

Free and independent for **20 years**

A stylized mountain graphic composed of several overlapping, layered shapes in various shades of blue and teal, creating a sense of depth and texture. It rises from the left side of the page and tapers off towards the right.

2016 EWOV ANNUAL REPORT



ENERGY AND WATER
OMBUDSMAN

Victoria **Listen Assist Resolve**

Our purpose

To independently and efficiently resolve disputes between customers and energy and water companies in Victoria.

Our values

Independence, access, equity, quality, effectiveness, efficiency, community awareness, linkages.

Our goal

To be a fair, impartial and highly respected dispute resolution service.

About this Annual Report

EWOV's Annual Report is prepared and distributed in accordance with the Ombudsman's responsibilities under the *EWOV Charter* and the *Benchmarks for Industry-Based Customer Dispute Resolution (CDR Benchmarks)*.

Data note

This report reflects data for the year 1 July 2015 to 30 June 2016, run on 5 July 2016. Percentages are rounded to the nearest whole number, so may not always total to 100%.

On our website

The online version of this report at ewov.com.au presents a series of interactive visualisations and graphical representations of the cases EWOV received in 2015-16.

IN OUR 2015-16 REPORT

- | | |
|----|---|
| 1 | Free and independent for 20 years |
| 2 | A pioneering scheme for changing industries |
| 4 | 2015-16 snapshots |
| 6 | Governance |
| 8 | The Ombudsman's overview |
| 12 | Our 2015-16 performance |
| 17 | Our 2015-16 casework |
| 40 | By industry |
| 58 | Financial statements |

FREE AND INDEPENDENT FOR 20 YEARS

An overview of EWOV

Energy and Water Ombudsman (Victoria) (EWOV) is an independent external dispute resolution (EDR) scheme. It opened to full operation for electricity cases in May 1996 during a period of enormous change in Victoria's electricity industry.

In 1999, gas retail customers were given access to its services, with a name change to Energy Industry Ombudsman (Victoria). In April 2001, it was extended to the water industry with a new name and the EWOV acronym it carries today. In December 2001, access was extended to gas distribution customers. From July 2005, customers of LPG (Liquefied Petroleum Gas) retailers could also use its services.

EWOV is an industry-based ombudsman. It is not a customer advocacy body, or an industry watchdog, or a regulator, or a government agency. It acts independently, while maintaining good working relationships with a wide range of bodies that have an interest in its operation.

EWOV's role is dispute resolution. In carrying out this role, it maintains an appropriate balance between case handling processes that are accessible, efficient, fair and impartial, and an operating model that is flexible and responsive.

EWOV is a free service for customers. While any energy or water customer can seek assistance, the scheme was set up to assist residential and small business customers mainly. EWOV can deal with complaints about provision, supply, billing, credit, payment arrangements, energy disconnection, water restriction, marketing, transfer, poles, wires, pipes, meters, vegetation management and land.

Complaints are assessed on a case-by-case basis, having regard to relevant industry codes, good industry practice and the law. The aim is to work towards fair and reasonable outcomes, for both customers and companies, using alternative dispute resolution processes.



EWOV is a highly regarded source of independent research into energy and water issues. It draws on its casework to inform and influence the work of industry, government, regulators, consumer organisations and others with a role in developing public policy around provision of energy and water services.

The framework for EWOV's operation is drawn from the *EWOV Charter*, the *EWOV Limited Constitution*, licence conditions for the electricity and gas industries, relevant water legislation, the liquefied petroleum gas (LPG) industry code and the *Benchmarks for Industry-based Customer Dispute Resolution (CDR Benchmarks)*.

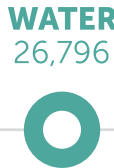
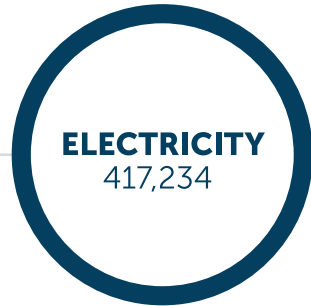
EWOV is an industry-based ombudsman. It is not a customer advocacy body, or an industry watchdog, or a regulator, or a government agency. It acts independently, while maintaining good working relationships with a wide range of bodies that have an interest in its operation.

