



ENERGY AND WATER OMBUDSMAN

Victoria **Listen Assist Resolve**

Marketing and Transfer Report

1 April 2014 to 30 June 2014

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At a glance

In the April–June 2014 quarter

- EWOV received 2,748 total marketing and transfer cases
- EWOV received 2,458 transfer cases
- EWOV received 290 marketing cases
- Retailer 12 generated the most transfer cases
- Retailer 17 generated the most marketing cases
- Retailer 17 generated the most marketing and transfer cases combined
- Contract Terms and Transfer Delay were the most common transfer issues
- Misleading Marketing and Pressure Sales were the most common marketing issues

Between the January–March 2014 and April–June 2014 quarters

- Total marketing and transfer cases decreased 28%
- Transfer cases decreased 28%
- Marketing cases decreased 30%
- Door-to-door marketing cases decreased 31%



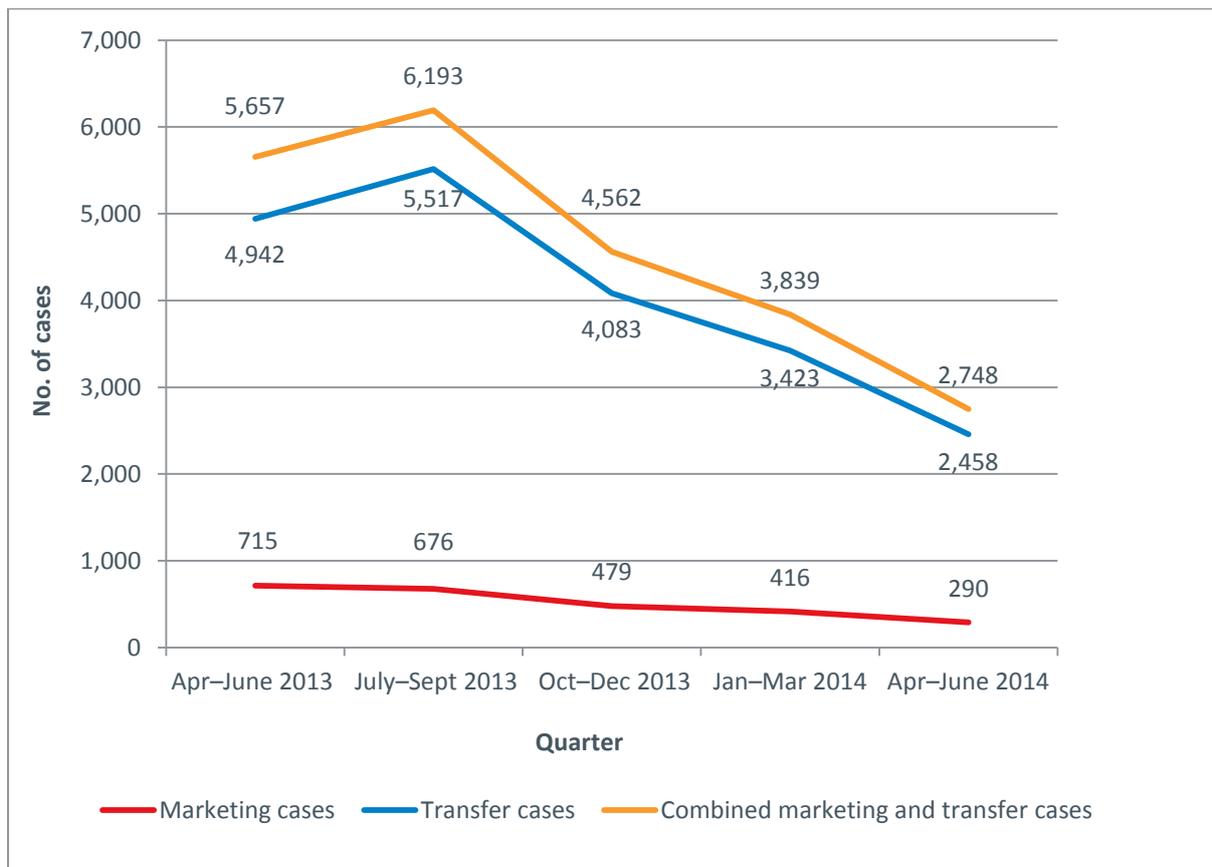
Overall trends

In the April–June 2014 quarter, EWOV saw a large decrease in marketing and transfer cases, spread fairly evenly across retailers and issues.

Cases

In this reporting quarter, EWOV marketing and transfer cases continued to decline from a peak in July–September 2013. **Figure 1** shows marketing and transfer cases both separately and combined over the last five quarters.

Figure 1. Transfer and marketing cases by quarter, April–June 2013 to April–June 2014



Compared to the previous quarter, EWOV received 28% fewer marketing and transfer cases this quarter, continuing the past year's downward trend. In 2014, overall marketing and transfer cases in the April–June quarter dropped to just under half (49%) the number received during the same quarter in 2013.

To some extent, this decrease reflects a broader trend: EWOV's total energy case volume also decreased substantially over the last three quarters. **Table 1** shows the quarterly change in total energy cases and combined marketing and transfer cases over the last four quarters.

Table 1. Total energy cases and marketing and transfer cases by quarter, July–September 2013 to April–June 2014

Case type	July–Sept 2013		Oct–Dec 2013		Jan–Mar 2014		Apr–June 2014	
	No.	% change ¹	No.	% change	No.	% change	No.	% change
Energy total	27,313	+15%	21,485	-21%	19,070	-11%	14,758	-23%
Marketing & transfer	6,193	+10%	4,562	-26%	3,839	-16%	2,748	-28%

Table 1 shows that, while both total energy cases and marketing and transfer cases have dropped for each of the last three quarters, marketing and transfer cases have decreased at a faster rate than energy cases overall.

¹ In the April–June 2013 quarter, EWOV received 23,818 energy cases and 5,657 marketing and transfer cases.



Retailers

Table 2 breaks down this overall marketing and transfer case trend, showing case numbers for each retailer over the last five quarters.

Table 2. Transfer and marketing cases by retailer, April–June 2013 to April–June 2014

Retailer	Apr–June 2013	July–Sept 2013	Oct–Dec 2013	Jan–Mar 2014	Apr–June 2014
Retailer 8	493	491	449	429	391
Retailer 14	112	187	109	89	91
Retailer 9	477	582	382	294	90
Retailer 15	0	0	3	5	2
Retailer 13	69	96	88	106	68
Retailer 20	0	3	1	1	0
Retailer 4	19	33	43	54	45
Retailer 3	492	337	235	140	80
Retailer 12	2,103	2,221	1,282	784	586
Retailer 21	0	1	0	0	0
Retailer 2	379	363	242	205	148
Retailer 19	58	51	61	82	85
Retailer 7	63	49	23	11	12
Retailer 11	677	754	522	387	300
Retailer 5	8	9	0	0	0
Retailer 1	10	45	84	51	29
Retailer 10	68	105	82	101	78
Retailer 18	0	0	0	1	3
Retailer 16	0	0	3	6	13
Retailer 6	131	136	108	118	107
Retailer 17	426	671	805	933	593
Not allocated	70	57	40	42	27
Total	5,655	6,191	4,562	3,839	2,748

Table 2 shows that the overall drop in marketing and transfer cases was spread across retailers, with most experiencing a decrease over the last two quarters of between 10% and 40%.

Retailer 17

With 474 transfer and 119 marketing cases, Retailer 17 continued to have the highest combined case total (593) in the April–June 2014 quarter. **Figure 2** shows the Retailer 17 marketing and transfer case trend over the last five quarters.

Figure 2. Retailer 17 marketing & transfer cases by quarter, April–June 2013 to April–June 2014

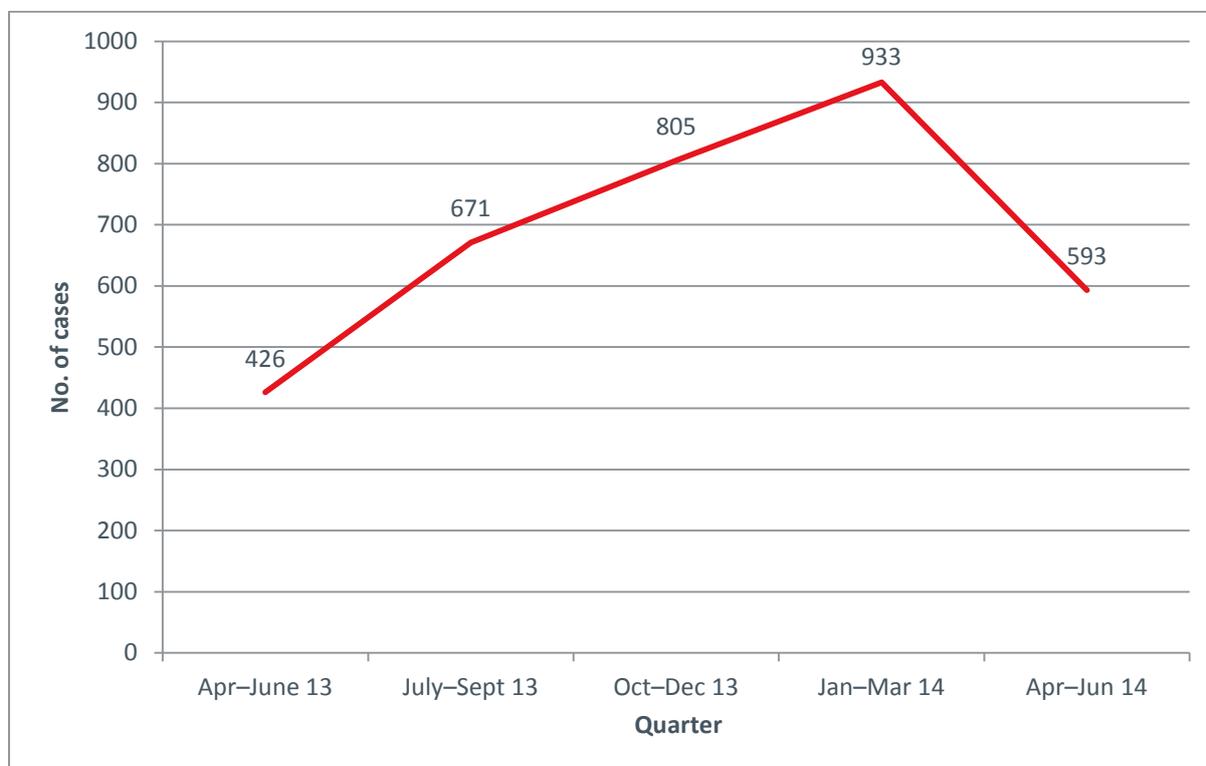


Figure 2 shows the upward trend in Retailer 17 marketing and transfer cases reversing in the April–June 2014 quarter, with a decrease of more than one-third (340 cases, or 36%) from the previous quarter. This overall decrease was mainly due to large drops in transfer without consent, transfer cooling-off rights, transfer in error and misleading marketing cases.

