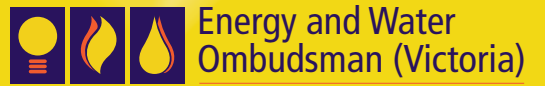


annual report 2001



Energy and Water  
Ombudsman (Victoria)

## Independence

### Impartial and fair.

The EWOV is an instrument of complaint resolution not advocacy. The scheme acts independently whilst maintaining good working relationships with all stakeholders.

## Access

### Informal and open to all.

The scheme is readily accessible to individual consumers of electricity, gas and water services regardless of their ethnicity, language skill, physical or mental abilities or geographical locations.

## Equity

### Just, economical, efficient and confidential.

The fundamental principle of EWOV in resolving cases is that of fairness to all parties, to ensure a just, economical, informal and speedy resolution within an environment of privacy and confidentiality.

## Effectiveness

### Skilled staff and quality systems.

The office of the EWOV is staffed by high calibre people, sensitive to consumer issues, and equipped to make optimal use of technology to receive and resolve cases in an economical and timely manner.

## Community Awareness

### Public relations and education.

The EWOV fosters community awareness of its function and the development of its public profile in keeping with the status and role of the organisation.

## Linkages

### Working with community and relevant organisations.

The scheme ensures that effective links and working relationships are maintained and developed with relevant organisations, agencies and members.

## mission

The mission of the EWOV is to receive, investigate and facilitate the resolution of complaints and disputes between consumers of electricity, gas and water services in Victoria and members of the scheme.

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- The Energy Industry Ombudsman (Victoria) became the Energy and Water Ombudsman (Victoria) on 12 April 2001, signifying the expansion of the scheme to include water cases.

- With the addition of Melbourne Water, the three metropolitan water companies, the 15 non-metropolitan urban water authorities and the five rural water authorities, membership of the scheme increased from 21 to 45.

- The number of cases received by the EWOV increased from 5,302 in 1999/2000 to 6,658 in 2000/2001 (25.58%).

- There was an increase of 20.77% in electricity cases received, in part attributable to problems experienced by some companies' billing systems impacted by the introduction of the GST and Y2K.

- There was an increase, from a smaller base, of 37.68% in gas cases received, the increase possibly reflecting increased public awareness of the scheme.

- From 12 April 2001 to 30 June 2001 the EWOV received 124 water cases; the profile of these cases was initially similar to those of electricity and gas.

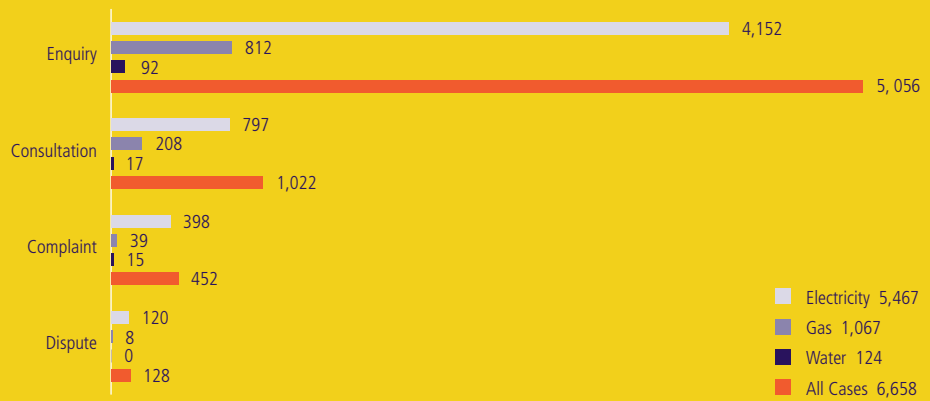
- The EWOV continued to monitor the trend relating to gas disconnection cases as 23.62% of gas cases were about disconnections compared to 5.84% of electricity cases. This issue has been raised directly with the Office of the Regulator-General.

- From 1 July 2000 the EWOV reported individually on the scheme's gas company members.

- Three Binding Decisions were made by the Ombudsman in the 2000/2001 period.

- The EWOV continued its external communications program, specifically targeting youth, the aged and multicultural communities.





**Overall 2000/2001 results**

**2000/2001 trends**

The total number of cases received in 2000/2001 increased by 25.58% compared to the previous financial year (6,658 against 5,302). Electricity cases increased by 20.77% (5,467 against 4,527) while gas cases increased by 37.68% (1,067 against 775). Between 12 April 2001 and 30 June 2001, 124 water cases were received.

The increase in electricity cases is attributable, in part, to billing problems associated with changes to the computer systems being used and the GST. The increase in gas cases may be more a reflection of the increasing awareness of the scheme among Victorian gas customers.

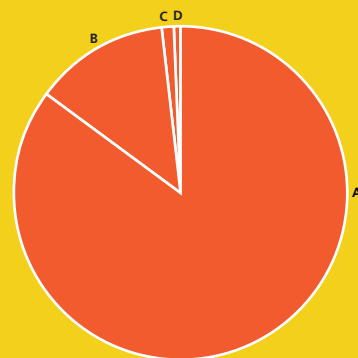
The most significant increases in the electricity cases were at the higher levels of the investigation process. Electricity Consultations increased by 76.72%, which resulted in increases at both the Complaint and Dispute levels.

In gas cases, increases occurred at the Enquiry (42.21%), Complaint (56%) and Dispute levels (60.00%).

Powercor Australia, received the highest number of cases in all four case categories. This reflects the continuing difficulties the company has had with its customer information and billing systems.

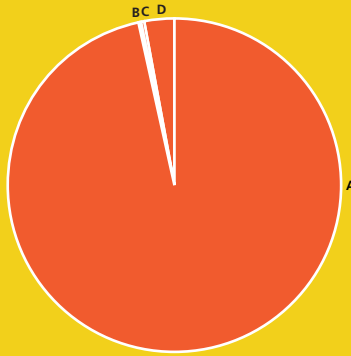
Gas retailer Origin Energy (Energy 21), received a high proportion of Disconnection cases with 60.71% of all gas Disconnection cases being received against the company. This appears to generate from a less flexible approach to payment arrangements than the other gas retailers.

A Residential	5,667	85.12%
B Business	870	13.07%
C Government	78	1.17%
D Not for profit	43	0.65%
<b>Total</b>	<b>6,658</b>	<b>100%</b>

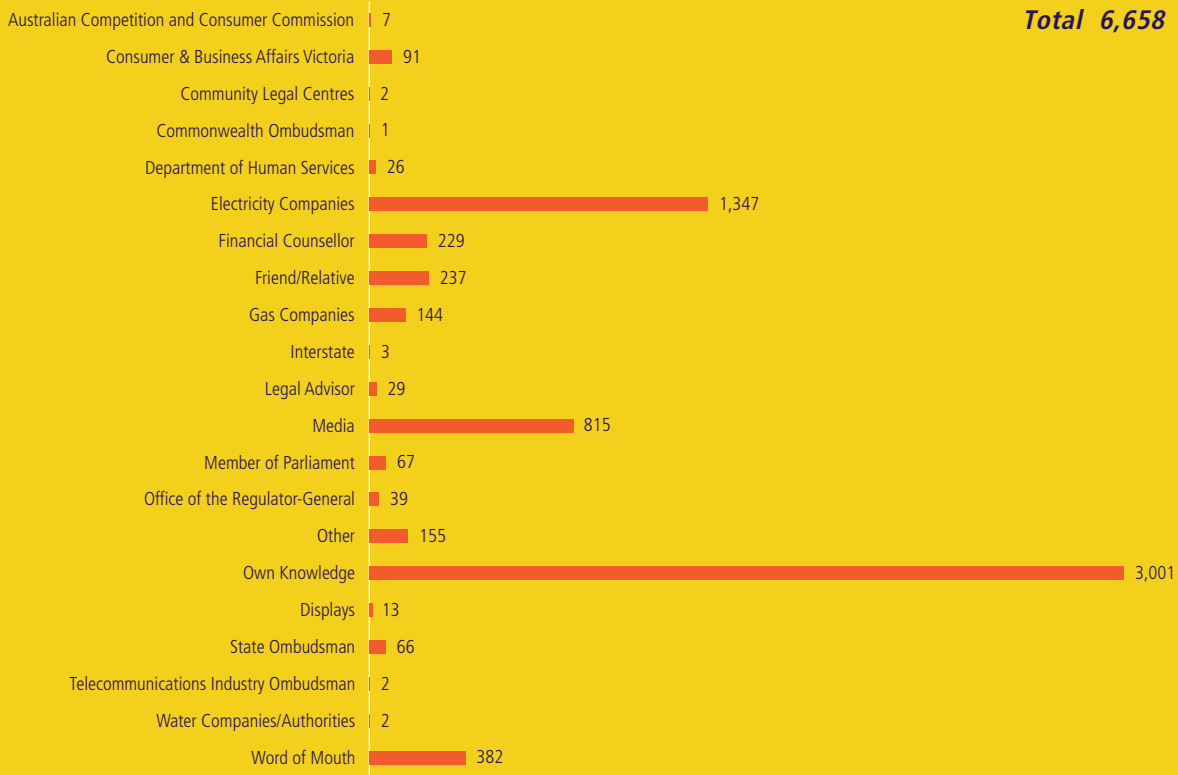


**Who lodged electricity, gas and water cases with the EWOV?**

A	1800 Number	6,427	96.53%
B	Email	16	0.24%
C	In person	21	0.32%
D	Written/Fax	194	2.91%
Total		6,658	100%



**How did the EWOV receive electricity, gas and water cases?**



**How did electricity, gas and water callers find out about the EWOV?**



**2000/2001 Ombudsman Binding Decisions (electricity and gas)**

## Broadening the focus

Throughout its five years of operation, the Energy and Water Ombudsman (Victoria) scheme has met the needs of thousands of Victorians. At the same time, it has grown and expanded: a direct reflection of its widely recognised success as an efficient alternative dispute resolution agency.

With a number of significant milestones, the reporting year 2000/2001 was an outstanding one for the scheme.

Of particular significance was the expansion of the scheme to provide services to Victoria's water customers.

### Energy and Water

On 12 April 2001, the Board of the Energy Industry Ombudsman (Victoria) and the 21 gas and electricity members of the scheme unanimously agreed to a new constitution incorporating the water industry and, as a consequence, increasing the scheme's membership to 45.

The scheme then became known as the Energy and Water Ombudsman (Victoria) – EWOV.

The Board welcomes the new water industry members and expresses the hope that each member organisation and its customers benefit from the services EWOV provides.



The Hon Tony Staley  
Board Chairman  
Energy and Water Ombudsman  
(Victoria)

It is clearly advantageous for customers to have all electricity, gas and water complaints that cannot be resolved with their company or authority handled by a single organisation.

The successful attainment of this milestone is, in large part, due to the professionalism of the Ombudsman, Fiona McLeod, and her team. Together they ensured that the incorporation of the water companies and authorities into the existing scheme was completed as smoothly as that of the gas companies in November 1998.

## Expansion of the Board

The Board has been expanded to meet the scheme's new responsibilities. The water industry is represented by Mr Mick Bourke, Managing Director of City West Water, while a new consumer representative, Mr Chris Field, Director of the Consumer Law Centre Victoria, was also appointed to the Board.

The Board now numbers nine with four consumer representative directors, four industry representative directors, and myself in the role of Chair.

We are pleased to welcome the new directors and look forward to their input into the future governance of the scheme.

## Challenges and opportunities

The past twelve months have provided a number of challenges for the Board, all of which I believe have been successfully met. I would personally like to thank all of the directors for their ongoing commitment and contribution. Their extensive experience ensures that the Board receives a wide range of industry and consumer perspectives.

The anticipated introduction of Full Retail Competition for all electricity and gas customers in 2002 will provide, I believe, even greater challenges for the EWOV. The scheme has been monitoring the issues arising out of cases it has received from customers who already have this choice and providing feedback to relevant members and the Office of the Regulator-General. This preparatory work will continue and is likely to take on even greater significance when Full Retail Competition is introduced.

The coming year will be an exciting time for the Energy and Water Ombudsman (Victoria). I am confident that the scheme will continue to meet the expectations of the community through the efficient delivery of its services.

The Hon Tony Staley

Board Chairman  
Energy and Water Ombudsman (Victoria)

## Board Membership at 30 June 2001

### Directors – Industry Representatives

#### 1 Ms Caryle Demarte

General Manager, TXU Retail, TXU Australia Pty Ltd (Appointed 21/5/99)

#### 2 Mr Lyndon Goulding

Company Secretary, United Energy Ltd (Appointed 1/6/99)

#### 3 Mr Simon Lucas

Company Secretary, CitiPower Pty Ltd (Appointed 30/11/98)

#### 4 Mr Mick Bourke

Managing Director, City West Water Ltd (Appointed 12/4/01)

### Directors – Community/Consumer Representatives

#### 5 Mr Denis Nelthorpe

Consumers Federation of Australia (Appointed 30/11/98)

#### 6 Mr Colin Peirce

Deputy Chairman, Executive Member, Small Business Association of Victoria (Executive Sub-Committee of the Victorian Employers' Chamber of Commerce and Industry) (Appointed 30/11/98)

#### 7 Ms Barbara Romeril

Executive Director, Community Child Care Victoria (Appointed 20/4/99)

#### 8 Mr Chris Field

Executive Director, Consumer Law Centre Victoria (Appointed 20/4/01)

### Company Secretary

#### Mr Steve Morris

Business Manager, EWOV (Appointed 9/10/00)

### Alternate Directors

#### Industry Representatives

##### • Ms Denise Dawson

Customer Service Group Manager, United Energy Ltd (Appointed 23/6/99)

##### • Mr Brad Green

National Manager, Origin Energy (Appointed 15/12/99)

##### • Mr Anthony Kelly

Company Secretary, TXU Australia Pty Ltd (Appointed 14/12/98)

#### Community/Consumer Representatives

##### • Mr Ken Stickland

Chairman, Regulatory Reform Committee, Property Council of Australia (Appointed 23/2/00)





## A consultative, independent and efficient scheme

Change continues to be a major feature of the environment in which the EWOV operates.

For the scheme to continue to operate efficiently, it is imperative that we respond to change in a strategic, timely and flexible manner.

I believe that the scheme has been markedly successful in meeting the challenges of change within the electricity, gas and water industries over the past year. Of particular importance has been the strategic planning required to prepare for the move toward Full Retail Competition in the gas and electricity industries.

Paralleling the external changes have been internal changes which have resulted from the expansion of the scheme to include Victorian water companies and authorities and the significant increase in the number of cases we have received. The scheme has met these changes with a high degree of professionalism and commitment.

## A one-stop shop for the resolution of energy and water complaints

The expansion of the EWOV to include water complaints was the positive outcome of a substantial consultative process.



Fiona McLeod  
Energy and Water Ombudsman  
(Victoria)

The process began with the State Government's proposal for the establishment of an Essential Services Ombudsman. Over 50 organisations representing a wide variety of stakeholders responded to the proposal with an overwhelming number supporting the view that the Energy Industry Ombudsman (Victoria) should be expanded to take water complaints.

The resulting legislation reflected this view, establishing that membership of an alternative dispute resolution scheme was required for the water companies and authorities.

The former EIOV worked closely with consumer groups, government, regulators and Victorian water companies and authorities to ensure that all bodies were prepared for the change to the scheme.

At a special meeting held on 12 April 2001, the EIOV members unanimously supported the entry of the water industry into the scheme, effectively doubling the existing membership from 21 to 45. The new members comprise the Melbourne Water Corporation, three metropolitan water companies – City West Water, South East Water, Yarra Valley Water – the 15 non-metropolitan urban water authorities and the five rural water authorities.

A public launch of the EWOV was held on 21 June 2001. From that date, the scheme commenced full operation in relation to water complaints.

To prepare for the change, EWOV conducted a comprehensive training session for water member contacts, the program covering such important information as the scheme's jurisdiction, policies and procedures. There was also a training program for the EWOV staff in which the regulator, the government and the water industry participated.

## Increase in case numbers

The number of cases received by the EWOV in the year 2000/2001 increased by 25.58% compared to the previous reporting period (6,658 against 5,302).

While water cases received between 12 April 2001 and 30 June 2001 contributed to this increase, the major contribution was a 23.4% increase in electricity and gas cases (6,534 against 5,302). Electricity cases increased by 20.77% (5,467 against 4,527) while gas cases increased, from a smaller base, by 37.68% (1,067 against 775).

In electricity, the most significant increase was at the investigation level. Billing system difficulties associated, particularly, with the introduction of the GST and preparations for Y2K led to increases in the number of cases received at the Consultation level (76.72%).

Delays in resolving these cases impacted on the cases being investigated at the Complaint and Dispute levels. Electricity Complaints received increased by 61.79% while Disputes increased by 87.5% compared to the previous year.

In relation to gas cases, the greatest increases were at the Enquiry (42.21%), the Complaint (56%) and Dispute (60%) levels. These increases may be partly explained by the increasing awareness of the scheme among gas customers.



## Initial trends in water cases

As anticipated, the profile of water cases initially received by EWOV was similar to those for gas and electricity.

Billing was the main issue for water cases at Enquiry and Consultation levels while Supply issues dominated Complaints. The vast majority of cases were from residential customers with a small number emanating from business and government.

There were several preliminary trends which indicate that there may be some differences, however, between water cases and the other cases resolved by the EWOV. First, the water cases initially seem to be more complex with a higher percentage of cases received at the Complaints level. Second, some of these complex cases involved broader community issues such as water supply quality for townships and consultation prior to the introduction of new town sewerage schemes.

## Full Retail Competition

Over the past 12 months many energy customers have become eligible to choose their electricity and gas retailers. By the end of the year 2002 it is expected that, all electricity and gas customers will be able to make the choice.

During the phasing-in period, the EWOV has been monitoring the impact of retail competition and providing important feedback to the industry and the regulators.

On 1 January 2001, electricity customers using between 40 and 160 megawatt hours per year or the equivalent of between \$5,000-\$20,000 of electricity became contestable, bringing the total number of contestable customers to approximately 42,000.

The majority of complaints received from contestable customers relate to poor communication between retailers and distributors, meter installation delays, difficulties in understanding contracts and poor levels of customer service.

A small increase in contestability cases was noted among the independent electricity retailers entering the Victorian market.

Large gas customers became contestable on 1 September 2000. While the relatively small number of cases received may reflect the limited number of contestable gas customers, no major problems became apparent.

As a consequence of contestability, most major gas and electricity codes have been updated. Based on its case-handling experience, EWOV has provided significant input into the updates, which include the Electricity Retail Code, the Gas Retail Code, the Electricity Distribution Code, the Gas Distribution System Code, the Electricity Customer Metering Code, and the draft Use of System Agreement, which will direct the relationship between energy retailers and distributors.

The feedback provided by the EWOV continues to assist in ensuring the new regulations maximise the benefits of competition while minimising customer complaints about their company.

## Changes to the EWOV Constitution and Charter

The reporting year 2000/2001 saw a number of changes to the EWOV Constitution and Charter.

The most significant change was made to the Charter in which the amount of the Binding Decision award limit was raised from \$10,000 to \$20,000. The change was made to ensure compliance with a licence amendment issued by the Office of the Regulator-General and brings EWOV in line with similar limits of the Energy and Water Ombudsman (New South Wales), the Electricity Industry Ombudsman South Australia and the Tasmanian Electricity Ombudsman.

The scheme complies with the national *Benchmarks for Industry-based Customer Dispute Resolution Schemes*, developed by the Department of Industry, Science and Tourism. These benchmarks have now been given greater articulation in the EWOV Charter as fundamental to the scheme's core principles.

## Naming of Gas Companies

From 1 July 2000 individual reporting of gas companies by the EWOV began. The decision, which is consistent with the scheme's individual reporting of electricity companies, was based on discussions with the gas companies.

Individual reporting by the scheme is one way in which the energy industry is encouraged to meet the increasing demands for accountability by consumers.

## New Electricity Retail Code

On 1 January 2001, a new Electricity Retail Code took effect for Victorian Electricity Retailers. The code, developed by the Office of the Regulator-General, is specifically relevant to the operations of EWOV as it contains a requirement for all electricity warning and disconnection notices to advise customers of the EWOV services.

This is particularly beneficial to those customers who have reached the situation with their electricity company in which service disconnection is imminent.

Similar requirements will apply under the Gas Retail Code as of 1 September 2001.

## Sale of Powercor Retail

The retail arm of Powercor Australia was sold to Origin Energy on 1 June 2001.

EWOV worked with the two companies to ensure that there was a smooth transition in case handling in relation to the change of ownership.



## Community contact

With the aim of communicating information about the role and services of the scheme more widely, EWOV participated in a range of community awareness events during the year.