Cynthia Gebert
Energy and Water Ombudsman (Victoria)



A PIONEERING SCHEME FOR CHANGING INDUSTRIES


588,222
cases over 20 years



OVER
250 

public policy submissions

EWOV's contribution to public policy has included over 250 formal submissions to state and national regulatory, government and industry policy consultations.

1995-96	1996-97	1997-98	1998-99	1999-00	2000-01	2001-02	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16
---------	---------	---------	---------	---------	---------	---------	---------	---------	---------	---------	---------	---------	---------	---------	---------	---------	---------	---------	---------	---------

June '95 Electricity companies announce an industry-based ombudsman scheme	December '96 The first four Ombudsman Binding Decisions are made	March '99 EIOV expands to handle gas retail cases and becomes Energy Industry Ombudsman (Victoria)	July '99 EIOV begins naming companies in its public reports	April '01 EIOV expands to handle water cases and becomes Energy and Water Ombudsman (Victoria) (EWOV)	November '01 EWOV runs its first customer hardship conference	June '02 EWOV has 45 scheme participants	October '02 Full retail competition in gas	January '03 EWOV introduces a dual fuel case type covering joint electricity/ gas product offerings	July '05 EWOV expands to handle Liquefied Petroleum Gas (LPG) cases	November '05 EWOV runs its first internal dispute resolution (IDR) workshop	September '09 Victorian Government commences the rollout of Smart Meters	March '11 National Retail Energy Law comes in	January '12 Ombudsman Fiona McLeod departs	February '12 Ombudsman Cynthia Gebert commences	June '12 EWOV has 69 scheme participants	May '14 EWOV passes the milestone of 500,000 cases	June '14 EWOV's annual caseload peaks at 84,758 cases	June '15 2014-15 cases are down 40%	June '16 EWOV has 83 scheme participants	June '16 2015-16 cases are down 28%
--	--	--	---	---	---	--	--	---	---	---	--	---	--	---	--	--	---	---	--	---

*Other industry cases are enquiries about a company that is not a member of EWOV's scheme (such as a solar installer), a property outside Victoria, or a non-energy or water-related matter (such as an electrical appliance problem or a telecommunications issue).



ALMOST
\$39m

in financial redress since 05-06

Since 2005-06, we've tracked financial redress from EWOV Investigations and Real Time Resolutions. In that time, energy and water companies have provided almost \$39 million to customers in billing adjustments, fee waivers, payments in recognition of poor customer service, guaranteed service level payments and debt reductions/waivers.