Despite this marked drop, Retailer 17 continued to account for more than one in five (22%) total marketing and transfer cases, down only slightly from 24% in the January–March 2014 quarter. Retailer 17's top three issues in the April–June quarter were transfer without consent (115), transfer contract terms (90) and transfer in error (69).

Retailer 12

Retailer 12 had only slightly fewer cases than Retailer 17, with a combined total of 586 (comprising 27 marketing and 559 transfer cases). This was a drop of 25% from 784 cases in the previous quarter, largely attributable to substantial decreases in transfer billing and transfer delay cases. Retailer 12 also experienced a smaller decrease in marketing cases. These decreases were, however, offset somewhat by a large increase in transfer site ownership cases, and small increases in transfer objection and cooling-off rights cases.

Retailer 12's top three issues in the April–June 2014 quarter were transfer contract terms (120 cases), transfer in error (110 cases) and transfer delay (82).

Issues

Figure 3 shows the issues in the marketing and transfer cases received during the quarter.

Figure 3. Marketing and transfer cases by Issue, April–June 2014 quarter

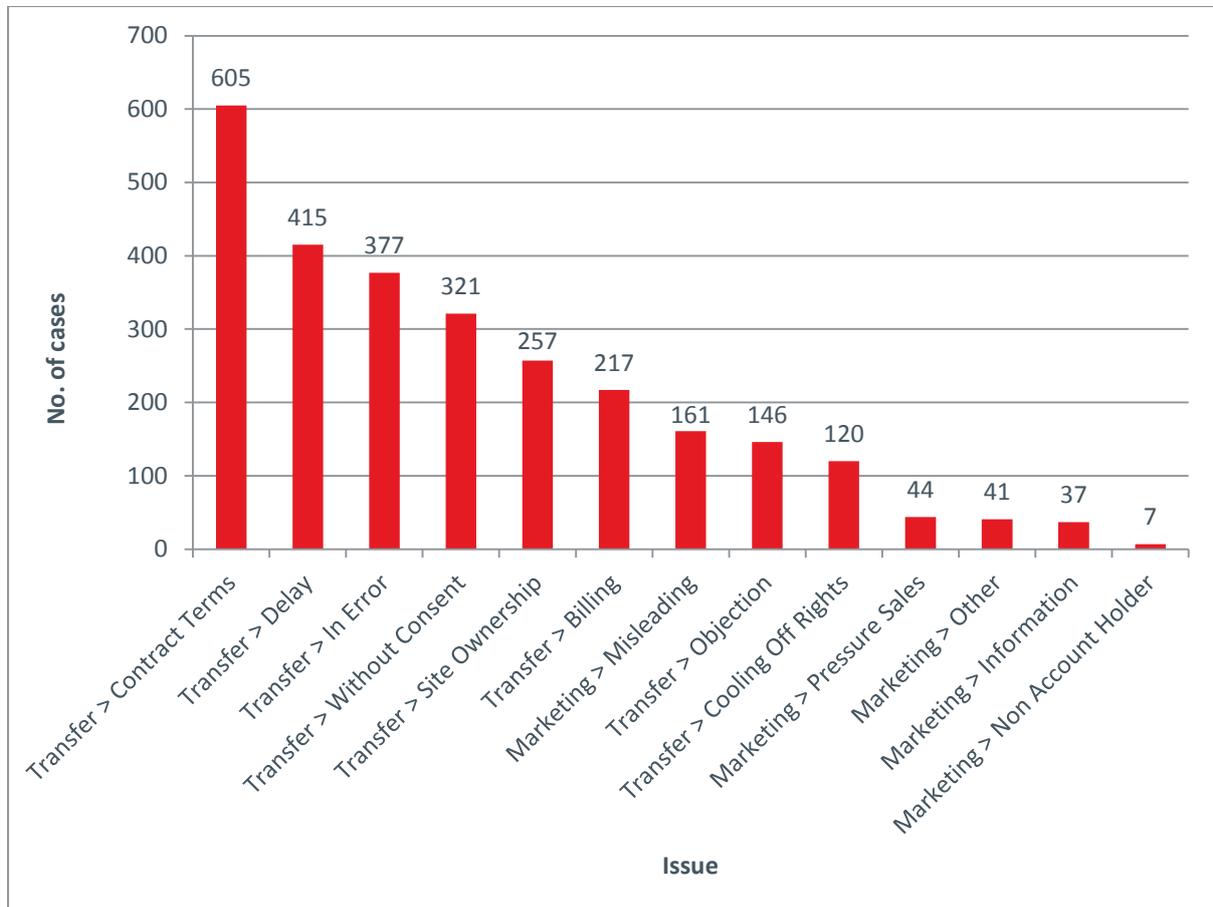


Figure 3 shows that contract terms in a transfer continued to be the most common issue, making up 22% of all marketing and transfer cases. Transfer delay (15%), transfer in error (14%) and transfer without consent (12%) cases were also common and in line with the last quarter. Misleading marketing was the most common marketing issue, comprising 56% of marketing cases and 6% of overall marketing and transfer cases.

Marketing

Marketing cases fell substantially between the January–March 2014 and April–June 2014 quarters, down 30% from 416 to 290 cases (**Figure 1** on page 5). This was a continuation of an ongoing trend: marketing cases have decreased each quarter since April–June 2013.

Retailer trends

Between the last two quarters, marketing cases remained the same or decreased for all retailers except Retailer 6, whose cases increased slightly.

Retailer 17

Despite a 29% drop in Retailer 17's marketing cases between the last two quarters, it continued to have the most marketing cases of any retailer. With 119 marketing cases, Retailer 17 accounted for around 41% of EWOV marketing cases. This is reflected across the spectrum of marketing issues: in April–June 2014, Retailer 17 had the largest number of cases for each marketing issue, often by a large margin.

Retailer 17's marketing cases concern multiple direct marketing channels: door-to-door marketing, telemarketing and, less commonly, face-to-face marketing in shopping centres. Customers complained of sales agents making misleading claims, for example:

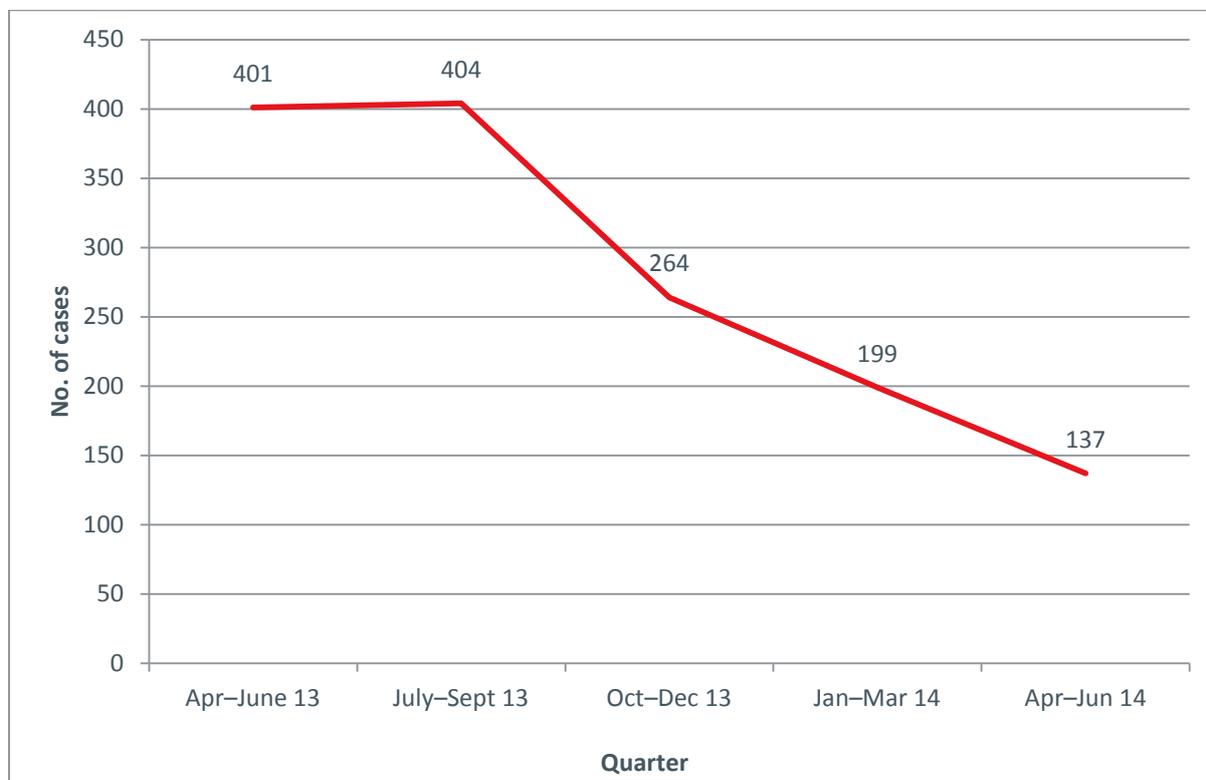
- that they were representatives of government, a regulator or the customer's current retailer
- that they were not attempting to sell anything or transfer the customer's account
- that the customer would receive particular discounts, incentives or rates (which were later not applied)
- that the customer would not be liable for early termination fees or other transfer costs
- that the customer's existing payment arrangements (e.g. Centrepay) would remain in place.

