

MEMORANDUM OF UNDERSTANDING

BETWEEN

TASMANIAN ECONOMIC REGULATOR

&

OMBUDSMAN TASMANIA

27 April 2016

MEMORANDUM OF UNDERSTANDING

Tasmanian Economic Regulator

&

Ombudsman Tasmania

PURPOSE

This Memorandum:

- (a) sets out a framework for co-operation between the Tasmanian Economic Regulator and the Ombudsman and their Offices; and
- (b) is intended to result in a mutual understanding of each Office's operations, improved decision-making, and accountability through information exchange between the two Offices.

The Memorandum is not intended to set rigid or inflexible rules for dealings between the Offices. Rather, the intention is to set out a series of objectives which accord with statutory obligations, and which the Economic Regulator and the Ombudsman will make their best endeavours to achieve.

These objectives include the Economic Regulator and the Ombudsman assisting each other to ensure their respective statutory and reporting obligations are discharged as effectively and co-operatively as possible.

COMMENCEMENT

This Memorandum shall come into effect on 27 April 2016 and shall remain in force until terminated by written notice given by one party to the other.

DEFINITIONS

“Economic Regulator” means the Regulator under the ESI Act, Gas Act and WSI Act

“Energy Ombudsman Act” means the *Energy Ombudsman Act 1998*

“ESI Act” means the *Electricity Supply Industry Act 1995*

“Gas Act” means the *Gas Act 2000*

“Ombudsman” means the Ombudsman within the terms of the Ombudsman Act, with reference to the responsibilities of the Ombudsman under the Ombudsman Act

“Ombudsman Act” means the *Ombudsman Act 1978*

“WSI Act” means the *Water and Sewerage Industry Act 2008*

RECITALS

The objectives of the Economic Regulator in carrying out its functions as specified in the ESI Act include:

- (a) to promote efficiency and competition in the electricity supply industry;
- (b) to establish and maintain a safe and efficient system of electricity generation, transmission, distribution and supply;
- (c) to establish and enforce proper standards of safety, security, reliability and quality in the electricity supply industry; and
- (d) to protect the interests of consumers of electricity.

Under the Gas Act, the Economic Regulator must ‘in performing any functions of a discretionary nature, endeavour to act in a fair and equitable manner taking proper account of the interests of participants in the gas supply industry and the interests of consumers of gas.’

Under the WSI Act, the Economic Regulator must seek to achieve the objective of the Act which is ‘to protect the long-term interests of customers and to provide for the safe, environmentally responsible, efficient and sustainable provision of reliable and secure water services and sewerage services to the Tasmanian community’.

In exercising powers and carrying out functions, the Economic Regulator must not unfairly discriminate between entities, customers for electricity, gas, and water and sewerage services or other persons.

The Ombudsman’s functions as specified in the Energy Ombudsman Act include:

- (a) to receive, investigate and resolve complaints;
- (b) to make awards and register agreements as awards under Part 4 of the Act;
- (c) to identify and review issues arising out of complaints;
- (d) to assist energy entities to develop procedures to resolve complaints; and
- (e) to perform any other functions imposed on the Ombudsman by the Act.

Under the WSI Act, a customer who is not satisfied with the outcome of his or her complaint under the customer complaints process may make a complaint about that outcome to the Ombudsman under the Ombudsman Act. The Ombudsman’s functions as specified in the Ombudsman Act include:

- (a) to initiate and carry out investigations. Investigation may be carried out on his own motion or on a complaint or reference made in accordance with Division 2 of the Act; and
- (b) to attempt to resolve, by conciliation, any complaint that the Ombudsman believes may be resolved in that way.

In carrying out these functions and exercising powers, the Ombudsman must act independently, impartially and in the public interest.

OPERATIVE PART

CONSULTATION

Each Office will discuss annually with the other its priorities, to identify where and how the Offices can work co-operatively on issues.