WATER







GAS





ELECTRICITY

2015-16 SNAPSHOTS

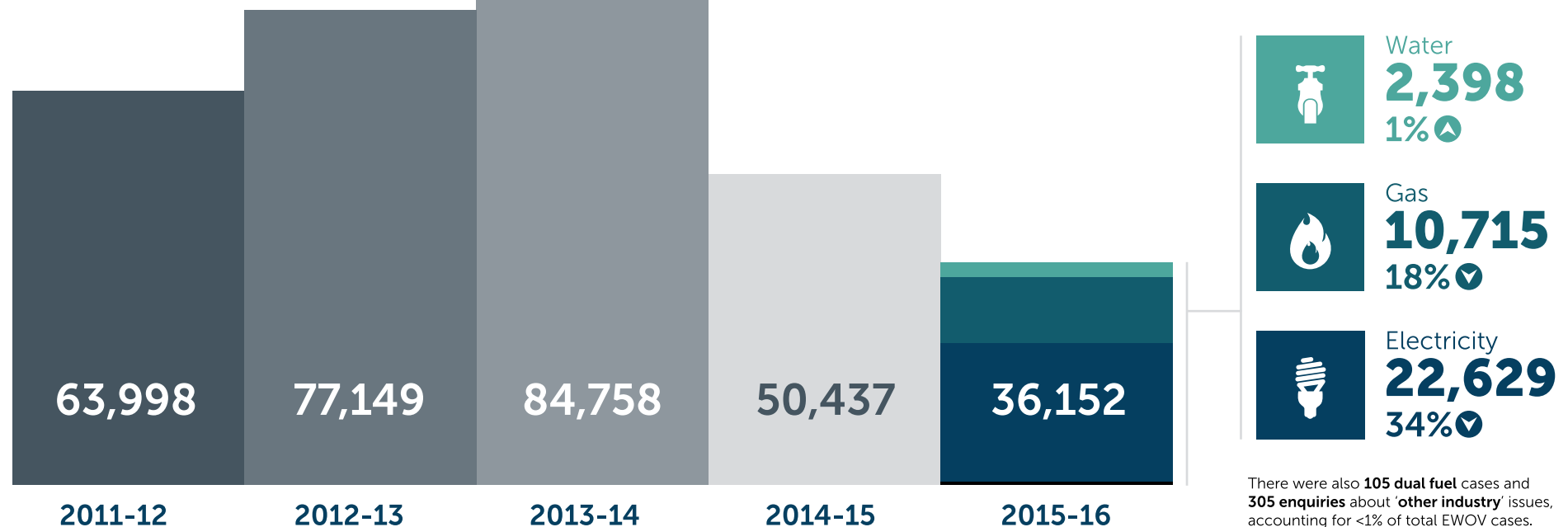
Cases 
36,152
28% 

Complaints 
34,486
29% 

Enquiries 
1,666
19% 

Overall cases

THE CASES RECEIVED BY EWOV
2011-12 TO 2015-16



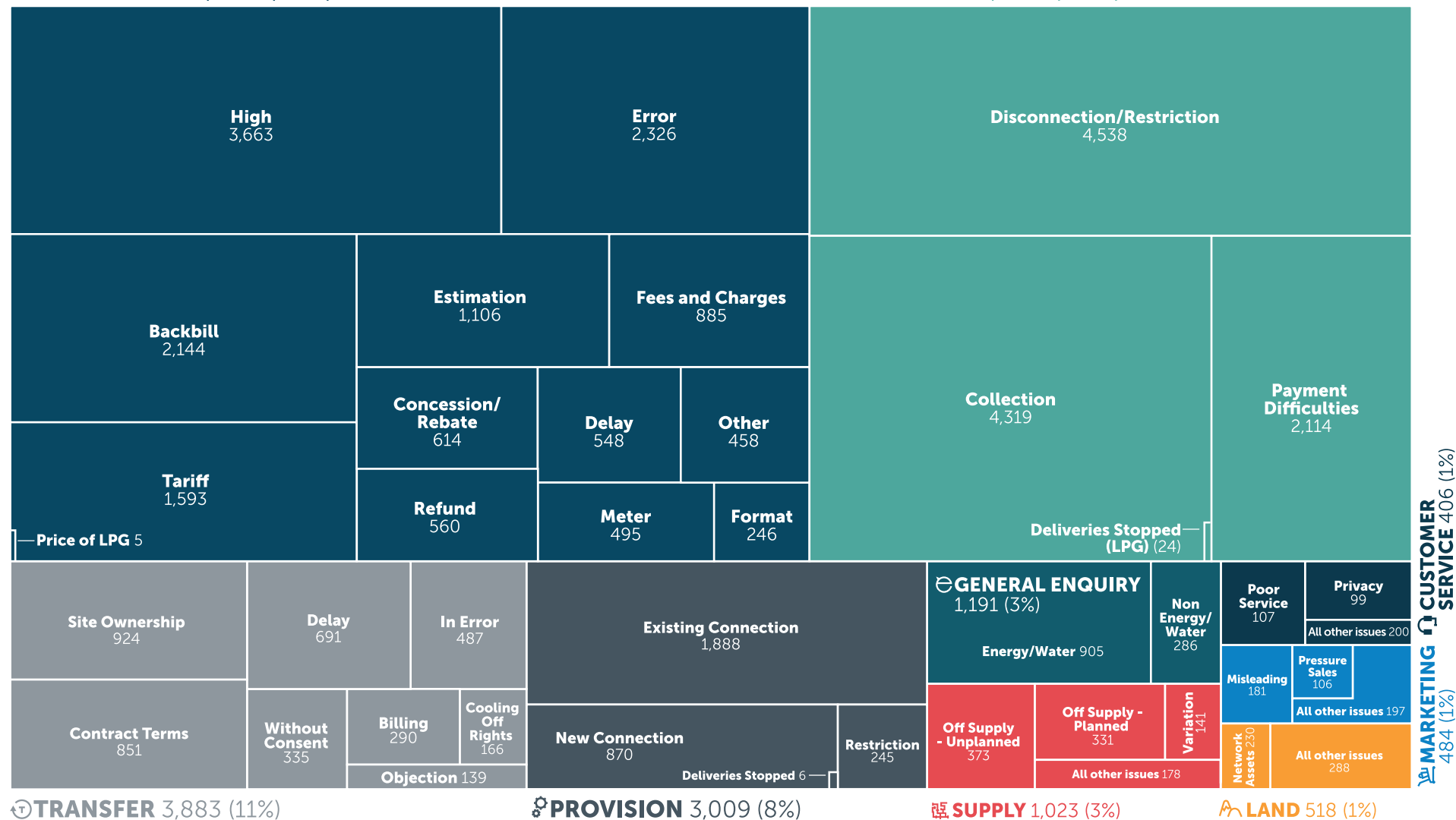
Overall issues

 **CASES** 36,152

THE MAIN ISSUES CUSTOMERS RAISED

 **BILLING** 14,643 (41%)

 **CREDIT** 10,995 (30%)



GOVERNANCE

Chairman's message

In late April 2016, it was my great pleasure to co-host an event celebrating 20 years of EWOV. At that event, I was delighted to welcome my predecessor as Board Chairman, the Hon Tony Staley AO and the founding Board Chairman, Steve Blanch. In the corporate governance history of EWOV Limited, these people (together with founding Council Chairman, the Hon Sir James Gobbo AC CVO KSTJ QC) stand out. Their representations where it mattered were crucial to EWOV's developing status. We were honoured that they, as well as many others with long connections to EWOV, could join us to mark such a major milestone.

I have been Board Chairman for just under two years and am impressed with the EWOV culture. The staff are highly dedicated professionals and I salute their equanimity in the face of some extraordinarily difficult and trying circumstances. Over 20 years, they have benefitted from outstanding leadership provided by founding Ombudsman, Fiona McLeod (1995 – 2012), and current Ombudsman Cynthia Gebert, who took up the role in February 2012, having been at EWOV in senior management since 2007.

We have a highly effective and functional Board, with a great deal of practical and in-depth knowledge around the table. Early in the 2015-16 year, Josephine Monger resigned after three years as an Industry Director.

