

# Draft Decision

2016-17 Review of the *Water Services Code of Conduct*  
(*Customer Service Standards*) 2013

26 September 2017

Economic Regulation Authority

WESTERN AUSTRALIA

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## Executive summary

The Economic Regulation Authority (**ERA**) proposes to repeal the *Water Services Code of Conduct (Customer Service Standards) 2013 (Code)* and replace it with a revised Code.

The proposed revised Code takes account of the public submissions the ERA received from stakeholders as well as the advice it received from the Water Code Consultative Committee.

Many of the proposed amendments introduce new, or clarify existing, protections for customers. The ERA also proposes to remove some provisions from the Code. The ERA expects that the amendments will only result in a modest increase in the regulatory impost on licensees.

### Improving safeguards for customers

The proposed revised Code includes important safeguards for customers.

Licensees will be required to send their customers a reminder notice and a restriction notice before supply may be reduced or cut off.<sup>1</sup> The notices must advise customers of their rights and responsibilities. The ERA expects that this will help raise awareness of the assistance that is available to customers from licensees and third parties, such as the Energy and Water Ombudsman WA.

Customer protections will be strengthened by the new requirement for licensees to keep a register of persons who need water to operate a dialysis machine or other life support equipment.<sup>2</sup> Supply may not be restricted to persons who are included on the register, regardless of whether they are the account holder or not.<sup>3</sup> They should also be advised in writing of any upcoming planned interruptions.<sup>4</sup>

Residential customers will no longer be allowed to contract out of the Code.<sup>5</sup> The ERA is concerned that the inherent power imbalance between licensees and residential customers may result in some residential customers agreeing to contract out of all, or part of, the Code – even if this is not in their interest. The proposed change will ensure that the Code's minimum service standards always apply to residential customers.

Other important changes are:

- licensees will no longer be able to charge interest or late payment fees for outstanding bills if the customer is experiencing financial hardship, or while a complaint about the bill remains unresolved;<sup>6</sup>
- licensees will no longer be able to collect an outstanding debt while a complaint about the debt remains unresolved;<sup>7</sup>

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<sup>1</sup> Clause 31 and 31A of the revised Code. Currently, licensees are not required to advise their customers in writing that their supply may be reduced or cut off. They are only required to use best endeavours to inform customers "in person, by telephone or electronic means" that their supply may be reduced.

<sup>2</sup> Clause 39 of the revised Code. Persons who require water "for a special need of another kind" must also be included on the preserved supply register.

<sup>3</sup> Currently, licensees may only not restrict a water supply if the account holder needs life support equipment.

<sup>4</sup> Clause 41 of the revised Code.

<sup>5</sup> Clause 5(1) of the revised Code.

<sup>6</sup> Clause 28A of the revised Code.

<sup>7</sup> Clause 29(1)(d) and (e) of the revised Code.

- licensees must now advise customers who are experiencing payment difficulties or financial hardship that they are entitled to a payment plan;<sup>8</sup> and
- licensees must give at least 48 hours' notice of a planned interruption.<sup>9</sup>

## Removing unnecessary regulatory burden

Some proposed amendments aim to remove unnecessary regulatory burdens for licensees, for example:

- Removing irrigation and drainage services from the application of the Code.<sup>10</sup>
- Licensees who do not charge for the provision of water services do not have to comply with those parts of the Code that relate to billing and payment.<sup>11</sup>
- Local government licensees do not have to comply with the Code to the extent that the Code is inconsistent with the *Local Government Act 1995*.<sup>12</sup>

The ERA also proposes to remove the obligation on licensees to include some very detailed information on customer bills,<sup>13</sup> and the obligation to offer direct debit as a payment method.<sup>14</sup> Licensees will also be able to recover undercharged amounts that are older than 12 months if the undercharging was the result of fraudulent or illegal conduct by the customer.<sup>15</sup>

## Matters that the ERA does not propose to address in the Code

In the Consultation Paper, the ERA asked if service standard payments should be included in the Code. These payments compensate customers for inconvenience experienced, and also provide an incentive for licensees to meet certain core service standards. However, licensees incur costs in administering and making these payments to customers. The ERA considers that, at this stage, those costs outweigh the benefits. The ERA has not received any advice that licensees are systematically failing to meet the service standards in the Code. The ERA therefore does not propose to include service standard payments in the Code.

The use of prepayment water meters will also not be addressed in the Code at this stage.<sup>16</sup> The ERA received two public submissions proposing changes to the Code to allow the use of prepayment water meters in regional and remote Aboriginal communities. The ERA considers that the use of prepayment water meters raises some complex issues, including concerns about health and safety. There is also uncertainty about the type of meters that will be used and their technical capabilities. It is difficult to prescribe minimum service standards when it is unclear whether those standards can be met. Also, certain parts of the Code are not compatible with the use of prepayment meters and would need to be

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<sup>8</sup> Clause 25(2) and 27(2) of the revised Code.

<sup>9</sup> Clause 34B(2) of the revised Code. If it is not reasonably practicable to give 48 hours' notice, notice must be given at the earliest practicable time before the start of the service interruption (clause 34B(2)(b) of the revised Code).

<sup>10</sup> Clause 4(2)(c) and (d) of the revised Code.

<sup>11</sup> Clause 4(3) of the revised Code.

<sup>12</sup> Clause 5A of the revised Code.

<sup>13</sup> Clause 12(3) of the revised Code.

<sup>14</sup> Clause 21(1)(a) of the revised Code.

<sup>15</sup> Clause 16(6) of the revised Code.

<sup>16</sup> A prepayment water meter is a meter which requires a customer to pay for water before it is provided.

amended. The ERA is concerned that the current review process does not provide the ERA and stakeholders with sufficient time to consider all of the issues involved. The ERA would like to consult more widely, including with persons living in regional and remote Aboriginal communities and/or their representatives, before progressing amendments to the Code that permit the use of prepayment water meters.

## Issue that the ERA is still considering

There is one issue on which the ERA seeks further comment from stakeholders to guide its decision making.

After the release of the Consultation Paper, the ERA became aware that customers who receive a rebate for fixed charges may lose their rebate if they do not pay their bill by the due date, or if they do not meet the conditions of their payment plan.

The ERA asked Water Corporation, Busselton Water Corporation (**Busselton Water**) and Bunbury Water Corporation (trading as **Aqwest**) for information about the assistance they offer to customers who are entitled to a rebate and who are experiencing payment difficulties or financial hardship.

Based on the information provided by the three water corporations, it appears that customers of Busselton Water and Aqwest will keep their rebate for fixed charges if they enter into, and comply with, a payment plan for any fixed charges that are still outstanding at the end of the billing period.

Customers of Water Corporation who have not paid their fixed charges within 50 days after the bill was issued may defer, or enter into a payment plan, for the outstanding amount. However, if they do so, they will lose their rebate for that bill.

The ERA is concerned how Water Corporation's policy may affect customers who are experiencing payment difficulties or financial hardship. Customers who lose their rebate because they are unable to pay their fixed charges within 50 days will have to pay substantially more, even though their financial situation means they can probably least afford it.

The ERA would like to know if stakeholders consider that the Code should be amended to ensure that licensees must take into account a customer's capacity to pay and consumption history when setting the conditions of a payment plan or other arrangement. This would ensure that any payment plan offered to a customer who is experiencing payment difficulties or financial hardship takes account of the customer's individual circumstances. It would also allow customers to retain the rebate for fixed charges provided they keep to the payment plan or other arrangement.

Paragraphs 152 to 176 include more information about this matter.

## Draft decision

1. The Economic Regulation Authority (**ERA**) proposes to repeal and replace<sup>17</sup> the *Water Services Code of Conduct (Customer Service Standards) 2013 (Code)*.
2. Appendix 1 includes a copy of the proposed new Code with track changes.

## Background

3. The Code establishes a customer protection framework that sets out the minimum level of service that water licensees must provide to their customers.
4. By law, the ERA must review the operation and effectiveness of the Code at least once every five years.<sup>18</sup> The ERA commenced its initial review in July 2016.
5. The ERA has established a committee, the Water Code Consultative Committee (**WCCC**), to provide it with advice throughout the review process.<sup>19</sup> Members of the WCCC include three industry representatives, three representatives from consumer organisations, two government agency representatives, a Chairperson and an executive officer.<sup>20</sup>
6. The WCCC provided comment on the ERA's draft Consultation Paper. After consideration of the WCCC's comments, the ERA released the Consultation Paper for public comment.<sup>21</sup> The ERA received submissions from ten stakeholders:
  - Water Corporation
  - Aqwest
  - Busselton Water
  - Joint Utilities group
  - Rio Tinto
  - Horizon Power
  - Regional Services Reform Unit
  - Department of Water
  - Ord Irrigation Cooperative
  - Member of the publicTwo stakeholders did not provide permission to publish their submissions. The submissions from the other eight stakeholders are in Appendices 2 to 9.
7. The ERA provided copies of all ten submissions to the WCCC. The WCCC met twice to consider the submissions as well as the issues raised in the Consultation Paper. The WCCC provided its advice to the ERA on 9 December 2016. The advice is in Appendix 10.

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<sup>17</sup> Section 27(1) of the *Water Services Act 2012 (Act)*.

<sup>18</sup> Section 27(7) of the Act.

<sup>19</sup> Section 28(1) of the Act.

<sup>20</sup> A current list of WCCC members is available at: <https://www.erawa.com.au/water1/water-licensing/water-services-code-of-conduct-customer-service-standards-2013/water-code-consultative-committee>

<sup>21</sup> The Consultation Paper is available at: <https://www.erawa.com.au/water1/water-licensing/water-services-code-of-conduct-customer-service-standards-2013/2016-2017-code-review>

## Proposed amendments

8. This Draft Decision sets out the amendments the ERA proposes to make to the Code based on the issues raised in the Consultation Paper, the public submissions received from stakeholders and the advice received from the WCCC.
9. Parliamentary Counsel's Office (**PCO**) has suggested a number of amendments to improve consistency and clarity. These amendments are listed in Appendix 11.

## Outstanding matter

10. There is one issue on which the ERA has not yet formed a view. This issue was not raised in the Consultation Paper or public submissions, but came to the ERA's attention through community engagement.
11. Under current legislation, customers who receive a rebate may lose their rebate if they do not pay their bill on time or meet the conditions of a payment plan.<sup>22</sup> As rebates typically consist of a 25 per cent or 50 per cent discount off the customer's bill, the loss of a rebate can have major consequences for a customer, especially if that customer is experiencing payment difficulties or financial hardship.
12. The ERA is seeking comment from stakeholders on whether the Code should be amended to ensure that licensees must take into account a customer's capacity to pay and consumption history when setting the conditions of a payment plan or other arrangement. Paragraphs 152 to 176 include more details on this issue.

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<sup>22</sup> Regulation 34(1)(c) of the *Water Services (Water Corporations Charges) Regulations 2014* (for customers of Water Corporation); section 33(3) of the *Rates and Charges (Rebates and Deferments) Act 1992*.



## Part 1 of the Code – Preliminary

### Commencement: clause 2

13. In the Consultation Paper<sup>23</sup>, the ERA proposed that the new Code would come into operation on 1 July 2017.
14. **The ERA now proposes to extend the commencement date by 12 months, to 1 July 2018. The ERA will endeavour to gazette the new Code by early 2018.**
15. The ERA acknowledges that licensees may need time to implement some of the proposed amendments to the Code. For example, licensees may have to change the format of their bills to include new information, some licensees may have to establish a 24 hour information line or a preserved supply register.<sup>24</sup> Delaying the commencement date should provide licensees with sufficient time to familiarise themselves with the changes and adapt their systems, processes and training as needed.

### Application of code to tenants: clause 4(1)

16. In its Consultation Paper<sup>25</sup>, the ERA proposed to clarify that the Code does not apply to tenants who do not have a contractual relationship with their licensee.
17. Both the Act and the Code include a definition of “customer”. These definitions are not the same. Clause 4(1) of the Code defines a “customer” as follows:

**customer**, of a licensee, means a customer as defined in section 3(1) [of the Act] who is –

- (a) an owner of the land in respect of which the water services are provided; or
- (b) an occupier of the land in respect of which the water services are provided and who is authorised by an owner to receive bills for the water services

and includes any other person who is authorised by an owner of the land in respect of which the water services are provided to receive bills for the water services.

Section 3(1) of the Act defines a customer as follows:

**customer**, of a licensee, means a person to whom water services are provided by the licensee or who is entitled to the provision of water services by the licensee, other than a person who is a member of the licensee.

18. It is likely that the definition used in the Code is wider than the definition used in the Act. Whereas the Act is likely to only apply to land owners and tenants who have a direct contractual relationship with a licensee, the Code also applies to tenants who do not have a direct contractual relationship with a licensee.
19. Section 27(3) of the Act provides that the Code must “deal with the conduct of licensees in relation to customers and potential customers”. The Code may therefore only apply to customers as defined under the Act. It may not apply to other persons, such as tenants who do not have a direct contractual relationship with a

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<sup>23</sup> Issue 2 of the Consultation Paper.

<sup>24</sup> A “preserved supply register” is a register maintained by licensees that includes persons who need water to operate a dialysis machine or other life support equipment.

<sup>25</sup> Paragraph 3.3 of the Consultation Paper.

licensee. To clarify that the Code only applies to customers as defined under the Act, the ERA proposed to delete clause 4(1) from the Code.<sup>26</sup>

20. The ERA considers that this amendment is a result of the current legislative framework. As stated in the Consultation Paper, it does not reflect the ERA's position on this issue. The ERA considers that the Code should apply to all tenants.
21. The ERA will continue to work with the Department of Water and Environmental Regulation to consider what legislative changes could be made to ensure tenants are covered by the Code. This could, for example, include changes to the definition of "customer" in the Act.

## Limiting the application of the Code

22. The Code currently applies to all customers and licensees, regardless of size or location. Some other Australian jurisdictions have limited the application of their water codes to certain customers or licensees.
23. In the Consultation Paper, the ERA asked if similar limitations should be included in the Code.<sup>27</sup>
24. Most stakeholders considered that the Code should continue to apply to all licensees.
25. Some stakeholders suggested that the application of the Code should be limited to certain customers. According to the Regional Services Reform Unit, the Code should only apply to residential customers. Aqwest, Busselton Water and Water Corporation argued that the Code should not apply to customers who have entered into a contract that includes non-standard terms and conditions of service (so-called "**services by agreement**").
26. The ERA does not agree with excluding customers who receive "services by agreement" from the Code. Where other jurisdictions have introduced limitations, these are generally based on the retailer's size (for example, more or less than 50,000 connections),<sup>28</sup> the customer's location (metropolitan or regional)<sup>29</sup> or the customer's status (residential only).<sup>30</sup> Customers who receive "services by agreement", however, can be metropolitan or regional, residential or business customers.
27. The WCCC considered that there are no compelling arguments, at this stage, to limit the application of the Code to certain customers or licensees only.

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<sup>26</sup> In the absence of a definition for "customer" in the Code, the definition for "customer" in the Act will apply (section 44(1) of the *Interpretation Act 1984* (WA)).

<sup>27</sup> Issues 3 & 4 of the Consultation Paper.

<sup>28</sup> The South Australian *Water Retail Code – Major Retailers (WRC-MR/02)* and *Water Retail Code – Minor and Intermediate Retailers (WRC-MIR/02)*.

<sup>29</sup> The Victorian *Customer Service Code – Urban Water Businesses* (April 2017) and *Rural Water Customer Service Code* (April 2017).

<sup>30</sup> The *South East Queensland Customer Water and Wastewater Code* (April 2017).

28. **After considering the submissions and WCCC advice, the ERA proposes not to limit the application of the Code by, for example, the retailer's or customer's size or the customer's location.**

### Irrigation services: clause 4(2)(c)

29. The Code applies to the provision of irrigation services.<sup>31</sup>
30. In the Consultation Paper, the ERA asked if the Code should continue to apply to irrigation services.<sup>32</sup>
31. Most stakeholders considered that irrigation services should not be covered by the Code. This view was supported by the WCCC.
32. **After considering the submissions and WCCC advice, the ERA proposes to remove irrigation services from the application of the Code. The ERA considers that the removal of irrigation services from the Code is unlikely to have a significant impact on the rights of customers. In practice, the Code already does not apply to most irrigators because their customers are either members<sup>33</sup> or are supplied with non-potable water services.<sup>34</sup>**

### Drainage services: clause 4(2)(d)

33. The Code applies to the provision of drainage services.<sup>35</sup>
34. In the Consultation Paper, the ERA asked if the Code should continue to apply to drainage services.<sup>36</sup>
35. Stakeholder responses to this question were mixed. Water Corporation argued that it is inequitable that some providers (such as local governments) are exempt from complying with the Code, while others (such as Water Corporation) are not exempt. Water Corporation also commented that drainage infrastructure is communal and that the provision of drainage services is fundamentally different from other services covered by the Code. The then Department of Water<sup>37</sup> was concerned that removing drainage services from the Code would mean that Water Corporation would no longer have to advise its drainage customers that they are entitled to drainage services and that Water Corporation must provide the services.<sup>38</sup>
36. The WCCC recommended that drainage services not be covered by the Code.
37. **After considering the submissions and WCCC advice, the ERA proposes to remove drainage services from the Code. The provision of drainage services**

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<sup>31</sup> Clause 4(2)(c) of the Code.

<sup>32</sup> Issue 5 of the Consultation Paper.

<sup>33</sup> Members are explicitly excluded from the definition of 'customer' used in the Act.

<sup>34</sup> Non-potable water services are not covered by the Code. Clause 4(2)(a) provides that the Code applies to water supply services "but only in respect of the supply of drinking water.

<sup>35</sup> Clause 4(2)(d) of the Code.

<sup>36</sup> Issue 5 of the Consultation Paper.

<sup>37</sup> Now the Department of Water and Environmental Regulation.

<sup>38</sup> The obligation to advise customers of their rights and Water Corporation's duties is captured in clause 7(2)(a) and (b) of the Code.

is generally viewed as a communal service similar to, for example, streetlighting. These types of services are not usually regulated by a code of conduct. Most other States also exclude drainage services from their codes. The ERA considers that the removal of drainage services from the Code is unlikely to materially affect the rights of customers.

### Provision of services without charge

38. Some licensees do not charge customers for the provision of water services. For example, some mining companies do not charge customers for water services if those customers are employees of the mining company.
39. **The ERA considers that licensees who do not charge for a water service should not have to comply with those sections of the Code that deal with billing, payment, the restriction of supply following non-payment of a bill, and the provision of billing and payment information.**
40. **Clause 4(3) of the revised Code lists the provisions of the Code that do not apply under these circumstances.**

### Contracting out: clause 5(1)

41. Clause 5(1) allows a licensee and a customer to contract out of the Code.
42. In the Consultation Paper, the ERA asked if the ability to contract out of the Code should be limited to certain customers or clauses.<sup>39</sup>
43. Some stakeholders expressed concern about not allowing residential customers to contract out of the Code. Aqwest, Busselton Water and the Water Corporation all have “services by agreement” with residential customers. As explained in paragraph 25, these agreements include non-standard terms and conditions of service. The agreements are generally entered into if suitable infrastructure is unavailable, the existing infrastructure has insufficient capacity, or the quality of available water does not meet the standards of the licensee’s licence. In these situations, technical standards, such as pressure and flow, can often not be met.
44. The ERA considers that amending clause 5(1) will not preclude licensees from entering into “services by agreement” with residential customers. This is because the technical standards that are varied in these agreements are not prescribed in the Code. The agreements are therefore not inconsistent with the Code and can continue to be used.
45. The WCCC was concerned that clause 5(1) may be undermining the effectiveness of the Code as it allows licensees and customers to contract out of all the provisions of the Code. The WCCC recommended that only business customers be allowed to contract out of the Code.
46. **After considering the submissions and WCCC advice, the ERA proposes to amend clause 5(1) to only allow business customers to contract out of the Code. The proposed amendment ensures that residential customers will, at all times, be entitled to the minimum service levels of the Code.**

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<sup>39</sup> Issue 6 of the Consultation Paper.

47. **The ERA proposes to define the term residential customer as follows:**<sup>40</sup>

*residential customer* means a customer who uses the place in respect of which a water service is provided solely or primarily as the customer's dwelling.

**The definition is consistent with the wording that was used in clauses 19 and 27. Both these clauses used the phrase "for a water service supplied in respect of the place used solely or primarily as the customer's dwelling". In the revised Code, both clauses use the term "residential customer".**

## Inconsistencies with the Local Government Act 1995

48. The ERA has become aware that some Code provisions may be inconsistent with the *Local Government Act 1995* and regulations and local laws made under that Act (together the **Local Government Act**).

49. For example, the Local Government Act requires a rate notice to be delivered to the postal address of the owner of the land,<sup>41</sup> while the Code requires bills to be sent to the supply address or the address nominated by the customer.<sup>42</sup> Also, under the Local Government Act, local governments may not offer an instalment plan for outstanding rates or charges while an amount is still outstanding for the previous financial year.<sup>43</sup> Under the Code, licensees must offer an instalment plan if the customer is experiencing payment difficulties or financial hardship, regardless of whether the charges were incurred in the current financial year or not.<sup>44</sup>

50. **The ERA proposes to clarify that in the event of an inconsistency between the Local Government Act and the Code, the Local Government Act prevails to the extent of the inconsistency. This is addressed in clause 5A of the revised Code.**

51. **If the Local Government Act and the Code regulate a similar matter but there is no inconsistency, the licensee will have to comply with both legislative instruments.**

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<sup>40</sup> The definition of "residential customer" is included in clause 3 of the revised Code.

<sup>41</sup> Section 6.41(3) of the Local Government Act in conjunction with regulation 55(b) of the *Local Government (Financial Management) Regulations 1996*.

<sup>42</sup> Clause 11 of the Code.

<sup>43</sup> Regulation 58 of the *Local Government (Financial Management) Regulations 1996*.

<sup>44</sup> Clauses 25(2) and 27(2) of the Code.

## Part 3 of the Code – Billing for water services

### Maximum billing cycle for bills for fixed charges: clause 9(2)

52. Clause 9(2) requires a licensee to issue a bill for fixed charges (**fixed charges bill**) at least once every 12 months. Some licensees issue their fixed charges bills more often. Water Corporation and Busselton Water, for example, bill their customers every two and four months respectively. Issuing bills more often can help make payments more manageable for customers.
53. In the Consultation Paper, the ERA asked if licensees who issue usage bills for drinking water should have to issue their fixed charges bills at least once every six months.<sup>45</sup> Because these licensees must already issue their usage bills every six months,<sup>46</sup> the ERA did not expect the change to result in significant costs for these licensees.
54. Stakeholder responses to this question were mixed. Horizon Power and the Department of Water supported reducing the maximum billing cycle for fixed charges to six months. According to the Department of Water, this would minimise bill shock for customers. Aqwest and Busselton Water considered that the current provisions are satisfactory.
55. The WCCC did not support changing the billing cycle for fixed charges. According to the WCCC, increasing the billing cycle for fixed charges may make it more difficult for some customers to manage their bills. Some licensees send their annual fixed charges bill during the winter months, when consumption is low. This effectively smooths a customer's payments out over the year. If fixed charges were included on usage bills, bills issued during the summer months, when consumption is high, would become even higher.
56. **After considering the submissions and WCCC advice, the ERA proposes to retain the maximum billing cycle for fixed charges at 12 months.**

### Obligation to issue a bill: clause 9(2) and 10(2)

57. Some licensees issue bills for usage or fixed charges only. For example, local governments only impose fixed charges for the provision of sewerage services.
58. It could be argued that, as currently drafted, clauses 9(2) and 10(2) require a licensee to issue a bill for fixed and usage charges regardless of whether the licensee imposes both charges.
59. **The ERA considers that licensees should only have to issue a bill for usage charges if they impose usage charges. Similarly, only those licensees who impose fixed charges should have to issue a bill for fixed charges. The ERA proposes to amend clause 9(2) and 10(2) to clarify that bills for usage or fixed charges only have to be issued if the customer is liable for usage or fixed charges (as the case may be).**

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<sup>45</sup> Issue 7 of the Consultation Paper.

<sup>46</sup> Clause 10(2) of the Code.

60. **Clause 9(2) and 10(2) of the revised Code provide that the clause only applies “if [fixed/usage] charges apply for the provision of a water service to a customer by a licensee”.**

### Maximum billing cycle for bills for usage charges: clause 10(2)

61. Clause 10(2) requires a licensee to issue a bill for usage at least once every six months.
62. In the Consultation Paper, the ERA asked if the maximum billing cycle for usage bills should be reduced from six to three, or four, months.<sup>47</sup> Shorter billing cycles have a number of benefits. They can make payments more manageable for customers (as the amount of each bill will be lower). They can also help to detect leaks earlier. Most customers only become aware of a leak when they receive an unusually high bill. If bills are issued more regularly, customers will be able to detect leaks sooner.
63. Most stakeholders supported reducing the maximum billing cycle from six to four months.
64. The WCCC acknowledged that shorter billing cycles can help customers better manage their bills and detect leaks earlier. However, the WCCC also commented that licensees may incur additional costs if the billing frequency is increased (more meter readings, issuing more bills). These additional costs may be passed on to customers. On balance, the WCCC considered a four monthly billing cycle reasonable.
65. **After considering the submissions and WCCC advice, the ERA proposes to reduce the maximum billing cycle for usage bills from six to four months. This does not prevent licensees from issuing their usage bills more often.**

### Bills must be based on actual meter reading

66. Although usage bills must be based on a meter reading,<sup>48</sup> a licensee may base a usage bill on an estimate if an accurate meter reading is not possible.<sup>49</sup>
67. In the Consultation Paper, the ERA asked if licensees should have to read a customer’s meter at least once every 12 months.<sup>50</sup>
68. Stakeholders and the WCCC agreed that licensees should have to read a customer’s meter at least once every 12 months.
69. **After considering the submissions and WCCC advice, the ERA proposes to insert clause 10(6) in the revised Code. Under the clause, a bill for usage must be based on a meter reading at least once every 12 months.**

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<sup>47</sup> Issue 8 of the Consultation Paper.

<sup>48</sup> Clause 10(3) of the Code.

<sup>49</sup> Clause 10(4) of the Code.

<sup>50</sup> Issue 9 of the Consultation Paper.

## Interest and fees for late payments: clause 12(1)(j)

70. Clause 12(1)(j) requires a bill to specify the “amount of interest or fees charged for late payment of outstanding amounts”. It is unclear from this wording if the bill must specify that interest or fees have been charged, or that interest or fees may be charged.
71. In the Consultation Paper, the ERA proposed that all bills should have to include a statement that interest or fees may be charged.<sup>51</sup>
72. Stakeholders and the WCCC agreed with this proposal.
73. **After considering the submissions and WCCC advice, the ERA proposes to amend clause 12(1) as follows. New clause 12(1)(m) specifies that each bill must, if applicable, include a statement advising customers that interest or fees may be charged for late payments. Clause 12(1)(j) has been amended to clarify that each bill must also list any interest or fees due for previous late payments.**

## Additional information on bills: clause 12

74. Clause 12 specifies what information must be included on each bill.
75. In the Consultation Paper, the ERA proposed that the following information should also be included on bills:<sup>52</sup>
  - information about assistance for customers experiencing payment difficulties or financial hardship;
  - for bills issued to residential customers, information on the availability of interpreter services;
  - the total amount of any payments made by the customer since the previous bill was issued;
  - a telephone number for complaints;
  - the Freecall telephone number for the Energy and Water Ombudsman WA; and
  - a 24 hour telephone number for faults and emergencies.
76. Some stakeholders were concerned about having to include previous payments on the bill. Their main concern was that this would make bills unnecessarily complex. A number of stakeholders were also concerned about having to include the water ombudsman’s contact details on the bill. They argued that they already include the water ombudsman’s details in other customer service documents. One stakeholder suggested that including the water ombudsman’s details on the bill seems to be at odds with the water ombudsman’s advice that customers should contact their licensee first.

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<sup>51</sup> Issue 12 of the Consultation Paper.

<sup>52</sup> Issue 10 of the Consultation Paper.



77. The WCCC supported all of the new bill requirements, with the exception of previous payments. The WCCC was concerned that including previous payments on the bill will result in too much information on the bill, which may confuse some customers.
78. **After considering the submissions and WCCC advice, the ERA proposes to amend clause 12. All bills will have to include the new information requirements that were proposed in the Consultation Paper, with the exception of previous payments. The new requirements are included in clauses 12(1)(n) and 12(4)(c), (d), (e) and (g)<sup>53</sup> of the revised Code.**

## Bills issued for more than one water service

79. Clause 12(1)(g) requires a bill to include information on the water service for which the charge is payable. There is no explicit requirement to itemise the charges payable for each water service if more than one water service is provided (for example, water supply and sewerage charges).
80. In the Consultation Paper, the ERA asked if each bill should have to specify the charges payable for each of the water services provided by the licensee.<sup>54</sup>
81. Stakeholders and the WCCC agreed that each bill should have to specify the charges payable for each of the water services provided by a licensee.
82. **After considering the submissions and WCCC advice, the ERA proposes to insert clauses 12(1A) and (1B) in the revised Code. The clauses provide that a single bill may be issued for two or more services. In that case, the bill must specify the charge payable for each water service.**

## Meter reading on a bill

83. Usage bills currently do not need to include the meter reading on which they are based.
84. In the Consultation Paper, the ERA asked if bills should have to include a meter reading (if they were based on a meter reading).<sup>55</sup>
85. Stakeholders and the WCCC agreed that all usage bills should include the meter reading on which they were based.
86. **After considering the submissions and WCCC advice, the ERA proposes to amend clause 12(2). Clause 12(2)(e)(i) of the revised Code requires all bills based on a meter reading to include the actual meter reading.**

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<sup>53</sup> A definition of the term “National Interpreter Symbol”, which is used in clause 12(4)(g) of the revised Code, has been added to clause 3 of the revised Code.

<sup>54</sup> Issue 11 of the Consultation Paper.

<sup>55</sup> Issue 13 of the Consultation Paper.

## Comparing water usage: clause 12(2)(g)

87. Clause 12(2)(g) provides that usage bills must include information about the customer's water usage compared with the customer's previous usage. It does not explain what is meant by the term "previous usage".
88. In the Consultation Paper, the ERA proposed to clarify that the term "previous usage" refers to the customer's usage for the previous account period and the same period last year.<sup>56</sup> This would be consistent with most other Australian jurisdictions.
89. Stakeholders and the WCCC agreed with this proposal.
90. **After considering the submissions and WCCC advice, the ERA proposes to amend clause 12(2)(g) as suggested in the Consultation Paper. All usage bills for a metered water service will have to include information about the customer's usage compared to the customer's usage in the previous billing period and the same billing period last year.**

## Including information on bills to advise customers of their rights: clause 12(3)

91. Clause 12(3) requires each bill to advise customers of certain rights, and where additional information on those rights can be obtained. Each right must be described in detail; particularly those relating to metering.<sup>57</sup> For example, all bills must inform customers that they may ask for a meter test, that fees may apply for meter tests and when those fees may be reimbursed. Bills must also specify where the customer can find more details about these matters.<sup>58</sup> This may result in bills having a lot of information, which can be confusing for customers.
92. In the Consultation Paper, the ERA asked if stakeholders considered the current requirements appropriate, or if some requirements could be presented in a simplified format or deleted.<sup>59</sup>
93. Most stakeholders agreed that subclauses (b), (c) and (d) should either be simplified or deleted. The WCCC recommended that subclauses (b), (c) and (d) be deleted.
94. **After considering the submissions and WCCC advice, the ERA proposes to delete clauses 12(3)(b), (c) and (d).**
95. In the Consultation Paper, the ERA also proposed:<sup>60</sup>
- to clarify that clause 12(3)(a) to (d) only applies to bills for usage for a metered water service;
  - to clarify that clause 12(3)(c) only applies to bills based on an estimate; and

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<sup>56</sup> Issue 15 of the Consultation Paper.

<sup>57</sup> Clause 12(3)(b), (c) and (d) of the Code.

<sup>58</sup> Clause 12(3) of the Code.

<sup>59</sup> Issue 16 of the Consultation Paper.

<sup>60</sup> Issue 16 of the Consultation Paper.

- to delete clause 12(3)(f) if the ERA decides that all bills should include the licensee's telephone number for complaints and the Energy and Water Ombudsman WA's Freecall telephone number.
96. Stakeholders and the WCCC agreed with these proposals.
97. **After considering the submissions and WCCC advice, the ERA proposes:**
- **to clarify that clause 12(3)(a)<sup>61</sup> only applies to bills for usage for a metered water service,<sup>62</sup> and**
  - **to delete clause 12(3)(f) as all bills will now have to include the Freecall telephone number of the Energy and Water Ombudsman WA.<sup>63</sup>**
98. **As the ERA proposes to delete clause 12(3)(c)<sup>64</sup> it is no longer necessary to clarify that this clause only applies to bills based on an estimate. The ERA will therefore not proceed with this proposal.**

### Including the price of water on bills

99. Some licensees charge different tariffs for water depending on how much water the customer has used during a year. At the start of the year, the customer is charged the lowest tariff. Once the customer has used a certain amount of water, the tariff increases. For example, the Water Corporation charges \$1.586/kL for the first 150kL supplied. The next 350kL is charged at \$2.214/kL. Once a customer has used 500kL, any additional water is charged at \$2.993/kL.
100. Aqwest, Busselton Water and Water Corporation's template bills all include the tariff(s) on which the bill was based. Water Corporation's template bill also advises customers how much water they can still use at the current tariff, and what tariff will apply if the customer moves to the next consumption band. None of the template bills advise a customer when the tariff will reset to the lowest level (that is, when a new consumption year begins).
101. In the Consultation Paper, the ERA asked if licensees who charge different tariffs based on consumption should have to include on their bills the applicable tariff(s) for the water service provided.<sup>65</sup>
102. Stakeholders and the WCCC agreed that this information should be included on bills.
103. **After considering the submissions and WCCC advice, the ERA proposes that each bill from a licensee who charges different tariffs based on consumption must include the applicable tariff(s) for the water provided.<sup>66</sup>**

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<sup>61</sup> This clause has been renumbered as clause 12(3) in the revised Code.

<sup>62</sup> As the ERA proposes to delete clauses 12(3)(b) to (d), it is no longer necessary to clarify that these clauses only apply to bills for usage for a metered water service.

<sup>63</sup> See paragraph 74 to 78.

<sup>64</sup> See paragraph 94.

<sup>65</sup> Issue 14A of the Consultation Paper.

<sup>66</sup> Clause 13A(3)(a) of the revised Code.

104. In the Consultation Paper, the ERA also asked if licensees should have to advise customers on their bill when they will move to a higher tariff or revert back to the lowest tariff.<sup>67</sup>
105. Stakeholders and the WCCC agreed that this information should be included on bills. Stakeholders considered that this would provide valuable information to the customer. The WCCC suggested that licensees may need additional time to implement this change.
106. **After considering the submissions and WCCC advice, the ERA proposes that each bill from a licensee who charges different tariffs based on consumption must advise customers when they will move to a higher tariff or revert back to the lowest tariff. Knowing when tariffs will increase, or revert back to lower levels, allows customers to make informed decisions about their water use.**<sup>68</sup>
107. **The ERA does not propose to provide licensees with additional time to implement the change. The proposed commencement date of 1 July 2018 for the revised Code should provide licensees with sufficient time to implement the change.**<sup>69</sup>

### Requested meter readings, revised bills - licensee's obligations: clause 14(1)

108. If a customer disputes an estimated bill, the licensee must give the customer a meter reading and a revised bill.<sup>70</sup> The obligation to give a meter reading only applies if the water service is metered and the meter is operable. A revised bill must be given at all times.
109. It is unclear on what basis an estimated bill should be revised if the water service is not metered or the meter is not operable. The ERA considers that a revised bill should only have to be issued if the water service was metered and the meter was operable. In that case, the licensee should be able to replace the estimated bill with a bill based on an actual meter reading.
110. If a customer is concerned about an estimated bill, the customer can, under clause 13(1), ask the licensee for the basis and reason for the estimate. The customer can also ask the licensee to review their bill under clause 18. If the customer has been overcharged, the licensee must refund the overcharged amount.<sup>71</sup>
111. **The ERA proposes to amend clauses 14(1) and 14(2). The obligations set out in clause 14(1) of the revised Code will only apply if the water service was metered.**<sup>72</sup> This means that a customer who disputes an estimated bill will only receive a revised bill based on a meter reading if their water service was metered.

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<sup>67</sup> Issue 14B of the Consultation Paper.

<sup>68</sup> Clause 13A(3)(b), (c) and (d) of the revised Code.

<sup>69</sup> See paragraph 14.

<sup>70</sup> Clause 14(1)(b) of the Code.

<sup>71</sup> Clause 17 of the Code.

<sup>72</sup> Including the words "in the case of a metered water service" at the start of clause 14(1) of the revised Code ensures that subclause (1) only applies if the water service was metered.

112. **If the meter was not operable, the obligations set out in clause 14(1) will not apply.<sup>73</sup> This means that a licensee no longer has to issue a meter reading and bill for a different billing period, or replace an estimated bill with a revised bill, if the meter was not operable.<sup>74</sup>**

## Undercharging: clause 16

113. Clause 16 allows a licensee to recover an undercharged amount. When recovering an undercharged amount, the licensee may only recover an amount that was undercharged during the last 12 months. The licensee may not charge interest or late payment fees on the undercharged amount, and must allow the customer to repay the amount under an instalment plan.
114. In the Consultation Paper, the ERA asked if the 12 month limitation on recovering an undercharge should only apply if the undercharge was the result of an error by the licensee.<sup>75</sup>
115. Stakeholders agreed that the 12 month limitation on recovering an overcharge should only apply if the undercharge was the result of an error by the licensee. The WCCC recommended that the 12 month limit should not apply if the undercharging was the result of fraud or illegal use<sup>76</sup> by the customer.
116. **After considering the submissions and WCCC advice, the ERA agrees with the WCCC that the 12 month limit should not apply if the undercharging was the result of fraudulent or illegal conduct of a customer. The phrase “fraudulent or illegal conduct of the customer”, in clause 16(6) of the revised Code, makes it clear that the customer must have actively done something to cause the undercharging.**
117. **The ERA also proposes that, in the case of fraudulent or illegal conduct, licensees should be allowed to charge interest or late payment fees, and should not have to offer an instalment plan. Subclause (6) of the revised Code therefore provides that subclauses (2), (4) and (5) do not apply if the undercharging occurred as a result of the fraudulent or illegal conduct of the customer.**

## Overcharging: clause 17

118. Clause 17(2) requires a licensee to follow a customer’s instructions when refunding or crediting an overcharged amount. The clause does not explain what a licensee must do if the customer does not provide any instructions.

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<sup>73</sup> Clause 14(2)(a) of the revised Code.

<sup>74</sup> Clause 14(1)(a) and (b) of the revised Code. Previously, only obligation 14(1)(b)(i) did not apply if the meter was not operable. Clause 14(1)(b)(i) required a licensee to give a customer on request a meter reading if the customer disputed an estimated bill, did not apply

<sup>75</sup> Issue 17 of the Consultation Paper.

<sup>76</sup> The term “illegal use” intended to capture illegal use of the meter (such as tempering with the meter), not illegal use of the water.

119. In the Consultation Paper, the ERA proposed that licensees should have to credit an overcharged amount to a customer's account if the licensee has not received instructions from the customer.<sup>77</sup>
120. Stakeholders and the WCCC agreed with this proposal.
121. **After considering the submissions and WCCC advice, the ERA proposes to amend clause 17 as follows. Licensees will have to credit an overcharged amount to a customer's account if they do not receive instructions from the customer within 10 business days of sending an overcharging notice.<sup>78</sup> The credit must be applied within 25 business days<sup>79</sup> of sending the overcharging notice. The licensee must also notify the customer of the credit afterwards.<sup>80</sup>**

## Notifying customers of tariff changes

122. Licensees currently do not need to notify customers of changes to their tariffs.
123. In the Consultation Paper, the ERA asked if licensees should have to advise their customers of tariff changes as soon as practicable, but no later than on the customer's next bill.<sup>81</sup>
124. Stakeholder responses to this question were mixed. The WCCC recommended that licensees should have to advise their customers of tariff changes as soon as practicable, but no later than on the customer's next bill.
125. **After considering the submissions and WCCC advice, the ERA proposes to insert a new clause. Clause 18A of the revised Code requires licensees to notify their customers of any change to their water service charges no later than the next bill.**
126. **The ERA does not propose to include the words "as soon as practicable" in clause 18A. Including these words raises the question whether the customer should be notified as soon as practicable or at the time the next bill is sent. The ERA considers that customers should be notified no later than the next bill. The ERA notes that the same obligation applies to electricity retailers.<sup>82</sup>**

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<sup>77</sup> Issue 18 of the Consultation Paper.

<sup>78</sup> Clause 17(3) of the revised Code.

<sup>79</sup> Clause 17(3) of the revised Code provides that, if the licensee has not received instructions from the customer within 10 business days from sending the overcharging notice, the licensee must credit the amount to the customer's account before the end of the period of the next 15 business days (10 business days + 15 business days = 25 business days).

<sup>80</sup> Clause 17(4) of the revised Code.

<sup>81</sup> Issue 54 of the Consultation Paper.

<sup>82</sup> Clause 10.1(1) of the *Code of Conduct for the Supply of Electricity to Small Use Customers 2016*.

## Part 4 of the Code – Payment for water services

### Direct debit: clause 21(1)(a)

127. Clause 21(1)(a) requires licensees to allow their customers to pay a bill by direct debit.
128. In the Consultation Paper, the ERA asked if the requirement to offer direct debit as a payment method should be removed from the Code.<sup>83</sup>
129. Stakeholder responses to this question were mixed. The WCCC recommended that direct debit should be retained as a minimum payment method. According to the WCCC, direct debit has become a mainstream form of payment.
130. **After considering the submissions and WCCC advice, the ERA proposes to remove direct debit as minimum payment method from the Code. Direct debit can be costly to set up and maintain, particularly for smaller licensees. And although direct debit has many advantages for customers, it also has a number of disadvantages. Customers may, for example, incur penalties if their account does not have sufficient funds. Direct debit can also be difficult to cancel.**
131. **The amendment will give licensees a choice. Licensees for whom direct debit is not financially viable may choose not to offer it. Licensees who do wish to offer direct debit, can voluntarily do so.**

### CentrePAY: clause 21(1)(b)

132. Clause 21(1)(b) requires licensees to allow their customers to pay a bill by CentrePAY. CentrePAY is a facility that allows Centrelink customers to have automatic deductions taken from their Centrelink payments and put towards their water bill. Centrelink payments are only made to individuals.
133. In the Consultation Paper, the ERA proposed to clarify that CentrePAY only has to be offered as a bill payment method to residential customers.<sup>84</sup>
134. Stakeholders and the WCCC agreed with this proposal.
135. **After considering the submissions and WCCC advice, the ERA proposes to amend clause 21(1)(b) to clarify that CentrePAY only has to be offered to residential customers.**

### Consent for direct debits: clause 22(a)

136. Before receiving a bill payment by direct debit, a licensee must obtain the express consent of the holder of the account to be debited (clause 22(a)). The phrase “account to be debited” appears to imply that consent must be obtained from the person from whose bank account the money will be debited. It is not clear how a licensee can be certain they have obtained the consent of the bank account holder.