One notable involvement was with the "Jampacked" Seniors Expo, held in Melbourne during March 2001. EWOV staff answered many questions from visitors about the services of the scheme as well as specific issues. A number of positive comments were received about the level of service provided by the energy companies.

The launch of a campaign to educate young people about alternative dispute resolution schemes was held during National Youth Week in April 2001.

The campaign was a joint initiative of the:

- Telecommunications Industry Ombudsman;
- Australian Banking Industry Ombudsman;
- Financial Industry Complaints Scheme;
- Insurance Enquiries and Complaints Service;
- Energy and Water Ombudsman (Victoria); and
- Energy and Water Ombudsman (New South Wales).

A website, a 1800 Freecall number and materials including cards and posters were launched to increase youth awareness about these schemes.

A number of Migrant Resource Centres including Glenroy, St Albans and Morwell were also visited as part of EWOV's Multicultural Communities Access Program. The program aims to provide information about the scheme to people who work with Victorians from a non-English background.

In addition to these commitments, EWOV also enhanced its accessibility by replacing the Telephone Typewriter (TTY) service with the National Relay Service (NRS). This simpler service enables people who have a speech or hearing impairment to communicate using the telephone network.

## National Energy and Water Ombudsman Network (NEWON)

The National Energy and Water Ombudsman Network (NEWON) continued to work towards the realisation of its central aim of developing consistency and quality of standards across all relevant schemes.

Through its co-ordinated efforts, NEWON was able to achieve key outcomes:

- The review of customer contact categories in light of Full Retail Competition in all relevant electricity/energy and water Ombudsman schemes;

- A joint initiative to identify all schemes policies and practices to ensure consistency;
- The provision of advice to Western Australia and the Northern Territory in relation to establishing alternative dispute resolution schemes; and
- A project to assess the impact of new privacy laws on all schemes and their members.

## A job well done

The expansion of the scheme from 21 to 45 members had the potential to negatively impact upon the delivery of services. This did not eventuate. The success that accompanied the transition from the Energy Industry Ombudsman (Victoria) to the Energy and Water Ombudsman (Victoria) can be directly related to the contribution made by the Board and the EWOV team.

I extend my sincere thanks to the Board Chairman, The Hon. Tony Staley, for his support, guidance and practical advice, and to the other members of the Board for their invaluable assistance.

The commitment and skill of the EWOV team also deserves to be recognised. Increasing caseloads, the organisational restructure and continuing changes within the energy and water industries combined to make this a very demanding year. I am most appreciative of the efforts made by all members of the team.

There are many issues that will need to be addressed in the coming year, none as potentially significant as the introduction of Full Retail Competition. These issues may test the scheme but, at the same time, will provide it with the opportunity to further enhance its position as an effective and well-regarded organisation within the Victorian community.



**Fiona McLeod**

**Energy and Water Ombudsman (Victoria)**

## Jurisdiction

The EWOV deals with:

- the provision of, or failure to provide, electricity, gas or water services
- the supply of, or failure to supply, electricity, gas or water
- billing
- credit and payment services
- disconnections/restrictions
- refundable advances (security deposits)
- land and land access, including tree clearing
- matters raised by the Office of the Regulator-General
- matters raised by an electricity, gas or water company/authority with the consent of the complainant.

## Funding

The EWOV is an industry-based scheme that derives its funding from its members on a user pays basis. This provides a financial incentive for member companies/authorities to reduce the number of cases coming to the Ombudsman, by solving the customer's issue within the member's processes.

There are three types of levy placed upon members, each serving a specific purpose:

### Start up Levy

Levied on members when they join the EWOV, intended to fund the cost of joining the EWOV and to contribute to the costs of establishing the EWOV which were originally funded by the founding electricity members.

### Annual Levy

Levied on members each year to fund the EWOV operations, comprising a fixed fee to fund membership costs and a variable fee to fund the cost of the EWOV handling member related contacts.

### Special Levy

The EWOV may at any time obtain funds by raising a special levy from the members. This expenditure may include specific projects or market research. The EWOV management would make a request to the Board for funding over and above the current annual budget.

The Business Manager is responsible on behalf of the scheme to ensure that an appropriate financial system is in place to provide efficient and effective management of payments of levies.

### Membership

It is a condition of electricity transmission, distribution and retail licences, gas retail, and metropolitan water retail licences to be a member of an Ombudsman scheme. Membership of the EWOV meets this licence condition. The Essential Services

Legislation (Dispute Resolution) Act 2000 places a legislative requirement on Melbourne Water Corporation, the non-metropolitan urban authorities and the rural water authorities.

Membership of the EWOV at 30 June 2001 is as follows:

## Founding Electricity Members

AGL Electricity Ltd  
CitiPower Pty  
Origin Energy (previously Powercor Australia Ltd)  
Pulse Energy Pty Ltd (previously United Energy)  
SPI PowerNet Pty Ltd (previously GPU PowerNet)  
TXU Electricity Ltd (previously Eastern Energy)

## Founding Gas Members

Origin Energy (Vic) Pty Ltd (previously Energy 21)  
Pulse Energy Pty Ltd (previously IKON Energy)  
TXU Pty Ltd (previously Kinetik Energy)

## Independent Electricity Members

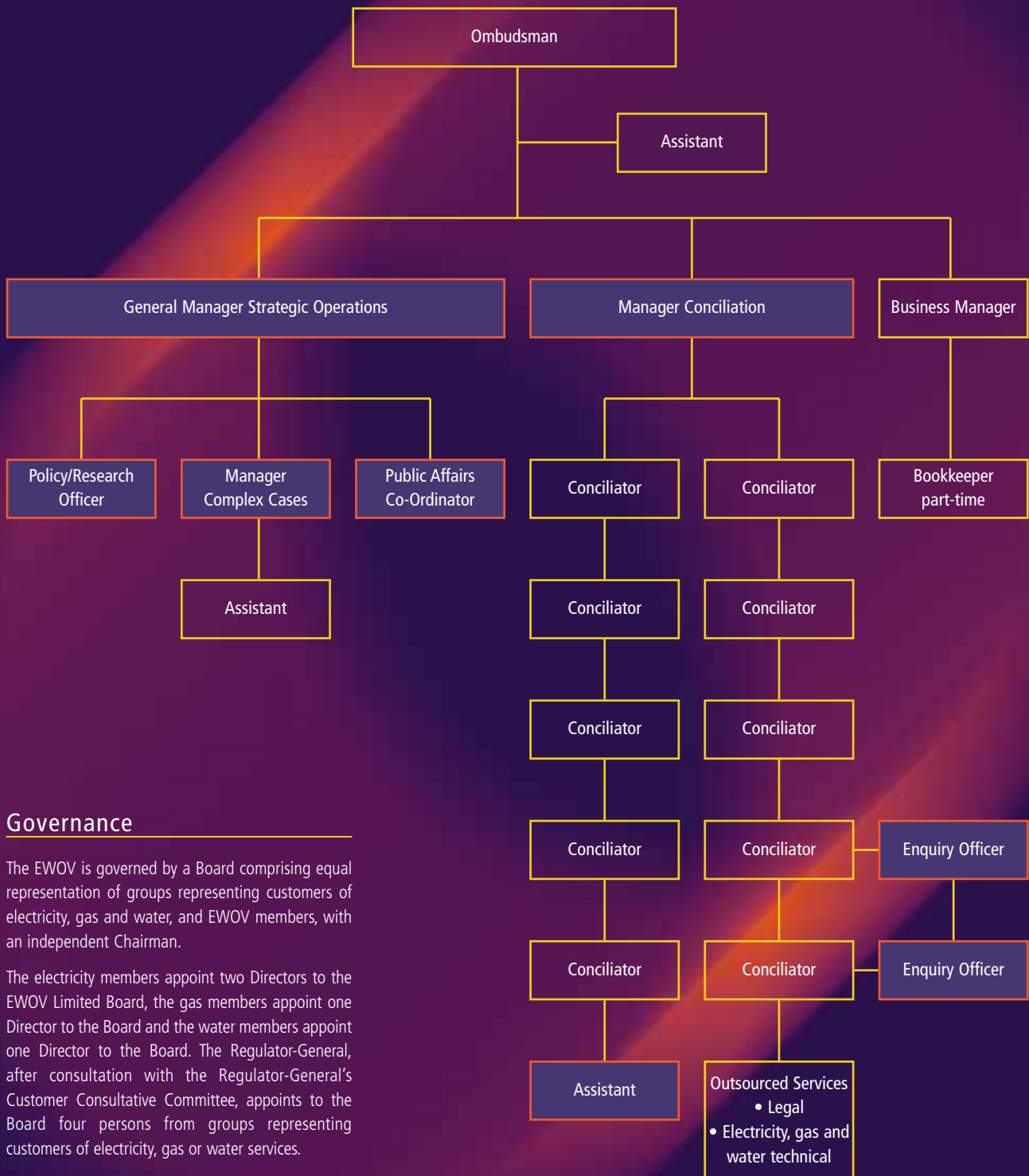
ACTEW Energy Ltd;  
Advance Energy;  
Australian Energy Services Pty Ltd;  
ENERGEX Retail Pty Ltd;  
EnergyAustralia;  
Ergon Energy Pty Ltd;  
Great Southern Energy;  
Integral Energy Australia;  
Origin Energy Electricity Limited (formerly Boral Electricity);  
Origin Energy (Vic) Pty Ltd;  
NorthPower; and  
TXU Pty Ltd (Kinetik Energy)

## Water Members

City West Water Limited  
South East Water Limited  
Yarra Valley Water Limited  
Melbourne Water Corporation  
Barwon Region Water Authority  
Central Gippsland Region Water Authority  
Central Highlands Region Water Authority  
Coliban Region Water Authority  
East Gippsland Region Water Authority  
First Mildura Irrigation Trust  
Gippsland and Southern Rural Water Authority  
Glenelg Region Water Authority  
Goulburn-Murray Rural Water Authority  
Goulburn Valley Region Water Authority  
Grampians Region Water Authority  
Lower Murray Region Water Authority  
North East Region Water Authority  
Portland Coast Region Water Authority  
South Gippsland Region Water Authority  
South West Water Authority  
Sunraysia Rural Water Authority  
Western Region Water Authority  
Westernport Region Water Authority  
Wimmera Mallee Rural Water Authority



# organisation chart (Full Time Equivalent Positions)



## Governance

The EWOV is governed by a Board comprising equal representation of groups representing customers of electricity, gas and water, and EWOV members, with an independent Chairman.

The electricity members appoint two Directors to the EWOV Limited Board, the gas members appoint one Director to the Board and the water members appoint one Director to the Board. The Regulator-General, after consultation with the Regulator-General's Customer Consultative Committee, appoints to the Board four persons from groups representing customers of electricity, gas or water services.

Chaired by The Hon. Tony Staley, the EWOV Board is responsible for the business affairs and property of EWOV including corporate governance, the setting of budgets, risk management and strategic planning and ensures the Ombudsman's independence. The Ombudsman has the responsibility for the day to day operation of the scheme.

## **Restructure of the EWOV team**

With the doubling of the scheme's membership to incorporate the water industry, a review of the EWOV's organisational structure was undertaken. It was identified that extra investigation/conciliation staff were needed as well as specialised staff in the areas of public affairs, policy/research and complex cases. The position of General Manager Strategic Operations was created to manage these specialised areas.

The organisation chart shows the new structure of the EWOV, which was implemented on 18 June 2001. The shaded areas with red frames indicate positions created in the 2000/2001 year.

## **Conciliation Team**

The restructure of the EWOV saw the *Investigations Officers* renamed *Conciliators* to more accurately reflect their role.

Two Enquiry Officers have joined the conciliation team. These frontline staff receive all the initial customer phone calls, letters, emails and faxes at the EWOV office. Their role is to answer general questions, refer customers to a senior contact at their electricity, gas or water company/authority and pass new cases onto the Conciliation staff for further investigation.

The Conciliators investigate and resolve cases received from the Enquiry Officers. The emphasis of the Conciliator's work is on facilitating a conciliated outcome.

During the 2000/2001 year Conciliators Christine Lalor, Kerry Free, Lucy Chesser, Melissa Officer, Michael Ridgway and Stephen Gatford continued their good work for the scheme.

With the increase in casework, a number of new Conciliators have joined the EWOV. We welcome Maree Lang, Antonia Mercorella, Angela Bourke, Bridie Fennessy, Katie Howie, and Anna Faoagali.

In the past year, Craig Cairney and Joanne Richardson left the EWOV.

Two Conciliators moved to new roles during the year. Michael Ridgway moved to head the Conciliation team as the new Manager Conciliation and Stephen Gatford took on the new role of Policy/Research Officer.

## **Strategic Operations Team**

The Strategic Operations Team was formed in June 2001 and is headed by General Manager Jo Benvenuti.

Stephen Gatford, Policy/Research Officer; Irene Salkunas, Public Affairs Co-ordinator and Sheryl Miller, Team Support make up the Strategic Operations Team. A new Manager Complex Cases will join the Strategic Operations Team on 1 July 2001.

The Strategic Operations Team will provide strategic direction for the EWOV and ensure appropriate communications, policy, system and training needs are developed and implemented.

## **Administration Team**

In 2000, the EWOV farewelled Susan Bardsley, Business Manager for the scheme since its inception. We thank Susan for implementing the administration and information systems around which the scheme was organised.

The new Business Manager, Steve Morris, joined the EWOV in September 2000. His role is to oversee the scheme's administration, finance, human resource and information technology systems. Also joining the EWOV was Lyn Mitchell as the Ombudsman's Executive Assistant in August 2000.

Much work was carried out for the inclusion of the water industry into the scheme, including the upgrade of the case management system, policy documentation, the EWOV publications and stationery. An EWOV intranet site was developed as a resource for all EWOV staff and the TTY service for hearing and speech impaired customers was replaced with the new NRS.

## **Handling of cases**

### **Scheme Context**

The EWOV illustrates how industry dispute schemes can play a positive role in ensuring that quality customer service is provided, be it by company/authority staff, or their contractors and agents. The scheme is available to both domestic and business customers.

The scheme also provides an avenue of redress for third parties that are directly affected by the activities of any electricity, gas or water company or authority. This covers the situation where the activity of a member of the scheme may affect someone who is not their customer e.g. marketing electricity/gas to the general public, or tree clearing by the electricity transmission company. This is an important feature of the scheme. In particular, as the electricity and gas markets deregulate further, a number of retailers may operate in a particular geographical area.

The EWOV is an alternative to formal legal processes for solving complaints.

Alternative dispute resolution has much to commend it because:

- it involves the parties rather than confusing and distancing them as the legal system can do
- it can assist the parties to understand the issues
- it produces a sense of ownership of the outcome and a commitment to its implementation
- it is free for customers and its processes are comparatively speedy
- in terms of its potential impact on customer services, its impartiality means that the data it collects can be an invaluable source of independent information.



## Access

It is a key principle of the EWOV's operation that its services are readily available to individual consumers of electricity, gas and water services regardless of their ethnicity, language skill, physical or intellectual capacity or geographical location.

For this reason, the EWOV employs state of the art telecommunications technology to facilitate access for all Victorians.

Freecall and freefax facilities enable electricity, gas and water users throughout the state to make the necessary contacts with the EWOV without any financial expense. Callers with a speech or hearing impairment are able to access the EWOV through the National Relay Service (NRS) while an interpreting service is available to callers for whom English is not their first language.

The EWOV's website ([www.ewov.com.au](http://www.ewov.com.au)) has an on-line complaint and question lodgement service.

The emphasis in service delivery is on informality.

## Case Work

All initial contacts received by the EWOV are categorised by the Conciliators as one of the following four case types – Enquiry, Consultation, Complaint or Dispute – according to their complexity and estimated resolution timeframe.

An *Enquiry* is a request for information or assistance received by phone, fax, email, web site, personal visit, or in writing. Some Enquiries are handled quickly over the phone (e.g. where a customer has not been to their electricity, gas or water company/authority first to try and resolve their problem, or where the problem is out of jurisdiction of the EWOV). Others may require some further work but are usually settled within a day or two without contact with the company or authority. A common example of an Enquiry has been explanation of the "electricity supply charge". In some cases, an Enquiry may be upgraded (escalated) to a Consultation or a Complaint, as appropriate.

A **Consultation** is a case that looks likely to settle within the 14 day timeframe allocated to this case type. A Consultation:

- relates to a member of the scheme
- is within jurisdiction of the scheme
- has been raised with the relevant member; and/or
- results because the consumer is dissatisfied with the outcome or the way in which the member has attempted to resolve the issue.

Consultations may require limited desktop follow up such as telephone conversations with the complaints handling staff of the scheme member. Consultations involve investigation. An example of a Consultation is a high bill query where the EWOV may request billing details from the member's Customer Information System (CIS) screens and conduct a detailed phone audit with the customer. Consultations may also be urgent matters which must be settled quickly (e.g. imminent disconnection).

A **Complaint** may be an unresolved Consultation which has been escalated or may be a case which seems unlikely to settle in the 14 day timeframe for a Consultation and requires the 28 day timeframe of a Complaint. The conditions applying to a Consultation also apply to a Complaint. However, a Complaint involves a relatively more complex investigation by the EWOV and has 28 days in which to resolve. An example here includes a matter in which the customer has a financial claim against the member relating to supply damage or restitution following a tree clearing event or property damage.

A **Dispute** is a Complaint in which the relevant member has had sufficient opportunity to resolve the case, the consumer remains dissatisfied with the resolution of the Complaint or the way in which the member has attempted to resolve the Complaint and the EWOV believes the case has sufficient merit to warrant continuing the investigation. Dispute resolution involves a high level of EWOV staff input in active investigation and may incorporate a conciliation conference to assist resolution of the matter. There is a 90 day timeframe for the resolution of Disputes. Disputes which cannot be resolved by negotiation/conciliation may require a Binding Decision by the Ombudsman.

A **Binding Decision** by the Ombudsman is binding on the electricity, gas or water company or authority only and not on the customer. The customer has 21 days to accept or reject the Decision of the Ombudsman. If he/she accepts the Ombudsman's Decision the member must carry out the terms of the Decision. If the customer rejects the Decision the company/authority is released from the terms of the Decision.



electricity

## Electricity results

The following table sets out the market-share of the five main electricity retailers as at December 1994. This serves as an appropriate benchmark and the percentage results in this report should be compared to each company's market-share. Following the commencement of Full Retail Competition, which is currently scheduled for early 2002, this may need review.

### Market-share - electricity (December 1994)

AGL Electricity	11.9%
CitiPower	11.8%
Powercor Australia*	26.8%
Pulse Energy (United Energy)	26.2%
TXU (Eastern Energy)	23.3%

\* The retail arm of Powercor Australia was bought by Origin Energy on 1 June 2001. All cases received by Origin Energy in the month of June 2001 are recorded against Powercor Australia in the figure graphs throughout this report, as the graphs cover 12 months from 1 July 2000 to 30 June 2001 inclusive. The number of cases received against Origin Energy in June 2001 are identified separately in the commentary.

## Enquiries - electricity

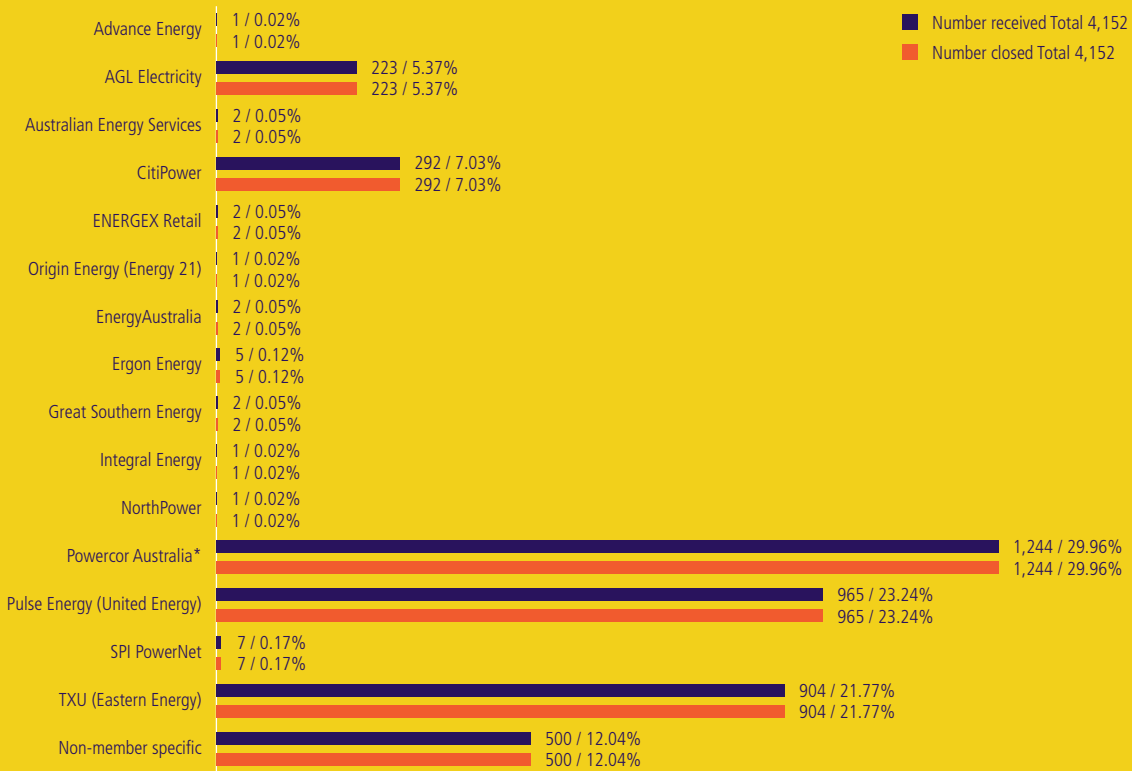
An Enquiry is a request for information or assistance, which requires immediate or short term handling by the EWOV. An Enquiry does not involve investigation with the company, but may involve referral. Enquiries can usually be resolved within a day or two.

