



Media Release: Joint Electricity and Gas Complaints Scheme Approved

10 December 2009

From 1 April 2010, all electricity and gas consumers will be able to take complaints they cannot resolve with their retailers and distributors, to a free, independent, disputes-resolution service.

The service will extend the existing Electricity and Gas Complaints Commissioner (EGCC) scheme, to cover every electricity and gas retailer and distributor, including Transpower.

In a joint statement, Electricity Commission Chairman, David Caygill, and Gas Industry Co Chief Executive, Christine Southey, said that a great deal of work, involving over two years of extensive analysis and industry consultation had gone into replacing four different schemes with a single, nationally-accepted system for resolution of consumer complaints.

It was imperative, they said, that every consumer had ready access to a robust and focused complaints-resolution process. Joint Commission-Gas Industry Co assessment against requirements developed in conjunction with industry and consumer interest groups, indicated that the dual-fuel EGCC scheme provided the best means of achieving this, while preserving retailers' and distributors' rights.

Extensive consideration was given to various options, including a regulatory approach, before it was agreed that the Commission would *Gazette* the EGCC scheme under the Electricity Act and the Gas Industry Co would recommend it for approval by the Associate Minister of Energy and Resources, the Hon Pansy Wong, under the Gas Act, Mr Caygill said.

"This was a very good example of regulatory authorities and Government agencies working together for the benefit of their stakeholders. Although the EGCC scheme was the preferred alternative, its selection was subject to some key changes to EGCC constitution and governance arrangements, so that principles of accessibility, independence, fairness, accountability, efficiency, effectiveness and public awareness could be seen to be fully met".

At the same time, adequate provision had to be made to smooth new members' transition to the extended scheme, he said.

"We are delighted that the Associate Minister has accepted the Gas Industry Co's recommendation and approved the EGCC scheme," Ms Southey said.

A constructive approach by retailers and distributors, and input from the Minister of Consumer Affairs (Hon Heather Roy), as well as the Associate Minister of Energy and Resources, had resulted in general

agreement on the way forward, and the Gas Industry Co was pleased to be aligned with the Electricity Commission in introduction of a one-point-of-contact, complaints-resolution system.

Not only would this enable ongoing concentration of expertise and experience for greatest effect and strengthen the interface with both suppliers and consumers, but it would also deliver greater operating efficiency than a more fragmented approach, she said.

Basing the scheme on a model which already had a good level of industry and consumer acceptance, had clear benefits.

Key EGCC features

Features of the approved scheme include:

- Mandatory involvement of all electricity and gas retailers and distributors;
- An independent commissioner as principal decision-maker with overall accountability for determinations;
- A complaints commission with a balanced board of consumer and industry representatives, and an independent chair, overseeing the work of the commissioner; and
- An EGCC Office supporting the commissioner, including industry-experienced conciliators to handle enquiries, mediate disputes and assist with determinations.

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