

Ombudsman's Overview

Res Online evolves to meet readers' changing needs

In 2012, after some 15 years of publication in print, we moved our six-monthly Resolution newsletter into a more accessible online format. The new-look Res Online is published quarterly, as a source of regular public information about the electricity, gas and water complaints lodged with EWOV. Res Online 6 takes the 'Resolution evolution' one step further, with each issue now providing timely reporting of case information for the quarter immediately preceding publication. We've also re-designed the online format, including more infographics and visual cues to help you find the information that most interests you, quickly and easily.

We're looking for your feedback

Please take a minute or two to fill in our [short survey](#) about Res Online and the redesign in particular.

Complaints about energy switching and the transfer process have been increasing


EWOV's transfer issues category is about the process of facilitating customer switching from one electricity or gas retailer to another. For some time now, we've been tracking increases in the number of transfer complaints being lodged with us. Given that a speedy, efficient transfer process is critical to the effectiveness of energy retail competition, the difficulties customers are experiencing with the process is of concern. In this issue of Res Online, we take a look behind the transfer complaints to highlight the trends and the issues, especially around the systems-driven aspects of the transfer process. We also look at how customers are being affected and suggest some ways complaints to EWOV can be minimised or avoided. Read more [here](#).

Your content suggestions are welcome at any time


If there's something you'd like to see in Res Online, feel free to let Matt Helme, EWOV's Research and Communications Manager, know: RCT@ewov.com.au



Cynthia Gebert
Energy and Water Ombudsman
(Victoria)



The new-look Res Online is published quarterly, as a source of regular public information about the electricity, gas and water complaints lodged with EWOV.



Cases, Complaints, Enquiries - a Snapshot

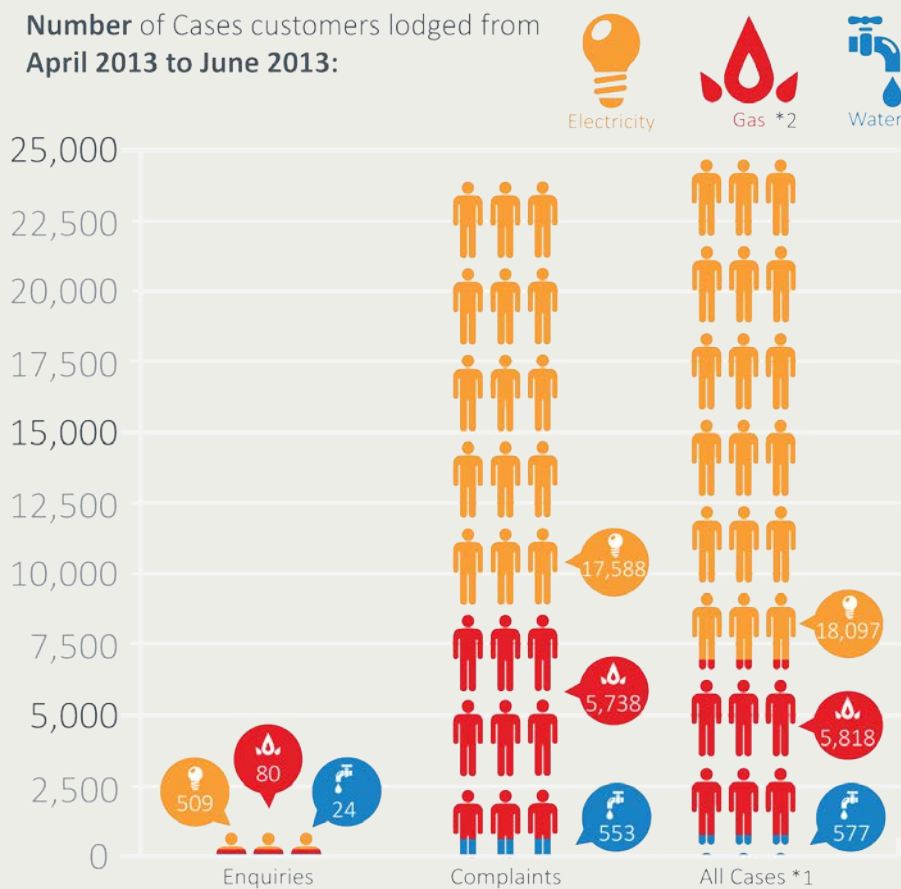
Snapshot 1 - April to June 2013



Cases customers lodged from
April 2013
to June 2013

Cases Customers Lodged

Number of Cases customers lodged from
April 2013 to June 2013:

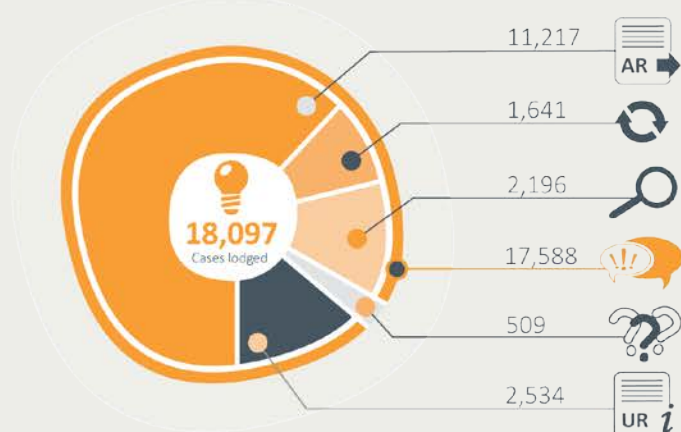


*1 This does not include 70 Dual Fuel and 87 other industry cases

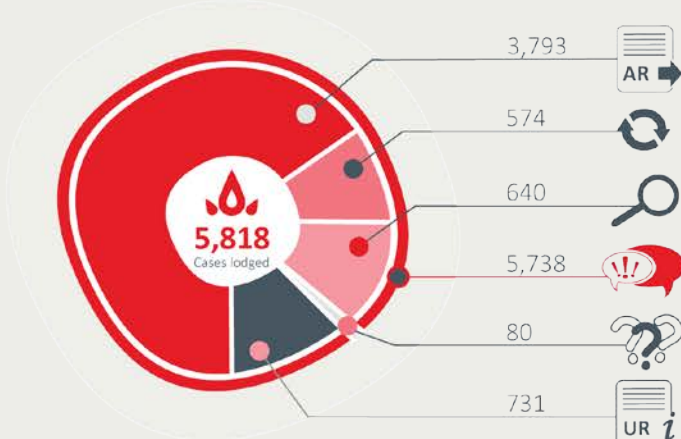
*2 Gas includes Natural Gas and LPG cases

Cases, Complaints, Enquiries - Industry

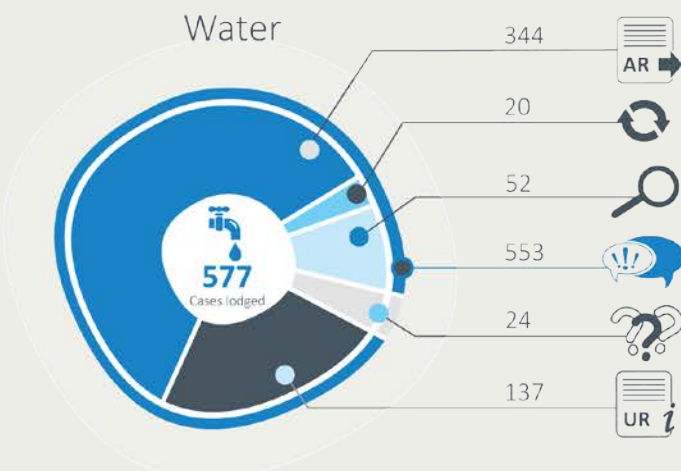
Electricity



Gas



Water



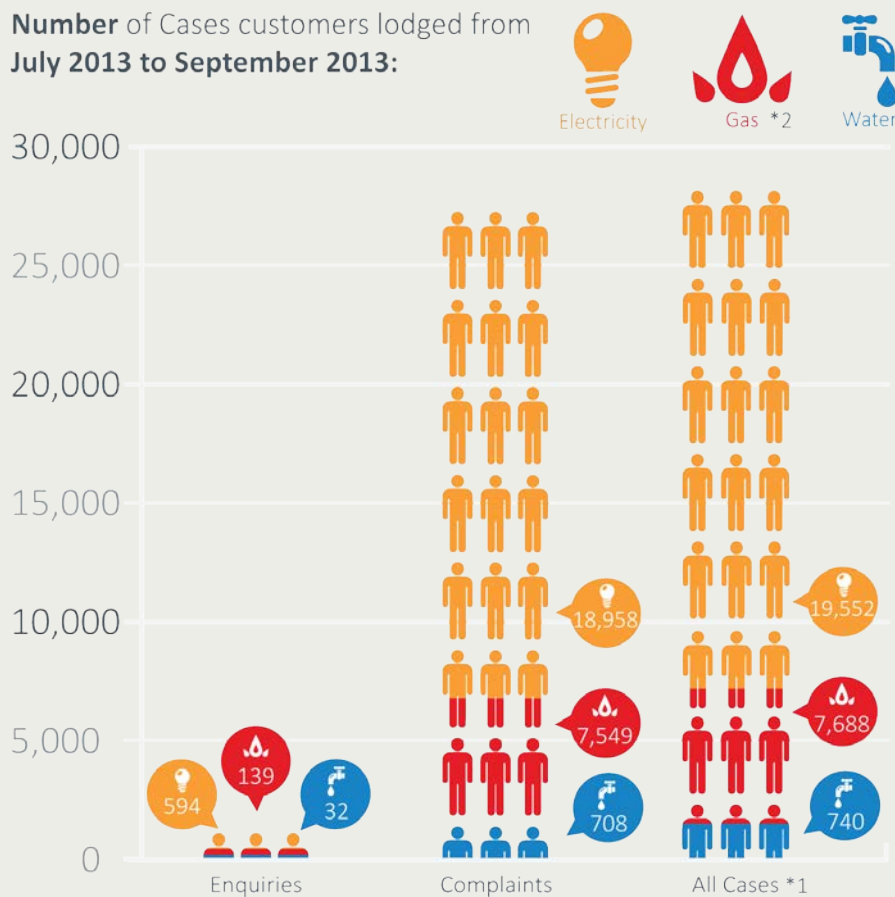
Snapshot 2 - July to September 2013



Cases customers lodged from
July 2013
to September 2013

Cases Customers Lodged

Number of Cases customers lodged from
July 2013 to September 2013:

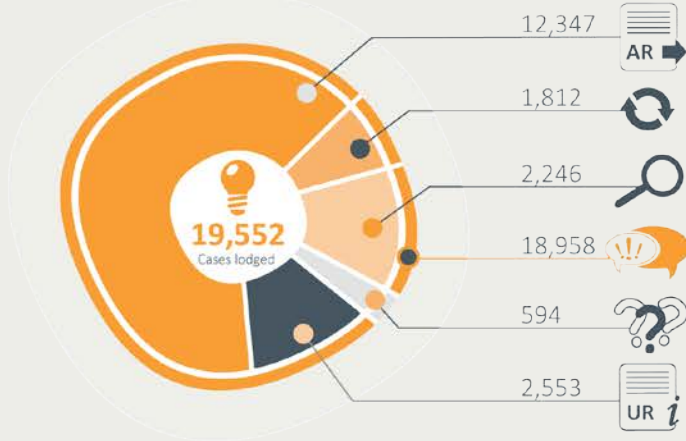


*1 This does not include 70 Dual Fuel and 87 other industry cases

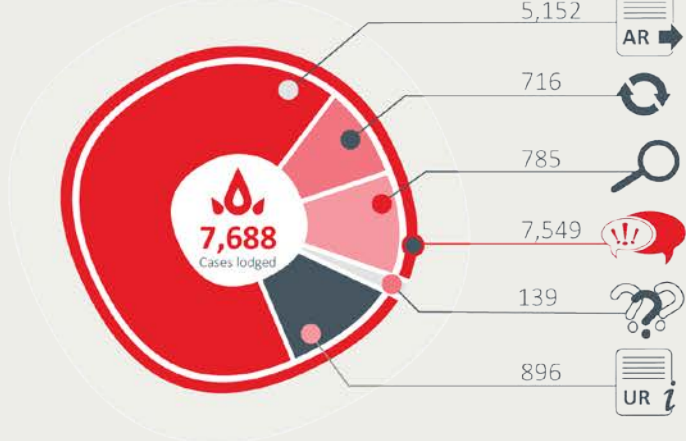
*2 Gas includes Natural Gas and LPG cases

Cases, Complaints, Enquiries - Industry

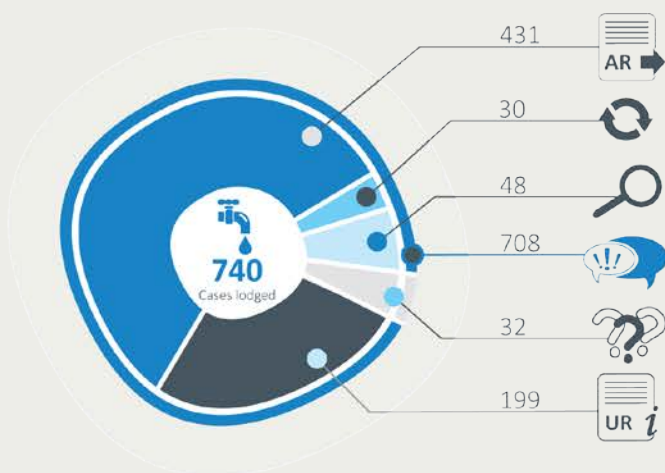
Electricity



Gas



Water



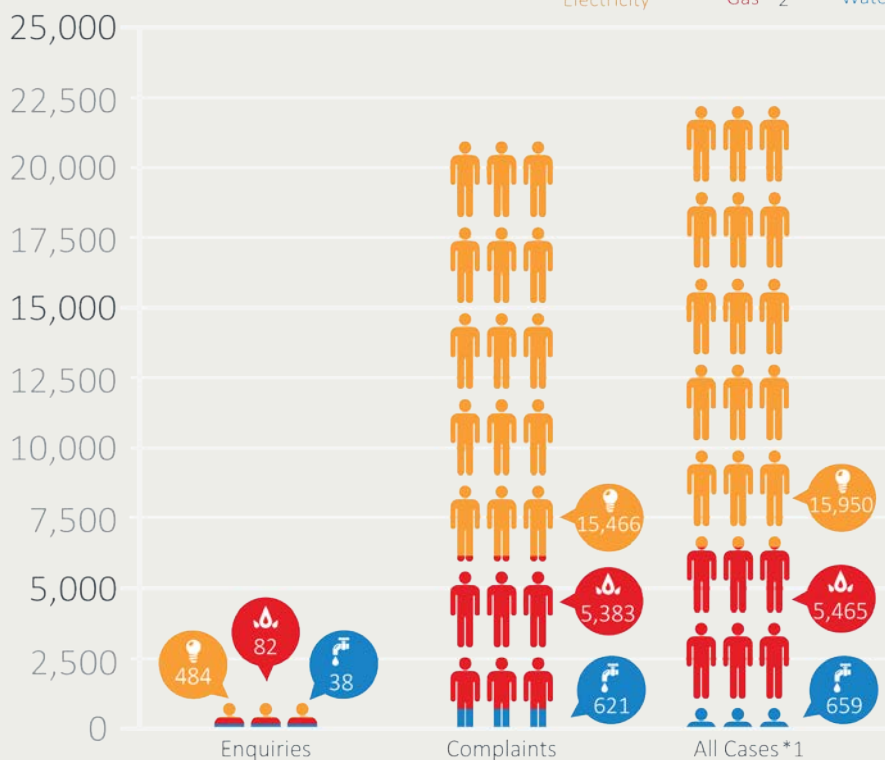
Snapshot 3 - October to December 2013



Cases customers lodged from
October 2013
to December 2013

Cases Customers Lodged

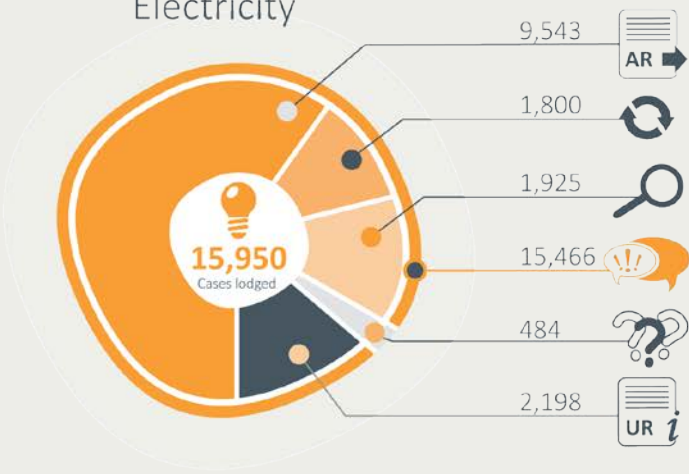
Number of Cases customers lodged from
October 2013 to December 2013:



