

Water Codes Review 2019 | Stakeholder Working Group | Meeting 1: Potential Structural changes | Minutes

10.30am – 1.30pm

Thursday 12 September 2019

Melbourne Marriott Hotel

Corner Lonsdale and Exhibition Streets, Melbourne 3000

Agenda

When	What	Who
10.15 - 10.30am	Arrivals	All
10.30 - 10.40am	Welcome	Marcus Crudden
10.40 - 10.50am	Housekeeping	Kat George
10.50am - 12.00pm	Activity #1: Deconstructing the PDF	Lucy Weston
12.00 - 12.30pm	Lunch	All
12.30 - 1.30pm	Activity #2: Discussion questions	Kat George

Attendance

Name	Position	Organisation
Marcus Crudden	Director, Price Monitoring and Regulation	Essential Services Commission
Kat George	Policy Adviser	Essential Services Commission
Lucy Weston	Manager	Essential Services Commission

Abir Ahmed	Senior Policy Officer, Partnerships and Sector Performance	Department of Environment, Land, Water and Planning
Chris McLeod	Customer Liaison	Barwon Water
David Housden	Manager WaterCare Program	Yarra Valley Water
Fabian McCloy	Head of Customer and Community	Goulburn-Murray Water
Graham Holt	General Manager of Customer Service and Operations	Western Water
Kerri Imlach	Team Leader Customer Support	North East Water
Kerri Noonan	Executive General Manager Customer and Community	Coliban Water
Paul Clark	General Manager, Customer and Community	Gippsland Water
Sally Marshall	Executive Manager Business Planning and Performance	GWM Water
Traci Pevy	Manager of Customer Experience	Lower Murray Water
Zac Gillam	Senior Policy and Stakeholder Engagement Officer	Energy and Water Ombudsman (Victoria)

Welcome

Delivered by Marcus Crudden, Director, Price Monitoring and Regulation

- Welcome and acknowledgment of those who have travelled long distances to take part.
- The review of the water customer service codes will be an iterative process, with the working group providing valuable input into:
 - current practice
 - current difficulties
 - operational constraints.
- We are mindful of the absence of consumer representation and will look for opportunities to incorporate the consumer voice into future discussions.

- Commissioners will make the final decision, ensuring any changes to the water customer service codes meet our statutory objectives: protecting the long-term interests of the consumers, including low income and vulnerable consumers.

Housekeeping

- Minutes from each Working Group will be circulated and published on the Essential Services Commission's website, on the [resources page for the Water Codes Review 2019](#).
- Names and emails of Working Group members will be circulated to the broader water sector to provide for discussions between meetings.
- Commission staff gauged interest in locating the next meeting to Ballarat to combine the session with the Financial and Consumer Rights Council annual conference.

Activity #1: Deconstructing the *Payment difficulty framework*

Facilitated by Lucy Weston, Project Manager—Customer Engagement

Working Group participants reviewed and discussed an excerpt from the Energy Retail Code; Part 3, *Assistance for residential customers anticipating or facing payment difficulties*.¹ The goal of the activity was for participants to familiarise themselves with the framework at a high level, and use their experiences to assess what opportunities and challenges this framework would present in the context of water.

This activity led into a wide-ranging discussion of the following themes:

- **The alignments and differences between the energy and water sectors** that would influence how a payment difficulty framework would be adapted.
- **How rural and urban customers** would be accommodated in a unified approach.
- **Operational challenges** of businesses adapting to a new and potentially more nuanced approach.
- How to codify **transparency, clarity, consistency, flexibility, inclusive engagement, and enhanced customer protection** in a customer protection framework.

¹ <http://www.esc.vic.gov.au/sites/default/files/documents/energy-retail-code-v13-20190701.pdf>

Activity #2: Discussion guide questions

Facilitated by Kat George, Policy Adviser—Customer Engagement

The working group discussed four questions that had been circulated prior to the group meeting.

1. Would the water sector benefit from a consistent, unified customer protection framework?

The Working Group considered this question in the context of urban and rural customers, as well as for residential and business customers. The discussion covered the following:

- The changing profile of rural and peri-urban customers.
- The unique relationship farmers have with debt (willing to carry debt during dry periods).
- The speed at which debt accumulates for rural customers.
- How a nuanced approach towards rural customers can be resource intensive.
- Whether by extending hardship support to business customers leads to residential customers subsidizing struggling businesses.
- The variation in the nature of non-residential accounts.
- Whether there was a consumption threshold, under which business customers qualified for assistance.
- Whether a principles-based framework would build on existing practices.

2. Are there any parts of the existing codes that should be part of an overarching customer protection framework?

The Working Group discussed the customer protections that were similar or different for rural and for urban customers:

Alignment already exists	Necessary differences between codes
Customer charters	The way debt is handled
Family violence provisions	Water allocation
Hardship provisions (not in code but offered by all rural businesses)	Understanding that not all businesses have the same resources
Billing timing and content	
Stages for notification (reminder process)	

3. What are some of the minimum standards water businesses should meet for supporting customers experiencing payment difficulty?

- Making attempts to understand the full scope of a customer's difficulties.
- Accepting payment arrangement based on the customers capacity to pay and working with the customer towards a sustainable payment plan.
- Asking customers what they can do rather than prescribing a process.
- Genuine hardship should be assessed on a case-by-case basis.
- Differentiating between payment difficulty and hardship.
- Applying an affordability lens across the business and working towards a cultural shift towards customer care.

4. What are some of the minimum standards water businesses should meet in proactive customer engagement?

- Clear communication.
- Offering a personal site visit where there is suspected payment difficulty or hardship.
- Promoting services and assistance available.
- Using SMS where possible to send proactive communications.
- Recognising when a bill/debt is getting out of control and investigating/taking steps to help the customer manage.
- Contacting customers before they contact the business for support.
- Being part of the community, and physically available in common spaces.

Next steps

The next working group meeting will be held on **Tuesday 8 October in Melbourne**, as the participants identified this as the most accessible location for the majority of attendees. This meeting will focus on customer communication, including:

- billing
- customer charters
- a new minimum standard for proactive customer engagement

A discussion guide for this meeting has been circulated to the Working Group and will be published on the Commission's website.

If you have any questions or feedback please contact Kat George, Policy Adviser, on Kat.George@esc.vic.gov.au or (03) 9032 1392 with questions, thoughts and ideas.