

# COMPLIANCE AND ENFORCEMENT POLICY



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## Part A: The commission's role and objectives

The Essential Services Commission (commission) is an independent statutory authority established under the Essential Services Commission Act 2001 (the Act). The commission has both regulatory and advisory roles under the Act, and other legislation including the Electricity Industry Act 2000, the Gas Industry Act 2001, the Victorian Energy Efficiency Target Act 2007 (VEET Act), Water Industry Act 1994, Port Management Act 1995 and the Local Government Act 1989.

This policy outlines our approach to compliance with and enforcement of the legislation and rules that we administer. This policy is made under section 13 of the Act.

### Our objectives

The objective of the commission is to promote the long-term interests of Victorian consumers.<sup>1</sup> In seeking to achieve that objective, we have regard to the price, quality and reliability of essential services. The commission also has specific objectives under legislation the commission administers.

#### Under the energy industry Acts

- To promote a consistent regulatory approach between the electricity industry and gas industry.
- To promote the development of full retail competition in the electricity industry and gas industry.
- To promote protections for energy customers who are facing payment difficulties.
- To recognise the essential nature of the supply of electricity and gas, having regard to community expectations that ongoing access to electricity and gas will be available, and that the supply of electricity or gas to premises will not be disconnected solely because of a customer's inability to pay for supply.
- To promote the principle that the supply of electricity and gas to premises should only be disconnected as a last resort.

#### Under the Victorian Energy Efficiency Target Act

- To reduce greenhouse gas emissions.
- To encourage the efficient use of electricity and gas.
- To encourage investment, employment and technology development in industries that supply goods and services which reduce the use of electricity and gas by consumers.

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<sup>1</sup> Section 8, Essential Services Commission Act 2001.

## **Under the Water Industry Act**

- To ensure that the costs of regulating the water industry do not exceed the benefits.
- To ensure that regard is given to any differences in the operating environments of regulated water industry entities.
- To ensure that regulatory decision making has regard to the health, safety, environmental sustainability (including water conservation) and social obligations of regulated water industry entities.

## **Under the Port Management Act – regulation of port services**

- To promote efficient use of, and investment in, the provision of prescribed services for the long-term interests of users and Victorian consumers.
- To protect the interests of users of prescribed services by ensuring that prescribed prices are fair and reasonable, whilst having regard to the level of competition in – and efficiency of – the regulated industry.
- To allow a provider of prescribed services a reasonable opportunity to recover the efficient costs of providing the prescribed services, including a return commensurate with the risks involved.
- To facilitate and promote competition between ports, shippers and other persons conducting other commercial activities in ports.
- To eliminate resource allocation distortions by prohibiting a State sponsored port operator from providing a relevant service at a price lower than the competitively neutral price for that service.

## **Under the Local Government Act – rate capping**

- To promote the long-term interests of ratepayers and the community in relation to sustainable outcomes in the delivery of services and critical infrastructure.
- To ensure that a municipal council has the financial capacity to perform its duties and functions and exercise its powers.

## **Under the Commercial Passenger Vehicle Industry Act – price regulation**

- To promote the efficient provision and use of applicable unbooked services.

## **Our values**

In carrying out the variety of functions given to us by Parliament, the commission acts in the public interest to achieve outcomes for the Victorian community and ensure trust in the market. In doing so, the commission is guided by our values: integrity, impartiality, excellence, collaboration and respect.

The commission's values guide the way in which we undertake our compliance and enforcement roles.

## **Our compliance and enforcement roles**

The commission's statutory compliance and enforcement roles are vital to achieving outcomes in all areas where the commission has a regulatory role. The compliance and enforcement approach taken by the commission depends on a range of factors set out in this policy.

The commission uses its compliance and enforcement powers in the public interest. We act to protect consumers – especially those experiencing vulnerability – to ensure non-compliant businesses do not gain customers unfairly, and to enhance trust in the relevant market or sector.

### **Our compliance role**

The commission prefers to assist voluntary compliance and prevent contraventions by regulated entities of their legislative and regulatory obligations. We expect regulated industry and program participants to interpret their obligations in accordance with the purpose and objectives of the legislation, identify any potential non-compliance, self-report, and be cooperative in addressing any non-compliance.