Customers also described pressure sales tactics such as sales agents repeatedly telephoning or door-knocking the same household, door-knocking homes with 'Do Not Knock' stickers, insisting on being shown the customer's bill or meter, or behaving in an aggressive or insistent manner. In some cases, customers complained of marketing activity that was directed at non-English speaking people, children, elderly people and people with intellectual disabilities. Several customers also complained that written information they requested or were promised during a marketing contact was never supplied.

Door-to-door marketing

Trends for specific marketing channels and issues reflect the overall decrease in marketing cases. **Figure 4** shows door-to-door marketing case numbers for the five quarters to April–June 2014.

Figure 4. Door-to-door marketing cases by quarter, April–June 2013 to April–June 2014



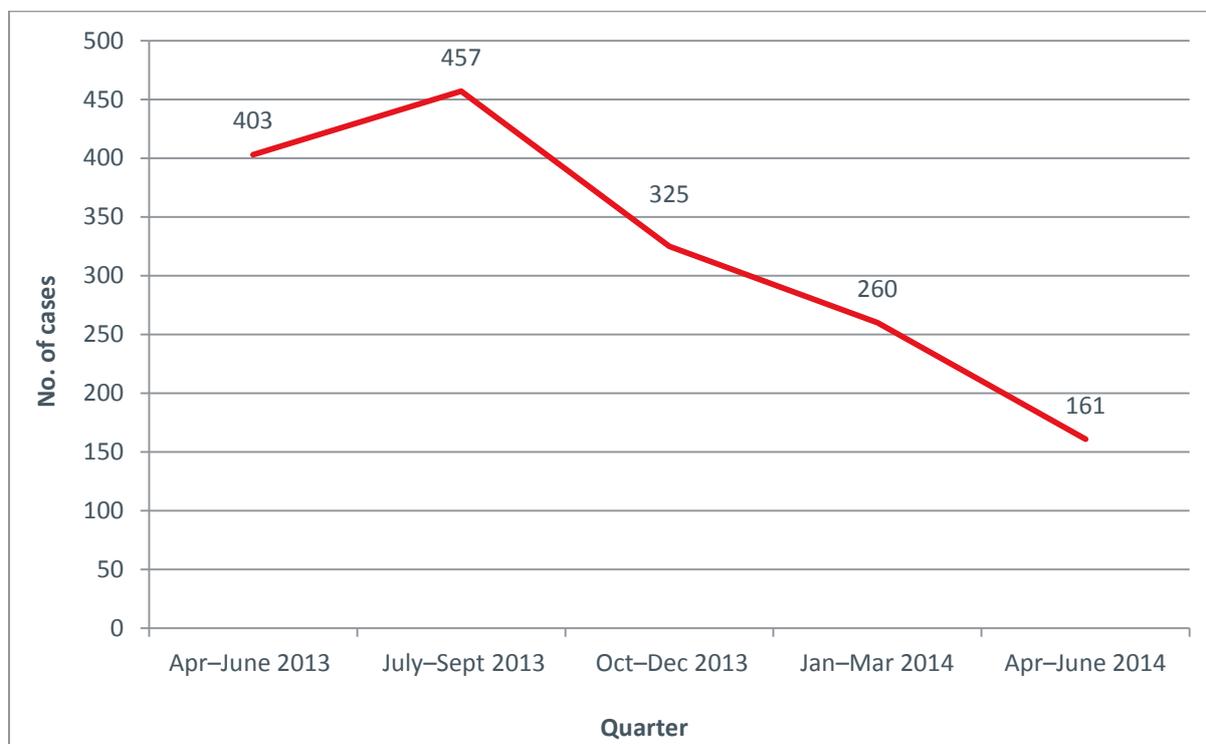
Door-to-door marketing cases decreased 31% from 199 to 137 between the last two quarters. In the April–June 2014 quarter, receipt of door-to-door marketing cases was at only one third (34%) of the level seen in the same quarter in 2013.

As noted in EWOV's last *Marketing and Transfer Report*, the downward trend in door-to-door marketing cases since mid-2013 can probably be attributed largely to three large retailers ceasing door-to-door marketing.

Misleading

Misleading marketing cases are cases in which a customer says that a sales agent has given them misleading information, often during a door-to-door or telephone marketing interaction. Should a customer enter a contract on the basis of this information, issues of informed consent and contract terms disputes can arise.

Figure 5. Misleading marketing cases by quarter, April–June 2013 to April–June 2014



During the April–June 2014 quarter, EWOV received 161 misleading marketing cases, 99 (or 38%) fewer than in the previous quarter.

With 67 cases, Retailer 17 had the most misleading marketing cases, accounting for 42% of total cases of this type. With 15 cases, Retailer 6 accounted for 9% of misleading cases, followed by Retailer 12 with 13 cases, or 8%.



Customer transferred to an inappropriate contract after a misleading and high-pressure door-to-door marketing visit

2014/16887

Retailer 17

The issue

The customer, a public housing tenant, agreed to transfer her electricity and gas accounts to Retailer 17 as a result of contact from a door-to-door sales agent. The customer felt she had been put under pressure to agree to the transfer.

The customer then contacted Retailer 17 to set up a direct debit payment plan on her accounts. She was told that if she paid in this way, she would not receive the discounts promised, and that she would also be liable for a fee if she made part payments – information that the door-to-door sales agent had not disclosed to her. Dissatisfied, the customer contacted the retailer again, asking that her electricity and gas accounts be transferred back to her previous retailer. Several weeks later, the transfer had not occurred.

The customer contacted EWOV seeking a retrospective transfer, and we raised an Assisted Referral. After Retailer 17 failed to contact the customer and she received reminder notices, she returned to EWOV, and the case proceeded to Real Time Resolution (RTR). Although Retailer 17 agreed to the retrospective transfer, the customer was not told when this would occur. She was also unsure of what, if any, amounts were owing on her accounts.

The outcome

Because the RTR process had not resolved all of the customer's questions and concerns, EWOV raised an Investigation. Retailer 17 agreed to monitor the customer's accounts to ensure that they were successfully transferred back to her previous retailer. Retailer 17 also agreed to reimburse the payments the customer had made towards her gas and electricity accounts. The customer was satisfied with the outcome and the case was closed.

Pressure Sales

Pressure sales cases are cases in which customers say they have been faced with excessive sales pressure during a marketing contact. Where the customer then agrees to transfer their account, issues of explicit informed consent can arise.

Figure 6. Pressure sales cases by quarter, April–June 2013 to April–June 2014

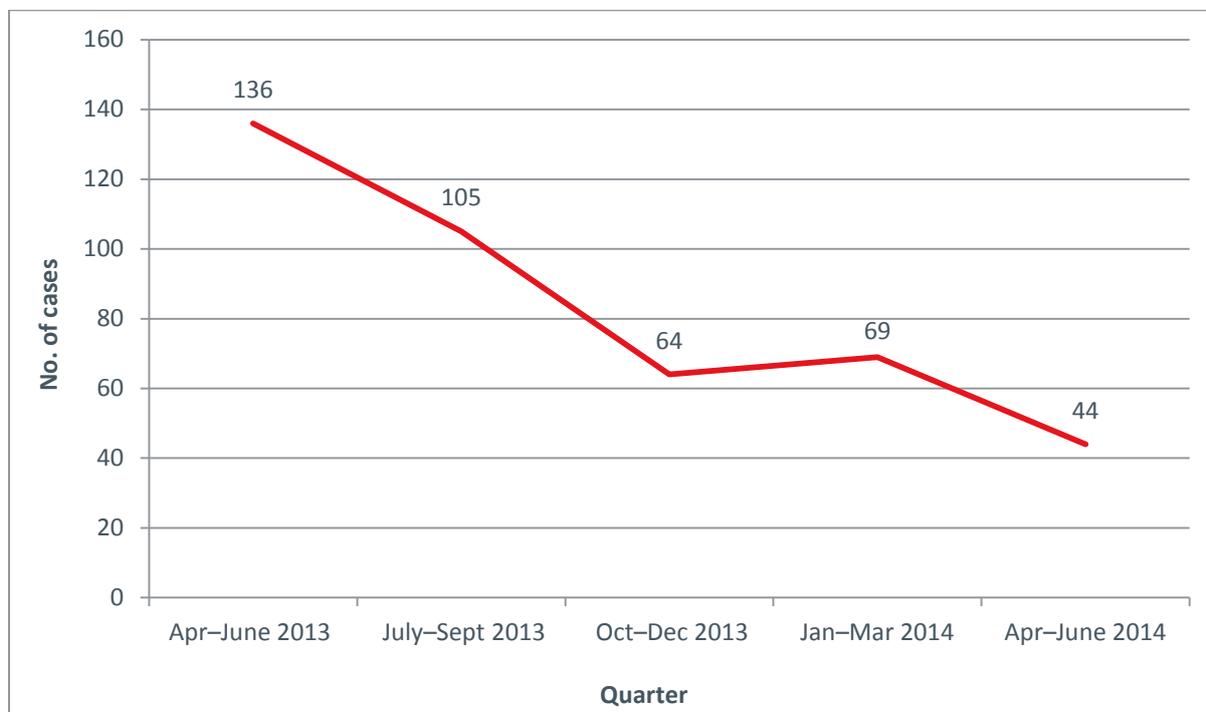


Figure 6 shows that after a slight increase in the previous quarter, pressure sales cases continued to trend downwards this quarter. Only 44 such cases were received in the April–June 2014 quarter, down 36% from the previous quarter and 68% from the same quarter in the previous year.

With 24 cases, Retailer 17 accounted for more than half (55%) of all pressure sales cases this quarter.



**Customer was dissatisfied with the behaviour of a door-to-door salesperson
2014/26629
Retailer 17**

The issue

A door-to-door salesperson visited the customer's secure apartment complex and attempted to enter the building by pressing all the intercom buttons until he was let through the security gate. The salesperson refused to reveal his identity or state which company he was representing. The customer felt that the salesperson's behaviour was aggressive and threatening, and was concerned that her account might be transferred without her consent.