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<sup>83</sup> Issue 20 of the Consultation Paper.

<sup>84</sup> Issue 19 of the Consultation Paper.

Information about bank account holders is held by financial institutions and may, for privacy reasons, not be readily available.

137. In the Consultation Paper, the ERA asked if licensees should have to obtain the express consent of the holder of the account to be debited before receiving a bill payment by direct debit.<sup>85</sup>
138. Stakeholder responses to this question were mixed. The WCCC recommended that clause 22(a) be deleted from the Code. According to the WCCC, it is difficult for licensees to comply with this requirement.
139. **After considering the submissions and WCCC advice, the ERA proposes to delete clause 22(a). Licensees will no longer have to obtain the express consent of the bank account holder before receiving a bill payment by direct debit. However, licensees will still have to obtain the prior consent of the customer.**

### Assistance for customers experiencing payment difficulties: clause 25

140. Customers who have been assessed by a licensee as experiencing payment difficulties may pay their bill under a payment plan (clause 25). The Code provides little guidance on the process licensees must follow when assessing if a customer is experiencing payment difficulties.
141. In the Consultation Paper, the ERA asked if the Code should include additional requirements for the assessment process.<sup>86</sup> And, if so, what those requirements should be.<sup>87</sup>
142. Stakeholders and the WCCC agreed that the Code should not include additional requirements for the assessment process. According to the WCCC, the current framework is working satisfactorily.
143. **After considering the submissions and the WCCC advice, the ERA proposes not to amend the Code. The ERA is not aware of any systematic concerns about the way licensees currently assess if customers are experiencing payment difficulties.**

### Charging fees or interest on a payment plan

144. Licensees may currently charge fees or interest on payment plans for customers who are experiencing payment difficulties.<sup>88</sup>

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<sup>85</sup> Issue 21 of the Consultation Paper.

<sup>86</sup> Issue 22A of the Consultation Paper.

<sup>87</sup> Issue 22B of the Consultation Paper.

<sup>88</sup> Unlike clause 27(2), clause 25(2) does not specifically state that a payment plan or other arrangement must be interest-free and fee-free.



145. In the Consultation Paper, the ERA asked if licensees should be allowed to charge fees or interest on payment plans for customers who are experiencing payment difficulties.<sup>89</sup>
146. Stakeholder responses to this question were mixed. The WCCC recommended that licensees should have to consider waiving fees or interest on payment plans for customers experiencing payment difficulties.
147. **After considering the submissions and WCCC advice, the ERA agrees with the WCCC that licensees should have to consider and decide, on a case-by-case basis, if a fee-free and/or interest-free payment plan is appropriate for a customer experiencing payment difficulties. This new obligation is captured in clause 25(3) of the revised Code.**

### Offering a payment plan: clause 25(2)

148. Clause 25(2) provides that a licensee “must allow” a customer experiencing payment difficulties to pay a bill under a payment plan. Licensees do not have to inform their customers that they are entitled to a payment plan.
149. In the Consultation Paper, the ERA proposed that licensees should have to offer a customer experiencing payment difficulties a payment plan.<sup>90</sup> The amendment aimed to ensure that all customers experiencing payment difficulties are aware that they are entitled to a payment plan.
150. Stakeholder responses to this proposal were mixed. The WCCC agreed with the ERA’s proposal.
151. **After considering the submissions and WCCC advice, the ERA proposes to amend clause 25(2). Under clause 25(2)(a) of the revised Code, licensees must advise customers who are experiencing payment difficulties that they have the right to pay their bill under a payment plan. Licensees must also offer to enter into an appropriate payment plan with the customer.<sup>91</sup>**

### Payment plans for concession customers

152. Customers of Water Corporation, Busselton Water and Aqwest<sup>92</sup> may be eligible for a 25 per cent or 50 per cent rebate<sup>93</sup> on their usage or fixed charges if they hold an eligible concession card.<sup>94</sup>

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<sup>89</sup> Issue 23 of the Consultation Paper.

<sup>90</sup> Issue 24 of the Consultation Paper.

<sup>91</sup> Clause 25(2)(b) of the revised Code.

<sup>92</sup> Customers of local governments who hold an eligible concession card may also be entitled to a rebate on their fixed charges.

<sup>93</sup> The actual amount of the rebate may vary as rebates are capped at a certain amount.

<sup>94</sup> Pensioner Concession, State Concession, WA Senior or both a WA Senior and Commonwealth Senior Health Card.

153. However, by law, these customers are not entitled to a rebate on their usage<sup>95</sup> or fixed charges<sup>96</sup> if they do not pay their bill on time.<sup>97</sup> Customers can keep their rebate by entering into a payment plan for the outstanding amount.<sup>98</sup> Customers will only receive the rebate if they meet the conditions of the plan. Customers who do not meet the conditions of their plan will lose their rebate.
154. The ERA is concerned about the effect this may have on customers who are experiencing payment difficulties or financial hardship. These customers will have to pay substantially more if they are unable to meet the conditions of their payment plan, even though they can probably least afford it.
155. The ERA has asked the three water corporations<sup>99</sup> for information about the assistance, including payment plans, they offer to customers who are entitled to a rebate.

### Water Corporation

156. Water Corporation has advised that customers who receive a rebate for fixed charges can enter into a payment plan with Water Corporation for any fixed charges that are outstanding after the due date. However, to keep their rebate, the customer must pay the bill within 50 days from the date the bill was issued.

**For example:** The annual fixed charge for water services for residential customers is \$250.39. The fixed charge for each billing period is calculated by dividing \$250.39 by the number of days in a year, and multiplying the result with the number of days in the billing period. The fixed charge for a bill covering 62 days is \$42.53.

The rebate for customers who are entitled to a 50 per cent rebate of their fixed charges is capped at \$108.86 per year (or \$0.30 per day). The rebate for each billing period is calculated by dividing \$108.86 by the number of days in a year, and multiplying the result with the number of days in the billing period. The rebate for a bill covering 62 days is \$18.49.

In this case, the customer has to pay \$24.04 (\$42.53 - \$18.49) to keep their rebate for that bill.<sup>100</sup>

Water Corporation does not allow customers to keep their rebate if they extend, or enter into, a payment plan for fixed charges that are still outstanding 50 days after the bill issue date.

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<sup>95</sup> For example, regulation 34 of the *Water Services (Water Corporations Charges) Regulations 2014* provides that customers of Water Corporation are entitled to a rebate on their consumption charges if they meet certain conditions. One of those conditions is that they are not in arrears. A similar condition does not appear to apply to customers of Aqwest and Busselton Water.

<sup>96</sup> Section 33(3) of the *Rates and Charges (Rebates and Deferments) Act 1992* provides that customers are only entitled to a rebate if they pay their bills by the due date.

<sup>97</sup> The ERA recognises that Water Corporation currently only enforces this rule for fixed charges.

<sup>98</sup> For fixed charges: section 33(6) of the *Rates and Charges (Rebates and Deferments) Act 1992*.

<sup>99</sup> Water Corporation, Busselton Water and Aqwest.

<sup>100</sup> A customer will only lose their rebate for the current bill, not any future bills, if the customer does not pay before the start of the next billing period.

157. Water Corporation will allocate any payments made by customers who are entitled to a rebate to fixed charges first; then to usage charges and arrears.<sup>101</sup> This aims to reduce the risk of customers losing their rebate for fixed charges.
158. Customers who receive a rebate for usage charges can agree to a payment plan with Water Corporation for any usage charges that are outstanding after the due date. The customer will not lose their rebate for usage charges while the customer is on a payment plan. All payment plans are set in consultation with the customer and are interest free.
159. Customers who are experiencing financial hardship<sup>102</sup> will also be assessed by Water Corporation for the Hardship Utilities Grant Scheme (HUGS).

## Aqwest

160. Aqwest has advised that customers who are unable to pay their bill by the due date can enter into a payment plan for their usage and/or fixed charges.
161. Payment plans for usage charges are set in consultation with the customer. Customers do not lose their rebate for usage charges while they are meeting the conditions of their payment plan.
162. To keep their rebate for fixed charges, customers must enter into a payment plan with Aqwest and ensure the outstanding amount is paid before the start of the next billing period. As Aqwest issues bills for fixed charges annually (from 1 July to 30 June), the next billing period will start on 1 July. This means that customers have nearly a year to pay their bill under a payment plan without losing their rebate for fixed charges.
163. If a fixed charge is still outstanding by May, Aqwest will send a letter to advise the customer that the bill is due by 30 June. If the bill is still outstanding in the last week of June, Aqwest will contact the customer. If the customer is experiencing payment difficulties or financial hardship, the customer's payment plan can be extended. The customer will not lose their rebate for fixed charges if the customer agrees before 30 June to an extension of the payment plan.
164. When setting the conditions of a payment plan, Aqwest tries to ensure that the customer pays enough so that any arrears, as well as any future amounts due, will be paid off in a timely manner. All payment plans are set in consultation with the customer.
165. Customers who are experiencing financial hardship<sup>103</sup> will also be assessed by Aqwest for the Hardship Utilities Grant Scheme (HUGS).

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<sup>101</sup> Water Corporation's usual practice is to allocate payments first to arrears, then to fixed charges, and then to usage charges. This is to reduce the risk of the customer incurring penalty interest.

<sup>102</sup> Water Corporation must assess, under its financial hardship policy, if the customer is experiencing financial hardship.

<sup>103</sup> Aqwest must assess, under its financial hardship policy, if the customer is experiencing financial hardship.

## Busselton Water

166. Busselton Water has advised that customers must pay their bill before the start of the next billing period to retain their rebate(s) for fixed and usage charges.<sup>104</sup> Customers who are experiencing payment difficulties or financial hardship may enter into a payment plan with Busselton Water. Under a payment plan, the due date for payment may be extended up to 365 days. All payment plans are set in consultation with the customer.
167. Customers who are experiencing financial hardship<sup>105</sup> will also be assessed by Busselton Water for the Hardship Utilities Grant Scheme (HUGS).

## Deferred charges

168. All three water corporations allow customers to defer their fixed charges if they hold a Pensioner Concession, State Concession, or WA Seniors and Commonwealth Seniors Health card.<sup>106</sup> Deferred charges may be paid at any time, but do not become due until the property is sold. Deferred charges do not incur interest. A customer who chooses to defer their fixed charges will lose any rebates to which they may have been entitled.
169. Based on the information provided by the three water corporations, it appears that customers keep their rebate for *usage charges* if they enter into, and comply with, a payment plan for usage charges that are still outstanding at the end of the billing period.
170. Not all customers of the water corporations keep their rebate for *fixed charges* if the charges are still outstanding at the end of the billing period.
171. Customers of Water Corporation who cannot pay their bill by the due date are given more time to pay their fixed charges. Water Corporation will extend the due date of the bill from about 20 days to 50 days. Customers who do not pay their fixed charges after 50 days may defer, or enter into a payment plan, for the outstanding amount. However, if they do so, they will lose their rebate for that bill.
172. The ERA considers that both types of assistance (an extension or payment plan) offered by Water Corporation are an “arrangement for the payment of arrears” as provided for under section 33(6) of the *Rates and Charges (Rebates and Deferments) Act 1992*. This means that customers who are granted an extension or enter into a payment plan with Water Corporation remain entitled to their rebate.
173. The ERA is concerned that the default payment arrangement (the extension of the bill due date from about 20 days to 50 days) offered by Water Corporation to customers who are entitled to a rebate for fixed charges does not take account of the customer’s capacity to pay or consumption history. It is considered unlikely that the additional 30 days offered by Water Corporation is sufficient for customers who are experiencing payment difficulties or financial hardship.

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<sup>104</sup> Busselton Water issue bills for usage and fixed charges every four months. Customers therefore have about 110 days to pay their bill before the next billing period starts.

<sup>105</sup> Busselton Water must assess, under its financial hardship policy, if the customer is experiencing financial hardship.

<sup>106</sup> Customer who only hold a WA Seniors card are not entitled to defer their fixed charges.

174. The ERA has proposed amendments to clauses 25(2) and 27(2) (see paragraphs 148 to 151 and 205 to 208). These amendments will ensure that all licensees must advise customers who are experiencing payment difficulties or financial hardship that they have the right to pay their bill under a payment plan. Licensees will also have to offer to enter into an appropriate payment plan with the customer.
175. The amendments to clauses 25(2) and 27(2) of the Code do not require the licensee to take into account a customer's capacity to pay and consumption history when setting the conditions of a payment plan. If this were a requirement, any payment plan offered to a customer who is experiencing payment difficulties or financial hardship would take account of the customer's individual circumstances. The ERA notes that electricity and gas licensees are obliged to consider a customer's capacity to pay and consumption history when setting a payment plan.<sup>107</sup>
176. **The ERA would like to know if stakeholders consider that the Code should be amended to ensure that licensees must take into account a customer's capacity to pay and consumption history when setting the conditions of a payment plan or other arrangement. This would ensure that any payment plan offered to a customer who is experiencing payment difficulties or financial hardship takes account of the customer's individual circumstances. It would also allow customers to retain the rebate for fixed charges provided they keep to the payment plan or other arrangement.**

### Minimum contents of a financial hardship policy

177. Whilst the Code requires licensees to have a hardship policy,<sup>108</sup> it does not prescribe what matters must be addressed in a hardship policy.
178. To assist licensees, the ERA has published the *Financial Hardship Policy Guidelines for Water Services (guidelines)*. The guidelines explain what matters the ERA expects to be addressed in a hardship policy.
179. In the Consultation Paper, the ERA asked:
- if the content requirements for hardship policies should remain in the guidelines, or be moved to the Code;<sup>109</sup>
  - if only a sub-set of the requirements should be moved to the Code; and<sup>110</sup>
  - if the Code should include any information in addition to what is currently required under the guidelines.<sup>111</sup>
180. Stakeholders and the WCCC considered that the guidelines should continue to set out what matters must be addressed in a hardship policy. They did not want this prescribed in the Code. The WCCC commented that it considers the current framework to be working satisfactorily.

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<sup>107</sup> Clause 6.4(2)(2) of the *Code of Conduct for the Supply of Electricity to Small Use Customers* and the *Compendium of Gas Customer Licence Obligations*.

<sup>108</sup> Clause 26(1) of the Code.

<sup>109</sup> Issue 28A of the Consultation Paper.

<sup>110</sup> Issue 28B of the Consultation Paper.

<sup>111</sup> Issue 28C of the Consultation Paper.

181. **After considering the submissions and WCCC advice, the ERA does not propose to amend the Code. The guidelines will continue to set out what matters must be addressed in a hardship policy. Keeping the requirements in the guidelines will provide the flexibility to change the requirements without having to go through a formal Code amendment process.**<sup>112</sup>

## Complying with the ERA's financial hardship policy guidelines

182. Clause 5.4 of the template water licence requires a licensee to comply with the ERA's *Financial Hardship Policy Guidelines for Water Services*.<sup>113</sup>
183. In the Consultation Paper, the ERA proposed to move this requirement from the template water licence to the Code.<sup>114</sup> Moving the requirement would allow the ERA to delete clause 5.4 from all water licences. It would also ensure that all relevant obligations for hardship policies are included in one place; clause 26 of the Code.
184. Stakeholder responses to this proposal were mixed. The WCCC agreed with the ERA's proposal.
185. **After considering the submissions and WCCC advice, the ERA proposes to amend the Code. Clause 26(3) of the revised Code provides that a licensee's financial hardship policy must comply with the guidelines. It also allows the ERA to approve a hardship policy that does not comply with all the requirements of the guidelines.**
186. **Once the obligation has been included in the Code, the ERA will remove clause 5.4 from all water licences.**

## Amending a financial hardship policy

187. Clause 26(2) provides that a licensee's hardship policy does not have effect unless it is approved by the ERA. This implies that any amendments to the hardship policy must be approved by the ERA.
188. In the Consultation Paper, the ERA proposed to clarify in the Code that any amendments to a hardship policy must be approved by the ERA.<sup>115</sup>
189. Stakeholders and the WCCC agreed with the ERA's proposal.
190. **After considering the submissions and WCCC advice, the ERA proposes to amend the Code as suggested in the Consultation Paper. Clause 26(3A) of the revised Code clarifies that not only the hardship policy, but also any amendments to a hardship policy, only have effect once approved by the ERA. Clause 26(3A) also ensures that a licensee must comply with the ERA's *Financial Hardship Policy Guidelines for Water Services* when amending its hardship policy.**

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<sup>112</sup> The ERA has invited public comments each time it has amended its *Financial Hardship Policy Guidelines – Electricity & Gas Licences*. The guidelines for water services have, to date, not been amended.

<sup>113</sup> For licensees who do not have to comply with the guidelines (for example, because they do not supply residential customers), clause 5.4 is marked 'not used'.

<sup>114</sup> Issue 29 of the Consultation Paper.

<sup>115</sup> Issue 27 of the Consultation Paper.

## Directing a licensee to review their financial hardship policy

191. The ERA cannot direct a water licensee to review their financial hardship policy.
192. Electricity and gas licensees can be directed to review their hardship policies. The ERA, for example, usually directs a review following changes to the legislative framework for energy hardship policies.<sup>116</sup>
193. In the Consultation Paper, the ERA asked if licensees should have to review their hardship policies if directed to do so by the ERA.<sup>117</sup>
194. Stakeholders and the WCCC agreed that the ERA should be able to direct licensees to review their hardship policies.
195. **After considering the submissions and WCCC advice, the ERA proposes to require licensees to review their hardship policy if directed to do so by the ERA. This requirement is captured in clause 26(7) of the revised Code.**

## Consulting consumer organisations on a financial hardship policy

196. Licensees must review their hardship policies every five years. As part of the review process, they must consult with relevant consumer organisations (clause 26(6)). Licensees do not have to consult with relevant consumer organisations when they develop their initial policy.
197. In the Consultation Paper, the ERA proposed that licensees should also have to consult with relevant consumer organisations when developing their initial hardship policy.<sup>118</sup>
198. Stakeholders and the WCCC agreed with the ERA's proposal.
199. **After considering the submissions and WCCC advice, the ERA proposes to amend the Code as suggested in the Consultation Paper. Clause 26(8) of the revised Code requires licensees to consult with relevant consumer organisations when formulating their initial hardship policy.**<sup>119</sup>

## Assistance for customers experiencing financial hardship: clause 27

200. Customers who have been assessed by a licensee as experiencing financial hardship may pay their bill under a payment plan (clause 27). The Code provides little guidance on the process licensees must follow when assessing if a customer is experiencing payment difficulties.

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<sup>116</sup> Part 6 of the *Code of Conduct for the Supply of Electricity to Small Use Customers 2016* and the *Compendium of Gas Customer Licence Obligations*; the *Financial Hardship Policy Guidelines – Electricity & Gas Licences*.

<sup>117</sup> Issue 25 of the Consultation Paper.

<sup>118</sup> Issue 26 of the Consultation Paper.

<sup>119</sup> Licensees must also still consult with relevant consumer organisations when they review their hardship policy (clause 26(8) of the revised Code).

201. In the Consultation Paper, the ERA asked if the Code should include additional requirements for the assessment process.<sup>120</sup> The ERA also asked if licensees should have to offer more assistance than what is currently required.<sup>121</sup> For example, should licensees have to give customers a choice between a payment plan and another arrangement, and should they have to take certain matters into account when setting a payment plan?
202. Stakeholder responses to this question were mixed. The WCCC considered that the Code should not contain any additional requirements regarding the assessment of customers experiencing financial hardship. According to the WCCC, the current framework is working satisfactorily.
203. **After considering the submissions and the WCCC advice, the ERA does not propose to introduce any new requirements for the assessment process. The ERA is not aware of any systematic concerns about the way licensees currently assess if customers are experiencing financial hardship.**
204. **On the question of whether licensees should offer more assistance to customers in financial hardship, the ERA seeks further feedback from stakeholders. As explained in paragraphs 152 to 176 the ERA would like to know if stakeholders consider that the Code should be amended to ensure that licensees must take into account a customer's capacity to pay and consumption history when setting the conditions of a payment plan or other arrangement.**

### Offering a payment plan to customers in financial hardship: clause 27(2)

205. Clause 27(2) provides that a licensee "must allow" a customer experiencing financial hardship to pay a bill under a payment plan. Licensees do not have to inform their customers that they are entitled to a payment plan.
206. In the Consultation Paper, the ERA proposed that licensees should have to offer a customer experiencing financial hardship a payment plan.<sup>122</sup> The amendment aimed to ensure that all customers experiencing financial hardship are aware that they are entitled to a payment plan.
207. Stakeholder responses to this proposal were mixed. The WCCC agreed with the ERA's proposal.
208. **After considering the submissions and WCCC advice, the ERA proposes to amend clause 27(2). Under clause 27(2) of the revised Code, licensees must advise customers who are experiencing financial hardship that they have the right to pay their bill under a payment plan. Licensees must also offer to enter into an appropriate payment plan with the customer.**

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<sup>120</sup> Issue 30A of the Consultation Paper.

<sup>121</sup> Issue 30B of the Consultation Paper.

<sup>122</sup> Issue 31 of the Consultation Paper.



## Revising a payment plan: clause 27(3)(b)

209. Clause 27(3)(b) provides that a licensee must review and revise, if appropriate, how a customer is paying a bill under a payment plan. The term “if appropriate” provides little guidance on when a payment plan must be reviewed and revised.
210. In the Consultation Paper, the ERA proposed that a payment plan should be reviewed upon a customer’s request.<sup>123</sup> If the review shows that the customer is unable to meet their obligations under the plan, a licensee should have to revise the plan. The proposed amendment aimed to clarify the licensee’s obligations under clause 27(3)(b).
211. Most stakeholders considered that the proposed amendments were unnecessary. They argued that the current framework is working satisfactorily. The WCCC, however, agreed with the ERA’s proposal. It pointed out that Water Corporation, Aqwest and Busselton Water already review payment plans upon a customer’s request.
212. **After considering the submissions and WCCC advice, the ERA proposes to amend clause 27(3)(b) as suggested in the Consultation Paper. Licensees will have to review a payment plan upon a customer’s request. If the review shows that the customer is unable to meet their obligations under the plan, the licensee must revise the plan.**

## Advising the owner of the land of a payment plan: clause 28(1)

213. As discussed in paragraphs 16 to 21, the ERA proposes to delete clause 4(1) of the Code. Clause 4(1) currently includes a definition of “customer” which is likely wider than the definition included in the Act. Deleting clause 4(1) will clarify that the Code only applies to persons who meet the definition of “customer” included in the Act.
214. Persons who do not have a direct relationship with a licensee, such as most tenants, do not meet the definition of “customer” included in the Act. They are therefore not covered by the Code. There is currently one provision in the Code that refers directly to these persons: clause 28(1).
215. Clause 28(1) provides that, before a licensee enters into a payment plan with a customer who is not the owner of the land, the licensee must ensure that the owner of the land is aware of the proposed plan.
216. The obligation was probably included to protect land owners as, under the current legislative framework, land owners will always remain liable for any outstanding debt to a licensee.
217. **The ERA proposes to delete clause 28(1) as it, incorrectly, implies that the Code applies to tenants. Deleting clause 28(1) is consistent with the ERA’s proposal to delete clause 4(1).**

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<sup>123</sup> Issue 32 of the Consultation Paper.

## No interest or charges for late payments in certain cases

218. Currently, licensees may charge interest or late payment fees whenever a bill is overdue.
219. In the Consultation Paper, the ERA asked if the Code should include restrictions on when a licensee can charge interest and/or late payment fees.<sup>124</sup> The ERA also asked stakeholders what those restrictions should be.<sup>125</sup>
220. Most stakeholders considered that the Code should not include any restrictions. Busselton Water and the Water Corporation pointed out that interest charges are regulated for Aqwest, Busselton Water and the Water Corporation. The Department of Water suggested that it would be appropriate to impose some restrictions, consistent with those that apply to energy licensees.
221. The WCCC recommended that licensees should not be able to charge interest and/or late payment fees when:
- a customer has been assessed by the licensee as being in financial hardship; or
  - a customer has made a complaint directly related to the non-payment of the bill to the licensee or the Energy and Water Ombudsman WA, and the complaint remains unresolved.
222. **After considering the submissions and WCCC advice, the ERA agrees with the WCCC that licensees should not be allowed to charge interest and/or late payment fees if:**
- **the licensee has assessed, under its hardship policy, that the customer is experiencing financial hardship; or**
  - **a complaint made by the customer to the licensee that directly relates to the non-payment of the bill remains unresolved; or**
  - **a complaint made by the customer to the Energy and Water Ombudsman WA that directly relates to the non-payment of the bill is not determined or is upheld by the Ombudsman.**<sup>126</sup>

**The new obligations are captured in clause 28A of the revised Code.**

## No debt collection in certain cases: clause 29

223. Clause 29 reads as follows:

A licensee must not commence or continue proceedings to recover a debt from a customer –

(a) [...]

(b) who is being assessed by the licensee as to whether or not the customer is experiencing payment difficulties; or

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<sup>124</sup> Issue 56A of the Consultation Paper.

<sup>125</sup> Issue 56B of the Consultation Paper.

<sup>126</sup> This obligation only applies if the licensee has been advised by the water ombudsman that the customer has made a complaint (clause 28A(2) of the revised Code).

- (c) who is being assessed under the licensee's hardship policy as a customer who is experiencing financial hardship.
224. In the Consultation Paper, the ERA proposed to include the words "as to whether or not" in clause 29(c) so it would be consistent with the wording of clause 29(b).<sup>127</sup>
225. Stakeholders and the WCCC agreed with the ERA's proposal.
226. **After considering the submissions and WCCC advice, the ERA proposes to amend clause 29 as follows:**
- (1) A licensee must not commence or continue proceedings to recover a debt from a customer if –
    - (a) [...]
    - (b) ~~who is being assessed by~~ the licensee is assessing as to whether or not the customer is experiencing payment difficulties; or
    - (c) ~~who is being assessed~~ the licensee is assessing, under its ~~the licensee's~~ financial hardship policy, as whether or not the a customer ~~who~~ is experiencing financial hardship;

The revised clause is different from the ERA's proposal in the Consultation Paper, but does provide for consistency between both subclauses.

## No debt collection if a complaint is outstanding

227. Currently, licensees may recover an outstanding amount even if the customer has disputed the amount.
228. In the Consultation Paper, the ERA asked if licensees should be prevented from recovering an amount of money that is in dispute until such time that the dispute has been resolved.<sup>128</sup>
229. Stakeholder responses to this question were mixed. Aqwest and the Department of Water argued that licensees should not be able to recover an outstanding amount which is the subject of a complaint. Busselton Water considered that the current regulatory framework is satisfactory. Water Corporation pointed out that there "may be situations where recovery of the debt is the only action available for final resolution of the dispute".
230. The WCCC recommended that licensees should be able to recover an amount of money that is in dispute. According to the WCCC, it may be difficult to determine when a dispute has been resolved, and this should not preclude a licensee from recovering an outstanding amount.
231. **After considering the submissions and WCCC advice, the ERA proposes to amend the Code to preclude licensees from recovering an outstanding amount that is in dispute. Clause 29(1)(d) and (e) of the revised Code provide:**
- A licensee must not commence or continue proceedings to recover a debt from a customer if [...]

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<sup>127</sup> Issue 33 of the Consultation Paper.

<sup>128</sup> Issue 47 of the Consultation Paper.

- (d) a complaint made by the customer to the licensee that directly relates to the water service charge to which the debt relates is not resolved; or
  - (e) a complaint made by the customer to the water services ombudsman that directly relates to the water service charge to which the debt relates is not determined or is upheld by the water services ombudsman.<sup>129</sup>
232. The ERA considers it reasonable that licensees should not be allowed to recover a debt if the customer has disputed the debt. The proposal is consistent with water codes of other jurisdictions, including Victoria<sup>130</sup> and Tasmania<sup>131</sup>.
233. The ERA notes the WCCC's concern that it may sometimes be difficult to determine when a dispute has been resolved. Although the ERA does not propose to define the term "resolve" (see paragraphs 311 to 316), it considers that a complaint is generally resolved if the licensee has followed its own complaints procedures in dealing with the complaint, and made a final determination. If the customer subsequently raises the complaint with the Energy and Water Ombudsman WA and the Ombudsman decides further investigation is warranted, the complaint will be considered unresolved again and will not be resolved until the Ombudsman has made its decision.<sup>132</sup>

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<sup>129</sup> This obligation only applies if the licensee has been advised by the water ombudsman that the customer has made a complaint (clause 29(2) of the revised Code).

<sup>130</sup> Clause 3.1(e) of the Victorian *Customer Service Code: Urban Water Businesses* (April 2017) and clause 2.1(e) of the Victorian *Rural Water Customer Service Code* (April 2017).

<sup>131</sup> Clause 4.1.2(h) of the *Tasmanian Water and Sewerage Industry Customer Service Code* (July 2015).

<sup>132</sup> The Energy and Water Ombudsman WA may make an order or determination, give a direction, or decline to deal with a matter on any ground (section 68(2) of the Act).

## Part 5 of the Code – Restricting the flow of water

### Cutting off supply

234. Section 95 of the Act provides that a licensee may cut off or reduce the rate of flow of water to land.
235. Part 5 of the Code provides several protections for customers who are about to have, or have had, their water flow reduced. The protections of Part 5 apply regardless of whether the water is supplied to an occupied dwelling, unoccupied dwelling, a place other than a dwelling (for example, a business) or unoccupied land.<sup>133</sup>
236. The protections of Part 5 are not available to customers who are about to have their water supply cut off.
237. Under section 95(3) of the Act, a water supply may not be cut off to an occupied dwelling without the occupier's agreement. However, owners of unoccupied dwellings, of places other than dwellings and of unoccupied land are left without any protection if their supply is about to be cut off. This, for example, means that business customers currently do not have to be given prior notice if their water supply is about to be cut off. They are also not entitled to have their water supply reconnected within the same timeframes as customers whose supply is about to be reduced.
238. The ERA considers this to be inequitable. Also, the consequences of having a water supply cut off are more serious than having supply reduced. There are no compelling reasons for not extending the protections of Part 5 to customers who are about to have, or have had, their supply cut off.
239. **The ERA proposes to insert new clause 30 which provides that Part 5 applies both to reducing and cutting off supply.**

### Reminder notices

240. Although licensees have to try to contact a customer before they restrict a customer's water supply, they do not have to send the customer a reminder notice.<sup>134</sup>
241. In the Consultation Paper, the ERA proposed that licensees should have to give their customers a reminder notice before taking action for non-payment.<sup>135</sup> The reminder notice should have to include:<sup>136</sup>
- the licensee's telephone number for account, payment and general enquiries; and
  - advice that the licensee may assist if the customer is experiencing payment difficulties or financial hardship.

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<sup>133</sup> Part 5 does not include any provisions that limit its application to one or more of these situations.

<sup>134</sup> Clause 31 of the Code.

<sup>135</sup> Issue 34A of the Consultation Paper.

<sup>136</sup> Issue 34B of the Consultation Paper.

242. Stakeholders and the WCCC agreed with the ERA's proposal.
243. **After considering the submissions and WCCC advice, the ERA proposes to amend the Code as suggested in the Consultation Paper. Clause 31 of the revised Code provides that licensees may send their customers a reminder notice if the bill has not been paid in full by the due date. It also specifies the information that must be included on a reminder notice.**
244. **The reminder notice must be given to the customer before the licensee is permitted to cut off or reduce the customer's rate of flow of water (clause 31A(1)(a) of the revised Code).**

## Restriction notices

245. Currently, licensees do not have to advise customers in writing of an impending reduction.
246. In the Consultation Paper, the ERA proposed that a licensee should have to give a customer a written notice of its intention to reduce the customer's water supply.<sup>137</sup> The notice should have to be given at least 7 days before the reduction<sup>138</sup> and include:<sup>139</sup>
- the matter giving rise to the impending reduction;
  - the earliest date the licensee may reduce the customer's water supply;
  - the existence and operation of the licensee's complaint handling process;
  - the existence and operation of the water ombudsman, including the Freecall telephone number for the water ombudsman; and
  - the applicable restoration procedures, including any costs for restoring the customer's water supply.
247. Stakeholders and the WCCC agreed with the ERA's proposal.
248. **After considering the submissions and WCCC advice, the ERA proposes to amend the Code as suggested in the Consultation Paper. Clause 31A of the revised Code requires licensees to give customers 7 days' written notice before their supply is restricted.**

## No reduction in certain circumstances: clause 32(b) and (c)

249. Clause 32(b) and (c) read as follows:

A licensee must not, under section 95(1)(b), reduce the rate of flow of a supply of drinking water to a customer in the following cases –

(a) [...]

(b) the customer is being assessed by the licensee as to whether or not the customer is experiencing payment difficulties; or

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<sup>137</sup> Issue 35A of the Consultation Paper.

<sup>138</sup> Issue 35B of the Consultation Paper.

<sup>139</sup> Issue 35C of the Consultation Paper.

- (c) the customer is being assessed under the licensee's hardship policy as a customer who is experiencing financial hardship.
250. In the Consultation Paper, the ERA proposed to amend the wording of clause 32(c) so it would be consistent with the wording of clause 32(b).<sup>140</sup>
251. Stakeholders and the WCCC agreed with the ERA's proposal.
252. **After considering the submissions and WCCC advice, the ERA proposes to amend clauses 32(b) and (c) as follows:**
- (1) ~~A licensee must not, under section 95(1)(b), reduce the flow of a supply of drinking water to a customer in the following cases~~ start a water restriction if
- 
- (a) [...]
- (b) ~~the customer is being assessed by the licensee~~ is assessing as to whether or not the customer is experiencing payment difficulties; or
- (c) ~~the customer is being assessed~~ licensee is assessing, under its the licensee's financial hardship policy, whether or not the ~~as a~~ customer ~~who~~ is experiencing financial hardship; or

The revised clause is different from the proposal made in the Consultation Paper, but does provide for consistency between both subclauses.

## No reduction if a customer has applied for a concession

253. Nothing in the Code prevents a licensee from reducing supply to a customer who has applied for a concession.
254. WA energy licensees may not disconnect a customer who has not paid their bill but who has applied for a concession and is still waiting for a decision on their application.<sup>141</sup> Similar conditions apply to water licensees in South Australia<sup>142</sup> and Victoria.<sup>143</sup>
255. In the Consultation Paper, the ERA asked if licensees should be prevented from reducing the rate of flow of drinking water if a customer has applied for a concession or grant and the licensee has not yet made its decision.<sup>144</sup>
256. Both stakeholders and the WCCC agreed that supply should not be reduced in these circumstances.
257. **After considering the submissions and WCCC advice, the ERA proposes that a customer's water supply should not be restricted for non-payment of a bill if the customer has applied for a concession or other financial relief and a**

<sup>140</sup> Issue 36 of the Consultation Paper.

<sup>141</sup> Clause 7.2(1)(d) of the *Code of Conduct for the Supply of Electricity to Small Use Customers 2016* (WA); clause 7.2(1)(d) of the *Compendium of Gas Customer Licence Obligations*.

<sup>142</sup> Clause 26.2.1(f) of the *South Australian Water Retail Code: Major Retailers* (WRC-MR/02); clause 6.2.1(e) of the *South Australian Water Retail Code: Minor and Intermediate Retailers* (WRC-MIR/02).

<sup>143</sup> Clause 7.2(b) of the *Victorian Customer Service Code: Urban Water Businesses* (April 2017); clause 6.3(b) of the *South Australian Rural Water Customer Service Code* (April 2017).

<sup>144</sup> Issue 41 of the Consultation Paper.

**decision on the application has not yet been made. This is reflected in clause 32(1)(f) of the revised Code.**

### No reduction if a complaint has been made

258. Licensees may not reduce a customer's water supply whilst a customer's complaint remains unresolved (clause 32(e)). Although it is likely that clause 32(e) applies to complaints made to a licensee as well as the Energy and Water Ombudsman WA, this is not explicitly stated.
259. In the Consultation Paper, the ERA asked if the term "complaints" should only capture complaints made to a licensee, or also complaints to an external dispute resolution body (such as the Energy and Water Ombudsman WA).<sup>145</sup> In the latter case, should the licensee only be precluded from reducing a customer's water supply if the external dispute resolution body has notified the licensee that the customer has made a complaint?<sup>146</sup>
260. Stakeholders and the WCCC agreed that the term "complaints" should capture complaints made to a licensee as well as to an external dispute resolution body. If the complaint is made to an external dispute resolution body, reduction of supply should only not be allowed if the licensee has been informed by the external dispute resolution body that the customer has made a complaint.
261. **After considering the submissions and WCCC advice, the ERA proposes to amend the Code as suggested by stakeholders and the WCCC. This is addressed in new clause 32(1)(ea) and (2) of the revised Code.**

### No reduction after 3pm or on Fridays, weekends and public holidays: clause 32(f)

262. Clause 32(f) precludes licensees from reducing a customer's water supply "after 3 p.m. on a Friday, Saturday, Sunday, public holiday or day before a public holiday". This implies that a customer's water supply may be reduced before 3 p.m. on any of these days. It is unlikely that this was the intent behind clause 32(f). It is more likely that the intent was that supply should not be reduced before 3pm on Fridays and any time on weekends, public holidays and the days before a public holiday.<sup>147</sup>
263. In the Consultation Paper, the ERA proposed to amend clause 32(f) to clarify that a customer's water supply may not be reduced at any time on weekends, public holidays and days before a public holiday.<sup>148</sup> The ERA also asked if licensees should be precluded from reducing a customer's water supply any time on a Friday,<sup>149</sup> and after 3 p.m. on Mondays to Thursdays.<sup>150</sup>
264. Stakeholders and the WCCC agreed with the proposed amendments. The Water Corporation pointed out that introducing further limitations to the times when supply

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<sup>145</sup> Issue 38A of the Consultation Paper.

<sup>146</sup> Issue 38B of the Consultation Paper.

<sup>147</sup> Paragraph 6.4 of the Consultation Paper explains why the ERA considers it unlikely that this was the intent behind clause 32(f).

<sup>148</sup> Issue 37 of the Consultation Paper.

<sup>149</sup> Issue 37A of the Consultation Paper.

<sup>150</sup> Issue 37B of the Consultation Paper.



may be reduced may present an operational challenge for towns where Water Corporation does not have a depot or an office.

265. **After considering the submissions and WCCC advice, the ERA proposes to amend the Code as suggested in the Consultation Paper. Clause 32A(a) of the revised Code provides that licensees may not restrict a customer's water supply on a Friday, Saturday, Sunday, public holiday or the day before a public holiday. Clause 32A(c) of the revised Code provides that supply may not be restricted after 3 p.m. on any day.**

## No reduction on day of a total fire ban

266. The Code currently does not preclude licensees from reducing a customer's water supply on a day a fire ban has been declared in the area where the customer's property is located. Most other Australian jurisdictions do include such a restriction in their water codes.<sup>151</sup>
267. In the Consultation Paper, the ERA asked if licensees should not be allowed to reduce a customer's water supply on a day there is a total fire ban in the local government area in which the customer is located.<sup>152</sup>
268. Stakeholders and the WCCC agreed that supply should not be reduced in these circumstances.
269. **After considering the submissions and WCCC advice, the ERA proposes to preclude licensees from restricting a customer's water supply on a day on which a total fire ban has effect<sup>153</sup> in the area of the State in which the place at which water is supplied to the customer is located.**
270. **Clause 32A(b) of the revised Code refers to "the area of the State in which", rather than local government area, as this is the term used in the *Bush Fires Act 1954*. In practice, the Department of Fire and Emergency Services declares fire bans by reference to one or more local government area(s).<sup>154</sup>**

## Restoration of water supply: clause 33

271. Licensees may not reduce the rate of flow of a supply of water to a customer to below 2.3 litres each minute (clause 33).
272. Unlike clause 31 and 32, clause 33 does not specifically state that it only applies if the customer's water supply has been reduced for non-payment.<sup>155</sup> The ERA

<sup>151</sup> Clause 26.2.1(j) of the South Australian *Water Retail Code: Major Retailers* (WRC-MR/02); clause 6.2.1(i) of the South Australian *Water Retail Code: Minor and Intermediate Retailers* (WRC-MIR/02); clause 7.3(d) of the Victorian *Customer Service Code: Urban Water Businesses* (April 2017); clause 6.4(b) of the Victorian *Rural Water Customer Service Code* (April 2017); clause 12 of the *South East Queensland Customer Water and Wastewater Code* (April 2017); clause 8.3.1(d) of the *Tasmanian Water Sewerage Industry Customer Service Code* (July 2015).

<sup>152</sup> Issue 40 of the Consultation Paper.

<sup>153</sup> Under the *Bush Fires Act 1954*.

<sup>154</sup> <https://www.dfes.wa.gov.au/totalfirebans/Documents/TFB-Declarations-2010-11-to-2015-16.pdf>

<sup>155</sup> Clause 31 and 32 refer to section 95(1)(b) of the Act. Section 95(1)(b) provides that a licensee may cut off or reduce the rate of flow of water to land if "water service charges [...] remain unpaid for 30 days after they become due".

therefore considers that clause 33 also applies if a customer's supply of water has been reduced for another reason under the Act.

273. Section 95(2) of the Act allows licensees to reduce a customer's water supply "to prevent the waste of water on or associated with land".
274. **The ERA proposes to amend the Code to clarify that the minimum flow rate of 2.3 litres per minute applies regardless of whether a customer's water supply is reduced for non-payment of a bill or for water wastage. Clause 33 of the revised Code includes a reference to both section 95(1)(b) (non-payment) and 95(2) (water wastage) of the Act.**

## Part 5A of the revised Code – Faults, emergencies and interruptions affecting water services

### Notifying customers of planned interruptions

275. Section 77 of the Act provides that licensees may interrupt, suspend or restrict the provision of a water service for maintenance or repair. There is no obligation on licensees to notify their customers in advance of a planned interruption. WA electricity distributors<sup>156</sup> and water licensees in some other Australian jurisdictions<sup>157</sup> must give their customers advance notice of planned interruptions.
276. In the Consultation Paper, the ERA proposed that licensees should have to give at least 48 hours' notice of a planned interruption.<sup>158</sup> Notice could be given by post, television, radio, in a newspaper circulating in the affected area, or via electronic means.<sup>159</sup>
277. Most stakeholders agreed with the ERA's proposal. Busselton Water noted that it may not always be practicable to give 48 hours' notice, and this may delay works. Water Corporation advised that it already gives at least 24 hours' notice, and tries to exceed this when possible. Water Corporation also suggested that notifications should be allowed by any means, including on a licensee's website.
278. The WCCC agreed with the ERA's proposal.
279. **After considering the submissions and WCCC advice, the ERA proposes to amend the Code as follows. Clause 34B(1) of the revised Code requires licensees to notify each customer who will be affected by a planned interruption. Notice must be given at least 48 hours in advance, unless it is not reasonably practicable to do so. In that case, notice must be given at the earliest practicable time (clause 34B(2) of the revised Code).**
280. **Allowing licensees to give less notice aims to address Busselton Water's and Water Corporation's concerns that it may not always be possible to give 48 hours' notice. It is also consistent with the regulatory requirements for electricity distributors, who must give at least 72 hours' notice unless this "is not reasonably practicable".<sup>160</sup>**
281. **Clause 34B(3) of the revised Code allows the notice to be given by post, by television or radio,<sup>161</sup> in a newspaper,<sup>162</sup> or by electronic means.**

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<sup>156</sup> Clause 11(1)(b) of the *Electricity Industry (Network Quality and Reliability of Supply) Code 2005*.