- A total of 4,152 electricity Enquiries was received and the same number closed during the 1 July 2000 to 30 June 2001 period. This was a good result reflecting the ability of the scheme to quickly resolve this level of case.
- Powercor Australia\* recorded the highest number (1,244) and percentage (29.96%) of Enquiries. This is slightly higher than their market-share of 26.8% and was due to the continuation of billing system problems.
- AGL Electricity, CitiPower, Pulse Energy (United Energy) and TXU (Eastern Energy) recorded Enquiry levels lower than their respective market-shares.
- Nine independent electricity retailers received a total of 17 Enquiries and transmission company SPI PowerNet received seven Enquiries.
- All cases categorised as 'non-member specific' were Enquiries. In many of these cases, the customer was either provided with information or referred to an appropriate service.

## Consultations – electricity

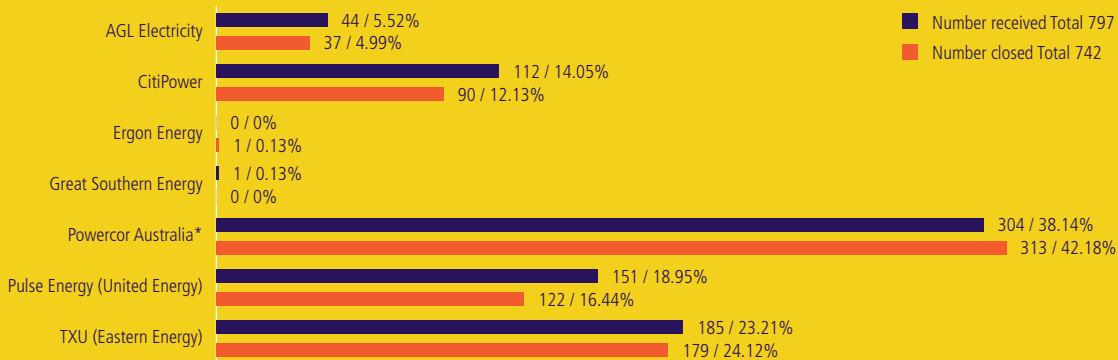
A Consultation is a more substantial matter than an Enquiry, which requires further investigation and contact with the company. Consultations have a 14 day timeframe in which to resolve. Billing matters are routinely categorised as Consultations.

- Fifty-five more electricity Consultations were received than closed in the 1 July 2000 to 30 June 2001 period. When the number of closures is fewer than the number received, it indicates that some cases may close in the next reporting period.
- Powercor Australia's\* percentage of Consultations was 38.14%, well above its market-share of 26.8%. This result reflects the company's problems with its customer information and billing system, in particular with system estimated accounts.
- CitiPower also received more Consultation cases (14.05%) than its market-share (11.8%), which reflects CitiPower's billing system difficulties.
- TXU (Eastern Energy) received virtually the same percentage of Consultations (23.21%) as its market-share (23.3%).
- AGL Electricity (5.52%) and Pulse Energy (United Energy) (18.95%) both received fewer Consultations than their market-shares (11.9% and 26.2% respectively).
- Independent retailer Great Southern Energy received one Consultation and independent retailer Ergon Energy closed one Consultation in the past financial year.
- Independent retailer Ergon Energy and Powercor Australia\* both closed more cases than they received. This sometimes occurs when some cases from the previous financial year are closed in the period 1 July 2000 to 30 June 2001.



**Figure 1 Electricity Enquiries Received and Closed - number and percent**

\* Origin Energy bought the retail arm of Powercor Australia on 1 June 2001. Ninety-eight of the 1,244 Enquiries listed in Figure 1 as received against Powercor Australia were received in June 2001.



**Figure 2 Electricity Consultations Received and Closed - number and percent**

\* Origin Energy bought the retail arm of Powercor Australia on 1 June 2001. Twenty-two of the 304 Consultations listed in Figure 2 as received against Powercor Australia, were received in June 2001.

## Complaints - electricity

A Complaint is relatively complex and requires detailed investigation. It may also be an unresolved Consultation. A Complaint has a 28 day timeframe in which to resolve. Electricity Supply matters are routinely categorised as Complaints.

- Twenty-seven more electricity Complaints were received than closed in the 1 July 2000 to 30 June 2001 period. A lower number of closures indicates that some cases may overlap between two financial years.
- Powercor Australia's\* percentage result (39.45%) was significantly higher than its 26.8% market-share, which reflects the company's continuing billing system difficulties.
- TXU (Eastern Energy)'s percentage result of 25.63% was slightly higher than its 23.3% market-share.
- AGL Electricity, CitiPower and Pulse Energy (United Energy) recorded Complaint percentages lower than their respective market-shares.
- Independent retailer NorthPower and Powercor Australia\* each closed one more case than they received. This can occur when some cases from the previous financial year are closed in the period 1 July 2000 to 30 June 2001.
- Independent retailer Ergon Energy received and closed four Complaints and transmission company SPI PowerNet received and closed two Complaints.

## Disputes - electricity

A Dispute requires a high level of investigation and negotiation. It is generally an unresolved Complaint. A Dispute has a 90 day timeframe in which to resolve.

- Electricity Disputes have increased by 87.50% (56 cases) since the previous financial year. This reflects an increasing complexity in many cases received by EWOV and delays in the resolution of billing cases at Consultation and Complaint level.
- Forty-four more electricity Disputes were received than closed in the 1 July 2000 to 30 June 2001 period. This indicates that some cases will extend into and be closed in the next financial year.
- Powercor Australia\* recorded the highest number and percentage (39.17%) of Disputes and exceeded its 26.8% market-share. Twenty-two of the Disputes related to a single event.

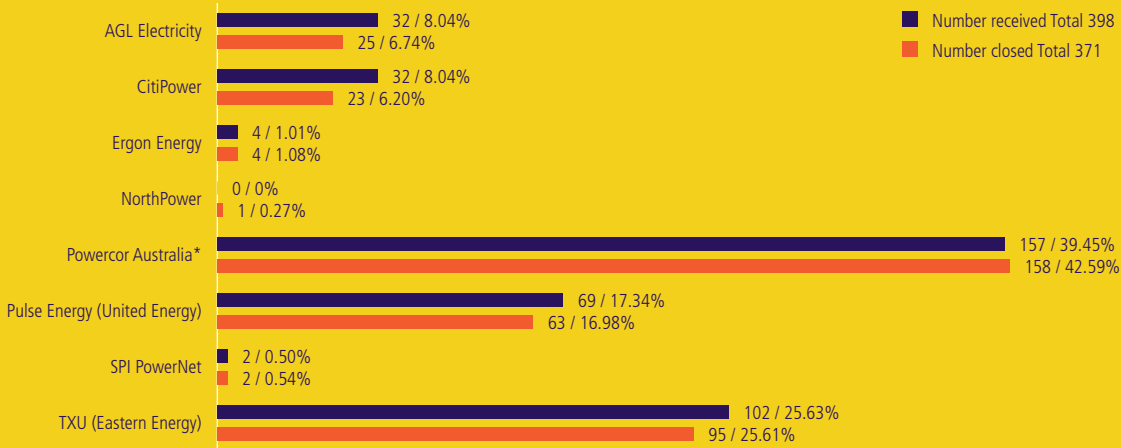
- TXU (Eastern Energy) received 33.33% of Disputes, which is significantly higher than its 23.3% market-share.
- AGL Electricity, CitiPower and Pulse Energy (United Energy) were the three main electricity retailers receiving significantly fewer Disputes than their respective market-shares.
- Independent retailer Ergon Energy and transmission company SPI PowerNet both received two electricity Disputes.
- Unresolved cases at Dispute level may go to a Binding Decision by the Ombudsman.

## Average days to close cases

The average days to close a case for each company can be affected by a number of factors including:

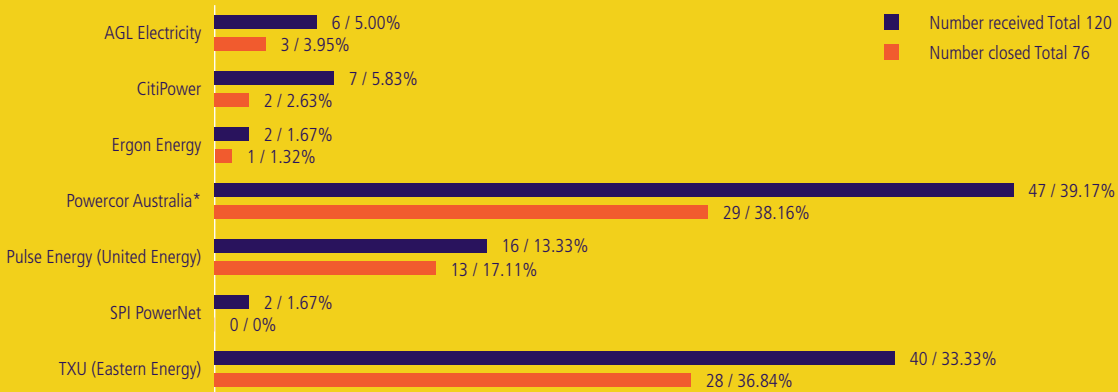
- matters internal to the company (field testing and reports, site inspections, analysis, inadequate resourcing for complaint management, case backlogs, inflexibility in approaching case resolution, delays in return replies from company staff in the field)
- matters external to the company (EWOV delays in seeking technical/legal advice, delays in customer action/replies and case backlogs – particularly during this period)
- the complexity of a case (complex cases such as Disputes typically take the longest time to resolve)

When few cases are closed in a period, the results can vary considerably.



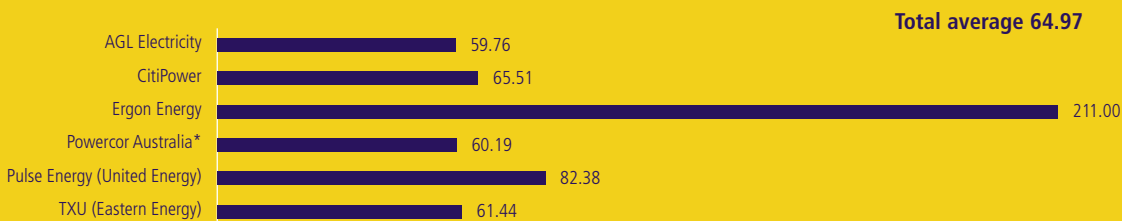
**Figure 3 Electricity Complaints Received and Closed - number and percent**

\* Origin Energy bought the retail arm of Powercor Australia on 1 June 2001. Eight of the 157 Complaints listed in Figure 3 as received against Powercor Australia were received in June 2001.



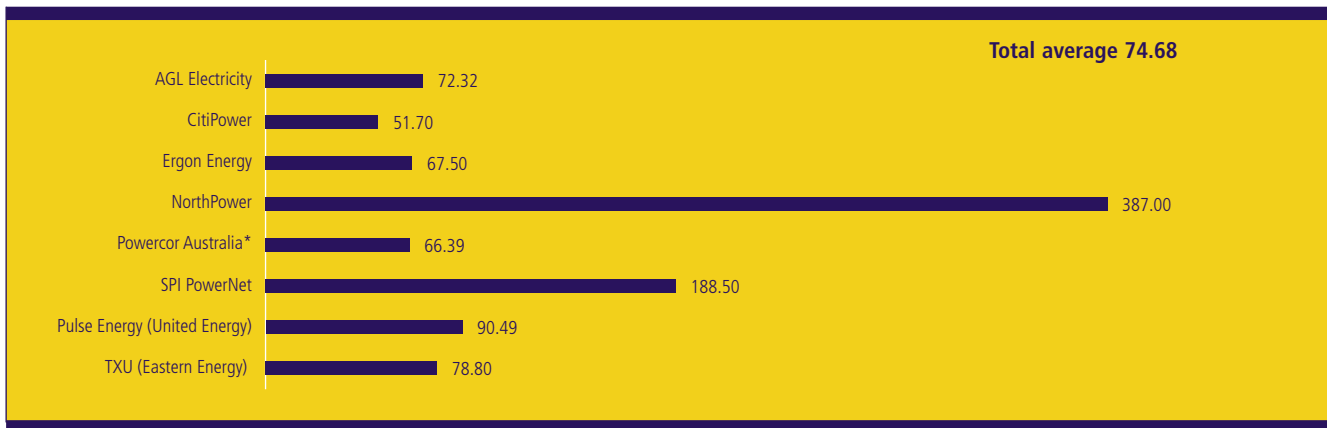
**Figure 4 Electricity Disputes Received and Closed - number and percent**

\* Origin Energy bought the retail arm of Powercor Australia on 1 June 2001. One of the 47 Disputes listed in Figure 4 as received against Powercor Australia was received in June 2001.



**Figure 5 Average Days to Close Electricity Consultations**

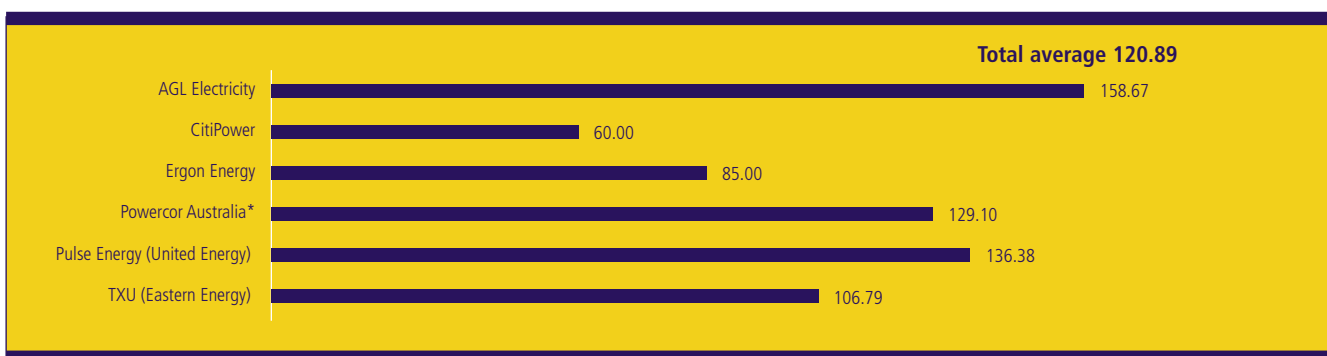
- Ergon Energy registered the highest average number of days (211) to close Consultations but it closed just one Consultation in the period, which was about a complex Billing Tariff issue.
  - AGL Electricity registered the lowest average number of days (59.76).
- \* Origin Energy bought the retail arm of Powercor Australia on 1 June 2001. Two electricity Consultation cases were closed in June 2001 against Origin Energy.



**Figure 6 Average Days to Close Electricity Complaints**

- NorthPower registered the highest average number of days (387) to close Complaints. It closed just one Complaint case and the closure delay was in part due to EWOV's clarification of a jurisdictional issue with NorthPower.
- CitiPower registered the lowest average number of days (51.70) to close Complaints.

\* Origin Energy bought the retail arm of Powercor Australia on 1 June 2001. Two electricity Complaint cases were closed in June 2001 against Origin Energy.



**Figure 7 Average Days to Close Electricity Disputes**

- AGL Electricity took the highest average number of days (158.67) to close Disputes.
- CitiPower took the lowest average number of days (60) to close Disputes.

\* Origin Energy bought the retail arm of Powercor Australia on 1 June 2001. No electricity Dispute cases were closed in June 2001 against Origin Energy.



The following data tables set out for each of the EWOV's four case types (Enquiry, Consultation, Complaint and Dispute) the main issue raised by each company's customers, and are broken down into a second level of description.

**Figure 8 Most Prevalent Electricity Enquiry Issue & 2nd Level Issue  
1 July 2000 - 30 June 2001**

Company Name	Prevalent Enquiry Issue	Number of Enquiries	% of Company's Total Enquiries	2nd Level Issue	Number of Enquiries	% of Prevalent Enquiry Issue
<b>Advance Energy</b>						
	Billing	1	100%	Backbill	1	100%
<b>Australian Energy Services</b>						
	Contestability	2	100%	Market Conduct	2	100%
<b>AGL Electricity</b>						
	Billing	109	48.88%	Arrears	3	2.75%
				Backbill	5	4.59%
				Concession	4	3.67%
				Disconnection	14	12.84%
				Easyway	8	7.34%
				Error	11	10.09%
				Format	7	6.42%
				High	32	29.36%
				Inquiry	7	6.42%
				Meter	8	7.34%
				Refundable Adv	1	0.92%
				Service Charge	1	0.92%
	Tariff	8	7.34%			
<b>CitiPower</b>						
	Billing	207	70.89%	Arrears	8	3.86%
				Backbill	39	18.84%
				Concession	5	2.42%
				Disconnection	8	3.86%
				Easyway	2	0.97%
				Error	33	15.94%
				Format	6	2.90%
				High	64	30.92%
				Inquiry	22	10.63%
				Lost Payments	2	0.97%
				Meter	4	1.93%
				Re-connection	2	0.97%
				Refundable Adv	1	0.48%
				Service Charge	4	1.93%
	Tariff	7	3.38%			
<b>ENERGEX Retail</b>						
	Contestability	2	100%	N/A	2	100%
<b>Origin Energy (Energy 21)</b>						
	Contestability	1	100%	N/A	1	100%
<b>EnergyAustralia</b>						
	Contestability	1	50.00%	Information	1	100%
	General Enquiry	1	50.00%	N/A	1	100%
<b>Ergon Energy</b>						
	Contestability	4	80.00%	N/A	4	100%
<b>Great Southern Energy</b>						
	Land	2	100%	Tree Clearing	2	100%
<b>Integral Energy</b>						
	Billing	1	100%	Disconnection	1	100%
<b>Non-Member Specific</b>						
	General Enquiry	230	46.00%	N/A	230	100%

**Figure 8 Most Prevalent Electricity Enquiry Issue & 2nd Level Issue  
1 July 2000 - 30 June 2001 (continued)**

Company Name	Prevalent Enquiry Issue	Number of Enquiries	% of Company's Total Enquiries	2nd Level Issue	Number of Enquiries	% of Prevalent Enquiry Issue
<b>NorthPower</b>						
	<b>Contestability</b>	1	100%	N/A	1	100%
<b>Powercor Australia*</b>						
	<b>Billing</b>	860	69.13%	Arrears	45	5.23%
				Backbill	62	7.21%
				Concession	23	2.67%
				Direct Debit	17	1.98%
				Disconnection	107	12.44%
				Easyway	27	3.14%
				Error	147	17.09%
				Format	34	3.95%
				High	187	21.74%
				Inquiry	126	14.65%
				Lost Payments	4	0.47%
				Meter	32	3.72%
				Re-connection	1	0.12%
				Refundable Adv	8	0.93%
				Service Charge	8	0.93%
				Tariff	32	3.72%
<b>Pulse Energy (United Energy)</b>						
	<b>Billing</b>	721	74.72%	Arrears	26	3.61%
				Backbill	49	6.80%
				Concession	51	7.07%
				Direct Debit	8	1.11%
				Disconnection	58	8.04%
				Easyway	17	2.36%
				Error	49	6.80%
				Format	59	8.18%
				High	173	23.99%
				Inquiry	169	23.44%
				Lost Payments	7	0.97%
				Meter	20	2.77%
				Re-connection	2	0.28%
				Refundable Adv	3	0.42%
				Service Charge	7	0.97%
				Tariff	23	3.19%
<b>SPI PowerNet</b>						
	<b>Land</b>	5	71.43%	Easement	5	100%
<b>TXU (Eastern Energy)</b>						
	<b>Billing</b>	568	63%	Arrears	24	4.23%
				Backbill	71	12.50%
				Concession	52	9.15%
				Direct Debit	17	2.99%
				Disconnection	53	9.33%
				Easyway	8	1.41%
				Error	63	11.09%
				Format	29	5.11%
				High	114	20.07%
				Inquiry	88	15.49%
				Lost Payments	1	0.18%
				Meter	14	2.46%
				Re-connection	5	0.88%
				Refundable Adv	4	0.70%
				Service Charge	5	0.88%
				Tariff	20	3.52%

- The prevalent Enquiry issue for all five main electricity retailers was Billing, which accounted for between 48.88% (AGL Electricity) and 74.72% (Pulse Energy (United Energy)) of all Enquiries.
- Powercor Australia\* received the most Billing Enquiries (860), followed by Pulse Energy (United Energy) (721) and TXU (Eastern Energy) (568). Powercor Australia's\* result was due to continued billing system issues.
- Six of the nine independent electricity retailers had Contestability as their most prevalent Enquiry issue. A total of 11 Contestability cases was received from these six retailers (Australian Energy Services, ENERGEX Retail, Origin Energy (Energy 21), EnergyAustralia, Ergon Energy, and NorthPower).
- Two independent retailers (Advance Energy and Integral Energy) had one Billing Enquiry each and independent retailer Great Southern Energy had two Land Tree Clearing Enquiries.
- Transmission company SPI PowerNet received five Land Easement Enquiries.