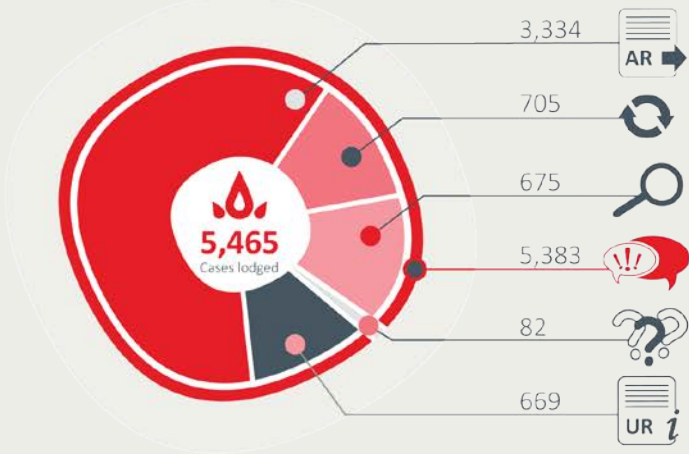
*1 This does not include 70 Dual Fuel and 87 other industry cases

*2 Gas includes Natural Gas and LPG cases

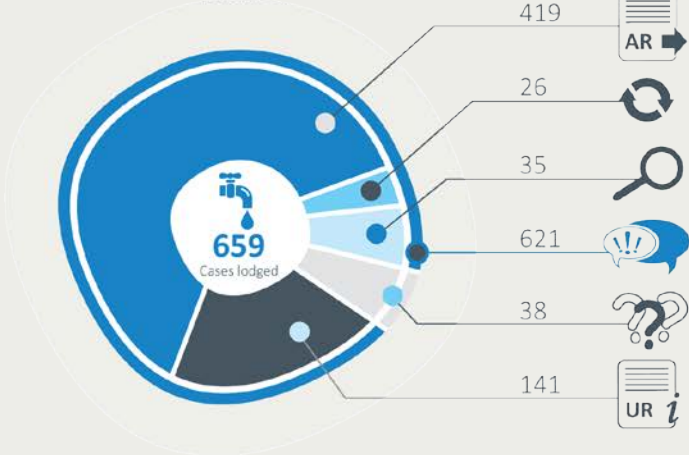
Electricity



Gas



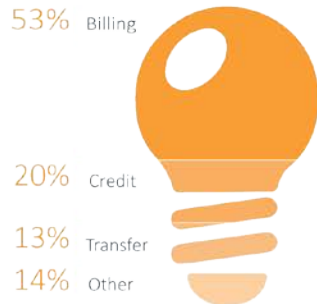
Water



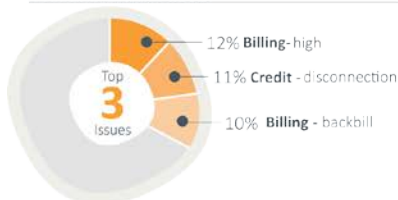
Trends

Please refer to individual company line graphs for more details

Electricity Overall:



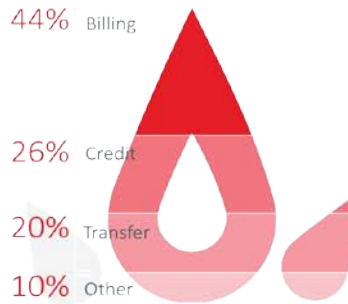
Electricity Retail Sector



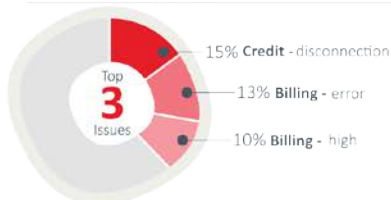
Electricity Distribution Sector



Gas Overall:



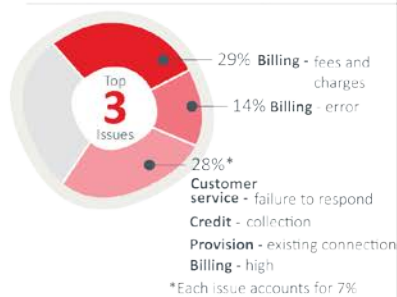
Natural Gas Retail Sector



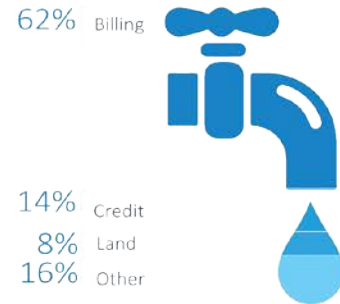
Natural Gas Distribution Sector



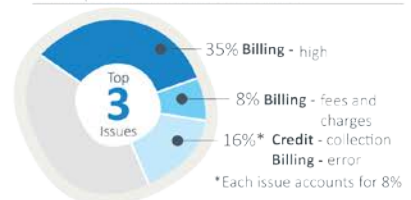
LPG (Liquefied Petroleum GAS) Retail Sector



Water Overall:



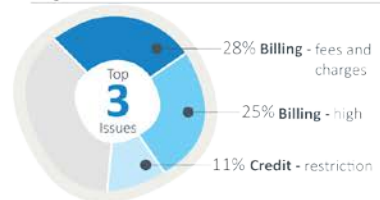
Metropolitan Retail Water Sector



Metropolitan Wholesale Water Sector



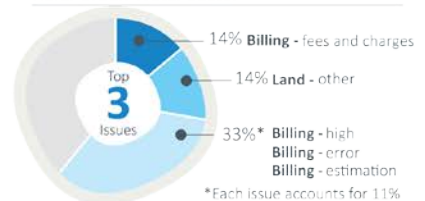
Regional Urban Water Sector



Rural Water Sector



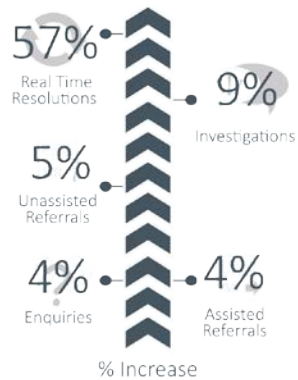
Rural Urban Water Sector



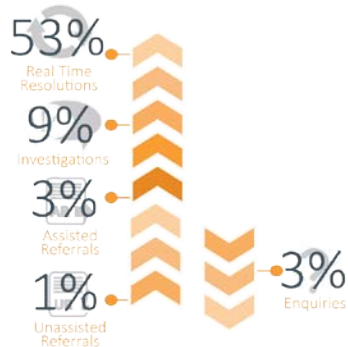
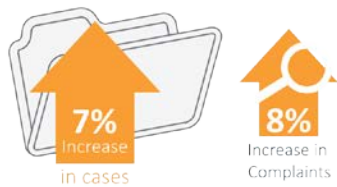
Case Trends

October to December 2013 quarter compared with October to December 2012 quarter

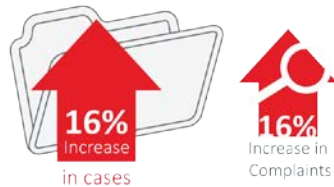
Overall:



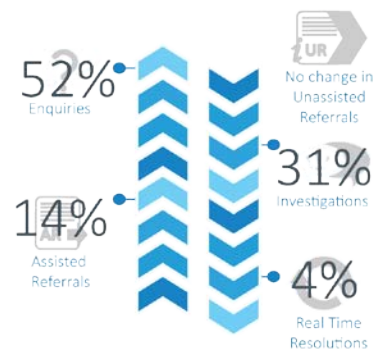
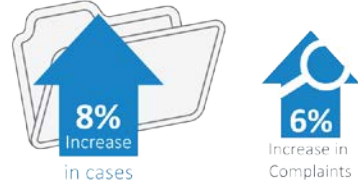
Electricity Overall:



Gas Overall:



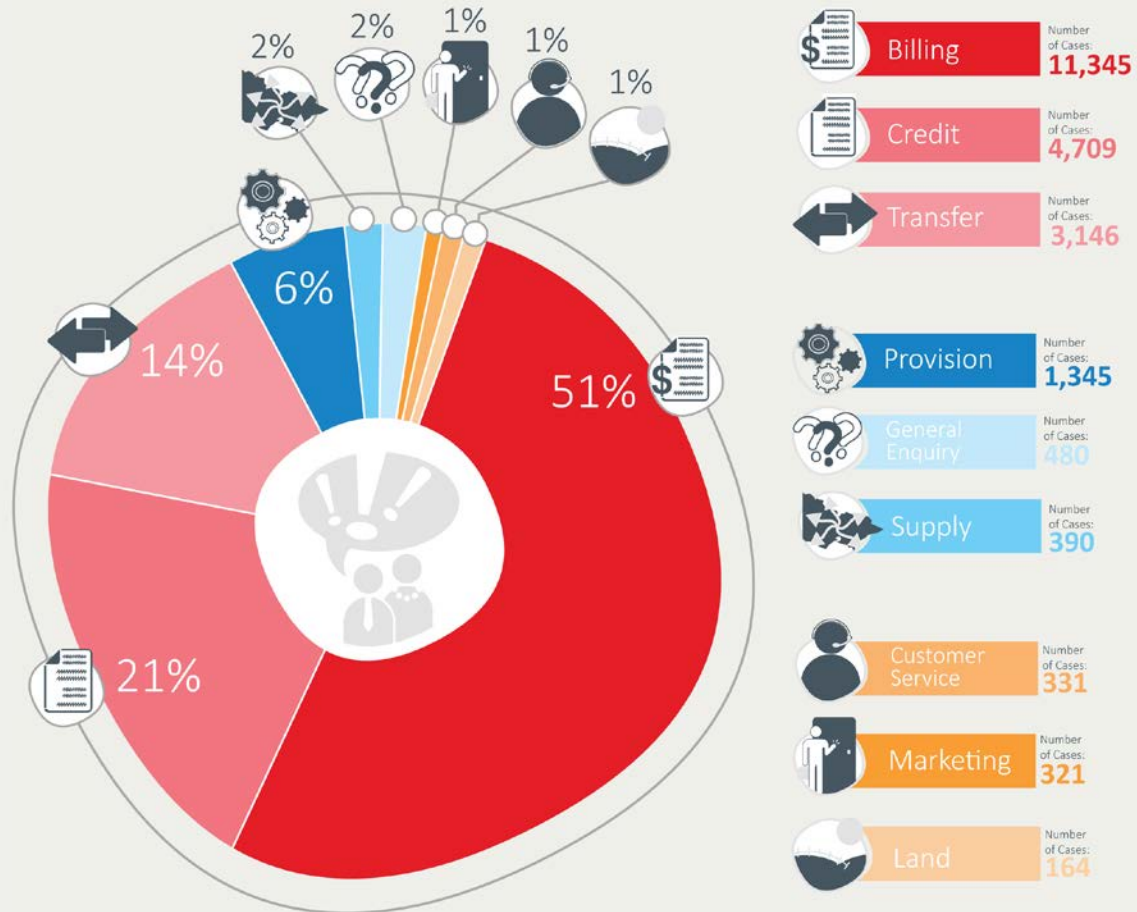
Water Overall:



Most Common Issues

The Issues Customers Complained About Across Electricity, Gas and Water

Most Common Issues (overall) from 1 October 2013 to 31 December 2013



Click on the following links for more detail on the most common issues

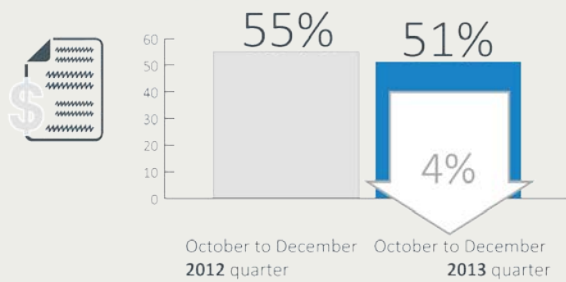


Billing

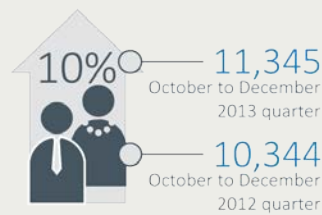
[51% Billing](#)

In the October to December 2013 quarter, 11,345 customers raised billing as their main issue, up 10% from 10,244 customers in the October to December 2012 quarter.

Percentage of Billing Cases

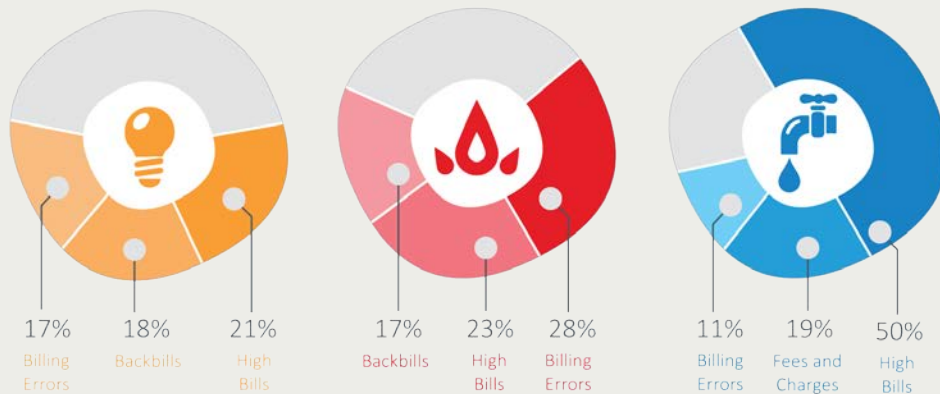


Number of customers whose main issue was Billing



Most Common Billing Issues- By Industry

Of the 11,345 customers, 8,497 were electricity customers, 2,395 gas customers, 406 water customers, 44 dual fuel customers and 3 customers with issues about other industries.