And, after a distinguished and notable nine years' service to the Board and its sub-committees as a Consumer Director, Carolyn Bond stepped down on 30 June 2016. I sincerely thank them both for their contributions.

EWOV's scheme participants — the energy and water companies — have a genuine commitment to drive down complaints and they are keen to work with EWOV to do that. There is a clear desire in the industry to achieve 'best practice' customer service. The Board is keen to understand how EWOV might improve the effectiveness of its engagement with scheme participants. So, in February 2016, we ran a Chief Executives' Forum for senior representatives from the energy and water industries. The Ombudsman addressed the challenges facing EWOV, the drive for efficiencies, and key operational aspects of the funding model. Attendees were able to raise concerns and foreshadow upcoming developments which may affect the scheme. It gave us the opportunity to provide some clarifications and was an extremely helpful engagement, which we will convene again.

EWOV itself is committed to delivering an independent, effective and efficient dispute resolution service. It addresses in an appropriate way the particular assistance needs of vulnerable customers, and it engages with the community, regulators and government positively and collaboratively. It is well placed to provide advice on energy and water issues and is valued for doing so. The quality of EWOV's working relationships is integral to its being able to do its job properly. The Board strongly supports the Ombudsman's approach to building and maintaining effective, collaborative relationships with all of its stakeholders.

