

PO Box K 1343 Haymarket NSW 1240

Admin (02) 8218 5250 (02) 8218 5233 Freecall Email Web

1800 246 545 omb@ewon.com.au www.ewon.com.au

ABN 21079 718 915

16 October 2006

Dr John Tamblyn Australian Energy Market Commission PO Box H166 Australia Square NSW 1215

Dear Dr Tamblyn,

Thank you for the opportunity to comment on the Rule change proposal from Energy Solutions Australia Pty Ltd regarding the obligations of network service providers in relation to customer connection applications.

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

We note that Energy Solutions Australia argues for a Rule change on the basis that the current Rule provides incumbent network service providers with a competitive advantage. The proposal is to require network service providers to inform all connection applicants about providers of contestable services, and to inform providers of contestable services about connection applicants via inclusion on a register.

In NSW, the competitive provision of contestable services is facilitated by the Department of Energy, Utilities and Sustainability (DEUS), which both provides accreditation and maintains a list of accredited service providers. We suggest that an independent body such as DEUS is best situated to maintain such a list, rather than for it to be a requirement for network service providers. If the providers were required to manage such a list there would be unnecessary potential for administrative error or failure (eg in ensuring current contact details), which might disadvantage consumers. It would seem sensible that, as in NSW, the accreditation body is also the body to which consumers are referred for contact and other details. Such a central contact list also has the advantage of consistency for consumers and providers.

It may well be of benefit to the competitive process for certain connection applicants to have access to a national list of Level 1 (Construction of Network Assets) and Level 3 (Design of Network Assets) accredited service providers. However if such a list were to be established we suggest that it should be maintained by an organisation separate from the network service providers who themselves may well be on such a list. The AEMC may wish to consider which agency is best placed to establish and maintain a national list or register.

EWON suggests that if there is to be a Rule change then the obligations on the network service provider should be limited to a requirement to advise customers that the work they are seeking is contestable and to refer connection applicants to a central list or register of accredited service providers where this exists.

If you would like to discuss this matter further, please contact me on 8218 5250, or Chris Dodds, Policy Officer, on 8218 5262.

Yours sincerely

Clare Petre

**Clare Petre** 

**Energy & Water Ombudsman NSW**