

## ENERGY SYSTEMIC ISSUES INVESTIGATIONS - CLOSED

### 1 July 2015 to 30 June 2016 (in date order closed)

Scheme Participant and Issue Number	Issue	Date closed	No. of EWOV cases	No. of affected customers	Action taken to redress the issue	Regulator advised	EWOV's view of appropriate redress
SI/2015/31 Energy Retailer	EWOV identified via case handling, instances of customers being requested to again make payment for a prior payment (in some instances back from 2013) that has now been identified as being dishonoured.	7 July 2015	5	Unknown	The energy retailer confirmed that a billing system issue meant that customers, whose final bill was declined via direct debit, did not follow the standard debt collection path. Specifically, whilst they were notified at the time of the direct debit failure and arrears, these arrears did not follow the standard collection path and the customers were not reminded of the arrears until sometime later. The retailer confirmed that it has notified all impacted customers of the outstanding arrears and that a billing system fix was implemented in June 2015 to mitigate the issue recurring.	Yes	EWOV believes the energy retailer took appropriate steps to resolve this matter.
SI/2015/43 Energy Retailer	EWOV identified via case handling, an instance where a customer had a payment extension approved and then	13 July 2015	1	Unknown	The energy retailer confirmed that it had since identified an issue where payments made via PayPal were not being accurately	Yes	EWOV believes the energy retailer took appropriate steps to resolve this matter.

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	noticed on their online portal on the energy retailer's website that the account balance was incorrect.				reflected in the customer's online portal on the retailer's website. A system fix was implemented in July 2015 to correct the issue. Regardless of what was displayed online, all of the PayPal payments were successfully received.		
SI/2015/35 Energy Retailer	EWOV identified via case handling, an instance where a customer advised that their energy retailer had advised that the current billing delay issue was being caused by a tariff mismatch issue that was impacting other customers.	15 July 2015	1	8,908	The energy retailer confirmed that it encountered a tariff alignment issue that meant that customers were being billed on the incorrect tariff. Customers were undercharged, overcharged, or not financially impacted. The retailer confirmed that it would not seek to recover undercharged amounts and amounts overcharged will be refunded. Customers were notified via letters issued at staggered intervals and the retailer implemented system changes in order to prevent and/or subsequently recognise accounts that may be billed on a mismatched tariff.	Yes	EWOV believes the energy retailer took appropriate steps to resolve this matter.
SI/2014/70 Energy Retailer	EWOV identified via case handling, an instance where a	18 August 2015	1	742	The energy retailer confirmed that the issue arose where	Yes	EWOV believes the energy retailer took appropriate

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	customer had been double charged for off-peak rates on two subsequent bills. When EWOV raised this issue with the retailer it acknowledged it is an internal issue that may be impacting other customers.				specific multiple registers exist on some NMIs and have shared operands. The combination of shared operands resulted in off-peak charges being double charged as line items on billing, resulting in overcharging. The impact was limited to five specific combinations of time-of-use registers combined with an off-peak or controlled load register. A system fix was implemented in September 2015, and impacted customers were credited for overcharged amounts. Credit activity on the accounts was placed on hold pending resolution of the issue.		steps to resolve this matter.
SI/2015/33 Energy Retailer	An energy retailer advised EWOV that it had identified that a large group of customers were incorrectly receiving the Premium Feed in Tariff (PFIT) or Transitional Feed in Tariff (TFIT) solar tariff.	16 October 2015	9	10,500	The error occurred because the incorrect tariff was applied to customers' accounts when the meter was installed on the energy retailer's system. Customers were not negatively impacted financially. The energy retailer wrote to impacted customers to notify them of the error and	Yes	EWOV believes the energy retailer took appropriate steps to resolve this matter.

