

Questions

Extending the Electricity Price Review's Final Recommendations to the Gas Market – New Gas Market Guidelines

Submission prepared by: Utilities Disputes Limited (UDL), Paul Moreno

Question		Comment
Gas Consumer Care Guidelines	Do you agree with the proposed content of the Gas Consumer Care Guidelines? Are there items that should be added or deleted, and why?	<p>We support the GIC's intention to align the Gas Consumer Care Guidelines with the Electricity Authority's Consumer Care Guidelines. Consistency between the gas and electricity markets will mean more consistent treatment of consumers across the energy sector and provide certainty. We acknowledge the differences the GIC has noted between the markets, in particular the lack of critical medical equipment that relies on gas, and because of these differences we agree with the guidelines being voluntary.</p> <p>UDL expects to give consideration to the Electricity Authority guidelines in decision making on consumer complaints, which will assist in establishing what good industry practice is. The gas guidelines being closely aligned to the electricity guidelines will assist UDL in consistent resolution and decision making when considering all energy related complaints.</p>
Gas Consumer Care Guidelines	Do you agree with the proposed timeframe for Gas Retailers to align their processes to ensure voluntary compliance with the Gas Consumer Care Guidelines?	No comment.
Gas Consumer Care Guidelines	Do you agree with the Gas Consumer Care Guidelines applying also to Stand-alone Gas Retailers?	We believe there should be consistency amongst all gas retailers, having inconsistent requirements will lead to consumer confusion.

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Gas Consumer Care Guidelines	Are any modifications required to the Gas Consumer Care Guidelines to take account of the unique characteristics of the bottled LPG market?	No comment.
Utilities Disputes and Powerswitch Guidelines	Do you agree with the proposed content of the Guidelines? Are there items that should be added or deleted, and why?	We broadly support the proposed content and intention of the Guidelines. We believe the requirement to provide clear and prominent information about UDL should be consistent with the EA Code change and guidelines, UDL Scheme Rules, and apply to all queries. However, if the GIC intends to restrict provision of UDL's information to complaints only, we believe it should include all complaints rather than the subset proposed by the GIC.
Utilities Disputes and Powerswitch Guidelines	Do you agree with Gas Industry Company's proposed narrower approach than that implemented for the electricity market in relation to the provision of Utilities Disputes information (focussing on "complaints" rather than "queries")?	<p>UDL details should be provided clearly and prominently with every query to increase gas customers' awareness of UDL</p> <p>The GIC notes <i>extending these</i> [the Electricity Authority's] <i>awareness measures to Gas consumers is likely to enhance fairness, and helps ensure an efficient, consistent approach across energy markets.</i></p> <p>We believe this is maximised by requiring UDL's details for every query, consistent with the Electricity Authority's Code amendments and guidelines.</p> <p>The GIC's current approach focuses on providing UDL's information in the context of complaints only. If this is to be restricted to complaints, we believe it should include all complaints rather than the subset proposed by the GIC.</p> <p>Gas customers are contacting UDL less often than electricity customers which suggests gas customers have lower awareness of UDL</p> <p>The Electricity Authority Code amendments and guidelines came into force on 1 April 2021. In the three months since 1 April 2021, when compared to the same period in 2020, UDL has seen an 120% increase in energy cases overall and a 128% increase in gas cases. Despite this</p>

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increase, gas cases reaching UDL continue to be significantly lower than electricity cases in proportion to the number of customers.

From 1 April 2021-30 June 2021 UDL received 4666 electricity cases, consisting of 3994 queries and 672 complaints. Over the same period UDL received 242 gas cases, consisting of 192 queries and 50 complaints.

This means that across the industry there were 10.5 cases per 10,000 customers in the electricity market, and 2.8 cases per 10,000 customers in the gas market.¹

Possible low compliance amongst LPG retailers should not prevent the GIC from creating consistent guidelines

Requiring LPG retailers to display UDL’s information clearly and prominently in response to every query, could potentially result in lower levels of compliance as it significantly increases their current obligations. We do not believe, however, that this is a valid reason to not take a principled approach that is consistent with the obligations electricity retailers have. We expect natural gas retailers are equipped to comply with the guidelines in the same way as any electricity retailer is. We believe it is better to set applicable standards and work with LPG retailers to ensure they are compliant, rather than creating inconsistent standards between electricity and gas.

The GIC’s “narrower approach” will create confusion because it is inconsistent with existing requirements under UDL’s scheme rules

If the GIC decides to continue with the narrower approach than the electricity market for providing clear and prominent information about UDL, the restrictions on the type of complaints where UDL’s details are required to be provided should be removed. This would mean all gas

¹ We have used “customer” to represent the combined number of retailer and distributor ICPs for each market because both retailer and distributor ICP relationships present a unique opportunity for a complaint.

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providers are required to provide UDL’s details when responding to any complaint from a consumer. What is proposed in the Guidelines is a lesser requirement than what UDL’s scheme rules already require of gas providers. This will be confusing as gas providers will still be required to comply with the obligations imposed by UDL’s rules, which state:

12. Each Provider must:

f) provide Utilities Disputes’ contact details to Complainants when:

- *the Complainant first makes the Complaint to the Provider,*

If the GIC’s guidance contains a lesser requirement than UDL’s existing rules, this will create confusion for providers and consumers.

Furthermore, as providers will still be required to comply with UDL’s rules regardless of the guidelines, it will essentially make the guidelines’ lesser requirements redundant.

The GIC’s “narrower approach” will exclude many of the common complaint issues we consider

The draft guidelines propose natural gas retailers must provide UDL’s details clearly and prominently when responding to complaints about:

- billing or changes to payments for the supply of natural gas; or
- the terms and conditions for the supply of natural gas

Between, 1 April 2020 and 30 June 2021, complaints UDL has received relating to gas have included the following issues:

- 65.6% customer service
- 58.7% billing
- 21.2% provision of gas
- 11.1% disconnection
- 10.6% meter
- 5.3% supply
- 4.8% debt
- 4.2% general
- 3.7% lines, poles, pipes and related equipment

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		<ul style="list-style-type: none"> • 3.2% credit • 3.2% other <p>Limiting the types of complaints where UDL's details must be clearly and prominently shared (as set out in the proposed Guidelines) would exclude many of the common issues consumers currently complain to UDL about.</p>
Utilities Disputes and Powerswitch Guidelines	Do you agree with the proposed Alignment Timing for Gas Retailer voluntary compliance with the Gas Consumer Care Guidelines?	No comment.
Utilities Disputes and Powerswitch Guidelines	Do you agree with the proposed timeframe for Gas Retailers and Gas Distributors to align their processes to ensure voluntary compliance with the Utilities Disputes and Powerswitch Guidelines?	No comment.
Utilities Disputes and Powerswitch Guidelines	Do you agree with the Utilities Disputes and Powerswitch Guidelines applying also to Stand-alone Gas Retailers?	We believe there should be consistency between retailers.
Saves and Winbacks Guidelines	Do you agree with the proposed content of the Guidelines? Are there items that should be added or deleted, and why?	We support the GIC's intention to align the Saves and Winbacks Guidelines with the Electricity Authority's Code amendments. Consistency between the gas and electricity markets will mean more consistent treatment of consumers, assist providers and simplify UDL complaints resolution and decision making.