25 July 2022



Our Ref: (CM Ref)

Essential Services Commission Via Engage Victoria <u>contact@engage.vic.gov.au</u>

## SUBMISSION - WATER CUSTOMER SERVICE CODE REVIEW

Thankyou for the opportunity to provide a submission on the proposed amendments to both the Urban and Rural Water Customer Service Codes.

The Water Customer Service Codes are vital for both Customers and Water Businesses and set out agreed standards to which we operate. It is important we adapt to the ongoing needs of our customers and can respond quickly to major events and changes in circumstances.

Lower Murray Water (LMW) broadly support the intent of the draft amendments of the codes to better outline minimum service standards and consumer protections however raise concerns with some aspects proposed in the draft codes.

The table below outlines more specifically the concerns related to the draft urban and rural codes:

| CLAUSE                 | LMW FEEDBACK AND CONCERNS   |
|------------------------|---|
| Customer<br>Engagement | The engagement with customers as explained on the code review website and the<br>Mendleson report on the engagement process indicates limited customer<br>engagement has occurred, particularly with regional and rural customers.  |
|                        | The Mendleson report indicates it was limited with 'tight timeframes and budget'<br>and that 'the ESC and the consultants were unable to recruit representatives from<br>First Nations people and proportionate numbers of young people or people from<br>rural areas within the tight time frame'.   |
|                        | LMW would expect that the engagement approach undertaken by the ESC to be<br>broad and inclusive of all customers. Regional and rural customers have<br>significantly different needs to metropolitan customers, and it is not acceptable to<br>LMW that a customer code be changed without the input of regional and rural<br>customers.                         |
|                        | On the ESC code review website, it is indicated consultation has occurred with<br>representatives from each of the water businesses providing rural services in<br>Victoria however note that the feedback we provided was not taken into<br>consideration in the draft codes questioning how the needs of rural customers have<br>been taken into consideration. |

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| Part A -<br>Commencement                            | The proposed industry standard start date of 1 January 2023 for the codes is<br>opposed to the start date discussed during the multiple rounds of engagement with<br>water industry businesses. Making such a significant change after engagement<br>could be considered as unauthentic engagement.   |
|   | With a final decision not due until September 2022, it would be impossible to implement some of the proposed changes in such a short time frame. Particularly changes requiring software development for automated processes.   |
|   | LMW do not support and could not achieve the commencement date of 1 January 2023, instead we request the original proposed commencement date of 1 July 2023 be adopted.   |
| Variation of<br>Charges<br>Urban 2.1a<br>Rurat 5.1a | LMW seeks further clarity on the expectation of water businesses to notify<br>customers of any proposed variation in charges to that customer at least 5 business<br>days before they take effect.<br>LMW would particularly like to confirm the methods expected of the ESC to notify<br>customers and how they differ from the requirements pursuant to section 260 of<br>the Water Act 1989. |
|   | Any expectation that each customer would be contacted in writing annually after<br>the ESC has approved the water corporations annual tariff adjustment approval<br>would result in a significant increased printing and mailing cost to water<br>businesses which would be on charged to customers.  |
|   | LMW does not support a requirement to notify customers in writing to changes due<br>to the cost impost it would place on customers. LMW instead supports options to<br>notify customers via other methods such as public notices, newsletters and social<br>media.  |
|   | The ESC would need to ensure annual tariff reviews were completed timely and early to allow enough time for water businesses to meet the 5 business day requirements.   |
|   | The proposed requirements of the E-bill are excessive and limit the distribution methods that can be used.  |
| E-Bill<br>Urban 6.5                                 | LMW have heard from customers through our engagement for our next pricing submission the desire to receive bills via SMS. This proposed change to the code would remove any ability for customers to opt into this service.   |
| Rural 6.5   | LMW are of the opinion that customers should have a choice about how they receive bills and the information they want to receive as long as access to a full bill is available. LMW does not support the proposed change to include additional information into an E-bill.  |

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| Restrictions to be<br>a measure of last<br>resort | LMW seek further understanding from the ESC on the intent of this proposed clause, particularly the definition of last resort.                                 |
|---|--|
|   | LMW use a mixture recovery method including the use of of 3 <sup>rd</sup> party collection agencies, legal action and restriction of supply in some instances. |
| Urban 16.1  | LMW would not support a requirement to first take legal action before restricting a  |
| Rural 14.2  | customers supply for non-payment as this would likely result in increased costs to LMW and the customer.   |

Thank you again for the opportunity to provide feedback on the draft codes and we look forward to working with the ESC to implement the many positive changes in the codes for our customers.

Yours Sincerely



ANTHONY COUROUPIS MANAGING DIRECTOR

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