\* Origin Energy bought the retail arm of Powercor Australia on 1 June 2001. Seventy-five of the 860 Billing Enquiries listed against Powercor Australia in Figure 8 were received in June 2001.

**Figure 9 Most Prevalent Electricity Consultation Issue & 2nd Level Issue 1 July 2000 – 30 June 2001**

Company Name	Prevalent Consult. Issue	Number of Consult.	% of Company's Total Consult.	2nd Level Issue	Number of Consult.	% of Prevalent Consult. Issue
<b>AGL Electricity</b>						
	<b>Billing</b>	38	86.36%	Arrears	1	2.63%
				Backbill	6	15.79%
				Direct Debit	1	2.63%
				Disconnection	7	18.42%
				Error	3	7.89%
				Format	1	2.63%
				High	17	44.74%
				Meter	1	2.63%
				Re-connection	1	2.63%
<b>CitiPower</b>						
	<b>Billing</b>	107	95.54%	Backbill	16	14.95%
				Disconnection	5	4.67%
				Easyway	1	0.93%
				Error	32	29.91%
				Format	1	0.93%
				High	44	41.12%
				Lost Payments	2	1.87%
				Meter	4	3.74%
				Refundable Adv	1	0.93%
				Service Charge	1	0.93%
<b>Great Southern Energy</b>						
	<b>Billing</b>	1	100%	Disconnection	1	100%
<b>Powercor Australia*</b>						
	<b>Billing</b>	284	93.42%	Arrears	5	1.76%
				Backbill	30	10.56%
				Direct Debit	6	2.11%
				Disconnection	19	6.69%
				Easyway	3	1.06%
				Error	106	37.32%
				Format	6	2.11%
				High	92	32.39%
				Lost Payments	2	0.70%
				Meter	6	2.11%
				Re-connection	1	0.35%
				Refundable Adv	4	1.41%
				Tariff	4	1.41%

### Pulse Energy (United Energy)

<b>Billing</b>	144	95.36%	Arrears	9	6.25%
			Backbill	12	8.33%
			Concession	2	1.39%
			Direct Debit	5	3.47%
			Disconnection	11	7.64%
			Easyway	4	2.78%
			Error	21	14.58%
			Format	2	1.39%
			High	71	49.31%
			Lost Payments	2	1.39%
			Meter	5	3.47%

### TXU (Eastern Energy)

<b>Billing</b>	166	89.73%	Arrears	7	4.22%
			Backbill	27	16.27%
			Concession	2	1.20%
			Direct Debit	5	3.01%
			Disconnection	17	10.24%
			Easyway	3	1.81%
			Error	26	15.66%
			Format	5	3.01%
			High	60	36.14%
			Lost Payments	2	1.20%
			Meter	5	3.01%
			Re-connection	1	0.60%
			Refundable Adv	3	1.81%
			Service Charge	1	0.60%
Tariff	2	1.20%			

- The prevalent issue for all six electricity companies who received Consultations was Billing, with the issue accounting for at least 86.36% of Consultations for the companies. This result reflects the EWOV's policy regarding case classification as Billing matters are classified as Consultations in the expectation that the majority of these will resolve within the 14 day timeframe for this case type.
- With the exception of Powercor Australia\*, the prevalent Billing issue for the main retailers was High bills, which accounted for up to 49.31% of Consultation Billing cases.
- Powercor Australia\* received the most Billing Consultation cases (284). The main Billing issue for the company was Error (106 cases). This result reflects the billing system problems it experienced.
- Independent retailer Great Southern Energy received one Billing Consultation about a Disconnection issue.
- High bills, Error and Backbill were the three most common Billing issues for all of the main electricity retailers except for AGL Electricity, which had Disconnection instead of Error in its top three Billing issues. A common example of a Backbill is where the company believes the customer has been undercharged and seeks recovery.

\* Origin Energy bought the retail arm of Powercor Australia on 1 June 2001. Twenty-two of the 284 Billing Consultations listed against Powercor Australia in Figure 9 were received in June 2001.

**Figure 10 Most Prevalent Electricity Complaint Issue & 2nd Level Issue  
1 July 2000 – 30 June 2001**

Company Name	Prevalent Complaint Issue	Number of Complaints	% of Company's Total Complaints	2nd Level Issue	No. of Complaints	% of Prevalent Complaint Issue
<b>AGL Electricity</b>						
	Supply	18	56.25%	Reliability	2	11.11%
				Unplanned Outage	16	88.89%
<b>CitiPower</b>						
	Billing	16	50.00%	Backbill	6	37.50%
				Error	3	18.75%
				High	7	43.75%
<b>Ergon Energy</b>						
	Contestability	2	50.00%	N/A	2	100%
<b>Powercor Australia*</b>						
	Billing	68	43.31%	Arrears	2	2.94%
				Backbill	2	2.94%
				Disconnection	3	4.41%
				Easyway	1	1.47%
				Error	26	38.24%
				Format	1	1.47%
				High	24	35.29%
				Lost Payments	1	1.47%
				Meter	5	7.35%
				Re-connection	1	1.47%
				Refundable Adv	1	1.47%
	Tariff	1	1.47%			
<b>Pulse Energy (United Energy)</b>						
	Supply	32	46.38%	Planned Outage	1	3.13%
				Quality	4	12.50%
				Reliability	2	6.25%
				Unplanned Outage	25	78.13%
<b>SPI Powernet</b>						
	Land	2	100%	Easement	2	100%
<b>TXU (Eastern Energy)</b>						
	Supply	57	55.88%	Quality	12	21.05%
				Reliability	9	15.79%
				Unplanned Outage	36	63.16%

- Supply/Unplanned Outage was the prevalent Complaint issue for AGL Electricity, Pulse Energy (United Energy) and TXU (Eastern Energy). The high number of Supply cases at Complaint level reflects EWOV's policy of classifying Supply matters at Complaint level in the expectation that these will be complex cases and that the majority will require 28 days for resolution.
- Billing was the prevalent issue for CitiPower and Powercor Australia\*. CitiPower's main Billing issues were High bills and Backbill; for Powercor Australia\*, Billing Error and High bills were the main Billing issues. For both companies, most of the Billing cases received at Complaint had been escalated from Consultation to Complaint, indicating delays in the resolution of these cases.
- Powercor Australia\* recorded 68 Billing cases at Complaint level, reflecting the company's continuing billing system problems.
- TXU (Eastern Energy) recorded 57 Supply cases at Complaint level, 63.16% of these related to Unplanned Outages.
- Independent electricity retailer Ergon Energy received two Contestability Complaints.
- Transmission company SPI PowerNet received two Complaints about Land Easement issues.

\* Origin Energy bought the retail arm of Powercor Australia on 1 June 2001. One of the 68 Billing Complaints listed against Powercor Australia in Figure 10 was received in June 2001.

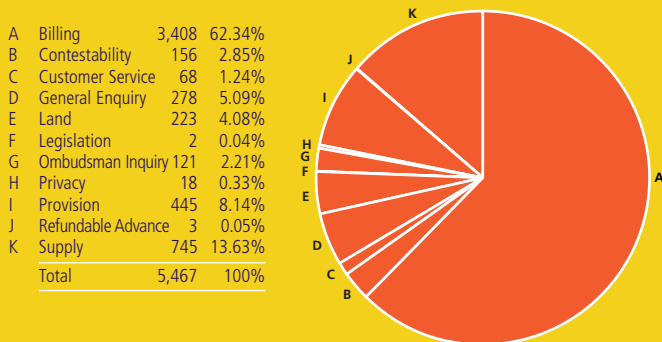
**Figure 11 Most Prevalent Electricity Dispute Issue & 2nd Level Issue  
1 July 2000 – 30 June 2001**

Company Name	Prevalent Dispute Issue	Number of Disputes	% of Company's Total Disputes	2nd Level Issue	Number of Disputes	% of Prevalent Dispute Issue
<b>AGL Electricity</b>						
	Supply	4	66.66%	Unplanned Outage	4	100%
<b>CitiPower</b>						
	Billing	3	42.86%	Backbill High	1 2	33.33% 66.67%
<b>Ergon Energy</b>						
	Contestability	1	50.00%	N/A	1	100%
	Supply	1	50.00%	Unplanned Outage	1	100%
<b>Powercor Australia*</b>						
	Land	24	51.06%	Easement	1	4.17%
				Pole Cabling	22	91.67%
				Tree Clearing	1	4.17%
<b>Pulse Energy (United Energy)</b>						
	Supply	9	56.25%	Quality	1	11.11%
				Unplanned Outage	8	88.89%
<b>SPI PowerNet</b>						
	Land	2	100%	Easement	2	100%
<b>TXU (Eastern Energy)</b>						
	Supply	23	57.50%	Planned Outage	1	4.35%
				Quality	5	21.74%
				Reliability	3	13.04%
				Unplanned Outage	14	60.87%

- Powercor Australia\* recorded 24 Dispute cases in relation to Land issues. This included 22 Disputes about a Land Pole Cabling issue relating to a single event.
- TXU (Eastern Energy) recorded 23 Supply Disputes; 14 of these concerned Unplanned Outages.
- Supply/Unplanned Outage was also the prevalent Dispute issue for AGL Electricity (four cases) and Pulse Energy (United Energy) (eight cases).
- CitiPower received three Billing cases at Dispute level, which indicates problems with the resolution of these issues at Consultation and Complaint levels.
- Independent retailer Ergon Energy received one Contestability Dispute and one Supply/Unplanned Outage Dispute.
- Transmission company SPI PowerNet received two Land Easement Disputes in the 2000/2001 financial year.

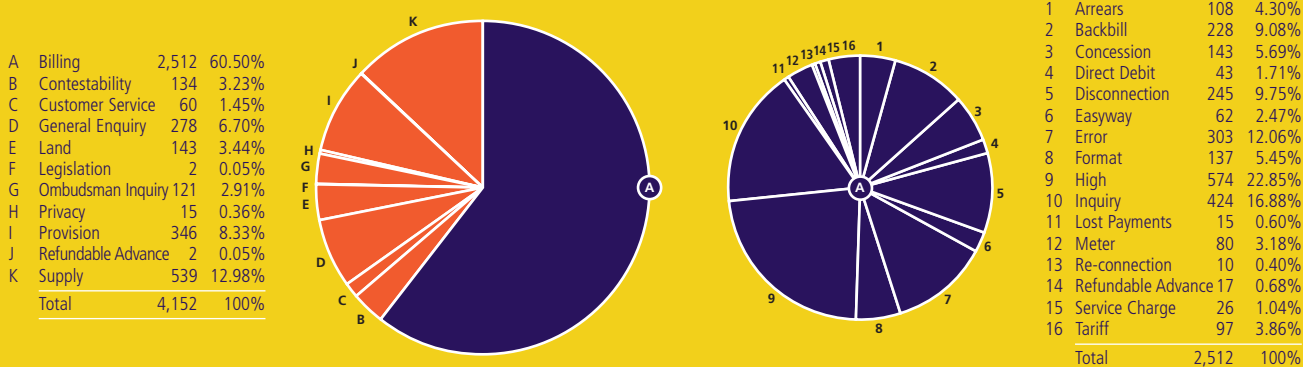
\* Origin Energy bought the retail arm of Powercor Australia on 1 June 2001. None of the 24 Land Disputes listed against Powercor Australia in Figure 11 were received in June 2001.





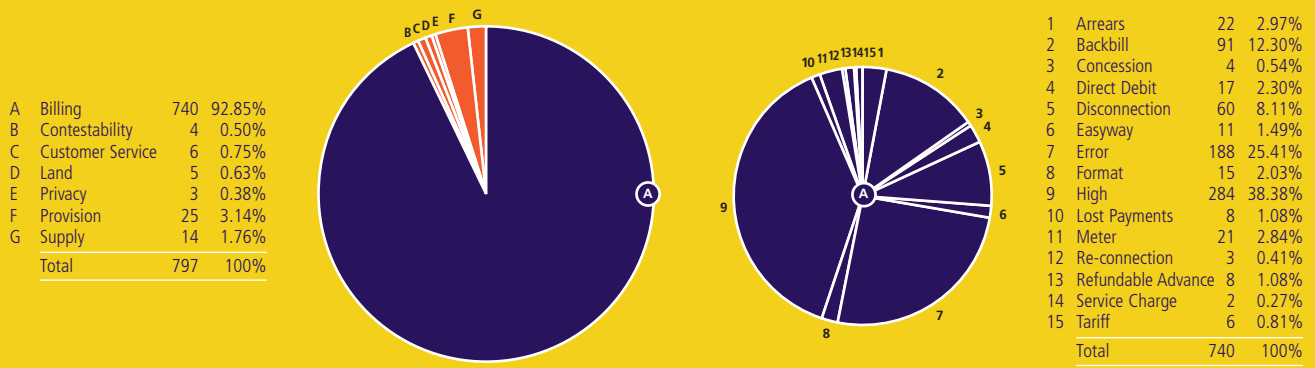
**Figure 12** Electricity cases (all) received by issue

- Billing was the most prevalent electricity issue, accounting for 62.34% of electricity cases.
- Supply (745 cases, 13.63%) and Provision (445 cases, 8.14%) were the next most common electricity issues.



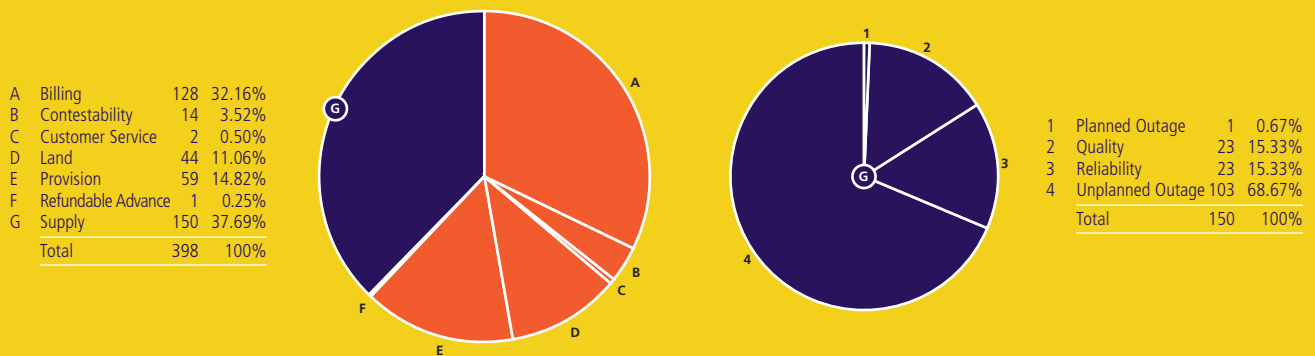
**Figure 13** Electricity Enquiries received by issue (all companies)

- Billing was the most prevalent issue at Enquiry level for electricity, accounting for 60.50% (2,512 cases) of electricity Enquiries received.
- Supply (539 cases, 12.98%) and Provision (346 cases, 8.33%) were the next most common issues raised at Enquiry level for electricity cases.



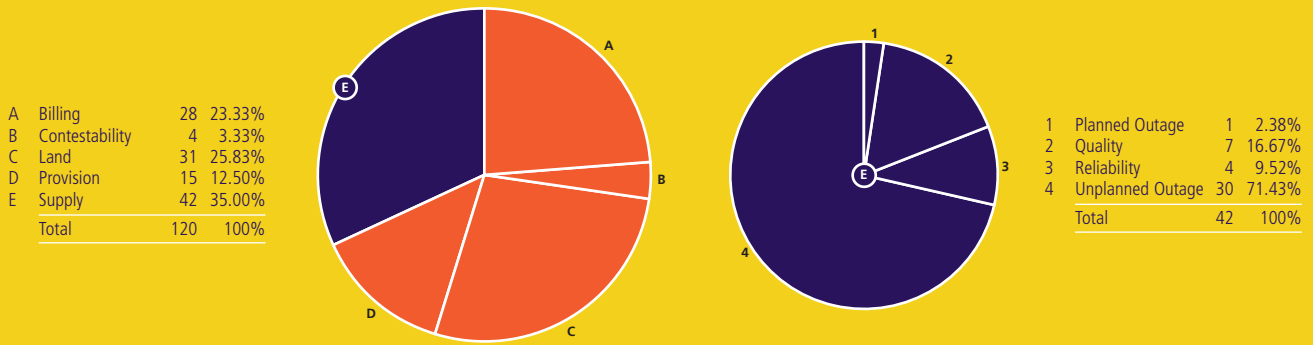
**Figure 14 Electricity Consultations received by issue (all companies)**

- For electricity Consultations, Billing (740 cases, 92.85%) was the main issue. This reflects EWOV's policy of classifying Billing matters as Consultations.
- Provision (25 cases, 3.14%) and Supply (14 cases, 1.76%) were the next most common electricity issues raised in Consultation cases.



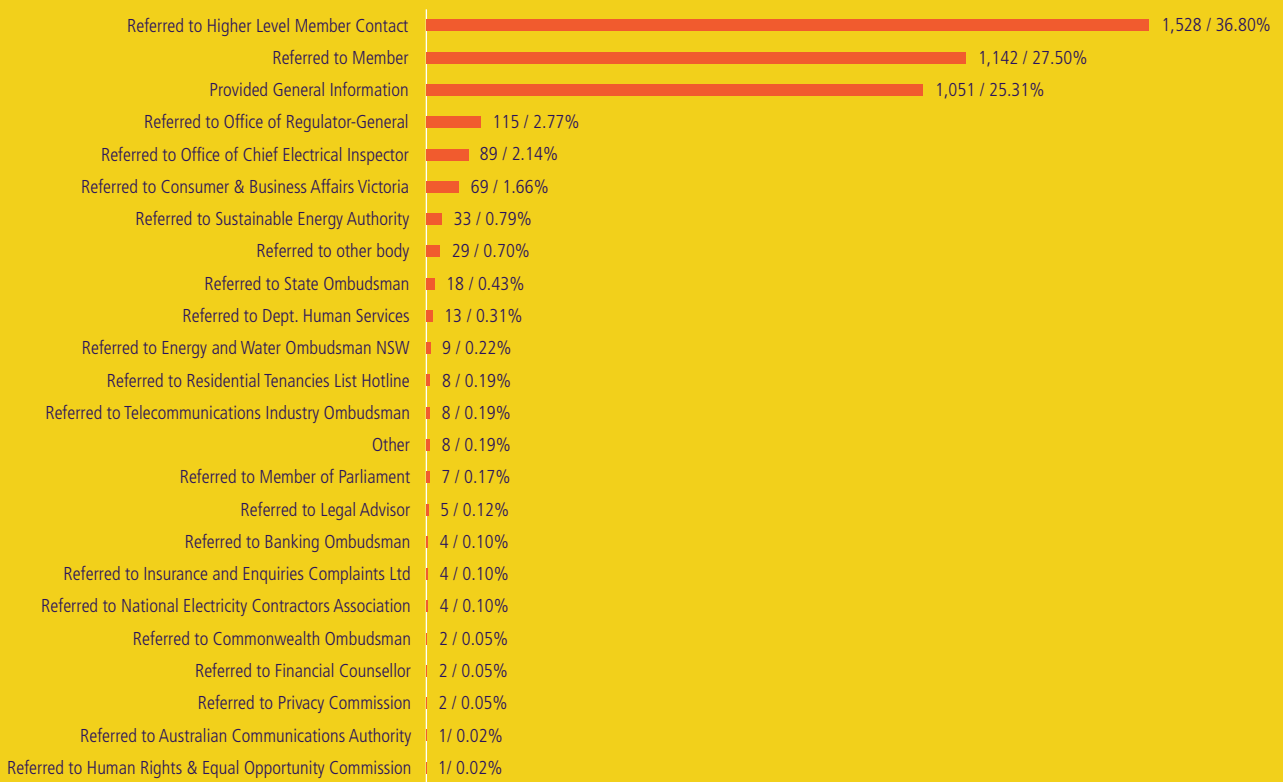
**Figure 15 Electricity Complaints received by issue (all companies)**

- Supply (150 cases, 37.69%) was the most common electricity Complaint issue.
- The next most common electricity Complaint issues were Billing (128 cases, 32.16%) and Provision (59 cases, 14.82%).