The customer contacted Retailer 17 to discuss her concerns, but was not satisfied with the information she was given, and contacted EWOV. We raised an Assisted Referral, but the customer re-contacted EWOV when she did not receive a response from Retailer 17.

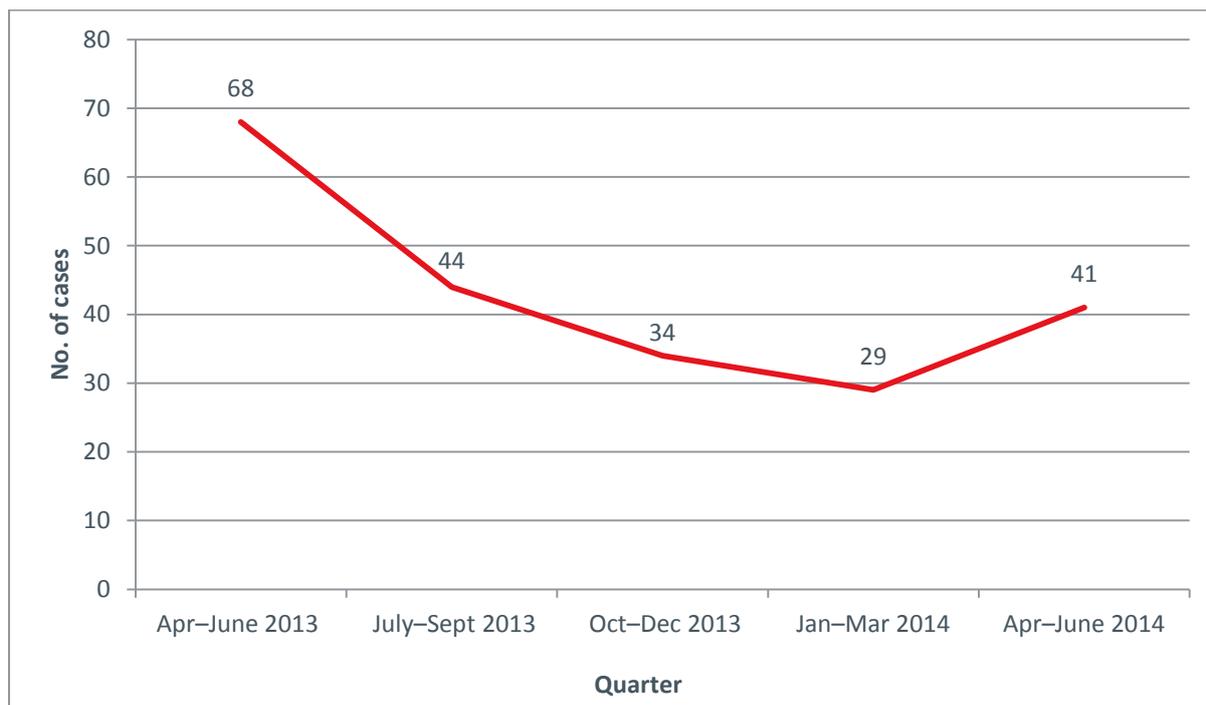
The outcome

EWOV's Real Time Resolution team contacted a higher level Retailer 17 representative, who confirmed that the customer's account had not been transferred, and acknowledged the salesperson's poor marketing practices. Retailer 17 agreed to provide the customer with a written apology and post a 'Do Not Knock' sticker to her. EWOV and Retailer 17 provided information to the customer about door-to-door marketing rules, advising the customer that, in future, she could request proof of identification. The customer was satisfied with the apology and information provided, and the case was closed.

Other

When customers are dissatisfied about exposure to some form of marketing, but their concerns do not fit within one of the specific marketing issues, the case is registered as 'Other'. Most of the cases in this category concern unwanted and sometimes regular contact from door-to-door sales agents and telemarketers. Also included in this category are cases in which the customer says they have been marketed to despite displaying a 'Do Not Knock' sticker or being listed on the Do Not Call Register.

Figure 7. Other marketing cases by quarter, April–June 2013 to April–June 2014

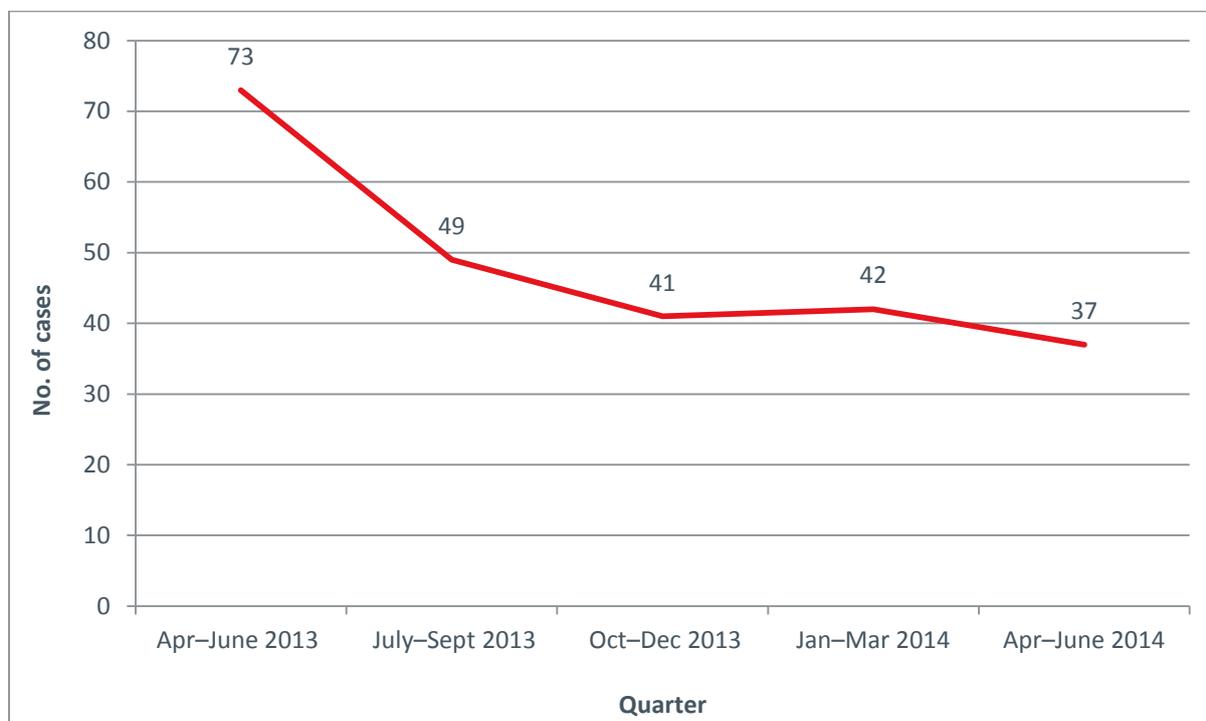


As **Figure 7** shows, this was the only issue for which marketing cases increased during the April–June 2014 quarter, up by 12 cases (41%) compared to the previous quarter. This increase was spread across several retailers, and close analysis of cases does not suggest any single cause. Despite the increase, receipt of other marketing cases remained substantially lower (40%) than for the same April–June quarter in 2013.

Information

In marketing information cases, customers say that they have received marketing information (for example, about exit fees or discounts) that they do not understand or that they think is incorrect. Cases in which a customer says that they did not receive appropriate or requested information, such as an offer summary, are also included in this category.

Figure 8. Marketing information cases by quarter, April–June 2013 to April–June 2014



In the April–June 2014 quarter, EWOV received 37 marketing information cases, down slightly from 42 cases in the January–March 2014 quarter.

With 12 cases, Retailer 17 had the most marketing information cases in the quarter, followed by Retailer 12 with seven cases.



**A customer was quoted incorrect electricity rates by a door-to-door sales agent
2014/27136
Retailer 11**

The issue

In December 2013, a door-to-door sales agent approached the customer, offering cheaper electricity rates, an annual cap on service to property charges, a higher pay-on-time discount and a \$100 account credit. The customer agreed to transfer to Retailer 11 on the basis of this information.

However, after receiving his first electricity bill several months later, the customer noticed that the electricity rates were higher than those he had been quoted, and that the \$100 credit had not been applied. He contacted Retailer 11 and was told that the rates he had been quoted were incorrect. Retailer 11 said that the billed rates had to be paid, but that the \$100 credit would be applied provided he remained with Retailer 11. If the customer chose to transfer, the \$100 credit would not be applied, but the \$22 early termination fee would be waived.

Dissatisfied with this information, the customer contacted EWOV, seeking application of the rates initially quoted. After we raised an Assisted Referral, Retailer 11 offered the customer a retrospective transfer and a credit of \$250 in recognition of the difference between energy rates advised and charged. The customer remained dissatisfied with this offer, and returned to EWOV.

