourage improvement in the area of marketing through self regulation adds value to the current consumer protection framework. This proposal does not reduce existing regulatory requirements or obligations. It does not reduce the role of the Energy Ombudsman in dealing with individual customer complaints. Rather, we consider that EAL will complement our role and that we will work closely with EAL in relation to marketing complaints.

EWON notes the considerable development in the written documents provided, especially in the EAL Code of Practice. We are therefore pleased to continue our support for this initiative.



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If there remain any concerns or questions about the effectiveness or otherwise of a self regulatory approach, our preference would be approval with limited conditions, and a review of the EAL scheme after a designated period.

If you would like to discuss this matter further, please contact me or Chris Dodds, Senior Policy Officer on 02 82185250.

Yours sincerely

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

Clare Petre
Energy & Water Ombudsman NSW