The commission generally seeks to assist voluntary compliance with obligations by:

- monitoring and analysing compliance-related data and intelligence
- providing general education and guidance materials to regulated industries, advisers, intermediaries, other stakeholders and members of the public
- communicating, collaborating and engaging with the regulated industries, advisers, intermediaries, other stakeholders and members of the public in a variety of formal and informal ways in relation to specific compliance matters.

### **Our enforcement role**

In some areas that the commission regulates, such as the energy industry and the Victorian Energy Upgrades Program, we also have an enforcement role. Parliament has given the commission the responsibility to undertake investigative and enforcement action for possible contraventions of various legislative or regulatory requirements in the public interest.

Legislation, especially for the Victorian energy sector, provides for a range of enforcement options that may be exercised at the discretion of the commission. This discretion requires the commission to make an evaluative judgment and to choose the enforcement option(s) it considers most conducive to securing compliance or deterring non-compliance with the relevant regulatory regime. This includes litigation where the circumstances warrant it.

The commission's approach to enforcement action is to consider:

- our aim, which is to secure compliance of individual regulated entities and deter future non-compliance across the industry

- the evidence obtained from its investigations
- whether proposed enforcement action is in proportion to the level of actual or potential consumer or small business harm and the seriousness of the contravention
- any other aspect of the public interest that warrants litigation (including clarification of the law).

In making its evaluative judgment on a case-by-case basis, the commission balances factors like compensation, prevention, specific and general deterrence.

The commission cannot pursue all matters that may come to its attention by way of litigation enforcement action. In view of this, the commission seeks to maximise the impact of any litigation it pursues and use the outcomes to achieve any necessary behavioural change across the relevant industry.

In pursuing enforcement action by way of public interest litigation, the commission's enforcement objectives include one or more of the following:

- Establishing and stopping the unlawful conduct.
- Rectifying the harm caused by the unlawful conduct.
- Preventing future unlawful conduct.
- Clarifying the law.
- Deterring future unlawful conduct (by the alleged wrongdoer or others in the sector).
- Punishing the wrongdoer.

## **Risk-based approach**

We employ a risk-based approach to our compliance and enforcement work. While all regulatory obligations are subject to our monitoring activities, we focus our efforts and resources towards conditions which may cause potential or actual harm to consumers or the broader market we regulate. By applying a risk-based approach, we ensure we focus our resources towards areas consistent with our objective to promote the long-term interests of Victorian consumers.

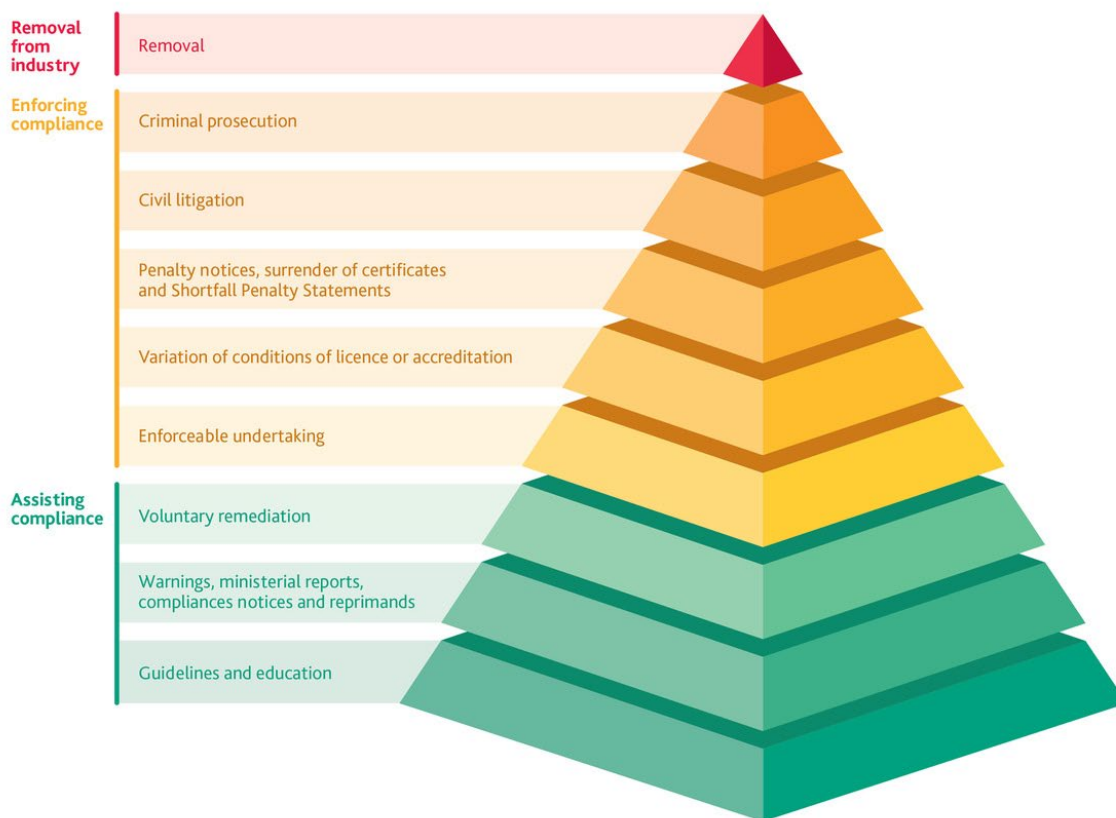
We conduct risk assessments and focus our activities on conduct and obligations where breaches give rise to the greatest harm. This can include analysing and ranking obligations and regulations to determine the risk and impact on consumers, businesses and other stakeholders.