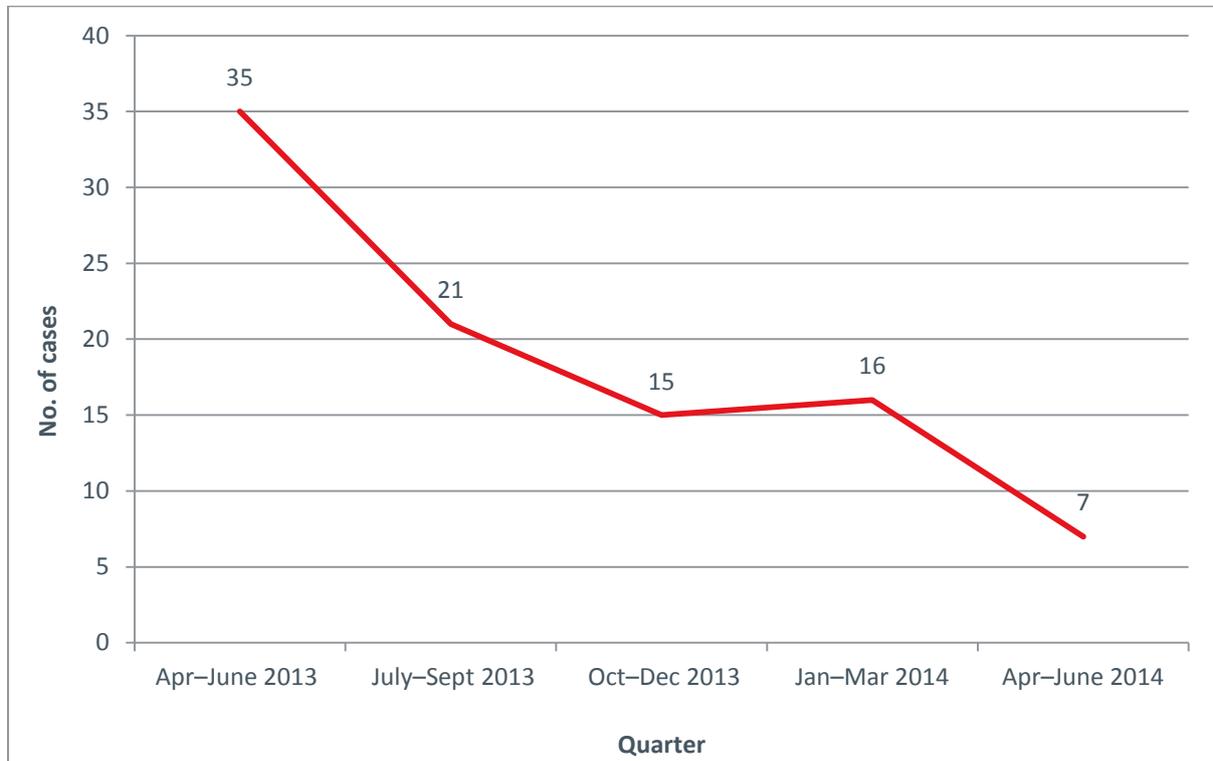
The outcome

We raised an Investigation, which found that the rates the customer had been offered by the door-to-door sales agent were not available under any contract and would not be applied. EWOV advised the customer that although he had been provided incorrect information, Retailer 11 would not apply the rates quoted. The customer agreed to Retailer 11's offer of a \$250 credit and retrospective transfer, and considered the matter closed.

Non-account Holder

In non-account holder marketing cases, a sales agent solicits someone who is not the account holder at the property. Where the non-account holder agrees to transfer, a new energy account is set up in their name. Afterwards, the new retailer will often refuse to discuss the transfer with the original account holder for privacy reasons.

Figure 9. Non-account holder marketing cases by quarter, April–June 2013 to April–June 2014



EWOV received only seven non-account holder cases in the April–June 2014 quarter, down 56% from the 16 cases received in the previous quarter.

Transfer

Following a similar pattern to marketing cases, transfer cases continued to trend downwards in the April–June 2014 quarter. Compared to the previous quarter, transfer cases were down 28%, from 3,423 to 2,458 cases (**Figure 1** on page 5).

Retailer trends

Transfer cases decreased for almost all retailers, often substantially, in the April–June 2014 quarter.

Retailer 12

Despite a substantial drop in transfer cases between the last two quarters, Retailer 12 had the most transfer cases in the April–June quarter. With 559 cases, it accounted for 23% of all transfer cases, and recorded the highest number of cases for most transfer issues: billing, delay, in error, objection and site ownership.

Retailer 17

Although Retailer 17 also had fewer transfer cases in the the April–June quarter than in the previous quarter, it had the second largest number of transfer cases (474) overall, accounting for 19% of this quarter’s transfer cases. Retailer 17 also had the highest number of cases for two transfer issues closely associated with marketing: transfer without consent and cooling-off rights.

In many Retailer 17 transfer without consent cases, customers complained of having had their electricity and/or gas accounts transferred after a telemarketing call (or an inbound telephone enquiry) in which they did not think they had consented to a transfer, or in which they had only agreed to receive further information in writing. Some customers said they were also transferred without consent following a door-to-door marketing visit. In some cases, customers did not think they had any contact with Retailer 17, and were unsure of how the transfer had occurred.

In cooling-off rights cases, customers described agreeing to transfer during door-to-door, telemarketing or face-to-face shopping centre marketing, cancelling within the cooling-off period (often by posting or emailing a cancellation form), and finding that the cancellation was not acknowledged or actioned.

In some transfer without consent and cooling-off rights cases, customers had since received bills and were facing disconnection or debt collection activity.

Contract Terms

Contract terms transfer cases are cases in which the customer questions the terms of a contract. Where a customer has entered into a contract but the sales agent or retailer failed to draw attention to contract terms, issues of explicit informed consent can arise.

Often, contract terms cases involve concerns about termination fees. Cases about termination fees frequently arise from other marketing and transfer complaints. For example, a customer may complain that they were misled into signing a contract, later finding that they would be charged a termination fee if they left the new contract.

In April–June 2014, contract terms transfer cases were the most common transfer issue, as well as the most common marketing and transfer issue overall.

Figure 10. Contract terms transfer cases by quarter, April–June 2013 to April–June 2014

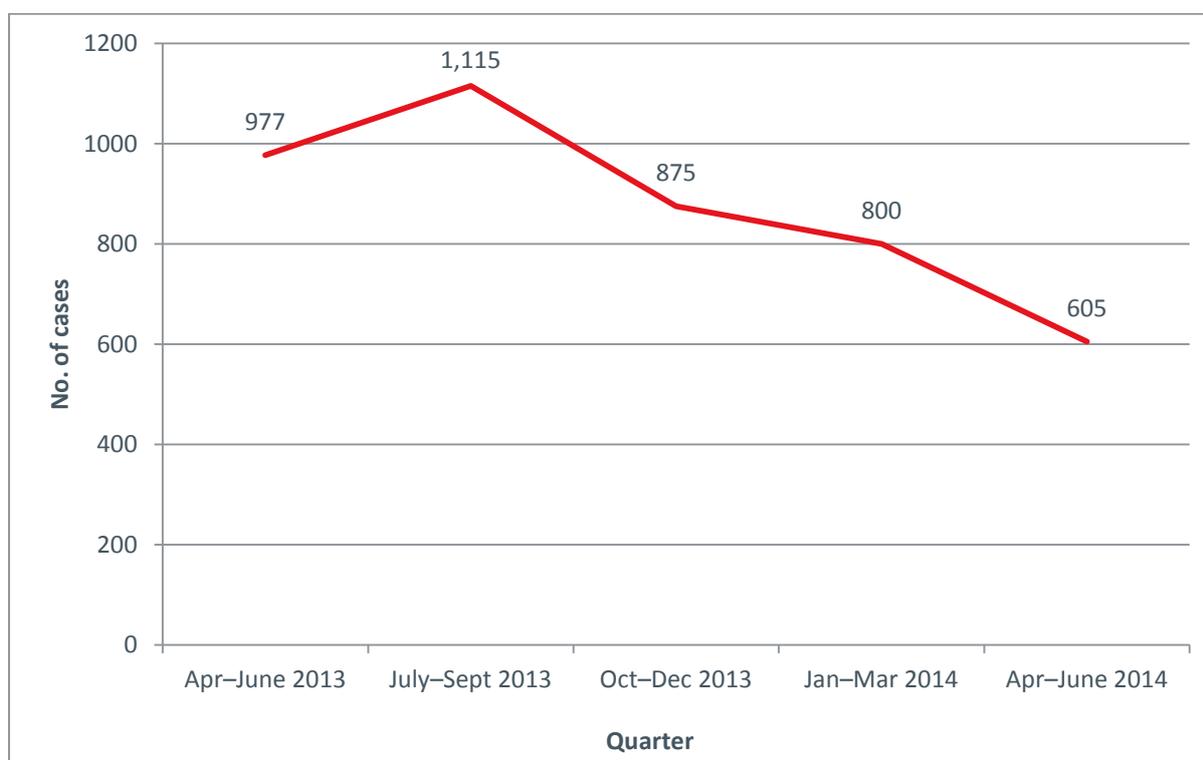


Figure 10 shows contract terms cases over the last five quarters, revealing a continuing downward trend in such cases from a peak of 1,115 in July–September 2013. Compared to the previous quarter, contract terms cases were down 24% in the April–June quarter.

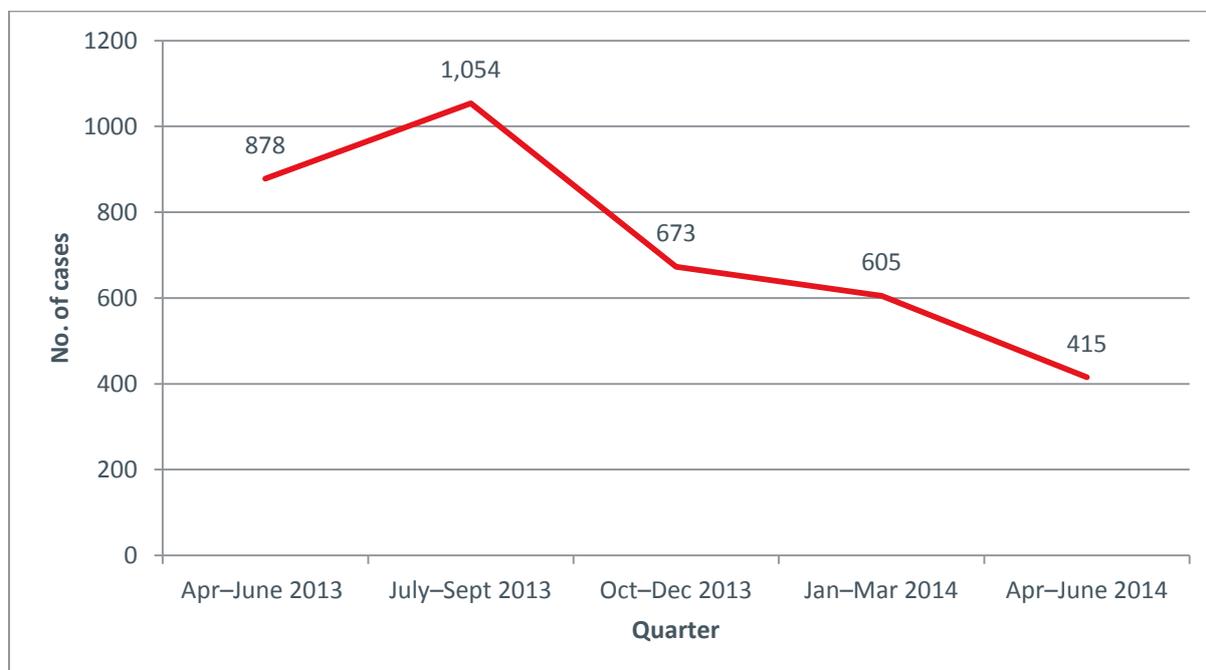
Retailer 8 had the most contract terms cases (138) this quarter, closely followed by Retailer 12 with 120 cases. Retailer 8 contract terms cases frequently involved early termination fees applied at around the time of contract expiry and renewal.