Case Study

High water bill reduced when it couldn't be substantiated by meter reads

After his previous water bill was \$335.65, the customer was concerned about a bill for \$771.20, which showed his daily consumption had increased from 700 litres to 1,600 litres. The customer said there'd been no change to how water was being used at the property. He said that, despite a leak test and an inspection by its plumber, the water corporation wasn't able to give him a satisfactory explanation for the high bill. Contacted by EWOV, the water corporation initiated a high bill investigation. It advised that, because the bill was issued directly after the water meter at the customer's property was exchanged, it couldn't verify the final read from the old meter. To resolve the complaint, the water corporation recalculated the bill based on the customer's water usage for the same month the year before. This brought it down to \$473.76, including price increases and parks charges. The water corporation then applied the [Undetected Leak and Unexplained High Usage Allowance](#), bringing the bill down further. It also provided an additional customer service credit of \$116.09. With payments the customer had already made, his account balance was reduced to \$173.76, which he was given extra time to pay. (2013/67930)

Daily consumption had increased from 700 litres to 1,600 litres.



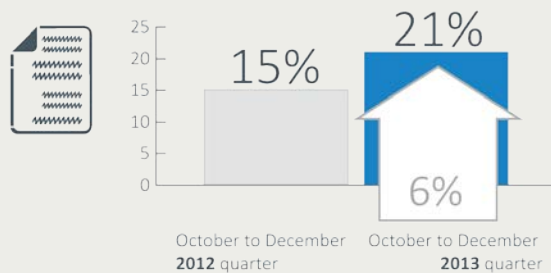
Credit

21% Credit

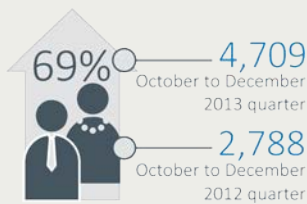
About customer capacity to pay energy and water bills and stay on supply

In the October to December 2013 quarter, 4,709 customers raised credit as their main issue, up 69% from 2,788 customers in the October to December 2012 quarter.

Percentage of Credit cases

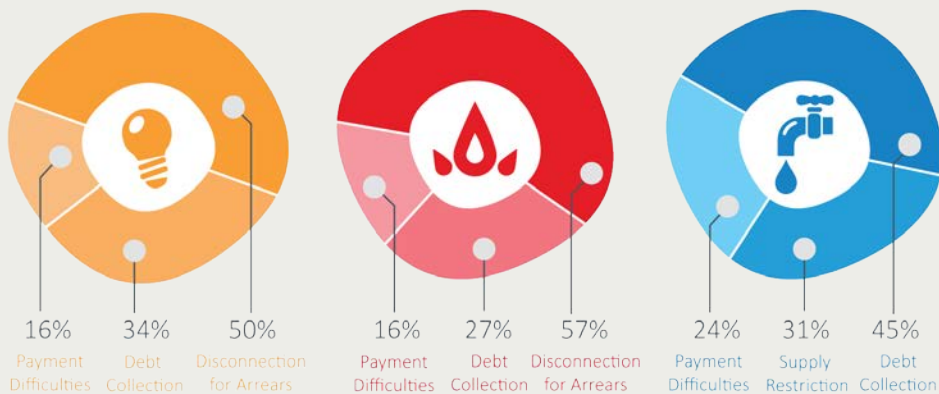


Number of customers whose main issue was Credit



Most Common Credit Issues- By Industry

Of the 4,709 customers, 3,164 were electricity customers, 1,438 gas customers, 91 water customers and 16 dual fuel customers.



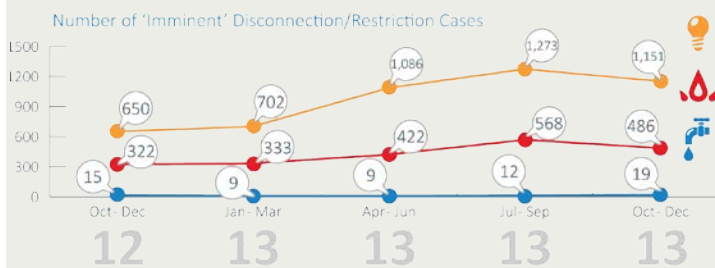
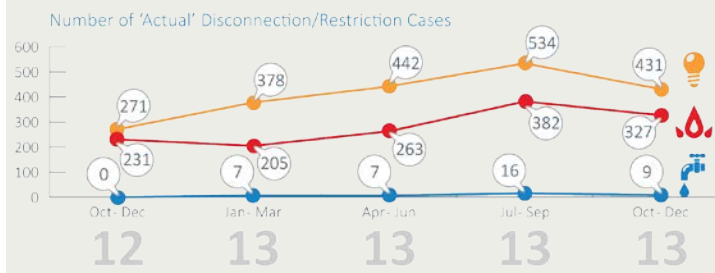
'Actual' Disconnection/Restriction

A closer look at billing-related energy disconnection and water restriction cases

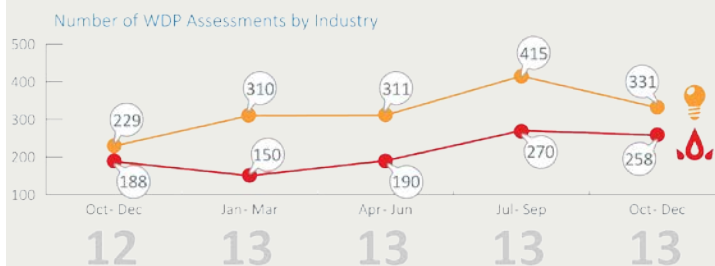
EWOV received 431 cases about 'actual' electricity disconnection in the October to December 2013 quarter—up 59% from 271 in the October to December 2012 quarter. We received a further 1,151 cases about 'imminent' electricity disconnection—up 77% from 650 in the October to December 2012 quarter.

We received 327 cases about 'actual' gas disconnection in the October to December 2013 quarter—up 42% from 231 in the October to December 2012 quarter. We received a further 486 cases about 'imminent' gas disconnection—up 51% from 322 in the October to December 2012 quarter.

Water restriction cases remained very low. We received 9 cases about 'actual' water restriction in the October to December 2013 quarter—up from zero in the October to December 2012 quarter. We also received 19 cases about 'imminent' water restriction—up 27% from 15 in the October to December 2012 quarter.



Trends in Wrongful Disconnection Payment (WDP) Investigations

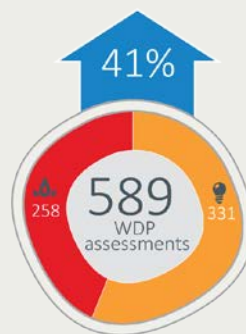


Case Study

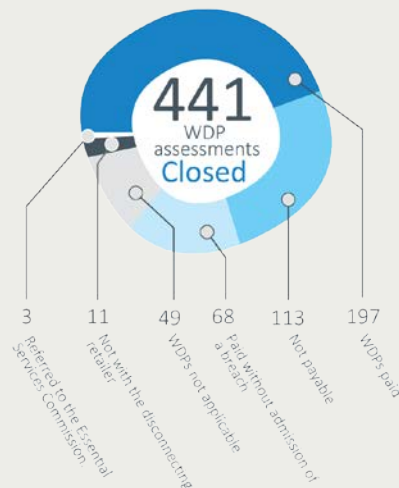
Disconnection after electricity account switched without the customer's knowledge

The customer said that, in May 2013, she received a final bill from her electricity retailer. When she rang to ask why, she was told the account for the property (which was in her name) had been switched to another retailer. She said her retailer told her it was investigating the matter and attempting to get the property's billing rights back. The customer said she received two bills from the 'new' retailer, but couldn't recall receiving any disconnection notices. She was concerned that the new electricity account was in her husband's name, with her son's phone number listed, when neither she nor her husband had spoken with that retailer. The customer's electricity was subsequently disconnected in November 2013. When she contacted EWOV, we arranged a same day reconnection. Responding to our investigation of the complaint, the 'new' retailer confirmed that it incorrectly obtained the billing rights to the property in May 2013, after a sales representative spoke with the customer's son. It said it disconnected supply in November 2013 due to non-payment. In resolution of the complaint, the billing rights for the property were transferred back to the customer's retailer and all bills issued by the 'new' retailer were reversed (a credit of \$694.88). Recognising the error it had made, the retailer also made a customer service payment of \$250 to the customer by cheque. EWOV's wrongful disconnection payment (WDP) assessment is in process. (2013/71929)

Number of WDPs Assessments



Number of WDPs Paid



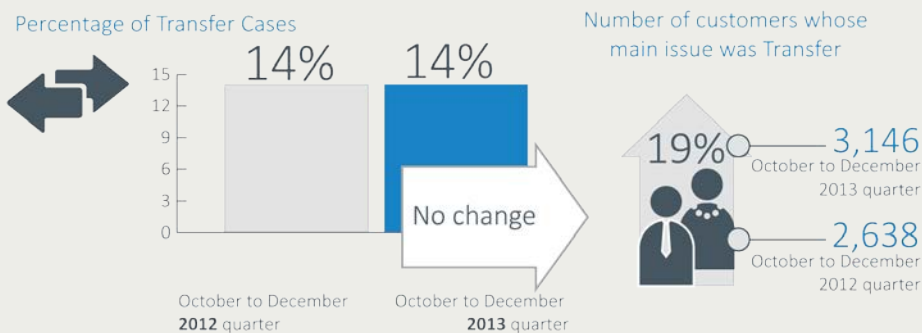
We opened 589 standalone WDP investigations - 41% more than in the October to December 2012 quarter.

(She) was told the account for the property (which was in her name) had been switched to another retailer.



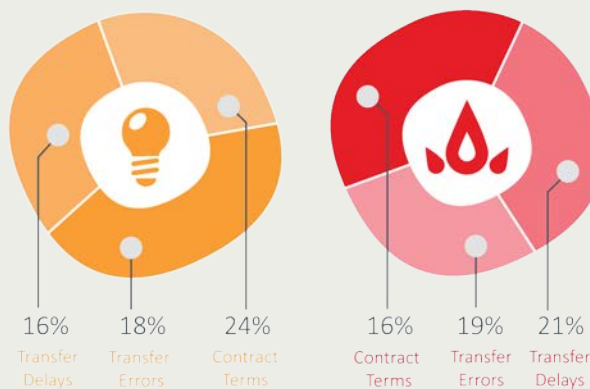
14% Transfer

In the October to December 2013 quarter, 3,146 customers raised transfer as their main issue of complaint, up 19% from 2,638 customers in the October to December 2012 quarter.



Most Common Transfer Issues- By Industry

Of the 3,146 customers, 2,037 were electricity customers, 1,100 gas customers and 9 dual fuel customers.



For more on customer switching, see the [feature article](#) on the same issue.

Some customers contact EWOV with one (main) issue of complaint. Other customers raise a main issue as well as associated issues as part of their complaint. All of these are recorded during the management of the case.



3,146 customers raised transfer as their main issue... up 19% .

Please note that the cases and issues data shared in Res Online reflects customers' main issue only. The data in our recently released Marketing and Transfer report reflects all case issues raised by customers during the period of October 2013 to December 2013. During 2014, we will adjust our special purpose public reports to report the main issue raised by the customer.

Transfer Issue Focus

Customers should be able to switch energy retailer quickly, easily and without problems

Retail competition in electricity and gas is predicated on customers being able to agree a contract that meets their residential or business needs, with the retailer of their choice—and, having done so, switch to their new retailer easily and quickly. Feedback from the thousands of customers who lodge transfer complaints with EWOV highlights that the transfer process, which underpins and facilitates customer switching, doesn't always work properly.

It's been over a decade since full retail competition was extended to all electricity and gas customers in Victoria in 2002, and there's still room for improvement in how electricity and gas retailers and distributors approach their customer transfer responsibilities to support customer choice and effective competition. We make some suggestions below about how transfer complaints to EWOV can be reduced.

The increase in EWOV transfer cases

In 2012-13, 11,335 energy customers raised the transfer of an electricity and/or gas account with EWOV as their main issue of complaint—up 52% from 7,445 customers than in 2011-12 and up 70% from 6,672 customers in 2008-09. 4,564 of the 11,335 customers complained about a delay, error or objection which arose during the transfer process.

How electricity and gas customers can be affected by a transfer delay, error or objection

Customers lodging transfer complaints with EWOV have told us they experienced at least one of the following problems, and sometimes a combination of several of them:

- Delayed billing from their new electricity and/or gas retailer, resulting in a higher than expected amount and for a period longer than their usual billing period
- Difficulty paying the delayed, often high bill
- Their account being switched to another energy retailer without their knowledge
- Unexplained 'dear occupier' letters from a retailer they don't recognise as theirs, which they often admit they ignored
- Threatened disconnection of supply for non-payment, and sometimes actual disconnection
- Disruption to the payment arrangements they've set up for their account
- Confusion about which retailer is supposed to be billing them
- Significant inconvenience from having to make multiple calls to their preferred retailer, the other retailer and EWOV, to sort the problem out
- An objection lodged against their transfer because of their own or a previous occupant's arrears.

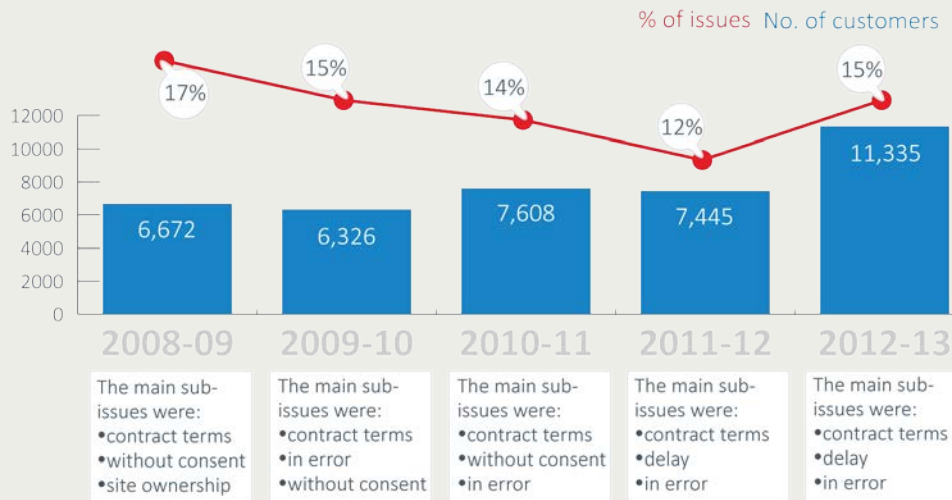


Review by the Australian Energy Market Commission (AEMC)

The importance of having a timely and accurate customer transfer process was highlighted by the June 2013 request from the Standing Council on Energy and Resources (SCER) for the AEMC to "review the existing customer switching arrangements in the National Electricity Market (NEM) to better support customer choice, and to make customer switching between retailers more efficient". In December 2013, the AEMC published an [issues paper](#), with submissions due by late December 2013. [EWOV's submission](#) to the AEMC's consultation process is available on our website.

