

**30 April 2009**

**Complaint handling ‘health check’ for energy and water companies**

Customers lodged 17,885 cases with the Energy and Water Ombudsman (Victoria) (EWOV) in the second half of 2008 — 12% more than in the first half of 2008. 16,762 of these cases were complaints — an increase of 14%.

In a report released today, Ombudsman Fiona McLeod acknowledges that Victoria’s energy and water companies operate in complex and changing environments — but expresses EWOV’s concerns about the effectiveness of some companies’ internal dispute resolution (IDR) processes.

“For some time, we’ve been looking closely at three things — as ‘health indicators’ of how well company IDR is meeting the needs of customers with complaints.

“The first is the proportion of cases qualifying for EWOV investigation — because the customer states they’ve had at least 2 contacts with the company. In the second half of 2008, it was 48% of cases — up from 43% in 2007/08 and 27% in 2004/05.

“The second is the proportion of cases where the customer states they’ve tried multiple times to resolve their complaint with their company directly, without success. In the second half of 2008, 26.5% of cases involved 3 to 5 contacts between the customer and the company — a further 8% involved 6 to 9 contacts and 5.7% involved 10 or more contacts.

“The third ‘health indicator’ relates to why customers contact EWOV — we ask this of all customers phoning us. What we’re finding is an increasing proportion of customers saying they had no response from the company or a delayed response — or that they felt their complaint wasn’t being taken seriously by the company.”

In the context of its analysis of these ‘health indicators’, EWOV has looked more closely at the issue of customer service — in particular, the disconnect between the company’s ‘promise’ and its ‘delivery’. In the second half of 2008, EWOV recorded 3,931 customer service issues — compared with 1,609 in the first half of 2008.

EWOV’s conclusion is that there is much room for improvement in company IDR.

*Resolution 27*, and *Resolution Bulletin 12*, a two-page summary of it, are both available on EWOV's website — [www.ewov.com.au](http://www.ewov.com.au) (under *Publications*).

**For more information:**

Fiona McLeod, Energy and Water Ombudsman (Victoria) (03) 9649 7599

**To arrange an interview with the Ombudsman:**

Janine Young, Deputy Ombudsman, EWOV (03) 9649 7599

The Energy and Water Ombudsman (Victoria (EWOV) is an industry-based customer dispute resolution scheme. It has dealt with electricity cases since 1996, natural gas cases since 1999, water cases since 2001 and LPG cases since July 2005. The Ombudsman has the power to investigate and resolve disputes between customers and their energy and water companies — fairly and independently. At 31 March 2009, EWOV had handled over 160,000 Victorian electricity, gas and water cases, mostly residential.

**MEDIA RELEASE**