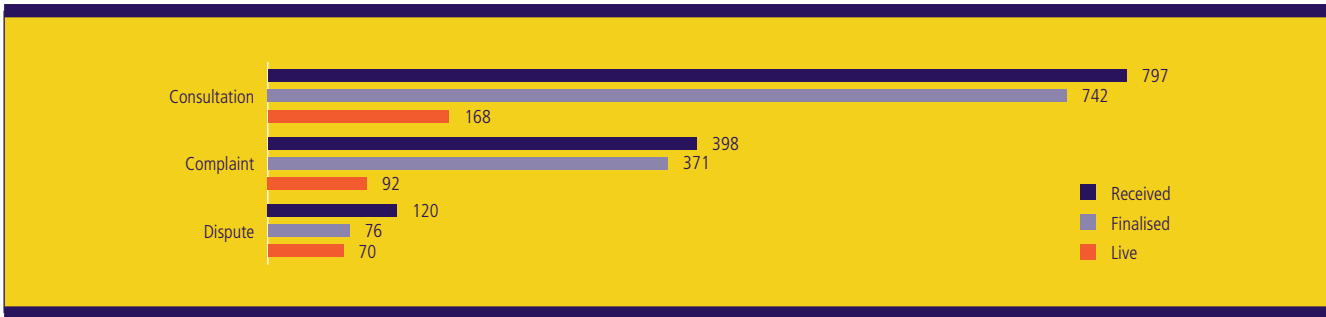


**Figure 16 Electricity Disputes received by issue (all companies)**

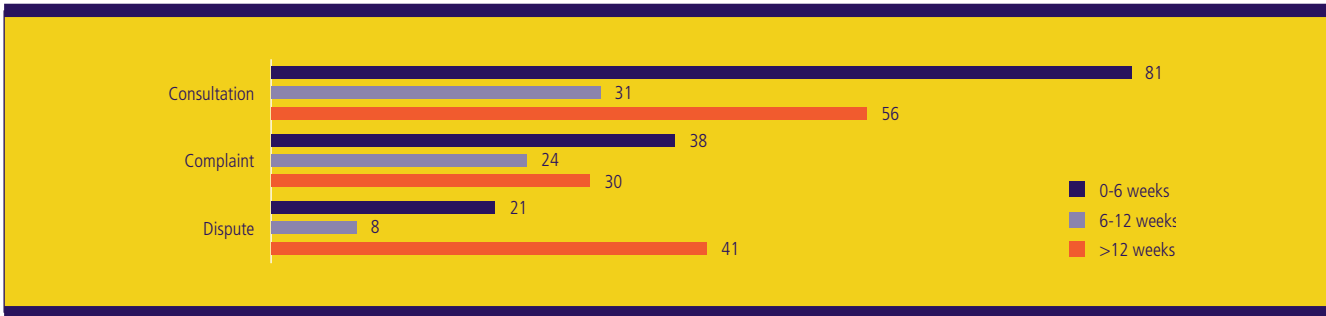
- Supply (42 cases, 35.00%) was the most common electricity Dispute issue.
- Land (31 cases, 25.83%) and Billing (28 cases, 23.33%) were the next most common electricity Dispute issues.



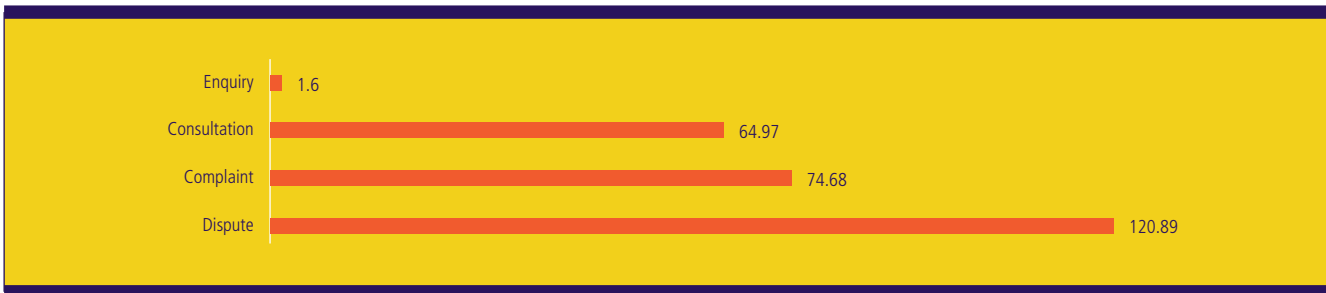
**Figure 17 Outcomes of Electricity Enquiries received**



**Figure 18** Progress of electricity cases during the year



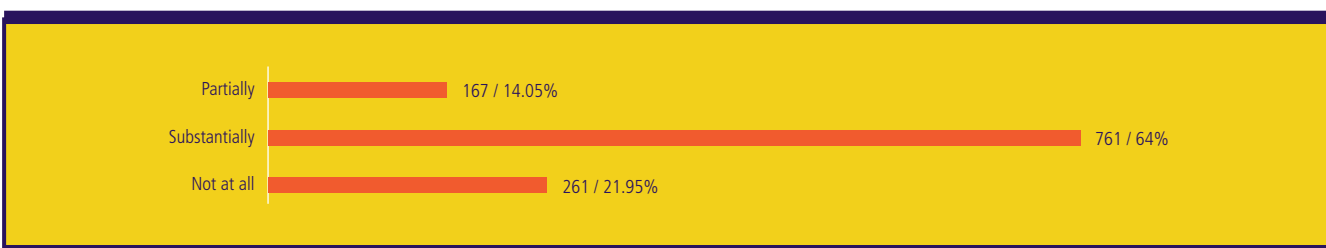
**Figure 19** How old were electricity cases at 30 June 2001?



**Figure 20** How long did each electricity case take to resolve (in days)?



**Figure 21** Average time spent on closed electricity cases in minutes?



**Figure 22** Case Outcomes in favour of electricity complainants (Consultations, Complaints and Disputes)

## Excessive pruning of trees

D/00/1

A customer contacted the EWOV stating that she was dissatisfied with the way trees on her property had been trimmed by contractors working for her electricity company. She said that notification of the proposed pruning works was not appropriate and the pruning itself had severely damaged the integrity and health of her trees. She was seeking compensation for loss of value and amenity in respect of the trees.

The customer said she arrived home one day to find five trees on her property had been pruned. She said she had been notified that the pruning would take place, but this notice came 50 days earlier. She had not thought it necessary to contact the company to discuss the pruning as previous pruning had been conducted sensitively.

The day after the pruning took place, the customer met with company representatives at her property. She said that they offered to have replacement trees planted, to pay for the repair of her garden and pay any of her solicitor's fees relating to the matter. She also said she asked about compensation, but was told the company would not pay compensation at this time. The meaning of this was not clarified. She said she later received a letter from the company saying that it would accept no liability for any damage to the trees, or loss of value or amenity, but would provide vouchers for replacement trees. No mention was made of her solicitor's fees.

When contacted by the EWOV, the electricity company said the trees were heavily overgrown and required substantial pruning, which was undertaken in accordance with the Australian Standard AS 4373 – Pruning of Amenity Trees. It also said no offer had been made to the customer to repair damage to her garden, as there was no such damage, and that it was its practice to provide replacement trees using a voucher system.

The company offered to further trim and remove trees on the customer's property to improve the appearance and provide vouchers for suitable fast-growing trees. The customer rejected the offer as lower than what she had been promised and not addressing her request for compensation.

The EWOV obtained a report from an independent arboricultural expert. The report indicated that the pruning had been excessive and may have long term implications for the health, amenity and function of the trees. The independent arboriculturalist assessed the loss of value of the trees as a result of the pruning to be \$5,780.

The electricity company maintained that the pruning was not excessive and was in accordance with the Australian Standard. It sought clarification of the offer the customer said its representatives had made to her the day after the pruning. The EWOV noted that neither party had made notes of that meeting. The company made two further offers, both of which were rejected by the customer.

During the investigation, the company said it had not previously pruned the trees in the customer's area. It said it was not aware of when the trees were last pruned and thought it was by the SECV. The company later said that its pruning program records showed pruning last took place in 1995, but it could not verify the date. While in 1996, the condition of the trees had been recorded in the company's clearing program records as 'fair', meaning in need of attention and possibly nearing powerlines, they were not pruned for a further three years.

Because the case could not be resolved through conciliation, it went to a Binding Decision by the Ombudsman. The Ombudsman concluded that the company had not followed its own Vegetation Management Plan that provided for pruning according to a rolling three year cycle as required by the Code of Practice for Powerline Clearance (Vegetation) 1996 (the Code). She also concluded that the manner of pruning was different from the established pruning practice for the customer's area, and that the company had not consulted with the affected persons (in this case, the customer) as required by the Code, before going ahead with it. The Ombudsman referred this matter of compliance with the Code to the Office of the Chief Electrical Inspector. The company's obligation to ensure public safety in the area was also taken into account. The Ombudsman further noted that the company appeared to have breached the Supply & Sale Code 1997, in not advising the customer's solicitor (when so requested) about the EWOV.

Because the Ombudsman considered the customer had no cause to believe that the pruning would differ from what had taken place in the past, she did not hold the customer responsible for not contacting the company to discuss the pruning when she first received the notice. The Ombudsman determined that the company pay the customer \$6,400, made up of the assessed \$5,780 loss of value of the trees and \$620 for her solicitor's fees. The customer accepted the Ombudsman's decision.

## Electro-magnetic field concerns

### **D/99/71**

This complaint was brought to the EWOV by an electricity customer on behalf of a local community interest group of which he was a member.

The group claimed that the local electricity company had not abided by commitments it had made at a series of community meetings held in early 1997. In particular, the group claimed that the company had refused to meet with it to advise of and consult on the results of electro-magnetic field (EMF) monitoring near a 66kV line erected by the company in early 1997. The group also claimed that the electricity company had broken a commitment to advise the community of changes in the load levels of the line. For some 18 months, the community group had been seeking a meeting with the company on these matters. At one point a meeting had been agreed, but the company had cancelled it saying it was not necessary.

In early 1997, the electricity company had erected a new 66kV line through a suburban street to service a large industrial customer. Representatives of the electricity company attended three community meetings at that time and made a number of commitments, including an agreement to consult with residents about any changes in the use of the line and not to exceed the line usage levels as stated to residents at that time. These commitments were confirmed by the minutes of the meetings, which had been taken by the company's representative.

The company advised the EWOV that it was happy to meet to discuss any new matters. It said that the increase in the line current over the period was insignificant, the magnetic strength readings in homes alongside the line showed no significant readings within any residence, the EMF levels continued to be significantly below accepted Australian and international standards (1000mG) and it had already provided answers to two of the matters the community group wished to discuss. In light of these things, it found it difficult to see the value of further monitoring or consultation. The company admitted that its consultation procedures in relation to the construction of the line could have been better, and said that its new Powerline Consultation and EMF Measurement Process would improve that in the future. The company also advised that only one customer was connected to the line with no plans to increase the load or connect any other customers.

The community group provided a number of new agenda items as requested by the company. It also confirmed that its position on EMF was that levels below 2mG were desirable.

The EWOV reviewed the minutes of the community meetings and concluded that the company had committed to further meetings with the residents and therefore, the community group had a right to seek such a meeting. The EWOV also noted that the company's draft policy and procedures for the incorporation of EMF factors into the design of new installations/line upgrades had been provided to the EWOV in the first half of 1998. While the emphasis of the document was on the planning stages, the commitment to consult and inform was clear. The EWOV also examined the load figures for the line and noted that there had been an increase from the level that the company had committed to at the initial community meetings.

In making her Binding Decision, the Ombudsman noted that it was not the role of the EWOV to set the standards for EMF. She suggested that the community group raise concerns about the standards themselves with the National Health and Medical Research Council, the appropriate regulatory body.

The Ombudsman focussed her decision on the commitments the company made to residents at the community meetings and concluded that the company had made public commitments that it did not honour. She stated that the company's actions in this case demonstrated a poor approach to community consultation and did not reflect the spirit of its own policy manual.

The Ombudsman decided that a fair and reasonable outcome would be for the company to continue the annual monitoring of EMF levels for the next three years. She directed that the company attend a meeting with the community group within a specified period to identify 15 sites for the annual monitoring. She further directed that the company publish the results of the monitoring in the local paper, liaise with the local council to facilitate public viewing of the results, and call and hold an annual public meeting on the results, with specific invitations to be sent to the members of the community group that brought the complaint.

## Unauthorised bill transfer

### *C/2000/4745*

A residential customer contacted the EWOV as he had been unable to resolve a billing issue directly with his electricity retailer.

The customer had resided at the same property for many years, and the electricity account was in his name. The customer had received an account for approximately \$700.00, which was unexpectedly high. Upon enquiry, the retailer advised him that \$615.05 of the account had been transferred from a different account, relating to another address. The retailer advised that this transfer had occurred as both accounts were in his name and the other account had been finalised with an amount outstanding.

The customer was dissatisfied with these events. He advised that he had not resided at the other address at any time, but that his estranged relative had. The customer stated that he had not consented to the other account being set up in his name. He sought an explanation from the retailer as to how this had occurred. He was very concerned that his identification details (from his concession card) had been misused and the issue had caused him considerable stress.

In its initial response, the retailer stated that whilst acknowledging the inconvenience that the matter had caused, it regarded it as something that the customer and his relative had to sort out. The retailer stated it was willing to take the \$615.05 out of the customer's name, but only if he signed a statutory declaration that he had never resided at the property, and only if he provided the name and contact details of the person he believed was responsible for the outstanding amount.

The EWOV noted that the Electricity Retail Code requires customers to provide 'acceptable identification' before supply will be connected and sought to clarify whether this had occurred. The retailer's documentation was not comprehensive. It was possible that the customer's relative had phoned the retailer and provided the customer's name and date of birth. The retailer may itself have linked the customer's identification details to the new account. These details were already on its computer system, linked to the customer's existing account.

The EWOV also noted that the Electricity Retail Code requires retailers to comply with a guideline on debt collection issued by the Australian Competition and Consumer Commission, entitled Debt Collection and the Trade Practices Act. One interpretation of this guideline was that the customer was not obliged to provide information about who he believed was responsible for the debt.

In light of the EWOV's investigation, the retailer advised that it would unconditionally take the \$615.05 out of the customer's name. The retailer also applied a \$100.00 customer service credit to the customer's account. The retailer accepted that the customer had not resided at the other property and that the other account had been established without his consent. The retailer was mindful that the customer had a very good payment record at his existing address. The customer was happy with this outcome.



## Leaning power pole causes concern

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### *C/2000/4981*

A customer contacted the EWOV as she was dissatisfied with her electricity company's failure to respond to concerns about a power pole leaning towards her house.

The customer noticed the leaning power pole soon after moving in three years ago and first contacted the company around that time. The customer had a number of telephone conversations with the company; however, no action had taken place as far as she was aware. She wrote a letter to the company to which she received no response.

She was told on a number of occasions that someone would have a look at the pole. Her electricity service wire had previously been tightened because it was too low and the service wire going from the pole to a neighbour's house opposite was looking quite tight. Concerned about the potential threat to her property and her family's safety, she requested that the pole be braced. She was also concerned that the pole may be causing damage to the storm water drain, which was of concern as she lived in a designated flood prone area.

The company advised the EWOV that a maintenance planner had attended the site and had identified another leaning pole in the vicinity. The company stated that the poles were not unsafe and did not require emergency works to be carried out. The works for both poles to be straightened were scheduled for completion within two months, but the customer was never advised of this.

The EWOV put the company's response to the customer. The customer said that if she had been informed of this action in the first place, she would not have had to approach the EWOV. As a result, the company investigated the process of feedback to customers as an area for service improvement.



## Transfer to a new electricity retailer

### *C/2001/830*

A customer contacted the EWOV as he had been unable to resolve a billing issue directly with his retailer.

The customer used more than 160 MWh per year, the equivalent of over \$20,000 worth of electricity. As such, the customer had been able to choose his electricity retailer since 1 July 1998, and had done so. The customer's first contract lasted until 30 June 2000. As this date approached, the customer set about negotiating a new contract.

After comparing offers, the customer had signed a new three-year contract with a different retailer. The new contract was signed and returned to the retailer on 23 June 2000. The stated commencement date on the contract was '1 July 2000'.

In October 2000, the customer received accounts from his former retailer, rather than from his new retailer. The accounts covered the period from 1 July 2000 to 6 September 2000. The accounts were based on premium rates, as the customer's contract with his former retailer had expired on 30 June 2000. After comparing these premium rates with the rates in the contract with his new retailer, the customer calculated the increased electricity costs at \$7,852.34.

The customer requested an explanation of these accounts from his new retailer. Initially, the retailer asked the customer to sign a variation document. This would have changed the definition of 'commencement date' in the contract from '1 July 2000' to 'upon registration & commencement in the NEMMCO Administration System'. The customer refused to sign this document.

The retailer subsequently made an ex gratia offer of \$4,876.59, to compensate the customer for increased electricity costs for the period from 1 August 2000 to 6 September 2000. It did not believe that it should have to compensate for the extra electricity costs incurred during July 2000. The retailer took the view that the customer should have been aware, from previous contract negotiations, that the process of transferring retailers would take a number of weeks. As such, the retailer believed it was unrealistic for the customer to sign a contract on 23 June 2000 and expect the transfer process to be completed one week later (by 1 July 2000).

The customer did not accept the retailer's offer, maintaining that it had entered the contract in good faith believing that it would commence on 1 July 2000. Essentially, the customer relied on the wording of the contract. Therefore, the issue in dispute when the customer contacted the EWOV was the increased electricity costs for July 2000.

Following the EWOV's investigation of the matter, the retailer increased its offer from \$4,876.59 to \$7,852.34, to cover increased electricity costs from 1 July 2000 to 6 September 2000. This resolved the matter from the customer's perspective. In increasing its offer, the retailer was mindful that it should have defined 'commencement date' more carefully, for example, as '1 July 2000 or when the market transfer is completed, whichever is the later'. The EWOV has noted that other retailers use this sort of definition in their contracts. The retailer advised it would make sure this was done in all future contracts.



## Power lines affect computer monitors

*D/2000/69*

The customer contacted the EWOV and stated that electro-magnetic radiation (EMR) fields generated by the power lines outside his business premises were causing unacceptable interference to his computer monitors.

The customer stated that he had recently moved to new premises on the first floor of a building. His business was heavily reliant on a computer system and he intended to place up to 10 computers along the street-facing wall. He had found that these computer monitors were affected by EMR fields, and that he was not able to utilise that area of his premises. He had contacted his electricity retailer who advised that he had three options to minimise the EMR, all of which would be at his own expense. His retailer suggested he could pay for the bundling or relocation of the power lines generating the EMR, or purchase shields to protect the monitors from the EMR. The customer considered that, as his problem was caused by the EMR generated by the power lines, the company should contribute to the cost of reducing the EMR interference.

The EWOV opened an investigation, and received from the customer's retailer information relating to the customer's complaint, including a report commissioned by the retailer from an expert in this field. The report found that the EMR levels along the street wall, while well below the recommended safe limits for human exposure, reached 65mG at the wall, reducing to 32mG one metre from the wall, and falling as slow as 9.1mG at five metres from the wall.

The customer's retailer maintained its position that all costs relating to rectifying the EMR interference were the responsibility of the customer.

The EWOV found no relevant regulations covering this area. The EWOV contacted numerous experts in the area of EMR. The advice received indicated that the most economically viable ways to protect the computer monitors would be to shield the monitors from the source of the EMR, or to shield the cable.

During a discussion of the customer's case, the customer offered to pay a \$1,500 contribution towards the total cost of \$3,600 for bundling the power cable. The customer's retailer accepted this offer, with the proviso that the customer pay the \$1,500 up front, following which the retailer would schedule the works. The retailer also advised that it was possible the proposed works may not rectify the problem.

The customer was reluctant to pay \$1,500, without a commencement or completion date for the works, and no guarantee of success.