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					established a dedicated contact number to answer queries.		
SI/2015/42 Energy Retailer	EWOV identified via case handling, an instance where a customer's bulk hot water billing incorrectly referred to the daily average usage in mega joules instead of litres. It appears that this may be a broader issue with bulk hot water billing.	16 October 2015	1	3,517	The energy retailer confirmed that bulk hot water bills quantify the average daily usage in mega joules not litres. This did not affect billing; it was only the way the bill was displayed. The issue is limited to bulk hot water customers. A system fix was implemented in March 2016.	Yes	EWOV believes the retailer took the appropriate steps to clarify the issue, though customer confusion may have continued until the system fix was implemented.
SI/2015/27 Energy Retailer	EWOV identified via case handling, an instance where an energy retailer's reminder notices were not including a sufficient timeframe for payment.  The energy retailer sent reminder notices with a four day reminder notice period and did not comply with the obligations in clauses 108 and 109(2)(c) of the <i>Energy Retail Code</i> , and therefore it failed to comply with the terms and conditions of its contract.  This resulted in a Wrongful Disconnection Payments. The	16 October 2015	1	347	The energy retailer confirmed that Wrongful Disconnection Payments would be paid for 347 affected customers as the reminder notices were non-compliant with the requirements of the <i>Energy Retail Code</i> .	Yes	EWOV believes the energy retailer took appropriate steps to resolve this matter.

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	notices appear to have been corrected. The notices may have become non-compliant as a result of the harmonisation of the <i>Energy Retail Code</i> .						
SI/2015/51 Energy Retailer	EWOV identified via case handling, instances of disconnection notices from an energy retailer that did not provide sufficient disconnection timeframes. It appeared to be an issue with the disconnection template and resulted in several Wrongful Disconnection Payments.	16 October 2015	2	285	The energy retailer could not confirm whether all 285 affected customers who were issued with non-compliant disconnection notices were disconnected, but advised that all customers who contact the energy retailer following disconnection would have received a Wrongful Disconnection Payment.	Yes	EWOV believes the energy retailer took appropriate steps to resolve this matter for those customers that contacted the energy retailer. However, EWOV is concerned that the energy retailer could not identify which customers were disconnected following this error.
SI/2015/48 Energy Retailer	An energy retailer alerted EWOV to a privacy incident. In late June, it issued an email to a group of customers who held multiple accounts. The email advised one account was in credit, while the other was in debit and offered for the credit to offset the debit amount. There was an issue with the sending of the emails and consequently, some customers	16 October 2015	0	6,916	The energy retailer confirmed that email recipients who were sent the original email error were sent an apology email and that the Office of the Australian Information Commissioner was notified.  In addition, an apology letter was sent to customers whose account information was incorrectly included in the emails	Yes	EWOV believes the energy retailer took appropriate steps to resolve this matter.

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	received emails that related to accounts that they did not hold.				issued. A complaint escalation process was established to assist customers with their enquiry.  A process to quality check all batch emails was established and an internal review was also undertaken.		
SI/2015/55 Energy Retailer	EWOV identified via case handling, an instance where a customer was incorrectly being applied the Premium Feed-in Tariff (PFiT) when they were only entitled to the General Feed-in Tariff (GFiT). The energy retailer acknowledged other customers also had the incorrect PFiT applied their accounts. Whilst this issue works to the favour of the customer, it has the potential for issues later if the energy retailers seek to recover money. This is case related to SI/2014/49.	16 October 2015	4	1,196	The energy retailer advised that the issue relates to how solar customers were set up in the system. These customers were uncovered through the initial audit highlighting accounts needing investigation. As with the previous systemic issue (SI/2014/49), the energy retailer confirmed that it would not seek to recover the tariff overpaid and it has corrected the system issue. Also, it provided information to its staff of the correct process to follow to ensure that customers are placed on the correct tariff.	Yes	EWOV believes the energy retailer took appropriate steps to resolve this matter.
SI/2015/58 Energy Retailer	An energy retailer alerted EWOV to hoax emails sent in its name to customers across Australia that contained a scam invoice.	19 February 2016	7	Unknown	The energy retailer alerted the Australian Competition and Consumer Commission's ScamWatch of the issue. It also	No	EWOV believes the energy retailer took appropriate steps to redress this issue.

