



SEW response to proposed amendments

Draft Water Industry Standard

New Clause Number	Proposed Amendment	Proposed Amended Clause	SEW's Commentary	Agreed/not agreed
Part A Introduction	Implementation date	This industry standard regulates water businesses from 1 January 2023.	<p>Implementation in January does not provide the business enough time for system changes required to implement amendments.</p> <p>We propose an alternate implementation date of 1 July 2023 in line with Billing changes for Parks charges, PS23 billing changes.</p>	<p>NOT AGREED</p> <p>Proposed alternate wording - This industry standard regulates water businesses from 1 July 2023.</p>
2.1	Charge Variation	"A water business must notify each customer of any proposed variation in charges for services applicable to that customer at least five business days before they take effect."	<p>We agree in principle with the intent of this clause. Advance warning is preferable.</p> <p>However, the process would pose a significant challenge as we are heavily reliant on the timing of the variations and charges provided to the</p>	AGREED IN PRINCIPLE

			<p>retailers in line with the release of CPI data in March. This does not give us enough time to proactively communicate with our customers on the changes.</p> <p>Currently, we include this notice in first bill. Having a separate notice would have significant cost implications. The cost to communicate changes to our charges would impact our cost to serve. Rough estimated cost ~ \$750k per year to cover additional communication between billing cycles, particularly the costs of postage and printing for those customers who prefer this method (currently around 40%)</p>	
6.7	Adjustment of bills	<p>We are proposing to reduce the undercharged period to 3 months and also ensure water businesses do not charge interest on undercharged amounts.</p> <p>“A water business may recover from a customer an amount undercharged if:</p>	<p>We support the intent of this clause, however with quarterly metering this will not allow us the ability to identify the issues that this clause addresses for example seized meters. With digital metering we should be able to build better metering outcomes that will allow us to align with the Energy sector.</p>	<p>NOT AGREED – maintain existing term (12 months)</p> <p>We require more than one consecutive meter reading cycle to understand the amounts undercharged and to</p>

		<ul style="list-style-type: none"> i. except in the case of illegal use, the amount is limited to the amount undercharged in the <u>four</u> months prior to the water business notifying the customer that undercharging has occurred. ii. the amount to be recovered is listed as a separate item and is explained on or with the customer's bill; and iii. it allows the customer to pay the amount to be recovered in instalments over four months or through a water business' flexible payment plan in accordance with clause 7.2 		<p>identify any meter or other network issues.</p> <p>South East Water is happy to implement a 3 month term once a property is installed with a digital meter.</p>
8,10	Term "Experiencing"	The term "experiencing payment difficulties" is referenced multiple times	This term is very broad and the definition can be interpreted in a variety of ways.	AGREED IN PRINCIPLE

	payment difficulties”	<p>across the document and at times inconsistent in its application.</p> <p>In 10.2(c)(iii) it is stated we will exempt customers experiencing payment difficulties from supply restriction, legal action and additional recovery costs</p>	<p>Provided the customer is engaging with the water business and meeting agreed obligations, the above is true, however if they are not, we must be able to escalate our debt recovery activities to assist in bringing about a resolution to the account.</p>	<p>Propose ESC to define ‘experiencing payment difficulties’ to include proviso that customer is engaged with process.</p>
10.1	Payment assistance	<p>(New clauses in bold)</p> <p>We are proposing to expand the support that should be made available to customers experiencing payment difficulties:</p> <ul style="list-style-type: none"> a. A water business has an obligation to assist customers experiencing payment difficulties. b. A water business must adopt an approach that is appropriate to that customer's circumstances on a case-by-case basis by making provision 	<p>Our aim is to ensure they are engaged with us, and we ensure a proactive engagement strategy to warn/inform them if they build up arrears or miss payments.</p> <p>Transitioning to digital metering and increase in portal registrations and self-service will cater to the flexible needs of our customers providing real time data and billing costs.</p>	<p>AGREED IN PRINCIPLE</p> <p>This clause can be applicable to customers with digital meters and for future state.</p>