## **Compliance and enforcement options pyramid**

The commission applies its compliance and enforcement tools to assist or enforce compliance with regulatory obligations. In the most severe instance or repeated serious instances of non-compliance, the commission may proceed to revoke a licence or accreditation or deregister an exemption holder.



The commission applies the compliance and enforcement options pyramid model to its compliance and enforcement approach. The pyramid indicates the escalation of the compliance and enforcement response (from the bottom to the top) as well the indicative frequency of each form of compliance or enforcement action (by reference to the breadth of each layer).



The type of compliance or enforcement action the commission may take depends on our assessment of the conduct and the circumstances in which it occurred. The commission's approach is informed by a range of compliance and enforcement factors. These are detailed in the following section.

The specific factors we consider vary according to the circumstances of the case. We will also have regard to our compliance and enforcement priorities which change over time.

### Assisting compliance

To encourage compliance in all its regulatory areas, the commission has a range of compliance tools available.

## **General industry information**

We use the following methods to provide general compliance information:

- Conducting workshops with industry and other stakeholders to identify and clarify uncertainties about common compliance issues, including through regular industry forums.
- Publishing guidance notes and guidelines which explain how we interpret and apply regulatory obligations.
- Promoting best practice in a variety of areas to encourage industry participants to develop practice above the minimum compliance standards.
- Publishing information about comparative performance of regulated entities and particular compliance actions to encourage better outcomes.

## **Specific compliance guidance**

Where we identify entity-specific compliance issues, we may engage directly with the regulated entity to address the matter through the following methods:

- Meeting with the regulated entity to discuss our concerns and identify options for improvement.
- Issuing of a warning letter where there is evidence of a breach of the energy rules.
- Voluntary remediation. We may accept a written voluntary undertaking from an energy licensee if the licensee admits to the non-compliance, and agrees to remediate and stop the offending conduct. A voluntary undertaking is not enforceable in court and will only be accepted where we are confident that the licensee will comply with the terms of the undertaking.

We may use compliance audits to review compliance and quality assurance practices of individual regulated entities. Compliance audits should result in improved compliance practices where an audit identifies opportunities for improvement. However, audits may in some instances also lead to directed compliance action such as compliance orders or enforceable undertakings.

We may consider resolving a matter by directing compliance where the conduct in issue poses a lower risk or has resulted in a relatively low level of harm, or where the conduct is isolated in nature.

## **Formalised compliance expectations**

The commission may also engage directly with market participants through more formal means to assist compliance, such as through the following methods:

- Compliance order - a compliance order may be issued to require compliance with a civil penalty requirement and remediation by a specified date.
- Enforceable undertaking - the commission may accept a written undertaking given by a person in connection with a matter in relation to which the commission has a function or power under its Act or relevant legislation.
- Licence variation - the commission may vary a licence or licence condition if a licensee has contravened or is contravening a condition of the licence or a provision of a code of practice.

## **Enforcing compliance**

The commission has a series of enforcement options available to enforce compliance. The specific enforcement options available depend on the particular regulated industry.