Each Office will ensure that at all times while this Memorandum is in force, one of its staff members is designated and known to the other as its contact officer for the purposes of this Memorandum.

Each Office will ensure that its contact officer:

- (a) makes themselves or a proxy available at relevant times to address any questions, concerns or disputes arising out of the operation of this Memorandum which are raised by either party;
- (b) instigates periodic (and in any event not less than three yearly) reviews of this Memorandum, directed in particular to the potential for improvement in its terms of operation and to the effect (if any) of regulatory change on its terms, operation or utility; and
- (c) arranges (in conjunction with the other's contact officer) such meetings of appropriate staff of the parties as and when necessary or desirable to facilitate the efficient and effective operation of this Memorandum.

LIAISON

In order that the Economic Regulator and the Ombudsman may be kept appropriately informed of issues of mutual interest to their respective functions they will meet six-monthly or as agreed from time to time.

For administrative efficiency, in the event of inability to attend such a meeting, the Ombudsman or the Economic Regulator may be represented by a duly authorised person.

INFORMATION SHARING

Subject to confidentiality and statutory restrictions, the Ombudsman and the Economic Regulator agree to make information available to each other upon request.

Subject to confidentiality restrictions, the Ombudsman will make available to the Economic Regulator any information on:

- systemic issues related to industry compliance;
- better practices and procedures within the industries; or
- other matters relevant to the activities of the Economic Regulator,

that comes to the Ombudsman's attention in the course of his/her duties under the Energy Ombudsman Act and the Ombudsman Act.

The Economic Regulator will likewise keep the Ombudsman informed of non-confidential information that will assist the Ombudsman in the performance of the Ombudsman's duties under the Energy Ombudsman Act and the Ombudsman Act, specifically any changes to the entities' policy documents or customer charters which are before the Economic Regulator for review.

The Ombudsman and the Economic Regulator will, for information purposes only, provide each other with:

- a copy of any proposed relevant media release, prior to the general release of the document; and
- if an annual or other periodic report is received, a copy of any part which is relevant to the activities of the other.

CONSUMER AND INDUSTRY EDUCATION

Each Office may carry out education and compliance activities appropriate to their respective areas of responsibility and may do so independently of the other but should give the other notice of any such activities or programs.

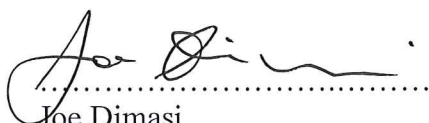
Where appropriate, the two Offices may undertake joint compliance, education or information initiatives. Each Office will make copies of publications available to the other to assist with education.

REPORTING REQUIREMENTS

Subject to the relevant legislative reporting requirements, the Ombudsman shall provide the Economic Regulator with a copy of any part of an investigation report that the Ombudsman considers would assist the performance of the Economic Regulator's functions or the achievement of the Economic Regulator's objectives under the ESI Act, the Gas Act and WSI Act.

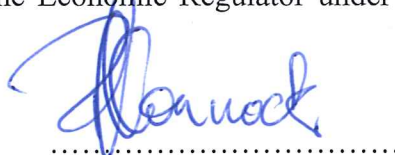
REFERRALS TO THE ECONOMIC REGULATOR CONCERNING ENERGY RELATED MATTERS

As provided for in sections 10(1)(b) and 19(1) of the Energy Ombudsman Act, the Ombudsman may refer a complaint or a matter raised by or during the course of an investigation to the Economic Regulator for further investigation in accordance with section 20 of the Energy Ombudsman Act. Before referring a matter to the Economic Regulator, in addition to the requirements of the Energy Ombudsman Act, the Ombudsman will have regard to the Economic Regulator's functions and the objectives of the Economic Regulator under the ESI Act or Gas Act, as appropriate.



Joe Dimasi
Tasmanian Economic Regulator

Date: 27 / 4 / 2016



Richard Connock
Ombudsman

Date: 8 / 4 / 2016