Among the larger retailers, Retailer 11 saw the biggest decrease in contract terms cases, down 36% compared to the January–March 2014 quarter.

Delay

Where there has been a delay in the electricity or gas transfer process, the case is registered as a transfer delay. For example, a customer might be told that their supply will be transferred at the next scheduled meter read, but instead continues to receive bills from their previous company.

Figure 11. Transfer Delay cases by quarter, April–June 2013 to April–June 2014



In the April–June 2014 quarter, EWOV received 415 transfer delay cases, 31% fewer than in the previous quarter, and 61% fewer than the peak of 1,054 cases in July–September 2013.

Retailer 12's transfer delay cases dropped off sharply in April–June 2014, down 55% to 82 cases compared to the previous quarter. Nevertheless, Retailer 12 recorded the most transfer delay cases this quarter, followed closely by Retailer 11 with 78 cases.



Customer was not informed about a delayed transfer despite making payments to her preferred retailer

2014/25161

Retailer 11

The issue

The customer moved into a new property in May 2013, and set up an electricity account with Retailer 11, her provider at the previous property. She continued to make payments on her old Retailer 11 account, building up a credit.

One year later, in May 2014, Retailer 11 advised the customer that it had not obtained billing rights to the property. The customer's electricity account was instead with Retailer 12. The customer was dissatisfied that Retailer 11 had neither informed her about the failed transfer nor made contact about the payments she was making to her old account. Retailer 11 advised her that it did not have a process in place for notifying customers when a transfer failed.

The customer contacted EWOV on 26 May 2014, seeking a retrospective transfer to Retailer 11, an explanation of the transfer delay, and a waiver of any charges in excess of the payments she had already made to Retailer 11. We raised an Assisted Referral, and a higher-level contact at Retailer 11 advised the customer that while it had obtained the billing rights to her property in April 2013, they had been taken over by Retailer 12 in June 2013. Furthermore, a retrospective transfer might not be possible, and instead a transfer might not occur until the customer's next meter reading. Retailer 11 also offered the customer a \$100 credit, and advised her that it now had a process in place to advise customers of failed transfers.

The outcome

Dissatisfied with Retailer 11's response, the customer recontacted EWOV, still seeking a retrospective transfer to Retailer 11, or a transfer as soon as possible. The case proceeded to Real Time Resolution. At this stage, Retailer 11 initially advised that the customer's next scheduled meter reading was not until 27 August 2014, and any earlier reading and transfer would require a special meter reading, the fee for which should be paid by Retailer 12. However, EWOV was then able to confirm that a transfer was scheduled for 13 June 2014, and that Retailer 12 would accept the transfer request. The customer decided that she was satisfied with this outcome, and the case was closed.

In Error

Sometimes billing rights to a customer's supply address are transferred between retailers in error. The most common causes of a transfer in error are billing system problems, the use of incorrect meter details and customers supplying an address that does not correspond with information in the transfer database, the Market Settlement and Transfer Solution (MSATS).

Resultant disruption to a customer's existing payment arrangements can cause them to fall into arrears. Where a new retailer sets up an 'unknown customer' account and sends 'Dear Occupier' bills, customers may not respond because they do not believe they have an account with the new retailer. If this continues for a long time, the new retailer may disconnect the customer for non-payment.

Figure 12. Transfer In Error cases by quarter, April–June 2013 to April–June 2014

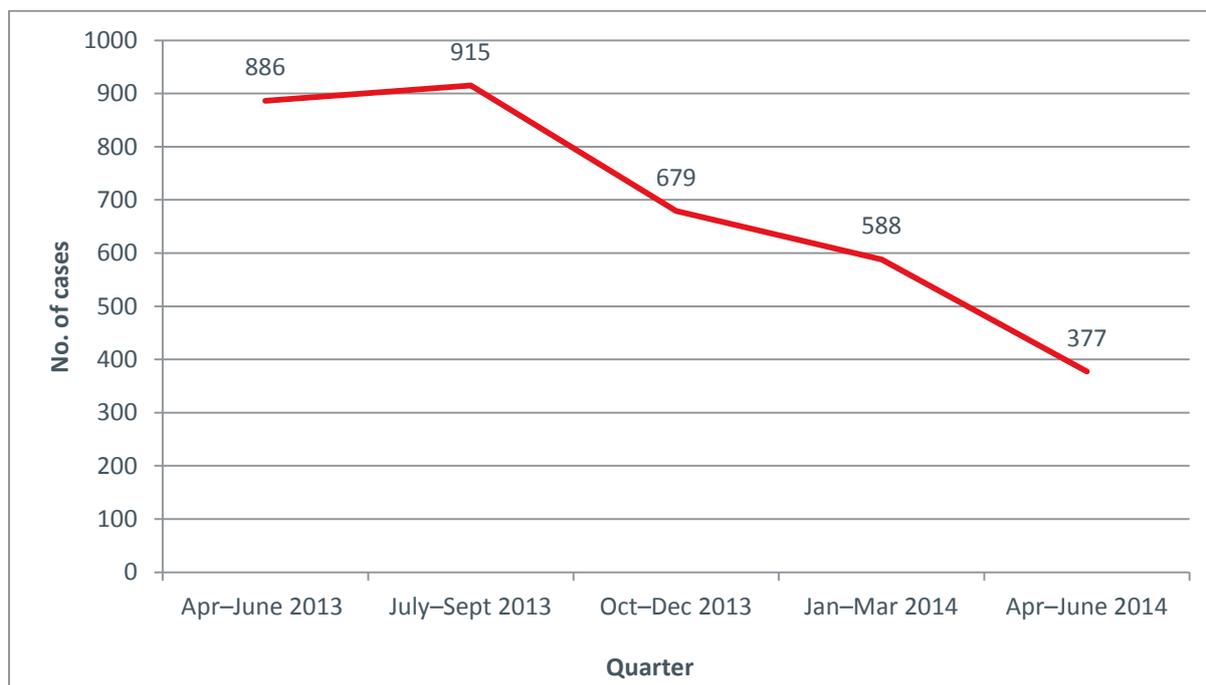


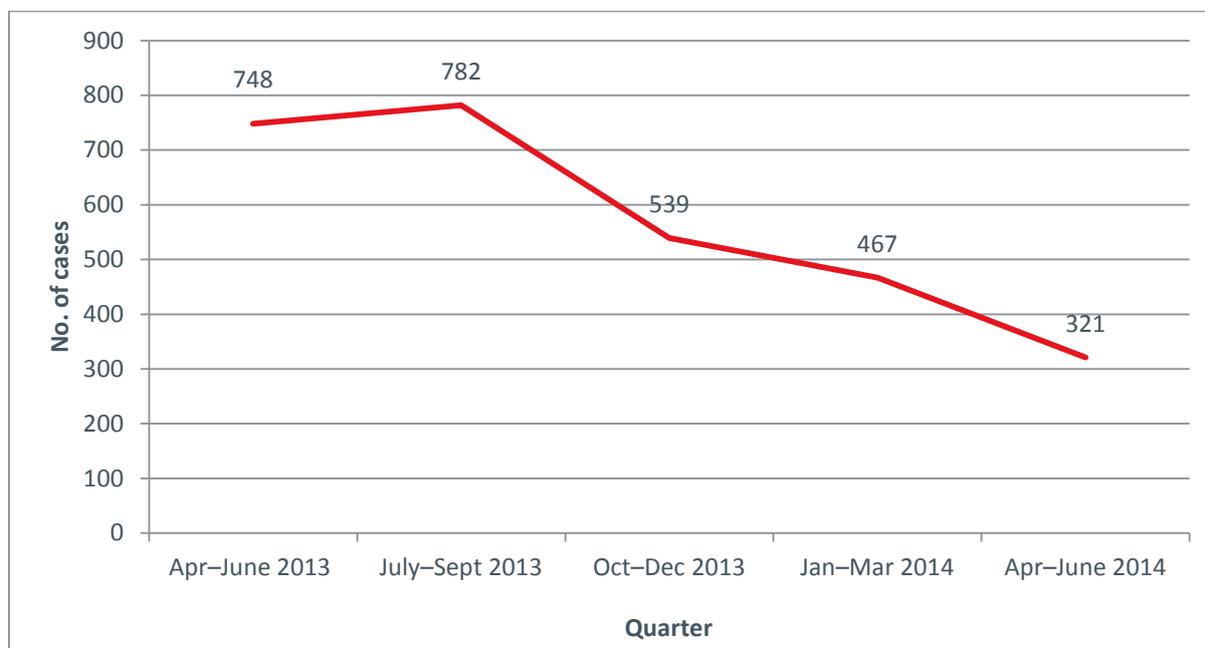
Figure 12 shows that EWOV received 377 transfer in error cases in April–June 2014, down 36% from 588 cases in the previous quarter.

With 110 cases, Retailer 12 had the most transfer in error cases, accounting for nearly a third (29%) of cases of this type.

Without Consent

EWOV registers a transfer without consent case where a customer says that a retailer gained billing rights for their property without having obtained the customer's explicit informed consent. Depending on the terms of their original contract, the customer may find themselves also liable for a termination fee.