Tracking five years of EWOV transfer cases

The red line shows the percentage of energy customers who raised Transfer as their main issue in proportion to the overall number of customers who raised complaints to EWOV.



We make some suggestions... about how transfer complaints to EWOV can be reduced.

Transfer Delays

Transfer delay complaints

In 2012-13, 2,057 energy customers raised transfer delay as their main issue of complaint— up 59% from 1,291 customers in 2011-12 and up 210% from 664 customers in 2008-09.

We find that problems with meter reading and meter data often underpin transfer delays.

Examples include:

- A transfer requires an actual meter reading—if the local distributor can't get to the meter to read it, there's likely to be a delay.
- A problem during the meter reading process for a Smart Meter, solar bi-directional meter or interval meter may mean meter data isn't obtained—in these cases, there needs to be a substituted read, causing a delay.
- Problems with distributor/retailer business-to-business communications—if a retailer receives meter read data from a distributor that isn't compatible with the retailer's billing system, there will be a delay while the retailer and the distributor sort the mismatch out.
- Another problem—such as a transfer error or transfer objection—needs resolution before the transfer request can be resubmitted, causing a delay.

Suggestions for reducing transfer delay complaints to EWOV

- The use of Smart Meters should improve the timeliness of electricity transfers, because remotely-read meters overcome meter access issues.
- Distributors and retailers need to address meter read data compatibility issues between the different systems they operate.
- It will help customers and reduce complaints to retailer call centres and EWOV if retailers:
 -
 - track the transfer process more closely to identify potential delays early on
 - tell affected customers what's happening and how it's being addressed to get their switch of retailer processed.



Case Study

Billing system problems delay the customer's switch and lead to disconnection

After moving into her property in February 2013, the customer contacted her preferred gas retailer to set up an account. In mid-October 2013, her gas supply was disconnected by the gas retailer of the property's previous occupant. The customer said she'd followed up with her preferred retailer several times over the eight months and paid it \$200 in September 2013. Receiving 'dear occupier' bills and disconnection warning notices, she rang the other retailer, but its response was to send her back to her preferred retailer. The customer said she found herself going back and forth between the two retailers, with her preferred retailer saying the transfer of the property's billing rights would be processed and she needn't worry about being disconnected. Frustrated by the situation, she contacted EWOV. Responding to our investigation of the customer's complaint, her preferred retailer said its transfer requests weren't processed due to internal billing system issues, which had since been rectified. It said it had obtained the billing rights to the customer's property on 16 October 2013 and the transfer was completed the next day. In recognition of the inconvenience caused by the transfer delay, it waived the customer's current account balance of \$84.69 (reducing it to zero) and applied a \$300 credit to the account. EWOV assessed the actions of the disconnecting retailer for a wrongful disconnection payment (WDP) and found a WDP wasn't applicable in the circumstances—because the deemed contract, which existed between the customer and that retailer, expired some two months before supply to the property was disconnected. We also investigated this as a systemic issue. (2013/63913)



Case Study

Retailer delay in completing the transfer process leads to supply disconnection

After the customer signed up to a new electricity contract in February 2013, his electricity was disconnected without warning in April 2013. He said that when he rang the retailer to find out what had happened, he was told his supply couldn't be reconnected until the next day because a manager wasn't available. Because his wife was pregnant, the customer decided to stay in a hotel overnight. Despite several attempts, the customer wasn't able to resolve his complaint about the disconnection, so he contacted EWOV for help. It turned out that the disconnection had been requested by a previous retailer which still had the billing rights to the customer's property, because the customer's retailer hadn't completed a successful transfer request. The customer's preferred retailer reimbursed him \$479.50 for his hotel costs and lost food items. It said it had made three unsuccessful transfer requests, which delayed the transfer of the billing rights for his property. The transfer was eventually completed in May 2013. Our separate wrongful disconnection payment (WDP) investigation into the circumstances leading up to the disconnection found that a wrongful disconnection payment (WDP) wasn't payable, because the disconnecting retailer followed all the correct procedures. (2013/26384)

Three unsuccessful transfer requests... delayed the transfer of the billing rights.

The customer said she found herself going back and forth between the retailers.

The relationship between energy marketing and transfer issues

While the focus of this article is the systems-driven aspects of the transfer process, it's important to highlight the effect that marketing can have on switching by energy customers. Misunderstandings at the 'point of sale'—around things such as discounts, tariffs, termination fees, whether the person agreeing to the contract is actually the customer on the account, whether the customer is agreeing to sign up or just agreeing to receive more information and cooling-off period provisions—commonly come up in connection with complaints about transfer. Retailers need to ensure their sales representatives are being upfront with customers in the sales process and providing them with sufficient, clear and accurate information.



Transfer Error

Transfer in error complaints

In 2012-13, 2,042 energy customers raised transfer in error as their main issue of complaint—up 72% from 1,185 customers in 2011-12 and up 784% from 231 customers in 2008-09.

We find that transfer in error usually results from mismatches between property address descriptions, meter numbers and NMI (National Metering Identifier) details.

Examples include:

- The council property description doesn't align with the NMI or meter number details listed in the transfer database (Market Settlement and Transfer Solution, 'MSATS'), or the distributor's or retailer's systems—so the wrong property is transferred (say, property number 166, instead of 166A)
- A problem with the MSATS listing itself—for example, the NMI or meter number in MSATS doesn't match the details at the address because it hasn't been updated in MSATS or was assigned the wrong number
- An incorrect address, NMI or meter details in the retailer's system or entered by a retailer into MSATS
- A customer quotes the wrong meter details to the energy retailer, or provides details that don't correspond to the NMI or meter details in MSATS
- Problems with the retailer and distributor business-to-business communications or systems.

Suggestions for reducing transfer error complaints to EWOV

- There needs to be a more accurate alignment between a property address description, its meter number, its NMI and the details in MSATS—this may be an issue with MSATS, or it may be a limitation of the extent of information management and synchronisation required to co-ordinate a transfer.
- Retailers should:
 - take more care when asking customers for their address and NMI details
 - maintain good and efficient internal systems
 - contact customers early on when transfer in error occurs.



Case Study

Address mix-up leads to transfer in error and loss of solar credits

In March 2013, the customer discovered that his electricity account had been switched to another retailer without his knowledge. He said his requests to have this corrected were rejected on two separate occasions and, by November 2013, he still hadn't been given confirmation that his account had been switched back. Responding to our investigation of the customer's complaint, the 'new' retailer confirmed the billing rights to the customer's property had been transferred in error because of an address mix-up, but were returned to his retailer in mid-May 2013. It advised that the customer wouldn't be charged for his electricity usage from March 2013 to May 2013. It also compensated him for Premium Feed-in Tariff (PFiT) solar credits he lost because of the transfer—the customer calculated his loss at \$371 and the retailer sent him a cheque for \$400. (2013/64878)



Case Study

Transfer error leads to electricity disconnection

The customer's electricity supply was disconnected without warning. When she rang her electricity retailer to complain, she was told her account had been switched to a different retailer, and that retailer had requested the disconnection. Despite several contacts with the disconnecting retailer the same day, the customer was told she couldn't get her supply reconnected unless she set up another account. Frustrated, she contacted EWOV for help. We arranged for her supply to be reconnected that day. Contacted by us, the retailer advised that it had mistakenly used the meter details for the customer's property to set up an account for another customer. In resolution of the complaint, the retailer paid the customer \$300 for loss of income, \$60 for spoilt food and \$30 for phone calls. In addition, because it hadn't followed the correct procedures under the Energy Retail Code when disconnecting her electricity supply, it made a wrongful disconnection payment to her of \$252.78. The customer's account was returned to her original retailer. (2013/11942)

Billing rights to the customer's property had been transferred in error because of an address mix-up.

We arranged for her supply to be reconnected that day.

Transfer Objection

Transfer objection complaints

In 2012-13, 465 energy customers raised transfer objection as their main issue of complaint— up 39% from 334 customers in 2011-12 and up 384% from 96 customers in 2008-09.

We find that transfer objections arise in a number of quite different ways.

- A customer looking to switch retailer has an outstanding account balance with their current retailer—under clause 8.1 (a) of the Energy Retail Code, a customer's retailer can object to a transfer to another retailer if the customer still owes over \$120, doesn't provide acceptable identification, has an unsatisfactory credit rating or has unlawfully used energy over the previous two years
- A retailer objects because there's a debt at the property owed by a previous occupant
- An objection is raised as a result of an issue with a meter read—such as a transfer submitted on an estimated read
- There are technical issues around the compatibility of the meter type with MSATS or the retailer's billing system—for example, where a retailer bases an MSATS transfer request on a basic meter when the property has a Smart Meter
- A retailer, to which a customer is seeking to switch, wants the customer to pay a bond (refundable advance) as a security before it takes the customer on.

Suggestions for reducing transfer objection complaints to EWOV

- Retailers should ensure that:
-
- any debt is correctly administered—that is, it relates to the customer seeking to transfer (not to a previous occupant) and that the correct forwarding address is recorded for the final billing of accounts
- where they are seeking a refundable advance, they offer the customer an instalment plan, in accordance with clause 8.1 (b) of the Energy Retail Code and comply with clause 8.1 (c) by correctly calculating the amount of that advance
- The rollout of Smart Meters in Victoria should mean that meter types become more universal—so, as long as MSATS is updated accurately, there should be fewer transfer objections due to incompatible meter types.



Case Study

Estimated meter read triggers transfer system objection

In mid-June 2013, the customer initiated the switch of his electricity and gas accounts to another energy retailer. His electricity account was switched within four weeks. Transfer of the billing rights for his gas account was delayed by two objections raised by the retailer he was switching from. Frustrated when the transfer process wasn't completed by November 2013, the customer rang EWOV. Our investigation of the customer's complaint revealed that the meter read his preferred retailer was attempting to use to complete the transfer was an estimated read. As a result, the transfer system (MSATS) 'objected' to the request. In resolution of the complaint, the customer's former retailer facilitated a retrospective transfer for the customer to his preferred retailer from the property's last actual meter read date. 2013/76245



Case Study

Electricity retailer objects to the customer's switch due to previous occupant's debt

In October 2012, before moving into his property, the customer contacted his preferred electricity retailer to set up an account. Ten months later, his electricity was disconnected by another retailer. When he contacted the disconnecting retailer, he was told it had objected to transfer requests from his preferred retailer because of an outstanding debt at the property left by another customer. This meant the billing rights to customer's property remained with that retailer and when its bills weren't paid, it disconnected the supply. Dissatisfied with this situation, the customer contacted EWOV. We arranged for reconnection the same day. Responding to our investigation of the complaint, the disconnecting retailer accepted that the outstanding debt wasn't the customer's responsibility. Transfer of the property's billing rights to the customer's preferred retailer went ahead and he wasn't billed for electricity he'd used at the property to that point. We also separately investigated the circumstances leading up to the disconnection. Under s39(7) of the Electricity Industry Act, there was a deemed contract between the customer and the retailer, which ended on 1 May 2013, 180 days after it commenced. Because no contract existed between the customer and the disconnecting retailer at the time of disconnection, a wrongful disconnection payment didn't apply. (2013/51388)

The rollout of Smart Meters in Victoria should mean that meter types become more universal.

Ten months later, his electricity was disconnected by another retailer.

EWOV Public Submissions

Public Policy Submissions Made by EWOV - October 2013, November 2013, December 2013

We provided input to nine public consultations by regulators, government and an industry association.

Productivity Commission

[Inquiry into Access to Justice Arrangements \(November 2013\)](#)

Our submission to the Productivity Commission's Inquiry into Access to Justice Arrangements explained EWOV's background and role, highlighted our adherence to the Benchmarks for Industry-Based Customer Dispute Resolution Schemes (National Benchmarks) and addressed a range of questions raised by the Commission about the Ombudsman model as an informal dispute resolution mechanism. EWOV's submission

Australian Energy Market Commission (AEMC)

[First Interim Report – NEM financial market resilience \(July 2013\)](#)

EWOV's submission to the AEMC's first interim report addressed the key operational role energy Ombudsman schemes would have in ensuring a smooth transition for customers, under the proposed special administration regime should a large energy retailer collapse. We asked that the AEMC take this into consideration when making its recommendations to amend the current Retailer of Last Resort (ROLR) regime. In particular, we addressed the importance of EWOV being able to prepare for the significant increase in customer enquiries and complaints which would flow from such an event and the potential financial impact on EWOV should the failed retailer not be able to pay for the services we would provide to its affected customers. We also noted that EWOV's jurisdiction would preclude us from being able to investigate most new cases involving the failed retailer because the company would be overseen by an administrator. We drew the AEMC's attention to the important matters raised by the Energy & Water Ombudsman NSW in its September 2010 report into the failure of energy retailer, Jackgreen. EWOV's submission

[Issues paper – Review of Electricity Customer Switching \(December 2013\)](#)

Our submission to the AEMC's issues paper outlined EWOV's role in the resolution of electricity transfer complaints and provided information about the customer experience of being affected by a transfer error, delay and/or objection.

Australian Energy Regulator (AER)

[Draft Consumer Engagement Guideline for Network Service Providers \(August 2013\)](#)

We welcomed the AER's proposed Guideline, observing that it offers an opportunity for network service providers to drive best practice engagement with customers. EWOV's submission

[Regulation of Alternative Energy Sellers under the National Energy Retail Law \(November 2013\)](#)

Agreeing that customers of alternative energy sellers should have protections consistent with those which other customers have under National Energy Retail Law, we welcomed the AER's consideration of matters such as small customer access to flexible payment options, adherence to energy marketing requirements and disconnection/reconnection obligations. We supported the

requirement for sellers to have effective internal customer dispute resolution procedures. We also supported customers of alternative energy sellers having access to a free and independent external dispute resolution scheme, but noted that EWOV does not presently have plans to extend its jurisdiction to include these sellers.

Essential Services Commission (ESC)

[Developing an approach to measure the effect of additional hardship allowances \(October 2013\)](#)

Our submission to the ESC made a range of comments on the proposed qualitative and quantitative indicators for financial assistance programs. In particular, we highlighted the value of discussions with financial counsellors, regular reporting by water corporations directly to the ESC on new hardship programs, and surveys of customer awareness of available financial support and their experiences of financial support programs. We also suggested the ESC consider the area of customer service relationships, explaining that EWOV's experience with water complaints has highlighted the importance of water corporations investing in training their frontline staff to deal with customers experiencing financial difficulty.