<sup>157</sup> Clause 9.4 of the Victorian *Customer Service Code: Urban Water Businesses* (April 2017); clause 10.3 of the South East Queensland *Customer Water and Wastewater Code* (April 2017); clause 19.2(1) of the ACT *Utilities (Consumer Protection Code) Determination 2012* (July 2012).

<sup>158</sup> Issue 52A of the Consultation Paper.

<sup>159</sup> Issue 52B of the Consultation Paper.

<sup>160</sup> Clause 11(1)(b)(ii) of the *Electricity Industry (Network Quality and Reliability of Supply) Code 2005*.

<sup>161</sup> Clause 34B(3)(b) of the revised Code provides that the notice may be given "by broadcast on a television or radio station broadcasting to the area in which that place is located".

<sup>162</sup> Clause 34B(3)(c) of the revised Code provides that the notice may be given "by publication in a newspaper circulating in that area".

## Bursts, leaks, blockages and spills

282. Most Australian jurisdictions require water licensees to have a policy that deals with minimising the impact of bursts, leaks, blockages and spills.<sup>163</sup> WA licensees currently do not have to have such a policy.
283. In the Consultation Paper, the ERA asked if licensees should have to have a policy that deals with minimising the impact of bursts, leaks, blockages and spills.<sup>164</sup>
284. Most stakeholders considered that licensees should be required to have such a policy. The Water Corporation pointed out that issues such as response times to faults and minimising impact to customers, are already addressed in other regulations. It considered that an obligation to have a policy will not drive any process changes or improvements, and is therefore unnecessary.
285. The WCCC considered that licensees should have to have a policy that deals with minimising the impact of bursts, leaks, blockages and spills. The WCCC considered that the policy should inform customers of their rights and responsibilities in the event of a burst, leak, blockage or spill. According to the WCCC, the Code should not prescribe the content of the policy or require licensees to comply with their policy.
286. **After considering the submissions and WCCC advice, the ERA agrees with the WCCC that licensees should have to have a policy that deals with minimising the impact of a burst, leak or blockage in its water supply or sewerage works. The ERA considers that the Code should generally prescribe what should be addressed in the policy, but not set any specific standards. The ERA also agrees that licensees should not have to comply with their policy. The purpose of the policy is to inform customers of their rights and responsibilities, and ensure licensees have considered what they will do if a burst, leak or blockage occurs. The new obligations are set out in clause 34C of the revised Code.**

## 24 hour information line

287. Licensees currently are not required to have a 24 hour telephone emergency telephone service. Some other Australian jurisdictions do require water licensees to have a 24 hour emergency telephone service.<sup>165</sup>
288. In the Consultation Paper, the ERA asked if licensees should have to establish a 24 hour telephone number for faults and emergencies.<sup>166</sup>

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<sup>163</sup> Clause 16.2 of the South Australian *Water Retail Code: Major Retailers* (WRC-MR/02); clause 9.3 of the Victorian *Customer Service Code: Urban Water Businesses* (April 2017); clause 10.5 of the *South East Queensland Customer Water and Wastewater Code* (April 2017); clause 11.4 of the *Tasmanian Water and Sewerage Industry Customer Service Code* (July 2015).

<sup>164</sup> Issue 51 of the Consultation Paper.

<sup>165</sup> Clause 16.3.1 of the South Australian *Water Retail Code: Major Retailers* (WRC-MR/02); clause 19.3(1) of the ACT *Utilities (Consumer Protection Code) Determination 2012* (July 2012). Indirectly, other water codes also require licensees to have a 24 hour information line. For example, the Victorian and Tasmanian water codes require licensees to include a 24 hour emergency telephone number on their bills: clause 4.5(i) of the Victorian *Customer Service Code: Urban Water Business* (April 2017); clause 3.5(i) of the Victorian *Rural Water Customer Service Code* (April 2017); clause 5.4.1(i) of the *Tasmanian Water and Sewerage Industry Customer Service Code* (July 2015).

<sup>166</sup> Issue 53 of the Consultation Paper.

289. Stakeholders and the WCCC agreed that licensees should have to provide this service.
290. **After considering the submissions and WCCC advice, the ERA proposes that licensees should have to provide a 24 hour information line that allows customers to notify a licensee of emergencies and faults, and to get information about the reason and expected duration of any unplanned interruption. The telephone service must be provided at the cost of a local call (except for calls from mobile phones). The new obligation is set out in clause 34D of the revised Code.**

## Part 6 of the Code – Complaints about water services

### Updating the reference to the complaints standard: clause 35(2)(a)

291. Clause 35(2)(a) includes a reference to complaints standard AS ISO 10002:2006. This standard was replaced with AS/NZS 10002-2014 in 2014.
292. In the Consultation Paper, the ERA proposed to replace the reference to AS ISO 10002:2006 in clause 35(2)(a) with AS/NZS 10002-2014.<sup>167</sup>
293. Stakeholders and the WCCC agreed with the ERA's proposal.
294. **After considering the submissions and WCCC advice, the ERA proposes to replace the reference to AS ISO 10002:2006 in clause 35(2)(a) with AS/NZS 10002-2014.**

### Referring complaints to the water ombudsman: clause 35(4)

295. A licensee's complaints procedure must state that a customer may, but does not have to, use the licensee's complaints procedure before applying to the Energy and Water Ombudsman WA (clause 35(4)(a)). It must also explain the benefits of raising a complaint with the licensee before contacting the Ombudsman (clause 35(4)(c)).
296. Although the Code provides that a customer may raise their complaint directly with the Energy and Water Ombudsman WA, the Ombudsman will generally only consider a complaint if the customer has already raised the matter with the licensee. It is unhelpful to advise customers of a right that, in practice, they do not have.
297. In the Consultation Paper, the ERA proposed to delete clauses 35(4)(a) and (c).<sup>168</sup>
298. Stakeholders and the WCCC agreed with the ERA's proposal.
299. **After considering the submissions and WCCC advice, the ERA proposes to delete clauses 35(4)(a) and (c).**

### Advising customers of the existence of the water ombudsman

300. Licensees currently do not have to advise customers that they may raise their complaint with the Energy and Water Ombudsman WA if they are not happy with the outcome of the licensee's complaint process.
301. In the Consultation Paper, the ERA asked if licensees should have to advise customers of their right to raise their complaint with the Energy and Water Ombudsman WA if the customer is not satisfied with the outcome of the licensee's

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<sup>167</sup> Issue 42 of the Consultation Paper.

<sup>168</sup> Issue 43A and B of the Consultation Paper.

- process.<sup>169</sup> And, if so, should licensees have to give customers the Ombudsman's Freecall telephone number.<sup>170</sup>
302. Stakeholders and the WCCC agreed that customers should be told that they can raise their complaint with the Energy and Water Ombudsman WA. They should also be given the water Ombudsman's Freecall telephone number.
303. **After considering the submissions and WCCC advice, the ERA proposes to include new clause 35A in the revised Code. This clause provides that when a licensee considers that a customer's complaint has been resolved, the licensee must advise the customer accordingly. The licensee must also inform the customer of their right to have their complaint reviewed by the Energy and Water Ombudsman WA, and provide the customer with the Ombudsman's Freecall telephone number.**
304. **The obligation is different from the ERA's suggestion in the Consultation Paper. In the Consultation Paper the ERA asked if the information should be given "if the customer is not satisfied with the outcome of the licensee's process". As it will not always be clear whether a customer is satisfied with the outcome, the ERA considers it preferable that the information is provided whenever the licensee considers a customer's complaint is resolved.**

### Complaints to be considered by a senior employee

305. Customers currently do not have the right to have their complaint considered by a senior employee of the licensee.
306. In the Consultation Paper, the ERA asked if licensees should have to have an escalation process that allows customers to ask for their complaint to be considered by a senior employee.<sup>171</sup> And, if so, if licensees should have to advise customers of their right to have their complaint considered by a senior employee.<sup>172</sup>
307. Stakeholders and the WCCC considered that licensees should not have to have an internal escalation process for complaints. Reasons given were that licensees must already adhere to the Australian Standard on complaints handling (currently AS/NZS 10002-2014), and that most licensees already have an internal escalation process. Rio Tinto advised that it manages all complaints via a standardised process so the outcome would be the same regardless of who manages the complaint.
308. Although the WCCC considered that licensees should not have to have an internal escalation process for complaints, it did want licensees to have to refer to their internal escalation process in their complaints handling process.
309. **After considering the submissions and WCCC advice, the ERA does not propose to amend the Code. Licensees will not have to have an internal escalation process in place, nor will they have to advise their customers of such a process.**

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<sup>169</sup> Issue 44A of the Consultation Paper.

<sup>170</sup> Issue 44B of the Consultation Paper.

<sup>171</sup> Issue 45A of the Consultation Paper.

<sup>172</sup> Issue 45B of the Consultation Paper.

310. **The ERA does not propose to oblige licensees to refer to an internal escalation process in their complaints handling processes, as suggested by the WCCC. Licensees should not have to refer to a process that they do not have to have.**

## Defining when a complaint is resolved

311. Two clauses in the Code<sup>173</sup> refer to a complaint being “resolved”. However, the term ‘resolved’ is not defined in the Code.
312. In the Consultation Paper, the ERA asked if the Code should specify when a complaint is considered to have been resolved.<sup>174</sup> And, if so, should it only relate to certain complaints (for example, complaints relating to non-payment).<sup>175</sup>
313. Stakeholder responses to this question were mixed. Both Aqwest and Busselton Water agreed that there is no need to define the term “resolved” in the Code. The Department of Water supported defining the term as it would improve clarity and consistency across licensees. Water Corporation considered that defining the term would be problematic as a customer may escalate the complaint at a later time.
314. The WCCC recommended that the Code should not contain a definition of the term “resolved”.
315. **After considering the submissions and WCCC advice, the ERA does not propose to amend the Code. The Code will not contain a definition of the term “resolved”.**
316. **Even though the term “resolved” will not be defined in the Code, licensees are required to demonstrate they have completed all of the applicable steps in their complaints handling process before they are permitted to declare a complaint has been resolved.**

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<sup>173</sup> Clause 32(e) and 35(3)(d) of the Code. The term is also used in clause 28A(1)(b), 29(1)(d) and 35A of the revised Code.

<sup>174</sup> Issue 46A of the Consultation Paper.

<sup>175</sup> Issue 46B of the Consultation Paper.



## Part 7 of the Code – Information and communication services

### Historical billing and usage data: clause 36(2)

317. Clause 36(2) requires licensees to make available to each customer the customer's personal account information. It is not clear if only information of a personal nature must be provided, such as contact details and date of birth, or also billing and usage data.
318. In the Consultation Paper, the ERA proposed to clarify that "personal account information" includes a customer's billing and usage data.<sup>176</sup> The ERA also proposed to clarify that this information must be provided free of charge.<sup>177</sup>
319. The ERA further asked if licensees should be allowed to charge for providing billing and usage data if the data is over two years old.<sup>178</sup>
320. Stakeholders and the WCCC agreed with the ERA's proposal to clarify what is meant by the phrase "personal account information". They also agreed that personal account information should be provided free of charge.
321. In response to the ERA's question if licensees should be allowed to charge for data that is over two years old, both Aqwest and Busselton Water considered that licensees should be allowed to do so. Water Corporation pointed out that some charges are provided for in other regulations. Water Corporation will impose those charges if providing the data requires considerable effort.
322. The WCCC considered it unnecessary for this issue to be addressed in the Code. According to the WCCC, the *Water Services (Water Corporations Charges) Regulations 2014* already specify how much Aqwest, Busselton Water and Water Corporation can charge for providing certain information.
323. **After considering the submissions and WCCC advice, the ERA proposes to amend the Code as suggested in the Consultation Paper. Clause 36(2) of the revised Code clarifies that licensees must make information about a customer's previous bills and usage available to the customer. It also states that the information must be provided at no charge.**
324. **The ERA does not propose to amend the Code to allow licensees to charge for data that is over two years old.**

### Reducing or cutting of supply to customers who have been offered a payment plan: clause 37(1)(h)

325. Clause 37(1) sets out what information licensees must make publicly available. This includes information that the licensee may reduce or cut off a customer's water supply even if the customer has been offered a payment plan.

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<sup>176</sup> Issue 48A of the Consultation Paper.

<sup>177</sup> Issue 48B of the Consultation Paper.

<sup>178</sup> Issue 48 (Comment sought) of the Consultation Paper.

326. In the Consultation Paper, the ERA proposed to clarify that customers who have been offered a payment plan should only have their water supply reduced if they have failed to accept the terms of the plan.<sup>179</sup> The ERA also asked within how many days customers should have to inform licensees whether or not they accept the plan.<sup>180</sup>
327. Stakeholders generally agreed with the ERA's proposal. Water Corporation advised that payment plans are "negotiated with customers on request. Through their establishment there is an implied acceptance by both the Licensee and the customer." The WCCC considered that clause 37(h)(i) should only apply when a customer has failed to accept a payment within a prescribed timeframe.
328. Stakeholder responses were mixed to the question of how many days customers should have to accept a plan. Aqwest suggested 7 days, whilst Busselton Water proposed 5 business days. Water Corporation did not suggest a specific timeframe, but noted that payment plans are generally accepted at the time they are established. The WCCC recommended that customers be given 7 days to inform a licensee whether or not they accept a payment plan.
329. **After considering the submissions and WCCC advice, the ERA proposes to amend clause 37(1)(h) by replacing subclause (i). Under the new subclause (i), the information made available about a licensee's power to reduce or cut off supply must explain that this power can only be exercised if the customer has not accepted a payment plan within 7 days.**

## Access to the Code

330. Licensees currently do not have to publish a copy of the Code on their website.
331. In the Consultation Paper, the ERA asked if licensees should have to make an electronic copy of the Code available on their website.<sup>181</sup>
332. Stakeholder responses to this question were mixed. Rio Tinto argued that the information is already freely available from government websites. Having to publish the Code on a licensee's website would be duplication. Aqwest, Busselton Water and Water Corporation suggested that licensees should have to include a hyperlink on their website to either the State Law Publisher's or ERA's website (which both include current copies of the Code). The Department of Water agreed that licensees should have to publish the Code on their website and considered that this should not be administratively burdensome.
333. The WCCC considered that licensees should only have to include a hyperlink to the Code on their website. Providing a hyperlink will minimise the risk of licensees having an out-of-date copy of the Code on their website.
334. **After considering the submissions and WCCC advice, the ERA agrees with the WCCC that licensees should have to include a hyperlink to the Code on their website. Clause 37(2A) of the revised Code provides that licensees must**

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<sup>179</sup> Issue 49 (Proposal) of the Consultation Paper.

<sup>180</sup> Issue 49 (Comment sought) of the Consultation Paper.

<sup>181</sup> Issue 50 of the Consultation Paper.

**ensure that their website contains a link that provides access to the current version of the Code that appears on the State Law Publisher's website.<sup>182</sup>**

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<sup>182</sup> This is currently the website "that is maintained by or on behalf of the Western Australian Government and that provides public access to electronic versions of Western Australian legislation".

## Part 8 of the revised Code – Requirements for supply of water to persons with special requirements or needs

### Persons other than customers

335. Clause 32(h) precludes a licensee from reducing a customer's water supply if the customer needs water to operate a life support machine or needs water for a special need.
336. The wording of clause 32(h) implies that the prohibition on reducing a water supply only applies if the customer (that is, the account holder) has special needs. If a person other than the account holder resides at the supply address and has special needs, the protections of the Code do not apply.
337. In the Consultation Paper, the ERA asked if the Code should also include protections for persons, other than customers, who reside at the customer's address and require water to operate a life support machine.<sup>183</sup>
338. Stakeholders and the WCCC agreed that the protections in the Code should also apply these persons.
339. **After considering the submissions and WCCC advice, the ERA proposes that the protections of the Code should apply if a person living at the supply address needs water to operate a life support machine or for a special need of another kind (collectively referred to in this Draft Decision as *persons with special needs*). Clause 39(2) of the revised Code, which requires licensees to keep an up to date register of persons with special needs, therefore explicitly refers to "person" rather than "customer".**

### Preserved supply register

340. Licensees currently do not have to keep a register of persons with special needs.
341. In the Consultation Paper, the ERA asked if licensees should have to register persons with special needs.<sup>184</sup> And, if so, should the Code provide for a deregistration process.<sup>185</sup>
342. Stakeholders and the WCCC agreed that licensees should have to maintain a current register of these persons.
343. **After considering the submissions and WCCC advice, the ERA agrees that licensees should have to maintain an up-to-date "preserved supply register". The register must contain the name and supply address of persons with special needs. This is addressed in clause 39 of the revised Code.**

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<sup>183</sup> Issue 39F of the Consultation Paper.

<sup>184</sup> Issue 39B of the Consultation Paper. The Consultation Paper used the term "customers who require a life support machine" rather than "persons with special needs".

<sup>185</sup> Issue 39C of the Consultation Paper.

## Notifying a licensee that a person has special needs

344. Under clause 32(h)(i), licensees are not allowed to reduce the supply of water to a customer who needs water to operate a life support machine or for a special need. The obligation applies regardless of whether the licensee is aware of the customer's needs or not.
345. In the Consultation Paper, the ERA asked if licensees should only be prevented from reducing a customer's water supply if the customer has notified the licensee that the person has special needs.<sup>186</sup>
346. Stakeholders and the WCCC agreed that licensees should only be prevented from reducing a customer's rate of flow of drinking water if the licensee has been notified that the person has special needs. The Water Corporation advised that it currently receives monthly notifications from WA Home Therapies for all persons on haemodialysis. It argued that licensees should be able to rely on information given by the customer as well as other relevant organisations, such as WA Home Therapies.
347. **After considering the submissions and WCCC advice, the ERA proposes that the protections of the Code should only apply if a licensee has received advice that a person with special needs resides at the supply address. The advice can be given by the customer as well as other organisations.**
348. **Clause 39(2)(a) of the revised Code refers to the licensee receiving "notice or otherwise becomes aware" that the person requires water for the operation of a dialysis machine or other life support equipment. Persons who require water for a special need of another kind must be recorded on the register if the licensee "determines and assesses" that the person requires water for a special need of another kind.**<sup>187</sup>

## Notice of planned interruptions

349. Licensees currently do not have to give persons with special needs notice of planned interruptions.
350. In the Consultation Paper, the ERA asked if licensees should have to give persons with special needs written notice of planned interruptions.<sup>188</sup> And, if so, how much notice should be provided.<sup>189</sup>
351. Stakeholders and the WCCC considered that licensees should have to give 48 hours' written notice of a planned interruption if a person with special needs resides at the supply address. This is the same amount of notice that is proposed to be given to all other customers.<sup>190</sup> The difference is that the notice must be given in writing, and may not, for example, be broadcast on radio only.

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<sup>186</sup> Issue 39A of the Consultation Paper. The Consultation Paper used the term "customer [who] requires water to operate a life support machine" rather than a "person with special needs".

<sup>187</sup> Clause 39(2)(b) of the revised Code.

<sup>188</sup> Issue 39G of the Consultation Paper. The Consultation Paper used the term "customers who require a life support machine" rather than "persons with special needs".

<sup>189</sup> Issue 39H of the Consultation Paper.

<sup>190</sup> See proposed clause 34B of the revised Code.

352. **After considering the submissions and WCCC advice, the ERA proposes that licensees have to give written notice of a planned interruption if a person with special needs resides at the supply address. The ERA considers a 48 hour notice period to be reasonable. This is addressed in clause 41 of the revised Code.**

## Notice of unplanned interruptions

353. Licensees do not have to contact persons with special needs as soon as possible in the event of an unplanned interruption.
354. In the Consultation Paper, the ERA asked if licensees should have to contact persons with special needs in the event of an unplanned interruption.<sup>191</sup>
355. Stakeholder responses to this question were mixed. Busselton Water argued that customers should not have to be contacted, whereas Aqwest argued they should. Water Corporation advised that its current processes would already be compliant.
356. The WCCC considered that licensees should not have to contact persons with special needs<sup>192</sup> as soon as possible in the event of an unplanned interruption. The WCCC pointed out that such a requirement may be difficult to implement for licensees who do not have a 24 hour call centre. The WCCC suggested that the ERA revisit this issue during the next Code review. When revisiting the issue, the ERA may wish to clarify for what purpose contact must be made (e.g. is it to advise when water supply will be restored?).
357. **After considering the submissions and WCCC advice, the ERA does not propose to amend the Code. Therefore, the Code will not require licensees to contact persons with special needs in the event of an unplanned interruption.**

## Definition of life support machine

358. The Code does not define the term “life support machine”.
359. In the Consultation Paper, the ERA asked if the Code should include a definition of life support machine.<sup>193</sup> And, if so, what that definition should be.<sup>194</sup>
360. Stakeholder responses to this question were mixed. Aqwest and Busselton Water supported including a definition in the Code, whilst Water Corporation considered the generic term of “life support machine” to be adequate.
361. The WCCC considered there is no need for the Code to include a definition of a life support machine. The only equipment that is generally recognised as a life support machine, which requires water, is a dialysis machine.

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<sup>191</sup> Issue 39I of the Consultation Paper. The Consultation Paper used the term “customers who require a life support machine” rather than “persons with special needs”.

<sup>192</sup> The WCCC advice used the term “customers who require a life support machine” rather than “persons with special needs”.

<sup>193</sup> Issue 39D of the Consultation Paper.

<sup>194</sup> Issue 39E of the Consultation Paper.

362. **After considering the submissions and WCCC advice, the ERA does not propose to amend the Code. Therefore, the Code will not include a definition of life support equipment.**

## Other issues

### Service standard payments

363. Electricity licensees in WA<sup>195</sup>, and water licensees in Victoria<sup>196</sup> and the ACT<sup>197</sup> must pay their customers a prescribed amount if they fail to meet certain service standards. Service standard breaches for which payment typically must be made include, for example, failure to give notice of a planned interruption and failure to restore supply within a prescribed timeframe. These payments are often referred to as “service standard payments” or “guaranteed service level rebates”.
364. In the Consultation Paper, the ERA asked if service standard payments should be introduced into the Code.<sup>198</sup> And, if so, for which service standards.<sup>199</sup>
365. Stakeholder responses to this question were mixed. The Department of Water and Horizon Power supported the introduction of service standard payments into the Code. The Department of Water argued that service standard payments could help to incentivise licensees to maintain good performance levels, and may reduce the number of complaints as customers may be less inclined to apply to the Energy and Water Ombudsman WA if they have already received a service standard payment.
366. Aqwest, Busselton Water, Water Corporation and the Joint Utilities group all opposed the introduction of service standard payments into the Code. According to Aqwest, current service standards are high and introducing payments will not drive improved service. Aqwest also pointed out that penalties already exist under the water ombudsman scheme. Busselton Water was concerned that the cost to establish and administer such a scheme would result in additional costs for customers, and would not improve the organisation’s efficiency. Water Corporation and the Joint Utilities group were also concerned about additional operational costs, and did not believe that service standard payments will improve customer service or enhance process efficiencies.
367. The WCCC did not support the introduction of service standards payments into the Code.
368. **After considering the submissions and WCCC advice, the ERA does not propose to amend the Code. The ERA is not aware of any ongoing issues with licensees not meeting service standards and considers there are insufficient grounds for introducing service standard payments at this stage. The ERA will revisit this issue as part of the next Code review.**

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<sup>195</sup> Part 14 of the *Code of the Conduct for the Supply of Electricity to Small Use Customers 2016*.

<sup>196</sup> Schedule 1 of the *Victorian Customer Service Code: Urban Water Businesses* (April 2017).

<sup>197</sup> Schedule 1 of the *ACT Utilities (Consumer Protection Code) Determination 2012* (July 2012).

<sup>198</sup> Issue 55A of the Consultation Paper.

<sup>199</sup> Issue 55B of the Consultation Paper.



## Pre-payment metering

369. The ERA received submissions from Horizon Power and the Regional Services Reform Unit (**Reform Unit**)<sup>200</sup> on the use of prepayment water meters in regional and remote Aboriginal communities.
370. At the moment, most regional and remote Aboriginal communities are assumed to 'self-provide' their water and electricity services.<sup>201</sup> There are several disadvantages associated with this, such as the fact that capital and operating funding is often inadequate, and most infrastructure does not meet minimum standards. In 2016, the Aboriginal Affairs Cabinet Sub-Committee<sup>202</sup> made a number of recommendations to address these issues. One of the recommendations was to make licensed providers responsible for the delivery of water and electricity services. The Reform Unit is currently working towards implementing the Sub-Committee's recommendations.
371. In its submission, the Reform Unit notes that several Aboriginal communities have expressed a wish for prepayment meters when water consumption charges are introduced.<sup>203</sup> Prepayment water meters require a customer to pay for a water service before it is provided, similar to, for example, prepayment mobile phones. Horizon Power already offers prepayment meters for electricity in a number of Aboriginal communities.
372. Both the Reform Unit's and Horizon Power's submissions argue that the option should exist for licensees to use prepayment metering to deliver water services to regional and remote Aboriginal communities.
373. The introduction of prepayment meters would have implications for the Code. As noted in both submissions, certain provisions of the Code are not compatible with the operation of prepayment meters. This includes the requirement on licensees to issue a bill and limitations on when a customer's water supply may not be restricted. Some of the proposed changes to the Code would also affect pre-payment meters. For example, the newly proposed obligations to issue reminder and restriction notices.
374. To facilitate the introduction of prepayment meters, these sections of the Code would need to be amended or a whole new part would need to be added (similar to Part 9 of the *Code of Conduct for the Supply of Electricity to Small Use Customers 2016*).
375. Water prepayment meters are not widely used. The ERA is not aware of their use in other Australian states, whilst in the United Kingdom they are banned altogether.

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<sup>200</sup> The Reform Unit was established by State Government to improve the lives of Aboriginal people in regional and remote Western Australia by driving reform of regional services.

<sup>201</sup> Regional Services Reform Unit, *Resilient Families, Strong Communities: A roadmap for regional and remote Aboriginal communities*, July 2016, pg 8. Available at: [http://regionalservicesreform.wa.gov.au/sites/regionalservicesreform.wa.gov.au/files/pdfs/CS671\\_RSRU\\_RoadMapDocument\\_Web\\_v4.pdf](http://regionalservicesreform.wa.gov.au/sites/regionalservicesreform.wa.gov.au/files/pdfs/CS671_RSRU_RoadMapDocument_Web_v4.pdf)

<sup>202</sup> The Aboriginal Affairs Cabinet Sub-Committee was established by the Cabinet of Western Australia in April 2013 to set policy direction and drive better coordination across government in Aboriginal affairs. More information about the Sub-Committee is available at: [https://www.daa.wa.gov.au/about-the-department/boards\\_and\\_committees/Aboriginal-Affairs-Cabinet-Sub-Committee/](https://www.daa.wa.gov.au/about-the-department/boards_and_committees/Aboriginal-Affairs-Cabinet-Sub-Committee/)

<sup>203</sup> At present, charges for water supply and sewerage services are generally paid by the community, rather than individuals.

376. Neither the Reform Unit nor Horizon Power have specified in their submissions the type of prepayment water meter(s) they consider suitable for use in regional and remote Aboriginal communities. To be able to provide adequate safeguards for customers, it is important to know the technical capabilities of prepayment water meters. As a minimum, the meter should be able to reduce supply, rather than simply cut off supply, if credit has run out. Other minimum standards could also be considered. For example, prepayment electricity meters must be able to inform a licensee how often, and for how long, a customer has been disconnected;<sup>204</sup> must allow a customer to access emergency credit outside normal business hours;<sup>205</sup> and must be able to provide certain information to customers (such as the outstanding balance and whether the meter is operating on normal or emergency credit).<sup>206</sup>
377. Prescribing safeguards that technically cannot be met is not in anyone's interest. The ERA will not consider any amendments to the Code until there is considerable certainty about the type of prepayment water meters that are available and their technical capabilities and reliability.
378. The ERA is also mindful that there is currently no federal or State regulatory framework that deals with prepayment water meters. This means that the ERA will not be able to draw upon the experience of other State or federal regulators when regulating prepayment water meters.
379. Prescribing acceptable safeguards for the use of prepayment water meters is a complex issue and requires significant consideration. The ERA is concerned that the current review process does not provide the ERA and stakeholders with sufficient time to consider all of the issues involved. The ERA would like to consult more widely, including with persons living in regional and remote Aboriginal communities and/or their representatives before progressing amendments to the Code that permit the use of prepayment water meters.
380. **The ERA does not propose to amend the Code to facilitate the use of prepayment water meters in regional or remote Aboriginal communities. However, the ERA invites the Reform Unit and Horizon Power to apply to the ERA for a separate Code amendment process on prepayment water meters. To assist the ERA in considering the application, the application should include details about the type of prepayment water meter(s) that are likely to be used, including: their technical capabilities, the management of the meters and how information about disconnections and use of emergency credit will be collected and stored.**
381. The ERA notes that its views are supported by the WCCC. In its advice, the WCCC suggested "that the ERA hold off on amending the Water Code until more certainty exists regarding the type of prepayment meters that will be used and their technical capabilities. The committee also considers that, given the complexity of the issue, the use of prepayment meters is better considered as part of a separate code amendment process rather than the current general review process".

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<sup>204</sup> Clause 9.6(b)(i) of the *Code of Conduct for the Supply of Electricity to Small Use Customers 2016*.

<sup>205</sup> Clause 9.6(a) of the *Code of Conduct for the Supply of Electricity to Small Use Customers 2016*.

<sup>206</sup> Clause 9.3(3) of the *Code of Conduct for the Supply of Electricity to Small Use Customers 2016*.

## **Appendix 1 Proposed new Code with tracked changes**

# Water Services Code of Conduct (Customer Service Standards) 2018

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Water Services Act 2012

## **Water Services Code of Conduct (Customer Service Standards) 2018**

Made under section 27 by the Economic Regulation Authority in consultation with the consultative committee established under section 28.

*The following text is the Water Services Code of Conduct (Customer Service Standards) 2013 showing proposed amendments in track changes.*

*A formal instrument to make the Water Services Code of Conduct (Customer Service Standards) 2018 will be drafted at a later stage.*



## Part 1 — Preliminary

### 1. Citation

This code is the ~~Water Services Code of Conduct (Customer Service Standards) 2013~~ Water Services Code of Conduct (Customer Service Standards) 2018.

### 2. Commencement

This code comes into operation as follows —

(a) clauses 1 and 2 — on the day on which this code is published in the *Gazette*;

(b) the rest of this code — on 1 July 2018.

~~(b) clauses 12 and 37(2) — at the end of the 2-year period starting on the day on which the *Water Services Act 2012* section 27 comes into operation;~~

~~(c) the rest of the code — on the day on which the *Water Services Act 2012* section 27 comes into operation.~~

### 3. Terms used

In this code —

AS, followed by a number and year, means a document so referred to published by Standards Australia;

AS/NZS, followed by a number and year, means a document so referred to published jointly by —

(a) Standards Australia; and

(b) the Standards Council of New Zealand;

*bill* means a bill for a water service charge;

*bill for usage* has the meaning given in clause 10(2);

*business day* means a day that is not a Saturday, Sunday or public holiday;

*connection* means a connection of a water service to land;

*concession* includes an exemption, discount or rebate;

~~*drinking water*~~ means —

~~(a) potable water; and~~

~~(b) water that is not potable but that is supplied on the basis that the customer is responsible for treating the water to make it fit for humans to drink;~~

*estimate* includes a calculation based on an estimate;

*National Interpreter Symbol* means the national public information symbol “Interpreter Symbol” (with text) developed by Victoria in partnership with the Commonwealth, State and Territory governments in accordance with AS 2342-1992;

*publicly available*, in relation to a document of a licensee, means that —

- (a) any person may view the document on, and download the document from, the licensee’s website; and
- (b) a hard copy of the document is provided to a customer on request and at no charge;

*residential customer* means a customer who uses the place in respect of which a water service is provided solely or primarily as the customer’s dwelling;

*section* means section of the Act;:-

*water services ombudsman* means the Energy and Water Ombudsman Western Australia performing the functions of water services ombudsman under a scheme approved under Part 4 of the Act and an agreement under the *Parliamentary Commissioner Act 1971* section 34.

Note:

Other words and expressions used in this code have the same respective meanings as in the *Water Services Act 2012*. See the *Water Services Act 2012* sections 26(5) and 27(5) and the *Interpretation Act 1984* section 44.

**4. Application of code**

(1) In this clause —

drinking water means —

(a) potable water; and

(b) water that is not potable but that is supplied on the basis that the customer is responsible for treating the water to make it fit for humans to drink.

~~customer, of a licensee, means a customer as defined in section 3(1) who is —~~

~~(a) an owner of the land in respect of which the water services are provided; or~~

~~(b) an occupier of the land in respect of which the water services are provided who is authorised by an owner to receive bills for the water services;~~

~~and includes any other person who is authorised by an owner of the land in respect of which the water services are provided to receive bills for the water services.~~

(2) This code applies to —

(a) each licensee that provides a water supply service, but only in respect of the supply of drinking water, and each of the licensee's customers; and

(b) each licensee that provides a sewerage service and each of the licensee's customers; ~~and~~

~~(c) each licensee that provides an irrigation service and each of the licensee's customers; and~~

~~(d) each licensee that provides a drainage service and each of the licensee's customers.~~

(3) If charges do not apply for the provision of a water service to a customer by a licensee the application of this code to the provision of the water service is modified as follows —

- ~~(a) Parts 3 and 4, clauses 30 to 32A, clause 33A(1), clause 37(1)(a), (b), (c), (g) and (h) and (2)(a) to (e) and clause 40 do not apply;~~
- ~~(b) clause 33 does not apply except to the extent that it applies to the reduction, under section 95(2), of the rate of flow of a supply of water;~~
- ~~(c) clause 34 does not apply except to the extent that it applies to the restoration of a supply of water which has been cut off, or the rate of flow of which has been reduced, under section 95(1)(a), (c), (d) or (e);~~
- ~~(d) clause 36(1) does not apply to the extent that it refers to account or payment enquiries;~~
- ~~(e) clause 36(2) does not apply to the extent that it refers to bills previously issued or previous billing periods;~~
- ~~(f) clause 37(3) does not apply to the extent that it refers to a requirement under clause 37(1)(a), (b), (c), (g) or (h) or (2)(a) to (e).~~

## 5. Contracting out

- (1) Nothing in this code prevents a licensee and a customer who is not a residential customer from entering into an agreement that varies or displaces the requirements of this code in relation to the licensee or customer.

- ~~(2) If~~
  - ~~(a) a licensee's licence is one to which Schedule 1 clause 10(1) of the Act applies; and~~
  - ~~(b) on the day on which the *Water Services Act 2012* section 27 comes into operation an agreement between a licensee and a customer is in effect that has provisions that are inconsistent with the requirements of this code in relation to the licensee or customer;~~
- ~~the provisions of the agreement prevail to the extent of the inconsistency.~~

(2) Subclause (3) applies if the licence of a licensee (the *licensee*) is one to which Schedule 1 clause 10(1) of the Act applies.

(3) If an agreement between the licensee and a customer that was in effect on 18 November 2013 and remains in effect has provisions that are inconsistent with this code in relation to the licensee or customer, the provisions of the agreement prevail to the extent of the inconsistency.

**5A. Local government laws prevail if inconsistent with code**

(1) If the *Local Government Act 1995* has provisions that are inconsistent with this code in relation to a licensee that is a local government or a customer of a licensee that is a local government, the provisions of the *Local Government Act 1995* prevail to the extent of the inconsistency.

(2) In subclause (1) a reference to the *Local Government Act 1995* includes a reference to regulations and local laws under that Act.

**6. Notes and examples not part of code**

Notes and examples in this code are provided to assist understanding and do not form part of the code.

## Part 2 — Connection of water services to land

### 7. Information about connections

(1) A licensee must have written information for customers about connections.

~~(1) In this clause —~~

~~connection means a connection of a water service to land.~~

(2) ~~The A licensee must have written~~ information must deal with ~~for customers about~~ each of the following —

(a) entitlements under section 73 to the provision of —

(i) ~~drinking~~ water supply services; and

(ii) sewerage, ~~irrigation and drainage~~ services;

(b) licensee functions under section 21 concerning the provision of —

(i) ~~drinking~~ water supply services; and

(ii) sewerage, ~~irrigation and drainage~~ services;

(c) the regulations that prescribe requirements for the purpose of section 21(2)(c) or (3)(c);

(d) how to apply for a connection;

(e) the things that a customer must do, and the things that must be complied with, before a connection is made;

(f) the fees that apply in relation to connections and when the fees are payable;

(g) the period mentioned in clause 8(2) in which standard supply connections as defined in clause 8(1) are required to be completed.

(3) The information must be publicly available.

**cl. 8**

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**8. Minimum performance standards for standard ~~water~~ supply connections**

(1) A connection is a *standard supply connection* if it —

(a) connects a metered water supply service to an existing main; and

(b) comprises 20 mm water supply pipes.

~~(1) In this clause —~~

~~*connection* means a connection of a metered water supply service to an existing main comprising 20 mm water supply pipes.~~

(2) A standard supply connection must be completed before the end of the period of 10 business days starting on the day on which both of these things have been complied with —

(a) the customer has done, or complied with, all the things, that the customer must do and comply with before a standard supply connection is made; and

(b) the fees that apply in relation to the standard supply connection have been paid.

(3) Subclause (2) does not apply if the licensee and customer expressly agree otherwise.

(4) A licensee must ensure that there is a 90% compliance rate with subclause (2) in any 12 month period ending on 30 June.

### Part 3 — Billing for water services

#### 9. Bills other than for quantities supplied or, discharged

(1) In this clause —

*fixed charge* means a water service charge that is not a quantity charge as defined in clause 10(1).

~~*bill (non-quantity) charges*~~ means a bill for a water service charge that is not determined by the quantity of water supplied, or the quantity of wastewater discharged.

(2) If fixed charges apply for the provision of a water service to a customer by a licensee, the ~~A~~ licensee must, at least once in every 12 month period, issue a bill for a fixed charge ~~(non-quantity) charges~~ to the ~~each~~ customer ~~to whom the licensee provides water services.~~

#### 10. Bills for quantities supplied or, discharged

(1) In this clause —

*quantity charge* means a water service charge based on the quantity of water supplied or wastewater discharged.

~~*bill for usage*~~ means a bill for a water service charge for the quantity of water supplied, or the quantity of wastewater discharged.

(2) If quantity charges apply for the provision of a water service to a customer by a licensee, the ~~A~~ licensee must, at least once in every 4-6 month period, issue a bill for a usage-quantity charge ~~(a bill for usage)~~ to ~~each~~ the customer ~~to whom the licensee provides water services.~~

(3) A bill for usage must be based on a meter reading to ascertain the quantity supplied or discharged.

(4) If an accurate meter reading is not possible, a bill for usage must be based on an estimate ~~estimation or calculation~~, in accordance



**cl. 11**

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with regulations mentioned in section 222(2)(h) (if any), of the quantity of water supplied or wastewater discharged.

- (5) If an accurate meter reading is not possible and there are no applicable regulations, a bill for usage must be based on a reasonable estimate of supply or discharge —
- (a) by referring to a daily average quantity of water supplied, or wastewater discharged, in a previous period; or
  - (b) by adjusting the quantity as measured by a faulty meter to take into account the effects of the fault; or
  - (c) on a basis agreed with the customer.

(6) Despite subclauses (4) and (5), at least once in every 12 month period a bill for usage based on a meter reading must be issued.

**11. Sending bills**

A licensee must send a bill —

- (a) to the address of the place in respect of which the water service is provided; or
- (b) if the customer nominates another address, to the nominated address.

Note:

Note the *Electronic Transactions Act 2011* in relation to electronic communications.

**12. Information on bills**

- (1) Each bill must contain the following information —
- (a) the customer's name;
  - (b) the account number;
  - (c) the address of the place in respect of which the water service is provided;
  - (d) any other address nominated by the customer for sending of bills;

- (e) the day on which the bill is issued;
- (f) the charges payable;
- (g) the water service ~~or services~~ for which the charges ~~is~~are payable;
- (h) the date when payment is due;
- (i) the nature and amount of any applicable concession, ~~discount or rebate~~;
- (j) the amount of any interest or fees charged for late payment of ~~outstanding~~ amounts outstanding from previous bills;
- (k) the amount of any arrears or credit standing to the customer's name;
- (l) the options for payment that are available to the customer;

(m) if applicable, a statement advising the customer that interest or fees may be charged for late payment of the bill;

(n) a statement advising the customer that the licensee can be contacted for assistance if the customer is experiencing problems paying the bill.

~~(m) the licensee's website address;~~

~~(n) a telephone number for account, payment and general enquiries;~~

~~(o) contact details for account, payment and general enquiries for use by customers with hearing or speech impairment;~~

~~(p) a statement that the website contains information about estimates, meter reading and testing, complaints and review.~~

(1A) A bill may be issued for 2 or more water services whether the water services are provided in respect of the same place or in respect of different places.

**cl. 12**

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(1B) A bill issued for 2 or more water services must specify the charge payable for each water service.

(2) Each bill for usage for a metered water service must ~~also, in addition to the requirements of subclause (1),~~ contain the following information —

- (a) whether the bill was based on —
  - (i) a meter reading; or
  - (ii) an estimate of the quantity of water supplied or the quantity of wastewater discharged;
- (b) the billing period;
- (c) the number of days to which the bill applies;
- (d) the 2 most recent dates on which the quantity of water supplied or the quantity of wastewater discharged was ascertained, whether by a meter reading or an estimate;

(e) if the bill was based on a meter reading, —

(i) the actual meter reading; and

(ii) the total quantity of water supplied or the quantity of wastewater discharged according to the meter reading;

(f) if the bill was based on an estimate, the total quantity of water supplied or the quantity of wastewater discharged according to the estimate;

(g) information, if available, about the customer's water usage in the billing period compared with the customer's ~~water previous~~ usage, —

(i) in the previous billing period; and

(ii) in the corresponding billing period in the previous year.