Figure 13. Transfer without consent cases by quarter, April–June 2013 to April–June 2014



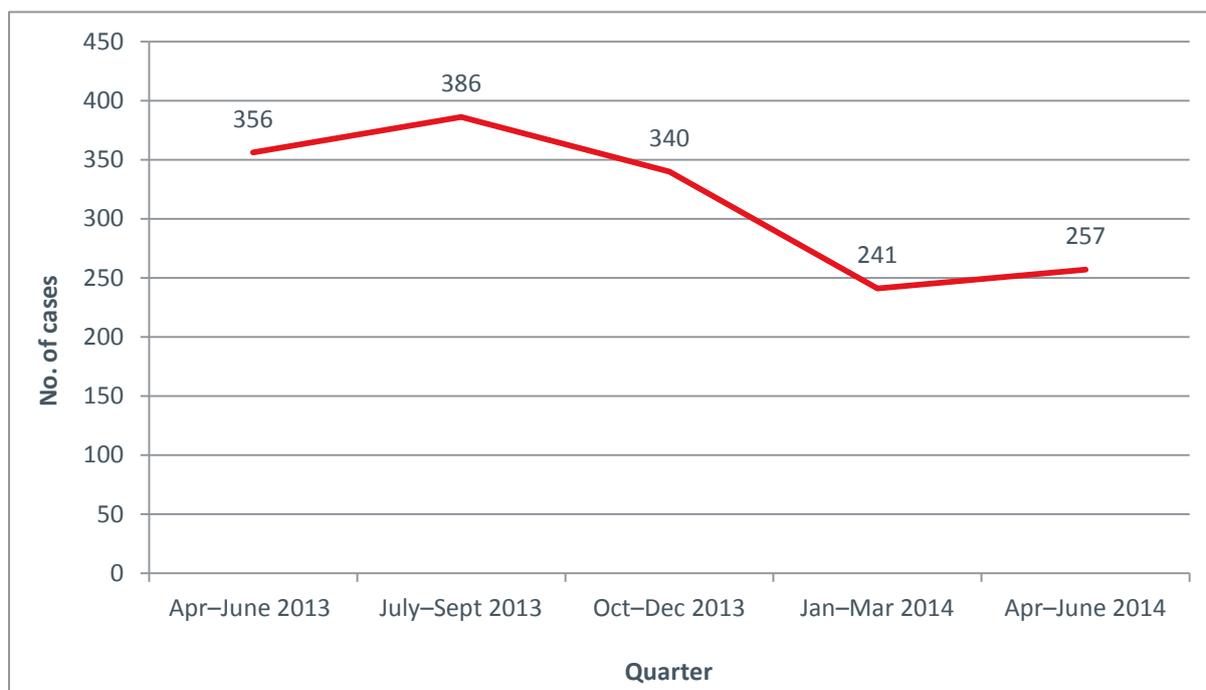
As **Figure 13** shows, transfer without consent cases also decreased substantially in the April–June 2014 quarter, down 31% from 467 cases in the January–March 2014 quarter.

Retailer 17 had the most transfer without consent cases in the April–June quarter. With 115 cases, it accounted for 36% of all transfer without consent cases. This was almost double the number of transfer without consent cases of the next highest retailer, Retailer 12, with 61 cases.

Site Ownership

A case is registered as a transfer site ownership case where there is confusion about which retailer has the right to bill for electricity or gas at a property. This confusion can be caused by issues in the transfer process, such as incorrect or transposed meter details. This can lead to an inadvertent supply disconnection, and customers may contact EWOV because they do not know which company should be billing them.

Figure 14. Site ownership cases by quarter, April–June 2013 to April–June 2014



Transfer site ownership is the only transfer issue for which cases increased in the April–June 2014 quarter. As **Figure 14** shows, the increase over January–March 2014 case numbers was small – only 7% or 16 cases.

With 75 site ownership cases, Retailer 12 had the most cases for this issue by a wide margin. The overall increase in site ownership cases in the April–June 2014 quarter is largely a result of a sharp 88% increase in Retailer 12 cases, although some other retailers also saw site ownership cases increase. A close analysis of Retailer 12 site ownership cases revealed a range of site ownership issues, and no single cause for the increase could be identified.



A site ownership error led to disconnection of a customer's electricity supply
2014/24874
Retailer 12

The issue

In November 2012, the customer moved into a new property and set up an electricity account with Retailer 8. On 25 July 2013, Retailer 8 told the customer that his account had been transferred to Retailer 12. The customer had no prior knowledge of the transfer and contacted Retailer 12 seeking an explanation. It could not explain how the transfer had occurred, and agreed to return the account to Retailer 8. On 22 May 2014, however, Retailer 12 disconnected the customer's electricity supply. Supply was reconnected later on the same day, and a reconnection fee of \$17.94 charged.

The customer contacted EWOV on 23 May 2014, seeking compensation for the disconnection and an explanation of how it had occurred. Because the case was complex, we bypassed the Assisted Referral and Real Time Resolution processes, opening an Investigation and a Wrongful Disconnection Payment (WDP) assessment.

The outcome

During the Investigation, Retailer 12 confirmed that the customer's property had been wrongfully disconnected, explaining that this had occurred because it had incorrectly linked the customer's National Metering Identifier (NMI) to the account of another customer, who had then requested de-energisation. Retailer 12 said that the customer was entitled to a WDP of \$219.62, and provided a direct contact for the customer to call should the payment not be received.

Retailer 12 apologised for the inconvenience and poor customer service the customer had experienced, and waived the reconnection fee. It advised the customer to contact his preferred retailer, Retailer 8, to request a retrospective transfer. It confirmed that it would not object to the transfer and that the customer would not be liable for any early termination fee as he was not on a contract with Retailer 12. The customer was satisfied with this outcome and the case was closed.

Billing

Transfer billing cases are cases in which a billing issue has arisen out of the electricity or gas transfer process. For example, after a transfer, there may be a delay before the customer receives their first bill. Alternatively, the customer might receive bills from both their previous and new company.

Figure 15. Transfer billing cases by quarter, April–June 2013 to April–June 2014

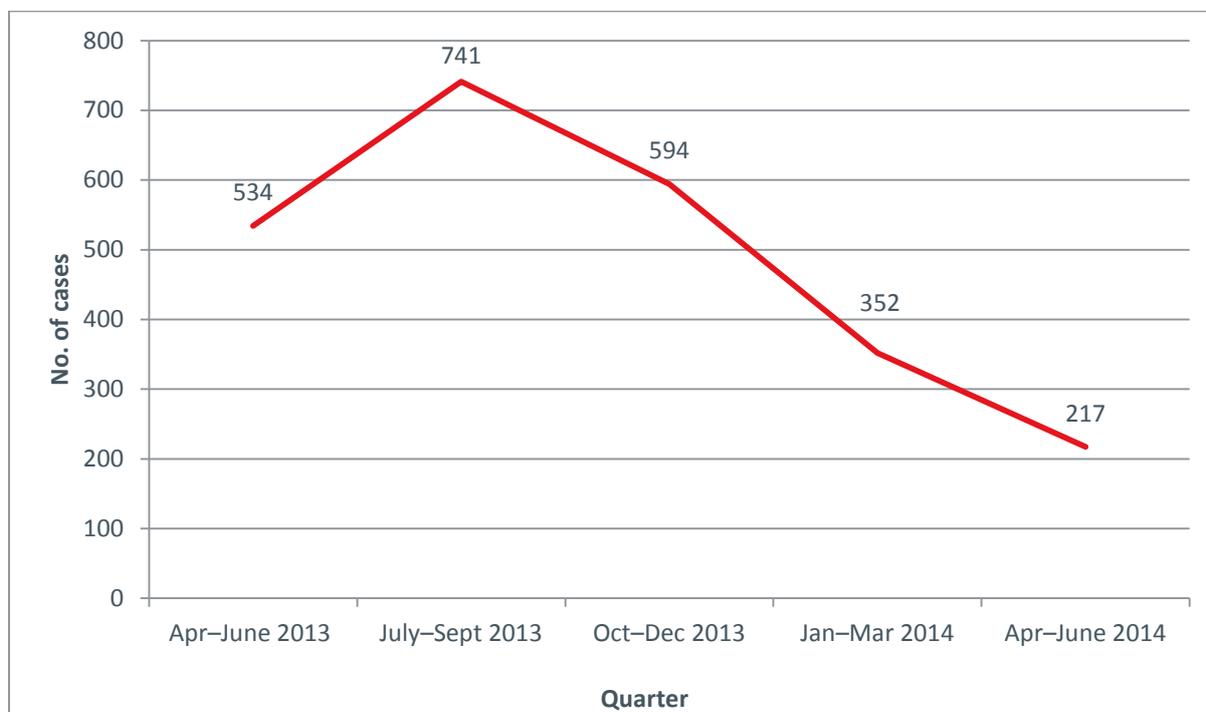


Figure 15 shows that EWOV received 217 transfer billing cases in the April–June 2014 quarter – a large decrease of 38% from the previous quarter.

Retailer 12 had the most transfer billing cases. With 71 cases, it accounted for a third of total transfer billing cases, and had more than twice as many such cases as any other retailer.

Objection

When a customer contacts EWOV because an energy retailer has objected to a transfer either to or away from it, EWOV registers this as a transfer objection case. A retailer may object to a transfer away from it because of an outstanding account balance. Conversely, a retailer may object to a transfer to it until the customer has paid a bond as security. Retailers also object to transfers for technical reasons, such as incompatibility between meter data and billing systems.