The enforcement options available to the commission across the industries we regulate include:

- variation of energy licences under the energy industry legislation, on the basis that a licensee has contravened or is contravening a condition of the licence or a provision of a code of practice
- issuing essential services penalty notices in relation to the energy industry, or shortfall statements in our role as the administrator of the Victoria Energy Upgrades scheme
- civil litigation where contraventions are serious in their scope or nature
- prosecutions of criminal offences where it has become necessary to do so.

The industry specific compliance and enforcement remedies available to the commission are set out in Parts B, C and D of this document.

The commission considers its enforcement approach by reference to the compliance and enforcement options pyramid model, as well as the criteria detailed in the following 'Compliance and enforcement factors' section.

## **Removal from the industry**

Removal from industry is a last resort measure that will only be exercised in the most severe cases or repeated instances of serious non-compliance. In these instances, the commission may revoke a licence or accreditation, or deregister an exempt person. We will consider the potential impact on customers and third parties when deciding to remove an entity from industry.

## **Compliance and enforcement factors**

In all sectors the commission regulates, the compliance or enforcement pathway that the commission may take in respect of a matter depends on our assessment against the following compliance and enforcement factors:

### **Strategic significance**

- Whether the conduct falls within the commission's compliance and enforcement priorities.
- The impact on consumer confidence in the markets we regulate.
- Whether another more suitable regulator is taking action in relation to the conduct.

### **Conduct in issue**

- The scope, nature and extent of the conduct.
- The harm or risk of harm to specific consumers.

### **Reporting and remediation**

- Whether the breach was self-identified and reported in a timely manner.
- The remediation or rectification undertaken in relation to the breach.
- Whether the regulated entity has put in place effective processes to review and report on the progress of remediation.

### **Compliance culture and history**

- Whether the conduct is an isolated instance, repeated conduct, or indicative of systemic non-compliant conduct.
- The compliance history of the regulated entity.

### **Cooperation**

- Whether the regulated entity has responded in full and in a timely manner to our inquiries and requests for information or progress updates.
- Whether the entity has otherwise cooperated with our investigation.

Early notification of a breach and a cooperative approach to an investigation will often be relevant to our consideration of which enforcement pathway or action is taken by the commission.

We take account of the degree of cooperation provided by a regulated entity during our investigation when determining the type of remedies sought, the content of our submissions to the court, or whether to negotiate a resolution of the matter.

## **Procedural fairness**

The commission has regard to the requirements of procedural fairness when making decisions about compliance and enforcement matters. The requirements of procedural fairness vary depending on the nature and circumstances of the decision.

## **Model litigant guidelines**

The commission's statutory functions enable it to act in an enforcement role in matters of civil and criminal litigation. This includes commencing and conducting legal proceedings in relation to breaches of legislation overseen by the commission.

In exercising any relevant litigation power, we comply with the [Victorian model litigant guidelines](#).

## **Dispute resolution**

The commission is not a general dispute resolution agency for essential services. In the energy and water sectors, that is a role carried out by the Energy and Water Ombudsman Victoria.

The Energy and Water Ombudsman Victorian can be contacted through its [website](#).

# Information gathering, sharing and reporting

The commission has a variety of legislative compulsory information, document and evidence gathering powers. The commission carefully considers the use of these coercive powers before exercising them.

## Self-reporting

Energy licensees are required to comply with the compliance and performance reporting guideline. This requires licensees to report specified potential contraventions to the commission within the timeframes set out in the guideline.

## Referrals and complaints

The commission may receive direct referrals from or on behalf of persons or entities who have identified potential contraventions. These may include:

- the Energy and Water Ombudsman of Victoria
- government (departments or members of parliament on behalf of their constituents)
- other regulators, such as the Australian Energy Regulator or Consumer Affairs Victoria
- consumer groups
- financial counsellors.

The commission may also receive complaints directly from consumers, including through the media and the commission's complaints form.

## Compliance audits

We can undertake compliance audits or require a regulated business to undertake an audit in relation to any reported or suspected non-compliance with regulatory requirements.

## Compulsory production notices

We may serve a compulsory production notice if the commission believes that a person is capable of providing information, documents or evidence in relation to a matter that may constitute a contravention of Victoria's energy rules. The commission may by notice require the person to:

- provide information
- produce documents
- appear before the commission to give evidence under oath.