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					provided EWOV with scripting for its call centre staff to help deal with the ten-fold increase in calls to its national contact centre.		
SI/2016/2 Energy Retailer	EWOV identified via case handling an instance of an energy retailer experiencing delays with issuing bills to some customers following flooding at one of its off-shore operations in November 2015.	23 February 2016	1	Unknown	The energy retailer identified the backlog of delayed bills and increased operational efforts to clear the backlog by increasing staffing levels and implementing overtime. The backlog was cleared by the end of January 2016.	No	EWOV believes the energy retailer took appropriate steps to redress this issue.
SI/2016/33 Energy Distributor	EWOV identified via case handling an instance of a customer who lost access to their energy distributor's online web portal (to monitor electricity usage). The issue appeared to be linked with Smart Meter upgrades that the energy distributor completed to make the meters compatible with remote capabilities and a new communications network.	5 April 2015	1	About 3,000	The energy distributor identified affected customers who were registered users. It contacted them to advise that the online portal would be unavailable for the next 6-12 months due to network upgrades. Customers can still request their interval meter data.	No	EWOV believes that the energy distributor took appropriate steps to notify affected customers and has provided a timeframe for restoration of the online portal.
SI/2016/7 Energy Retailer	EWOV identified through case handling instances where deemed contract customers received disconnection warning	2 May 2016	7	223	EWOV notified the energy retailer of the issue and the related Wrongful Disconnection Payment (WDP) assessments. All	Yes	EWOV believes that the energy retailer took appropriate steps to fix the non-compliant notices for

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	<p>notices prior to the expiry of the notice period that was listed in the notice of intention. The notice of intention sent by the energy retailer provided 10 business days for the customer to contact it, however, this time does not expire before a disconnection warning notice is issued. As such, the energy retailer did not comply with the timeframes stipulated in with clause 115(2)(b) of the <i>Energy Retail Code</i>.</p>				<p>customers who had WDP assessments were paid the WDP. The energy retailer identified affected customers so that WDPs could be applied and also contacted them to advise of the issue and to find out the best method to provide the WDP.</p> <p>Additionally, the energy retailer stopped sending intention to disconnect and final disconnection warning notices to customers on deemed contracts while it fixed the issue.</p> <p>Additionally, it implemented a system fix to ensure that future notices comply with the relevant timeframes of the <i>Energy Retail Code</i>.</p> <p>Once it is certain that its notices are compliant, it will recommence sending notices to deemed contract customers.</p>		deemed contract customers and to identify affected customers so WDPs could be paid to them.
SI/2015/26 Energy Retailer	EWOV identified via case handling, instances of issues with the calculation of termination	27 May 2016	2	Unknown	The energy retailer updated its standard terms and conditions. Specifically, the updated contract	Yes	EWOV believes that the energy retailer took appropriate steps to remedy

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	fees for large business contracts. Some of the issues related to the complexity of calculating the termination fee, as the energy retailer advised that it recovered losses arising from having to terminate contracts with third parties. Additionally, some customers experienced delays with being informed of the termination fee due to the complexity of the calculations. Lastly, the energy retailer was not able to adequately substantiate its losses or how it had calculated the termination fees.				is: <ul style="list-style-type: none"> <li>• more detailed and particular about termination fees</li> <li>• clear for customers that a termination fee may apply if the contract is ended early</li> <li>• outlines the circumstances in which the termination fee will apply</li> <li>• more explicit in how it describes termination fee calculations.</li> </ul> Additionally, customers can now request a statement to show how the break fee was calculated.		the issues with the standard contract terms and conditions. This should help reduce customer confusion and complaints.
SI/2016/37 Energy Retailer	EWOV identified via case handling instances where customers were provided with conflicting information about which gas retailers could retail gas in a certain region within Victoria. Additionally, another energy retailer had an erroneous gas offer listed on the Victorian Energy Compare website, adding to customer confusion.	2 June 2016	2	Unknown	The energy retailer advised that it is the only gas retailer in the region and provides this information to customers who contact it. Confusion seems to have arisen from incorrect information provided by other retailers, the distributor and the regulator. The Victorian Energy Compare website also erroneously listed another gas retailer's offer, which was	Yes	EWOV believes that the energy retailer provided an adequate explanation of the issue. Additionally, the other energy retailer with the erroneous listing on Victorian Energy Compare deleted its gas offers for the affected postcodes.