(3) If a bill for usage for a metered water service was based on an estimate, the bill must inform the customer that the licensee will tell the customer on request —

- 
- (a) the basis of the estimate; and
- (b) the reason for the estimate.
- ~~(3) Each bill must inform the customer of the following and where further details can be obtained—~~
- ~~(a) if the bill was based on an estimate, that the licensee will tell the customer on request—~~
- ~~(i) the basis of the estimate; and~~
- ~~(ii) the reason for the estimate;~~
- ~~(b) that the customer may request a meter reading and bill to determine outstanding charges for a period that is not the same as the usual billing cycle;~~
- ~~(c) that the customer may request a meter reading and revised bill if the customer disputes an estimate on which a bill is based and that if the customer so requests, information about the fees that apply;~~
- ~~(d) that the customer may request, in accordance with the regulations mentioned in section 79(3)(b), the testing of a meter and that if the customer so requests, information about the fees that apply and when the fees may be reimbursed in accordance with the regulations mentioned in section 79(3)(c);~~
- ~~(e) that the bill can be reviewed in accordance with the licensee's review procedure mentioned in clause 18;~~
- ~~(f) that complaints about the provision of a water service by the licensee or a failure by the licensee to provide a water service can be made in accordance with the licensee's complaints procedure mentioned in clause 35.~~
- (4) Each bill must contain the following general information —
- (a) the licensee's website address;
- (b) a telephone number for account, payment and general enquiries;
- (c) a telephone number for complaints;

**cl. 13**

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- (d) a Freecall telephone number for the office of the water services ombudsman;
- (e) the telephone number of the 24 hour information line provided in accordance with clause 34D;
- (f) contact details for account, payment and general enquiries for use by customers with hearing or speech impairment;
- (g) for a residential customer, the telephone number for interpreter services together with the National Interpreter Symbol and the words “Interpreter Services”;
- (h) a statement that the website contains information about estimates, meter reading and testing, complaints and review;
- (i) a statement that the bill can be reviewed in accordance with the licensee’s review procedure mentioned in clause 18.

~~Note:~~

~~Clause 2(b) applies to the commencement of this clause.~~

**13. Estimates: licensees’ obligations**

- (1) If a bill is based on an estimate, the licensee must tell the customer, on request —
  - (a) the basis of the estimate; and
  - (b) the reason for the estimate.
- (2) If a bill is based on an estimate, the licensee must make any necessary adjustments to the next bill to take into account the extent to which the estimate was not reasonable having regard to a subsequent and accurate meter reading.

**13A. Information on bills if charge per kL varies depending on volume supplied**

- (1) In this clause —

consumption year for a customer means —

- (a) if the *Water Services (Water Corporations Charges) Regulations 2014* apply to the licensee — the period determined under those regulations as the consumption year for the land where the place at which water is supplied to the customer is located; or
- (b) in any other case — the period notified by the licensee to the customer as the customer's consumption year;

tariff means charge per kL of water supplied.

(2) This clause applies to a bill for usage if —

- (a) the amount of water supplied to a customer during a consumption year is divided for charging purposes into 2 or more volumetric ranges (e.g. up to 150kL; over 150kL but not over 350kL; etc.); and
- (b) tariffs differ for water supplied within different volumetric ranges (e.g. \$0.94 per kL for water supplied within the range up to 150kL; \$1.74 per kL for water supplied within the range over 150kL but not over 350kL; etc.).

(3) Each bill for usage to which this clause applies must, in addition to the requirements of clause 12, contain the following information —

- (a) the tariff for each volumetric range within which water has been supplied to the customer;
- (b) how much more water the customer can be supplied with before supply will start to be in the next volumetric range;
- (c) the tariff for the next volumetric range;
- (d) the day on which the tariff for water supplied to the customer will revert to the lowest tariff (i.e. the day on which the customer's next consumption year starts).

cl. 14

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**14. Requested meter readings, revised bills: licensee's obligations**

- (1) In the case of a metered water service, the A-licensee must provide to the customer on request any of the following —
- (a) ~~in the case of a metered water service,~~ a meter reading and bill to determine the outstanding charges for a period that is not the same as the usual billing cycle;
  - (b) ~~in the case where if~~ the customer disputes an estimate on which a bill is based, a meter reading and revised bill.
    - ~~(i) a meter reading (if the water service is metered and the meter is operable); and~~
    - ~~(ii) in any event, a revised bill.~~
- (2) A licensee does not have to provide, under subclause (1)(a) or (b), a meter reading, bill or revised bill if —
- (a) the meter is not operable; or
  - (b) -a fee that applies to providing the reading or bill has not been paid.

**15. Leaks**

- (1) In this clause —  
customer's system leak means any a leak from a fitting, fixture or pipe for which a the customer, as an owner or occupier of land, is responsible for the purposes of under section 92(1).
- (2) A licensee must have a written policy, standard or set of guidelines in relation to the granting of a discount to a customer whose meter reading indicates a water usage that is higher than normal for the customer but is likely to have been wasted because of a leak from the customer's system.
- (3) The policy, standard or guidelines must be publicly available.

**16. Undercharging in bills**

- (1) A licensee may recover from a customer an amount that has not been, but could have been, the subject of a bill (the *undercharged amount*).
- (2) ~~The An~~-undercharged amount cannot be recovered from ~~the a~~ customer unless it is for water services provided in the 12 month period ending on the day on which the licensee informed the customer that the customer has not been charged for the undercharged amount.
- (3) ~~The An~~-undercharged amount must be the subject of, and explained in —
  - (a) a special bill for the undercharged amount; or
  - (b) a separate item in the next bill.
- (4) ~~The A~~-licensee must not charge interest or late payment fees on ~~the an~~-undercharged amount.
- (5) ~~The A~~-licensee must allow ~~the a~~-customer to pay ~~the an~~ undercharged amount by way of a repayment plan that has effect for the shorter of the following periods starting on the day on which the bill mentioned in subclause (3)(a) or (b) is issued, as is applicable in the case —
  - (a) a period for the same amount of time in which the undercharging occurred;
  - (b) a period of 12 months.
- (6) Subclauses (2), (4) and (5) do not apply if the undercharging occurred as a result of the fraudulent or illegal conduct of the customer.

**17. Overcharging in bills**

- (1A) This clause applies when —



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- (a) a licensee has overcharged a customer by including an amount in a bill that should not have been included in the bill (the *overcharged amount*); and
  - (b) the customer has paid the bill, including the overcharged amount.
- (1) ~~The A~~ licensee ~~that overcharges a customer~~ must, before the end of the period of 15 business days starting on the day the licensee became aware of the overcharging error —
- (a) credit the overcharged amount to the customer's account ~~and immediately afterwards notify the customer~~; or
  - (b) send the customer a notice (an *overcharging notice*) informing the customer of the overcharging and recommending options for how the overcharged amount ~~overcharged~~ may be refunded to the customer or credited to the customer's account.
- ~~(2) A licensee must, in accordance with the instructions of a customer who has been overcharged, refund the amount or credit the amount to the customer's account before the end of the period of 15 business days starting on the day the licensee receives the instructions.~~
- (2) If the licensee sends the customer an overcharging notice and receives instructions from the customer about the refunding or crediting of the overcharged amount, the licensee must, in accordance with the instructions, refund the overcharged amount, or credit the overcharged amount to the customer's account, before the end of the period of 15 business days starting on the day the licensee receives the instructions.
- (3) If instructions from the customer about the refunding or crediting of the overcharged amount have not been received by the licensee at the end of the period of 10 business days starting on the day an overcharging notice is sent, the licensee must credit the overcharged amount to the customer's account before the end of the period of the next 15 business days.

(4) The licensee must notify the customer immediately after crediting the overcharged amount to the customer's account under subclause (1)(a), (2) or (3).

## 18. Review of bills

- (1) A licensee must review a bill on the customer's request.
- (2) A licensee must have a written procedure for the review of a bill on the customer's request (the review procedure).
- (3) The review procedure must include information about the following —
  - (a) requesting a meter reading or the testing of a meter as mentioned in clause ~~37+2(23)~~(c) and (d);
  - (b) what happens if, on review, it is found that the customer has been undercharged or overcharged;
  - (c) what the customer can do if unsatisfied with the outcome of the review.
- (4) In relation to subclause (3)(c), the review procedure must state that the customer may, but does not have to, use the licensee's complaints procedure mentioned in clause 35 before or instead of —
  - (a) applying to the water services ombudsman under a scheme approved under section 65 in respect of the complaint ~~(if any)~~; or
  - (b) making an appeal from, or applying for a review of, the decision that gave rise to the customer's request for review-complaint, if an appeal or review is available under regulations mentioned in section 222(2)(k).
- (5) ~~The A~~ licensee must inform the customer of the outcome of a review of the customer's bill as soon as practicable or otherwise before the end of the period of 15 business days starting on the day the customer's request for review was received.
- (6) The review procedure must be publicly available.

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**18A. Notice of alterations to charges**

(1) A licensee must notify each of its customers of any change to the amount or rate of a water service charge.

(2) The notification —

(a) must be given not later than when the next bill for a water service charge of that kind is issued under clause 9(2) or 10(2), as the case may be, and sent to the customer under clause 11; and

(b) may be included in that next bill.

## Part 4 — Payment for water services

### 19. Terms used

In this Part —

*consumer organisation* means an organisation that represents the interest of customers as consumers;

*financial hardship* means being in an ongoing state of financial disadvantage in which the [ability of a customer who is a residential customer](#)'s ability to meet the basic living needs of the customer or a dependant of the customer would be adversely affected if the customer were to pay an unpaid bill ~~for a water service supplied in respect of the place used solely or primarily as the customer's dwelling~~;

*payment difficulties* means being in a state of financial disadvantage that is not likely to be ongoing and in which the customer is unable to pay an unpaid bill.

### 20. When payment due ~~if not set under regulations~~

The time set by a licensee for the payment of a bill must be after the end of the period of 14 days starting on the day the bill is issued.

### 21. Payment methods

- (1) A licensee must allow a customer to pay a bill by any of the following methods selected by the customer —

~~(a) direct debit;~~

(b) in the case of a residential customer — Centrepay (i.e. the facility that allows Centrelink customers to have automatic deductions taken from Centrelink payments);

~~(b) Centrepay (the facility that allows Centrelink customers to have automatic deductions taken from Centrelink payments);~~

(c) internet;

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- (d) telephone;
- (e) post.
- (2) A licensee must, when offering bill payment method options, inform customers of the fees and charges (if any) associated with each bill payment method offered.
- (3) Nothing in subclause (1) prevents a licensee from providing another bill payment method in addition to those set out in that subclause.

**22. Consent for direct debits**

(1) If under clause 21(3) a licensee allows a customer to pay a bill by direct debit, the licensee must, before receiving a bill payment by direct debit, obtain the express consent —

(a) of the customer; or

(b) of an adult person nominated by the customer to give consent.

(2) A consent or nomination under subclause (1) can be oral or written.

~~Before receiving a bill payment by direct debit a licensee must obtain the express consent, either orally or in writing —~~

~~(a) of the holder of the account to be debited; and~~

~~(b) of the customer or an adult person nominated by the customer, to do so.~~

**23. Payment in advance**

- (1) A licensee must accept payment in advance from a customer on the customer's request.
- (2) A licensee does not have to credit interest to an amount paid in advance.

**24. Free redirection in case of absence, or illness**

A licensee must redirect a customer's bills to another person on the customer's request and at no charge if the customer is or will be unable to pay the bills because of the customer's absence or illness.

**25. Assistance for customers experiencing payment difficulties**

(1) This clause applies if —

(a) a licensee has sent a bill to a customer; and

(b) the licensee has assessed that the customer is experiencing payment difficulties.

~~(1) In this clause —~~

~~customer means a customer who has been assessed by the licensee as a customer who is experiencing payment difficulties.~~

(2) The~~A~~ licensee must —

(a) advise the customer that~~allow a~~ the customer has a right to pay the~~a~~ bill under a payment plan or other arrangement under which the customer is given more time to pay the bill or to pay arrears; and

(b) offer to enter into an appropriate plan or arrangement with the customer.

(3) The licensee must consider and decide whether or not the payment plan or other arrangement should be interest-free, or fee-free, or both.

**26. Financial hardship policy**

(1) A licensee must have a written policy in relation to financial hardship.

(2) A licensee's financial hardship policy does not have effect unless it is approved by the Authority.

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(3) Unless the Authority approves otherwise, a licensee's financial hardship policy must comply with the Authority's guidelines (if any) in relation to financial hardship policies.

~~(3) If a licensee's licence is one to which Schedule 1 clause 10(1) of the Act applies, the licensee's financial hardship policy must be in effect before the end of the 6 month period starting on the day on which the Water Services Act 2012 section 27 comes into operation.~~

(3A) Subclauses (2) and (3) also apply to amendments to a licensee's financial hardship policy.

~~(4) A If subclause (3) does not apply, a licensee's financial hardship policy must be in effect before the end of the 6 month period starting on the day of the grant of the licensee's licence.~~

(5) The financial hardship policy must be publicly available.

(6) A licensee must review its financial hardship policy at least once in every 5 year period ~~and, as part of the review process, consult with relevant consumer organisations.~~

(7) In addition to any review under subclause (6), a licensee must review its financial hardship policy if directed to do so by the Authority.

(8) When formulating or reviewing its financial hardship policy, a licensee must consult with relevant consumer organisations.

**27. Assistance for customers experiencing financial hardship**

(1) ~~In T~~his clause applies if —

(a) ~~bill means~~ a licensee has sent a bill to a customer who is a residential customer; and ~~for a water service supplied in respect of the place used solely or primarily as the customer's dwelling;~~

(b) ~~customer means the licensee a customer who~~ has been assessed, under its a licensee's financial hardship

policy, ~~that the~~ ~~as a~~ customer ~~who~~ is experiencing financial hardship.

(2) ~~The~~ ~~A~~ licensee must —

(a) advise the customer that ~~allow a~~ the customer has a right to pay ~~the a~~ bill under an interest-free and fee-free payment plan or other arrangement under which the customer is given more time to pay the bill or to pay arrears; and

(b) offer to enter into an appropriate plan or arrangement with the customer.

(3) In addition to the requirements of subclause (2), ~~the a~~ licensee must —

(a) consider reducing an amount owing by ~~the a~~ customer to the licensee; and

(b) at the customer's request, review ~~and revise, if appropriate,~~ how ~~the a~~ customer is paying ~~the a~~ bill under a payment plan or other arrangement entered into under subclause (2) and, if the review indicates that the customer is unable to meet obligations under the plan or arrangement, revise it; and

(c) provide written information to ~~the a~~ customer about —

(i) redirecting the bill free of charge under clause 24; and

(ii) the bill payment methods provided by the licensee; and

(iii) applying for concessions ~~or other financial relief~~ to which the customer may be entitled ~~under the Act;~~ and

(iv) seeking independent financial counselling or seeking advice from relevant consumer organisations; and



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- (v) applying for any other financial assistance to which the customer may be entitled including from Government-funded grant schemes.

**28. Matters relating to customers experiencing payment difficulties or financial hardship**

(1) In this clause —

payment scheme means a payment plan or other arrangement mentioned in clause 25(2) or 27(2).

~~(1) Before a licensee enters into a payment plan or other arrangement under clause 25(2) or 27(2) with a customer who is not the owner of the land in respect of which the water service is provided, the licensee must ensure that the owner is aware of the proposed plan or arrangement.~~

(2) Nothing in clause 25(2) or 27(2) or (3) prevents a licensee from offering ~~another a~~ payment arrangement or other kind of assistance in addition to a payment scheme.

(3) Despite clause 25(2) or 27(2) or (3), a licensee does not have to, but may, offer a payment scheme plan to a customer who has had 2 payment ~~schemes plans~~ cancelled because they have not been complied with ~~of non-payment~~.

(4) A licensee must have written information about the payment ~~schemes plans, arrangements~~ and other assistance that it has available to customers for the purposes of clause 25 or 27.

(5) The information must be publicly available.

**28A. No interest or charges for late payment in certain cases**

(1) A licensee must not charge interest or fees for late payment of a bill by a customer —

(a) if the licensee has assessed, under its financial hardship policy, that the customer is experiencing financial hardship; or

(b) if a complaint made by the customer to the licensee that directly relates to the non-payment of the bill is not resolved; or

(c) if a complaint made by the customer to the water services ombudsman that directly relates to the non-payment of the bill is not determined or is upheld by the water services ombudsman.

(2) Subclause (1)(c) does not apply unless the licensee has been advised by the water services ombudsman that the customer has made the complaint.

**29. No debt collection in certain cases**

(1) A licensee must not commence or continue proceedings to recover a debt from a customer if —

(a) the customer ~~who~~ is complying with a payment plan or other arrangement entered into under clause 25(2) or 27(2); or

(b) ~~who is being assessed by~~ the licensee is assessing as to whether or not the customer is experiencing payment difficulties; or

(c) ~~who is being assessed~~ the licensee is assessing, under its ~~the licensee's~~ financial hardship policy, ~~as~~ whether or not the ~~a~~ customer ~~who~~ is experiencing financial hardship; ~~or~~;

(d) a complaint made by the customer to the licensee that directly relates to the water service charge to which the debt relates is not resolved; or

(e) a complaint made by the customer to the water services ombudsman that directly relates to the water service charge to which the debt relates is not determined or is upheld by the water services ombudsman.

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(2) Subclause (1)(e) does not apply unless the licensee has been advised by the water services ombudsman that the customer has made the complaint.

~~**30. — Restoration of drinking water supply**~~

~~(1) A licensee that has, under section 95(1)(b), reduced the rate of flow of a supply of drinking water to land must restore the supply of water if —~~

~~(a) the amount owing is paid; or~~

~~(b) the customer enters into an arrangement satisfactory to the licensee to be made for the payment of the amount owing.~~

~~(2) A licensee that has, under section 95(1)(a), (c), (d) or (e), cut off or reduced the rate of flow of a supply of drinking water to land must restore the supply of water if the licensee is satisfied that the reason for the disconnection or reduction no longer applies.~~

*[For previous clause 30, see now clause 33A]*

**Part 5 — Restricting the flow of water ~~Reducing the rate of~~**

**30. Term used: water supply restriction**

In this Part —

*water supply restriction* means —

- (a) a reduction, under section 95(1)(b), in the rate of flow of a supply of water to a customer because of an unpaid water service charge; or
- (b) the cutting off, under section 95(1)(b), of a supply of water to a customer because of an unpaid water service charge.

Note:

Under section 95(3) a licensee cannot cut off the supply of water to an occupied dwelling unless the occupier agrees to that.

**31. Reminder notice ~~Preliminary action~~**

If a water service charge has become due and has not been paid in full, the licensee may give the customer a written reminder notice advising the customer —

- (a) of the amount of the unpaid water service charge and the date on which it became due; and
- (b) of the licensee's telephone number for account, payment and general enquiries; and
- (c) that the licensee can be contacted for assistance if the customer is experiencing problems paying the bill for the unpaid water service charge.

~~A licensee must not, under section 95(1)(b), reduce the rate of flow of a supply of drinking water to a customer without having first used its best endeavours to inform the customer in person, by telephone or electronic means, of its intention to do so if the amount owing is not paid.~~

**cl. 31A**

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**31A. Notice of water supply restriction**

- (1) A licensee must not start a water supply restriction unless —
- (a) the licensee has given the customer a reminder notice under clause 31; and
  - (b) the water service charge (including any interest or fees charged for late payment) has still not been paid in full; and
  - (c) the licensee has given written notice of the proposed water supply restriction (a **restriction notice**) to the customer.
- (2) A restriction notice must not be given less than 7 days before the day on which the water supply restriction is proposed to start.
- (3) A restriction notice must, in addition to anything else —
- (a) explain the reason for the proposed water supply restriction; and
  - (b) advise the customer of the earliest date on which the water supply restriction may start; and
  - (c) inform the customer of the existence and operation of the licensee's complaints procedure mentioned in clause 35; and
  - (d) inform the customer of the procedures available to the customer under the Act as to applying to the water services ombudsman under a scheme approved under section 65 and provide a Freecall telephone number for the office of the water services ombudsman; and
  - (e) inform the customer of the applicable procedures, including any costs, for the restoration of the water supply if the water supply restriction is started.

32. No water supply restriction reduction in certain cases

(1) A licensee must not; ~~start a water supply restriction if under section 95(1)(b), reduce the rate of flow of a supply of drinking water to a customer in the following cases~~ —

- (a) the amount owing is less than \$200; or
- (b) the ~~customer is being assessed by the~~ licensee is assessing as to whether or not the customer is experiencing payment difficulties; or
- (c) the ~~customer is being assessed~~ licensee is assessing, under its the licensee's financial hardship policy, whether or not the as a customer ~~who~~ is experiencing financial hardship; or
- (d) the customer is experiencing payment difficulties or financial hardship and is complying with a payment plan or other arrangement under which the customer has been given more time to pay the bill or to pay arrears; or
- (e) a complaint made by the customer to the licensee that directly relates in relation to the water service charges is not resolved; or
- (ea) a complaint made by the customer to the water services ombudsman that directly relates to the water service charge is not determined or is upheld by the water services ombudsman; or
- (f) the customer has applied for a concession or other financial assistance to which the customer may be entitled and a decision on the application has not yet been made; or
- ~~(f) after 3 p.m. on a Friday, Saturday, Sunday, public holiday or day before a public holiday;~~
- (g) the occupier is a tenant and the owner is liable to pay the amount owing; ~~;~~
- ~~(h) the customer~~

cl. 32A

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~~(i) requires water to operate a life support machine;  
or~~

~~(ii) has been assessed and determined by the licensee  
as requiring water for a special need.~~

(2) Subclause (1)(ea) does not apply unless the licensee has been  
advised by the water services ombudsman that the customer has  
made the complaint.

Note:

For more provisions about when water flow cannot be restricted see  
clauses 32A and 40.

**32A. No water supply restriction at certain times**

A licensee must not start a water supply restriction —

(a) on a Friday, Saturday, Sunday or public holiday or on  
the day before a public holiday; or

(b) on a day on which a total fire ban has effect under the  
*Bush Fires Act 1954* in the area of the State in which the  
place at which water is supplied to the customer is  
located; or

(c) after 3 p.m. on any day.

**33. Water flow not to be reduced below minimum rate**

A licensee must not, under section 95(1)(b) or (2), reduce the  
rate of flow of a supply of water to a customer to below 2.3  
litres each minute.

**3033A. Restoration of ~~drinking~~ water supply**

(1) A licensee that has, under section 95(1)(b), cut off or reduced  
the rate of flow of a supply of ~~drinking~~ water to land must  
restore the supply of water if —

(a) the amount owing is paid; or

- (b) the customer enters into an arrangement satisfactory to the licensee to be made for the payment of the amount owing.
- (2) A licensee that has, under section 95(1)(a), (c), (d) or (e), cut off or reduced the rate of flow of a supply of ~~drinking~~ water to land must restore the supply of water if the licensee is satisfied that the reason for the disconnection or reduction no longer applies.

**34. Minimum performance standards for restoration of water supply**

- (1) In this clause —

*metropolitan region* means the region described in the *Planning and Development Act 2005* Schedule 3;

*restoration event* means —

- (a) payment under clause ~~3033A~~(1)(a); or
- (b) entering into an arrangement under clause ~~3033A~~(1)(b); or
- (c) the licensee being satisfied under clause ~~3033A~~(2);

*restore* means to restore a supply of water to a customer, or the rate of flow of a supply of water to a customer, after —

- (a) a water supply restriction has started; or
- (b) a supply of water has been cut off, or the rate of flow of a supply of water has been reduced, under section 95(1)(a), (c), (d) or (e).

- (2) If the licensee is the Water Corporation and the land is in the metropolitan region, the Water Corporation must restore a water supply —
  - (a) if the restoration event occurs before 3 p.m. on a business day, by the next business day; or
  - (b) if the restoration event occurs at any other time, within the next 2 business days,

unless the licensee and customer expressly agree otherwise.



**cl. 34**

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- (3) If the licensee is the Water Corporation and the land is outside the metropolitan region, the Water Corporation must restore a water supply —
- (a) if the restoration event occurs before 3 p.m. on a business day, within the next 2 business days; and
  - (b) if the restoration event occurs at any other time, within the next 3 business days,
- unless the licensee and customer expressly agree otherwise.
- (4) A licensee other than the Water Corporation must restore a water supply —
- (a) if the restoration event occurs before 3 p.m. on a business day, by the next business day; and
  - (b) if the restoration event occurs at any other time, within the next 2 business days,
- unless the licensee and customer expressly agree otherwise.
- (5) The Water Corporation must ensure that there is a 90% compliance rate with both of subclauses (2) and (3) in any 12 month period ending on 30 June.
- (6) A licensee other than the Water Corporation must ensure that there is a 90% compliance rate with subclause (4) in any 12 month period ending on 30 June.

## **Part 5A — Faults, emergencies and interruptions affecting water services**

### **34A. Terms used**

In this Part —

*service interruption* means the interruption, suspension or restriction of the provision of a water supply service under section 77;

*supply area* means the area in which a place in respect of which a water supply service is provided is located.

### **34B. Notice of matters that will affect a water supply service**

(1) A licensee must give notice of any planned service interruption to each customer that will be affected by the service interruption.

(2) The notice must be given —

(a) not less than 48 hours before the start of the service interruption; or

(b) if it is not reasonably practicable to comply with paragraph (a), at the earliest practicable time before the start of the service interruption.

(3) The notice may be —

(a) sent by post or delivered to the place at which bills are sent under clause 11, or to the place in respect of which the water supply service is provided; or

(b) given by broadcast on a television or radio station broadcasting to the supply area; or

(c) given by publication in a newspaper circulating in the supply area; or

(d) given by electronic means.

**cl. 34C**

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**34C. Bursts, leaks, blockages and spills**

- (1) A licensee must have policies, practices and procedures for dealing with and minimising the impact of a burst, leak or blockage in its water supply works or sewerage works.
- (2) The policies, practices and procedures under subclause (1) must deal with at least the following matters —
- (a) prompt attendance at a site after becoming aware of the existence of a burst, leak or blockage;
  - (b) the action or actions that must be taken to rectify a burst, leak or blockage, taking into account the potential or actual impact on —
    - (i) customers; and
    - (ii) other persons or entities affected by the burst, leak or blockage; and
    - (iii) property; and
    - (iv) the environment;
  - (c) the action or actions that must be taken to ensure that, in the event of a wastewater spill from the sewerage works of the licensee onto a customer's property, damage and inconvenience to the customer and other persons or entities are minimised;
  - (d) the action or actions that must be taken to ensure that, in the event of a wastewater spill from the sewerage works of the licensee, the spill is promptly cleaned and the affected area is disinfected.
- (3) The policies, practices and procedures under subclause (1) may be set out in one or more documents.

**34D. Licensee to have 24 hour information line**

A licensee must provide a 24 hour information line by means of which, at the cost of a local telephone call (excluding mobile telephones), a customer can —

(a) notify the licensee of emergencies and faults; and

(b) get information about the reason for, and the expected duration of, any unplanned service interruption.

## Part 6 — Complaints about water services

### 35. Procedure for dealing with complaints about water services

- (1) A licensee must have a written procedure in relation to investigating and dealing with complaints of customers about the provision of a water service by the licensee or a failure by the licensee to provide a water service (the complaints procedure).
- (2) The A-complaints procedure must be developed using as minimum standards the relevant provisions of —
  - (a) ~~the AS/NZS 10002-2014~~ AS ISO 10002-2006; and
  - (b) the Authority's guidelines (if any).
- (3) The A-complaints procedure must provide for the following —
  - (a) how complaints are to be lodged and recorded;
  - (b) time limits and methods for responding to complaints;
  - (c) dispute resolution arrangements;
  - (d) resolving a complaint before the end of the period of 15 business days starting on the day the complaint was received.
- (4) The A-complaints procedure must list the procedures available to the customer under the Act as to —
  - ~~(a) state that a customer may, but does not have to, use the complaints procedure before or instead of the procedures under the Act; and~~
  - ~~(b) list the procedures under the Act available to the customer; and~~
  - ~~(c) set out the benefits to the customer, in relation to time and costs, if the customer chooses to use the complaints procedure before or instead of the procedures under the Act.~~
  - ~~(5) In subclause (4) —~~

~~procedures under the Act means~~

- (a) applying to the water services ombudsman under a scheme approved under section 65 in respect of the complaint ~~(if any)~~; or
  - (b) making an appeal from, or applying for a review of, the decision that gave rise to the complaint, if an appeal or review is available under regulations mentioned in section 222(2)(k).
- (6) The complaints procedure must be publicly available.

**35A. Licensee to advise customer of right to apply to water services ombudsman for review of complaint**

When a licensee considers that a customer's complaint has been resolved the licensee must —

- (a) advise the customer accordingly; and
- (b) inform the customer that the customer has a right to apply to the water services ombudsman under a scheme approved under section 65 for a review of the complaint; and
- (c) provide a Freecall telephone number for the office of the water services ombudsman.

## **Part 7 — Information and communication services**

### **36. Services to be provided without charge**

- (1) A licensee must provide a customer with the following on request and at no charge —
  - (a) services for account, payment and general enquiries for use by customers with hearing or speech impairment;
  - (b) interpreter services for account, payment and general enquiries;
  - (c) a large-print version of any of the licensee's publicly available documents.
- (2) A licensee must make available to each customer, at no charge, the customer's personal account information including information about bills previously issued to the customer and about the quantity of water supplied to, or wastewater discharged by, the customer in previous billing periods.

### **37. Information to be publicly available**

- (1) A licensee must make information about the following matters publicly available —
  - (a) the fees and charges that will be imposed and collected by the licensee;
  - (b) the licensee's bill payment method options and the fees and charges (if any) associated with each bill payment method offered;
  - (c) the ~~exemptions, discounts, rebates and~~ concessions that are available to customers;
  - (d) the services provided by the licensee under clause 36;
  - (e) the power of a person authorised by a licensee under section 129 to enter a place without consent, notice or warrant to read a meter connected to the licensee's water service works;

- (f) the obligations of customers under the regulations to ensure that access to a meter is available;
  - (g) that under section 95(1)(b), the licensee may cut off, or reduce the rate of flow of, a supply of water if a water service charges remains unpaid for 30 days after ~~it they~~ becomes due;
  - (h) that if the customer is offered a payment plan or other arrangement giving the customer more time to pay the bill or to pay arrears, the licensee's power as mentioned in paragraph (g) can only ~~may~~ be exercised ~~even~~ if —
    - (i) the customer has not accepted the offer within the period of 7 days after the day on which it was made; or
    - ~~(i) the customer is offered a payment plan or other arrangement under which the customer has been given more time to pay the bill or to pay arrears; or~~
    - (ii) having entered such a plan or other arrangement, the customer does not comply with it;
  - (i) that under section 95(3), the supply of water cannot be cut off to an occupied dwelling unless the occupier agrees;
  - (j) the quality of water and its management;
  - (k) sustainable use of water;
  - (l) planned and unplanned interruptions of water supply or other incidents that may significantly affect the provision of water services to customers.
- (2) A licensee must ensure that the following information about bills may be obtained from its website —
- (a) if a bill is based on an estimate, that the licensee will tell a customer on request —
    - (i) the basis of the estimate; and
    - (ii) the reason for the estimate;



**cl. 37**

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- (b) that in the case of a metered water service, a customer may request a meter reading and bill to determine [the](#) outstanding charges for a period that is not the same as the usual billing cycle;
- (c) that in the case where a customer disputes an estimate on which a bill is based, the customer may request a meter reading (if the water service is metered and the meter is operable) and in any event a revised bill and that if the customer so requests, information about the fees that apply;
- (d) that a customer may request, in accordance with the regulations mentioned in section 79(3)(b), the testing of a meter and that if the customer so requests, information about the fees that apply and when the fees may be reimbursed in accordance with the regulations mentioned in section 79(3)(c);
- (e) that the bill can be reviewed in accordance with the licensee's review procedure mentioned in clause 18;
- (f) that complaints about the provision of a water service by the licensee or a failure by the licensee to provide a water service can be made in accordance with the licensee's complaints procedure mentioned in clause 35.

~~Note:~~

~~Clause 2(b) applies to the commencement of this subclause.~~

(2A) A licensee must ensure that its website contains a link that provides access to the current version of this code appearing on the website that is maintained by or on behalf of the Western Australian Government and that provides public access to electronic versions of Western Australian legislation.

- (3) The requirements under this clause are in addition to the requirements under clauses 7(3), 15(3), 18(6), 26(5), 28(5) and 35(6).

## **Part 8 — Requirements for supply of water to persons with special requirements or needs**

### **38. Terms used**

In this Part —

*preserved supply register* means the register maintained under clause 39(1);

*service interruption* has the meaning given in clause 34A;

*supply address* means the address of a place at which water is supplied by a licensee to a customer.

### **39. Preserved supply register**

(1) A licensee must maintain an up to date register for the purposes of this Part.

(2) This subclause applies if a licensee —

(a) receives notice or otherwise becomes aware that a person who resides at a supply address requires water for the operation of a dialysis machine or other life support equipment; or

(b) assesses and determines that a person who resides at a supply address requires water for a special need of another kind.

(3) If subclause (2) applies, the licensee must record on the preserved supply register —

(a) the name of the person; and

(b) the supply address.

### **40. No reduction of supply**

A licensee must not, under section 95(1)(b), reduce the rate of flow of a supply of water to a supply address recorded on the preserved supply register.

**cl. 41**

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**41. Notice under clause 34B must be sent by post or delivered**

Despite clause 34B(3), in the case of a service interruption that will affect a supply address recorded on the preserved supply register, the notice required by clause 34B(1) must be sent by post or delivered to that supply address.

## **Appendix 2 Public submission: Water Corporation**



Enquiries:  
Telephone:

4 November 2016

Ms Nicky Cusworth  
Chair  
PO Box 8469  
PERTH BC WA 6849

Dear Ms Cusworth,

**RE: Consultation Paper for Water Services Code of Conduct (Customer Service Standards) 2013**

Thank you for the opportunity to provide comment on the proposed amendments to the *Water Services Code of Conduct (Customer Service Standards) 2013*. We have provided our response to each of the 56 proposed amendments within the body of your Consultation Paper.

As previously advised, the Joint Utilities (JU) group, which consists of Water Corporation, Aqwest and Busselton Water, has provided comment on specific matters of common concern which are also included in our response attached.

The Code has been operating effectively since November 2013 and, while there will always be opportunities to improve it and adjust to changing or emerging customer needs, we believe it does not require significant change at this time.

Thank you again for the opportunity to provide input and we look forward to participating in the remainder of the review process.

Yours sincerely



Sue Murphy  
Chief Executive Officer  
Water Corporation

# 1 Executive Summary

The Water Act requires the ERA to undertake a review of the operation and effectiveness of the Water Code (**Attachment 1**) at least once every five years. The Water Code commenced on 18 November 2013.

The ERA began the first review of the Water Code in July 2016. This Consultation Paper presents the ERA's preliminary findings. In drafting the Consultation Paper, the ERA sought the advice of the Water Code Consultative Committee (**WCCC**).

The WCCC is a statutory committee established by the ERA under the Water Act. The role of the WCCC is to advise the ERA on matters relating to the Water Code. Its members include representatives from consumer organisations, industry and government.

This Consultation Paper includes a number of proposals to add new provisions, and amend or delete existing provisions of the Water Code.

It also includes a number of questions on which comment is sought.

Following the closure of the public consultation period, the ERA will seek the advice of the WCCC on any submissions received.

The ERA will consider both the WCCC's advice and the submissions received before issuing its Draft Decision.

The ERA's Draft Decision will be subject to public consultation. Once the public consultation period has ended, the ERA will seek the WCCC's advice on both the Draft Decision and any submissions received.

Consideration will be given to both the WCCC's advice and the submissions received before the ERA makes its Final Decision.

The ERA seeks feedback on the following issues:

## Issue 1

**Proposal** To amend clause 1 by replacing "2013" with "2017".

**WC Response:** Agreed.

## Issue 2

**Proposal** To amend clause 2 for the Code to come into operation on 1 July 2017.

**Comment sought** A. Should any of the proposed amendments in this Consultation Paper take effect after 1 July 2017?

**WC Response:** dependent on the amendments made, there may be significant process and system requirements (e.g. changes to bill formats) which may prevent compliance by 1 July 2017. Provided Licensees were given an amnesty for significant process or systems changes for a period, as negotiated and agreed with the ERA, an effective date of 1 July 2017 would be acceptable for other amendments.

- B. If so, which amendments should commence later and when should those amendments commence?

**WC Response:** See comment 2A

### Issue 3

#### Comment sought

- A. Currently, the Water Code applies to all customers. Should the application of the Water Code be limited to certain customers only?

**WC Response:** The code should apply to all customers who receive a “standard service” as defined in the Licensees’ Water Services License. Therefore, customers who receive a “Service by Agreement”, or other contractual arrangement, or Purple Pipe Schemes or Non-Potable supply should be exempted from certain requirements of the Code, but perhaps not all provisions of the Code.

- B. If so, to which customers should the Water Code apply?

**WC Response:** See comment 3A

### Issue 4

#### Comment sought

- A. Currently, the Water Code applies to all licensees. Should the Water Code differentiate between certain licensees?

**WC Response:** There are already existing requirements within the Code which do not apply to all Licensees. For example Clauses 24(2)(3)(4)(5) relate only to the Water Corporation, while Clause 24(6) relates to all Licensees other than the Water Corporation. This is working effectively from the Water Corporation’s perspective. Any exemptions must be recorded within the Code.

- B1 If so, on what basis should the Water Code differentiate between licensees? For example, on the basis of the location of the licensee’s customers or the number of connections supplied by the licensee?

**WC Response:** See comments 4A.

- B2 If so, should these licensees simply be exempt from some of the provisions of the Water Code, or should one or more service standards be amended?

**WC Response:** See comments 4A.

### Issue 5

#### Comment sought

- Should the Water Code apply to the provision of irrigation or drainage services?

**WC Response:** The Code should not apply to irrigation and drainage services. Irrigation services are highly variable so it is inappropriate to apply the Code to them. WC have supply agreements for irrigation bulk water and in some cases a Customer Charter. WC is a minority drainage provider, local governments are the main providers but are exempt from drainage licensing and not subject to the Code. It is

inequitable for minor providers to be subject to the Code while major providers are exempt. Additionally:

- drainage is designed to prevent flooding (it is not regulated through the planning system).
- drainage infrastructure is communal and is fundamentally different to the minimum service levels outlined in the Code.

## Issue 6

### Comment sought

- A. Should clause 5 be amended to only apply to business customers? In this case, licensees and business customers could continue to contract out of all of the provisions of the Water Code. Licensees and residential customers would not be able to contract out of provisions of the Water Code.

**WC Response:** Clause 5 should remain available to all customers and not be limited to business customers only. There are situations (e.g. some rural lots) where residential customers will receive a non-standard service and thereby be served by a “Service by Agreement”.

- B. Should clause 5 be amended to only apply to certain provisions of the Water Code? In this case, licensees and both business and residential customers could only contract out of specific provisions of the Water Code.

**WC Response:** Contracting out of certain provisions of the Code is a better customer outcome than wholesale exemption from the Code. See comments 3A and 4A.

- C. Should clause 5 be amended so that licensees and business customers can contract out of all provisions of the Water Code, whilst licensees and residential customers can only contract out of specific provisions of the Water Code?

**WC Response:** Clause 5 could be amended such that only Licensees and customers supplied under contractual agreements can contract out of the Code.

## Issue 7

### Comment sought

Should licensees who send usage bills for drinking water be required to issue a fixed charges bill at least once every six months (or more often if the billing cycle is changed, see issue 8)?

**WC Response:** WC currently send a combined service charges and water usage bill two monthly. WC currently gives customers the option of being billed annually for services charges in advance.

## Issue 8

### Comment sought

Should the maximum interval between bills for usage be reduced to three, or alternatively four, months?

**WC Response:** WC currently send a combined service charges and water usage bill two monthly. It should be acknowledged however, that the cost of system and process changes to move to combined two monthly billing were high.



**Issue 9**

**Comment sought** Should licensees be required to read a customer's water meter at least once every 12 months?

**WC Response:** WC's current position is to aggressively pursue a physical reading after two consecutive estimations. Smart metering technologies will make this Clause redundant.

**Issue 10****Proposal**

To require a licensee to include the following additional information on each bill:

- information about assistance for customers experiencing payment difficulties or financial hardship;
- for bills issued to residential customers, information on the availability of interpreter services;
- the total amount of any payments made by the customer since the previous bill was issued;
- a telephone number for complaints;
- the Freecall telephone number for the Energy & Water Ombudsman WA; and
- a 24 hour telephone number for faults and emergencies.

**WC Response:** Printing and stationary costs are significant for the WC and as such bill formats are carefully managed. Of the requirements listed above, only ***the total amount of any payments made by the customer since the previous bill was issued*** is currently not included on our bills.

This requirement is introducing more detailed information normally delivered by an account statement as opposed to an invoice (bill). WC's position is that this will add unnecessary complexity to the bill, particularly if the bill includes adjustments, concessions, and multiple payments. The bill (invoice) should be limited to balance brought forward, current charges (and adjustments if applicable) and total amount owing.

WC position is that account statements are available as a self-service option on the MyWater customer portal (as per the example below) or by hard copy on request.

**mywater**

Welcome [redacted] | Contact Us | Sign out  
You are signed up for paperless billing

Home | My bills and payments | My water use | My details | My property information | Help

Bill and payment history ?

Bill and payments for: [redacted] Account number: [redacted]

Refine details for your account

Date Range: Enter date range  
OR Between: 28/4/2016 - 28/10/2016  
Show me:  Bills  Payments  
And:  Bills  Payments  
Please note: We can only return bill details from the date you first registered for My Water. Payments may take up to three business days to appear in My Water. **SEARCH**

10 records were found < previous 1 next >

Date	Transaction type	Bill ID	Bill type	Due date	Bill amount	Payment
25/10/2016	Payment received				\$0.00	\$129.30CR
14/09/2016	Bills issued to me	0138	<a href="#">Water Use and Service Charge Account</a>	30/09/2016	\$232.47	\$0.00
11/08/2016	Payment received				\$0.00	\$100.00CR
18/07/2016	Payment received				\$0.00	\$205.00CR
14/07/2016	Bills issued to me	0137	<a href="#">Water Use and Service Charge Account</a>	01/08/2016	\$239.12	\$0.00
23/06/2016	Payment received				\$0.00	\$100.00CR
08/06/2016	Payment received				\$0.00	\$100.00CR
11/05/2016	Bills issued to me	0136	<a href="#">Water Use and Service Charge Account</a>	27/05/2016	\$263.68	\$0.00
06/05/2016	Payment received				\$0.00	\$100.00CR
28/04/2016	Payment received				\$0.00	\$100.00CR

10 records were found < previous 1 next >

[Extend due date](#) [Make a payment](#) [Ways to pay your account](#) [Need help with payments?](#)

**Issue 11****Comment sought**

Should each bill have to specify the charges payable for each of the water services provided by the licensee?

**WC Response:** Consistent with WC's current bill format.

**Issue 12****Proposal**

To require a licensee to include a statement on the bill that interest charges or late payment fees may apply (if the licensee charges interest or late payment fees for outstanding amounts).

**WC Response:** Consistent with WC's current bill format.

**Issue 13****Comment sought**

Should a licensee be required to include the meter reading on a customer's bill (where available)?

**WC Response:** Consistent with WC's current bill format.

**Issue 14****Comment sought**

A. Should each bill from a licensee that has different tariffs based on consumption have to include the applicable tariff(s) for the water services provided?