Australian Competition and Consumer Commission (ACCC)

[Debt Collection Guideline and Dealing with Debt booklet \(December 2013\)](#)

These publications have been developed jointly by the ACCC and the Australian Securities and Investments Commission (ASIC). We welcomed the Debt Collection Guideline: For Collectors and Creditors, noting its potential value for our staff when investigating the acceptable debt recovery conduct of creditors and debt collection representatives acting on behalf of energy and water companies. Believing the Dealing with Debt booklet will be a helpful resource for consumers, we made some practical suggestions to help make it as user-friendly as possible.

[Energy Assured Limited's application for reauthorisation of its Code of Practice to self-regulate door-to-door energy sales \(December 2013\)](#)

Our submission explained how EWOV envisages an ongoing role for Energy Assured Limited (EAL) in the training, registration and sanction of energy sales agents—with an increase in its function to identify systemic issues and regulate face-to-face shopping centre kiosk sales. We also provided recent marketing case data, trends and commentary on reasons for the fall in EWOV cases over the past two years.

Standing Council on Energy and Resources (SCER)

[National Smart Meter Consumer Protection and Safety Review Consultation Paper](#) – National Energy Retail Rules Amendment Rule 2013 (November 2013)

In commenting on this consultation paper, we supported the SCER's view that consumers need to be more informed about electricity supply and usage to be able negotiate supply control contract options. Our comments on Supply Capacity Control and Direct Load Control were based on our understanding of related key issues and customer concerns from credit, marketing, billing and Smart Meter cases over the past few years.

Energy Networks Association (ENA)

[ENA Discussion paper June 2013 – Smart Reform: People, Power, Price](#)

We focused our comments on the question of supporting consumers—addressing flexible pricing, clear and simple communications, the benefits of technology and switching back without penalty.

Case & Complaint Terminology



Cases

The term case covers all customer contacts with EWOV. Each case is registered as either an 'enquiry' or a 'complaint' and handled in accordance with our Best Practice Procedures.

Complaints

A complaint is an expression of dissatisfaction regarding a policy, a practice or the customer service performance of an energy or water company which is an EWOV scheme participant, where a response or resolution is explicitly or implicitly expected.

Enquiry

An enquiry is a customer's request for general information (e.g. about the Smart Meter rollout). This information may be provided by us or the customer may be referred to another agency.

Unassisted Referral

Where the customer raises their complaint with EWOV before raising it with their company, we refer them back to the company's call/contact centre.

Assisted Referral

Even though the customer speaks with someone at their company, their complaint may remain unresolved. In these cases, the complaint is handled as an Assisted Referral. This means it's referred to a higher level complaint resolution officer at the company. Assisted Referral gives the company another opportunity to reconnect with their customer to resolve the complaint. It also helps build the customer's confidence that the company will resolve any future problems. Undertaken effectively, Assisted Referrals can successfully and significantly reduce the number of complaints which need to go through to Real Time Resolution and Investigation.

Real Time Resolution

Despite the resolution opportunities afforded by the Assisted Referral process, not all Assisted Referrals result in resolution. Some customers return to us still dissatisfied with the solution their company has proposed. Our Real Time Resolution Team receives customer calls about failed Assisted Referrals and works to resolve these complaints quickly, through customer education and direct negotiation with the customer and their company. Our aim is to reach a fair and reasonable outcome, typically within 24 hours, without the need for us to open an Investigation.

Investigation

We open an Investigation in the following situations:

- An Assisted Referral has failed, the matter remains unresolved and the customer has recontacted us
- Discretion has been used to bypass the Assisted Referral process because the customer is particularly vulnerable or has special circumstances
- The matter is complex and unlikely to be resolved as an Assisted Referral
- An attempt at Real Time Resolution has failed
- The company has requested an escalation to an Investigation.

Having opened an Investigation, it's our task to arrive at an independent view of what happened. In doing this, we take account of what's fair and reasonable, good industry practice and current law and codes. Investigations are also subject to the stages set out in EWOV's upgrade policy (particularly around resolution timeframes) and a complaint may be upgraded where the company doesn't respond to our Investigation in a timely manner.

EWOV Issue Categories



Billing



Relates to generating and sending customer bills and processing payments



backbill

error, payment, other

concession/
rebate

concession error, concession information, network tariff rebate

delay

error

lost payments, other.
This applies where an error has affected a customer's account. Examples can include:

charges relating to an incorrect meter have been applied to the account in error, the amount of the usage incorrectly calculate payments applied to an incorrect account.

estimation

high, low

for estimated bills, or where a customer has been advised by the energy or water company that a high bill is in fact a catch-up bill caused by previous bills being based on estimated readings.

fees &
charges

collection/legal fees, connection fee, delivery fee, drainage, interest, late payment fee, meter test fee, parks, reconnection fee, rental/service fee, service charge, sewerage disposal charge, truck visit, other

high

bulk hot water, leak, general

Involves concerns about high billing. A customer may consider a bill to be high if they have previously received lower bills for comparable periods or they have had changes in their appliances or usage patterns.

meter

final reading, reading, tampering

other

format, general

price of
LPG

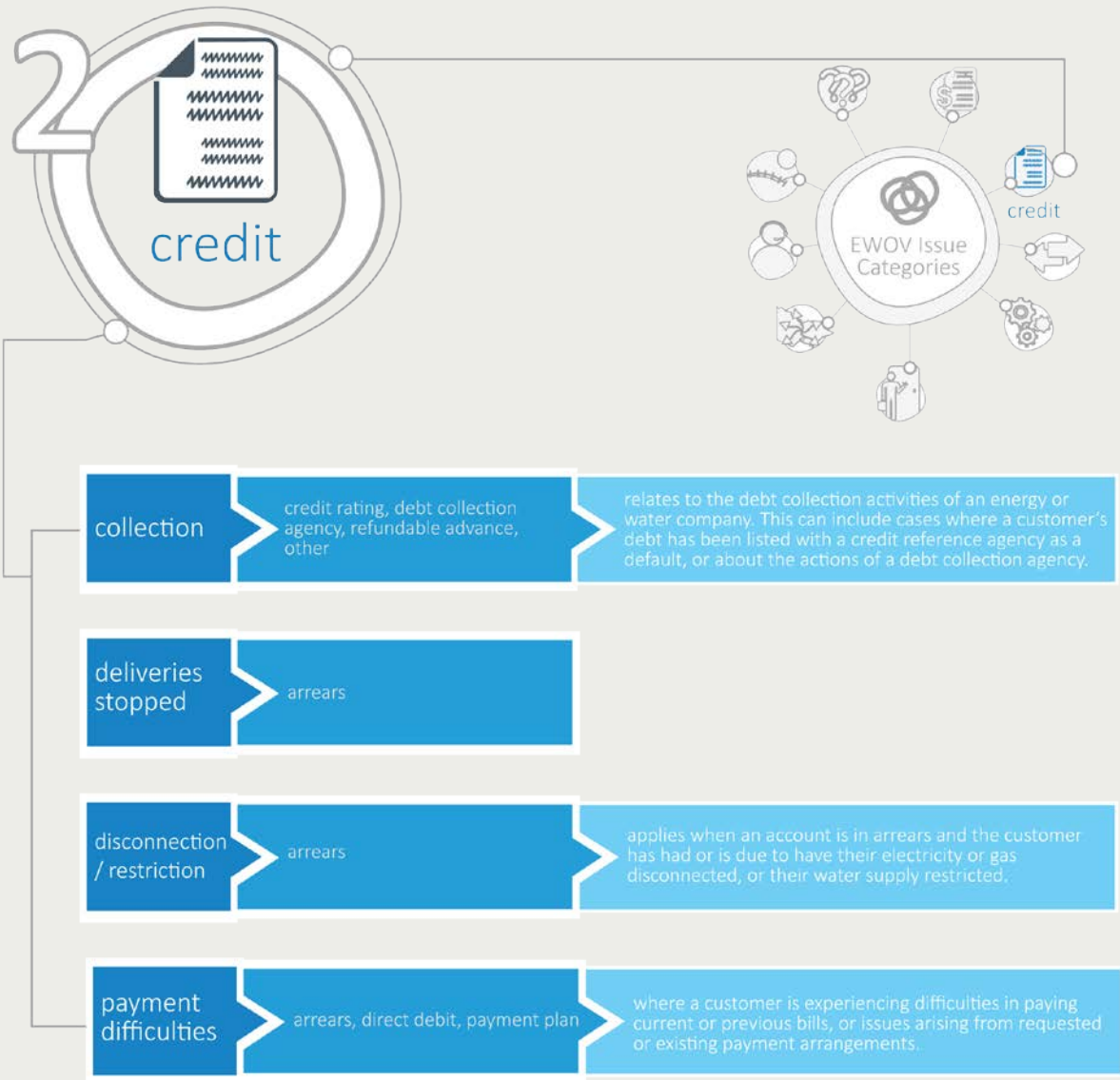
refund

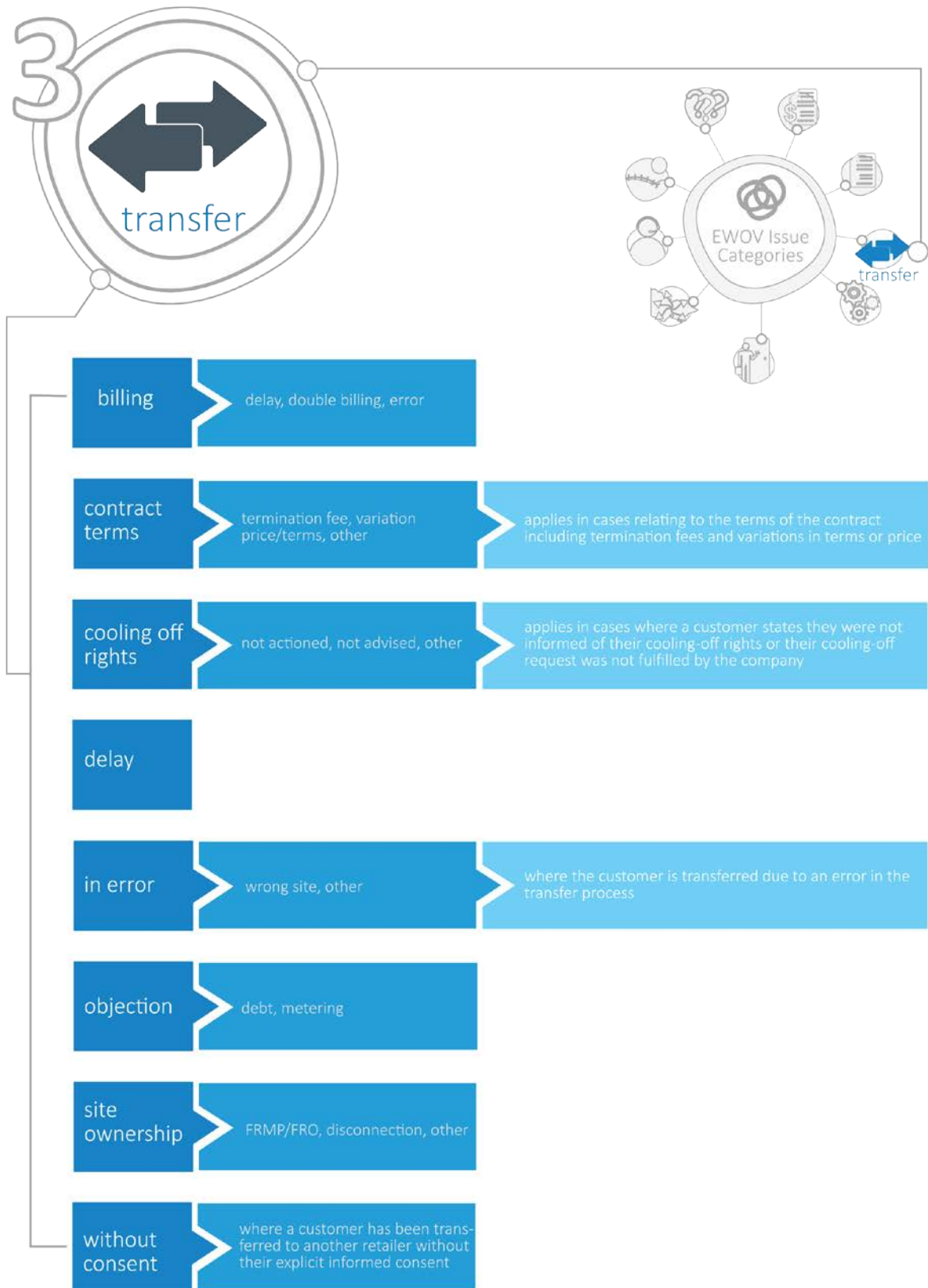
tariff

consumption share, contract, information, network tariff, price increases, retail tariff, unmetered, other

concerns about tariffs and how they are applied to an account or information about tariffs and the setting of prices

Credit





Provision



deliveries
stopped

safety, site access

disconnection
/ restriction

error, meter access, safety/defect

cases that involve a faulty, defective or dangerous installation. These issues do not have anything to do with the disconnection / restriction of supply due to credit or transfer issues

existing
connection

de-energisation, energisation/
connection, interference, meter
removal, repair, safety, supply up-
grade, other

relates to problems arising from connections that are already in place. For example, cases about altering, up-grading, connecting or disconnecting an existing connection