As a resolution the retailer subsequently proposed that it would undertake to complete the works within four weeks of receipt of the customer's payment. It would also undertake to contact an independent expert to conduct testing following completion of the works and, should the monitors still be affected by the EMR interference, the retailer would lend the customer shields for the monitors.

The customer requested an estimate of how much the retailer expected the bundling of the cable would reduce the EMR interference. The retailer advised that, using a computer model, the technical group estimated that the EMR would be reduced to 10mG at the street, and would be reduced further in the building.

The customer was satisfied with this information and accepted the retailer's offer.

## Cost sharing of high voltage extensions

### *C/2001/1958*

A customer contacted the EWOV because she was dissatisfied that the electricity company refused to apply the principles of cost sharing when one of her neighbours connected to her high voltage extension.

The customer had entered into a contract with the electricity company to extend a high voltage line to her property, and believed that if another person connected to the line, whether it be a high voltage or low voltage connection, she would be reimbursed for part of the cost of the initial extension. Neighbours had applied to have the high voltage line extended to their property and the customer believed that this was an instance where cost sharing was applicable.

The company stated that cost sharing was applicable only when a low voltage extension was requested, and that in this instance, the customer was not entitled to any rebate. The company said that the contract clearly indicated that the cost sharing provisions related only to new low voltage extensions, not to high voltage extensions. The customer argued that, when she had originally applied for the extension, she was advised by company representatives, that if anyone added on to the extension they would have to pay her a rebate for the costs involved in the original extension. No distinction was ever drawn between high and low voltage extensions.

During negotiations, it became clear that neither the company, nor the customer, could substantiate their claims as to what was said during conversations between the customer and the company representatives, and that a compromise would need to be reached. Whilst a strict reading of the contract would normally prohibit a customer from making a claim for cost sharing in cases of high voltage extensions, the company conceded that conflicting information may have been provided to the customer in the initial stages of signing the contract to undertake the works.

As a means of resolving the matter, the company offered the customer a payment of \$5,000 as a final settlement of the claim. The customer was satisfied with the company's offer.

## Reconnection fee

### *C/2001/812*

A customer contacted the EWOV after he received a bill for a reconnection fee from his electricity company. He disagreed with the application of the fee, and was unable to resolve the matter with the company.

The reconnection fee was for the electricity account for his rental property. The customer stated that he did not believe he was liable for the reconnection fee, as he had been advised by his electricity company that the fee would be waived.

Approximately 12 months prior to the customer contacting the EWOV, a meter reader visited the property and advised that the power had to be disconnected immediately because of a fault with the fuse box. The power at the property was subsequently disconnected for two to three weeks.

Following this, the customer telephoned his electricity company to complain about the length of the disconnection period, and consequently, the company had agreed to waive the reconnection fee. However, the company issued an account for this amount.

The EWOV investigated the customer's concerns. The company subsequently agreed to waive the reconnection fee and apologised for issuing the bill to the customer after advising it would not do so.



## Refundable advance

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### *C/2001/1854*

Two customers contacted the EWOV after they moved into their new home and were advised by their electricity company that they were required to pay \$200 because they had not told the company of their details.

The customers telephoned their electricity company and stated that they had already provided their details. The company advised that the \$200 charge would be removed from their account. The customers received a reminder notice for the outstanding \$200 charge, so they contacted the company again. They were advised that the letter was sent in error, and it would not happen again. They then received a second reminder notice. They again contacted the company, to be advised that it was having problems with its system. They were told that if the account was changed into the wife's name, the outstanding amount would come off the system, and there would be no further problems.

In an effort to resolve the matter the customers decided they would do this. However, some weeks later they received a letter from a credit agency, requesting payment of the outstanding amount of \$200. When they telephoned the electricity company, a supervisor apologised and offered a discount of \$50 off their next bill. They were contacted again by the credit agency requesting payment of the \$200. They advised the credit agency that they believed the matter had been resolved. The credit agency advised them to contact their electricity company.

The customers were concerned that their credit rating would be affected. They were also dissatisfied that their personal details had been provided to a credit agency.

The EWOV investigated the case and contacted the electricity company. The company credited the customers' account with the overcharged \$200 and gave the customers \$50 off their next bill as a goodwill gesture. The current status of their account was clarified with an assurance that the \$200 was no longer outstanding. Assurance was also obtained that there was no record with the credit agency of any bad debt.

gas

## Gas results

The following table sets out the market-share of the three gas retailers as at November 1998. This serves as an appropriate benchmark and, the percentage results in this report should be compared to each company's market-share. Following the commencement of Full Retail Competition, which is scheduled for late 2002, this benchmark may need review.

### Market-share – gas (November 1998)

Origin Energy (Energy 21)	35.71%
Pulse Energy (IKON Energy)	35.92%
TXU (Kinetik Energy)	28.37%

## Enquiry – gas

An Enquiry is a request for information or assistance, which requires immediate or short term handling by the EWOV. An Enquiry does not involve investigation with the company, but may involve referral. Enquiries can usually be resolved within a day or two.

- A total of 812 gas Enquiries was received and the same number closed during the 1 July 2000 to 30 June 2001 period, which is an excellent result. The result was achieved because these calls can be resolved quickly.
- Origin Energy (Energy 21) recorded the highest number (279) and percentage (34.36%) of Enquiries. This is slightly lower than its market-share of 35.71%.
- Both Pulse Energy (IKON Energy) (214 cases) and TXU (Kinetik Energy) (215 cases) recorded similar numbers of Enquiries; the percentage of these Enquiries was below their respective market-shares.
- The number of non-member specific Enquiries was 104. In many of these cases, the customer was either provided with information or referred to appropriate services.

## Consultations - gas

A Consultation is a more substantial matter than an Enquiry, which requires further investigation and contact with the company. Consultations have a 14 day timeframe in which to resolve. Billing matters are routinely categorised as Consultations.

- Two more gas Consultations were received than closed in the 1 July 2000 to 30 June 2001 period. When the number of closures is fewer than the number of cases received, it indicates that some cases may close in the next reporting period.
- Origin Energy (Energy 21) received the most Consultations (95 cases, 45.67%), exceeding its 35.71% market-share. This result reflects the high number of Disconnection cases received by Origin Energy (Energy 21) that appear to be generated by a less flexible approach to payment arrangements than the other gas retailers.

- Pulse Energy (IKON Energy) received marginally fewer Consultations than its market-share.
- TXU (Kinetik Energy) received significantly fewer Consultations compared to its 28.37% market-share.

## Complaints - gas

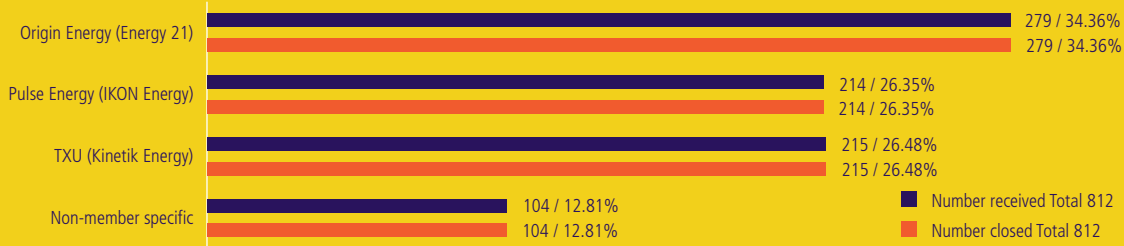
A Complaint is relatively complex and requires detailed investigation. It may also be an unresolved Consultation. A Complaint has a 28 day timeframe in which to resolve. Gas Supply and gas Provision matters are routinely categorised as Complaints.

- Eight more gas Complaints were received than closed in the 1 July 2000 to 30 June 2001 period. A lower number of closures indicates that some cases may overlap into the next reporting period.
- The gas retailer with the highest number of Complaints was Pulse Energy (IKON Energy) (16 cases), closely followed by TXU (Kinetik Energy) who received 15 cases. Both retailers exceeded their market-share of cases at Complaint level.
- Origin Energy (Energy 21) recorded the lowest number of Complaints (8 cases, 20.51%).

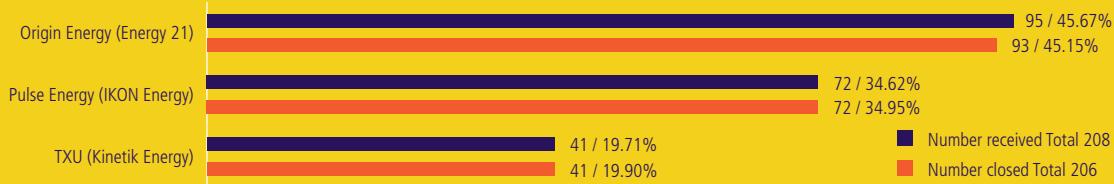
## Disputes - gas

A Dispute requires a high level of investigation and negotiation. It is generally an unresolved Complaint. A Dispute has a 90 day timeframe in which to resolve.

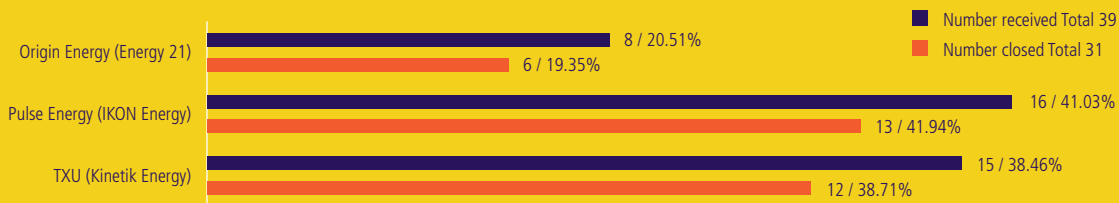
- Two more gas Disputes were received than closed in the 1 July 2000 to 30 June 2001 period. This closure rate indicates that some Disputes may close in the next reporting period.
- TXU (Kinetik Energy) received seven of the eight (87.50%) gas Disputes in the period, significantly above its market-share of 28.37%. Most of these cases related to the provision of gas.
- Pulse Energy (IKON Energy) received one Dispute and closed one Dispute.
- No Disputes were received against Origin Energy (Energy 21) however, the company closed one Dispute that had been received in the previous period.
- Unresolved cases at Dispute level may go to a Binding Decision by the Ombudsman.



**Figure 23 Gas Enquiries Received and Closed – number and percent**



**Figure 24 Gas Consultations Received and Closed – number and percent**



**Figure 25 Gas Complaints Received and Closed – number and percent**



**Figure 26 Gas Disputes Received and Closed – number and percent**

## Average days to close cases

The average days to close a case for each company can be affected by a number of factors:

- matters internal to the company (field testing and reports, site inspections, analysis, inadequate resourcing for complaint management, case backlogs, inflexibility in approaching case resolution, delays in return replies from company staff in the field)
- matters external to the company (EWOV delays in seeking technical/legal advice, delays in customer action/replies and case backlogs – particularly during this period)
- the complexity of a case (complex cases such as Disputes, typically take the longest time to resolve)

When few cases are closed in a period, the results can vary considerably.



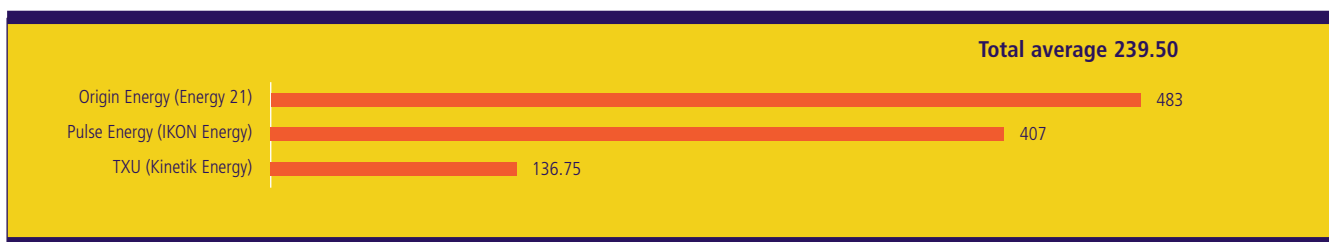
**Figure 27 Average Days to Close Gas Consultations**

- TXU (Kinetik Energy) registered the highest average number of days (64.54) to close Consultations, marginally above Pulse Energy (IKON Energy) which registered 64.06 days.
- Origin Energy (Energy 21) registered the lowest average number of days (49.82).



**Figure 28 Average Days to Close Gas Complaints**

- Origin Energy (Energy 21) registered the highest average number of days (118.50) to close Complaints.
- TXU (Kinetik Energy) registered the lowest average number of days (76.83) to close Complaints.



**Figure 29 Average Days to Close Gas Disputes**

- Origin Energy (Energy 21) took the highest average number of days (483) to close Disputes; however, it closed just one Dispute about a complex gas Provision matter.
- TXU (Kinetik Energy) closed four Dispute cases and took the lowest average number of days (136.75) to close Disputes.
- Pulse Energy (IKON Energy) also took a high average number of days to close Disputes (407); however, it closed just one Dispute about a complex gas Provision/repair case.



The following data tables set out for each of the EWOV's four case types (Enquiry, Consultation, Complaint and Dispute) the main issue raised by each company's customers, and are broken down into a second level of description.

**Figure 30 Most Prevalent Gas Enquiry Issue & 2nd Level Issue  
1 July 2000 - 30 June 2001**

Company Name	Prevalent Enquiry Issue	Number of Enquiries	% of Company's Total Enquiries	2nd Level Issue	Number of Enquiries	% of Prevalent Enquiry Issue
<b>Origin Energy (Energy 21)</b>						
	<b>Billing</b>	229	82.08%	Arrears	10	4.37%
				Backbill	4	1.75%
				Concession	11	4.80%
				Direct Debit	5	2.18%
				Disconnection	111	48.47%
				Easyway	8	3.49%
				Error	9	3.93%
				Format	17	7.42%
				High	31	13.54%
				Inquiry	6	2.62%
				Lost Payments	2	0.87%
				Meter	7	3.06%
				Re-connection	2	0.87%
				Service Charge	2	0.87%
	Tariff	4	1.75%			
<b>Pulse Energy (IKON Energy)</b>						
	<b>Billing</b>	158	73.83%	Arrears	10	6.33%
				Backbill	9	5.70%
				Bulk Hot Water	1	0.63%
				Concession	3	1.90%
				Direct Debit	7	4.43%
				Disconnection	33	20.89%
				Easyway	9	5.70%
				Error	5	3.16%
				Format	15	9.49%
				Lost Payments	1	0.63%
				High	47	29.75%
				Inquiry	5	3.16%
				Meter	6	3.80%
				Refundable Adv	1	0.63%
				Service Charge	2	1.27%
	Tariff	4	2.53%			
<b>TXU (Kinetik Energy)</b>						
	<b>Billing</b>	151	70.23%	Arrears	12	7.95%
				Backbill	2	1.32%
				Bulk Hot Water	2	1.32%
				Concession	6	3.97%
				Direct Debit	2	1.32%
				Disconnection	26	17.22%
				Easyway	8	5.30%
				Error	7	4.64%
				Format	19	12.58%
				High	29	19.21%
				Inquiry	23	15.23%
				Lost Payments	2	1.32%
				Meter	4	2.65%
				Service Charge	3	1.99%
	Tariff	6	3.97%			
<b>Non-member specific</b>						
	<b>General Enquiry</b>	62	59.62%	N/A	62	100%

- For all three gas retailers, the prevalent Enquiry issue was Billing with the issue accounting for between 70.23% and 82.08% of Enquiries for these companies.
- Origin Energy (Energy 21) had the most Billing Enquiries (229) and of these 111 (48.47%) were Disconnection cases. Origin Energy (Energy 21)'s high number of Disconnection Enquiries appear to have been generated by a less flexible approach to payment arrangements than the other gas retailers. By comparison, Pulse Energy (IKON Energy) had 33 Billing Disconnection Enquiries and TXU (Kinetik Energy) had 26 Billing Disconnection Enquiries.
- For Pulse Energy (IKON Energy) and TXU (Kinetik Energy), High bills was the most common Billing issue.
- Non-member specific cases were only received at Enquiry level and resulted in 62 cases categorised as General Enquiries.

**Figure 31 Most Prevalent Gas Consultation Issue & 2nd Level Issue  
1 July 2000 – 30 June 2001**

Company Name	Prevalent Consult. Issue	Number of Consult.	% of Company's Total Consult.	2nd Level Issue	Number of Consult.	% of Prevalent Consult. Issue
<b>Origin Energy (Energy 21)</b>						
	<b>Billing</b>	83	87.37%	Arrears	2	2.41%
				Backbill	3	3.61%
				Concession	1	1.20%
				Direct Debit	2	2.41%
				Disconnection	41	49.40%
				Easyway	1	1.20%
				Error	8	9.64%
				Format	2	2.41%
				High	14	16.87%
				Lost Payments	4	4.82%
				Meter	3	3.61%
				Service Charge	1	1.20%
				Tariff	1	1.20%
<b>Pulse Energy (IKON Energy)</b>						
	<b>Billing</b>	64	88.89%	Arrears	1	1.56%
				Backbill	2	3.13%
				Bulk Hot Water	1	1.56%
				Direct Debit	1	1.56%
				Disconnection	20	31.25%
				Easyway	3	4.69%
				Error	7	10.94%
				Format	2	3.13%
				High	24	37.50%
				Meter	1	1.56%
				Service Charge	1	1.56%
				Tariff	1	1.56%
<b>TXU (Kinetik Energy)</b>						
	<b>Billing</b>	38	92.68%	Arrears	2	5.26%
				Backbill	3	7.89%
				Direct Debit	2	5.26%
				Disconnection	17	44.74%
				Easyway	1	2.63%
				Error	3	7.89%
				Format	1	2.63%
				High	8	21.05%
				Meter	1	2.63%

- Billing was the prevalent Consultation issue for all three gas retailers. The results show that Billing accounted for between 87.37% and 92.68% of the companies' Consultations. This reflects the EWOV's policy of routinely categorising Billing matters as Consultations in the expectation that the majority of these cases can be resolved within the 14 day timeframe.
- Disconnections, High bills and Error were the three most common Billing issues for all the gas retailers.
- At Consultation level, the number of Disconnection cases received against Origin Energy (Energy 21) (41 cases) was more than double the number received against Pulse Energy (IKON Energy) (20 cases) or TXU (Kinetik Energy) (17 cases). This result appears to be due to Origin Energy (Energy 21)'s less flexible approach to payment arrangements than the other gas retailers.

**Figure 32 Most Prevalent Gas Complaint Issue & 2nd Level Issue  
1 July 2000 – 30 June 2001**

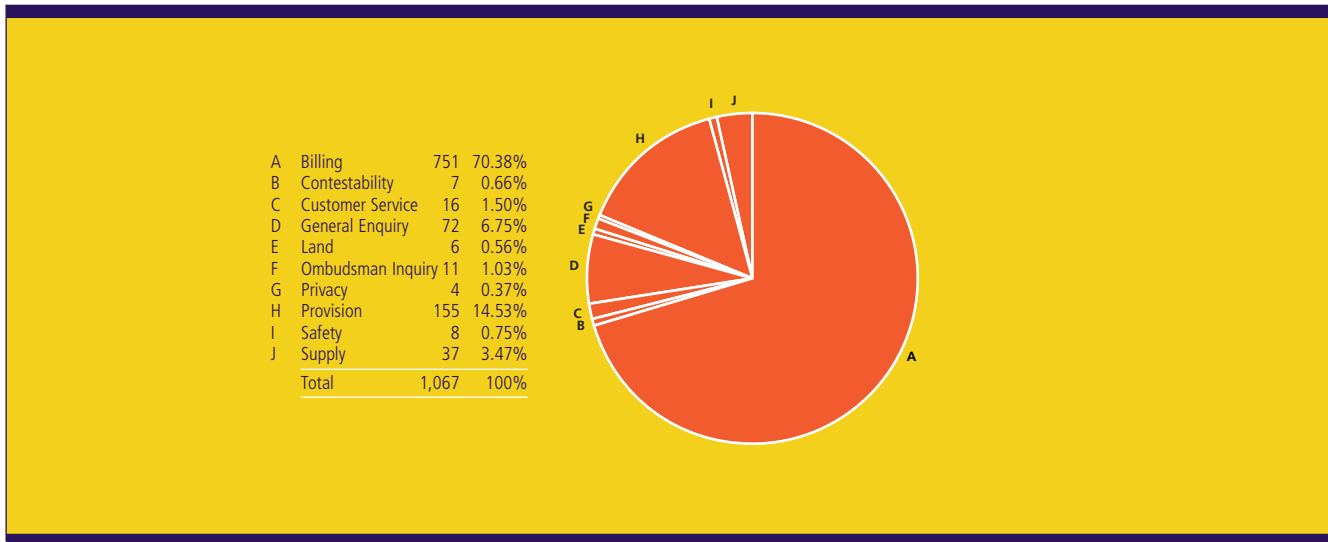
Company Name	Prevalent Complaint Issue	Number of Complaints	% of Company's Total Complaints	2nd Level Issue	No. of Complaints	% of Prevalent Complaint Issue
<b>Origin Energy (Energy 21)</b>						
	<b>Provision</b>	6	75.00%	In-Place	5	83.33%
				New	1	16.67%
<b>Pulse Energy (IKON Energy)</b>						
	<b>Billing</b>	6	37.50%	Format	1	16.67%
				High	5	83.33%
<b>TXU (Kinetik Energy)</b>						
	<b>Provision</b>	8	53.33%	In-Place	5	62.50%
				New	3	37.50%

- Provision was the prevalent issue for Origin Energy (Energy 21) (six cases, 75.00%) and for TXU (Kinetik Energy) (eight cases, 53.33%) at Complaint level. These cases relate to new or existing gas installations.
- For Pulse Energy (IKON Energy), High bills was the most prevalent issue raised.
- Supply, which is a common issue for electricity companies at Complaint level, is not a major issue for gas companies because gas supply lines are underground and are better protected than electricity supply lines. This reduces the number of gas Supply issues received by EWOV.