**WC Response:** Consistent with WC's current bill format.

- B. Should each bill from a licensee that has different tariffs based on consumption specify when a customer will move to a higher tariff, or revert back to the lowest tariff (that is, the anniversary date of the customer's billing year)?

**WC Response:** This would provide valuable information for the customer. This is not currently included in WC's current bill format and would require system changes..

### Issue 15

#### Proposal

To clarify that a bill must include information, where available, about the customer's water usage compared with the customer's usage for the previous account period, and for the same period last year.

**WC Response:** Consistent with WC's current bill format.

### Issue 16

#### Comment sought

Should clauses 12(3)(b), (c) and (d) be retained as is; amended to require less detailed information to be included on the bill; or deleted?

**WC Response:** Clause 12(3)(b)(c)(d) be deleted.

#### Proposal

- A. To clarify that clause 12(3)(a) to (d) only applies to bills for usage for a metered water service.

**WC Response:** See comment 16 above.

- B. To clarify that clause 12(3)(c) only applies to bills based on an estimate.

**WC Response:** See comment 16 above.

- C. To delete clause 12(3)(f) if the ERA decides that all bills should include the licensee's telephone number for complaints and the Energy & Water Ombudsman WA's Freecall telephone number.

**WC Response:** Clause 12(3)(f) be deleted as this information is currently included in WC's bill format.

### Issue 17

#### Comment sought

Should the 12 month limitation on recovering an undercharge only apply where the undercharge is a result of an error by the licensee?

**WC Response:** In the event that the undercharge is as a result of fraud or illegal use by the customer, the Licensee should be able to recover the undercharge subject to the statute of limitations.

### Issue 18

#### Proposal

To require a licensee to credit an overcharged amount to a customer's account if the licensee has not received instructions from the customer.

**WC Response:** Consistent with current process.

**Issue 19****Proposal**

To require a licensee to offer Centrepay as a bill payment method only to residential customers

**WC Response:** Consistent with current process.

**Issue 20****Comment sought**

Should the requirement to offer direct debit as a payment method be removed from the Water Code?

**WC Response:** Direct Debit should be retained as a payment option.

**Issue 21****Comment sought**

Should licensees be required to obtain the express consent of the holder of the account to be debited before receiving a bill payment by direct debit?

**WC Response:** Current practice in digital business is to accept the direct debit account on presentation without expressed consent from the account holder. Examples such as mobile phones, Pay for TV and Internet Service Providers are good examples of customer acceptance of DD.

**Issue 22****Comment sought**

- A. Should additional requirements be included in the Water Code regarding the process a licensee must follow when assessing whether or not a customer is experiencing payment difficulties?

**WC Response:** WC has well established processes for dealing with customers with payment difficulties and the principles of payment arrangements are regulated. We encourage customers to contact us then assess if the customer is in payment difficulties or in financial hardship and offer an appropriate payment plan. Regulations allow the discretion to give an interest free payment plan or a payment plan with an interest charge.

- B. If so, what additional protection should be provided to water customers?

**WC Response:** See comment 22A.

**Issue 23****Comment sought**

Should licensees be allowed to charge fees or interest on payment plans offered to customers experiencing payment difficulties?

**WC Response:** See comment 22A.

**Issue 24****Proposal**

To amend clause 25(2) by requiring a licensee to offer a customer experiencing payment difficulties a payment plan or other arrangement.

**WC Response:** To mandate that payment plans must be offered may drive an increase in payment plans from customers who “won’t pay” as opposed to those who “can’t pay”.

### Issue 25

#### Comment sought

Should licensees be required to review their financial hardship policies if directed to do so by the ERA?

**WC Response:** Given the requirements of clauses 26(1)(2) that a Licensee must have an ERA approved Financial Hardship Policy and that the ERA provide the guideline template for that policy, it seems logical that the ERA may request a review of the policy.

### Issue 26

#### Proposal

To require a licensee to consult with relevant consumer organisations when developing their initial financial hardship policy.

**WC Response:** Consistent with WC’s current process.

### Issue 27

#### Proposal

To require a licensee to submit an amended financial hardship policy to the ERA for its approval.

**WC Response:** Consistent with clause 26(2).

### Issue 28

#### Comment sought

A. Should the content requirements for financial hardship policies remain in the Water FHP Guidelines, or be moved to the Water Code?

**WC Response:** Content requirements for FHP should remain in the Guidelines and not be moved into the Code.

B. Should a sub-set of the content requirements for financial hardship policies be moved from the Water FHP Guidelines to the Water Code?

**WC Response:** All content requirements for FHP should remain in the Guidelines and not be moved into the Code.

C. Should financial hardship policies include any information in addition to what is currently required under the Water FHP Guidelines?

**WC Response:** The FHP is operating effectively and at this stage no required amendments have been identified.

### Issue 29

#### Proposal

To move the requirement for licensees to comply with the Water FHP Guidelines from the water licensee template to the Water Code.

**WC Response:** Question the need for them to be in both the License and the Code, so perhaps this is an administrative edit rather than a change to requirements.

**Issue 30****Comment sought**

- A. Should additional requirements be included in the Water Code regarding the process a licensee must follow when assessing whether or not a customer is experiencing payment difficulties?

**WC Response:** See comment 28A. Process should be left in the FHP not moved into the Code.

- B. Should additional requirements be included in the Water Code regarding the assistance a licensee must offer customers in financial hardship? For example, should licensees have to offer a customer a choice between a payment plan and other arrangement; should licensees be required to take certain matters into account when setting a payment plan; and should licensees be required to provide certain information to customers about their payment plan?

**WC Response:** WC has well established processes for dealing with customers experiencing payment difficulties and the principles for payment arrangements are regulated. Customers have many payment options including regular instalments by Direct Debit.

**Issue 31****Proposal**

To require a licensee to offer a customer experiencing financial hardship a payment plan or other arrangement.

**WC Response:** the “offer” of a payment plan may be one of many options suitable for a customer experiencing financial hardship. Customers’ needs will be determined through quality conversations. Licensees need to be given the flexibility to deal with customers on a case by case basis and apply the best fit solutions for the customer’s circumstances.

**Issue 32****Proposal**

To require a licensee to review a payment plan upon a customer’s request. If the review demonstrates that the customer is unable to meet its obligations under the existing payment plan, the licensee must revise the payment plan.

**WC Response:** Existing credit management processes review the status of payment plans. This process, or through contact by the customer, will generate a review of the plan if it is proving difficult for the customer. Payment Plans must also consider accruing and future charges so there must be caution in reviewing a plan down to a level where the debt will continue to grow. Customers are advised when a payment plan is in arrears by 14 days and asked to rectify the default or contact the WC.

**Issue 33****Proposal**

To include the words ‘as to whether or not’ in clause 29(c) so it is consistent with the wording of clause 29(b).

**WC Response:** Agreed.

**Issue 34****Proposal**

- A. To require a licensee to give a customer a reminder notice prior to taking action for non-payment of a bill.

**WC Response:** Consistent with WC current process.

- B. To require a reminder notice to include the following information:
- the licensee's telephone number for account, payment and general enquiries; and
  - advice that a licensee may assist if the customer is experiencing payment difficulties or financial hardship.

**WC Response:** Consistent with WC current process.

**Issue 35****Proposal**

- A. To require a licensee to give a customer written notice of its intention to reduce the customer's water supply.

**WC Response:** Consistent with WC current process.

*Additionally Clause 31 to be amended to include A licensee must not, under section 95(1)(b), reduce the rate of flow of a supply of drinking water to a customer without having first used its best endeavor's to inform the customer in person, by written notice or letter, by telephone or electronic means, of its intention to do so if the amount owing is not paid.*

- B. To require a licensee to give a restriction notice to a customer at least 7 days before the licensee intends to reduce the customer's water supply.

**WC Response:** Consistent with WC current process.

- C. To require a restriction notice to include the following information:
- the matter giving rise to the impending reduction;
  - the earliest date the licensee may reduce the customer's water supply;
  - the existence and operation of the licensee's complaint handling process;
  - the existence and operation of the water ombudsman, including the Freecall telephone number for the water ombudsman; and
  - the applicable restoration procedures, including any costs for restoring the customer's supply.

**WC Response:** Will require some enhancement to WC current process and system changes. Much of this information is provided to customers in the credit management processes leading up to a restriction notice.

**Issue 36****Proposal**

- To amend the wording of clause 32(c) so it is consistent with the wording of clause 32(b).

**WC Response:** Agreed.

**Issue 37****Proposal**

To clarify that a customer's rate of flow of drinking water may not be reduced at any time on weekends, public holidays and the day before a public holiday.

**Comment sought**

- A. Should the prohibition on reducing the rate of flow of drinking water be extended to anytime on a Friday?

**WC Response:** Workflow management for unmanned country towns is already an operational challenge and this would be a further restriction to available hours.

- B. Should the prohibition on reducing the rate of flow of drinking water be extended to after 3pm Monday to Thursday?

**WC Response:** See comment 37A

**Issue 38****Comment sought**

- A. Should the term 'complaints' in clause 32(e) only relate to complaints made to the licensee, or also include complaints made to an external dispute resolution body?

**WC Response:** Clause 32(e) should apply to all complaints including those made to the Energy and Water Ombudsman WA.

- B. If clause 32(e) is amended to specifically refer to complaints made to an external dispute resolution body, should restriction only be allowed if the external dispute resolution body has notified the licensee of the complaint?

**WC Response:** Agreed.

**Issue 39****Comment sought**

- A. Should a licensee only be precluded from reducing a customer's rate of flow of drinking water if the customer has notified the licensee that the customer requires water to operate a life support machine?

**WC Response:** Consistent with WC current process, monthly notification is received from WA Home Therapies for all persons on hemodialysis. Reliance on the customer to provide this information could be problematic.

- B. Should a licensee be obliged to register customers who require a life support machine?

**WC Response:** see comment 39A

- C. If so, should the Water Code also provide for a deregistration process?

**WC Response:** see comment 39A



- D. Should the Water Code include a definition of a life support machine?

**WC Response:** the generic term of “life support machine” is adequate.

- E. If so, what should that definition be?

**WC Response:** see comment 39D

- F. Should the Water Code include protections for persons, other than the customer, who reside at the customer’s address and require a life support machine?

**WC Response:** Restriction would be at property level so all customers residing at that property would be protected.

- G. Should a licensee be required to provide customers who require a life support machine with written notice of planned interruptions to supply at the supply addresses?

**WC Response:** Needs to be consistent with the notification process for all planned interruptions. Refer to proposal 55.

- H. If so, how much notice should be provided?

**WC Response:** see comment 39G and refer to proposal 55.

- I. Should a licensee be required to contact customers who require a life support machine as soon as possible in the event of an unplanned interruption?

**WC Response:** Consistent with WC current process.

#### Issue 40

##### Comment sought

Should a licensee be precluded from reducing a customer’s rate of flow of drinking water on a day there is a total fire ban in the local government area in which the customer is located?

**WC Response:** Supported in principle.

#### Issue 41

##### Comment sought

Should licensees be prevented from reducing the rate of flow of drinking water if a customer has applied for a concession or grant and the licensee has not yet made its decision?

**WC Response:** Supported in principle.

#### Issue 42

##### Proposal

To replace the reference in clause 35(2) to AS ISO 10002-2006 with AS/NZS 10002-2014.

**WC Response:** Agreed.

**Issue 43****Proposal**

- A. To delete the requirement that a licensee's complaints procedure must state that a customer may, but does not have to, use the licensee's complaints procedure before or instead of the Energy and Water Ombudsman WA's procedures.

**WC Response:** Consistent with WC current process.

- B. To delete the requirement that a licensee's complaints procedure must set out the benefits to the customer if the customer chooses to use the licensee's complaints procedure before or instead of the Energy and Water Ombudsman WA's procedures.

**WC Response:** Supported in principle.

**Issue 44****Comment sought**

- A. Should a licensee be required to advise the customer of their right to raise their complaint with the Energy and Water Ombudsman WA if the customer is not satisfied with the outcome of the licensee's process?

**WC Response:** Consistent with WC current process.

- B. If so, should a licensee be required to provide the customer with the Energy and Water Ombudsman WA's Freecall telephone number?

**WC Response:** Consistent with WC current process.

**Issue 45****Comment sought**

- A. Should a licensee be required to have in place an escalation process which allows a customer to request that their complaint be considered by a senior employee?

**WC Response:** Consistent with WC current process.

- B. If so, should a licensee be required to advise customers, when responding to a complaint, of their right to have their complaint considered by a senior employee?

**WC Response:** Consistent with WC current process.

**Issue 46****Comment sought**

- A. Should the Water Code specify when a complaint is considered to have been resolved?

**WC Response:** Defining when an enquiry or complaint is resolved is problematic as a customer may, and has the option to, make further contact or escalate the complaint at any point. A complaint made be considered resolved from the Licensees' perspective as the customer appeared satisfied with the actions taken only to have it reopened at a later date.

- B. If so, should it only relate to certain complaints (for example, complaints relating to non-payment)?

**WC Response:** See comment 46A.

#### Issue 47

##### Comment sought

Should a licensee be prevented from recovering an amount of money that is in dispute until such time that the dispute has been resolved?

**WC Response:** There may be situations where recovery of the debt is the only action available for final resolution of the dispute.

#### Issue 48

##### Proposal

- A. To clarify that personal account information includes a customer's billing and usage data.

**WC Response:** Consistent with WC current process.

- B. To clarify that information provided under clause 36(2) must be provided free of charge.

**WC Response:** Some charges are provided for in Regulations and applied if there is a considerable effort in meeting the information request (e.g. charges and payments over 7 years for taxation purposes). Charges may also apply for Freedom of Information requests. Customers are advised of the charge before proceeding.

##### Comment sought

Should licensees be allowed to charge for the provision of billing and usage data if the data relates to a period over two years prior to the date of the request?

**WC Response:** See comment 48B.

#### Issue 49

##### Proposal

To clarify that a customer who has been offered a payment plan should only have their water supply reduced if the customer has failed to accept the plan within a prescribed timeframe.

**WC Response:** Payment Plans are available and negotiated with customers on request. Through their establishment there is an implied acceptance by both the Licensee and the customer. If the customer defaults from the plan further recovery action may be undertaken. Customers should be obligated to contact the Licensee if they are experiencing difficulty with the plan.

##### Comment sought

How many days should customers be given to inform the licensee whether or not they accept a payment plan?

**WC Response:** See comment 49.

#### Issue 50

##### Comment sought

Should licensees be required to make electronic copies of the Water Code available on their website?

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**WC Response:** The Code should be available through the ERA or State Law Publisher with relevant links from the Licensees' website. Document control issues may occur if available direct from the Licensees' website.

**Issue 51**

**Comment sought**

Should licensees be required to have a policy that deals with minimizing the impact of bursts, leaks, blockages and spills?

**WC Response:** Not supported, response times to faults, minimising impact to customers, property, and the environment, providing information to affected customers and prompt restoration and recovery are already subject to Health, Allocation and Environmental regulation. Embedding a requirement for a Policy within the Code is unnecessary and will not drive any process change or improvement. WC have published "what you can expect as a Water Corporation customer" on our public website.

**Issue 52**

**Proposal**

A. To require a licensee to provide at least 48 hours' prior notice of a planned interruption.

**WC Response:** Current process is to provide a minimum 24 hours' notice. WC aspires to exceed this when operational conditions allow.

B. To allow licensees to provide notice of a planned interruption by post, television or radio, in a newspaper circulating in the affected area, or via electronic means.

**WC Response:** Notifications should be allowed by any means, include notification of outages on the WC's public website.

**Issue 53**

**Comment sought**

Should a new clause be included in the Water Code which requires a licensee to establish a 24 hour telephone number for faults and emergencies?

**WC Response:** WC currently operates a 24/7 Statewide Operations Centre which includes a 24 hour response for faults and emergencies.

**Issue 54**

**Comment sought**

Should licensees be required to advise their customers of tariff changes as soon as practicable, but no later than on the customer's next bill?

**WC Response:** Consistent with WC's current process of advising customers of tariff changes through the billing process, the Watermark newsletter and the public website.

**Issue 55****Comment sought**

- A. Should service standard payments be introduced into the Water Code?

**WC Response:** Not supported, service levels to our customers are driven by our Customer Service Strategy and our vision of “we’re right for our customers”. We excel in meeting our obligations and in many areas deliver service levels in excess of our regulatory requirements. We do not believe that service standard payments will deliver an improved level of customer service or enhance process efficiency and will generate additional operational costs.

- B. If so, which service standard payments should be included in the Water Code?

**WC Response:** See comment 55A.

- C. Should licensees be given until 1 July 2018 to implement those service standard payments?

**WC Response:** See comment 55A.

- D. Should licensees only be required to make payment upon application by an eligible customer?

**WC Response:** See comment 55A.

- E. Should licensees be required to advise their customers at least once a year of the service standard payments available?

**WC Response:** See comment 55A.

**Issue 56****Comment sought**

- A. Should the Water Code include restrictions on when a licensee can charge interest and/or late payment fees?

**WC Response:** Interest and other charges are regulated and therefore should be excluded from the Code.

- B. If so, what should those restrictions be?

**WC Response:** See comment 56A

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## **Appendix 3 Public submission: Aqwest**

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**From:**  
**Sent:** Friday, 4 November 2016 3:29 PM  
**To:** publicsubmissions  
**Cc:**  
**Subject:** Consultation Paper for Water Services Code of Conduct (Customer Service Standards) 2013  
**Attachments:** FILE NOTE AQWEST RESPONSE TO WATER SERVI~ODE) 2016 REVIEW - AS SUBMITTED TO ECONOMIC REGULATION AUTHORITY (ERA) 04112016.PDF

Good Afternoon

Aqwest would like to thank the Economic Regulatory Authority for the opportunity to provide comment on the proposed amendments to the Water Services Code of Conduct (Customer Service Standards) 2013.

A copy of Aqwest's responses to proposals and comments sought is attached.

Specific areas of concern identified by Aqwest in the proposed amendments to the Water Code include:

1. Ensuring debt liability continues to remain with the property and ultimately the "land owner".
2. The proposed introduction of Service Standard Payments
3. The transfer of Financial Hardship Policy content into the Water Code.
4. Increasing the amount of prescribed information required on customer bills

We consider the Water Code has been operating effectively since its commencement in November 2013 and does not require major changes.

Aqwest looks forward to participating in the remainder of the review process.

Please contact Mr Joe Smith, Manager Finance and Administration on [REDACTED] or [REDACTED] should you have any queries regarding this submission.

**Gary Hallsworth**  
Acting Chief Executive Officer

[REDACTED]  
Post: PO Box 400 Bunbury WA 6231 | Office: 5 MacKinnon Way Bunbury WA 6230 | [www.aqwest.com.au](http://www.aqwest.com.au) | Fax: 08 9780 9509 Find us on Facebook <https://www.facebook.com/aqwestbunbury/>



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## Response to Water Services Code of Conduct (Customer Service Standards) 2013 (Water Code) 2016 Review

<b>Submitted by</b>	Aqwest (Bunbury Water Corporation)
<b>Date</b>	4 November 2016
<b>Aqwest contact</b>	Mr Joe Smith [REDACTED]

<b>Issue 1</b>	
<b>Proposal</b>	To amend clause 1 by replacing “2013” with “2017”.
<b>Aqwest</b>	Agree

<b>Issue 2</b>	
<b>Proposal</b>	To amend clause 2 for the Code to come into operation on 1 July 2017.
<b>Comment sought</b>	a) Should any of the proposed amendments in this Consultation Paper take effect after 1 July 2017?
<b>Aqwest</b>	This would be dependent on what changes are made. Consideration should be given for the implementation of any enhancements, system changes etc
<b>Comment sought</b>	b) If so, which amendments should commence later and when should those amendments commence?
<b>Aqwest</b>	refer comment 2a

<b>Issue 3</b>	
<b>Comment sought</b>	a) Currently, the Water Code applies to all customers. Should the application of the Water Code be limited to certain customers only?
<b>Aqwest</b>	The code should apply to all customers except “Service by Agreement” customers.
<b>Comment sought</b>	b) If so, to which customers should the Water Code apply?
<b>Aqwest</b>	refer comment 3a

<b>Issue 4</b>	
<b>Comment sought</b>	a) Currently, the Water Code applies to all licensees. Should the Water Code differentiate between certain licensees?
<b>Aqwest</b>	The Code should apply to all licensees.
<b>Comment sought</b>	b1) If so, on what basis should the Water Code differentiate between licensees? For example, on the basis of the location of the licensee’s customers or the number of connections supplied by the licensee?
<b>Aqwest</b>	refer comment 4a
<b>Comment sought</b>	b2) If so, should these licensees simply be exempt from some of the provisions of the Water Code, or should one or more service standards be amended?
<b>Aqwest</b>	refer comment 4a



<b>Issue 5</b>	
<b>Comment sought</b>	Should the Water Code apply to the provision of irrigation or drainage services?
<b>Aqwest</b>	No comment

<b>Issue 6</b>	
<b>Comment sought</b>	<p>A. Should clause 5 be amended to only apply to business customers? In this case, licensees and business customers could continue to contract out of all of the provisions of the Water Code. Licensees and residential customers would not be able to contract out of provisions of the Water Code.</p> <p>B. Should clause 5 be amended to only apply to certain provisions of the Water Code? In this case, licensees and both business and residential customers could only contract out of specific provisions of the Water Code.</p> <p>C. Should clause 5 be amended so that licensees and business customers can contract out of all provisions of the Water Code, whilst licensees and residential customers can only contract out of specific provisions of the Water Code?</p>
<b>Aqwest</b>	The code should apply to all customers except "Service by Agreement" customers.

<b>Issue 7</b>	
<b>Comment sought</b>	Should licensees who send usage bills for drinking water be required to issue a fixed charges bill at least once every six months (or more often if the billing cycle is changed, see issue 8)?
<b>Aqwest</b>	No changes recommended.

<b>Issue 8</b>	
<b>Comment sought</b>	Should the maximum interval between bills for usage be reduced to three, or alternatively four, months?
<b>Aqwest</b>	<p>Aqwest currently has a four month interval between billing for usage. Aqwest does not recommend this be reduced.</p> <p>More frequent billing could be linked to the uptake of smart metering technologies that would reduce the cost of meter reading and the uptake of electronic billing that would reduce the associated increase in printing and postage costs from more frequent billing.</p>

<b>Issue 9</b>	
<b>Comment sought</b>	Should licensees be required to read a customer's water meter at least once every 12 months?
<b>Aqwest</b>	Agree

<b>Issue 10</b>	
<b>Proposal</b>	To require a licensee to include the following additional information on each bill: <ul style="list-style-type: none"> <li>information about assistance for customers experiencing payment difficulties or financial hardship;</li> </ul>
<b>Aqwest</b>	Agree
<b>Proposal</b>	<ul style="list-style-type: none"> <li>for bills issued to residential customers, information on the availability of interpreter services;</li> </ul>
<b>Aqwest</b>	Agree
<b>Proposal</b>	<ul style="list-style-type: none"> <li>the total amount of any payments made by the customer since the previous bill was issued;</li> </ul>
<b>Aqwest</b>	Disagree. This adds unnecessary detail to the bill. Care needs to be taken to ensure standard complex bills (including adjustments, multiple payments etc) can be delivered without requiring more than one A4 page.
<b>Proposal</b>	<ul style="list-style-type: none"> <li>a telephone number for complaints;</li> </ul>
<b>Aqwest</b>	Agree
<b>Proposal</b>	<ul style="list-style-type: none"> <li>the Freecall telephone number for the Energy &amp; Water Ombudsman WA; and</li> </ul>
<b>Aqwest</b>	Disagree. Promoting the Energy & Water Ombudsman on the bill seems at odds with the Energy and Water Ombudsman's advice to customers that they should contact the water services provider first. The Freecall telephone number for the Energy & Water Ombudsman WA is already promoted to customers as part of the internal complaints procedure.
<b>Proposal</b>	<ul style="list-style-type: none"> <li>a 24 hour telephone number for faults and emergencies. Refer comment - Issue 44</li> </ul>
<b>Aqwest</b>	Agree

<b>Issue 11</b>	
<b>Comment Sought</b>	Should each bill have to specify the charges payable for each of the water services provided by the licensee?
<b>Aqwest</b>	Agree

<b>Issue 12</b>	
<b>Proposal</b>	To require a licensee to include a statement on the bill that interest charges or late payment fees may apply (if the licensee charges interest or late payment fees for outstanding amounts).
<b>Aqwest</b>	Agree

<b>Issue 13</b>	
<b>Comment Sought</b>	Should a licensee be required to include the meter reading on a customer's bill (where available)?
<b>Aqwest</b>	Agree

<b>Issue 14</b>	
<b>Comment Sought</b>	A. Should each bill from a licensee that has different tariffs based on consumption have to include the applicable tariff(s) for the water services provided?
<b>Aqwest</b>	Agree
<b>Comment Sought</b>	B. Should each bill from a licensee that has different tariffs based on consumption specify when a customer will move to a higher tariff, or revert back to the lowest tariff (that is, the anniversary date of the customer's billing year)?
<b>Aqwest</b>	Agree. Note this enhancement may need consideration past 1 July 2017.

<b>Issue 15</b>	
<b>Proposal</b>	To clarify that a bill must include information, where available, about the customer's water usage compared with the customer's usage for the previous account period, and for the same period last year.
<b>Aqwest</b>	Agree

<b>Issue 16</b>	
<b>Comment Sought</b>	Should clauses 12(3)(b), (c) and (d) be retained as is; amended to require less detailed information to be included on the bill; or deleted?
<b>Aqwest</b>	Agree clauses 12(3)(b), (c) and (d) can be amended to require less detailed information to be included on the bill.
<b>Proposal</b>	<p>A. To clarify that clause 12(3)(a) to (d) only applies to bills for usage for a metered water service.</p> <p>B. To clarify that clause 12(3)(c) only applies to bills based on an estimate.</p> <p>C. To delete clause 12(3)(f) if the ERA decides that all bills should include the licensee's telephone number for complaints and the Energy &amp; Water Ombudsman WA's Freecall telephone number.</p>
<b>Aqwest</b>	Agree to A, B and C.

<b>Issue 17</b>	
<b>Comment Sought</b>	Should the 12 month limitation on recovering an undercharge only apply where the undercharge is a result of an error by the licensee?
<b>Aqwest</b>	No comment.

<b>Issue 18</b>	
<b>Proposal</b>	To require a licensee to credit an overcharged amount to a customer's account if the licensee has not received instructions from the customer.
<b>Aqwest</b>	Agree

<b>Issue 19</b>	
<b>Proposal</b>	To require a licensee to offer Centrepay as a bill payment method only to residential customers
<b>Aqwest</b>	Agree

<b>Issue 20</b>	
<b>Comment Sought</b>	Should the requirement to offer direct debit as a payment method be removed from the Water Code?
<b>Aqwest</b>	Disagree - the requirement to offer direct debit as a payment method should not be removed.

<b>Issue 21</b>	
<b>Comment Sought</b>	Should licensees be required to obtain the express consent of the holder of the account to be debited before receiving a bill payment by direct debit?
<b>Aqwest</b>	Disagree. Current practice of accepting direct debit account on presentation is acceptable.

<b>Issue 22</b>	
<b>Comment Sought</b>	A. Should additional requirements be included in the Water Code regarding the process a licensee must follow when assessing whether or not a customer is experiencing payment difficulties?
<b>Aqwest</b>	Disagree – Licensees have processes for dealing with customers with payment difficulties and in financial hardship.
<b>Comment Sought</b>	B. If so, what additional protection should be provided to water customers?
<b>Aqwest</b>	Refer comment 22A.

<b>Issue 23</b>	
<b>Comment Sought</b>	Should licensees be allowed to charge fees or interest on payment plans offered to customers experiencing payment difficulties?
<b>Aqwest</b>	Agree.

<b>Issue 24</b>	
<b>Proposal</b>	To amend clause 25(2) by requiring a licensee to offer a customer experiencing payment difficulties a payment plan or other arrangement.
<b>Aqwest</b>	Disagree – the management of payment difficulties should not be prescribed in the Water Code.

<b>Issue 25</b>	
<b>Comment Sought</b>	Should licensees be required to review their financial hardship policies if directed to do so by the ERA?
<b>Aqwest</b>	Agree.

<b>Issue 26</b>	
<b>Proposal</b>	To require a licensee to consult with relevant consumer organisations when developing their initial financial hardship policy.
<b>Aqwest</b>	Agree.

<b>Issue 27</b>	
<b>Proposal</b>	To require a licensee to submit an amended financial hardship policy to the ERA for its approval.
<b>Aqwest</b>	Agree.

<b>Issue 28</b>	
<b>Comment Sought</b>	<p>A. Should the content requirements for financial hardship policies remain in the Water FHP Guidelines, or be moved to the Water Code?</p> <p>B. Should a sub-set of the content requirements for financial hardship policies be moved from the Water FHP Guidelines to the Water Code?</p> <p>C. Should financial hardship policies include any information in addition to what is currently required under the Water FHP Guidelines?</p>
<b>Aqwest</b>	Financial Hardship Policy guidelines should not be incorporated in the Water Code. The current arrangement provides more opportunity to tailor individual hardship policies (still approved by ERA). – without requiring a change in the code.

<b>Issue 29</b>	
<b>Proposal</b>	To move the requirement for licensees to comply with the Water FHP Guidelines from the water licence template to the Water Code.
<b>Aqwest</b>	No comment.

<b>Issue 30</b>	
<b>Comment Sought</b>	A. Should additional requirements be included in the Water Code regarding the process a licensee must follow when assessing whether or not a customer is experiencing payment difficulties?
<b>Aqwest</b>	Disagree – the management of payment difficulties should not be prescribed in the Water Code.
<b>Comment Sought</b>	B. Should additional requirements be included in the Water Code regarding the assistance a licensee must offer customers in financial hardship? For example, should licensees have to offer a customer a choice between a payment plan and other arrangement; should licensees be required to take certain matters into account when setting a payment plan; and should licensees be required to provide certain information to customers about their payment plan?
<b>Aqwest</b>	Financial Hardship Policy content should not be incorporated in the Water Code.

<b>Issue 31</b>	
<b>Proposal</b>	To require a licensee to offer a customer experiencing financial hardship a payment plan or other arrangement.
<b>Aqwest</b>	Financial Hardship Policy content should not be incorporated in the Water Code.

<b>Issue 32</b>	
<b>Proposal</b>	To require a licensee to review a payment plan upon a customer's request. If the review demonstrates that the customer is unable to meet its obligations under the existing payment plan, the licensee must revise the payment plan.
<b>Aqwest</b>	Disagree – no requirement for this to be prescribed in the Water Code.

<b>Issue 33</b>	
<b>Proposal</b>	To include the words 'as to whether or not' in clause 29(c) so it is consistent with the wording of clause 29(b).
<b>Aqwest</b>	Agree.

<b>Issue 34</b>	
<b>Proposal</b>	<p>A. To require a licensee to give a customer a reminder notice prior to taking action for non-payment of a bill.</p> <p>B. To require a reminder notice to include the following information:</p> <ul style="list-style-type: none"> <li>• the licensee's telephone number for account, payment and general enquiries; and</li> <li>• advice that a licensee may assist if the customer is experiencing payment difficulties or financial hardship.</li> </ul>
<b>Aqwest</b>	Agree to points A and B.

<b>Issue 35</b>	
<b>Proposal</b>	<p>A. To require a licensee to give a customer written notice of its intention to reduce the customer's water supply.</p> <p>B. To require a licensee to give a restriction notice to a customer at least 7 days before the licensee intends to reduce the customer's water supply.</p> <p>C. To require a restriction notice to include the following information:</p> <ul style="list-style-type: none"> <li>• the matter giving rise to the impending reduction;</li> <li>• the earliest date the licensee may reduce the customer's water supply;</li> <li>• the existence and operation of the licensee's complaint handling process;</li> <li>• the existence and operation of the water ombudsman, including the Freecall telephone number for the water ombudsman; and</li> <li>• the applicable restoration procedures, including any costs for restoring the customer's supply.</li> </ul>
<b>Aqwest</b>	Agree to points A, B and C.

<b>Issue 36</b>	
<b>Proposal</b>	To amend the wording of clause 32(c) so it is consistent with the wording of clause 32(b).
<b>Aqwest</b>	Agree.

<b>Issue 37</b>	
<b>Proposal</b>	To clarify that a customer's rate of flow of drinking water may not be reduced at any time on weekends, public holidays and the day before a public holiday.
<b>Aqwest</b>	Agree.
<b>Comment Sought</b>	A. Should the prohibition on reducing the rate of flow of drinking water be extended to anytime on Friday?  B. Should the prohibition on reducing the rate of flow of drinking water be extended to after 3pm Monday to Thursday?
<b>Aqwest</b>	Agree to A and B.

<b>Issue 38</b>	
<b>Comment Sought</b>	A. Should the term 'complaints' in clause 32(e) only relate to complaints made to the licensee, or also include complaints made to an external dispute resolution body?
<b>Aqwest</b>	The term 'complaints' should include complaints made to an external dispute resolution body.
<b>Comment Sought</b>	B. If clause 32(e) is amended to specifically refer to complaints made to an external dispute resolution body, should restriction only be allowed if the external dispute resolution body has notified the licensee of the complaint?
<b>Aqwest</b>	No restriction should be allowed if the account is subject to a complaint with an external dispute resolution body.

<b>Issue 39</b>	
<b>Comment Sought</b>	A. Should a licensee only be precluded from reducing a customer's rate of flow of drinking water if the customer has notified the licensee that the customer requires water to operate a life support machine  B. Should a licensee be obliged to register customers who require a life support machine?  C. If so, should the Water Code also provide for a deregistration process?  D. Should the Water Code include a definition of a life support machine?
<b>Aqwest</b>	Agree to A, B, C and D.
<b>Comment Sought</b>	E. If so, what should the definition be?
<b>Aqwest</b>	No comment.
<b>Comment Sought</b>	F. Should the Water Code include protections for persons, other than the customer, who reside at the customer's address and require a life support machine?  G. Should a licensee be required to provide customers who require

	a life support machine with written notice of planned interruptions to supply at the supply address?
<b>Aqwest</b>	Agree to F and G.
<b>Comment Sought</b>	F. If so, how much notice should be provided?
<b>Aqwest</b>	The same notice given to a standard customer.
<b>Comment Sought</b>	I. Should a licensee be required to contact customers who require a life support machines as soon as possible in the event of an unplanned interruption?
<b>Aqwest</b>	Agree.

#### Issue 40

<b>Comment Sought</b>	Should a licensee be precluded from reducing a customer's rate of flow of drinking water on a day there is a total fire ban in the local government area in which the customer is located?
<b>Aqwest</b>	Agree.

#### Issue 41

<b>Comment Sought</b>	Should licensees be prevented from reducing the rate of flow of drinking water if a customer has applied for a concession or grant and the licensee has not yet made its decision?
<b>Aqwest</b>	Agree.

#### Issue 42

<b>Proposal</b>	To replace the reference in clause 35(2) to AS ISO 10002-2006 with AS/NZS 10002-2014.
<b>Aqwest</b>	Agree.

#### Issue 43

<b>Proposal</b>	<p>A. To delete the requirement that a licensee's complaints procedure must state that a customer may, but does not have to, use the licensee's complaints procedure before or instead of the Energy and Water Ombudsman WA's procedures.</p> <p>B. To delete the requirement that a licensee's complaints procedure must set out the benefits to the customer if the customer chooses to use the licensee's complaints procedure before or instead of the Energy and Water Ombudsman WA's procedures.</p>
<b>Aqwest</b>	Agree to A and B.

#### Issue 44

<b>Comment Sought</b>	<p>A. Should a licensee be required to advise the customer of their right to raise their complaint with the Energy and Water Ombudsman WA if the customer is not satisfied with the outcome of the licensee's process?</p> <p>B. If so, should a licensee be required to provide the customer with the Energy and Water Ombudsman WA's Freecall telephone number?</p>
<b>Aqwest</b>	Agree to A and B.



<b>Issue 45</b>	
<b>Comment Sought</b>	A. Should a licensee be required to have in place an escalation process which allows a customer to request that their complaint be considered by a senior employee?
<b>Aqwest</b>	Disagree. This should not be prescribed. Licensees should manage and assess complaints internally. As per issue 44, licensees are required to advise the customer of their right to raise their complaint (including about the complaints management system) with the Energy and Water Ombudsman WA if the customer is not satisfied with the outcome.
<b>Comment Sought</b>	B. If so, should a licensee be required to advise customers, when responding to a complaint, of their right to have their complaint considered by a senior employee?
<b>Aqwest</b>	Refer 45A.

<b>Issue 46</b>	
<b>Comment Sought</b>	A. Should the Water Code specify when a complaint is considered to have been resolved?
<b>Aqwest</b>	Disagree. This does not need to be included in the Code.
<b>Comment Sought</b>	B. If so, should it only relate to certain complaints (for example, complaints relating to non-payment)?
<b>Aqwest</b>	Refer 46A.

<b>Issue 47</b>	
<b>Comment Sought</b>	Should a licensee be prevented from recovering an amount of money that is in dispute until such time that the dispute has been resolved?
<b>Aqwest</b>	A licensee should be prevented from recovering an amount of money that is the subject of an unresolved complaint.

<b>Issue 48</b>	
<b>Comment Sought</b>	A. To clarify that personal account information includes a customer's billing and usage data.  B. To clarify that information provided under clause 36(2) must be provided free of charge
<b>Aqwest</b>	Agree to A and B.
<b>Comment Sought</b>	Should licensees be allowed to charge for the provision of billing and usage data if the data relates to a period over two years prior to the date of the request?
<b>Aqwest</b>	Agree

<b>Issue 49</b>	
<b>Proposal</b>	To clarify that a customer who has been offered a payment plan should only have their water supply reduced if the customer has failed to accept the plan within a prescribed timeframe.
<b>Aqwest</b>	Agree.
<b>Comment Sought</b>	How many days should customers be given to inform the licensee whether or not they accept a payment plan?

<b>Aqwest</b>	Seven calendar days.
<b>Issue 50</b>	
<b>Comment Sought</b>	Should licensees be required to make electronic copies of the Water Code available on their website?
<b>Aqwest</b>	An alternative would be to require the licensees to provide a link to the State Law Publisher website where the latest Water Code is published.

<b>Issue 51</b>	
<b>Comment Sought</b>	Should licensees be required to have a policy that deals with minimising the impact of bursts, leaks, blockages and spills?
<b>Aqwest</b>	Agree.

<b>Issue 52</b>	
<b>Proposal</b>	<p>A. To require a licensee to provide at least 48 hours' prior notice of a planned interruption.</p> <p>B. To allow licensees to provide notice of a planned interruption by post, television or radio, in a newspaper circulating in the affected area, or via electronic means.</p>
<b>Aqwest</b>	Agree to A and B.

<b>Issue 53</b>	
<b>Comment Sought</b>	Should a new clause be included in the Water Code which requires a licensee to establish a 24 hour telephone number for faults and emergencies?
<b>Aqwest</b>	Agree.

<b>Issue 54</b>	
<b>Comment Sought</b>	Should licensees be required to advise their customers of tariff changes as soon as practicable, but no later than on the customer's next bill?
<b>Aqwest</b>	Disagree. The bill should not be the prescribed means by which licensees must advise customers of tariff changes. Comments on issue 10 are relevant. Licensees should be able to advise customers by publications on-line website and social media.

<b>Issue 55</b>	
<b>Comment Sought</b>	A. Should service standard payments be introduced into the Water Code?
<b>Aqwest</b>	Disagree. The code is too new for such a scheme to be introduced. Current service standards are high. Disagree service standard payments would be the driver for improved customer service. Note penalties already exist in the Ombudsman scheme.
<b>Comment Sought</b>	B. If so, which service standard payments should be included in the Water Code?
<b>Aqwest</b>	Refer 55A.
<b>Comment Sought</b>	C. Should licensees be given until 1 July 2018 to implement those service standard payments?
<b>Aqwest</b>	Agree – If the payments were introduced, implementation should not be

	until at least 1 July 2018
<b>Comment Sought</b>	D. Should licensees only be required to make payment upon application by an eligible customer?
<b>Aqwest</b>	Refer 55A.
<b>Comment Sought</b>	E. Should licensees be required to advise their customers at least once a year of the service standard payments available?
<b>Aqwest</b>	Refer 55A.

<b>Issue 56</b>	
<b>Comment Sought</b>	A. Should the Water Code include restrictions on when a licensee can charge interest and/or late payment fees?
<b>Aqwest</b>	No. A licensee can charge interest and/or late payment fees except for cases of financial hardship or while account is subject to a complaint.
<b>Comment Sought</b>	B. If so, what should those restrictions be?
<b>Aqwest</b>	Refer 56A.

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## **Appendix 4 Public submission: Busselton Water Corporation**



**BUSSELTON WATER**

Our ref: OL6-04  
Your ref:  
Enquiries:

Busselton **water**

po box 57 busselton wa 6280 · p 089781 0500 · f 089754 1075 · abn 79 306 761 565  
admin@busseltonwater.wa.gov.au · [www.busseltonwater.wa.gov.au](http://www.busseltonwater.wa.gov.au)

4th November 2016

Ms Nicola Cusworth  
Chair  
PO Box 8469  
Perth BC WA 6849

Dear Ms Cusworth,

**RE: Consultation Paper for Water Services Code of Conduct (Customer Service Standards) 2013**

Busselton Water would like to express its appreciation for the opportunity to provide comment on the proposed amendments to the *Water Services Code of Conduct (Customer Service Standards) 2013*. From an overall point of view, the Water Services Code has worked smoothly since commencement in November 2013.

Our comments on the 56 issues raised are provided and I also request that Clause 4 of the Code be amended to remove the inconsistency with definitions in the Water Services Act 2012. While we support the principle that tenants should be afforded the same rights as owners, while there is no legislative provision for removal of a water service, it is critically important that debt liability remains with the property and ultimately the "land owner".

We look forward to participating in the remainder of the review process and I request you direct any queries regarding Busselton Water's responses to Acting Team Leader Business Services,  
on!

Yours faithfully,

Mr Chris Elliott  
**CHIEF EXECUTIVE OFFICER**

### Issue 1

**Proposal** To amend clause 1 by replacing “2013” with “2017”.

BW: Agree

### Issue 2

**Proposal** To amend clause 2 for the Code to come into operation on 1 July 2017.

#### Comment sought

- A. Should any of the proposed amendments in this Consultation Paper take effect after 1 July 2017?
  
- B. If so, which amendments should commence later and when should those amendments commence?

BW: This date is dependent upon any changes that would require lead-time for system or organisation changes

- 4.4 Clause 12(1) – Information on bills
- 4.8 Clause 12(2) – Information on bills: price of drinking water
- 9.4 Variation of Tariffs
- 9.5 Service Standard Payments

### Issue 3

#### Comment sought

- A. Currently, the Water Code applies to all customers. Should application of the Water Code be limited to certain customers only?
  
- B. If so, to which customers should the Water Code apply?

BW: All customers should be covered by the code excluding customers with services by agreement contracts.