It is my view that EWOV thoroughly deserves its reputation for excellence. The 20-year journey has not been without its 'excitement', but many, many customers are extremely grateful for the fact that EWOV has been there to help them resolve issues in a rapidly changing energy and water landscape.



Paul Sheahan AM
Chairman, EWOV Limited

Statement of corporate governance

Energy and Water Ombudsman Limited (Victoria) (EWOV Limited) is a company limited by guarantee. The company is legally separate from, and independent of, the energy and water companies and government. In accordance with the EWOV Limited *Constitution and Charter*, the company established the EWOV external dispute resolution scheme. The EWOV Limited Board appoints the Ombudsman, who is responsible for the scheme's day-to-day operation.

The nine-person Board consists of an independent Chairman and equal consumer and industry representation. Four consumer directors are nominated by Victoria's Essential Services Commission and four industry directors are elected by EWOV Limited's electricity, gas and water industry members. The Board meets every two months and is responsible for the business affairs and property of the company. This includes corporate governance, the setting of budgets, risk management, strategic planning and ensuring the Ombudsman's independence.

EWOV Limited Board



Gavin Duffy
St Vincent de Paul Society

Consumer Director,
appointed
August 2013

Claire Hamilton
AusNet Services

Industry Director,
appointed
December 2011

Peter Gartlan
Financial & Consumer Rights Council

Consumer Director,
appointed July 2012

Jonathan Briskin
Origin Energy

Industry Director,
appointed
August 2014

Paul Sheahan AM

Chairman,
appointed
November 2014

Gerard Brody
Consumer Action Law Centre

Consumer Director,
appointed
August 2014

Eugenio Fragapane
AGL Energy

Industry Director,
appointed
August 2015

Carolyn Bond AO

Consumer Director,
June 2007 to
June 2016

Neil Brennan
Western Water

Industry Director,
appointed
August 2002

Company Secretary

Christopher See, EWOV, appointed October 2008

THE OMBUDSMAN'S OVERVIEW

For two decades, EWOV has been providing free and independent dispute resolution services to Victoria's energy and water customers and companies. It's a 20-year success story, founded on co-operation, consultation, adaption, and a progressive, flexible operational approach. In that time, EWOV has firmly established itself as a leading industry-based ombudsman scheme.

A big anniversary always lends itself to reflection. So, as an addition to this year's annual report, we've reached into the archives to find some stories that highlight different aspects of the EWOV journey so far. For some long-time followers of EWOV, our 'From the archives' boxes will bring back memories; for those newer to EWOV, the stories will be a great insight into how we've arrived where we are today.

A responsive and evolving dispute resolution scheme

Reflecting on 20 years and 588,222 cases, the one thing which has consistently affected EWOV's work is change, and sometimes changes on several fronts at the one time.

Right from the start, it was industry change driven by government policy, which led to the announcement of the original Electricity Industry Ombudsman (Victoria) (EIOV) in June 1995. EIOV was the practical response to an agreed need for a model of independent dispute

resolution, which could adapt and evolve to meet the challenges of an electricity industry that was changing from government to private ownership.

Victoria's government-owned electricity and gas corporations were split, corporatised and then privatised. Multiple structural and ownership changes followed, together with new market entrants, some of them short-lived. The water authorities were corporatised. Full retail competition changed the way Victorians buy their electricity and gas. Door-to-door and phone marketing changed how it was sold to them. Companies introduced hardship programs for customers experiencing financial difficulty. The Victorian Government moved to protect customers from wrongful disconnection. Energy and water companies upgraded and integrated their billing systems, some more than once. National regulators joined the Victorian regulator in monitoring and determining frameworks of customer protection and pricing. Solar PV moved generation into the hands of customers. Smart Meters changed meter reading and disconnection/reconnection of supply, and enabled customers to monitor their usage through in-home displays. And that's just a quick overview!

Change has been a constant companion and driver of case volumes. And time and time again, EWOV has demonstrated its resilience and its capacity to respond, adapt, streamline, innovate, upsize and downsize.