Figure 16. Transfer objection cases by quarter, April–June 2013 to April–June 2014

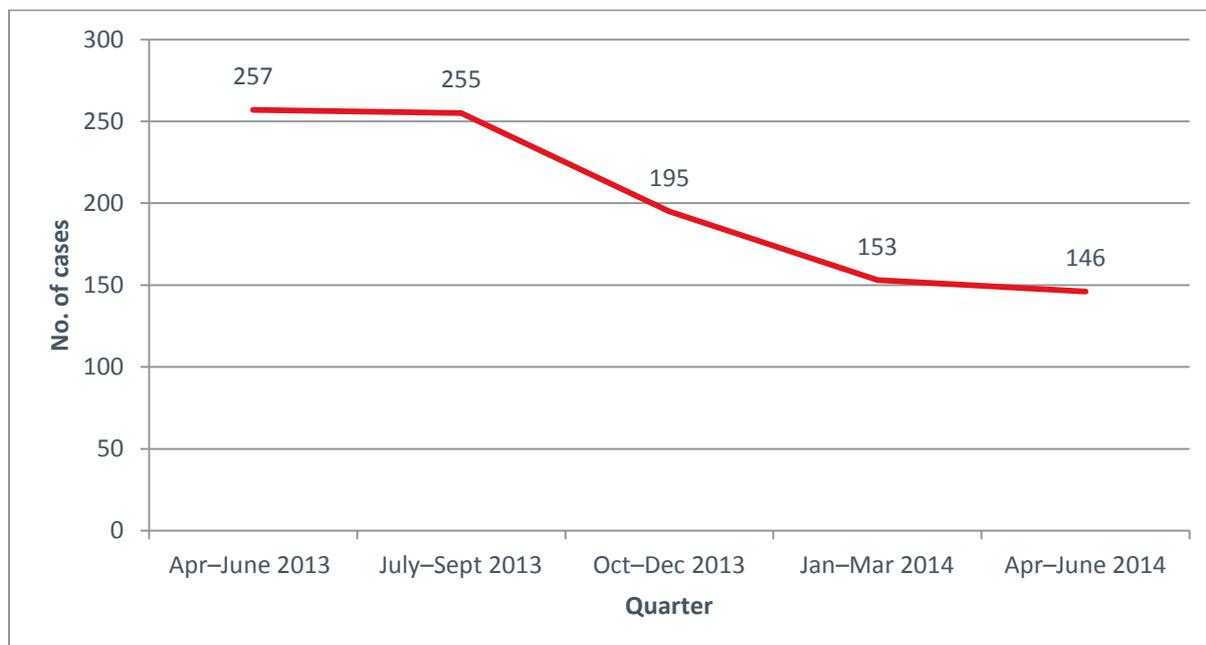


Figure 16 shows that transfer objection cases decreased only marginally in the April–June 2014 quarter, dropping 5% (7 cases) from the January–March 2014 quarter.

With 27 cases, Retailer 12 had the most transfer billing cases, followed closely by Retailer 11 with 26 cases.

Cooling-off Rights

In cooling-off rights cases, customers say that they cancelled a contract within the ten-day cooling-off period, but the transfer occurred nonetheless. Such cases suggest systemic problems with a retailer's contract cancellation procedure, and could be avoided with process and system improvements. Also included in this category are cases in which a customer entering a contract was not told, or was given incorrect information, about their cooling-off rights.

Figure 17. Transfer Cooling-off rights cases by quarter, April–June 2013 to April–June 2014

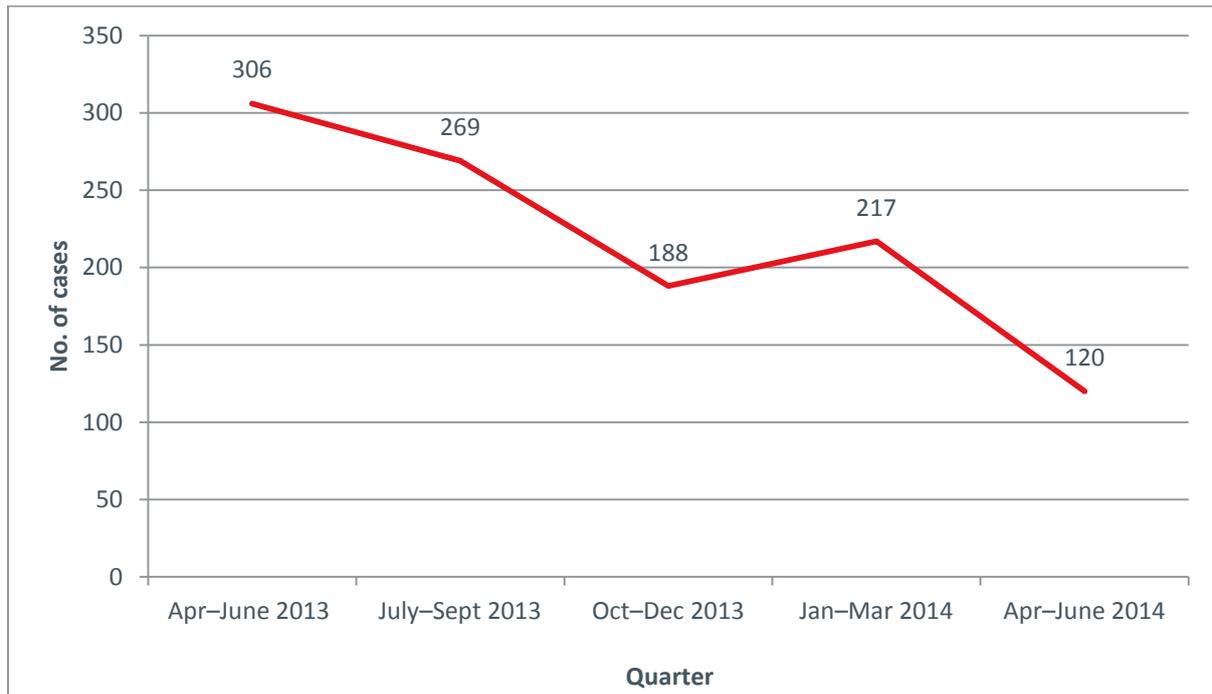


Figure 17 shows that after a 15% increase between the October–December 2013 and January–March 2014 quarters, cooling-off rights cases decreased markedly this quarter. With a drop of 45% from 217 to 120 cases, cooling-off rights cases saw the largest percentage decrease of any transfer issue in the April–June 2014 quarter.

This overall decrease was largely driven by Retailer 17, whose cooling-off rights cases decreased 52% from 124 to 60. Nevertheless, Retailer 17 continued to have the most cooling-off rights cases this quarter.



Customer receives bills after cooling-off request was not actioned
2014/17352 and 2014/173
Retailer 9

The issue

The customer transferred her electricity and gas accounts to Retailer 9, but cancelled the transfers within the cooling-off period. Although the customer was given cancellation numbers, both transfers went through, and she received an electricity bill for \$28.13 for 11–18 March 2014. When the customer contacted Retailer 9, it told her that she had to pay the bill.

The customer contacted EWOV on 4 April 2014, seeking a retrospective transfer to her preferred retailer, Retailer 2. We raised an Assisted Referral, and when this failed, the customer recontacted EWOV and the case proceeded to Real Time Resolution.

The outcome

At Real Time Resolution, Retailer 9 apologised for the inconvenience caused. It advised that the gas transfer had been cancelled, and that the customer's gas account had never left Retailer 2. Retailer 9 confirmed that it had lost electricity billing rights on 11 March 2014, and that the retrospective electricity transfer was raised on 18 March 2014. It also waived the charges on the customer's electricity account.

Context

Readers of this report should take into account the following:

EWOV's analysis is limited by its scope

EWOV only examines the cases it receives, limiting our ability to analyse trends and their causes. For example, EWOV does not always know how much marketing retailers are undertaking; nor do we know how effective each retailer's internal complaint procedures are.

Marketing and transfer issues are most often systemic in nature. However, not all customers complain to EWOV. As such, the marketing and transfer cases we receive should be seen as indicative of dissatisfaction among a larger group of consumers.

Most cases are Referred Complaints

This report is based on data taken from enquiries and complaints. Complaints are categorised as either Unassisted Referrals, Assisted Referrals, Real Time Resolutions or Investigations (see the Glossary on page 33). EWOV does not investigate Referred Complaints and is limited to hearing only the customer's 'side of the story'.

Customers sometimes re-contact EWOV

Customers sometimes re-contact EWOV because after a referral back to their company, their concerns remain unresolved. This can mean that EWOV registers an Assisted Referral after a previous Unassisted Referral, or an Investigation after a failed Assisted Referral or Real Time Resolution.

Customers sometimes lodge more than one case

For example, if a customer says that their electricity and gas accounts were transferred without their consent, EWOV will register both an electricity case and a gas case. We do this because differences between electricity and gas transfer systems cause resolution timeframes and outcomes to vary.

Customers may have complaints relating to more than one issue, fuel or company

Based on the customer's statement, EWOV sometimes registers two issues for the one case. For example, a case may be registered as both Marketing>Misleading and Transfer>Without Consent. While some issues can be interlinked, other issues may need to be investigated separately (for example, a transfer in error followed by a disconnection of supply due to an outstanding account). EWOV also registers cases by fuel (electricity, gas, LPG or water) and case type (enquiry or complaint). In addition, a customer may have issues with two different companies.

Glossary

Complaint

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

Enquiry

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

Referred Complaint

EWOV does not know the outcome of these referred complaints, except where the referral does not resolve the issue for the customer and they come back to us. There are two types of referred complaints:

Unassisted Referral

Where a customer has not yet spoken with their company about their complaint and they are referred back to the company's contact centre.

Assisted Referral

Where a customer has spoken with someone at their company's contact centre about their complaint, but it remains unresolved and the matter is referred to a higher level complaint resolution officer at the company.

Real Time Resolution

EWOV's Real Time Resolution Team receives failed Assisted Referral calls from customers and then works to negotiate a fair and reasonable resolution of the complaint, typically within 24 hours.

Investigation

A complaint for investigation is registered where:

- an Assisted Referral or Real Time Resolution has failed, as the matter remains unresolved, and the customer has recontacted EWOV, or
- the matter is complex and unlikely to be resolved as an Assisted Referral or by Real Time Resolution, or
- the provider has requested an escalation to an Investigation.

Not allocated

This case type is registered when a customer tells EWOV about their concern but it does not involve a Scheme Participant, or the customer does not know or tell us the company's name.