### Issue 4

#### Comment sought

- A. Currently, the Water Code applies to all licensees. Should the Water Code differentiate between certain licensees?
  
- B1 If so, on what basis should the Water Code differentiate between licensees? For example, on the basis of the location of the licensee’s customers or the number of connections supplied by the licensee?
  
- B2 If so, should these licensees simply be exempt from some of provisions of the Water Code, or should one or more service standards be amended?

BW: The Water Code should apply to all licensees for regulated water and wastewater services

### Issue 5

**Comment sought** Should the Water Code apply to the provision of irrigation or drainage services?

BW: The Water Code should apply to irrigation & drainage services

### Issue 6

**Comment sought**

- A. Should clause 5 be amended to only apply to business customers? In this case, licensees and business customers could continue to contract out of all of the provisions of the Water Code. Licensees and residential customers would not be able to contract out of provisions of the Water Code.
- B. Should clause 5 be amended to only apply to certain provisions of the Water Code? In this case, licensees and both business and residential customers could only contract out of specific provisions of the Water Code.
- C. Should clause 5 be amended so that licensees and business customers can contract out of all provisions of the Water Code, whilst licensees and residential customers can only contract out of specific provisions of the Water Code?

BW: All customers should be covered by the code only customers with services by agreement contracts should be excluded.

### Issue 7

**Comment sought** Should licensees who send usage bills for drinking water be required to issue a fixed charges bill at least once every six months (or more often if the billing cycle is changed, see issue 8)?

BW: The current code provision is satisfactory.

### Issue 8

**Comment sought** Should the maximum interval between bills for usage be reduced to three, or alternatively four, months?

BW: Recommends a maximum of 4 month billing cycle frequency.

### Issue 9

**Comment sought** Should licensees be required to read a customer's water meter at least once every 12 months?

BW: Agrees a minimum reading requirement of once every 12 months.

### Issue 10

**Proposal** To require a licensee to include the following additional information on each bill:

- information about assistance for customers experiencing payment difficulties or financial hardship;
- for bills issued to residential customers, information on the availability of interpreter services;
- the total amount of any payments made by the customer since the previous bill was issued;
- a telephone number for complaints;
- the Freecall telephone number for the Energy & Water Ombudsman WA; and
- a 24 hour telephone number for faults and emergencies.

BW: Endorses all additional information excluding, the free call number to Ombudsman Office. The Ombudsman contact information is available via customer commitments document and such code changes would reduce the opportunity to resolve complaints and or enquiries at a lower level.

### Issue 11

**Comment sought** Should each bill have to specify the charges payable for each of the water services provided by the licensee?

BW: Agree, specification of charges payable

### Issue 12

**Proposal** To require a licensee to include a statement on the bill that interest charges or late payment fees may apply (if the licensee charges interest or late payment fees for outstanding amounts).

BW: Agree with publication of interest charges or late payment of the water invoice

### Issue 13

**Comment sought** Should a licensee be required to include the meter reading on a customer's bill (where available)?

BW: Agree with publication of meter reading records on the water invoice

### Issue 14

**Comment sought**

- A. Should each bill from a licensee that has different tariffs based on consumption have to include the applicable tariff(s) for the water services provided?
- B. Should each bill from a licensee that has different tariffs based on consumption specify when a customer will move to a higher tariff, or revert back to the lowest tariff (that is, the anniversary date of the customer's billing year)?

BW: This has merit, however these changes would have to be subject to adequate delivery timeline and funding for necessary software upgrades (potentially 2-3 years)



## Issue 15

**Proposal** To clarify that a bill must include information, where available, about the customer's water usage compared with the customer's usage for the previous account period, and for the same period last year.

BW: Agree with publication of comparative records on the water invoice

## Issue 16

**Comment sought** Should clauses 12(3)(b), (c) and (d) be retained as is; amended to require less detailed information to be included on the bill; or deleted?

### Proposal

- A. To clarify that clause 12(3)(a) to (d) only applies to bills for usage for a metered water service.
- B. To clarify that clause 12(3)(c) only applies to bills based on an estimate.
- C. To delete clause 12(3)(f) if the ERA decides that all bills should include the licensee's telephone number for complaints and the Energy & Water Ombudsman WA's Freecall telephone number.

BW: Agree that clauses 12(3)(b), (c) and (d) be retained as is

## Issue 17

**Comment sought** Should the 12 month limitation on recovering an undercharge only apply where the undercharge is a result of an error by the licensee?

BW: Agree with 12 month recovery limitation

## Issue 18

**Proposal** To require a licensee to credit an overcharged amount to a customer's account if the licensee has not received instructions from the customer.

BW: Agree, when overcharging has been identified, credit customer account the overcharge amount

## Issue 19

**Proposal** To require a licensee to offer Centrepay as a bill payment method only to residential customers

BW: Believe the current code provision is satisfactory.

## Issue 20

**Comment sought** Should the requirement to offer direct debit as a payment method be removed from the Water Code?

BW: No, believe the current code provision is satisfactory.

### Issue 21

**Comment sought** Should licensees be required to obtain the express consent of the holder of the account to be debited before receiving a bill payment by direct debit?

BW: Believes the current code provision is satisfactory and internal business rules for registration are adequate.

### Issue 22

**Comment sought**

- A. Should additional requirements be included in the Water Code regarding the process a licensee must follow when assessing whether or not a customer is experiencing payment difficulties?
- B. If so, what additional protection should be provided to water customers?

BW: No, customer experiencing payment difficulties should be covered with in the organisations Financial Hardship Policy (FHP)

### Issue 23

**Comment sought** Should licensees be allowed to charge fees or interest on payment plans offered to customers experiencing payment difficulties?

BW: Yes, customer experiencing payment difficulties are liable for overdue interest penalties only customers under financial hardship should be provisioned for interest free arrangements

### Issue 24

**Proposal** To amend clause 25(2) by requiring a licensee to offer a customer experiencing payment difficulties a payment plan or other arrangement.

BW: No, customer experiencing payment difficulties should be covered with in the organisations Financial Hardship Policy (FHP) not Water Codes

### Issue 25

**Comment sought** Should licensees be required to review their financial hardship policies if directed to do so by the ERA?

BW: Agree

### Issue 26

**Proposal** To require a licensee to consult with relevant consumer organisations when developing their initial financial hardship policy.

BW: Agree

### Issue 27

**Proposal** To require a licensee to submit an amended financial hardship policy to the ERA for its approval.

BW: Agree

### Issue 28

#### Comment sought

- A. Should the content requirements for financial hardship policies remain in the Water FHP Guidelines, or be moved to the Water Code?
- B. Should a sub-set of the content requirements for financial hardship policies be moved from the Water FHP Guidelines to the Water Code?
- C. Should financial hardship policies include any information in addition to what is currently required under the Water FHP Guidelines?

BW: Financial Hardship Policy (FHP) should remain in the guidelines rather than the codes

### Issue 29

**Proposal** To move the requirement for licensees to comply with the Water FHP Guidelines from the water licence template to the Water Code.

BW: Financial Hardship Policy (FHP) should remain in the guidelines rather than the codes

### Issue 30

#### Comment sought

- A. Should additional requirements be included in the Water Code regarding the process a licensee must follow when assessing whether or not a customer is experiencing payment difficulties?
- B. Should additional requirements be included in the Water Code regarding the assistance a licensee must offer customers in financial hardship? For example, should licensees have to offer a customer a choice between a payment plan and other arrangement; should licensees be required to take certain matters into account when setting a payment plan; and should licensees be required to provide certain information to customers about their payment plan?

BW: Believes the current Financial Hardship Policy provision is satisfactory and should remain in the guidelines rather than the codes

### Issue 31

**Proposal** To require a licensee to offer a customer experiencing financial hardship a payment plan or other arrangement.

BW: Believes the current Financial Hardship Policy provision is satisfactory and should not be with the codes.

### Issue 32

**Proposal** To require a licensee to review a payment plan upon a customer's request. If the review demonstrates that the customer is unable to meet its obligations under the existing payment plan, the licensee must revise the payment plan.

BW: Current internal business rules and Financial Hardship Policy provision are satisfactory

### Issue 33

**Proposal** To include the words 'as to whether or not' in clause 29(c) so it is consistent with the wording of clause 29(b).

BW: Agree

### Issue 34

#### Proposal

- A. To require a licensee to give a customer a reminder notice prior to taking action for non-payment of a bill.
- B. To require a reminder notice to include the following Information:
  - the licensee's telephone number for account, payment and general enquiries; and
  - advice that a licensee may assist if the customer is experiencing payment difficulties or financial hardship.

BW: Agree

### Issue 35

#### Proposal

- A. To require a licensee to give a customer written notice of its intention to reduce the customer's water supply.
- B. To require a licensee to give a restriction notice to a customer at least 7 days before the licensee intends to reduce the customer's water supply.
- C. To require a restriction notice to include the following information:
  - the matter giving rise to the impending reduction;
  - the earliest date the licensee may reduce the customer's water supply;
  - the existence and operation of the licensee's complaint handling process;
  - the existence and operation of the water ombudsman, including the Freecall telephone number for the water ombudsman; and
  - the applicable restoration procedures, including any costs for restoring the customer's supply.

BW: Agree

### Issue 36

**Proposal** To amend the wording of clause 32(c) so it is consistent with the wording of clause 32(b).

BW: Agree

### Issue 37

**Proposal** To clarify that a customer's rate of flow of drinking water may not be reduced at any time on weekends, public holidays and the day before a public holiday.

### **Comment sought**

- A. Should the prohibition on reducing the rate of flow of drinking water be extended to anytime on a Friday?
- B. Should the prohibition on reducing the rate of flow of drinking water be extended to after 3pm Monday to Thursday?

BW: Agree with both amendments

### **Issue 38**

#### **Comment sought**

- A. Should the term 'complaints' in clause 32(e) only relate to complaints made to the licensee, or also include complaints made to an external dispute resolution body?
- B. If clause 32(e) is amended to specifically refer to complaints made to an external dispute resolution body, should restriction only be allowed if the external dispute resolution body has notified the licensee of the complaint?

BW: Agree with both amendments, restriction should not be undertaken during complaints resolution process.

### **Issue 39**

#### **Comment sought**

- A. Should a licensee only be precluded from reducing a customer's rate of flow of drinking water if the customer has notified the licensee that the customer requires water to operate a life support machine?
- B. Should a licensee be obliged to register customers who require a life support machine?
- C. If so, should the Water Code also provide for a deregistration process?
- D. Should the Water Code include a definition of a life support machine?
- E. If so, what should that definition be?
- F. Should the Water Code include protections for persons, other than the customer, who reside at the customer's address and require a life support machine?
- G. Should a licensee be required to provide customers who require a life support machine with written notice of planned interruptions to supply at the supply addresses?
- H. If so, how much notice should be provided?
- I. Should a licensee be required to contact customers who require a life support machine as soon as possible in the event of an unplanned interruption?

BW: Agree with all point except dot point (I) due to management of unplanned outages can be challenging to coordinate such specific customer group

#### Issue 40

**Comment sought** Should a licensee be precluded from reducing a customer's rate of flow of drinking water on a day there is a total fire ban in the local government area in which the customer is located?

BW: Agree

#### Issue 41

**Comment sought** Should licensees be prevented from reducing the rate of flow of drinking water if a customer has applied for a concession or grant and the licensee has not yet made its decision?

BW: Agree

#### Issue 42

**Proposal** To replace the reference in clause 35(2) to AS ISO 10002-2006 with AS/NZS 10002-2014.

BW: Agree

#### Issue 43

##### **Proposal**

- A. To delete the requirement that a licensee's complaints procedure must state that a customer may, but does not have to, use the licensee's complaints procedure before or instead of the Energy and Water Ombudsman WA's procedures.
- B. To delete the requirement that a licensee's complaints procedure must set out the benefits to the customer if the customer chooses to use the licensee's complaints procedure before or instead of the Energy and Water Ombudsman WA's procedures.

BW: Agree

#### Issue 44

##### **Comment sought**

- A. Should a licensee be required to advise the customer of their right to raise their complaint with the Energy and Water Ombudsman WA if the customer is not satisfied with the outcome of the licensee's process?
- B. If so, should a licensee be required to provide the customer with the Energy and Water Ombudsman WA's Freecall telephone number?

BW: Agree

#### Issue 45

##### **Comment sought**

- A. Should a licensee be required to have in place an escalation process which allows a customer to request that their complaint be considered by a senior employee?
- B. If so, should a licensee be required to advise customers, when responding to a complaint, of their right to have their complaint considered by a senior employee?

BW: Current code provision is satisfactory and internal business rules for the management of complaints resolution are adequate

#### Issue 46

##### Comment sought

- A. Should the Water Code specify when a complaint is considered to have been resolved?
- B. If so, should it only relate to certain complaints (for example, complaints relating to non-payment)?

BW: Internal business rules for the management of complaints resolution are adequate and should not be within the code

#### Issue 47

**Comment sought** Should a licensee be prevented from recovering an amount of money that is in dispute until such time that the dispute has been resolved?

BW: Current code provision is satisfactory and internal business rules for the management of recovery actions are adequate

#### Issue 48

##### Proposal

- A. To clarify that personal account information includes a customer's billing and usage data.
- B. To clarify that information provided under clause 36(2) must be provided free of charge.

**Comment sought** Should licensees be allowed to charge for the provision of billing and usage data if the data relates to a period over two years prior to the date of the request?

BW: Agree

#### Issue 49

**Proposal** To clarify that a customer who has been offered a payment plan should only have their water supply reduced if the customer has failed to accept the plan within a prescribed timeframe.

**Comment sought** How many days should customers be given to inform the licensee whether or not they accept a payment plan?

BW: 5 business days

#### Issue 50

**Comment sought** Should licensees be required to make electronic copies of the Water Code available on their website?

BW: No, however a link to the State Law Publisher should be available on the utilities website..

### Issue 51

**Comment sought** Should licensees be required to have a policy that deals with minimising the impact of bursts, leaks, blockages and spills?

BW: Agree, however this policy must be separate for water and sewer

### Issue 52

#### Proposal

- A. To require a licensee to provide at least 48 hours' prior notice of a planned interruption.
- B. To allow licensees to provide notice of a planned interruption by post, television or radio, in a newspaper circulating in the affected area, or via electronic means.

BW: A minimum prior notification for planned interruption has merit, however sometime this not practicable and may delay works.

### Issue 53

**Comment sought** Should a new clause be included in the Water Code which requires a licensee to establish a 24 hour telephone number for faults and emergencies?

BW: Agree

### Issue 54

**Comment sought** Should licensees be required to advise their customers of tariff changes as soon as practicable, but no later than on the customer's next bill?

BW: No, new tariff charges are effectively conveyed to customers via normal business customer consultation process and any increase tariff charges are communicated and published sufficiently by the corporation via Website, Gazette and News Media.

### Issue 55

#### Comment sought

- A. Should service standard payments be introduced into the Water Code?
- B. If so, which service standard payments should be included in the Water Code?
- C. Should licensees be given until 1 July 2018 to implement those service standard payments?
- D. Should licensees only be required to make payment upon application by an eligible customer?
- E. Should licensees be required to advise their customers at least once a year of the service standard payments available?

BW: No, costs to establish and administer such standards would alternately cost the customer more and would not improve organisation efficiency.



## Issue 56

### Comment sought

- A. Should the Water Code include restrictions on when a licensee can charge interest and/or late payment fees?
- B. If so, what should those restrictions be?

BW: No, interest charges are a gazetted prescribe fee for all overdue charges excluding customers Financial Hardship.

## **Appendix 5 Public submission: Joint Utilities group**



3<sup>rd</sup> November 2016

Ms Nicola Cusworth  
Chair  
PO Box 8469  
Perth BC WA 6849

Dear Ms Cusworth,

**RE: Consultation Paper for Water Services Code of Conduct (Customer Service Standards) 2013**

The Joint Utilities (JU) group consisting of Water Corporation, Aqwest and Busselton Water would like to thank Economic Regulatory Authority for the opportunity to provide comment on the proposed amendments to the *Water Services Code of Conduct (Customer Service Standards) 2013*.

On a general note the JU group consider the Code has been operating effectively since commencement in November 2013 and does not require major changes.

The JU group has also identified some specific matters of common concern which we wish to comment on as follows:

**3.3 Clause 4 (1) Application of Code.**

The definition of "customer" under this clause is inconsistent with definitions in the Water Services Act 2012. JU requests the Code be amended to ensure full alignment with the Act. JU group's main concern here is to protect the critically important provision in Clause 126 of the Act which ensures debt liability continues to remain with the property and ultimately the "land owner".

**9.5 Service Standard Payments (Issue No. 55)**

All water corporations currently undertake a best practice approach to customer service and strive to excel in meeting our obligations. Mechanisms such as licence audits, ombudsmen process, reporting to the Minister and direct engagement with customer advocacy groups are in place to ensure a high level of accountability. JU is not convinced that the introduction of service standard payments, which will translate to an added cost to customers, is warranted or will deliver an improved level of customer service or enhance process efficiency and therefore oppose this proposal.

**Clauses 5.4 to 5.15 Payments for Water Service**

The current Financial Hardship Policy (FHP) regime has worked very well as a license requirement supported by guidelines and JU considers the FHP policies have provided a great level of protection for vulnerable customers including tenants. JU does not support bringing greater prescription and less flexibility to the guidelines by bringing them into the Code with no obvious improvement to customer service levels or efficiency.

Clauses 4.4 to 4.10 Information on Bills

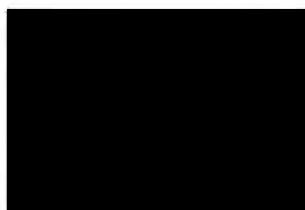
JU is opposed to more prescribed information on bills which we wish to keep as simple as possible and focussed on their intended purpose as a water invoice. Digitalization via multiple media mediums is a superior method for information delivery, rather than over complicating/overcrowding a Water Invoice with code regulation

Thank you again for this valuable opportunity for input and JU looks forward to participating in the remainder of the review process.

Yours faithfully,



Ms Sue Murphy  
**Chief Executive Officer**  
Water Corporation



Mr Gary Hallsworth  
**Acting Chief Executive Officer**  
Aqwest



Mr Chris Elliott  
**Chief Executive Officer**  
Busselton Water

## Appendix 6 Public submission: Rio Tinto

Iron ore  
152-158 St Georges Terrace  
Perth 6000  
Western Australia  
T + 61 (8) 9327 2000

**Private and confidential**

Att: Paul Reid  
A/Executive Director, Licensing Monitoring and Customer Protection  
Economic Regulation Authority  
PO Box 8469  
PERTH WA 6849

31 October 2016

Our reference: RTIO-AM-0174130

Dear Paul

**Rio Tinto Iron Ore submission to Consultation Paper of the 2016-2017 Review of the *Water Services Code of Conduct (Customer Service Standards) 2013***

Thank you for the opportunity to provide a submission on the above Consultation Paper.

Rio Tinto (through Hamersley Iron Pty Ltd and Robe River) is a licensed Water Service provider under the *Water Services Act 2012*, providing potable water and wastewater services to Dampier, Tom Price, Paraburdoo and Pannawonica.

In this capacity, Rio Tinto is directly affected by proposed changes to the *Water Services Code of Conduct (Customer Service Standards) 2013 (Water Code)* and this submission outlines our position on issues of key importance.

**Key Issues**

Application of the Water Code

1. *Issue Number 2, 3.2 Clause 2 – Commencement*

Rio Tinto would support a staged commencement of an amended Water Code, should the Water Code come into operation on 1 July 2017. This is due to some of the proposed amendments being more complex than others and therefore will require additional time to implement them.

Billing for water services

2. *Issue Number 16, 4.10 Clause 12(3) Information on bills: customer rights*

Rio Tinto would prefer that all bills contained the same information

Payment for water Services

3. *Issue Number 20, 5.2 Clause 21 – Payment methods: direct debt*

Rio Tinto does not support the removal of direct debt as a payment method being removed from the Water Code. Currently a large proportion of Rio Tinto's customers are utilising direct debt.

4. *Issue Number 23, 5.5 Clause 25 – Assistance for customers experiencing payment difficulties: charging fees and interest*

Rio Tinto does not support licensees being allowed to charge fees or interest on payment plans offered to customers experiencing payment difficulties. Rio Tinto considers that charging fees or interest on payment plans to a customer experiencing payment difficulties could exacerbate the problem and therefore should not be allowed.

5. *Issue Number 30, 5.12 Clause 27 – Assistance for customers experiencing financial hardship*

Rio Tinto strongly supports additional requirements to be included in the Water Code that a licensee must follow when assessing whether or not a customer is experiencing payment difficulties. Rio Tinto considers that additional requirements could standardise customer treatment across all licensees.

Reducing the rate of flow of water

6. *Issue Number 34, 6.1 Clause 31 – Preliminary action – reminder notices*

Rio Tinto would support the requirement for reminder notices to be provided to customer prior to action being taken for non-payment of a bill. A reminder notice would prove customers with further protection and also possibly reduce volumes of outstanding bills as customers would be further informed.

Complaints about water services

7. *Issue Number 43, 7.2 Clause 35(4)a) – Referring complaints to the Ombudsman*

Rio Tinto would support the deletion of the requirement for a licensee to state that a customer may, but does not have to, use the licensee's complaints procedure before or instead of the Energy and Water Ombudsman WA's (**Ombudsman**) procedures. As the deletion of this requirement would make the process of contacting the licensee prior to contacting the Ombudsman clearer for customers. This amendment would be further supported by Issue 44 as below.

8. *Issue Number 44, 7.3 Advising customers of the existence of the water ombudsman*

Rio Tinto would supports the inclusion of a licensee being required to advise customers of their right to raise their complaints with the Ombudsman if the customer is not satisfied and also the licensee being required to provide customers with the Ombudsman's freecall telephone number.

9. *Issue Number 45, 7.4 Complaints to be considered by a senior employee*

Rio Tinto would not support the inclusion of an escalation process which allows customer to request that their complaint be considered by a senior employee. As currently all customer complaints made to Rio Tinto are managed via a standardised process therefore the outcome of a complaint would be the same no matter what level the employee addressing the complaint would be.

Information and communication services

10. *Issue Number 50, 8.3 Clause 37 – Information to be publically available: Water Code*

Rio Tinto would not support the requirement for electronic copies of the Water Code being available on licensee's websites as this information is freely available on governmental websites. Placing this information on licensee's website is duplication.

Other

*11. Issue Number 54, 9.4 Variation of tariffs*

Rio Tinto would support licensees being required to advise their customers of tariff changes as soon as practicable, but no later than on the customer's next bill. This is in line with open and transparent communication between the licensee and the customer.

*12. Issue Number 55, 9.5 Service Standard Payments*

Rio Tinto would prefer that licensees were given until the 1st July 2018 to implement the service standard payments should, service standard payments be included into the revised Water Code.

I hope that you will give the above comments your full consideration in developing amendments to the *Water Services Code of Conduct (Customer Service Standards) 2013*.

For further information on this submission, please contact [REDACTED]

Yours sincerely

**Momcilo Andric**  
**General Manager**  
**Core Services**



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## **Appendix 7 Public submission: Horizon Power**



# Horizon Power submission to the Economic Regulatory Authority

2016 review of the Water Services Code of Conduct

November 2016

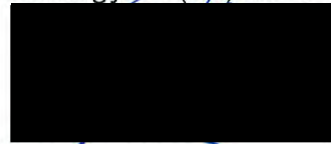
## INTRODUCTION

While Horizon Power does not currently provide water services it welcomes the moves to, where possible, align the Water Services Code of Conduct to the existing equivalent codes for WA energy licensees.

A table of comments on a number of the issues raised in the Consultation Paper is attached. Where no comment is provided, Horizon Power has no feedback on that issue.

Should further information be required please contact  
Strategy on

– Manager



**DAVID TOVEY**  
**COMPANY SECRETARY**  
**GENERAL MANAGER CORPORATE SERVICES**

<b>Issue</b>	<b>Comment</b>
General	Horizon Power notes ERA's position on the consideration of tenants under the <i>Water Services Act</i> and is supportive of proposed amendments.
Issue 3	Not supported. Preference is for the code to apply to all customers and to apply the contracting out clause, rather than blanket rule application. For instance, an exemption for Rottnest (~60 customers) due to the demographics of the customer base, but not for Aboriginal communities of a similar size.
Issue 4	Not supported. Preference would be for Code to apply to all licensees. For example, location or number of connections should not be reasonable grounds to exclude some customers of a licensee from the provisions of the Code and may lead to disadvantage or poor service standards particularly in rural and remote areas.
Issue 6	Provisional support. To remove the contracting out clause, further flexibility is required within the Code for customers and service providers, in particular, Aboriginal customers in remote and regional WA, as per the State Government's remote service level guidelines.
Issue 7	Support.
Issue 8	Support. 3 monthly frequency is the preferred option.
Issue 9	Support.
Issue 10	Support, with the option to offer the information via app-based smart phone billing technologies.
Issue 11	Support.
Issue 12	Support. Note that interest charges would not accrue under a prepayment services mode.
Issue 13	Support.
Issue 14	Support.
Issue 15	Support. Note that this is not required or applicable in prepayment metering mode.
Issue 16	Provisional support. Agree that simplicity is required and note that the Code should ensure compatibility with app based billing mechanisms.
Issue 19	Support.
Issue 20	Support.

<b>Issue</b>	<b>Comment</b>
Issue 21	Not supported. If direct debit is offered by a licensee, propose that the Code is amended to require consent for the commencement date and the frequency of the direct debit rather than prior to each payment. It is not typical to require consent prior to each payment.
Issue 24	Support. Including the ability to offer remote communities prepayment service delivery options to manage consumption and reduce chronic debt accrual issues.
Issue 26	Support.
Issue 30	Support. Propose that new mechanisms for dealing with hardship are considered, such as prepayment metering; similar to energy services.
Issue 31	Support. As above.
Issue 34	Preference to achieve user pays in remote communities through prepayment mechanisms, in line with the State Government's <i>Regional Services Reform Roadmap</i> <sup>1</sup> .
Issue 35	Preference to potentially offer trickle flow as a baseline, with tag-on/tag-off pre-payment arrangements at individual premises.
Issue 37	Not supported. Note 35 above.
Issue 41	Note 34 & 35 above.
Issue 48	Support.
Issue 49	Note 35 above.
Issue 51	Support. Provided that for remote areas, services are regulated under the remote service level guidelines <sup>2</sup> .
Issue 52	Note 51 above.
Issue 53	Support.
Issue 55	Support, provided that for remote regions services are regulated (and standards are set) based on the State Government's <i>remote service level guidelines</i> .

<sup>1</sup> Regional Services Reform Unit, 2016. *Resilient Families, Strong Communities: a roadmap for regional and remote communities*. Department of Regional Development, State Government of Western Australia.

<sup>2</sup> Department of Housing, 2013. *Remote service level guidelines for essential services in remote settlements in Western Australia*. State Government of Western Australia.

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## **Appendix 8 Public submission: Regional Services Reform Unit**



Ms Caroline Coutts-Kleijer  
Economic Regulation Authority  
Submitted online via: [publicsubmissions@erawa.com.au](mailto:publicsubmissions@erawa.com.au)

Dear Ms Coutts-Kleijer

**2016-17 Review of the Water Services Code of Conduct (Customer Service Standards) 2013**

Thank you for the opportunity to comment on the Economic Regulation Authority's consultation paper on the 2016-17 review of the *Water Services Code of Conduct (Customer Service Standards) 2013*.

The Regional Services Reform Unit was established to drive major reforms to the delivery of services and infrastructure in regional and remote communities to achieve improved economic and social outcomes for Aboriginal people in these communities.

As set out in the *Resilient Families, Strong Communities* roadmap document, (<http://regionalservicesreform.wa.gov.au/p/roadmap>) living conditions are the foundation for family wellbeing and the base from which families can prosper and children can develop. Reliable and appropriate power, water and wastewater services (essential services) are critical to maintaining good living conditions.

The delivery of essential services is a core government activity that, in recognition of its importance, is largely governed by legislation. Almost all households across the State receive regulated power, water and wastewater services through a licensed service provider, and pay for those services against a household meter. However, with the exception of electricity services in a small number of large communities, essential services in remote Aboriginal communities are not regulated, nor required to meet minimum operating standards. While some communities now have individual pre-paid household power meters, no households pay water or wastewater charges.

The State Government operates on the assumption that remote Aboriginal communities (other than the small number provided power by Horizon Power) 'self-provide' essential services, albeit assisted through State-funded operating and maintenance programs including the Remote Area Essential Services Program (RAESP) and the Municipal and Essential Services Program (MUNS), currently delivered through the Housing Authority. In general, these arrangements involve:

- an entity that is not licensed in the relevant services
- a service for which there is inadequate capital and operating funding (and with no funding certainty beyond the next financial year)
- infrastructure that doesn't meet minimum standards (and is often beyond asset life)
- customers who pay either nothing or less than usual charges, and have no recourse to the consumer protections that apply elsewhere in the State.

There are many negative consequences for families in remote Aboriginal communities from these arrangements, which are economically inefficient, and may now or in future breach provisions of the *Water Services Act 2012* or *Public Health Act 2016*.

For these reasons, through the roadmap, the State Government has committed to working progressively to meet minimum standards for essential services in larger remote Aboriginal communities, based on a series of principles including: a focus on larger communities; tiered service standards; and household metering. The relevant standards are the *Remote Service Level Guidelines for Essential Services in Remote Settlements in Western Australia*, which Cabinet endorsed in 2014.

The roadmap set out how the State Government would seek to sequence investment, including identifying up to ten remote Aboriginal communities by the end of 2016 with which it will work to upgrade infrastructure, and introduce commensurate charges.

In October 2016, the Aboriginal Affairs Cabinet Sub-Committee (AACSC) approved a submission that identified early implementation locations and recommended that:

- essential services be delivered in a regulated manner by licensed providers in large and medium remote Aboriginal communities at or above the applicable Remote Service Level Guidelines standard
- responsibility for essential service delivery in communities be transferred from the Housing Authority to mainstream service providers in large and medium remote Aboriginal communities.

The Reform Unit is now working to implement these recommendations, understanding that the transition process will take time, be complex, and require cross-government collaboration. Next steps include approval for the Budget allocation and a change management steering committee, designed to support all aspects of the transition and implementation planning, including identifying service providers, establishing user-pays arrangements such as pre-payment metering, and initiating any required regulatory changes. This will include consideration of consumer protection matters such as codes of conduct and access to hardship arrangements.

The Reform Unit is working closely with the Department of Water to consider the implications of the *Water Services Act 2012*, and the relevance of this ERA review of the Water Services Code. The attached document summarises our key issues in relation to water and wastewater services in regional and remote Aboriginal communities.

For further enquiries please contact [REDACTED], Manager, Regional Services Reform Unit on [REDACTED].

Yours sincerely

[REDACTED]

Grahame Searle  
STATE REFORM LEADER

7 / 11 / 2016

Att.



## **ATTACHMENT 1 – Summary comments**

### **Background**

ERA's consultation paper on the 2016-17 review of *the Water Services Code of Conduct (Customer Service Standards) 2013* presents the ERA's preliminary findings of its first review of the Water Code.

The Water Code regulates the conduct of water licensees in dealing with their customers, and sets service standards in areas such as billing, payment, connection, metering, financial hardship and complaints. It is an integral component of the protection framework for water customers and its review provides an opportunity for all water customers and other stakeholders to have their say.

### **Key issues**

The consultation paper includes a number of proposals to add new provisions and amend or delete existing provisions of the Water Code. The key issues for the Reform Unit include:

#### **1. Definition of 'customer'**

The consultation paper explains proposed changes to the definition of 'customer' to make it clear that tenants are not captured by the Water Code. This is because the definition of 'customer' under the Act does not include tenants and the Water Code cannot have a broader definition of 'customer' than the Act.

The Reform Unit agrees with the ERA that the Water Code should apply to all tenants, to ensure that (as in the electricity and gas industry) tenants are entitled to all the protections available under the code, including access to hardship schemes.

This is a significant issue for water services in remote and town-based Aboriginal communities, as in general, residents cannot own their home, and as such are automatically defined as tenants.

#### **2. Culturally appropriate services**

The service provider should make available culturally appropriate customer services including translation and interpreter services, and making information available in simple language.

#### **3. Hardship Utility Grant Scheme (HUGS)**

The Hardship Utility Grants Scheme (HUGS) should be available through practical means by those living remotely (e.g. not only as an outcome of an appointment with a financial counsellor).

#### **4. Pre-payment metering**

As part of providing efficient and effective water services in remote locations, the option should exist for service providers to use pre-payment metering, as is currently used for power services. As an outcome of community consultation meetings held by

the Reform Unit in remote communities, several communities expressed a wish for prepayment meters when water consumption charges are introduced. Providing for water prepayment meters will effect a number of sections of the code, including proposals to require licensees to send reminder and restriction notices to customers before supply is restricted, current limits on the timing of restrictions, and requirements for licensees to advise customers at least 48 hours in advance of a planned interruption.

#### 5. Tag-on meter technology

In many Aboriginal communities, residents have semi-transient lifestyles that sees them move from house to house or to and from informal camping arrangements into houses. It is also common practice for houses to be vacated when a person dies who was associated with the house, and for the family to be rehoused temporarily or permanently. These living patterns can create administrative difficulties for utility providers seeking to maintain up-to-date records, especially where customers are not confident dealing with telephone-based customer services.

In response to these difficulties, metering technology is beginning to be deployed that provide an ability for customers to “tag-on” in different premises, with their consumption being recorded accordingly. This technology may require consideration of de-coupling account numbers from meter numbers and amendments to the Water Code to give effect to such an arrangement.

#### 6. Service level standards

The Code sets service standards in areas such as billing, payment, connection, metering, financial hardship and complaints. Although technical service standards are not part of the Code, the Reform Unit notes that it is working to give effect to the application of the *Remote Service Level Guidelines* (RSLG) standard in power and water service delivery in remote communities.



## ATTACHMENT 2 – Specific comments

	Clause	PROPOSAL	COMMENT SOUGHT	COMMENT
1	1 - Citation	To amend clause 1 by replacing “2013” with “2017”.		
2	2 - Commencement	To amend clause 2 for the Code to come into operation on 1 July 2017	A. Should any of the proposed amendments in this Consultation Paper take effect after 1 July 2017?	
			B. If so, which amendments should commence later and when should those amendments commence?	
3	4.1 - Application of the code: limiting application of the code		A. Currently, the water code applies to all customers, should the application of the water code be limited to certain customers only?	
			B. If so, to which customers should the Water Code apply?	Residential. Include tenants as “customers”
4	4.1 - Application of the code: limiting application of the code		A. Currently, the water code applies to all licensees, should the water code differentiate between certain licensees.	
			B1. If so, on what basis should the Water code differentiate between licensees? For example, on the basis of the location of the licensees customers or the number of connections supplied by the licensee.	
			B2. If so, should these licensees simply be exempt from some of the provisions of the water code or should one or more service standards be amended?	
5	4,1 - Application of the code: irrigation and drainage services		Should the water code apply to the provision of irrigation or drainage services?	
6	5 - Contracting out		A. Should clause 5 be amended to only apply to business customers? In this case, licensees and business customers could continue to contract out of all of the provisions of the Water Code. Licensees and residential customers would not be able to contract out of provisions of the Water Code.	

	Clause	PROPOSAL	COMMENT SOUGHT	COMMENT
			B. Should clause 5 be amended to only apply to certain provisions of the Water Code? In this case, licensees and both business and residential customers could only contract out of specific provisions of the Water Code.	
			C. Should clause 5 be amended so that licensees and business customers can contract out of all provisions of the Water Code, whilst licensees and residential customers can only contract out of specific provisions of the Water Code?	
7	9 - Bills other than for quantities supplied, discharged		Should licensees who send usage bills for drinking water be required to issue a fixed charges bill at least once every six months (or more frequently if the billing cycle is reduced, see issue 8)?	
8	10 - Bills for quantities supplied, discharged: maximum billing cycle		Should the maximum interval between bills for usage be reduced to three, or alternatively four, months?	Opportunity for pre-payment metering
9	10 - Bills for quantities supplied, discharged: actual meter reading		Should licensees be required to read a customers water meter at least once every 12 months?	
10	12.1 - Information on bills	To require a licensee to include the following additional information on each bill: <ul style="list-style-type: none"> <li>• information about assistance for customers experiencing payment difficulties or financial hardship;</li> <li>• for bills issued to residential customers, information on the availability of interpreter services;</li> <li>• the total amount of any payments made by the customer since the previous bill was issued;</li> <li>• a telephone number for complaints;</li> <li>• the Freecall telephone number for the Energy and Water Ombudsman WA; and</li> <li>• a 24 hour telephone number for faults and emergencies.</li> </ul>		Include translation and interpretation services, ensure plain language
11	12.1 - Information on bills: charges payable		Should each bill have to specify the charges payable for each of the water services provided by the licensee?	

	Clause	PROPOSAL	COMMENT SOUGHT	COMMENT
12	<b>12.1 - Information on bills: interest and fees charges on a bill</b>	To require a licensee to include a statement on the bill that interest charges or late payment fees may apply (if the licensee charges interest or late payment fees for outstanding amounts).		
13	<b>12.2 - Information on bills: meter reading on a bill</b>		Should a licensee be required to include the meter reading on a customer's bill (where available)?	
14	<b>12.2 - Information on bills: price of drinking water</b>		A. Should each bill from a licensee that has different tariffs based on consumption have to include the applicable tariff(s) for the water services provided.	
			B. Should each bill from a licensee that has different tariffs based on consumption specify when a customer will move to a higher tariff or revert back to the lowest tariff (that is the anniversary date of the customers billing year)?	
15	<b>12.2g - Information on bills: usage comparison</b>	To clarify that a bill must include information, where available, about the customer's water usage compared with the customer's usage for the previous account period, and for the same period last year.		Useful for water efficiency / education
16	<b>12.3 - Information on bills:customer rights</b>	A. To clarify that clause 12(3)(a) to (d) only applies to bills for usage for a metered water service.	Should clauses 12(3)(b), (c) and (d) be retained as is; amended to require less detailed information to be included on the bill; or deleted?	
		B. To clarify that clause 12(3)(c) only applies to bills based on an estimate.		
		C. To delete clause 12(3)(f) if the ERA decides that all bills should include the licensee's telephone number for complaints and the Energy & Water Ombudsman WA's Freecall telephone number.		
17	<b>16 - Undercharging</b>		Should the 12 month limitation on recovering an undercharge only apply where the undercharge is a result of an error by the licensee?	
18	<b>17 - Overcharging</b>	To require a licensee to credit an overcharged amount to a customer's account if the licensee has not received instructions from the customer.		

	Clause	PROPOSAL	COMMENT SOUGHT	COMMENT
19	<b>21 - Payment methods: Centrepay</b>	To only require a licensee to have to offer Centrepay as a bill payment method only to residential customers.		
20	<b>21 - Payment methods: direct debit</b>		Should the requirement to offer direct debit as a payment method be removed from the Water Code?	Include option for pre-payment metering
21	<b>22a - Consent for direct debit: consent of the holder of the account to be debited</b>		Should licensees be required to obtain the express consent of the holder of the account to be debited before receiving a bill payment by direct debit?	
22	<b>25 - Assistance for customers experiencing payment difficulties</b>		A. Should additional requirements be included in the Water Code regarding the process a licensee must follow when assessing whether or not a customer is experiencing payment difficulties?	
			B. If so, what additional protection should be provided to water customers?	
23	<b>25 - Assistance for customers experiencing payment difficulties: charging fees and interest</b>		Should licensees be allowed to charge fees or interest on payment plans offered to customers experiencing payment difficulties?	
24	<b>25.2 Assistance for customers experiencing payment difficulties: offering a payment plan</b>	To amend clause 25(2) by requiring a licensee to offer a customer experiencing payment difficulties a payment plan or other arrangement.		Supported
25	<b>26 - Financial Hardship Policy; review upon direction by ERA</b>		Should licensees be required to review their financial hardship policies if directed to do so by the ERA?	Agreed
26	<b>26 - Financial Hardship Policy: consultation with consumer organisations</b>	To require a licensee to consult with relevant consumer organisations when developing their initial financial hardship policy.		Relevant organisations should include some Aboriginal representative bodies.
27	<b>26 - Financial Hardship Policy: amendments subject to ER approval</b>	To require a licensee to submit an amended financial hardship policy to the ERA for its approval.		

	Clause	PROPOSAL	COMMENT SOUGHT	COMMENT
28	26 - Financial Hardship Policy: content requirements		A. Should the content requirements for financial hardship policies remain in the Water FHP Guidelines, or be moved to the Water Code?	
			B. Should a sub-set of the content requirements for financial hardship policies be moved from the Water FHP Guidelines to the Water Code?	
			C. Should financial hardship policies include any information in addition to what is currently required under the Water FHP Guidelines?	
29	26 - Financial; Hardship Policy: compliance with ERA Guidelines	To move the requirement for licensees to comply with the Water FHP Guidelines from the water licence template to the Water Code.		
30	27 - Assistance for customers experiencing financial hardship		A. Should additional requirements be included in the Water Code regarding the process a licensee must follow when assessing whether or not a customer is experiencing payment difficulties?	Ensure remote access to hardship schemes
			B. Should additional requirements be included in the Water Code regarding the assistance a licensee must offer customers in financial hardship? For example, should licensees have to offer a customer a choice between a payment plan and other arrangement; should licensees be required to take certain matters into account when setting a payment plan; and should licensees be required to provide certain information to customers about their payment plan?	
31	27.2 - Assistance for customers experiencing financial hardship: offering a payment plan	To require a licensee to offer a customer experiencing financial hardship a payment plan or other arrangement.		
32	27.3b - Assistance for customers experiencing financial hardship: revising a payment plan	To require a licensee to review a payment plan upon a customer's request. If the review demonstrates that the customer is unable to meet its obligations under		

	Clause	PROPOSAL	COMMENT SOUGHT	COMMENT
		the existing payment plan, the licensee must revise the payment plan.		
33	<b>29c - No debt collection in certain cases</b>	To include the words 'as to whether or not' in clause 29(c) so it is consistent with the wording of clause 29(b).		
34	<b>31 - Preliminary action: reminder notices</b>	A. To require a licensee to give a customer a reminder notice prior to taking action for non-payment of a bill.		Implications re pre-payment metering (e.g. potential auto-restriction)
		B. To require a reminder notice to include the following information: <ul style="list-style-type: none"> <li>the licensee's telephone number for account, payment and general enquiries; and</li> <li>advice that a licensee may assist if the customer is experiencing payment difficulties or financial hardship.</li> </ul>		
35	<b>35 - Preliminary action: restriction notices</b>	A. To require a licensee to give a customer written notice of its intention to reduce the customer's water supply.		Implications re pre-payment metering (e.g. potential auto-restriction)
		B. To require a licensee to give a restriction notice to a customer at least 7 days before the licensee intends to reduce the customer's water supply.		



