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Essential Services Commission

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Submitted: exemptionregister@esc.vic.gov.au

AGL submission regarding EWOV application to act as a customer dispute resolution scheme for non-licensed electricity providers

AGL Energy (AGL) welcomes the opportunity to comment on the Energy and Water Ombudsman Victoria's (EWOV) application to provide a dispute resolution service for non-licensed electricity provider.

AGL is one of Australia's leading integrated energy companies and largest ASX listed owner, operator and developer of renewable generation. AGL is also a significant retailer of energy, providing energy solutions to over 3.6 million customers accounts throughout eastern Australia. AGL is a customer-focussed business and we endeavour to provide customers with products and services that best meet their diverse wants and needs.

AGL support a framework that allows customers to access support and information for their energy disputes and consider EWOV's application the first step in this process. AGL continues to be a supporter of ensuring that all customers, irrespective of how they take up energy supply should have access to the same level of customer protections, including access to suitable dispute resolution pathway which includes Ombudsmen services as well as tribunals, fair trading services etc. Any extension of scope should be balanced with the expanding and integrated way customers receive their energy and should also ensure that EWOV members pricing and voting rights continue to be reflective of member performance and market share.

EWOV's application continues to support a "User Pays" approach but this concept needs careful review to ensure that larger members are not subsidising smaller energy providers and customers (particularly those in small embedded networks) are not unfairly absorbing those costs. AGL supports the criteria set out in the application regarding the funding review EWOV is undertaking, particularly around the principle of certainty. It is therefore important to understand more about the funding model EWOV is considering to ensure fair and equitable cost recovery (particularly potential shortfall for smaller embedded network operators) and what impacts this might have on existing members.

AGL also believes that dispute resolution should not necessarily be locked to Ombudsmen schemes, provided an alternative body proposed by exempt sellers meet core criteria. For example, criteria should include whether the scheme is independent, free, easy to access, timely and has the authority to hear customer cases and make binding decisions. We hope that by allowing the extension of EWOV's scope that the Commission continues to consider other options for alternative energy sellers that takes into consideration the transitioning market and increasing merging of various products and services for customers.

The Commission should also consider what energy-related dispute characteristics/issues could be brought forward for review by EWOV. For example, it may be appropriate to limit issues to non-price customer



disputes such as billing, disconnection or credit collection issues etc. This direction is important to draw distinction on issues where other external pathways exist, such as the Australian Consumer Law for issues with warranties, information disclosure, sales practices etc.

There also needs to be further consideration for how bundled service disputes (i.e. where tenancy, energy and other services are provided by the same exempt entity) would be addressed under this model. EWOV's *One Stop Shop* position is important for energy customers, but we believe it may be necessary to introduce Ombudsmen protocols to ensure suitable communication and resolution channels are implemented with other sector Ombudsmen (such as for telecommunications and residential tenancies). This would remove any expectation to resolve disputes or other issues beyond an energy Ombudsman general scope or expertise.

Should you have any questions or comments, please contact Kathryn Burela on [REDACTED] or [REDACTED].

Yours sincerely

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Elizabeth Molyneux

General Manager Energy Market Regulation