## Inspections

Our authorised inspectors and officers may enter and search premises (with the consent of the occupier) if the inspector believes on reasonable grounds that a contravention may have occurred. During an inspection, the inspector may require production of, – and may seize – documents and other items, including computers.

## Search and seizure warrants

In certain circumstances, an authorised inspector or officer may apply for and obtain a search warrant from the Magistrates' Court of Victoria. If a warrant is issued, the authorised inspector may enter the premises specified in the warrant and require the production of, and may seize, documents, computers, images, computer hard drives or download information.

## Working with other regulatory agencies

Where appropriate, we will work with other regulatory agencies and ombudsman schemes to promote compliance in the markets we regulate. This includes referrals, developing memoranda of understanding, or information-sharing arrangements with other regulators to support collaboration and information sharing.

Apart from working with the Energy and Water Ombudsman Victoria regarding dispute resolution, the commission liaises and works with Consumer Affairs Victoria and the Australian Competition and Consumer Commission for potential breaches of the Australian Consumer Law. We also engage with other regulators, including Australian Energy Regulator, Solar Victoria, and Local Government Victoria, and Energy Safe Victoria, Victoria's energy safety regulator responsible for electricity, gas and pipeline safety.

## Reporting

Public reporting provides transparency of the compliance and enforcement outcomes we seek to achieve. It can:

- enhance trust and confidence in the integrity of the Victorian energy regulatory framework
- help regulated entities compare their compliance levels with their industry counterparts and identify areas for improvement
- help energy customers make informed decisions about their choice of regulated entities.

## Registers of compliance and enforcement actions

We maintain a register of contravention orders, penalty notices and enforceable undertakings in relation to the energy industry. The register is available at the commission [website](#).

Similarly, we publish on our website all enforcement actions taken in respect of Victorian Energy Upgrades accredited persons and relevant entities and information on other Victorian Energy Upgrades compliance actions undertaken by the commission, if we consider that it is necessary to promote protections for Victorian energy consumers.

### **Annual reporting on compliance and enforcement actions**

The commission must also each year publish compliance and enforcement reports setting out the enforcement action taken in respect of regulated industry. In relation to the Victorian energy market, we publish the annual Victorian Energy Market Report which contains an overview of all our compliance and enforcement actions. We also publish quarterly updates on the report.

We further publish an annual report on the previous calendar year performance of the Victorian Energy Upgrades program.



## Part B: Energy industry

### Our role as energy regulator

The commission is responsible for the regulation of the Victorian energy industry. Only Victorian energy licence and exemption holders are authorised to engage in certain regulated activities such as the generation, transmission, distribution and sale of electricity and gas. Our role as the energy regulator is to:

- issue licences and set licence conditions
- register exemption holders
- set standards of conduct through the issue of codes of practice
- issue guidelines and provide education to encourage and assist voluntary compliance
- monitor compliance with the energy legislation and rules
- take compliance or enforcement action in relation to any non-compliance.

In respect of the Victorian energy market, this policy should be read with the commission's annual energy [Compliance and Enforcement Priorities](#) published on our website.

### Our Energy industry compliance and enforcement powers

#### Enforceable Undertakings

An enforceable undertaking is an administrative alternative to court action. We may accept a written undertaking from an energy licensee regarding any matter that relates to our statutory functions or powers. We may enforce compliance in court if the licensee fails to comply with the terms of its written undertaking. The court may make a range of orders, including directing that the licensee comply, pay compensation or damages, as well as pay an amount equal to any financial benefit attributable to the breach of the undertaking.

#### Compliance notices

If a person has contravened or is contravening the energy rules, we may issue a compliance notice that requires compliance or remediation of the contravention.

#### Penalty Notices

We may issue a penalty notice where the commission has reason to believe that a contravention of a civil penalty requirement has occurred. Payment of a penalty notice expiates the contravention, and the commission will take no further action in relation to the matter.

## Licence variation

If an energy licensee has contravened or is contravening a condition of licence, we may vary the licence or condition of licence without the energy licensee's consent. The manner in which the energy licensee must rectify or prevent any future contravention will be specified in the varied licence or licence condition.

