



Australian Government



Australian
**Small Business and
Family Enterprise**
Ombudsman

16 October 2018

Emma Watts
The Energy Charter

By email: emma.watts@theenergycharter.com.au

Dear Ms Watts,

The Energy Charter

We support the initiative, in particular, that signatories to the Charter have to apply the five principles through their supply chain. Our key concern is to make it clear that where the Charter refers to customers, this includes small businesses. We therefore recommend that the word 'customers' is replaced with 'customers and small businesses'.

We are pleased to see that the principles include a recognition that remuneration framework and rewards are critical in driving conduct. As recognised during the webinar, this can drive poor behaviour. This appears to be addressed by the principles of the Charter which require remuneration frameworks to empower and reward employees to act in the best interests of the customer.

We will monitor with interest if the reporting requirements under the charter do achieve your aim of making signatories accountable for practices, such as remuneration, and the impact on customer outcomes.

This adoption of ACCC recommendation to 'ensure that all communication is clear, in plain terms, accessible and understandable' is a step in the right direction. This can be taken further by developing a standard template for charges to allow small business to compare offers from suppliers.

The Charter is a significant step towards better outcomes for customers and small businesses. The Charter has the potential to reduce power costs and increase education and transparency. Key to its success is the formation of, and accountability to, the Independent Panel acknowledging this is yet to be formed.

Thank you for the opportunity to comment. If you would like to discuss this matter further, please contact Jill Lawrence on 02 6263 1558 or at jill.lawrence@asbfeo.gov.au.

Yours sincerely

Kate Carnell AO
Australian Small Business and Family Enterprise Ombudsman

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