



INDEMNITY DISPUTES

This practice statement tells you

- What an indemnity dispute is
- How you start an indemnity dispute
- What happens when Utilities Disputes looks at an indemnity dispute
- What the resolution process looks like

What is an indemnity dispute?

When a retailer compensates a consumer for breach of the Consumer Guarantees Act 1993 (CGA), it can ask the distributor to repay, or indemnify, it.

The CGA says Utilities Disputes can decide who pays when providers have this kind of dispute. The process for an indemnity dispute is confidential. Providers in an indemnity dispute must participate in the process, and are bound by the decision of Utilities Disputes.

How do you start an indemnity dispute?

If you are a retailer wanting a distributor to repay the compensation you paid to a consumer, you must tell:

- the distributor about any claim made by a consumer, and
- Utilities Disputes in writing about the dispute

What happens when Utilities Disputes looks at an indemnity dispute?

When Utilities Disputes considers accepting an indemnity dispute we:

- make sure the dispute relates to a supply address within the distributor's network
- check the retailer told the distributor about the dispute
- check the nature and extent of the dispute, including its value
- tell the parties we intend to accept the dispute
- look at any jurisdiction challenges the parties raise



What does the resolution process look like?

The Utilities Disputes Scheme rules say we must look into indemnity disputes using the same processes and principles set out in the general rules. This is on a case-by-case basis. The resolution process has two stages: facilitation and decision.

Facilitation

The purpose of facilitation is to give parties the opportunity to resolve the dispute before Utilities Disputes makes a decision. This involves:

- providing information
- taking part in a conciliation conference
- taking part in guided negotiation
- making submissions

Decision

If parties are unable to resolve the dispute, Utilities Disputes makes a decision. If parties disagree with the decision, they may provide relevant information and make submissions.