## Civil proceedings

We can institute and conduct civil proceedings for alleged breaches of the Victorian energy rules. The commission may seek a contravention order in relation to an alleged breach, as well as a range of orders including:

- civil penalties
- adverse publicity
- orders requiring the provision of services or establishing compliance or education programs
- compensation for consumers.

We may also seek injunctions without notice restraining certain actions for a period of time, or requiring certain steps such as refunds of money or disclosure of information.

## Criminal proceedings

We will consider criminal proceeding for serious conduct by reference to the factors set out in the preceding sections. We can refer a matter to the Office of Public Prosecutions where suspected contraventions have occurred in relation to the wrongful disconnection of consumers or life support protections. We may also institute criminal proceedings for summary offences in relation to non-compliance with compulsory information production notices, or where licensees knowingly provide false or misleading information to the commission.

## Licence revocation or deregistration

We may revoke an energy licence or deregister a person claiming an exemption under the General Exemption Order 2017. Revocation of a licence or deregistration of an exempt person means that the entity or person is no longer permitted to operate in the Victorian energy market.

## Civil and criminal litigation

The commission has both compliance and enforcement options available in relation to the Victorian energy industry. The commission considers that a range of factors are relevant to the exercise of

the commission's discretion to choose between pursuing alleged misconduct by civil litigation or criminal prosecution. These factors may include:

- whether the misconduct involved fraud or dishonesty
- whether the conduct is repeat conduct
- whether the misconduct was intentional or covert
- the potential for death or injury from the misconduct
- whether the misconduct caused, or could have caused, large scale or serious economic harm
- whether the misconduct caused, or could have caused, significant detriment to the public or segment of the public
- whether the misconduct caused, or could have caused, significant loss or harm to a customer or customers
- whether the misconduct occurred over a long period of time
- whether senior representatives of the energy business were involved in, authorised or participated in the misconduct
- the previous compliance history of the relevant energy business.

If the commission is contemplating serious criminal charges, we will confer with the Victorian Office of Public Prosecutions about the matter before proceedings commence.

## Part C: Victorian Energy Upgrades

### Our role as program administrator

The commission is responsible for the general administration of the Victorian Energy Upgrades program. The program objectives are:

- to reduce greenhouse gas emissions
- to encourage the efficient use of electricity
- to encourage investment, employment and technology development in industries that supply goods and services which reduce consumer use of electricity and gas.

We accredit persons to carry out energy efficiency activities in Victoria under the program. Accreditation conditions include obligations to comply with a range of requirements and processes that must be followed to protect energy consumers.

As part of administering the VEU program, the commission:

- promotes compliance with regulatory obligations through provision of information, education, guidance and monitoring
- undertakes validation and audit activities
- takes enforcement actions.

The requirements of the program are set out in the Victorian Energy Efficiency Target Act 2007 (VEET Act), Victorian Energy Efficiency Target Regulations and Project Based Activities Regulations (together, the regulations), Victorian Energy Efficiency Target Guidelines (which set requirements with which program participants must comply) and guidance documents (provide information to program participants in relation to our administration of the VEU program).

Accredited persons are authorised to engage in certain prescribed activities, subject to meeting their obligations as set out in these documents.

### Compliance and enforcement powers

The VEET Act provides the commission with a number of compliance and enforcement powers.

#### Giving warnings or imposing conditions on accreditation

If the commission believes on reasonable grounds that an accredited person may have committed any offence against the VEET Act, or repeatedly but unintentionally:

- created certificates that do not comply with the requirements of the VEET Act or the regulations

- failed to comply with the requirements of the VEET Act or the regulations relating to the recording or carrying out of prescribed activities,

then the commission may do one or more of the following:

- Warn the accredited person.
- Reprimand the accredited person.
- Impose a condition or restriction on the accreditation of the accredited person.

### **Surrender of certificates**

The commission may order in writing that a person surrender certificates to the commission within a period specified by the commission.

This commission may require this where:

- an accredited person fails to comply with a certificate surrender notice issued by the commission for breach of undertaking
- the commission considers that the certificate does not comply with the requirement of the VEET Act or regulations, or does not have evidence to show it complies
- the commission reasonably believes the certificate has been created with or without suspended accreditation
- a person is found guilty of an offence of creating a certificate with or without suspended accreditation.