EWOV has also demonstrated its willingness to share what it knows to make things better all round. Very early on, founding Ombudsman Fiona McLeod recognised the importance and value of drawing on the scheme's front-line knowledge and understanding of customer complaints to help drive improvements. Through

casework, public reporting, research and working relationships with industry, regulators, government and the community sector, EWOV has made a huge contribution to some of the biggest, most complex areas of energy and water customer service.

We've shared our knowledge of complaint issues in the community to improve awareness of rights and responsibilities among customers and their representatives, and to help build the capability of customers to handle complaints themselves.

We've used conferences, training sessions, data trends, publications and online resources to share what we've learnt about complaint handling to help improve the internal dispute resolution processes of the companies that are part of the scheme.

Throughout this year's report there are reminders of how far EWOV has come — along the way well served by strong, clear governance; accessible, fair and independent complaint handling and dispute resolution; flexible and efficient work practices; and strong stakeholder relationships.

In late April, we hosted a special 20th anniversary celebration, bringing together past and present EWOV staff, board members, and representatives from industry, community and consumer groups, regulators, government and the ombudsman community. It was a wonderful opportunity to recognise and thank so many people who, directly or indirectly, played such an important part in our scheme's establishment, operation and evolution.

2015-16 results pointed to better internal dispute resolution

EWOV case volumes are down, significantly. Cases for 2015-16 were down 28% from 2014-15, following a 40% fall the year before. After years of successive increases, this is a welcome development.

Billing cases fell 36% and credit cases fell 19%. Cases about the retail competition issues of marketing and transfer fell 18% and 31% respectively. Provision cases fell 18%, supply cases fell 14%, and cases about customer service were down 43%.

We've often said that many of the complaints lodged with EWOV could have been resolved without the need for our involvement, if companies had paid more attention to addressing customer concerns when they were first raised. Across the energy and water industries generally, we're seeing evidence of improved internal dispute resolution processes and fewer problems around billing systems. In an environment of better customer focus, customers who are already more aware of their rights and responsibilities are also more able to resolve their complaints directly. And our experience tells us this is what customers prefer to do, rather than have to seek the help of an independent third party. With fewer straightforward complaints coming to EWOV for resolution, we've been able to shift the scheme back to its intended role as an office of last resort.

And led to big changes at EWOV

For EWOV, falling case volumes meant necessary but painful decisions on staffing. This made 2015-16 a tough year operationally. We responded with a number of organisational restructures and a greater than 30% reduction in staffing levels. The changes were greatest

in the teams that handle the early resolution processes. Extensive pre-planning enabled us to complete two redundancy processes with minimal disruption. In large part, this was due to the resilience and commitment of the EWOV team during what was a very difficult period. Given the magnitude of the changes, we've been paying close attention to staff engagement and support, to ensure we continue to have a high performing team.

Striving for resolutions with sustainable outcomes

Despite the falls in cases about high bills, supply disconnection/restriction and debt collection, we remain concerned about energy and water affordability. For the second year, the credit sub-issues of energy disconnection/water restriction and debt collection/credit default listing are at the top of the list of customer concerns, closely followed by high bill. These complaints often have affordability at their core — underpinned by complicated financial circumstances, a high level of energy and/or water debt, and customer inability to negotiate and/or maintain a sustainable payment arrangement.

One of the things we're required to do in conciliating complaint outcomes is to balance resolution efficiency with longer-term fairness and outcome sustainability. During the year, we initiated a sustainability review of the payment arrangements we'd negotiated in credit Investigations. Early analysis pointed to fewer than 50% of customers maintaining the proposed resolution. Given our focus on negotiating payment plans that are realistic, sustainable and reflect the customer's capacity to pay, this initial finding is of concern. It has prompted us to undertake a more detailed analysis to see whether our process is in need of change to support more sustainable outcomes.

from the ARCHIVES

1995-1996

An Ombudsman in the making

Until 1994, most Victorians were customers of the State Electricity Commission of Victoria (SECV) and the State Ombudsman handled electricity complaints. 10% of inner-Melbourne customers were served by 11 council-owned businesses known as municipal electricity undertakings (MEUs). In October 1994, five electricity retail/distribution businesses (DBs) were formed from the merged SECV and MEUs, and complaint handling moved to the Office of Fair Trading & Business Affairs.