**Figure 33 Most Prevalent Gas Dispute Issue & 2nd Level Issue  
1 July 2000 – 30 June 2001**

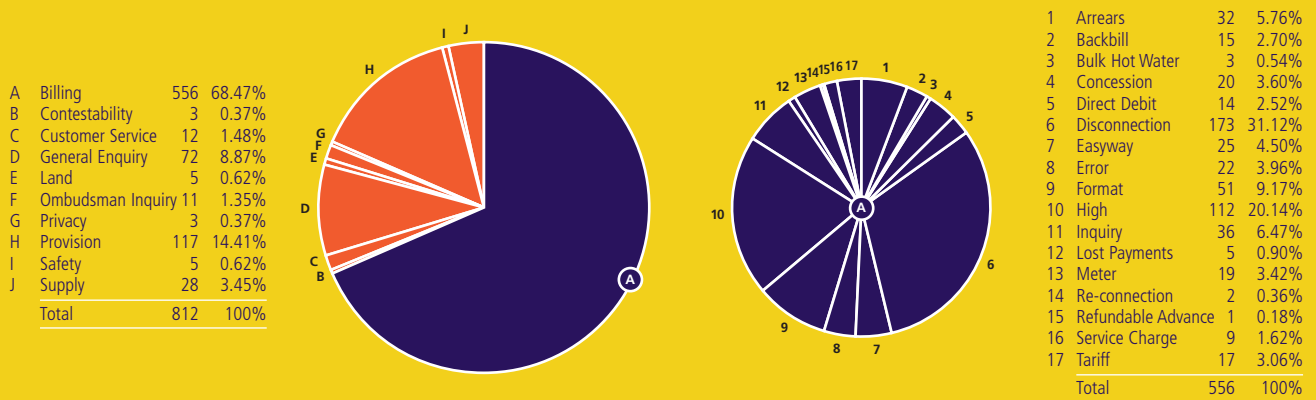
Company Name	Prevalent Dispute Issue	Number of Disputes	% of Company's Total Disputes	2nd Level Issue	Number of Disputes	% of Prevalent Dispute Issue
<b>Pulse Energy (IKON Energy)</b>						
	<b>Billing</b>	1	100%	Format	1	100%
<b>TXU (Kinetik Energy)</b>						
	<b>Provision</b>	4	57.14%	In-Place	2	50.00%
				New	2	50.00%

- Provision was the most prevalent Dispute issue for TXU (Kinetik Energy). TXU received two Provision In-Place cases about existing gas installations and two Provision New cases, which related to new or proposed gas installations.
- Pulse Energy (IKON Energy) received one Dispute case in the 2000/2001 financial period; this was a Billing Format case.
- No gas Disputes were received against Origin Energy (Energy 21).



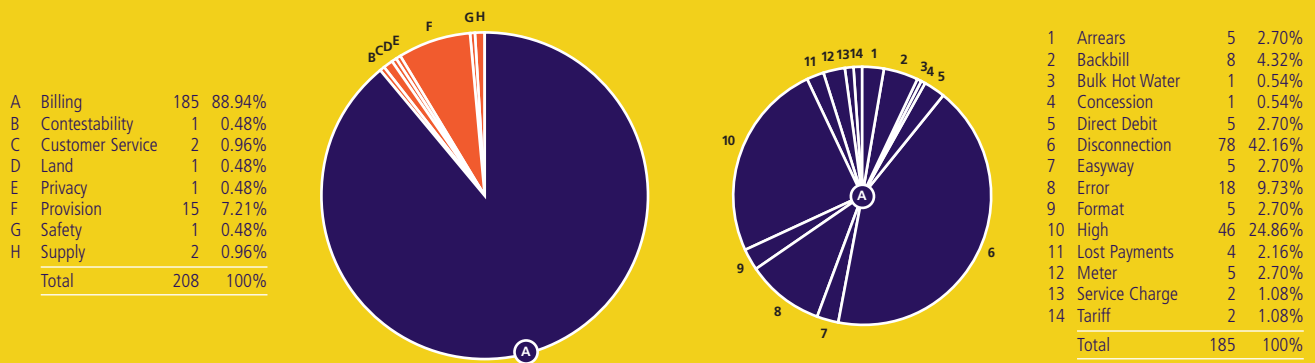
**Figure 34 Gas Cases (all) received by issue**

- Billing was the most prevalent issue for the gas companies, with the issue accounting for 70.38% (751 cases) of all gas cases.
- Provision (155 cases, 14.53%) and General Enquiry (72 cases, 6.75%) were the next most common issues raised for gas cases.



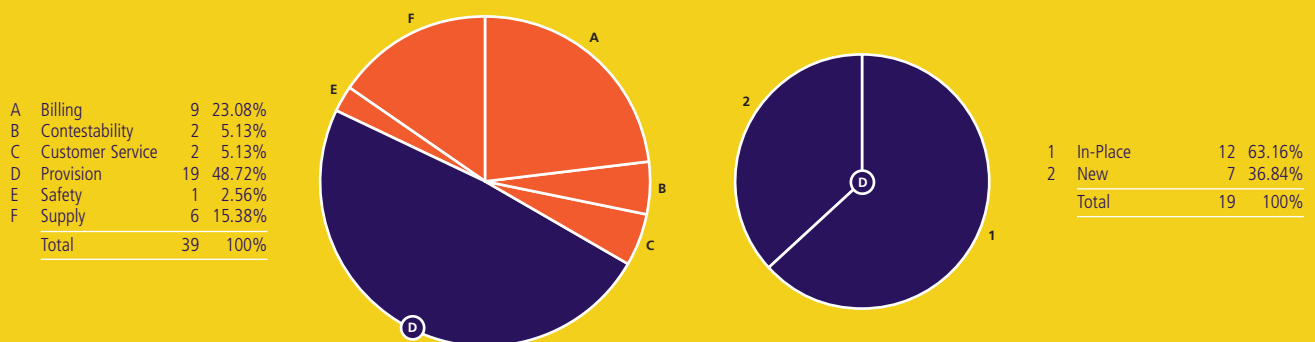
**Figure 35 Gas Enquiries received by issue (all companies)**

- Billing was the most prevalent issue at Enquiry level for gas, with the issue accounting for 68.47% (556 cases) of gas Enquiries received.
- Provision (117 cases, 14.41%) and General Enquiry (72 cases, 8.87%) were the next most common issues raised at Enquiry level for gas cases.



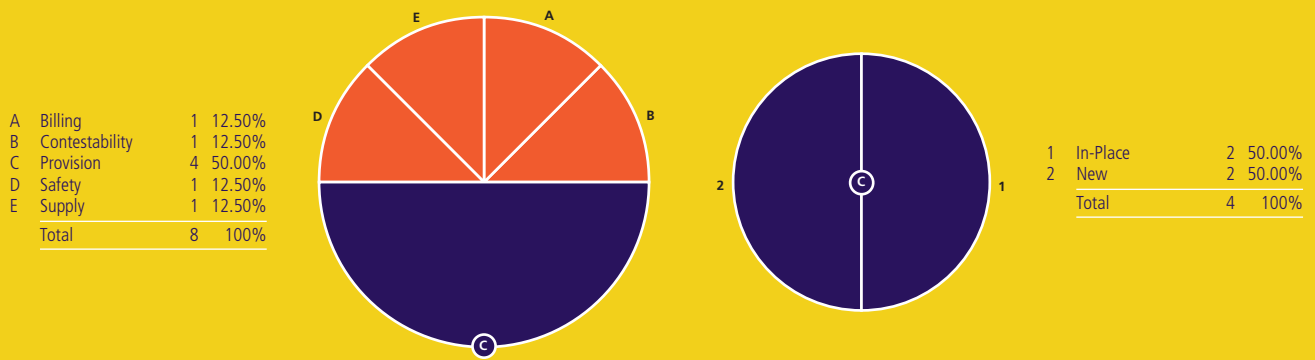
**Figure 36 Gas Consultations received by issue (all companies)**

- Billing was the most prevalent issue at Consultation level for gas, with the issue accounting for 88.94% (185 cases) of gas Consultations received.
- Provision (15 cases, 7.21%) was the next most common issue raised at Consultation level for gas cases.



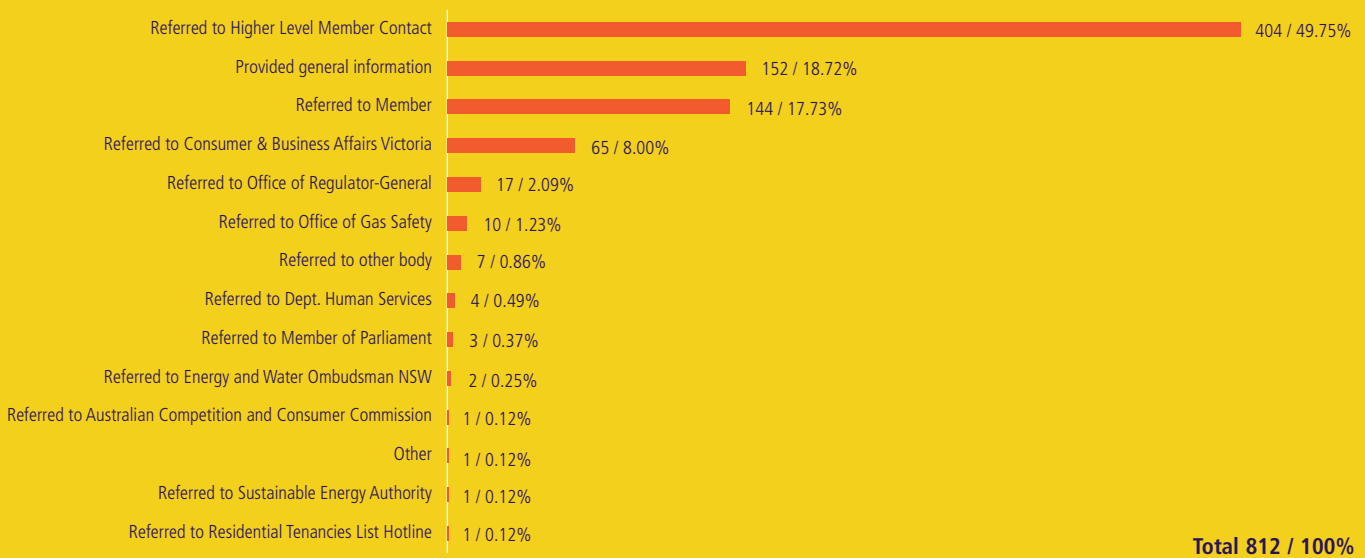
**Figure 37 Gas Complaints received by issue (all companies)**

- Provision was the most prevalent issue at Complaint level for gas, with the issue accounting for 48.72% (19 cases) of gas Complaints received.
- Billing (nine cases, 23.08%) and Supply (six cases, 15.38%) were the next most common issues raised at Complaint level for gas cases.



**Figure 38 Gas Disputes received by issue (all companies)**

- Provision was the most prevalent gas issue at Dispute level, with the issue accounting for 50% (four cases) of gas Disputes received.
- One case was received for each of the other Dispute issues (Billing, Contestability, Safety and Supply).



**Figure 39 Outcomes of Gas Enquiries received**



Figure 40 Progress of gas cases during the year

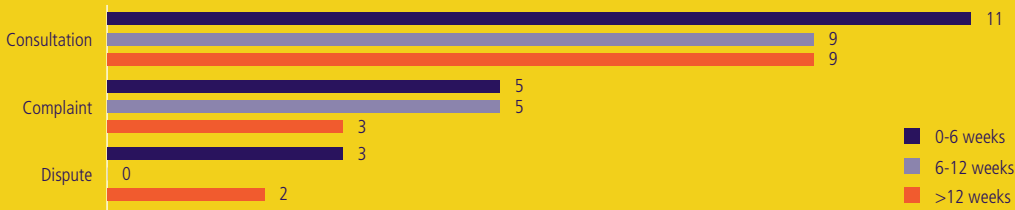


Figure 41 How old were gas cases at 30 June 2001?

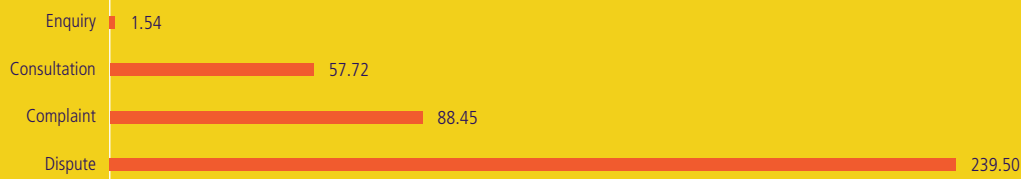


Figure 42 How long did each gas case take to resolve (in days)?

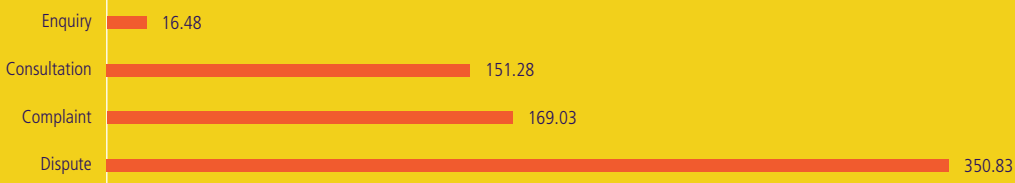


Figure 43 Average time spent on closed gas cases (in minutes)?

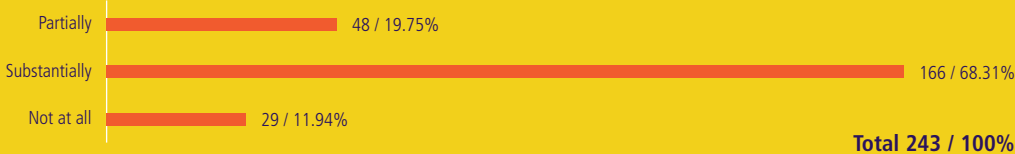


Figure 44 Case Outcomes in favour of gas complainants (Consultations, Complaints and Disputes)

## Gas supply upgrade and property damage

### GD/99/4

A customer was seeking compensation for property damage allegedly caused by works by his gas distributor to update gas supply to his street. He wanted compensation for extra budgetary expenses of \$2,592.00 as a result of the loss of his gas cooking facilities, \$34.25 for the cost of restoring the nature strip to its original condition and \$560.00 in plumber's costs, a total of \$3,186.25.

This case demonstrated some of the difficulties of resolving gas disputes when gas distributors were not required to be a member of an external dispute resolution scheme. When the customer contacted the EWOV, his gas supply had been off for a week. In total, the customer was off supply for 54 days while the case was investigated because there was no formal agreement between the gas retailer and the gas distributor about what should happen in dispute situations such as this. The EWOV has brought this matter to the attention of the Office of the Regulator-General, and the Government has now moved to require each gas distributor to be a member of an independent dispute resolution scheme.

The customer said he had received a notice of planned works from the gas distributor. The work was needed because of increasing demand for gas in his area. It was to involve renewal of the gas distributor's pipe on his property, relocation of his meter at no cost to him, inspection of his existing piping for leaks and on completion, restoration of any disturbance to the nature strip.

It was confirmed that a plumber working for the gas distributor had disconnected the customer's meter and carried out a pressure test on the fitting line. When the test failed, the line was retested and it failed again. The plumber installed the new fitting line, tested and found it was gas tight. He connected it to the existing fitting line and retested the complete installation. When it failed, the customer's gas was turned off at the meter. He was told there was a leak on his side and that he would have to have it fixed before the gas could be put back on. The customer told the EWOV there had not been any leaks before the work was undertaken.

The EWOV sought the opinion of an independent technical adviser, who reported that the procedure carried out by the gas distributor's plumber did not include soap and water testing of the customer's fitting line before the work started. Therefore, any existing leaks were not detected before the gas distributor undertook its works. He also advised that it wasn't possible after the event to determine what caused the gas leak, and that while in all areas the pipework was showing signs of rust, it generally appeared to be mechanically sound.

At the EWOV's request and so that the customer's gas supply could be restored, a contractor engaged by the customer's gas retailer undertook pipe repairs at the customer's property. However, further testing showed that another two sections of the customer's existing pipeline leaked. The customer was told to have a private plumber fix the leaks or replace the faulty pipes, then the gas could be reconnected. The customer did that at a cost of \$560.00 and his gas supply was reconnected.

A representative of the Office of Gas Safety (OGS) watched while the gas retailer's contractor attempted repairs. He said the customer's existing gas pipes were generally in poor condition and in need of repair, regardless of the effects of work done by the gas distributor. However, he also believed that, had the gas distributor arranged soundness testing and assessed the adjacent pipework condition prior to commencement of the original work, the dispute should have been avoided. The OGS thought this testing and assessment should be routine in cases where works had significant potential to affect a customer's property.

This case raised a number of other issues. The Ombudsman concluded that the gas distributor had made a mistake in not including soundness testing in its routine procedure for meter relocation. She thought the customer reasonably relied on the gas distributor's expertise in undertaking the planned works, and that to have no gas for almost eight weeks after routine works was something the customer could not have foreseen, and the gas distributor could have rectified.

As the gas distributor was not an EWOV member, the Ombudsman was unable to direct it to contribute to the customer's expenses. Instead, as the gas retailer was an EWOV member, the Ombudsman directed that it contribute to the customer's expenses by paying him a total of \$997.13 (50% of his \$560 in plumber's costs, 50% of the \$34.25 for nature strip restoration costs plus a \$700 customer service payment for inconvenience and out of pocket expenses). In doing so, the Ombudsman said that because it was the retailer's obligation as an EWOV member to make the customer's supply safe and reconnect while the case was being investigated (in accordance with the usual EWOV protocol), the retailer should have had an agreement with the distributor to this effect. Because there was no such agreement, the customer was off supply for much longer than he should have been and suffered considerably more inconvenience.

The Ombudsman also recommended that, in future, the retailer require the distributor to undertake routine soundness testing before relocating meters for the retailer's customers, as well as advise customers in writing when the testing will be carried out, and how disputes about pre-existing leaks may be resolved.



## Unexplained high bill

### **G/2001/344**

A customer contacted the EWOV dissatisfied that his daughter had received an unexplained account for \$210.84, after she had been issued with a final bill for her premises. He had been responsible for paying his daughter's utility bills as she was overseas.

The bill in question was very high compared to previous accounts. He had contacted the company on numerous occasions to try to ascertain what the bill was for. He had also written to the company on five separate occasions and received no response to any of those letters. In addition he received two notices from the company of its intention to take legal action over the bill. He was most dissatisfied that he was unable to resolve this matter with the company and that he has been threatened with legal action without being given any explanation of the extra bill.

The company provided a response once the EWOV began its investigation. It explained that the bill was a carry-over bill from a previous address that had never been sent to the customer's daughter. The company apologised for not responding to the customer's requests for an explanation of the bill and offered to waive the entire account, on the basis of customer service, and in light of the inconvenience and distress that the matter had caused. The customer was satisfied with the company's offer.

## Gas meter installed illegally

### **GD/2001/2**

A customer contacted the EWOV because she was dissatisfied with a leaking gas supply line at her property following the gas company moving her meter.

The customer stated that approximately two years ago, the gas company moved her meter from the front of her house to the side of her house. Both the meter and gas pipe were installed to the customer's side fence, which separated her front and back yards and which was quite old and dilapidated.

When the customer discovered that the gas pipe was leaking near the meter, she contacted the gas company to advise it of the leak. An inspector from the gas company came out. He inspected the meter, installed a new valve on the service line and tightened the customer's supply line. The customer was advised that the leak appeared to have occurred due to a loose connection between her gas supply line and the meter. The inspector advised the customer that the meter had been incorrectly installed, and this had contributed to the problem.