### **Powers to suspend or revoke accreditation**

The commission has the power to suspend or revoke the accreditation of an accredited person in a variety of circumstances, including:

- breach of a condition or restriction imposed on the person's accreditation
- failure to comply with a surrender order
- failure to undertake an audit as required.

A person whose accreditation is suspended or revoked has the right under section 56 of the VEET Act to request the commission to reconsider the decision to suspend or revoke.

### **Shortfall notice**

The commission may issue a shortfall statement where the commission considers that a relevant entity has an energy efficiency certificate shortfall for a year in which the relevant entity scheme acquisition occurred.

If the energy efficiency shortfall penalty is not paid in accordance with the shortfall statement, the commission may apply to a court for an order requiring the penalty to be paid.

### Declarations and orders

The commission has specific powers to seek declarations and orders from a Court in the following circumstances.

**Failure to pay shortfall penalty.** If a relevant entity fails to pay an energy efficiency shortfall penalty in accordance with a shortfall statement, the commission may apply to a Court for:

- a declaration that the relevant entity has contravened section 27 (having an energy efficiency shortfall where the relevant entity makes a scheme acquisition)
- an order requiring the relevant entity to pay the applicable shortfall penalty.

**Failure to comply with certificate surrender notice.** If the commission considers that an accredited person has breached an undertaking under the VEET Act, it may issue a certificate surrender notice in respect of the number of certificates for which a double benefit was obtained. If those certificates are not surrendered in accordance with the notice, the commission may apply to a Court for:

- a declaration that the accredited person has breached an undertaking
- an order requiring the person to surrender the number of certificates specified in the order.

### Prosecution of offences

The VEET Act specifies that failure to comply with certain provisions will be an offence for which a prescribed penalty (or maximum penalty) is payable in each case. These are criminal offences for which charges may be laid and prosecuted against the relevant participant, either an individual or a company.

As in the Energy industry, if the commission is contemplating serious criminal charges in relation to alleged offences under the VEET Act, we will confer with the Victorian Office of Public Prosecutions about the matter before proceedings commence.

## Part D: Water, transport, local government and pricing

The commission also regulates the water, transport, and local government sectors. For water and commercial passenger vehicles we issue price determinations under the Act.

### **Price determinations**

The commission's price determinations specify the prices regulated businesses can charge. They are legally binding instruments and provide important protections for customers.

Accordingly, any breach of a price determination will be taken seriously by the commission, with our compliance and enforcement approach informed by matters such as the impact on customers and reasons for non-compliance by the business.

### **Compliance monitoring and public reporting**

In some sectors, we monitor and report on compliance with regulatory frameworks established by the Victorian government. In local government, we report on compliance with the rate capping framework (including the annual rate cap). For the Port of Melbourne, we monitor and report on compliance with the port pricing order and rent negotiation protocols.

Our monitoring and reporting role supports transparency for stakeholders about the compliance of regulated entities. We will continue to report and provide our reasons for any findings of non-compliance to hold businesses accountable to their stakeholders.

In the water sector, we issue both an annual performance report and outcomes monitoring report. These provide interested parties with comparisons of businesses in areas such as typical bill levels, customer support, and service quality and reliability. The outcomes report tracks how water businesses are performing relative to their commitments to customers. These are a form of public accountability.

### **Industry guidance and education**

In areas like water, transport, local government and pricing, we provide specific industry guidance and education through papers, information sessions and workshops. This includes:

- guidance to Victorian councils to support their compliance with the rate capping framework
- guidance to the Port of Melbourne on how it should demonstrate compliance with the ports pricing order, including through its annual tariff compliance statements

- issuing guidance to water businesses to inform their price submissions and follow up engagement with the sector
- supporting compliance by water businesses with the obligations set out in the commission's customer service codes through workshops, and providing forums to share best practice approaches in areas such as customer payment difficulty
- providing guidance to assist businesses in completing responses to our information requests, including formal requests under our Act.

## **Other ways to promote compliance**

We will also seek to promote compliance by:

- communicating, collaborating and engaging with our networks including government, advisers, intermediaries, and members of the public in a variety of formal and informal ways
- using our information gathering powers, such as sections 36 and 37 of the Act and section 56 of the Port Management Act
- providing relevant material and information to industry specific enforcement agencies such as Commercial Passenger Vehicles Victoria in respect of determinations made by the commission.