		<p>for flexible payment plans in accordance with a customer's capacity to pay.</p> <p>c. A water business must offer a customer experiencing payment difficulties the following:</p> <ul style="list-style-type: none"> i. flexible payment plans in line with clause 7.2; ii. an offer to extend the due date for some or all of an amount owed; iii. redirection of a bill to another person for payment if the person agrees in writing; iv. more frequent billing or payment options; v. information on how to reduce water usage, improve water efficiency and referral to relevant government water efficiency programs. vi. where appropriate and available, referral of customers to: <ul style="list-style-type: none"> 1. government funded assistance programs 		
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		<p>(including the Utility Relief Grant Scheme)</p> <p>2. an independent financial counsellor at no cost to the customer.</p> <p>d. A water business may offer a customer experiencing payment difficulties the following, but not limited to:</p> <p>i. waiver of any interest accrued;</p> <p>ii. suspension of the accrual of interest;</p> <p>iii. conduct regular meter readings and frequently reporting to customers on consumption;</p> <p>iv. suspension of collection of arrears to allow for a usage only payment plan for a period negotiated with the customer, and/or</p> <p>v. waiver of the debt.</p>	<p>We support the requirement for a flexible meter read, however in the current state this poses challenges in executing a flexible and multiple reading option.</p> <p>Once digital meters are rolled out, we will be able to provide real time reads that allows customers to know their usage and costs at point in time.</p>	<p>(v.i.2) CLARIFICATION SOUGHT – given government response following banking royal commission regarding independent financial counsellors.</p> <p>AGREED IN PRINCIPLE</p> <p>With implementation and rollout of digital meters we will be in a position to comply with this requirement.</p>
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10.3	Customer support policy – small business customers	We propose introducing a requirement for both urban and rural water businesses to have a customer support policy that applies to small business customers who are identified either by themselves, the water business or an independent financial counsellor as experiencing payment difficulties:	Most small businesses are customers of South East Water however we may not bill them, so we are not necessarily able to help them. We bill the property owners. If the account is passed onto the tenant who runs the business at the premises and they contact SEW, we offer our support provision to accommodate their requirements.	AGREED IN PRINCIPLE - where this policy is applicable to customers who are directly billed by South East Water
12	Special needs	<p>a. A water business must keep an up to date register of customers who require water for:</p> <ul style="list-style-type: none"> i. the operation of a life-support machine; or ii. other special needs that may be affected by planned and unplanned outages which must be 	In progress	AGREED IN PRINCIPLE – require definition of ‘special needs’; clarification sought – is this reliant on customer self identifying?

		<p>assessed on a case-by-case basis by the water business</p> <p>b. A water business must contact customers registered under this clause:</p> <p>ii. at least four business days before a planned interruption unless a longer period of notice is requested by a customer in which case that longer notice must be given if it is reasonably necessary and able to be accommodated by the water business.</p>		
15.2	Reminder Notices	<p>we propose specifying that a reminder notice be sent to the customer no later than <u>two</u> business days after the due date of the bill and introducing a six-business day 'due date,' for both the reminder and warning notices.</p>	<p>We currently send reminder notices at 4 days overdue. We do this to allow all payments made prior/on the due date to be receipted by the water business.</p> <p>For payment channels such as BPay it may take up to 3 business days to be receipted.</p>	<p>NOT AGREED</p> <p>Revert to existing terms – 4 business days</p>

		<p>if a water business does refer overdue debt to an external debt collection agency, we propose an addition to the final notice outlining this debt recovery process to a customer.</p>	<p>Historically, issuing Reminders before allowing sufficient time for payments to be receipted has driven up call and complaint volumes to our contact centers.</p> <p>Term “due date”</p> <p>By offering a due date is confusing as this alludes to the fact we are extending the original due date. This may create issues around interest calculations and potentially legal implications. We recommend using a term that refers “ date payment required by “</p> <p>What detail is required here - ‘outlining this debt recovery process’</p>	<p>Amend to: “date payment is required by”</p> <p>CLARIFICATION SOUGHT</p>
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16.4	Life support and other special circumstances	<p>We are proposing to clearly specify that a water business must not restrict a customer's water supply if they are on any form of life support.</p> <ol style="list-style-type: none"> 1. A water business must have policies and procedures in place to enable it to take proactive steps to identify those customers in accordance with clause 16.4 	Compliant – however reliant on customers self-identifying.	AGREED IN PRINCIPLE
18.2	Service Standards	<p>Proposal for business to set standing rather than yearly targets and arrive at own KPI's via customer engagement.</p> <p>Water service standards</p> <ol style="list-style-type: none"> 1. Minimum water pressure or flow rate a customer should receive, as defined in 		AGREED IN PRINCIPLE