The EWOV investigated the customer's concerns and discovered that her meter and supply line had not been installed in accordance with the Australian Gas Association's Gas Installation Code. This code prohibits consumer piping from being installed and attached to a fence. It appeared that the side fence, to which the gas meter and supply line were attached, moved a lot due to its age and condition, especially in windy weather. This was believed to be the cause of the gas leak.

To resolve the matter, the gas company agreed to credit the customer's gas account to the extent of the costs associated with moving the meter. The company offered a further credit of \$50 towards the customer's gas account, as a gesture of customer service. The customer was satisfied with this result.

## High bill for three days usage

### **G/2000/760**

*A customer contacted the EWOV because he was unable to resolve his concerns about a high gas account.*

The customer advised that he had just moved to Australia to take up residence in his son-in-law's house. The house had been vacant, with all gas appliances turned off, for many weeks. Shortly after his arrival, an account arrived for \$125.00; however, the house had been occupied for only three days of the billing period. The customer's neighbours supported his statement, as they had assisted him with re-starting the hot water and central heating when he arrived at the house.

He had spoken to his gas company twice about the issue. On the first occasion, the company advised that there had been a mistake and reduced his account to \$67.50. He still thought this was too high for three days usage. When he phoned the company again, he was told he must pay the account. He had attempted to speak with supervisors about the matter, but had been advised they were not available.

The EWOV obtained from the company the original billing data, which revealed that the account had been estimated. When the customer originally queried the account, the company took an actual meter reading. This was taken about a month after he had begun occupancy, and thus, to consume gas. The company agreed to re-bill the original account using an average daily figure over a period of three months, incorporating a period of one month when he had been a resident and using gas.

The customer was very pleased with this explanation.



## Technician's fees disputed

### *G/2001/491*

A customer contacted the EWOV seeking reimbursement of technician's fees she believed she had incurred unfairly.

The customer used gas ducted heating and when, in June 2001, she noticed that her heating was not working properly, she contacted a tradesperson to examine the heater. The tradesperson advised that the heater itself was in good working order, but that there was a problem with her gas meter.

She contacted her gas company who sent a technician to examine and repair the meter. He identified the source of the problem as water in the supply line and made repairs.

The customer then received a bill for the technician's fee. When she contacted her gas company seeking reimbursement for the fee, the company rejected her claim.

The customer considered that it was unfair that her gas company was unwilling to reimburse her for the bill as the problem was on the gas company's side of the meter.

Following the EWOV's investigation, the gas company agreed to place a \$70 credit on the customer's account to reimburse the technician's fee.



water

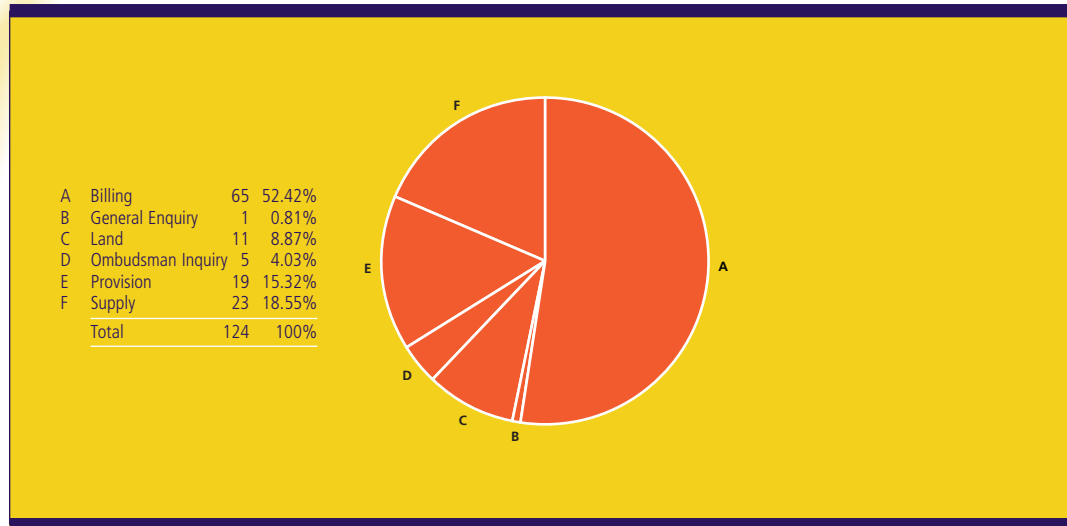


Figure 45 Water cases (all) received by issue

### Water results

The Water case results cover the period 12 April 2001 to 30 June 2001. EWVOV does not yet report water results by individual company/authority.

- Billing was the most prevalent water issue, with the issue accounting for 52.42% (65 cases) of water cases received.
- Supply (23 cases, 18.55%) and Provision (19 cases, 15.32%) were the next most common issues raised about water cases.

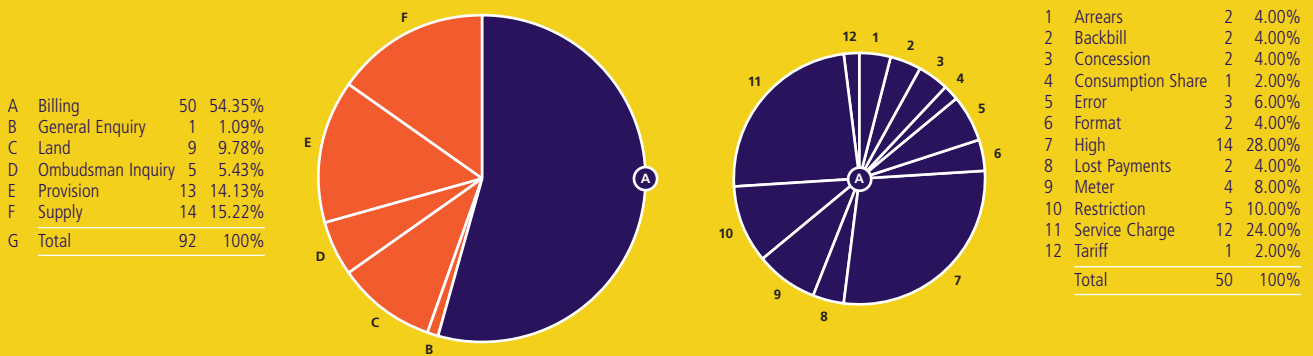
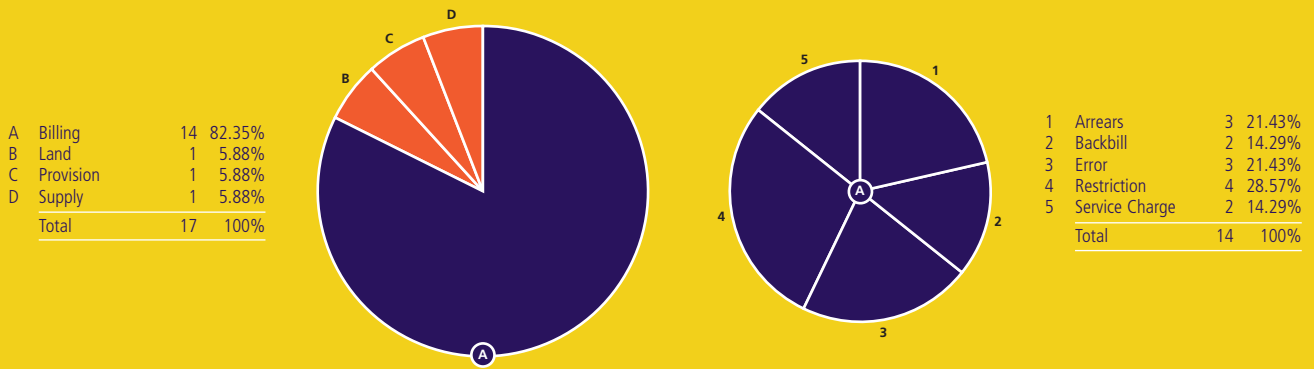


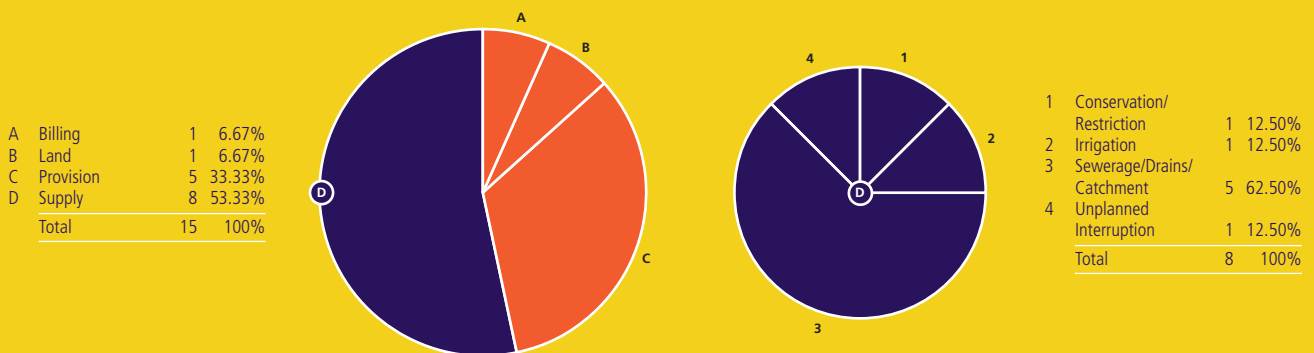
Figure 46 Water Enquiries received by issue (all companies/authorities)

- Billing was the most prevalent issue at Enquiry level for water, with the issue accounting for 54.35% (50 cases) of water Enquiries received.
- Supply (14 cases, 15.22%) and Provision (13 cases, 14.13%) were the next most common issues raised at Enquiry level for water cases.



**Figure 47** Water Consultations received by issue (all companies/authorities)

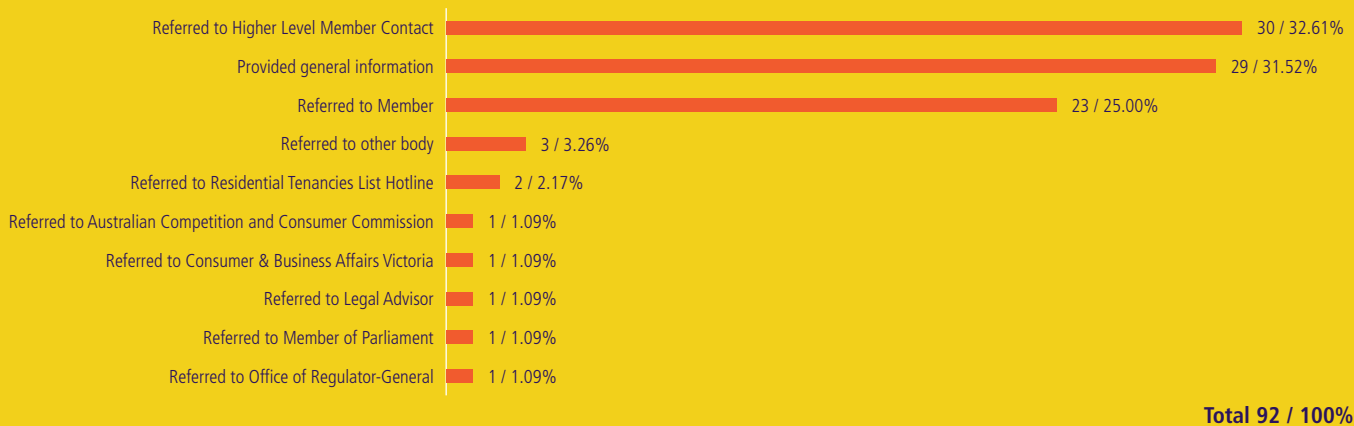
- Billing was the most prevalent issue at Consultation level for water, with the issue accounting for 82.35% (14 cases) of water Consultations received.
- One case was received for each of the other water Consultation issues (Land, Provision and Supply).



**Figure 48** Water Complaints Received (all companies/authorities)

- Supply was the most prevalent issue at Complaint level for water, with the issue accounting for 53.33% (8 cases) of water Complaints received.
- Provision (5 cases, 33.33%) was the next most common issue raised at Complaint level for water cases.

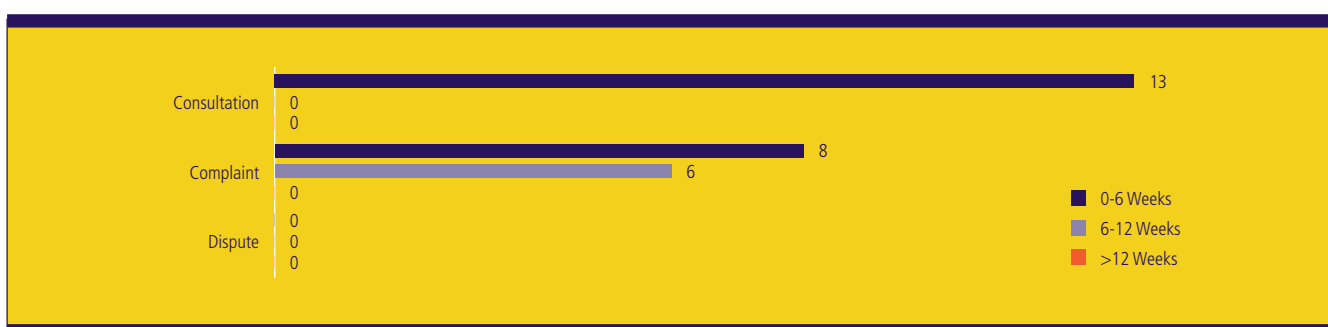
No Water Disputes were received during this reporting period.



**Figure 50** Outcomes of water Enquiries received



**Figure 51** Progress of water cases during the year



**Figure 52** How old were water cases at 30 June 2001?



**Figure 53** How long did each water case take to resolve (in days)?



**Figure 54** Average time spent on closed water cases (in minutes)?



**Figure 55** Case Outcomes in favour of water complainants (Consultations, Complaints and Disputes)

## Water main works reduces water pressure

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### *W/2001/109*

A customer's representative contacted the EWOV, as he was dissatisfied with a water supplier's response to his concerns about a drop in water pressure. The representative said he cared for four disabled men, including the customer named on the water account. The representative stated that, following works by the water supplier to upgrade the nearby mains, the customer's water pressure had dropped by more than half, such that it was not possible for the residents to have a shower. The representative also stated that, prior to the water main works, he had been able to hose water onto the house across the road and he was no longer able to do so. He regarded this as important since squatters occupied the house, and good water pressure was required in case of a fire.

In response to the EWOV's investigation, the water supplier advised that trucks had inadvertently squashed the nearby water mains following the recent works. The water mains were repaired.

The customer's representative subsequently advised the EWOV that he was satisfied that the water pressure had returned to its former strength.



## High water bill

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### *W/2001/9*

The EWOV was contacted by a customer who complained about a billing error that occurred two years ago of which she had only recently become aware.

The customer stated that, approximately two years ago, she received a bill for \$400.00 for a property she owned. At the time of receiving the bill, the property was unoccupied and had been unoccupied for the period of the bill. However, when she received the bill, the customer thought nothing of it and paid it in full.

About a month before contacting the EWOV, the customer had been going through some old accounts. She had looked at the bill again and realised that the bill appeared to be too high, given that the property had not been occupied and minimal water would have been used. The customer was by then living in the property and her average bill for a similar period of time was approximately \$100.00. The customer raised the issue with her water supplier.

The supplier advised that it would look into the matter. It subsequently wrote to her and advised that as the bill had been paid at the time, it was not going to take any further action and would not reduce the bill. The customer was dissatisfied with the supplier's response, as she believed that the bill should be reviewed and reduced to at least the same level as her current accounts.

In response to the EWOV's investigation, the supplier stated that the account issued to the customer had been based on an actual reading of the meter at the property at the time. The supplier also advised that the water meter for the property had been replaced near the beginning of the billing period in question, but that this should not have affected the accuracy of the meter reading as the new meter would have been set at zero. However, the supplier stated that given the length of time that had lapsed, it was not possible to verify this or the meter reading on which the account was based. Accordingly, the supplier advised that if the customer could demonstrate that they were not residing at the property during the billing period in question, it would waive the usage charges on the account.

The customer provided the EWOV with documentation proving that she had been residing elsewhere at the time of receiving the account. This information was provided to the supplier and the supplier subsequently advised that it would refund the customer \$219.05 in water volume charges and \$140.23 in sewage volume charges – a total of \$359.28. The supplier also advised the EWOV that to prevent such a situation occurring again, it had reviewed its process for changeover of meters. In the future, its metering officers would be required to record and sign off the reading shown on both the old and the replacement meters, so that there would be records of both meter readings. The customer accepted the refund offered by the supplier.



**Statement of financial position** *As at the year ended 30 June 2001*

	<b>2001</b>	<b>2000</b>
	\$	\$
<b>Current Assets</b>		
Cash asset	174,607	40,288
Investments	426,000	260,997
Other	28,191	33,938
<b>Total Current Assets</b>	<b>628,797</b>	<b>335,223</b>
<b>Non-Current Assets</b>		
Plant and equipment	355,636	299,674
<b>Total Non-Current Assets</b>	<b>355,636</b>	<b>299,674</b>
<b>Total Assets</b>	<b>984,434</b>	<b>634,897</b>
<b>Current Liabilities</b>		
Payables	509,874	282,904
Interest bearing liabilities	2,166	80,052
Provisions	116,397	61,373
<b>Total Current Liabilities</b>	<b>628,438</b>	<b>424,329</b>
<b>Non-Current Liabilities</b>		
Interest bearing liabilities	-	1,744
Provisions	18,000	-
<b>Total Non-Current Liabilities</b>	<b>18,000</b>	<b>1,744</b>
<b>Total Liabilities</b>	<b>646,438</b>	<b>426,073</b>
<b>Net Assets</b>	<b>337,996</b>	<b>208,824</b>
<b>Members' Equity</b>		
Retained surplus	337,996	208,824
<b>Total Members' Equity</b>	<b>337,996</b>	<b>208,824</b>

**Statement of cashflows** For the year ended 30 June 2001

	<b>2001</b>	<b>2000</b>
	\$	\$
<b>Cash Flows from Operating Activities</b>		
Levy receipts from Members	2,748,667	1,506,407
Payments to suppliers and employees	(2,227,153)	(1,556,798)
Interest received	21,656	26,579
Borrowing costs	(4,968)	(11,636)
<b>Net cash inflow/(outflow) from operating activities</b>	<b>538,201</b>	<b>(35,448)</b>
<b>Cash Flows from Investing Activities</b>		
Proceeds from sale of plant and equipment	4,545	3,550
Proceeds from investments		5,954
Payments for plant and equipment	(163,794)	(65,564)
<b>Net cash outflow from investing activities</b>	<b>(159,249)</b>	<b>(56,060)</b>
<b>Cash Flows from Financing Activities</b>		
Principal repayments under finance leases	(79,630)	(53,622)
<b>Net cash outflow from financing activities</b>	<b>(79,630)</b>	<b>(53,622)</b>
<b>Net Increase (Decrease) in Cash Held</b>	<b>299,324</b>	<b>(145,130)</b>
<b>Cash at the Beginning of the Financial Year</b>	<b>301,285</b>	<b>446,415</b>
<b>Cash at the End of the Financial Year</b>	<b>600,609</b>	<b>301,285</b>

**Statement of financial performance** For the year ended 30 June 2001

	<b>2001</b>	<b>2000</b>
	\$	\$
<b>Revenue from ordinary activities</b>	<b>2,321,743</b>	<b>1,721,736</b>
Employee benefits expense	1,182,255	842,095
Depreciation and amortisation expense	101,849	92,666
Borrowing costs expense	4,968	11,636
Other expenses from ordinary activities	903,498	649,513
<b>Surplus from ordinary activities</b>	<b>129,173</b>	<b>125,826</b>
<b>Total changes in Members' equity other than those resulting from transactions with members as members</b>	<b>129,173</b>	<b>125,826</b>



## Energy and Water Ombudsman (Victoria)

*Resolving your electricity, gas & water complaints. Independently.*

### Contact Details

Energy and Water Ombudsman (Victoria) Limited  
GPO Box 469D, Melbourne Victoria 3001  
ABN 57 070 516 175

#### Administration

Telephone 03 9649 7599  
Facsimile 03 9649 7588

#### Enquiries and Complaints

Freecall 1800 500 509  
Freefax 1800 500 549  
Translating and Interpreting Service 131 450  
National Relay Service (for hearing/speech impaired) 133 677  
  
Email [ewovinfo@ewov.com.au](mailto:ewovinfo@ewov.com.au)  
Website [www.ewov.com.au](http://www.ewov.com.au)