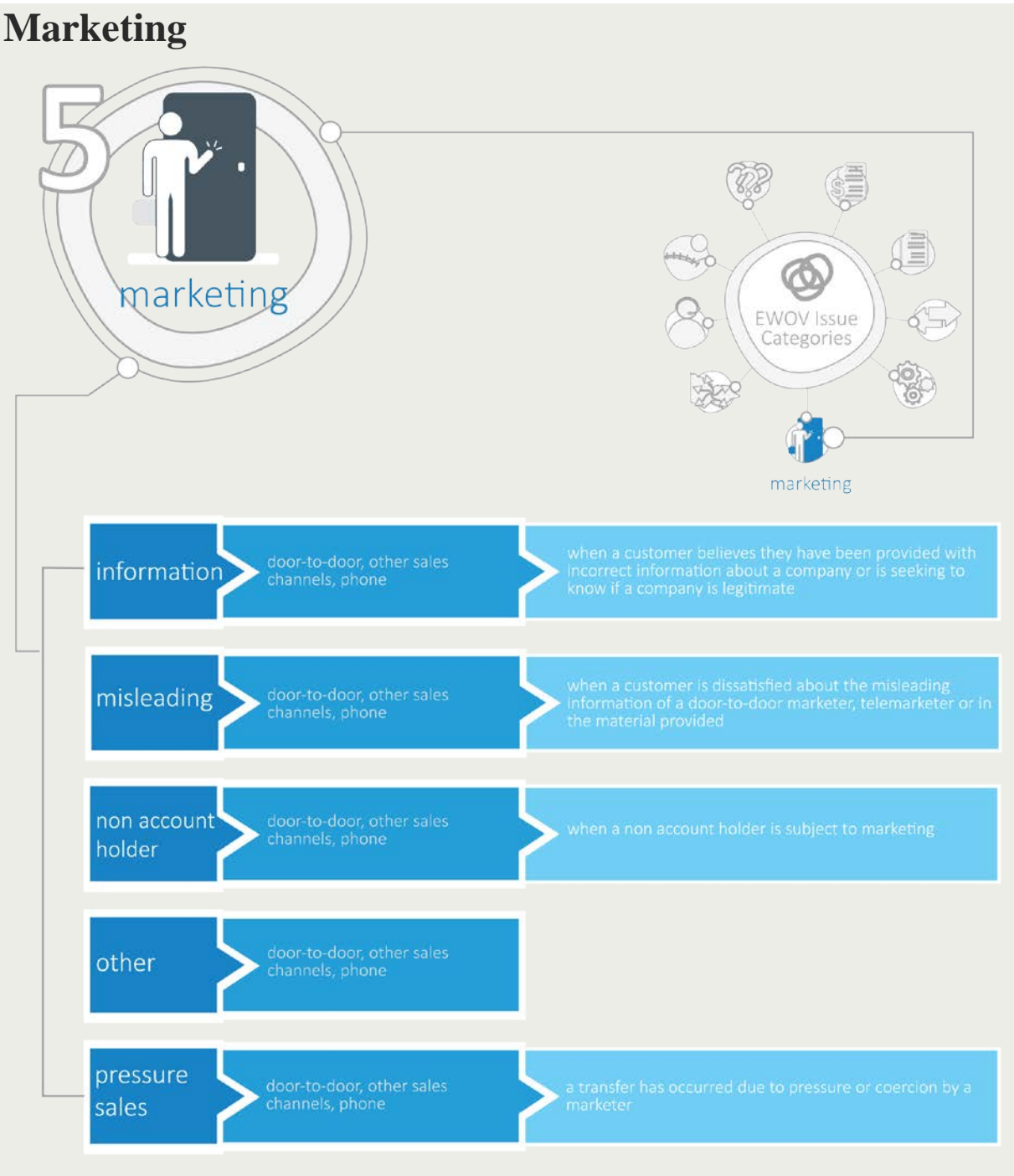
new
connection

capital contribution, delay,
information, other

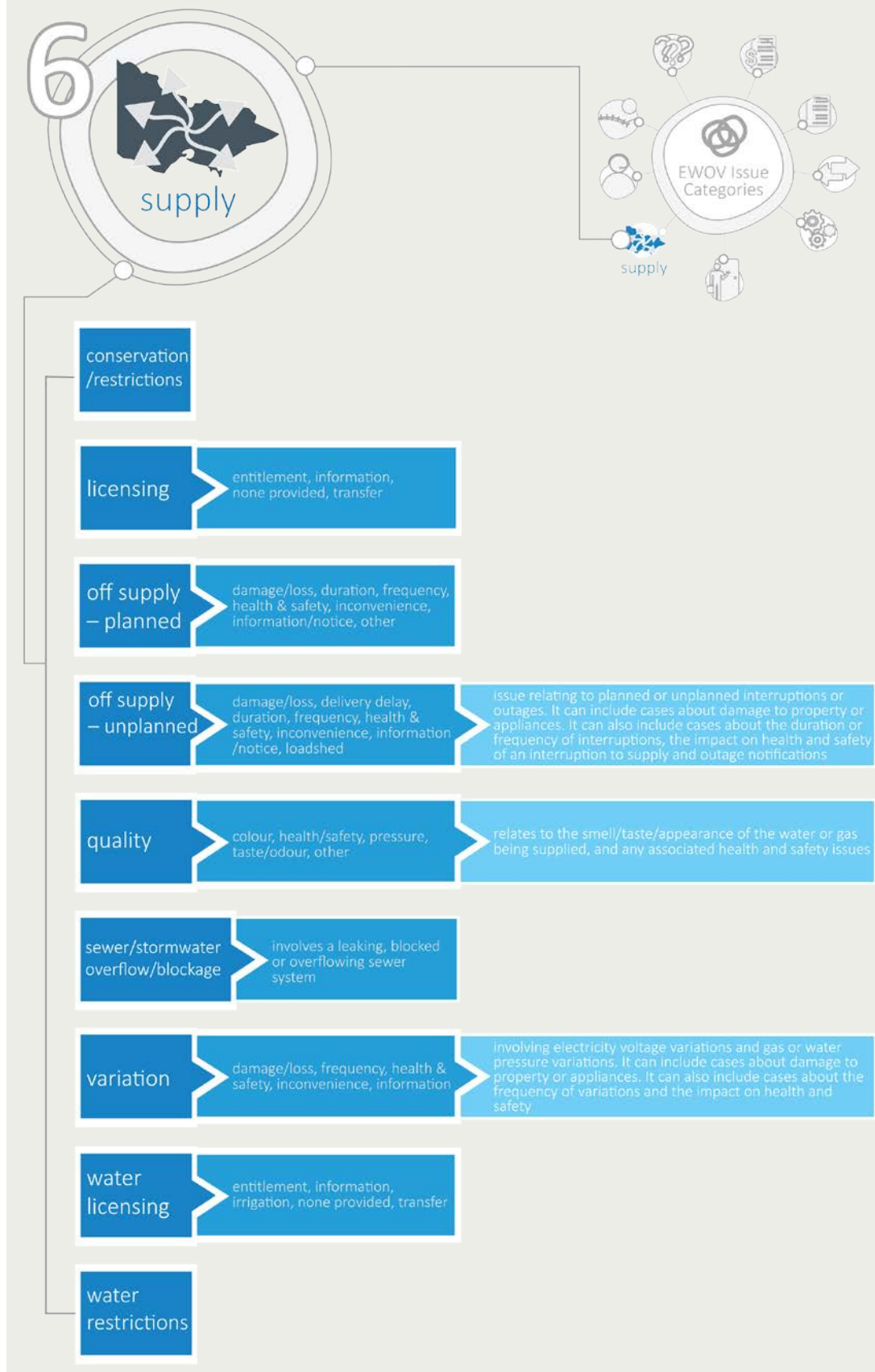
issues arising from new connections, such as the costs associated with the connection and the period of time taken to carry out the work

restriction

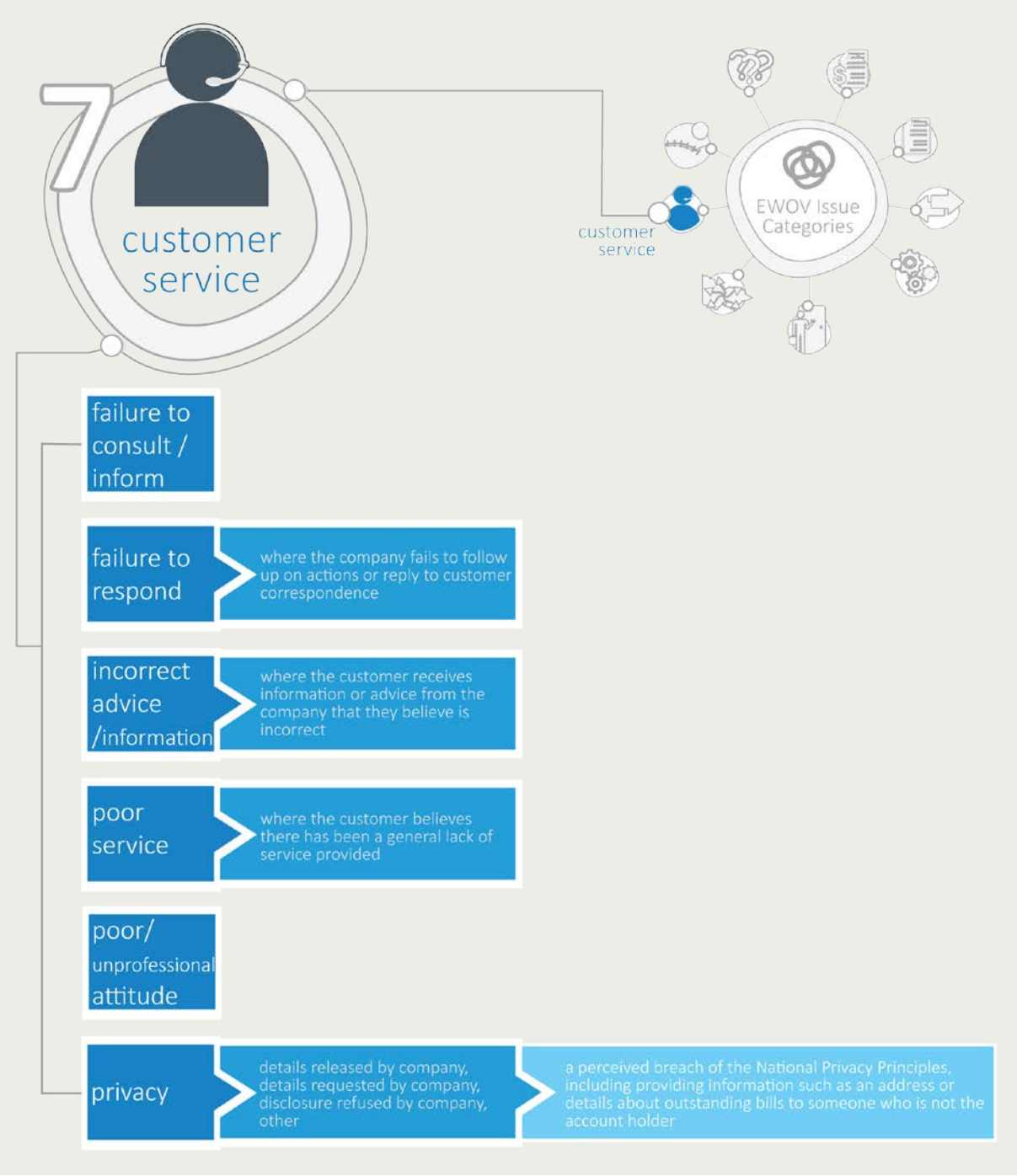
error, meter access, safety/defect



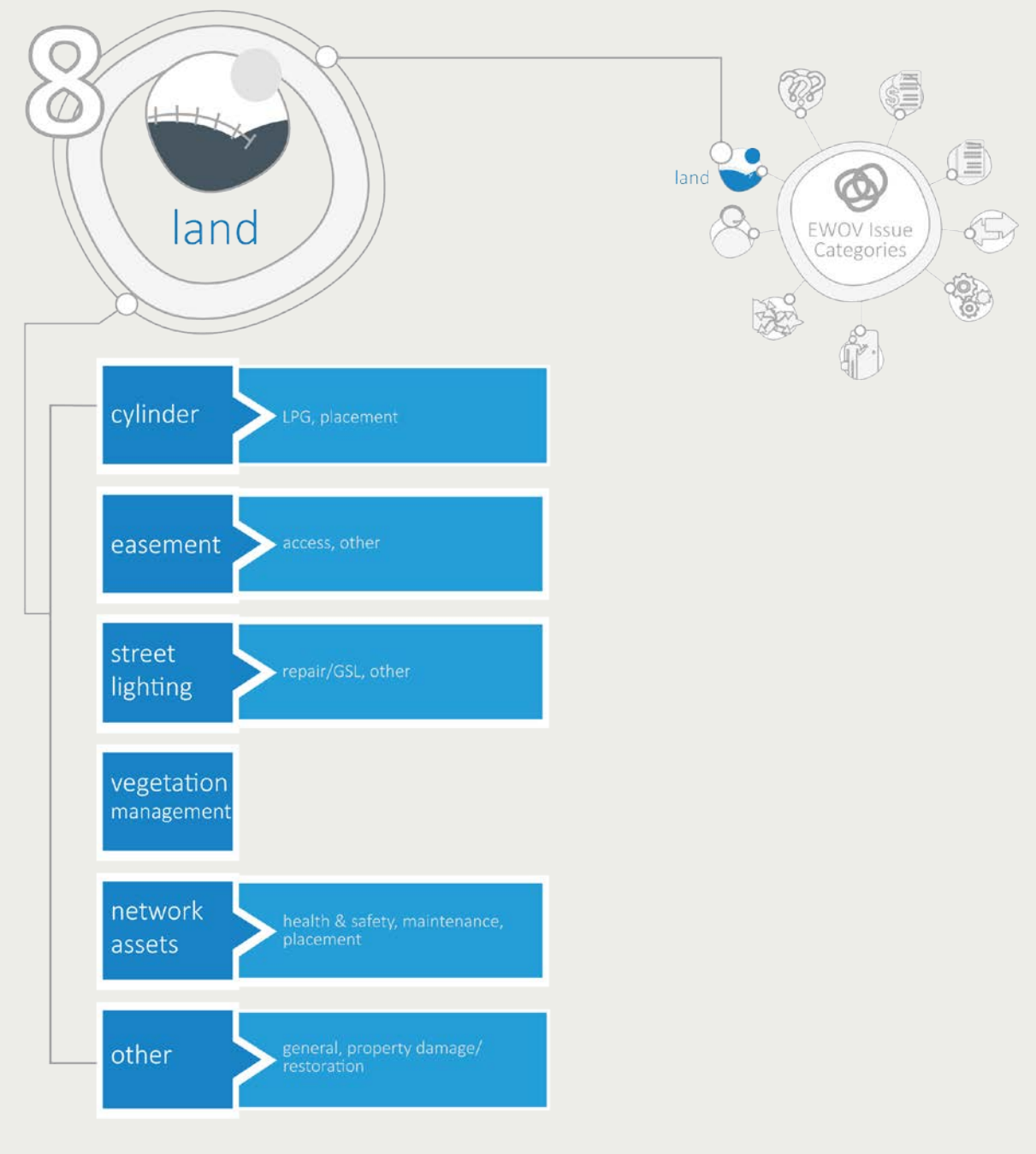
Supply



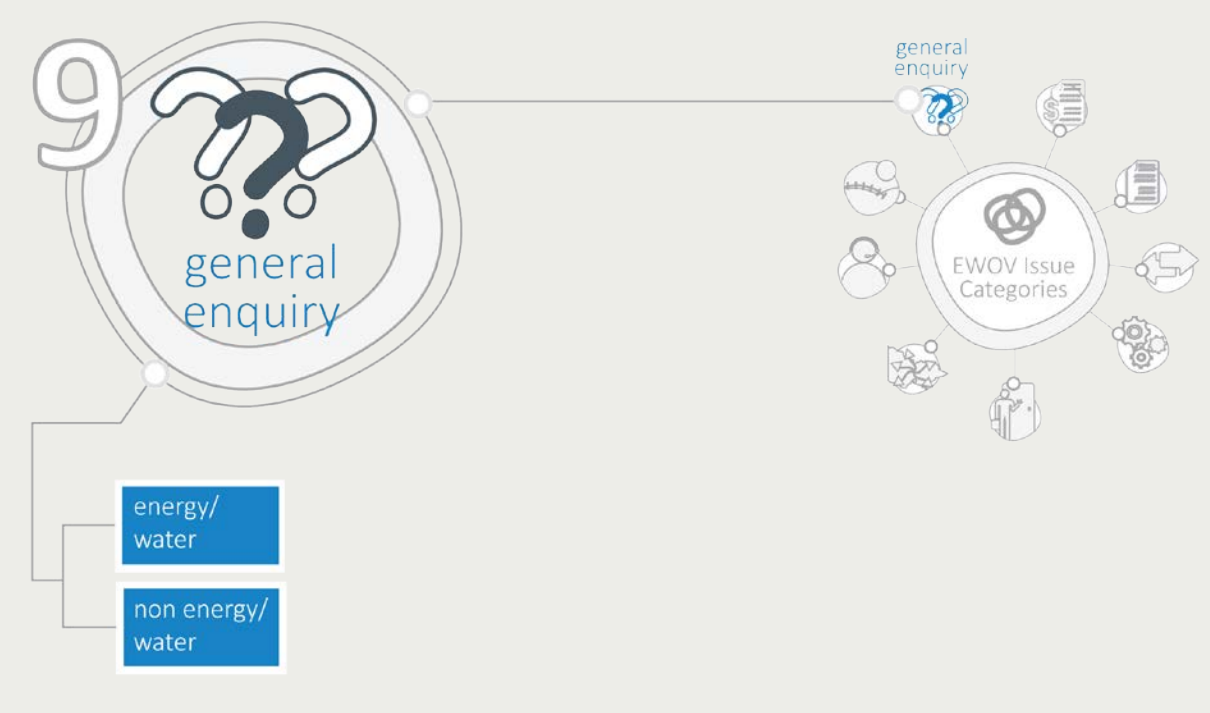
Customer Service



Land



General Enquiry



Systemic Issues Update

Systemic Issues Investigations closed by EWOV from 1 October 2013 to 31 December 2013