	Clause	PROPOSAL	COMMENT SOUGHT	COMMENT
		<p>C. To require a restriction notice to include the following information:</p> <ul style="list-style-type: none"> <li>• the matter giving rise to the impending reduction;</li> <li>• the earliest date the licensee may reduce the customer's water supply;</li> <li>• the existence and operation of the licensee's complaint handling process;</li> <li>• the existence and operation of the water ombudsman, including the Freecall telephone number for the water ombudsman; and</li> <li>• the applicable restoration procedures, including any costs for restoring the customer's supply.</li> </ul>		
36	<b>32c - No reduction in certain cases: "as to whether or not."</b>	To amend the wording of clause 32(c) so it is consistent with the wording of clause 32(b).		
37	<b>32f - no reduction in certain cases: reduction after 3pm on weekends and public holidays</b>	To clarify that a customer's rate of flow of drinking water may not be reduced at any time on weekends, public holidays and the day before a public holiday.	A. Should the prohibition on reducing the rate of flow of drinking water be extended to anytime on a Friday?	Implications re pre-payment metering (e.g. potential auto-restriction)
			B. Should the prohibition on reducing the rate of flow of drinking water be extended to after 3pm Monday to Thursday?	
38	<b>32e - No reduction in certain cases: complaints</b>		A. Should the term 'complaints' in clause 32(e) only relate to complaints made to the licensee, or also include complaints made to an external dispute resolution body?	
			B. If clause 32(e) is amended to specifically refer to complaints made to an external dispute resolution body, should restriction only be allowed if the external dispute resolution body has notified the licensee of the complaint?	

	Clause	PROPOSAL	COMMENT SOUGHT	COMMENT
39	32h - No reduction in certain cases: life support		A. Should a licensee only be precluded from reducing a customer's rate of flow of drinking water if the customer has notified the licensee that the customer requires water to operate a life support machine?	
			B. Should a licensee be obliged to register customers who require a life support machine?	
			C. If so, should the Water Code also provide for a deregistration process?	
			D. Should the Water Code include a definition of a life support machine?	
			E. If so, what should that definition be?	
			F. Should the Water Code include protections for persons other than the customer who reside at the customer's address and require a life support machine?	
			G. Should a licensee be required to provide customers who require a life support machine with written notice of planned interruptions to supply at the supply addresses?	
			H. If so, how much notice should be provided?	
			I. Should a licensee be required to contact customers who require a life support machine as soon as possible in the event of an unplanned interruption?	
40	32h - No reduction in certain cases: total fire ban		Should a licensee be precluded from reducing a customer's rate of flow of drinking water on a day there is a total fire ban in the local government area in which the customer is located?	
41	32 - No reduction in certain cases: application for a concession		Should licensees be prevented from reducing the rate of flow of drinking water if a customer has applied for a concession or grant and the licensee has not yet made its decision?	
42	35.2a - Complaints standard	To replace the reference in clause 35(2) to AS ISO 10002-2006 with AS/NZS 10002-2014.		

	Clause	PROPOSAL	COMMENT SOUGHT	COMMENT
43	35.4a - Referring complaints to the ombudsman	A. To delete the requirement that a licensee's complaints procedure must state that a customer may, but does not have to, use the licensee's complaints procedure before or instead of the Energy and Water Ombudsman of WA's procedures		
		B. To delete the requirement that a licensee's complaints procedure must set out the benefits to the customer if the customer chooses to use the licensee's complaints procedure before or instead of the Energy and Water Ombudsman of WA's procedures.		
44	7.3 - Advising customers of the existence of the water ombudsman		A. Should a licensee be required to advise the customer of their right to raise their complaint with the Energy and Water Ombudsman of WA if the customer is not satisfied with the outcome of the licensee's process?	
			B. If so, should a licensee be required to provide the customer with the Energy and Water Ombudsman of WA's Freecall telephone number?	
45	7.4 - Complaints to be considered by a senior employee		A. Should a licensee be required to have in place an escalation process which allows a customer to request that their complaint be considered by a senior employee?	
			B. If so, should a licensee be required to advise customers, when responding to a complaint, of their right to have their complaint considered by a senior employee?	
46	7.5 - Considering a complaint to be resolved		A. Should the Water Code specify when a complaint is considered to have been resolved?	
			B. If so, should it only relate to certain complaints (for example, complaints relating to non-payment)?	
47	7.6 - Recovering an amount of money that is in dispute		Should a licensee be prevented from recovering an amount of money that is in dispute until such time that the dispute has been resolved?	

	Clause	PROPOSAL	COMMENT SOUGHT	COMMENT
48	36.2 - Services to be provided without charge	A. To clarify that personal account information includes a customers billing and usage data	Should licensees be allowed to charge for the provision of billing and usage data if the data relates to a period over two years prior to the date of the request?	
		B. To clarify that information provided under clause 36(2) must be provided free of charge.		
49	37.1hi - Information to be publicly available	To clarify that a customer who has been offered a payment plan should only have their water supply reduced if the customer has failed to accept the plan within a prescribed timeframe.	How many days should customers be given to inform the licensee whether or not they accept a payment plan?	
50	37 - Information to be publicly available: Water Code		Should licensees be required to make electronic copies of the Water Code available on their website?	
51	9.1 - Bursts, Spills, Leaks and Blockages		Should licensees be required to have a policy that deals with minimising the impact of bursts, leaks, blockages and spills?	
52	9.2 - Planned interruptions	A. To require a licensee to provide at least 48 hours' prior notice of a planned interruption.		
		B. To allow licensees to provide notice of a planned interruption by post, by television or radio, or in a newspaper circulating in the affected area or via electronic means.		
53	9.3 - 24 hour emergency line		Should a new clause be included in the Water Code which requires a licensee to establish a 24 hour telephone number for faults and emergencies?	
54	9.4 - Variation of tariffs		Should licensees be required to advise their customers of tariff changes as soon as practicable, but no later than on the customer's next bill?	
55	9.5 - Service Standard Payments		A. Should service standard payments be introduced into the Water Code?	

	Clause	PROPOSAL	COMMENT SOUGHT	COMMENT
			B. If so, which service standard payments should be included in the Water Code?	
			C. Should licensees be given until 1 July 2018 to implement those service standard payments?	
			D. Should licensees only be required to make payment upon application by an eligible customer? E. Should licensees be required to advise their customers at least once a year of the service standard payments available?	
56	9.6 - Interest charges and late payment fees		A. Should the Water Code include restrictions on when a licensee can charge interest and/or late payment fees?	
			B. If so, what should those restrictions be?	

## **Appendix 9 Public submission: Department of Water**

Our ref: WT4987  
Enquiries:

Mr Paul Kelly  
Executive Director, Licensing, Monitoring & Customer Protection  
Economic Regulation Authority  
PO Box 8469  
PERTH BC WA 6849

Dear Mr Kelly

***Submission on the Water Services Customer Code Consultation Paper***

The Department of Water welcomes the opportunity to provide comment on the Economic Regulation Authority's Consultation Paper released as part of the 2016/17 Review of the *Water Services Code of Conduct (Customer Service Standards) 2013*.

The Code provides a clear and comprehensive set of customer service standards and customer protection mechanisms. The Authority's Review will help to ensure that the Code remains relevant and effective in protecting customer interests in an evolving water services market. Since the Code commenced, the WA water industry has witnessed several key changes, including the emergence of private licensees and an expansion in recycling and re-use options.

The Department's comments on the issues raised in the Consultation Paper are included at Attachment 1. Please contact \_\_\_\_\_, Water Industry Policy, on \_\_\_\_\_ or \_\_\_\_\_ if you have any queries regarding this submission.

Yours sincerely

Tad Bagdon  
Executive Director  
Policy & Innovation  
31 October 2016

Attachment 1

Proposal/issue	Department of Water (the Department) response
1. Proposal: To amend clause 1 by replacing “2013” with “2017”.	Agreed.
<p>2. Proposal: To amend clause 2 for the Code to come into operation on 1 July 2017.</p> <p><i>Comment sought:</i></p> <p>A. Should any of the proposed amendments in this Consultation Paper take effect after 1 July 2017?</p> <p>B. If so, which amendments should commence later and when should those amendments commence?</p>	<p>Agreed. All amendments should take effect from 1 July 2017. With respect to the imposition of service standard payments, licensees should be given at least one year to incorporate the standards (refer to the Department’s response to Issue 55).</p>
<p>3. <i>Comment sought:</i></p> <p>A. Currently, the Water Code applies to all customers. Should the application of the Water Code be limited to certain customers only?</p> <p>B. If so, to which customers should the Water Code apply?</p> <p>4. <i>Comment sought:</i></p> <p>A. Currently the Water Code applies to all licensees. Should the Water Code differentiate between certain licensees?</p> <p>B. (1) If so, on what basis should the Water Code differentiate between licensees? For example, on the basis of the location of the licensee’s customers or the number of connections supplied by the licensees?</p> <p>B. (2) If so, should these licensees simply be exempt from some of the provisions of the</p>	<p>No, the Code should remain applicable to all customers (excluding irrigation customers – refer to the response below) and to all licensees. If a size limit was to be imposed (based on, for example, the number of customer connections) it would result in the exclusion (from the Code) of most new developments serviced by private sector service providers. These developments may represent small-scale schemes initially, but may but grow to a significant size over time. The Department considers that it is important for such services to be licensed from the outset of the development to ensure that the appropriate customer protections are incorporated into the long-term servicing arrangements. Therefore, it is critical that the Code applies to such schemes to help ensure the protection of customers.</p> <p>The Department agrees that the Code should not apply to licensees who only supply water services to (large) industrial customers, but considers that this is already provided for through Clause 5 – contracting out.</p> <p>The Department notes that the definition of a customer in the <i>Water Services Act 2012</i> is inconsistent with the equivalent definition in the Code, as it excludes tenants and occupiers. Whilst the definition in the Code should be consistent with the Act, the Department supports the extension of customer protection mechanisms to tenants/occupiers and notes that WA’s three water corporations have voluntarily extended their financial hardship policies to these individuals (i.e. to tenants registered to receive water use bills as authorised by the property owner).</p>



<p>Water Code or should one or more of the service standards be amended?</p>	<p>The Department will seek to address the tenant/occupier issue as part of its upcoming review of the <i>Water Services Act 2012</i>.</p>
<p>5. <i>Comment sought:</i> Should the Water Code apply to the provision of irrigation or drainage services?</p>	<p>The Code applies to irrigation services; however, it does not apply to irrigation co-operatives with respect to services provided to members (as a member is not considered to be a 'customer' under the <i>Water Services Act 2012</i>). Three of the four irrigation co-operatives have commercial water supply contracts with (non-member) customers. Whilst some of the Code's clauses may be applicable to these contracts, the Department notes that the financial hardship provisions are not, as the irrigation co-operatives are exempt from the requirement for a financial hardship policy (on account of the fact that the water supplies provided are not potable).</p> <p>Therefore, in practice, the Code has very limited application to irrigation customers. The Department supports the exclusion of these services from the Code and notes that this would be consistent (with respect to application) with most other customer codes in the Australian water sector.</p> <p>The drainage services provided by the Water Corporation relate to the draining of land around the drains. Rural drainage customers are not charged (costs are funded via an operating subsidy) however, metropolitan customers located within the Water Corporation's declared drainage catchments are charged drainage rates as part of their service charges. The Department considers that the requirement under the Code for licensees to provide customers with information on the statutory entitlement to the provision of a water service (section 73 of the Act) and the licensee's duty to provide the service and do works (section 21 of the Act) is of benefit to drainage customers. The Department therefore supports retaining the application of the Code to drainage customers.</p>
<p>6. <i>Comment sought:</i> A. Should clause 5 be amended to only apply to business customers? In this case, licensees and business customers could continue to contract out of all of the provisions of the Water Code. Licensees and residential customers would not be able to contract out of provisions of the Water Code.</p>	<p>This clause provides flexibility for non-standard service provision, for example, in situations where water services are provided to a non-residential customer under a commercial contract (negotiated between two independent entities). In these situations, it may not be practical to apply all the provisions contained in the Code. Mandatory compliance with all Code provisions is likely to create administrative burden (through impeding/delaying) with respect to the negotiation of commercial contracts.</p> <p>The Department supports the restriction of this clause to non-residential (business) customers only. This would ensure that the provision of services to residential customers is governed by the customer protection mechanisms stipulated in the Code (which was the original objective of the Code).</p>

<p>B. Should clause 5 be amended to only apply to certain provisions of the Water Code? In this case, licensees and both business and residential customers could only contract out of specific provisions of the Water Code.</p> <p>C. Should clause 5 be amended so that licensees and business customers can contract out of all provisions of the Water Code, whilst licensees and residential customers can only contract out of specific provisions of the Water Code?</p>	<p>The Department notes that the restriction of this clause (to business customers) may have implications for licensees which provide services to residential customers by agreement. However, given that the purpose of such agreements could be to vary the terms and conditions of the service (i.e. technical standards) rather than to vary clauses in the Code, this amendment may not impact those existing agreements (or all of them, in the very least).</p> <p>As an aside, the Department notes that water services licences include a requirement for any non-standard contracts (including contracts which incorporate varied Code provisions) to be submitted to the Economic Regulation Authority (the Authority) for approval. The Department considers that this requirement should be removed from the licence as the Code takes precedence (over licences) and thus, the Authority does not actually have the power to disapprove of a varied clause in practice (given that clause 5 essentially allows any contract to include varied Code provisions). If clause 5 of the Code is tightened (i.e. to apply to business customers only), this requirement should be removed from the licence on the basis that the intent of the amended clause 5 would be to ensure that all supplies to residential customers are governed by the Code.</p>
<p>7. <i>Comment sought:</i> Should licensees who send usage bills for drinking water be required to issue a fixed charges bill at least once every six months (or more frequently if the billing cycle is reduced, see issue 8)?</p>	<p>Yes, this would minimise bill shock for customers.</p>
<p>8. <i>Comment sought:</i> Should the maximum interval between bills for usage be reduced to three, or alternatively four, months?</p>	<p>The Department supports reducing the maximum interval between usage bills to four months. More frequent billing reduces bill shock and non-payment but also imposes additional administrative costs on customers as well as service providers. The Department would encourage service providers to survey their customer bases to identify the preferred billing frequency.</p>
<p>9. <i>Comment sought:</i> Should licensees be required to read their water meters at least once every 12 months?</p>	<p>Yes, this would reduce the perpetuation of inaccurate readings (which can lead to high and unexpected costs for consumers). However, an increase in meter reading frequency should be supported by a positive business case; i.e. the benefits of more frequent meter reading should outweigh the additional costs, which would be passed on to customers.</p> <p>The Authority may want to consider smart meters to increase dynamic data capturing and/or continue to monitor the suitability of this technology in the future. Smart meters capture information by collecting water use data from water meters at regular intervals and sending the information back to data bases used by water managers and service providers. This information can consequently be run through a</p>

	<p>model and provide up to date data on over/under use which could trigger an announcement for water availability or restrictions.</p> <p>Smart meters allow managers and users to monitor, maintain and manage water usage. For example, smart meters can have the ability to send automatic alarms and reports to users to help them identify water leaks or abnormal usage patterns ahead of time.</p> <p>Residential in-home smart meter displays help to remind customers of the need to conserve water, including the detection of leaks. For utilities, smart meters provide the opportunity to control their networks, detect leaks, to identify the location and extent of breaks in water mains, and have the potential to monitor compliance with local water restrictions.</p>
<p>10. Proposal: To require a licensee to include the following additional information on each bill:</p> <ul style="list-style-type: none"> <li>• information about assistance for customers experiencing payment difficulties or financial hardship;</li> <li>• for bills issued to residential customers, information on the availability of interpreter services;</li> <li>• the total amount of any payments made by the customer since the previous bill was issued;</li> <li>• a telephone number for complaints;</li> <li>• the Freecall telephone number for the Energy &amp; Water Ombudsman WA; and</li> <li>• a 24 hour telephone number for faults and emergencies.</li> </ul>	<p>Agreed.</p>
<p>11. <i>Comment sought.</i> Should each bill have to specify the charges payable for each of the water services provided by the licensee?</p>	<p>Yes, this provides customers with a price signal for each service.</p>

<p>12. Proposal: To require a licensee to include a statement on the bill that interest charges or late payment fees may apply (if the licensee charges interest or late payment fees for outstanding amounts).</p>	<p>Agreed.</p>
<p>13. <i>Comment sought:</i> Should a licensee be required to include the meter reading on a customer's bill (where available)?</p>	<p>Agreed.</p>
<p>14. <i>Comment sought:</i>  A. Should each bill from a water corporation have to include the applicable tariff(s) for the water services provided?  B. Should each bill from a water corporation specify when a customer's will move to a higher tariff, or revert back to the lowest tariff (that is, the anniversary date of the customer's billing year)?</p>	<p>Yes, both requirements would provide better price signals to customers.</p>
<p>15. Proposal: To clarify that a bill must include information, where available, about the customer's water usage compared with the customer's usage for the previous account period, and for the same period last year.</p>	<p>Agreed.   The Authority could expand upon this by proposing that billing information be modified in a way that allows all users to compare their water use with others in their locality, and at the same time, remind users of the State's per person water targets.</p>
<p>16. <i>Comment sought:</i> Should clauses 12(3)(b), (c) and (d) be retained as is; amended to require less detailed information to be included on the bill; or deleted?   Proposal:  A. To clarify that clause 12(3)(a) to (d) only applies to bills for usage for a metered water service.</p>	<p>Yes, clauses 12(3)(b), (c) and (d) should be amended to require less detailed information on the bill .  Agreed (with respect to proposals A, B and C).</p>

<p>B. To clarify that clause 12(3)(c) only applies to bills based on an estimate.</p> <p>C. To delete clause 12(3)(f) if the ERA decides that all bills should include the licensee's telephone number for complaints and the Energy &amp; Water Ombudsman WA's Freecall telephone number.</p>	
<p>17. <i>Comment sought:</i> Should the 12 month limitation on recovering an undercharge only apply where the undercharge is a result of an error by the licensee?</p>	<p>Agreed. The 12-month limitation on recovering an undercharged amount should only apply where the undercharge results from an error by the licensee. Licensees should not be penalised (i.e. through underpayment) for customer error.</p>
<p>18. Proposal: To require a licensee to credit an overcharged amount to a customer's account if the licensee has not received instructions from the customer.</p>	<p>Agreed.</p>
<p>19. Proposal: To only require a licensee to have to offer Centrepay as a bill payment method to residential customers.</p>	<p>Agreed.</p>
<p>20. <i>Comment sought:</i> Should the requirement to offer direct debit as a payment method be removed from the Water Code?</p>	<p>Yes, if the administrative burden associated with direct debit is significantly greater than the benefit that this option provides to customers (which appears to be low, given that few customers have opted for this method), licensees should not be required to offer this payment option. The Department notes that this would not prevent licensees from offering this payment method if, for example, a customer asked for it. Moreover, if customer preferences were to change in future (i.e. if demand for direct debit payment methods increased), the inclusion of the requirement could be re-examined as part of the next review of the Code.</p>
<p>21. <i>Comment sought:</i> Should licensees be required to obtain the express consent of the holder of the account to be debited before receiving a bill payment by direct debit?</p>	<p>No, if the direct debit option is retained, the requirement for obtaining express consent should be deleted (on the basis that attaining such consent is impractical).</p>
<p>22. <i>Comment sought:</i> A. Should additional requirements be included in the Water Code regarding the</p>	<p>No, the Department considers that, given there are no inherent issues with the way in which licensees handle customers experiencing payment difficulties, clause 25(2) should not be amended. The administrative burden created through imposing a rigid set of assessment requirements would exceed</p>

<p>process a licensee must follow when assessing whether or not a customer is experiencing payment difficulties?</p> <p>B. If so, what additional protection should be provided to water customers?</p>	<p>the associated benefits to customers (particularly as there have been no issues identified with the current assessment processes used by licensees).</p>
<p>23. <i>Comment sought:</i> Should licensees be allowed to charge fees or interest on payment plans offered to customers experiencing payment difficulties?</p>	<p>No, this would be contrary to the intent of a payment plan.</p>
<p>24. Proposal: To amend clause 25(2) by requiring a licensee to offer a customer experiencing payment difficulties a payment plan or other arrangement.</p>	<p>Agreed.</p>
<p>25. <i>Comment sought:</i> Should licensees be required to review their financial hardship policies if directed to do so by the ERA?</p>	<p>Yes.</p>
<p>26. Proposal: To require a licensee to consult with relevant consumer organisations when developing their initial financial hardship policy.</p>	<p>Agreed. Given that there is an existing requirement for licensees to consult with consumer organisations as part of the five year review of their financial hardship policies, it would be appropriate for this requirement to be applied at the outset (i.e. when licensees are first developing these policies). The inclusion of this requirement would ensure consistency with the approach undertaken in the gas and electricity industries.</p>
<p>27. Proposal: To require a licensee to submit an amended financial hardship policy to the ERA for its approval.</p>	<p>Agreed.</p>
<p>28. <i>Comment sought:</i></p> <p>A. Should the content requirements for financial hardship policies remain in the Water FHP Guidelines, or be moved to the Water Code?</p> <p>B. Should a sub-set of the content requirements for financial hardship policies be moved from the Water FHP Guidelines to the Water Code?</p>	<p>No, the inclusion of the financial hardship policy guidelines will clog up the Code with prescriptive detail and make Code reviews more arduous and time consuming. Retaining the detailed requirements within the guidelines ensures that the amendment process is flexible. The Department considers that licensees already have certainty with respect to their requirement to comply with the guidelines as the Authority will only approve financial hardship policies that adhere to the guidelines. Therefore, the movement of the guidelines to the Code will not create any additional certainty/clarity for licensees.</p> <p>The Department does not consider that any additional content in the guidelines is warranted at this stage.</p>

<p>C. Should financial hardship policies include any information in addition to what is currently required under the Water FHP Guidelines?</p>	
<p>29. Proposal: To move the requirement for licensees to comply with the Water FHP Guidelines from the water licence template to the Water Code.</p>	<p>Agreed.</p>
<p>30. <i>Comment sought:</i>  A. Should additional requirements be included in the Water Code regarding the process a licensee must follow when assessing whether or not a customer is experiencing payment difficulties?  B. Should additional requirements be included in the Water Code regarding the assistance a licensee must offer customers in financial hardship? For example, should licensees have to offer a customer a choice between a payment plan and other arrangement; should licensees be required to take certain matters into account when setting a payment plan; and should licensees be required to provide certain information to customers about their payment plan?</p>	<p>No, refer to the Department's response to Issue 22.</p>
<p>31. Proposal: To require a licensee to offer a customer experiencing financial hardship a payment plan or other arrangement.</p>	<p>Agreed.</p>
<p>32. Proposal: To require a licensee to review a payment plan upon a customer's request. If the review demonstrates that the customer is unable to meet its obligations under the existing payment</p>	<p>Agreed. However, this may create a risk for licensees whereby some customers repeatedly request reviews in order to defer payment or avoid supply restrictions. Accordingly, it may be worthwhile for the Code stipulate a limit on the number of reviews requested by customers.</p>

<p>plan, the licensee must revise the payment plan.</p>	
<p>33. Proposal: To include the words 'as to whether or not' in clause 29(c) so it is consistent with the wording of clause 29(b).</p>	<p>Agreed.</p>
<p>34. Proposal:</p> <p>A. To require a licensee to give a customer a reminder notice prior to taking action for non-payment of a bill.</p> <p>B. To require a reminder notice to include the following information:</p> <ul style="list-style-type: none"> <li>• the licensee's telephone number for account, payment and general enquiries; and</li> <li>• advice that a licensee may assist if the customer is experiencing payment difficulties or financial hardship.</li> </ul>	<p>Agreed, subject to this requirement reducing overall costs.</p>
<p>35. Proposal:</p> <p>A. To require a licensee to give a customer written notice of its intention to reduce the customer's water supply.</p> <p>B. To require a licensee to give a restriction notice to a customer at least 7 days before the licensee intends to reduce the customer's water supply.</p> <p>C. To require a restriction notice to include the following information:</p> <ul style="list-style-type: none"> <li>• the matter giving rise to the impending reduction;</li> <li>• the earliest date the licensee may reduce the customer's water supply;</li> <li>• the existence and operation of the licensee's complaint handling process;</li> </ul>	<p>Agreed.</p>



<ul style="list-style-type: none"> <li>• the existence and operation of the water ombudsman, including the Freecall telephone number for the water ombudsman; and</li> <li>• the applicable restoration procedures, including any costs for restoring the customer's supply.</li> </ul>	
<p>36. Proposal: To amend the wording of clause 32(c) so it is consistent with the wording of clause 32(b).</p>	<p>Agreed.</p>
<p>37. Proposal: To clarify that a customer's rate of flow of drinking water may not be reduced at any time on weekends, public holidays and the day before a public holiday.</p> <p><i>Comment sought:</i></p> <p>A. Should the prohibition on reducing the rate of flow of drinking water be extended to anytime on a Friday?</p> <p>B. Should the prohibition on reducing the rate of flow of drinking water be extended to after 3pm Monday to Thursday?</p>	<p>Agreed, the wording should be clarified. The Department supports extending the prohibition on water flow reductions to after 3pm Monday to Thursday and any time on Friday, to better align with practice in the gas and electricity industry in WA and interstate water sectors.</p>
<p>38. <i>Comment sought:</i></p> <p>A. Should the term 'complaints' in clause 32(e) only relate to complaints made to the licensee, or also include complaints made to an external dispute resolution body?</p> <p>B. If clause 32(e) is amended to specifically refer to complaints made to an external dispute resolution body, should restriction only be allowed if the external dispute</p>	<p>Agreed. Complaints should include those made to the licensee as well as to an external dispute resolution body. For complaints made to external bodies, licensees should be precluded from restricting supply only if notified by the external body of the complaint.</p>

<p>resolution body has notified the licensee of the complaint?</p>	
<p>39. <i>Comment sought:</i></p> <p>A. Should a licensee only be precluded from reducing a customer's rate of flow of drinking water if the customer has notified the licensee that the customer requires water to operate a life support machine?</p> <p>B. Should a licensee be obliged to register customers who require a life support machine?</p> <p>C. If so, should the Water Code also provide for a deregistration process?</p> <p>D. Should the Water Code include a definition of a life support machine?</p> <p>E. If so, what should that definition be?</p> <p>F. Should the Water Code include protections for persons other than the customer who reside at the customer's address and require a life support machine?</p> <p>G. Should a licensee be required to provide customers who require a life support machine with written notice of planned interruptions to supply at the supply addresses?</p> <p>H. If so, how much notice should be provided?</p> <p>I. Should a licensee be required to contact customers who require a life support machine as soon as possible in the event of an unplanned interruption?</p>	<p>Yes. The definition of 'life support machine' and the minimum timeframe for giving notice of supply interruptions should be similar the equivalent provisions in the WA Electricity Code.</p>
<p>40. <i>Comment sought:</i> Should a licensee be precluded from reducing a customer's rate of flow of drinking water on a day there is</p>	<p>Yes.</p>

<p>a total fire ban in the local government area in which the customer is located?</p>	
<p>41. <i>Comment sought.</i> Should licensees be prevented from reducing the rate of flow of drinking water if a customer has applied for a concession or grant and the licensee has not yet made its decision?</p>	<p>Yes.</p>
<p>42. Proposal: To replace the reference in clause 35(2) to AS ISO 10002-2006 with AS/NZS 10002-2014.</p>	<p>Agreed.</p>
<p>43. Proposal:</p> <p>A. To delete the requirement that a licensee's complaints procedure must state that a customer may, but does not have to, use the licensee's complaints procedure before or instead of the Energy and Water Ombudsman of WA's procedures</p> <p>B. To delete the requirement that a licensee's complaints procedure must set out the benefits to the customer if the customer chooses to use the licensee's complaints procedure before or instead of the Energy and Water Ombudsman of WA's procedures.</p>	<p>Agreed. This would improve the efficiency of the complaint process, given that the Water Ombudsman generally directs customers to the licensee in the first instance. This amendment would align the treatment of complaints in the water industry with complaint processes listed in other customer codes, such as the WA Electricity Code.</p>
<p>44. <i>Comment sought.</i></p> <p>A. Should a licensee be required to advise the customer of their right to raise their complaint with the Energy and Water Ombudsman of WA if the customer is not satisfied with the outcome of the licensee's process?</p> <p>B. If so, should a licensee be required to provide the customer with the Energy and</p>	<p>Yes, this would improve the transparency of the complaints process.</p>

Water Ombudsman of WA's Freecall telephone number?	
<p>45. <i>Comment sought:</i></p> <p>A. Should a licensee be required to have in place an escalation process which allows a customer to request that their complaint be considered by a senior employee?</p> <p>B. If so, should a licensee be required to advise customers, when responding to a complaint, of their right to have their complaint considered by a senior employee?</p>	<p>No, the Department is of the view that adherence to the relevant Australian Standards on complaint management is sufficient. It is considered that, if a complaint is escalated (which is an option provided under the applicable Australian Standards) it would generally be escalated to a more senior staff member anyway.</p>
<p>46. <i>Comment sought:</i></p> <p>A. Should the Water Code specify when a complaint is considered to have been resolved?</p> <p>B. If so, should it only relate to certain complaints (for example, complaints relating to non-payment)?</p>	<p>Yes, the inclusion of a definition for 'resolved' would improve clarity and consistency across water services providers.</p>
<p>47. <i>Comment sought:</i> Should a licensee be prevented from recovering an amount of money that is in dispute until such time that the dispute has been resolved?</p>	<p>Yes.</p>
<p>48. Proposal:</p> <p>A. To clarify that a licensee must make available to each customer not only information of a personal nature but also the customer's billing and usage data.</p> <p>B. To clarify that information provided under clause 36(2) must be provided free of charge.</p> <p><i>Comment sought:</i> Should licensees be allowed to charge for the provision of billing and usage data if the data relates to</p>	<p>Agreed. Yes, the imposition of a charge to provide historic data (i.e. data that is over two years old) is considered to be reasonable.</p>

<p>a period over two years prior to the date of the request?</p>	
<p>49. Proposal: To clarify that a customer who has been offered a payment plan should only have their water supply reduced if the customer has failed to accept the plan within a prescribed timeframe.</p> <p><i>Comment sought:</i> How many days should customers be given to inform the licensee whether or not they accept a payment plan?</p>	<p>Agreed. Customers should be required to make a decision on the acceptability of a payment plan within a prescribed timeframe. The Department considers that licensees would be best placed to determine an appropriate timeframe.</p>
<p>50. <i>Comment sought:</i> Should licensees be required to make electronic copies of the Water Code available on their website?</p>	<p>Yes, as this should not be administratively burdensome for licensees.</p>
<p>51. <i>Comment sought:</i> Should licensees be required to have a policy that deals with minimising the impact of bursts, leaks, blockages and spills?</p>	<p>Agreed. Licensees should already have such policies in place, as part of standard risk management and contingency planning.</p>
<p>52. Proposal:</p> <p>A. To require a licensee to provide at least 48 hours' prior notice of a planned interruption.</p> <p>B. To allow licensees to provide notice of a planned interruption by post, by television or radio, or in a newspaper circulating in the affected area.</p>	<p>Agreed.</p>
<p>53. <i>Comment sought:</i> Should a new clause be included in the Water Code which requires a licensee to establish a 24 hour telephone number for faults and emergencies?</p>	<p>Yes.</p>
<p>54. <i>Comment sought:</i> Should licensees be required to advise their customers of tariff</p>	<p>Yes.</p>

<p>changes as soon as practicable, but no later than on the customer's next bill?</p>	
<p>55. <i>Comment sought:</i></p> <p>A. Should service standard payments be introduced into the Water Code?</p> <p>B. If so, which service standard payments should be included in the Water Code?</p> <p>C. Should licensees be given until 1 July 2018 to implement those service standard payments?</p> <p>D. Should licensees only be required to make payment upon application by an eligible customer?</p> <p>E. Should licensees be required to advise their customers at least once a year of the service standard payments available?</p>	<p>The Department supports the introduction of service standards for licensees, as such standards help to incentivise licensees to maintain good performance levels.</p> <p>The Authority's suggested service standards appear reasonable and are consistent with those mandated by other water codes interstate (i.e. in Victoria and the ACT). Moreover, the application of service standards may reduce the incidence of complaints as an affected party may be less inclined to make a complaint if some monetary compensation is paid. The cost of the service standard payment may be less than the total cost associated with handling a complaint that has been escalated to the Water Ombudsman (licensees are charged for each complaint made to the Ombudsman and may also incur indirect (staff) costs through the need to liaise with the Ombudsman/customer in order to achieve resolution of the complaint).</p> <p>However, consideration should be given to the inclusion of a definition for 'resolved', to eliminate any uncertainty on when a complaint is considered to be resolved. With respect to the proposed standard governing the failure of a licensee to restore a water supply, the Department is concerned that this standard may unfairly penalise a licensee, assuming that all reasonable steps have been taken to prevent this failure (i.e. to reconnect within 12 hours).</p> <p>The Department agrees that an implementation period of at least 12 months is appropriate, in order to provide licensees with sufficient time to make the required administrative changes.</p> <p>Placing the onus of the application of the standards onto customers is considered to be reasonable, provided that the existence of such payments is well publicised (e.g. included on a licensee's website).</p>
<p>56. <i>Comment sought:</i></p> <p>A. Should the Water Code include restrictions on when a licensee can charge interest and/or late payment fees?</p> <p>B. If so, what should those restrictions be?</p>	<p>Yes, the Department considers that it is appropriate for licensees to be restricted from imposing payment penalties on certain customers, consistent with restrictions included in the WA Electricity Code.</p>

## Appendix 10 WCCC advice



Our Ref: D161767  
Contact: Paul Kelly, (08) 6557 7900

Ms Nicola Cusworth  
Chair  
Economic Regulation Authority  
PO Box 8469  
PERTH BC WA 6849

Dear Ms Cusworth

**2016-17 Review of the *Water Services Code of Conduct (Customer Service Standards) 2013*: WCCC advice on ERA Consultation Paper and public submissions received**

I am pleased to provide you with the Water Code Consultative Committee's advice on the Economic Regulation Authority's consultation paper "2016-17 Review of the *Water Services Code of Conduct (Customer Service Standards) 2013*".

In providing its advice, the committee considered both the ERA's consultation paper and the ten public submissions received in response to the paper. The advice represents the view of the committee.

The attachment to this letter sets out the committee's response to each of the issues raised in the ERA's consultation paper.

**Pre-payment meters**

The committee notes the submissions of Horizon Power and the Regional Services Reform Unit. Both submissions recommend that the Water Code should be amended to allow for the provision of pre-payment metering services. Some of the code requirements, such as the provision of bills, are not compatible with a water service provided by means of a pre-payment meter.

Neither Horizon Power nor the Regional Services Reform Unit have specified in their submissions the type of pre-payment water meter they are considering using. The committee understands that the water pre-payment meters currently on the market are only able to cut off supply, not restrict it. It is also unclear what the technical capabilities of these meters are. For example, can they register how often supply has been cut off, can they be programmed to take into account concessions, how are they recharged?

The committee suggests that the ERA hold off on amending the Water Code until more certainty exists regarding the type of pre-payment meters that will be used and their technical capabilities. The committee also considers that, given the complexity of the issue, the use of pre-payment meters is better considered as part of a separate code amendment process rather than the current general review process.



## **Rebates for services charges**

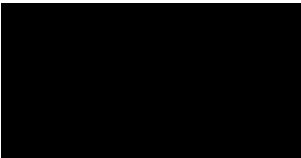
The committee was asked to provide advice on an issue which had come to the attention of the ERA's Secretariat. The committee understands that the issue was raised by a consumer representative with the ERA's Secretariat as well as by members of the public who called in to Geoff Hutchison's ABC 720 program.

The issue relates to some customers losing their rebate for service charges if they do not pay their bill by the due date. The committee understands that the *Rates and Charges (Rebates and Deferments) Act 1992* specifies that customers will lose their rebate if they do not pay by the due date. However, the Act also allows licensees to enter into an instalment plan for the outstanding amount. Customers who enter into an instalment plan, and comply with the plan, do not lose their rebate.

From the public feedback received, it appears that customers are not always offered a payment plan for outstanding service charges. The committee considers that this issue requires further consideration, in particular for those customers who are assessed as being in financial hardship. The committee recommends that the ERA seek comment on this issue when it releases its Draft Decision for public consultation.

If you have any queries please contact me.

Yours sincerely



**Paul Kelly**  
**Chairman**  
**Water Code Consultative Committee**

9 / 12 / 2016

Encl.

## Attachment: WCCC advice on the ERA's Consultation Paper on the 2016-17 review of the Water Services Code of Conduct

Issue included in ERA Consultation Paper	WCCC advice
<b>Issue 1</b>	
<b>Proposal</b>	To amend clause 1 by replacing “2013” with “2017”.
The WCCC agrees with this proposal.	
<b>Issue 2</b>	
<b>Proposal</b>	To amend clause 2 for the Code to come into operation on 1 July 2017.
The WCCC agrees with this proposal but notes that certain amendments, if made by the ERA, will take additional time to implement.	
<b>Comment sought</b>	A. Should any of the proposed amendments in this Consultation Paper take effect after 1 July 2017?
See ‘Issue 2 – Proposal’ above.	
B. If so, which amendments should commence later and when should those amendments commence?	<p>The WCCC considers that licensees should be given additional time to implement amendments that require changes to a licensee’s systems.</p> <p>The WCCC considers that the following amendments, if made by the ERA, should commence after 1 July 2017:</p> <ul style="list-style-type: none"> <li>• increasing the billing frequency for bills for fixed charges (issue 7)</li> <li>• additional bill content (issues 10 and 14)</li> <li>• introducing service standard payments (issue 55)</li> </ul>
<b>Definition of ‘customer’</b>	The ERA intends to amend the Water Code to clarify that it does not apply to tenants who do not have a contractual relationship with a licensee.
The WCCC supports the ERA’s intention to amend the Water Code to clarify that it does not apply to tenants who do not have a contractual relationship with a licensee.	
<b>Issue 3</b>	
<b>Comment sought</b>	A. Currently, the Water Code applies to all customers. Should the application of the Water Code be limited to certain customers only?
The WCCC considers there are no compelling arguments, at this stage, to limit the application of the Water Code to certain customers only. The WCCC considers that the Water Code should continue to apply to all customers.	
B. If so, to which customers should the Water Code apply?	

Issue included in ERA Consultation Paper	WCCC advice
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**Issue 4**

**Comment sought**

A. Currently, the Water Code applies to all licensees. Should the Water Code differentiate between certain licensees?

The WCCC considers there are no compelling arguments, at this stage, for the Water Code to differentiate between certain licensees. The WCCC considers that the Water Code should continue to apply equally to all licensees who are bound by it.

B1. If so, on what basis should the Water Code differentiate between licensees? For example, on the basis of the location of the licensee's customers or the number of connections supplied by the licensee?

B2. If so, should these licensees simply be exempt from some of the provisions of the Water Code, or should one or more service standards be amended?

**Issue 5**

**Comment sought**

Should the Water Code apply to the provision of irrigation or drainage services?

The WCCC considers that the Water Code should not apply to the provision of irrigation and drainage services.

The WCCC notes that the majority of public submissions supported excluding the provision of irrigation services from the Water Code.

At present, there are only two licensed providers of drainage services: Rottnest Island Authority and the Water Corporation. All customers who receive a drainage service also receive a water and/or sewerage service. These customers are already covered by the Water Code.

**Issue 6**

**Comment sought**

A. Should clause 5 be amended to only apply to business customers? In this case, licensees and business customers could continue to contract out of all of the provisions of the Water Code. Licensees and residential customers would not be able to contract out of provisions of the Water Code.

The WCCC is concerned that clause 5 may be undermining the effectiveness of the Water Code as it allows licensees and customers to contract out of all the provisions of the code. The WCCC considers that only business customers should be able to contract out of all of the provisions of the Water Code.

The WCCC is aware that some residential customers and licensees have entered into contracts which include provisions that are different from those published on licensees' websites ('services by agreement'). The provisions that are different generally relate to technical standards such as pressure and flow. As the Water Code does not include technical standards, the proposed amendment to clause 5 should not affect a licensee's ability to enter into these types of agreements with its customers.

B. Should clause 5 be amended to only apply to certain provisions of the Water Code? In this case, licensees and both business and

Issue included in ERA Consultation Paper	WCCC advice
<p>residential customers could only contract out of specific provisions of the Water Code.</p> <p>C. Should clause 5 be amended so that licensees and business customers can contract out of all provisions of the Water Code, whilst licensees and residential customers can only contract out of specific provisions of the Water Code?</p>	
<b>Issue 7</b>	
<p><b>Comment sought</b></p> <p>Should licensees who send usage bills for drinking water be required to issue a fixed charges bill at least once every six months (or more frequently if the billing cycle is reduced, see issue 8)?</p>	<p>The WCCC considers that licensees should not be required to issue a fixed charges bill as often as they issue a usage charges bill.</p> <p>The WCCC notes that increasing the billing frequency for fixed charges bills may make it more difficult for some customers to manage their bills. It notes the practice of some licensees to send their annual fixed charges bill during the winter months, when consumption is low. This effectively smooths a customer's payments out over the year. If fixed charges were included on usage charges bill, bills issued during the summer months, when consumption is high, would become even higher.</p>
<b>Issue 8</b>	
<p><b>Comment sought</b></p> <p>Should the maximum interval between bills for usage be reduced to three, or alternatively four, months?</p>	<p>The WCCC considers that the maximum interval between bills for usage should be reduced from six to four months.</p> <p>The WCCC agrees that reducing the time between bills can help customers better manage their bills as well as detect leaks earlier. However, the WCCC also notes that increasing the billing frequency may result in additional costs for licensees (more meter readings, sending out more bills). These additional costs may be passed on to customers. On balance, the WCCC considers a four monthly billing cycle reasonable.</p> <p>The WCCC also notes the move towards so-called 'smart meters' which provide real time data to licensees about a customer's water usage. These meters not only assist in water management, but may also reduce the costs involved in obtaining more frequent meter readings.</p>
<b>Issue 9</b>	
<p><b>Comment sought</b></p> <p>Should licensees be required to read a customer's water meter at least once every 12 months?</p>	<p>The WCCC considers that licensees should be required to read their water meters at least once every 12 months.</p>

**Issue included in ERA Consultation Paper****WCCC advice****Issue 10****Proposal**

To require a licensee to include the following additional information on each bill:

- information about assistance for customers experiencing payment difficulties or financial hardship;
- for bills issued to residential customers, information on the availability of interpreter services;
- the total amount of payments made by the customer since the previous bill was issued;
- a telephone number for complaints;
- the Freecall telephone number for the water ombudsman; and
- a 24 hour telephone number for faults and emergencies.

The WCCC agrees that licensees should have to include the following information on their bills:

- information about assistance for customers experiencing payment difficulties or financial hardship;
- for bills issued to residential customers, information on the availability of interpreter services;
- a telephone number for complaints;
- the Freecall telephone number for the water ombudsman; and
- a 24 hour telephone number for faults and emergencies.

The WCCC does not support the ERA's proposal to require licensees to include on the bill the total amount of payments made by the customer since the previous bill was issued. The WCCC is concerned that including this information on the bill will result in too much information on the bill, which may confuse some customers.