With privatisation on the agenda, concerns about the adequacy of electricity customer dispute resolution were first raised in early 1995 meetings of the Customer Consultative Committee of the Office of the Regulator-General (ORG). On 14 June 1995, the five DBs (CitiPower, Eastern Energy, Powercor, Solaris and United Energy) and the transmission company (PowerNet) announced an industry-based ombudsman scheme, the first of its kind in the world for the electricity industry.

Electricity Industry Ombudsman (Victoria) (EIOV) was created in record time. It was only three months from the announcement to the selection of the Ombudsman in September 1995. The regulatory/industry/consumer working group was guided by similar industry-based schemes, in particular the Telecommunications Industry Ombudsman. This explains why EIOV originally had a Board and a Council. The EIOV Limited Board met for the first time on 28 August 1995 and the Council the next day. The Ombudsman, Fiona McLeod, started work in early October 1995.

1996-1997

Fairness around power surge damage

A number of electricity supply events in 1996-97 raised the contentious and, for customers, confusing issue of liability for damage due to voltage variation. EIOV found itself having to consider several conflicting positions and experiences, including the individual situations of affected customers, regulatory views on liability, and the views of electricity companies on liability and insurance.

Issuing EIOV's first public report in August 1996, the Ombudsman had expressed her surprise and disappointment at the way the industry handled cases to do with power surges, in particular, the 'black letter interpretation' of existing rules about customer entitlement to compensation. When four complaints were unable to be conciliated, she made her first Binding Decisions — all related to one electricity company and three were about power surges. While the Ombudsman didn't identify it, the company issued a statement saying the power surges involved in these cases were beyond its reasonable control and it would seek legal advice.

However, the 'court of public opinion' supported the making of the Binding Decisions, as evidenced by a December 1996 editorial in *The Age*: "... Ms McLeod is to be congratulated for judging the cases on their merits and arguing her findings — as her charter commands — with fairness and independence." In the end, the company not only compensated its customers, it spent \$7.9 million in 1997 and \$15 million in 1998 above normal system expenditure, to fix its network.

We've also initiated a review of why customers don't stay in contact with EWOV. Again this was prompted by credit Investigations, where we finalise a higher proportion of complaints on the basis of the customer's non-participation or failure to maintain contact.

Using what we know to help prevent complaints

While acknowledging EWOV's primary purpose of dispute resolution, the EWOV Board has also reaffirmed our role in complaints prevention. This is multi-faceted and strongly linked to the quality of our external relationships and the information we're able to contribute. Our preferred approach is one of collaboration and broad consultation.

We continue to work to positively influence company complaint handling processes through reporting, systemic issue identification, education and stakeholder liaison. Effective and collaborative engagement and good working relationships provide us with opportunities to contribute what we know about complaint trends and emerging issues to encourage customer service improvements.

We're taking a targeted approach to building EWOV awareness and accessibility, and the capability of customers to resolve complaints themselves, through an outreach mix of community visits, publications, online and social media strategies.

We continue to use our participation in regulatory, government and community forums and working groups to draw attention to how improving access to energy and water services can improve the customer situation overall. We know EWOV's contributions are respected and valued, but we want to be confident that we're adding real value where it matters and that our input leads to

better outcomes for both customers and companies. Are we doing things the best way? What else could we be doing? There are opportunities for us to facilitate energy and water discussions in the context of social issues, such as domestic violence, and issues facing consumer segments, such as asylum seekers. We're considering how to approach this important aspect of EWOV's work appropriately, systematically and effectively.