		<p>clause 8.2 (kPa or min/L)</p> <ol style="list-style-type: none"> 2. Maximum number of unplanned water supply interruptions a customer should experience in any 12-month period 3. Average time taken to attend bursts and leaks (priority 1) (minutes) 4. Average time taken to attend bursts and leaks (priority 2) (minutes) 5. Average time taken to attend bursts and leaks (priority 3) (minutes) 6. Average duration of unplanned water supply interruptions (minutes) 7. Average duration of planned water supply interruptions (minutes) <p>Sewerage service standards</p> <ol style="list-style-type: none"> 8. Maximum number of sewer blockages a customer should experience in any 12-month period 		
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		<p>9. Average time to attend sewer spills and blockages (minutes)</p> <p>10. Average time to rectify a sewer blockage (minutes)</p> <p>11. Maximum time taken to contain a sewer spill (minutes)</p>		
24.3	Provision of charter or summary	<p>We are proposing to include a requirement that the charter or summary charter is in a form that is easy to understand for all customers.</p> <p>a. A water business must provide a copy of the charter or a summary of the charter:</p> <p>i. to existing customers with the first bill after it has been approved by the Commission in accordance with clause 22.4;</p> <p>ii. to new customers within one month of becoming registered</p>	<p>These changes will require a large program of work. An implementation date of July would assist with complying with this.</p>	AGREED IN PRINCIPLE

		<p>with the water business in respect of a property; and</p> <p>iii. in a form that is easy to understand for all customers and in line with the requirements outlined in 13.6.</p> <p>b. A water business must publish, and provide upon request, its customer charter in languages other than English to the extent required under the guidelines issued by the Victorian Multicultural Commission.¹</p>	<p>We are currently focusing on ensuring our documents are available in easy English. We also note we have 190 languages in our service area. This may pose an issue for us to comply with.</p>	
Part G	Definitions	<p>We have updated the following definitions – ‘business day’; ‘complaint’; ‘enquiry facility’; ‘interruption’; planned interruption’; ‘unplanned</p>		AGREED IN PRINCIPLE

¹ Current guidelines are titled “Improving the Use of Translating and Interpreting Services: A Guide to Victorian Government Policy and Procedure”.

		<p>interruption’ and ‘water business’.</p> <p>We have added the following definitions – ‘digital format’; ‘E-bill’; ‘industry standard’; ‘restriction’; ‘sanitary drain’; ‘self – read’; ‘small business customer’; ‘Statement of Obligations’; ‘usage only payment plan’; and ‘Utility Relief Grant’.</p> <p>complaint means a written or verbal expression of dissatisfaction about an action, proposed action or failure to act by a water business, its employees or contractors, requiring a resolution (as per AS/NZS 10002:2014).</p> <p>interruption means in the case of a customer’s water or recycled water supply, a total water supply due to any cause but does not include those caused by bursts or leaks in the property service connection (mains to meter) unless the burst or leak</p>		
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		<p>requires the mains to be shut down for repair. For clarity, an interruption includes a loss of recycled water supply to a residential property where toilet flushes and laundry are not possible.</p> <p>planned interruption means an interruption for which the water business has provided the required notification to the customer of at least two business days in advance.</p> <p>restriction means the water business' installation of a device to limit the flow of water from the meter to a customer's property due to non-payment by a customer.</p> <p>sanitary drain means a line of pipes including all fittings, conveying or intended to convey sewage or trade waste from a building or structure on a serviced property to the</p>		
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		<p>sewer main of a water corporation</p> <p>self-read means a reliable method of water meter reading selected and undertaken by a customer for their property that is approved by the water business.</p> <p>small business customer means a non-employing business (including sole proprietorships and partnerships without employees) or a business employing fewer than 20 people which has an active Australian Business Number.</p> <p>unplanned interruption means an interruption where the customer has not received notification from the water business or where a planned interruption exceeds the duration estimated.</p>		
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**South East
Water**

