

## PUBLIC SUBMISSIONS

### Essential Services Commission consultations

In relation to the ESC's review of the *Small Scale Licensing Framework* — that is, the supply and sale of energy to consumers who share a defined geographic boundary such as residential apartments, shopping centres, retirement villages and caravan parks — we made four submissions in all. Our responses focussed on whether and how the energy customers in these situations might have access to the EWOV scheme.

In relation to the *Gas Access Arrangements Review 2008 – 2012*, we focussed on guaranteed service level (GSL) requirements for natural gas distributors.

Amongst other things, in responding to the *Draft Decision - Early Termination Fees Compliance Review* and the *Revised Draft Decision*, we sought ESC clarification of the significance, and application, of these fees to existing contracts and future contracts.

We made some specific suggestions as to what the *Rural Water Customer Service Code* should contain by way of references to EWOV. We also suggested a review of the decision not to include a hardship policy requirement.

In responding to the 2008 *Water Price Review Consultation*, we supported harmonised and equitable service standards for water customers across Victoria, where possible.

We made two submissions to the ESC on *Energy Retailers' Financial Hardship Policies*, acknowledging the difficulty of balancing different retailers' capabilities, as well as balancing legislative requirements with best practice elements.

In relation to the *Proposed direct debit amendments to the Energy Retail Code*, we conditionally supported verbal arrangements for direct debits, but only where the customer phones the energy retailer and explicit informed consent can be verified.

### Victorian Government consultations

We provided comments on the *Review of the Essential Services Commission Act 2001 Issues Paper* and on the *Strategic Government Response to the Review of the Essential Services Commission Act 2001*. Amongst other things, we supported the retention of the reference to 'low-income or vulnerable customers' in the facilitating objectives of the Act.

We drew on our case data to comment on the Department of Primary Industries' (DPI's) *Advanced Metering Infrastructure - Discussion Paper*.

We also commented on the *Victorian Energy Efficiency Target Scheme: Issues Paper*, raising issues related to low-income people and landlords.

We draw on EWOV's unique perspective of Victorian energy and water customers' experiences to contribute to consultations on the effectiveness of the consumer protection framework.

During 2006/07, EWOV made 25 public submissions on energy and water matters.

### Commonwealth Government consultations

We made six submissions to the Ministerial Council on Energy (MCE), mainly on Retail Policy Working Group papers. Consistently, throughout the national energy regulation consultation process, we've supported the existing Victorian consumer protections becoming the national standard.

Drawing on our case work, we also made a submission to the Australian Energy Market Commission's (AEMC's) *Review of the effectiveness of competition in gas and electricity retail markets in Victoria*.

### Joint submissions

During the year, we contributed to three submissions made by the Australia & New Zealand Energy and Water Ombudsman Network (ANZEWON) — to the MCE's Working Paper 1, to the Productivity Commission's *Inquiry into the Consumer Policy Framework in Australia* and to the Queensland Energy Competition Committee on the draft *Energy Ombudsman Bill 2006* and *Energy Ombudsman Advisory Council* paper.

All of our submissions are available on our website ([www.ewov.com.au](http://www.ewov.com.au)).

### DEVELOPMENTS IN ELECTRICITY METERING

In July 2006, the Victorian Government announced that new electricity interval meters would be rolled out to households and small businesses across the State from the end of 2008.

EWOV has been receiving cases about interval metering for over 18 months. We've been taking a close interest in the problems customers have reported — mindful that raising these issues enables stakeholders (government, regulators, industry and customers) to address them more effectively. We're also providing the Victorian Government, the ESC, AER and relevant distributors and retailers with regular reports on interval meter cases.

The main issue continues to be loss of off-peak tariffs. After having a new meter installed or moving into a property with an interval meter, some customers have found they're being billed at peak rates only — in spite of having electric hot water services or in-floor heating, which they thought would be off-peak or had previously been off-peak. This issue is highlighted in the systemic issues report on page 28 and by way of case study C/2006/10186 on page 38.

Some customers haven't been able to read the interval meter and/or check the bill. Others have variously complained about delayed bills, high bills and estimated bills.

In some cases, the interval meter was found to be faulty, or the time switch broken or not set properly — and some customers found it difficult to persuade their retailer that the equipment was at fault.

We think there's a need to address these identified problems on at least three fronts. From a technology perspective, issues such as the interface between new metering technology and old or 'legacy' billing systems have to be resolved. Customer expectations around better information, service and advice, need to be managed — providers should actively ensure that customers who have the new metering installed understand how it works and what it will and won't do. Aligned to this is the need for providers to further train staff, so they can fully inform customers about the new metering.

### FINANCIAL HARDSHIP POLICIES

Many of the billing issues that customers and their representatives raise with us have their origins in temporary or chronic customer financial hardship.

EWOV has consistently acknowledged that customer financial hardship is a difficult issue all round. We've also drawn on our case experience to make submissions on this issue.

Amendments to Victorian electricity and gas legislation in 2006 introduced the requirement for each energy retailer to have a formal hardship policy. Assessment and approval of those policies was vested with the ESC.

The ESC has approved the financial hardship policies of 13 energy retailers. It has also published a paper which summarises the key features of the 13 policies. This paper is available on the ESC's website ([www.esc.vic.gov.au](http://www.esc.vic.gov.au))

Each energy retailer must display its hardship policy on its website.

While urban water providers are also required to have a hardship policy, rural water providers aren't subject to this requirement. There's also no Code requirement on LPG retailers.