Energy

Application of prompt payment discounts to solar accounts

Two complaints alerted us to difficulties one energy retailer was having applying the prompt payment discount to solar customer accounts with a credit balance. It appeared that the discount was being applied manually. Some 8,419 customers were affected. Contacted by EWOV, the energy retailer confirmed the problem, attributing it to billing system limitations. It said a system fix had since been implemented to enable the discount to be applied automatically and all affected customers received their discount entitlements, including back billed credits, despite some initial delays. The regulator, the Essential Services Commission (ESC), was notified. We consider the energy retailer took appropriate steps to resolve the matter. (SI/2013/30)

Application of concession to solar accounts

One complaint alerted us that a solar customer had received multiple bills for the same period—one bill included the solar generation at the customer's property; the other didn't. The customer said his energy retailer told him this was the way its billing was structured and it wasn't able to issue one bill. Contacted by EWOV, the energy retailer said billing system limitations meant it had to issue two bills to solar customers who received concession discounts. One bill included solar credits and the other included the concession discount. It said a system update had since resolved the problem and, in future, the customer would receive one bill. The ESC was notified. The number of affected customers is unknown. We consider the energy retailer took appropriate steps to resolve the matter. (SI/2013/66)

Transfer of energy account without customer consent

Eight complaints highlighted that the accounts of some customers were switched to an energy retailer without customer consent, after interactions with a telecommunications store. This problem had come up in an earlier systemic issue investigation (SI/2012/87) and, in October 2012, the energy retailer had told us that more stringent process controls would prevent a reoccurrence. Contacted by us about the latest complaints, the retailer said that, as a result of alleged fraudulent marketing activity, the employment of five representatives from two telecommunication outlets was terminated, and the franchisee can no longer offer/sell energy contracts. The retailer contacted the eight customers to apologise and return them to their preferred energy retailer. It said it had retrained the marketing third party on its compliance responsibilities. It also provided us with the sales verification process used in the telecommunication stores, which outlines the steps and consumer protections in place. The ESC was notified. While we consider the energy retailer took appropriate steps to resolve the matter, we believe that marketing channels of this type should be reviewed frequently by the energy retailers using them, to determine the number and types of complaints arising. (SI/2013/41)

Mobile read devices gathering data in watt hours rather than kilowatt hours

An electricity distributor notified us of an issue with data obtained from a group of Manually Read Interval Meters (MRIM). Its mobile meter read devices used to extract meter data from the MRIMs collected consumption in watt hours rather than kilowatt hours, resulting in under-recording of usage. EWOV received two related complaints and we understand some 3,400 customers were affected. Contacted by us, the distributor said its mobile meter read devices had all been tested to ensure accuracy, with faulty units being de-commissioned. It said it had

provided energy retailers with revised consumption data for affected customers, in line with the twelve-month backbilling provision of the Energy Retail Code. The retailers would be rebilling affected customers using the revised consumption data. The ESC was notified. We consider the electricity distributor took appropriate steps to resolve the matter. (SI/2013/68)

Incorrect tariff allocation

Several complaints to EWOV highlighted a billing issue involving an electricity retailer's incorrect allocation of properties within a particular geographical area. Contacted by us, the retailer said the error affected some 14,745 customers in properties near a distribution zone boundary. The retailer said it had written to affected customers, advising them they'd move to a higher tariff once the error was corrected in the following billing cycle. It said this correspondence also advised the customers that the retailer wouldn't seek to recover undercharged amounts. The ESC was notified. We consider the electricity retailer took appropriate steps to resolve the matter. (SI/2013/79)

Automated phone call messages sent in wrong order

A media report alerted us that an energy retailer appeared to be taking a 'heavy-handed' approach to its debt collection activity. The energy retailer was accused of making phone calls that threatened disconnection, additional legal costs, credit default and the inability to access credit in the future. EWOV received eight related complaints. The total number of affected customers was unknown. Contacted by us, the retailer said it uses two different stages of automated phone messages for payment reminder purposes. The first message is a reminder of the arrears, without mention of any consequences for non-payment. The second message advises the consequences, but is conveyed only if the arrears remain unpaid and the customer can't be reached despite multiple phone call attempts. The problem was that the second message had been sent to some customers before the first. The retailer said the problem had been rectified, with no reoccurrence, and it had apologised to the customers who contacted it about the issue. The ESC was notified. We consider the energy retailer took appropriate steps to resolve the matter. (SI/2013/70)

Incorrect pay-by date on disconnection notices

Through our case handling, we identified instances of an energy retailer issuing disconnection notices for occupier accounts with potentially incorrect 'pay by date' timeframes. EWOV received 15 related complaints. Contacted by us, the retailer confirmed an incorrect pay-by date on a small batch of occupier notices sent to 'unknown' customers, but it wasn't able to tell us how many customers were affected. It said the issue had been rectified, with all notices now reflecting the correct timeframes. While this issue resulted in 15 wrongful disconnection payments for the applicable EWOV complaints, the retailer said it wasn't able to identify other affected customers because the 'unknown' customers hadn't provided their personal details. The ESC was notified. We consider the energy retailer took appropriate steps to resolve this matter, although it was sometimes difficult for us to obtain timely or informative responses from the retailer. (SI/2013/4)

Incorrect time frames in disconnection notices for non-payment

Complaints received by EWOV highlighted that an energy retailer issued disconnection notices for non-payment that didn't include the correct disconnection timeframes. Contacted by us, the retailer confirmed the timeframes printed on the disconnection notices were incorrect, but said it hadn't actually disconnected supply earlier than permitted. It said the disconnection notice template had since been corrected. Given the potential number of wrongful disconnection payments from this incident, our systemic issues investigation was closed and referred to the ESC to determine the appropriate course of action. We have asked the ESC to let us know the outcome. (SI/2012/125)

Billing at incorrect frequencies after installation of Smart Meter

One complaint lodged with EWOV highlighted that a customer's billing was occurring at incorrect frequencies (i.e. up to fortnightly) after the installation of a Smart Meter at the property. It also appeared that some billing periods overlapped. Contacted by us the energy retailer confirmed this as a 'known issue' that occurs when it doesn't receive notification that a Smart Meter conversion has taken place. As a result, it has to manually convert customers to a new billing cycle when it receives the notification. However, there were instances where it received the Smart Meter billing data prior to the notification, which caused bills to be issued at inconsistent frequencies (although no overlap occurred). The retailer said it had since put a new manual check process in place to ensure that billing for a low number of days is monitored and checked against the customer's meter type to prevent future problems. The ESC was notified. We consider the energy retailer took appropriate steps to resolve the matter. (SI/2013/98)

Water

Concession discount underpaid after billing miscalculation


A water corporation notified us of a billing miscalculation which saw some 400 customers receive a lower concession discount than they were entitled to. It said it would reverse the bills sent and reissue them with the correct concession entitlement. Any customer who had already paid the bill would receive the difference as a credit on their account. We consider the water corporation took appropriate steps to resolve this matter. (SI/2013/75)

Billing not accurately reflecting payments and balances


One complaint lodged with EWOV highlighted an instance where billing wasn't accurately reflecting prior payments or carry-over balances relating to the sewer contribution fee. Contacted by us, the water corporation confirmed that some 2,000 customers were affected by a billing issue in the second quarterly billing run of 2013, where bills didn't reflect prior payments from arrears relating to the sewer contribution fee. However, most of the affected customers had their bills intercepted before they were issued. It said a permanent billing system fix had been implemented to prevent a reoccurrence. Any additional payments made would appear on customer accounts as a credit, or a refund would be offered. We consider the water corporation took appropriate steps to resolve the matter. (SI/2013/71)

Debt collection agent contact before billing due date


One complaint to EWOV highlighted that a customer had been contacted by a debt collection agency before the payment date on their water bill. Contacted by us, the water corporation confirmed that, since a billing system upgrade, it had encountered ongoing but infrequent instances of its billing system referring debt to its credit agency prematurely. It advised that this doesn't result in any supply restriction activity, with each instance being resolved on a case-by-case basis. The water corporation said a billing system fix, scheduled for mid-2014, will provide a permanent solution to the problem—in the meantime, it will be manually checking and monitoring to prevent a reoccurrence. We consider the water corporation is taking appropriate steps to resolve the matter. (SI/2013/93)




The water corporation confirmed that some 2,000 customers were affected by a billing issue




An energy retailer appeared to be taking a 'heavy-handed' approach to its debt collection activity.



Following our contact... five representatives from two telecommunication outlets had their employment terminated.



It appeared that the discount was being applied manually. Some 8,419 customers were affected.

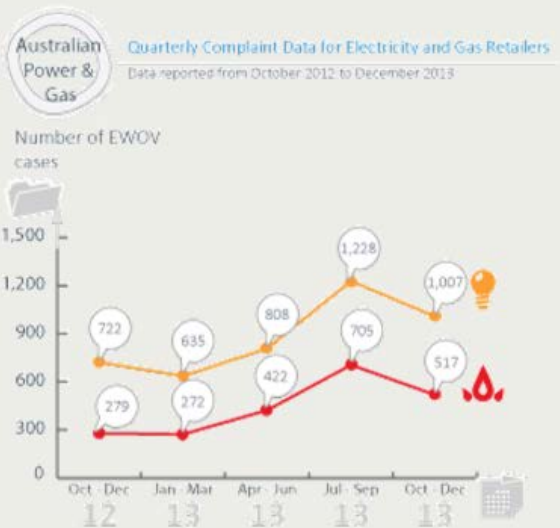
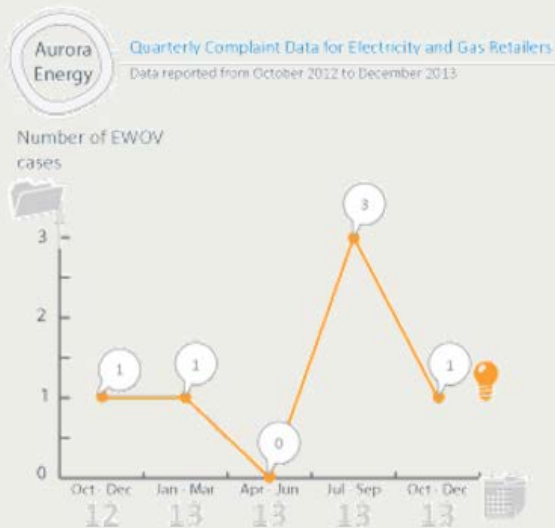
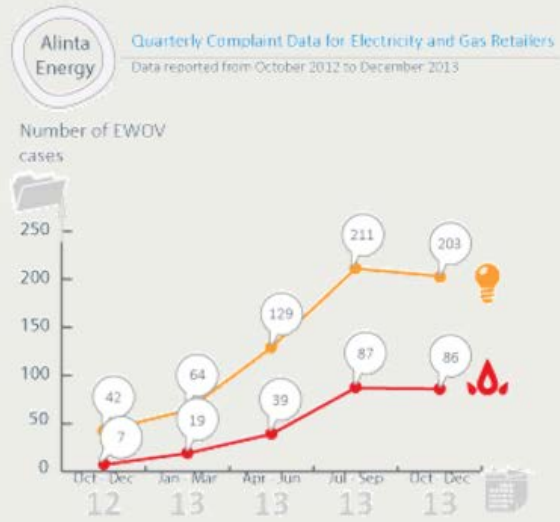
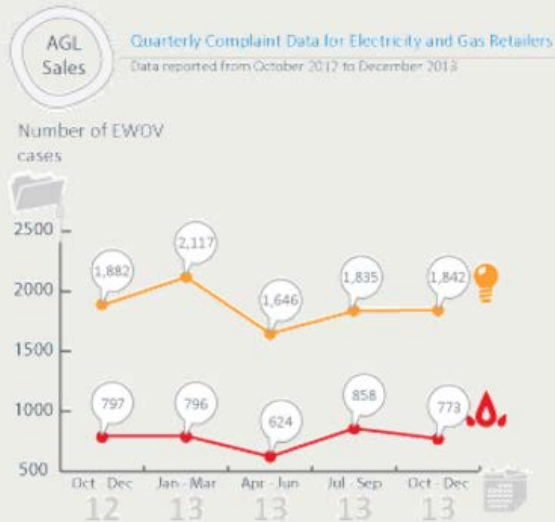


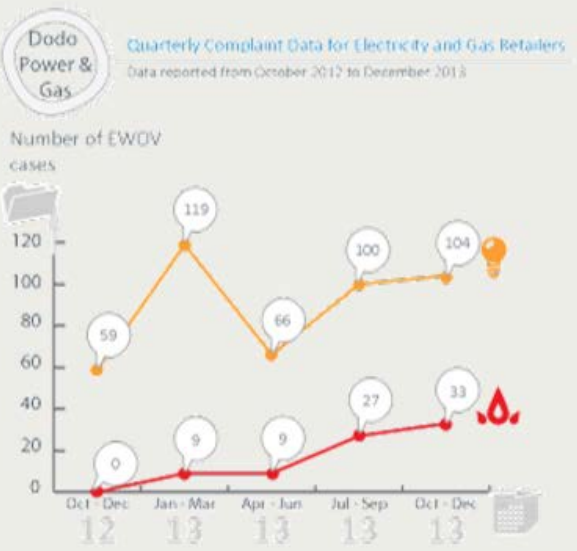
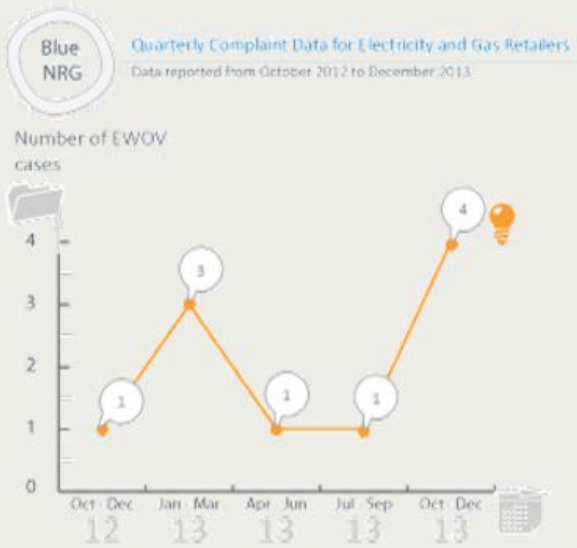
Scheme Participant Data

Quarterly Scheme Participant Case Data

The following Scheme Participant data is reported over the previous five quarters. Please click on the following links to view case numbers for each Scheme Participant by sector.