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					removed.		
SI/2016/49 Energy Retailer	EWOV identified via case handling an instance of a customer who was on a fortnightly payment plan and had their entire account balance direct debited from their financial institution.	22 June 2016	3	87	<p>The energy retailer identified that this affected 223 customers across Australia, 87 of whom were in Victoria.</p> <p>The energy retailer:</p> <ul style="list-style-type: none"> <li>placed billing locks on affected customers' accounts</li> <li>called all affected customers to apologise, offer refunds and apply goodwill gestures to their accounts.</li> <li></li> </ul>	Yes	EWOV believes that the energy retailer took appropriate steps by contacting affected customers and redressing the inconvenience experienced.
SI/2016/11 Energy Retailer	EWOV identified through case handling instances where customers had been advised that the energy retailer will no longer send a notice of price changes before the price change occurs. If the customer has email billing, the price change will also be communicated via email.	24 June 2016	4	861,000	<p>The energy retailer confirmed that it was changing the way it notifies customers about price changes. The energy retailer sent customers letters and emails to advise of the change. The energy retailer's contract terms and conditions and the provisions of the <i>Energy Retail Code</i> allow for customers to be notified on the next bill after the price change. This change does not affect customers on market contracts</p>	Yes	EWOV believes that the energy retailer adequately explained the changes to price increase notifications and advised customers of the upcoming change.

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					where price notifications need to occur before the next bill is issued. The change affects approximately 414,000 gas customers and 447,000 electricity customers in Victoria.		
SI/2016/9 Energy Retailer	EWOV identified via case handling instances of an energy retailer's representatives advising potential customers of cheaper tariffs during marketing interactions (phone and door-to-door) than the tariffs displayed in welcome packs and/or on bills.	24 June 2016	8	Unknown	The energy retailer identified that one of its phone sales representatives had misquoted a solar customer with non-solar (cheaper) tariffs. This caused customer confusion and dissatisfaction. The energy retailer coached this sales representative and re-trained its sales staff across all marketing channels. No further marketing cases about the energy retailer misquoting tariffs during marketing were received by EWOV.	Yes	EWOV believes that the energy retailer took appropriate steps to redress the confusion about solar and non-solar tariffs.
SI/2016/34 Energy Retailer	EWOV identified via case handling, instances of customers being advised that the telephone sales representative was from their electricity distributor. Additionally, customers	29 June 2016	9	Unknown	The energy retailer visited all its sales channels in person and listened to a large volume ('hundreds') of sales calls to review compliance. This resulted in one sales person having their	Yes	EWOV believes that the energy retailer took appropriate steps to address the marketing conduct, ensure that customers on the Do Not Call Register were not

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	<p>complained about being misled, having difficulty cancelling the contract within the cooling-off period, being called when their phone number is listed on the Australian Media and Communication Authority (ACMA)'s Do Not Call Register, or being vulnerable and not sure what they were signing up to.</p>				<p>employment terminated due to the use of misleading language. Two customers were transferred to the energy retailer by this sales person. The energy retailer contacted the customers and obtained their explicit informed consent and/or offered retrospective transfers.</p> <p>The energy retailer contacted all customers who raised EWOV complaints and offered resolutions that they were satisfied with.</p> <p>The energy retailer staff and all sales channels/partners were to be trained in its new sales process, improved scripting, training about compliance and not (intentionally or unintentionally) misleading customers, and post-sales verification.</p> <p>The energy retailer will endeavor to contact all new customers for a verification/welcome call confirming customer details and</p>		<p>contacted (or if they are, that they have consented), and improved customer access to action their cooling-off rights.</p>

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					<p>consent via its in-house team.</p> <p>The energy retailer has confirmed that all sales channels have a subscription with ACMA's Do Not Call Register and that they wash data monthly.</p> <p>The energy retailer has included an 'Over 75s' call confirmation in the sales process for elderly customers.</p> <p>The energy retailer has changed its marketing channel's phone call routing so that a previously unmanned phone number now diverts to the sales channel's main phone line so that customers can action their cooling-off rights more easily.</p> <p>The energy retailer retrospectively transferred all affected customers who had an EWOV complaint back to their preferred retailer without any billing charges.</p> <p>EWOV monitored cases received for the energy retailer after it</p>		

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					implemented its new sales processes and no further marketing or transfer cases were registered.		

ENERGY CLOSED