



**Submission to the Electricity and Gas
Complaints Commission on its Proposal
for changes to its scheme documents to
comply with the proposed scheme
requirement from the Electricity
Commission (“EC”) and Gas Industry Co
 (“GIC”) for approval of a scheme: July 2008**

From

Contact Energy Limited

29 August 2008

Introduction

Contact Energy Limited (“Contact”) welcomes the opportunity to provide feedback to the Electricity and Gas Complaints Commission (“EGCC”).

For any questions related to this submission, please contact:

Jan de Bruin

Senior Regulatory Affairs Analyst

Contact Energy Limited

L 1 Harbour City Tower

29 Brandon Street

PO Box 10742

Wellington

Email: jan.debruin@contact-energy.co.nz

Phone: (04) 462 1143

Fax: (04) 499 4003

Contact's responses to discussion questions

Discussion question	Comment
<p>Question 1: Which changes to the scheme documents listed below DO NOT</p> <ul style="list-style-type: none"> a) meet the regulators' proposed scheme requirements b) the recommendations from the Wood Report c) otherwise improve the efficiency and effectiveness of the scheme? <p>Please provide reasons for your answer.</p>	<p>In May, Contact made a submission to the EC and GIC on the Joint Electricity and Gas Complaints Resolution Scheme Consultation Paper. Contact noted in that submission that the proposed requirements for the complaints resolution scheme contained a number of provisions that went beyond what is currently required of the EGCC.</p> <p>Contact voiced its support for the EGCC and questioned the need for requirements over and above a system that works well and which has been providing positive outcomes for consumers for some time. Further, Contact was of the view that imposing more rigorous requirements on a scheme could mean higher administration costs, which would likely be passed on to the customer.</p> <p>The results of that submission are not yet forthcoming, but Contact would hope that the EC and GIC have taken some of Contact's feedback into account. Contact remains committed to the EGCC, however, and believes that it is important that it becomes the approved scheme and meets any assessment criteria proposed by the regulators. Contact therefore supports all proposed changes, including those from recommendations in the Wood Report.</p>
<p>Question 2: What other changes are required to be made to the scheme documents in order to comply with the regulators' proposed scheme requirements?</p>	<p>Contact considers that no further changes are required.</p>
<p>Question 3: Given that membership of an approved scheme will be mandatory, is it appropriate to retain:</p> <ul style="list-style-type: none"> a) the ability for members to withdraw from the scheme? (see 3.13 - 3.15) b) the concept of and consequences for defaulting members (see definitions and clause 3.16 – 3.18 of the Deed)? 	<p>Contact would prefer the status quo. However, Contact considers it important that the EGCC becomes the approved scheme. If the Board and the Commission considers that retaining either (a) or (b) would preclude the EGCC's selection as the approved scheme, then Contact supports the removal of either or both.</p>

Discussion question	Comment
<p>Question 4: <i>Given that membership of an approved scheme will be mandatory, is it appropriate to retain the Board's power to refuse to accept an application to join the scheme on the basis that the Board believes the applicant:</i></p> <ul style="list-style-type: none">a) <i>does not have the ability to carry out its obligations under the Constitution? (see clause 3.9(b))</i>b) <i>does not have the ability to pay any entry fee or the annual levy the Board requires? (see clause 3.(9c))</i>	<p>Contact would prefer the status quo. However, Contact considers it important that the EGCC becomes the approved scheme. If the Board and the Commission considers that retaining either (a) or (b) would preclude the EGCC's selection as the approved scheme, then Contact supports the removal of either or both.</p>