Electricity and gas retail







Quarterly Complaint Data for Electricity and Gas Retailers
Data reported from October 2012 to December 2013

Number of EWOV cases



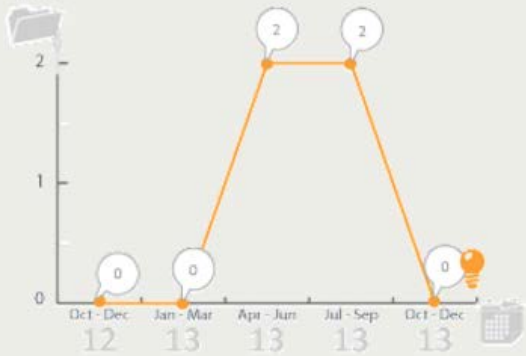
Quarterly Complaint Data for Electricity and Gas Retailers
Data reported from October 2012 to December 2013

Number of EWOV cases



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Data reported from October 2012 to December 2013

Number of EWOV cases



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Number of EWOV cases



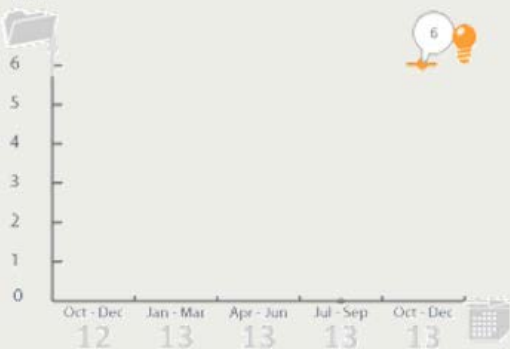
Quarterly Complaint Data for Electricity and Gas Retailers
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Number of EWOV cases



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Number of EWOV cases

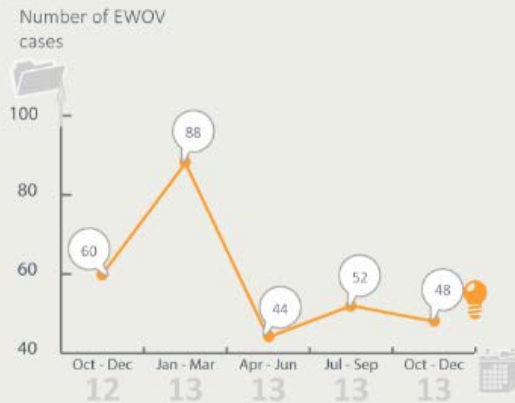


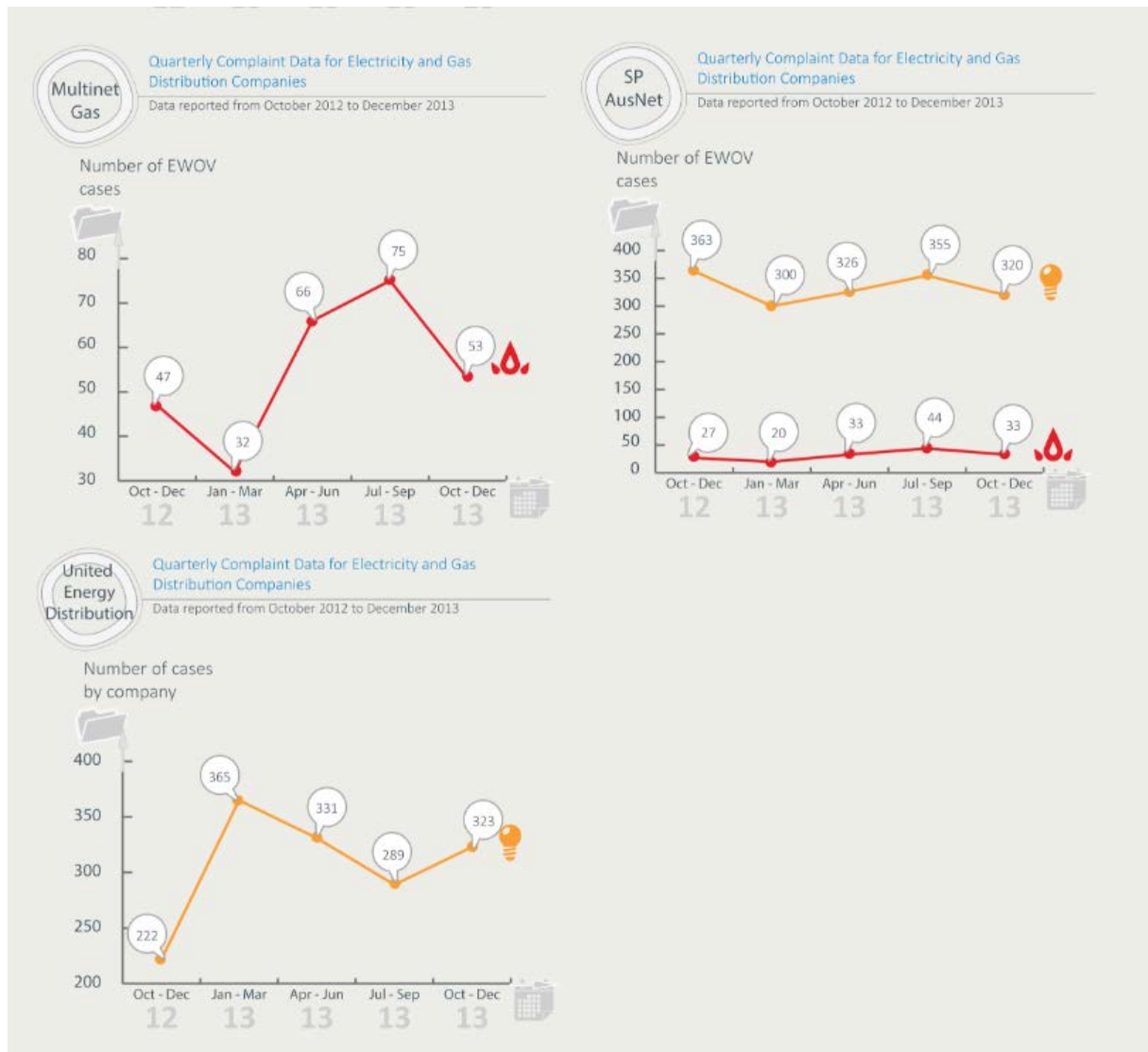
Quarterly Complaint Data for Electricity and Gas Retailers
Data reported from October 2012 to December 2013

Number of EWOV cases

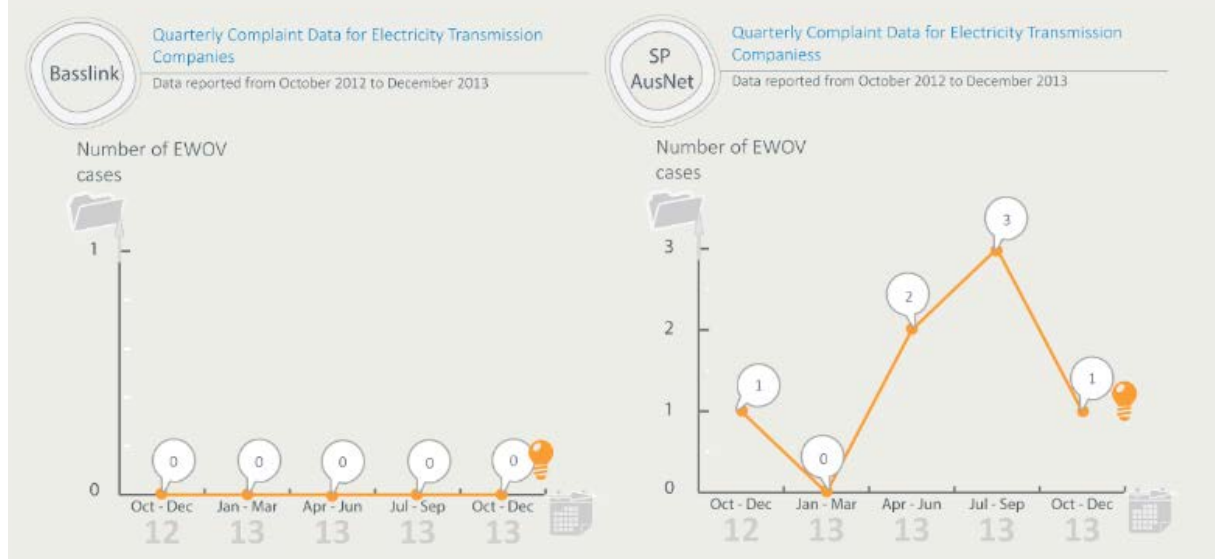


Electricity and gas distribution





Electricity transmission



LPG Retail



Quarterly Complaint Data for Liquefied Petroleum Gas (LPG) Retailers
Data reported from October 2012 to December 2013

Number of EWOV cases



Quarterly Complaint Data for Liquefied Petroleum Gas (LPG) Retailers
Data reported from October 2012 to December 2013

Number of EWOV cases



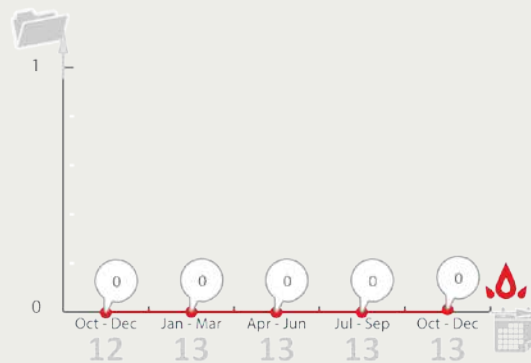
Quarterly Complaint Data for Liquefied Petroleum Gas (LPG) Retailers
Data reported from October 2012 to December 2013

Number of EWOV cases



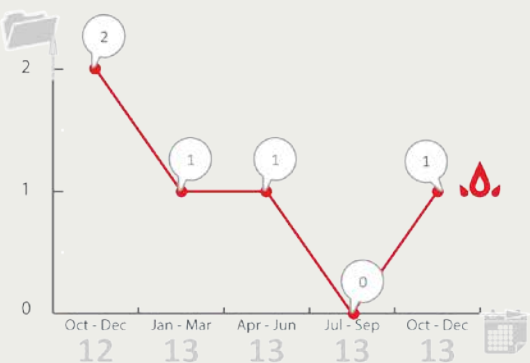
Quarterly Complaint Data for Liquefied Petroleum Gas (LPG) Retailers
Data reported from October 2012 to December 2013

Number of EWOV cases



Quarterly Complaint Data for Liquefied Petroleum Gas (LPG) Retailers
Data reported from October 2012 to December 2013

Number of EWOV cases

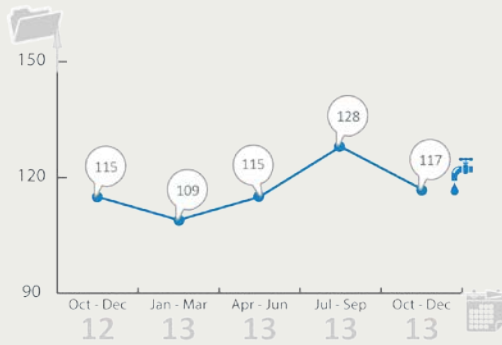


Water corporations



Quarterly Complaint Data for Metropolitan Water
Retailers
Data reported from October 2012 to December 2013

Number of EWOV
cases



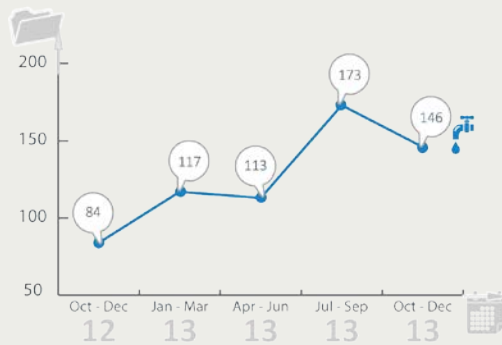
Quarterly Complaint Data for Metropolitan Water
Retailers
Data reported from October 2012 to December 2013

Number of EWOV
cases



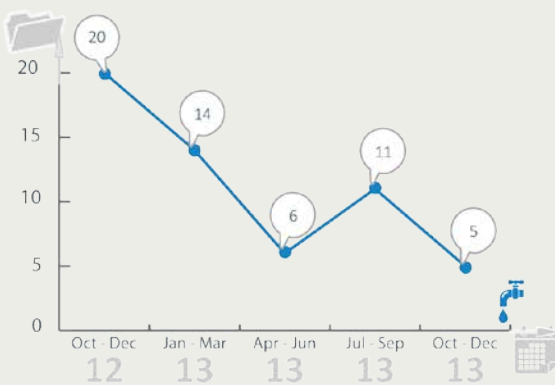
Quarterly Complaint Data for Metropolitan Water
Retailers
Data reported from October 2012 to December 2013

Number of EWOV
cases



Quarterly Complaint Data for Metropolitan Water Wholesaler
Data reported from October 2012 to December 2013

Number of EWOV
cases





Quarterly Complaint Data for Regional Urban Water Corporations

Data reported from October 2012 to December 2013

Number of EWOV cases



Quarterly Complaint Data for Regional Urban Water Corporations

Data reported from October 2012 to December 2013

Number of EWOV cases



Quarterly Complaint Data for Regional Urban Water Corporations

Data reported from October 2012 to December 2013

Number of EWOV cases



Quarterly Complaint Data for Regional Urban Water Corporations

Data reported from October 2012 to December 2013

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Quarterly Complaint Data for Regional Urban Water Corporations
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Quarterly Complaint Data for Regional Urban Water Corporations
Data reported from October 2012 to December 2013

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Quarterly Complaint Data for Regional Urban Water Corporations
Data reported from October 2012 to December 2013

Number of EWOV cases



Quarterly Complaint Data for Regional Urban Water Corporations
Data reported from October 2012 to December 2013

Number of EWOV cases



Quarterly Complaint Data for Regional Urban Water Corporations
Data reported from October 2012 to December 2013

Number of EWOV cases





Quarterly Complaint Data for Rural Water Corporations
Data reported from October 2012 to December 2013

Number of EWOV cases



Quarterly Complaint Data for Rural Water Corporations
Data reported from October 2012 to December 2013

Number of EWOV cases



Quarterly Complaint Data for Rural Urban Water Corporations
Data reported from October 2012 to December 2013

Number of EWOV cases



Quarterly Complaint Data for Rural Urban Water Corporations
Data reported from October 2012 to December 2013

Number of EWOV cases



