



Energy & Water
Ombudsman NSW
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7 August 2020

COAG Energy Council
Governance Project Team Secretariat

Via email: GPTSecretariat@industry.gov.au

Dear Secretariat

Proposed Classification of Tiers for the reform of the Australian Energy Regulator Civil Penalty Regime

Thank you for the opportunity to comment on the Proposed Classification of Tiers for the reform of the Australian Energy Regulator Civil Penalty Regime, which provides for increased civil penalties through the implementation of a three-tier penalty structure.

The Energy & Water Ombudsman NSW (EWON) investigates and resolves complaints from customers of electricity and gas providers in NSW, and some water providers. Our comments are informed by our investigations into these complaints, and through our community outreach and stakeholder engagement activities.

EWON promotes effective communication, cooperation, and coordination with the Australia Energy Regulator (AER) in performing its roles and functions in Australia's energy market. EWON regularly communicates with the AER on compliance issues arising from EWON's role.

While not making a detailed submission, I note that the proposed reform provides a clear framework for strengthening the regulatory tools available to the AER in order for it to continue performing as a leading energy regulator.

Ensuring adherence with regulatory obligations provides for greater customer protections. The proposed reform should also contribute to achieving improved outcomes for customers through the promotion of public interest via compliance with the law and rules.

The three-tier approach sends a strong signal to market participants on the significance of regulatory breaches. The differentiation of the regulatory breaches, particularly where a breach leads to adverse effects on customers, is in the interest of the consumer.

Accordingly, EWON strongly supports the proposed reform.

Energy & Water Ombudsman NSW

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If you would like to discuss this matter further, please contact me or Rory Campbell, Manager Policy and Research, on (02) 8218 5266.

Yours sincerely

A handwritten signature in black ink that reads "Janine Young". The signature is written in a cursive, flowing style.

Janine Young
Ombudsman
Energy & Water Ombudsman NSW