**Issue 11****Comment sought**

Should each bill have to specify the charges payable for each of the water services provided by the licensee?

The WCCC considers that each bill should have to specify the charges payable for each of the water services provided by a licensee.

**Issue 12****Proposal**

To require a licensee to include a statement on the bill that interest charges or late payment fees may apply (if the licensee charges interest or late payment fees for outstanding amounts).

The WCCC agrees with this proposal.

**Issue 13****Comment sought**

Should a licensee be required to include the meter reading on a customer's bill (where available)?

The WCCC considers that all usage bills should include a meter reading or estimation.

Issue included in ERA Consultation Paper		WCCC advice
<b>Issue 14</b>		
<b>Comment sought</b>	A. Should each bill from a licensee that has different tariffs based on consumption have to include the applicable tariff(s) for the water services provided?	The WCCC considers that, if a licensee charges different tariffs based on consumption, the applicable tariffs should be included on the bill.
	B. Should each bill from a licensee that has different tariffs based on consumption specify when a customer will move to a higher tariff, or revert back to the lowest tariff (that is, the anniversary date of the customer's billing year)?	The WCCC considers that, if a licensee charges different tariffs based on consumption, the bill should indicate when the customer will move to a higher tariff and revert back to the lowest tariff. The WCCC notes that licensees may require additional time to implement this change (also see 'Issue 2 – Comment sought: B').
<b>Issue 15</b>		
<b>Proposal</b>	To clarify that a bill must include information, where available, about the customer's water usage compared with the customer's usage for the previous account period, and for the same period last year.	The WCCC agrees with this proposal.
<b>Issue 16</b>		
<b>Comment sought</b>	Should clauses 12(3)(b), (c) and (d) be retained as is; amended to require less detailed information to be included on the bill; or deleted?	The WCCC considers that clauses 12(3)(b), (c) and (d) should be deleted. The WCCC notes that crowding bills with lots of detailed information does not help customers, and may lead to confusion.
<b>Proposal</b>	A. To clarify that clause 12(3)(a) to (d) only applies to bills for usage for a metered water service.	The WCCC agrees that clause 12(3)(a) should only apply to usage bills for a meter water service. In relation to clauses 12(3)(b) to (d), the WCCC refers to its advice on 'Issue 16 – Comment sought'.
	B. To clarify that clause 12(3)(c) only applies to bills based on an estimate.	See 'Issue 16 – Comment sought' above.

Issue included in ERA Consultation Paper	WCCC advice
<p>C. To delete clause 12(3)(f) if the ERA decides that all bills should include the licensee's telephone number for complaints and the Energy &amp; Water Ombudsman WA's Freecall telephone number.</p>	<p>The WCCC agrees with this proposal.</p>
<b>Issue 17</b>	
<p><b>Comment sought</b> Should the 12 month limitation on recovering an undercharge only apply where the undercharge is a result of an error by the licensee?</p>	<p>The WCCC considers that the 12 month limitation on recovery of an overcharge should only apply if the undercharge is the result of fraud or illegal use by the customer. Illegal use should only capture illegal use of the meter (such as, for example, tampering with the meter), not illegal use of water.</p>
<b>Issue 18</b>	
<p><b>Proposal</b> To require a licensee to credit an overcharged amount to a customer's account if the licensee has not received instructions from the customer.</p>	<p>The WCCC agrees with this proposal.</p>
<b>Issue 19</b>	
<p><b>Proposal</b> To require a licensee to offer Centrepay as a bill payment method only to residential customers.</p>	<p>The WCCC agrees with this proposal.</p>
<b>Issue 20</b>	
<p><b>Comment sought</b> Should the requirement to offer direct debit as a payment method be removed from the Water Code?</p>	<p>The WCCC considers that direct debit should be retained as a minimum payment method. The WCCC notes that direct debit has become a mainstream form of payment.</p>
<b>Issue 21</b>	
<p><b>Comment sought</b> Should licensees be required to obtain the express consent of the holder of the account to be debited before receiving a bill payment by direct debit?</p>	<p>The WCCC considers that clause 22(a) should be deleted from the Water Code. The WCCC notes that it is difficult for licensees to comply with this requirement.</p>

Issue included in ERA Consultation Paper	WCCC advice
<p><b>Issue 22</b></p> <p><b>Comment sought</b></p> <p>A. Should additional requirements be included in the Water Code regarding the process a licensee must follow when assessing whether or not a customer is experiencing payment difficulties?</p> <hr/> <p>B. If so, what additional protection should be provided to water customers?</p>	<p>The WCCC considers that the Water Code should not contain any additional requirements regarding the assessment of customers experiencing payment difficulties. The WCCC considers that the current framework is working satisfactorily.</p>
<p><b>Issue 23</b></p> <p><b>Comment sought</b></p> <p>Should licensees be allowed to charge fees or interest on payment plans offered to customers experiencing payment difficulties?</p>	<p>The WCCC considers that licensees should be required to consider waiving fees or interest on payment plans offered to customers experiencing payment difficulties.</p>
<p><b>Issue 24</b></p> <p><b>Proposal</b></p> <p>To amend clause 25(2) by requiring a licensee to offer a customer experiencing payment difficulties a payment plan or other arrangement.</p>	<p>The WCCC agrees with this proposal.</p>
<p><b>Issue 25</b></p> <p><b>Comment sought</b></p> <p>Should licensees be required to review their financial hardship policies if directed to do so by the ERA?</p>	<p>The WCCC considers that the ERA should be able to direct licensees to review their financial hardship policy.</p>
<p><b>Issue 26</b></p> <p><b>Proposal</b></p> <p>To require a licensee to consult with relevant consumer organisations when developing their initial financial hardship policy.</p>	<p>The WCCC agrees with this proposal.</p>
<p><b>Issue 27</b></p> <p><b>Proposal</b></p> <p>To require a licensee to submit an amended financial hardship policy to the ERA for its approval.</p>	<p>The WCCC agrees with this proposal.</p>



Issue included in ERA Consultation Paper	WCCC advice
<b>Issue 28</b>	
<b>Comment sought</b>	<p>A. Should the content requirements for financial hardship policies remain in the Water FHP Guidelines, or be moved to the Water Code?</p>
	<p>The WCCC considers that the content requirements for financial hardship policies should remain in the Water FHP Guidelines. The WCCC considers that the current framework is working satisfactorily.</p>
	<p>B. Should a sub-set of the content requirements for financial hardship policies be moved from the Water FHP Guidelines to the Water Code?</p>
	<p>See 'Issue 28A' above.</p>
	<p>C. Should financial hardship policies include any information in addition to what is currently required under the Water FHP Guidelines?</p>
	<p>See 'Issue 28A' above.</p>
<b>Issue 29</b>	
<b>Proposal</b>	<p>To move the requirement for licensees to comply with the Water FHP Guidelines from the water licence template to the Water Code.</p>
	<p>The WCCC agrees with this proposal.</p>
<b>Issue 30</b>	
<b>Comment sought</b>	<p>A. Should additional requirements be included in the Water Code regarding the process a licensee must follow when assessing whether or not a customer is experiencing [financial hardship]?</p>
	<p>The WCCC considers that the Water Code should not contain any additional requirements regarding the assessment of customers experiencing financial hardship. The WCCC considers that the current framework is working satisfactorily.</p>
	<p>B. Should additional requirements be included in the Water Code regarding the assistance a licensee must offer customers in financial hardship? For example, should licensees have to offer a customer a choice between a payment plan and other arrangement; should licensees be required to take certain matters into account when setting a payment plan; and should licensees be</p>
	<p>See 'Issue 30A' above.</p>

Issue included in ERA Consultation Paper	WCCC advice
required to provide certain information to customers about their payment plan?	
<b>Issue 31</b>	
<b>Proposal</b> To require a licensee to offer a customer experiencing financial hardship a payment plan or other arrangement.	The WCCC agrees with this proposal.
<b>Issue 32</b>	
<b>Proposal</b> To require a licensee to review a payment plan upon a customer's request. If the review demonstrates that the customer is unable to meet its obligations under the existing payment plan, the licensee must revise the payment plan.	The WCCC agrees with this proposal. The WCCC understands that the three water corporations already review payment plans upon a customer's request.
<b>Issue 33</b>	
<b>Proposal</b> To include the words 'as to whether or not' in clause 29(c) so it is consistent with the wording of clause 29(b).	The WCCC agrees with this proposal.
<b>Issue 34</b>	
<b>Proposal</b> A. To require a licensee to give a customer a reminder notice prior to taking action for non-payment of a bill.	The WCCC agrees with this proposal.
<b>Proposal</b> B. To require a reminder notice to include the following information: <ul style="list-style-type: none"> <li>• the licensee's telephone number for account, payment and general enquiries; and</li> <li>• advice that a licensee may assist if the customer is experiencing payment difficulties or financial hardship.</li> </ul>	The WCCC agrees with this proposal.

Issue included in ERA Consultation Paper	WCCC advice
<b>Issue 35</b>	
<b>Proposal</b>	A. To require a licensee to give a customer written notice of its intention to reduce the customer's water supply.
	The WCCC agrees with this proposal.
	B. To require a licensee to give a restriction notice to a customer at least 7 days before the licensee intends to reduce the customer's water supply.
	The WCCC agrees with this proposal.
	C. To require a restriction notice to include the following information: <ul style="list-style-type: none"> <li>• the matter giving rise to the impending reduction;</li> <li>• the earliest date the licensee may reduce the customer's water supply;</li> <li>• the existence and operation of the licensee's complaint handling process;</li> <li>• the existence and operation of the water ombudsman, including the Freecall telephone number for the water ombudsman; and</li> <li>• the applicable restoration procedures, including any costs for restoring the customer's supply.</li> </ul>
	The WCCC agrees with this proposal.
<b>Issue 36</b>	
<b>Proposal</b>	To amend the wording of clause 32(c) so it is consistent with the wording of clause 32(b).
	The WCCC agrees with this proposal.
<b>Issue 37</b>	
<b>Proposal</b>	To clarify that a customer's rate of flow of drinking water may not be reduced at any time on weekends, public holidays and the day before a public holiday.
	The WCCC agrees with this proposal.

Issue included in ERA Consultation Paper		WCCC advice
<b>Comment sought</b>	A. Should the prohibition on reducing the rate of flow of drinking water be extended to anytime on a Friday?	The WCCC considers that licensees should not be allowed to reduce the rate of flow of drinking water anytime on a Friday.
	B. Should the prohibition on reducing the rate of flow of drinking water be extended to after 3pm Monday to Thursday?	The WCCC considers that licensees should not be allowed to reduce the rate of flow of drinking water any time after 3pm from Monday to Thursday.
<b>Issue 38</b>		
<b>Comment sought</b>	A. Should the term 'complaints' in clause 32(e) only relate to complaints made to the licensee, or also include complaints made to an external dispute resolution body?	The WCCC considers that the term 'complaints' should relate to complaints made to the licensee as well as to an external dispute resolution body (such as the Energy & Water Ombudsman).
	B. If clause 32(e) is amended to specifically refer to complaints made to an external dispute resolution body, should restriction only be allowed if the external dispute resolution body has notified the licensee of the complaint?	The WCCC considers that restriction should only not be allowed if the external dispute resolution body has notified the licensee.
<b>Issue 39</b>		
<b>Comment sought</b>	A. Should a licensee only be precluded from reducing a customer's rate of flow of drinking water if the customer has notified the licensee that the customer requires water to operate a life support machine?	The WCCC considers that licensees should only be precluded from reducing a customer's rate of flow of drinking water if the licensee has been notified that the customer requires water to operate a life support machine.
	B. Should a licensee be obliged to register customers who require a life support machine?	The WCCC considers that licensees should be required to maintain a current register of customers who require a life support machine.
	C. If so, should the Water Code also provide for a deregistration process?	The WCCC considers that the Water Code should not provide for a deregistration process. The WCCC considers that the process of registering and deregistering customers should be the responsibility of licensees. There is no need to prescribe this in detail in the Water Code.
	D. Should the Water Code include a definition of a life support machine?	The WCCC considers there is no need for the Water Code to include a definition of a life support machine. The only equipment that is generally recognised as a life support machine is a dialysis machine.

Issue included in ERA Consultation Paper	WCCC advice
E. If so, what should that definition be?	See 'Issue 39D' above.
F. Should the Water Code include protections for persons other than the customer who reside at the customer's address and require a life support machine?	The WCCC considers that the protections in the Water Code for customers requiring a life support machine should not only apply to customers who either require life support equipment themselves, but also to customers who have a person residing at their address who relies on life support equipment.
G. Should a licensee be required to provide customers who require a life support machine with written notice of planned interruptions to supply at the supply addresses?	The WCCC considers that licensees should have to provide customers who require a life support machine with written notice of planned interruptions at their supply address.
H. If so, how much notice should be provided?	The WCCC considers that licensees should have to give 48 hours' notice. This timeframe is consistent with the amount of notice the WCCC considers should be given to all other customers (see 'Issue 52' below).
I. Should a licensee be required to contact customers who require a life support machine as soon as possible in the event of an unplanned interruption?	<p>The WCCC considers that licensees should not have to contact customers who require a life support machine as soon as possible in the event of an unplanned interruption.</p> <p>The WCCC notes that this requirement may be difficult to implement for licensees who do not have a 24 hour call centre. The WCCC suggests that the ERA revisit this issue during the next Water Code review. When revisiting the issue, the ERA may wish to clarify for what purpose contact must be made (e.g. to advise when water supply will be restored).</p>
<b>Issue 40</b>	
<b>Comment sought</b> Should a licensee be precluded from reducing a customer's rate of flow of drinking water on a day there is a total fire ban in the local government area in which the customer is located?	The WCCC considers that licensees should not be allowed to reduce a customer's rate of flow of drinking water when a total fire ban has been declared in the customer's local government area.
<b>Issue 41</b>	
<b>Comment sought</b> Should licensees be prevented from reducing the rate of flow of drinking water if a customer has applied for a concession or grant and the licensee has not yet made its decision?	The WCCC considers that licensees should not be allowed to reduce a customer's rate of flow of drinking water if the customer has applied for a concession and a decision is still outstanding.

Issue included in ERA Consultation Paper	WCCC advice
<b>Issue 42</b>	
<b>Proposal</b> To replace the reference in clause 35(2) to AS ISO 10002-2006 with AS/NZS 10002-2014.	The WCCC agrees with this proposal.
<b>Issue 43</b>	
<b>Proposal</b> A. To delete the requirement that a licensee's complaints procedure must state that a customer may, but does not have to, use the licensee's complaints procedure before or instead of the Energy and Water Ombudsman of WA's procedures	The WCCC agrees with this proposal.
B. To delete the requirement that a licensee's complaints procedure must set out the benefits to the customer if the customer chooses to use the licensee's complaints procedure before or instead of the Energy and Water Ombudsman of WA's procedures.	The WCCC agrees with this proposal.
<b>Issue 44</b>	
<b>Comment sought</b> A. Should a licensee be required to advise the customer of their right to raise their complaint with the Energy and Water Ombudsman of WA if the customer is not satisfied with the outcome of the licensee's process?	The WCCC considers that licensees should have to advise customers of their right to raise their complaint with the Energy and Water Ombudsman of WA if the customer is not satisfied with the outcome of the licensee's complaint process.
B. If so, should a licensee be required to provide the customer with the Energy and Water Ombudsman of WA's Freecall telephone number?	The WCCC considers that licensees should have to provide a customer with the Energy and Water Ombudsman of WA's Freecall telephone number, if the customer is not satisfied with the outcome of the licensee's complaint process.

Issue included in ERA Consultation Paper	WCCC advice
<b>Issue 45</b>	
<b>Comment sought</b>	<p>A. Should a licensee be required to have in place an escalation process which allows a customer to request that their complaint be considered by a senior employee?</p> <p>The WCCC does not support requiring licensees to have in place an escalation process which allows customers to request that their complaint be considered by a senior employee.</p>
	<p>B. If so, should a licensee be required to advise customers, when responding to a complaint, of their right to have their complaint considered by a senior employee?</p> <p>The WCCC considers that licensees should not be required to advise customers of their right to have a complaint considered by a senior employee when responding to a complaint. However, the WCCC considers that licensees should be required to refer to this right in their complaints handling processes.</p>
<b>Issue 46</b>	
<b>Comment sought</b>	<p>A. Should the Water Code specify when a complaint is considered to have been resolved?</p> <p>The WCCC considers that the Water Code should not contain a definition of the term “resolved”.</p>
	<p>B. If so, should it only relate to certain complaints (for example, complaints relating to non-payment)?</p> <p>See ‘Issue 46A’ above.</p>
<b>Issue 47</b>	
<b>Comment sought</b>	<p>Should a licensee be prevented from recovering an amount of money that is in dispute until such time that the dispute has been resolved?</p> <p>The WCCC considers that licensees should be able to recover an amount of money that is in dispute. It may be difficult to determine when a dispute has been resolved, and this should not preclude a licensee from recovering an outstanding amount.</p>
<b>Issue 48</b>	
<b>Proposal</b>	<p>A. To clarify that personal account information includes a customer’s billing and usage data.</p> <p>The WCCC agrees with this proposal.</p>
	<p>B. To clarify that information provided under clause 36(2) must be provided free of charge.</p> <p>The WCCC agrees with this proposal.</p>

Issue included in ERA Consultation Paper	WCCC advice
<p><b>Comment sought</b>      Should licensees be allowed to charge for the provision of billing and usage data if the data relates to a period over two years prior to the date of the request?</p>	<p>The WCCC considers it unnecessary for this issue to be addressed in the Water Code. The <i>Water Services (Water Corporations Charges) Regulations 2014</i> already specify for the three water corporations how much they can charge for providing certain information.</p>
<p><b>Issue 49</b></p>	
<p><b>Proposal</b>      To clarify that a customer who has been offered a payment plan should only have their water supply reduced if the customer has failed to accept the plan within a prescribed timeframe.</p>	<p>The WCCC considers that clause 37(h)(i) should only apply when a customer has failed to accept a payment within a prescribed timeframe.</p>
<p><b>Comment sought</b>      How many days should customers be given to inform the licensee whether or not they accept a payment plan?</p>	<p>The WCCC considers that customers should be given 7 days to inform a licensee whether or not they accept a payment plan.</p>
<p><b>Issue 50</b></p>	
<p><b>Comment sought</b>      Should licensees be required to make electronic copies of the Water Code available on their website?</p>	<p>The WCCC considers that licensees should only have to include a hyperlink to the Water Code on their websites. Providing a hyperlink will minimise the risk of licensees having an out-of-date copy of the Water Code on their website.</p>
<p><b>Issue 51</b></p>	
<p><b>Comment sought</b>      Should licensees be required to have a policy that deals with minimising the impact of bursts, leaks, blockages and spills?</p>	<p>The WCCC considers that licensees should be required to have a policy that deals with minimising the impact of bursts, leaks, blockages and spills. The WCCC considers that the policy should inform customers of their rights and responsibilities in the event of a burst, leak, blockage or spill.</p> <p>The WCCC does not support the Water Code prescribing the content of the policy or requiring licensees to comply with their policy.</p>
<p><b>Issue 52</b></p>	
<p><b>Proposal</b>      A. To require a licensee to provide at least 48 hours' prior notice of a planned interruption.</p>	<p>The WCCC agrees with this proposal.</p>
<p>B. To allow licensees to provide notice of a planned interruption by post, television or radio, in a newspaper circulating in the affected area, or via electronic means.</p>	<p>The WCCC agrees with this proposal.</p>



Issue included in ERA Consultation Paper	WCCC advice
<p><b>Issue 53</b></p> <p><b>Comment sought</b> Should a new clause be included in the Water Code which requires a licensee to establish a 24 hour telephone number for faults and emergencies?</p>	<p>The WCCC considers that licensees should have to establish a 24 hour telephone number for faults and emergencies.</p>
<p><b>Issue 54</b></p> <p><b>Comment sought</b> Should licensees be required to advise their customers of tariff changes as soon as practicable, but no later than on the customer's next bill?</p>	<p>The WCCC considers that licensees should be required to advise their customers of tariff changes as soon as practicable, but no later than on the customer's next bill.</p>
<p><b>Issue 55</b></p> <p><b>Comment sought</b></p> <p>A. Should service standard payments be introduced into the Water Code?</p> <p>B. If so, which service standard payments should be included in the Water Code?</p> <p>C. Should licensees be given until 1 July 2018 to implement those service standard payments?</p> <p>D. Should licensees only be required to make payment upon application by an eligible customer?</p> <p>E. Should licensee be required to advise their customers at least once a year of the service standard payments available?</p>	<p>The WCCC does not support the introduction of service standards payments into the Water Code.</p> <p>See 'Issue 55A' above.</p> <p>The WCCC considers that, if the ERA decides to introduce service standard payments, licensees should be given until 1 July 2018 to implement those payments.</p> <p>See 'Issue 55A' above.</p> <p>See 'Issue 55A' above.</p>
<p><b>Issue 56</b></p> <p><b>Comment sought</b></p> <p>A. Should the Water Code include restrictions on when a licensee can charge interest and/or late payment fees?</p> <p>B. If so, what should those restrictions be?</p>	<p>The WCCC considers that licensees should not be able to charge interest and/or late payment fees when:</p> <ul style="list-style-type: none"> <li>the customer has been assessed by the licensee as being in financial hardship; or</li> <li>the customer has made a complaint directly related to the non-payment of the bill to the licensee or Energy and Water Ombudsman, and the complaint remains unresolved.</li> </ul>

## Appendix 11 Minor amendments suggested by PCO

Clause	Amendment suggested by PCO	ERA comment
1	Replace “ <i>Water Services Code of Conduct (Customer Service Standards) 2013</i> ” with “ <i>Water Services Code of Conduct (Customer Service Standards) 2018</i> ”.	The ERA will repeal the 2013 version of the Code and replace it with the 2018 version of the Code.
3	Insert new definition of “AS”.	For clarity. The term is used in the new definition of “National Interpreter Symbol” (clause 3).
3	Insert new definition of “AS/NZS”.	For clarity. The term is used in clause 35(2)(a).
3	Move the definitions for “connection” and “bill for usage” from clauses 7(1) and 10(1) to clause 3.	The definitions were moved because the terms are used in other clauses as well. For example, the term “bill for usage” is not only used in clause 10 but also in clause 12. Moving the definition to clause 3 ensures that the definition applies each time the term is used.
3	Amend the definition of “bill for usage” to read “has the meaning given in clause 10(2)”.	Amended clause 10(2) defines the term “bill for usage”.
3	Insert new definition of “concession”.	The new definition is consistent with clause 12(1)(i) which used to refer to “concession, discount or rebate”. The word “exemption” has been added to the new definition.
3	Delete the definition of “drinking water”.	The definition has been moved to clause 4(1) as the term is only used in clause 4(1).
3	Insert new definition of “estimate”.	Clause 10(4) refers to bills based on an “estimation or calculation”. Clauses 10(5), 12, 13, 14 and 37 use the term “estimate”. The new definition ensures the same terminology is used in all clauses.
3	Insert new definition of “National Interpreter Symbol”.	For clarity. The term is used in clause 12(4)(g) of the revised Code.
3	Insert new definition of “residential customer”.	For clarity. The term is used in clauses 5(1), 12(4)(g), 19, 21(1)(b) and 27(1)(a) of the revised Code.
3	Insert new definition of “water services ombudsman”.	Although the Code used the term “water services ombudsman” it did not include a definition of the term.
4(1)	Insert the definition of “drinking water”.	This definition was previously included in clause 3.

4(2)(b)	Replace “; and” with “.”	Typographical change.
5(2)	<ul style="list-style-type: none"> <li>Restructure clause 5(2)(a) into new clause 5(2).</li> <li>Replace “If a licensee’s licence” with “Subclause (3) applies if the licence of a licensee (the <b>licensee</b>)”.</li> </ul>	Restructured to conform with current PCO drafting practice.
5(2) <i>(5(3) in the revised Code)</i>	<ul style="list-style-type: none"> <li>Restructure clause 5(2)(b) into new clause 5(3).</li> <li>Replace the clause with “If an agreement between the licensee and a customer that was in effect on 18 November 2013 and remains in effect has provisions that are inconsistent with this code in relation to the licensee or customer, the provisions of the agreement prevail to the extent of the inconsistency.”</li> </ul>	Restructured to conform with current PCO drafting practice. Also, the commencement date of section 27 of the Act is now known.
6 <i>(heading)</i>	Insert “and examples”.	For clarity. Clause 13A of the revised Code includes a number of examples.
6	Insert “and examples”.	As above.
7(1)	Move the definition for “connection” to clause 3.	See ERA comments for clause 3 (third item) above.
7(1)	Insert the following new wording: A licensee must have written information for customers about connections.	For ease of reading. This obligation was previously included in clause 7(2).
7(2)	<ul style="list-style-type: none"> <li>Replace “A licensee must have written” with “The”.</li> <li>Insert “must deal with” after “information”.</li> <li>Delete “for customers about”.</li> </ul>	The obligation to have written information for customers about connections is now included in clause 7(1).
7(2) (a)(i) and (b)(i)	<ul style="list-style-type: none"> <li>Delete “drinking”</li> </ul>	As clause 4(2)(a) already provides that the Code only applies to the provision of “drinking water”, the word “drinking” before “water” is superfluous.
7(2) (a)(ii) and (b)(ii)	Delete “irrigation and drainage”.	The ERA proposes to exclude irrigation and drainage services from the application of the Code. See paragraphs 32 and 37 of the Draft Decision.
7(2)(g)	Insert “(2)” after “clause 8”.	The time frame is included in clause 8(2).

7(2)(g)	Replace “connections” with “standard supply connections as defined in clause 8(1)”.	The term “connection” in clause 8(1) has been replaced with “standard supply connection”.
8 (heading)	Replace “standard water supply connections” with “standard supply connections”.	Clause 8(1) now refers to a “standard supply connection”.
8(1)	Replace subclause (1) with: A connection is a <b>standard supply connection</b> if it – (a) connects a metered water supply service to an existing main; and (b) comprises 20 mm water supply pipes.	<ul style="list-style-type: none"> <li>• The definition was renamed because the Code included two definitions for the term “connection” (in clauses 7(1) and 8(1)).</li> <li>• The definition was amended to clarify that the water supply pipes are 20mm, not the connection.</li> </ul>
8(2) and 8(2)(a) and 8(2)(b)	Replace “connection” with “standard supply connection”.	The term “connection” in clause 8(1) has been replaced with “standard supply connection”.
8(2)(a)	Insert “and” at the end of the subclause.	Typographical change.
9 (heading)	Replace “,” with “or”.	Typographical change.
9(1)	Replace the definition of “bill (non-quantity) charges” with the new definition of “fixed charge”.	For clarity.
9(2)	Replace “a bill (non-quantity) charges to each customer to whom the licensee provides water services” with “a bill for a fixed charge to the customer”.	For clarity.
10 (heading)	Replace “,” with “or”.	Typographical change.
10(1)	Move the definition for “bill for usage” to clause 3.	See ERA comments for clause 3 (third and fourth items) above. The term is defined in amended clause 10(2).
10(1)	Insert a new definition of “quantity charge”.	For clarity.
10(2)	Replace “a bill for usage to each customer to whom the licensee provides water services” with “a bill for a quantity charge (a <b>bill for usage</b> ) to the customer”.	For clarity.

10(4)	Replace “estimation or calculation” with “estimate”.	Clause 3 includes a new definition of “estimate” which provides that an estimate includes a calculation based on an estimate.
12(1)(f)	Replace “charges” with “charge”.	The term should be singular as it refers to the water service charge for which a bill is issued under clause 9 or 10.
12(1)(g)	<ul style="list-style-type: none"> <li>• Delete “or services”.</li> <li>• Replace “charges are” with “charge is”.</li> </ul>	Clause 12(1B) specifies what information must be included on the bill if the customer receives more than one water service.
12(1)(i)	Replace “applicable concession, discount or rebate” with “applicable concession”.	Clause 3 includes a new definition of “concession” which refers to an exemption, discount or rebate.
12(1)(m)	Move to new clause 12(4).	New clause 12(4) sets out the general information all bills must include.
12(1)(n)	Move to new clause 12(4).	New clause 12(4) sets out the general information all bills must include.
12(1)(o)	Move to new clause 12(4).	New clause 12(4) sets out the general information all bills must include.
12(1)(p)	Move to new clause 12(4).	New clause 12(4) sets out the general information all bills must include.
12(2)	Replace “in addition to the requirements of subclause (1)” with “also”.	For ease of reading.
12(3)(c)	Move to new clause 12(4).	New clause 12(4) sets out the general information all bills must include.
12 <i>(12(4) in the revised Code)</i>	<ul style="list-style-type: none"> <li>• Insert new subclause (4).</li> <li>• Move clauses 12(1)(m), (n), (o) and (p) and 12(3)(c) to new clause 12(4).</li> </ul>	New clause 12(4) sets out the general information all bills must include.
12	Delete the note at the end of this clause.	The note is no longer relevant.
15(1)	<ul style="list-style-type: none"> <li>• Replace “leak” with “customer’s system”.</li> <li>• Replace “a leak from a” with “any”.</li> <li>• Replace “the” with “a”.</li> <li>• Replace “under” with “for the purposes of”.</li> </ul>	The proposed amendments aim to clarify the intent of clause 15.
15(2)	Insert “from the customer’s system” after “leak”.	The proposed amendment aims to clarify the intent of clause 15.
16(2)	Replace “An” and “a” with “the”.	Typographical change.

16(3)	Replace “An” with “The”.	Typographical change.
16(4)	Replace “A” and “an” with “the”.	Typographical change.
16(5)	Replace “A”, “a” and “an” with “the”.	Typographical change.
17 <i>(17(1A) in the revised Code)</i>	<p>Insert new subclause (1A):</p> <p>This clause applies when –</p> <p>(a) a licensee has overcharged a customer by including an amount in a bill that should not have been included in the bill (the <b>overcharged amount</b>); and</p> <p>(b) the customer has paid the bill, including the overcharged amount.</p>	New subclause (1A) clarifies that clause 17 only applies if the customer has paid the overcharged amount.
17(1)	<ul style="list-style-type: none"> <li>• Replace “A” with “The”.</li> <li>• Delete “that overcharges a customer”.</li> <li>• Replace “error” with “overcharging”.</li> </ul>	<ul style="list-style-type: none"> <li>• Typographical change.</li> <li>• New subclause (1A) already provides that clause 17 only applies if a licensee has overcharged a customer.</li> <li>• For clarity.</li> </ul>
17(1)(a)	<ul style="list-style-type: none"> <li>• Insert “the overcharged amount to”.</li> <li>• Delete “and immediately afterwards notify the customer”.</li> </ul>	<ul style="list-style-type: none"> <li>• For clarity.</li> <li>• This requirement is now addressed in new subclause (4).</li> </ul>
17(1)(b)	<ul style="list-style-type: none"> <li>• Insert “send the customer a notice (an <b>overcharging notice</b>)”.</li> <li>• Insert “ing” after “inform” to read “informing”.</li> <li>• Insert “ing” after “recommend” to read “recommending”.</li> <li>• Replace “amount overcharged” with “overcharged amount”.</li> </ul>	<ul style="list-style-type: none"> <li>• For clarity.</li> <li>• Typographical change.</li> <li>• Typographical change.</li> <li>• “Overcharged amount” is now a defined term (new subclause (1A)(a)).</li> </ul>
17(2)	<p>Replace subclause (2) with:</p> <p>If the licensee sends the customer an overcharging notice and receives instructions from the customer about refunding or crediting of the overcharged amount, the licensee must, in accordance with the instructions, refund the overcharged amount, or credit the overcharged amount to the customer’s account, before the end of the period of 15 business days starting on the day the licensee receives the instructions.</p>	The obligation included in subclause (2) of the revised Code is the same as the obligation that was included in deleted subclause (2). The amendment was made to accommodate new subclause (3).

17 <i>(17(4) in the revised Code)</i>	Insert new subclause (4): The licensee must notify the customer immediately after crediting the overcharged amount to the customer's account under subclause (1)(a), (2) or (3).	New subclause (4) ensures that all customers are notified after an overcharged amount has been credited to their account. This was previously only required if the licensee had credited the account without seeking instructions from the customer (clause 17(1)(a)).
18(2)	Insert "(the <b>review procedure</b> )".	For clarity.
18(3)(a)	Replace "testing as mentioned in clause 12(3)(c) and (d)" with "the testing of a meter as mentioned in clause 37(2)(c) and (d)".	The ERA proposes to delete clauses 12(3)(c) and (d). <sup>207</sup> As similar information requirements are included in clause 37(2)(c) and (d), clause 18(3)(a) now refers to clause 37(2)(c) and (d).
18(4)(a)	Delete "(if any)".	At the time the Code was drafted the water ombudsman scheme was not in operation. As the scheme is now in operation, the words "(if any)" are no longer needed.
18(4)(b)	Replace "complaint" with "customer's request for review".	For clarity.
18(5)	Replace "A" with "The".	Typographical change.
19	Amend the definition of "financial hardship" by: <ul style="list-style-type: none"> <li>• inserting "ability of a customer who is a residential" before the first use of the word "customer"</li> <li>• deleting "'s ability" and "for a water service supplied in respect of the place used solely or primarily as the customer's dwelling".</li> </ul>	The phrase "residential customer" is now a defined term. See clause 3 of the revised Code.
20	Delete "if not set under regulations".	Inapplicable wording removed.
22	Reformat clause 22 into two new subclauses.	For clarity.
22 <i>(22(1) in the revised Code)</i>	Insert "If under clause 21(3) a licensee allows a customer to pay a bill by direct debit,".	The ERA proposes to remove direct debit as a minimum payment method from the Code. The requirements of clause 22 therefore only have to be met if a licensee allows a customer to pay a bill by direct debit under clause 21(3).
22 <i>(22(2) in the revised Code)</i>	Delete "either orally or in writing" from clause 22 and insert new subclause (2) which reads: A consent or nomination under subclause (1) can be oral or written.	For clarity.

<sup>207</sup> See paragraph 94.

24 (heading)	Replace “in absence, illness” with “in case of absence or illness”.	Typographical change.
25(1)	Replace subclause (1) with: This clause applies if: (a) a licensee has sent a bill to a customer; and (b) the licensee has assessed that the customer is experiencing payment difficulties.	For clarity.
26(3)	Delete subclause (3).	This clause is no longer relevant. It only applied for the six months after the <i>Water Services Act 2012</i> come into operation.
26(4)	Replace “If subclause (3) does not apply, a” with “A”.	Subclause (3) has been deleted.
26(6)	Delete “and, as part of the review process, consult with relevant consumer organisations”.	This matter is now addressed in clause 26(8).
27(1)	Delete subclause (1) and insert the following new clause: This clause applies if: (a) a licensee has sent a bill to a customer who is a residential customer; and (b) the licensee has assessed, under its financial hardship policy, that the customer is experiencing financial hardship.	For clarity
27(2)	Replace “A” and “a” with “The” and “the”.	Typographical change.
27(3)	Replace “a” with “the”.	Typographical change.
27(3)(a)	Replace “a” with “the”.	Typographical change.
27(3)(b)	Replace “a” with “the”.	Typographical change.
27(3)(c)	Replace “a” with “the”.	Typographical change.
27(3) (c)(iii)	Delete “or other financial relief”.	The term “concession” is defined in clause 3. Also, a licensee must provide written information about “any other financial assistance” under subclause (v).
27(3) (c)(iii)	Delete “under the Act”.	The words “under the Act” are not included after the term concession in clauses 12(1)(i) and 37(1)(c). Deleting the words “under the Act” ensures that the obligation also applies to concessions available under other Acts (or otherwise), such as concessions available under the <i>Rates and Charges (Rebates and Deferments) Act 1992</i> .



27(3) (c)(iv)	Insert “seeking” before “advice”.	For clarity.
28(1)	Insert new subclause (1): In this clause – <b>payment scheme</b> means a payment plan or other arrangement mentioned in clause 25(2) or 27(2).	Allows subclauses (2), (3) and (4) to be streamlined.
28(2)	Replace “25(2) or 27(2) or (3)” with “25 or 27”.	Typographical change.
28(2)	<ul style="list-style-type: none"> <li>• Replace “another” with “a”.</li> <li>• Insert “in addition to a payment scheme” at the end of the subclause.</li> </ul>	To clarify that any payment arrangement or other kind of assistance that is offered under this clause is offered in addition to, <b>not instead of</b> , the assistance available under clause 25 and 27.
28(3)	Replace “25(2) or 27(2) or (3)” with “25 or 27”.	Typographical change.
28(3)	Replace “plan” with “scheme”.	Consistent with new definition of “payment scheme” (subclause (1)).
28(3)	Replace “of non-payment” with “they have not been complied with”.	For clarity.
28(4)	Replace “plans, arrangements” with “schemes”.	Consistent with the new definition of “payment scheme” (subclause (1)).
29 <i>(29(1) in the revised Code)</i>	Insert “if” at the end of the first paragraph.	Typographical change.
29(a) <i>(29(1)(a) in the revised Code)</i>	<ul style="list-style-type: none"> <li>• Replace “who” with “the customer”.</li> <li>• Insert “entered into” after “arrangement”.</li> </ul>	<ul style="list-style-type: none"> <li>• Typographical change.</li> <li>• For clarity.</li> </ul>
30	Move to Part 5.	As the clause deals with the restoration of water supply it is better placed in Part 5 which deals with restricting and restoring supply. Clause 30 has been renumbered to clause 33A.
30 <i>(heading)</i> <i>(33A of the revised Code)</i>	Delete “drinking”.	The ERA is proposing that irrigation and drainage services are no longer covered by the Code. <sup>208</sup> The rate of flow of water cannot be reduced for sewerage services. Clause 33A of the revised Code therefore only applies to water supply services.

<sup>208</sup> See paragraphs 32 and 37.

		As clause 4(2)(a) already provides that the Code only applies to the provision of “drinking water”, the word “drinking” before “water” is superfluous.
30(1) <i>(33A(1) of the revised Code)</i>	Insert “cut off or” before “reduced”.	To ensure customers are also entitled to the protections of this clause if their water supply is cut off. <sup>209</sup>
30(1) <i>(33A(1) of the revised Code)</i>	Delete “drinking”.	See ERA comments for clause 30 (heading) above.
30(2) <i>(33A(2) of the revised Code)</i>	Delete “drinking”.	See ERA comments for clause 30 (heading) above.
Part 5 <i>(heading)</i>	Replace “Reducing the rate of” with “Restricting the”.	To take account of the fact that Part 5 no longer refers to “reducing” supply, but to “restricting” supply.
31	Delete clause 31.	Clause 31 has been replaced with two new clauses (clause 31 and 31A of the revised Code). Licensees must now issue reminder notices and restriction notices before they may restrict a customer’s supply of water.
32 <i>(heading)</i>	Replace “reduction” with “water supply restriction”.	“Water supply restriction” is a defined term (clause 30 of the revised Code).
32 <i>(32(1) of the revised Code)</i>	Replace “, under section 95(1)(b), reduce the rate of flow of a supply of drinking water to a customer in the following cases” with “start a water supply restriction if”.	“Water supply restriction” is a defined term (clause 30 of the revised Code).
32 (a) to (e) <i>(32(1)(a) to (e) of the revised Code)</i>	Insert “or” at the end of each subclause.	Typographical change.
32(e) <i>(32(1)(e) of the revised Code)</i>	Replace “in relation” with “to the licensee that directly relates”.	For consistency with clauses 28A, 29 and 35.
32(e) <i>(32(1)(e) of the revised Code)</i>	Replace “charges” with “charge”.	Typographical change.

<sup>209</sup> See paragraphs 234 to 239.

32(f) <i>(32(1)(f) of the revised Code)</i>	Delete subclause 32(f).	This requirement is now addressed in clause 32A(a) and (c) of the revised Code.
32(g) <i>(32(1)(g) of the revised Code)</i>	Replace “;” with “.”	Typographical change.
32(h) <i>(32(1)(h) of the revised Code)</i>	Delete subclause 32(h).	This requirement is now addressed in clause 40 of the revised Code.
32	Insert new note: For more provisions about when water flow cannot be restricted see clauses 32A and 40.	To point out that there are two other Code provisions which also set out when flow cannot be reduced.
34(1)	Replace “30” with “33A”.	Clause 30 has been renumbered as clause 33A in the revised Code.
34(1)	Replace “.” with “;”.	Typographical change.
34(1)	Insert the following new definition: <b>restore</b> means to restore a supply of water to a customer, or the rate of flow of a supply of water to a customer, after – (a) a water supply restriction has started; or (b) a supply of water has been cut off, or the rate of flow of a supply of water has been reduced, under section 95(1)(a), (c), (d) or (e).	To clarify that this clause not only applies when a water supply has been reduced, but also when it has been cut off.
34A <i>of the revised Code</i>	Insert new subclause 34A: <b>Terms used</b> In this Part – <b>service interruption</b> means the interruption, suspension or restriction of the provision of a water supply service under section 77; <b>supply area</b> means the area in which a place in respect of which a water supply service is provided is located.	To clarify what is meant with the new terms “service interruption” and “supply area” used in clauses 34B and 34D.
35(1)	Insert “(the <b>complaints procedure</b> )”.	For clarity.
35(2)	Replace “A” with “The”.	Typographical change.
35(3)	Replace “A” with “The”.	Typographical change.
35(4)	Replace “A” with “The”.	Typographical change.

35(4)	Insert “list the procedures available to the customer under the Act as to –”.	Previously included in clause 35(4)(b).
35(4)(b)	Delete clause 35(4)(b).	This obligation is now included in the first sentence of clause 35(4).
35(5)	Delete “In subclause (4) – <b>procedures under the Act</b> means”	This definition is no longer needed as it is now incorporated into clause 35(4).
35(5)(a)	Delete “(if any)”.	At the time the Code was drafted the water ombudsman scheme was not in operation. As the scheme is now operational, the words “(if any)” are no longer needed.
37(1)(c)	Delete “exemptions, discounts, rebates and”.	The term “concession” is defined in clause 3.
37(1)(g)	<ul style="list-style-type: none"> <li>• Replace “water service charges” with “a water service charge”.</li> <li>• Replace “they become” with “it becomes”.</li> </ul>	Typographical change.
37(2)(b)	Replace “outstanding charges” with “the outstanding charge”.	Typographical change.
37(2)	Delete “Note: Clause 2(b) applies to the commencement of this subclause”.	This note is no longer relevant as the subclause has been operational since 18 November 2015.
38 <i>of the revised Code</i>	<p>Include new clause 38:</p> <p><b>Terms used</b></p> <p>In this Part –</p> <p><b>preserved supply register</b> means the register maintained under clause 39(1);</p> <p><b>service interruption</b> has the meaning given in clause 34A;</p> <p><b>supply address</b> means the address of a place at which water is supplied by a licensee to a customer.</p>	For clarity.
40 <i>of the revised Code</i>	<p>Insert new clause 40:</p> <p><b>No reduction of supply</b></p> <p>A licensee must not, under section 95(1)(b), reduce the rate of flow of a supply of water to a supply address recorded on the preserved supply register.</p>	This obligation was previously included in clause 32(h).