The ombudsman community

Being an ombudsman brings particular challenges and there is enormous value in being able to seek advice and support from colleagues who share the role. I continue to serve as an executive member of the Australian and New Zealand Ombudsman Association (ANZOA). EWOV's staff maintain their active involvement, as facilitators and participants, in the interest groups ANZOA offers for staff who perform similar roles in other industry-based ombudsman and parliamentary ombudsman settings. EWOV also continues to work closely on common issues with the other offices that make up the Australia & New Zealand Ombudsman Energy and Water Network (ANZEWN).

Looking ahead

20 years on, one thing is certain — the industries within which EWOV operates are still changing. There's an evident shift from energy as a standalone product to energy as part of a wider service offering (e.g. in-home displays, demand/load control devices). Technology is driving product innovation in electricity generation and distribution. Digital (intelligent) meters are being introduced in water. Some of these products and services are being offered by new market entrants, which don't come within EWOV's jurisdiction.

Recently, with other members of ANZECON, we commissioned a research paper, *Consumer access to external dispute resolution in a changing energy market*. This research is intended to inform our thinking, and that of policy-makers and regulators, around options to ensure all energy customers continue to have access to free, independent external dispute resolution as the energy market evolves further.

Customers are changing too. EWOV's caseloads will always reflect how well individual customers feel they've been treated by their electricity, gas or water company. Customers expect sales and service promises to be delivered. When they have a problem, they rightly expect to be able to reach their company easily, raise their concerns and have the problem explained and addressed. Many customers also expect that problems, which are likely to be more widespread, will be addressed so other customers aren't similarly affected. And, as customers become increasingly informed, engaged, and empowered by technology, we're seeing a growing customer expectation for rapid response and resolution. This is a service challenge we share with the energy and water companies.

Internally, EWOV must continue to balance fluctuating workloads appropriately with workforce requirements. Our operating model must be robust enough to respond flexibly to changing case volumes. We must ensure we have access to clear indicators of emerging trends and issues. Our staff need to continue to have the necessary knowledge, training and professional development to do their jobs. And information and communications technology must be kept up-to-date in a more constrained financial environment.

Our operating model must be robust enough to respond flexibly to changing case volumes.

Things may not be so different for us in the short term, but we can't be complacent about how change will continue to drive what EWOV does and how it does it. In February 2016, the EWOV Board and the scheme's Senior Leadership Team took part in a strategic planning workshop, to consider the issues that are set to challenge us and what our strategic responses should be. The strategic priorities articulated by the EWOV Board following the workshop lay the foundation for a phased and considered approach to ensuring EWOV continues to meet its purpose, goals and objectives.

I take this opportunity to thank Board Chairman, Paul Sheahan, and the EWOV Directors for their support and guidance. And I thank the EWOV staff team for staying engaged and committed to delivering on high standards during a tough year.

As we move into our 21st year of full operation and head towards 600,000 cases, we do it in the knowledge that EWOV's role in the resolution, redress and prevention of disputes is as important today as it was back in June 1995 when the announcement of the scheme was so widely welcomed.



Cynthia Gebert
Energy and Water Ombudsman (Victoria)

from the **ARCHIVES**

1997-1998

One resolution for 123 complaints

After mass tree clearing along the Merri Creek in late 1995 and early 1996, users of the creek parklands lodged 123 complaints with EIOV. The tree clearing was undertaken by the electricity transmission company. The complaints were about breaches of tree clearing agreements, unnecessarily destructive pruning and clearing of 358 trees, inadequate community consultation, heavy-handed contractor behaviour and language, and loss of visual and aesthetic amenity.

After almost two years of EIOV investigation and negotiation, we arrived at a resolution that addressed the concerns of the 123 complainants, as well as those of local councils and community action groups.

The resolution struck a balance between fire safety and community amenity. The transmission company agreed to work with the local community to restore the area and establish positive ongoing relations. It replanted 720 tube stock trees and undertook remedial pruning and tree stump removal. It also committed to discussions about its future sponsorship of the creek parklands. A joint working group was established to develop new protocols for management plans for vegetation along the Merri Creek corridor.

OUR 2015-16 PERFORMANCE

Our focus was on maintaining an appropriate balance between the accessibility, efficiency, fairness and independence of EWOV's processes, while ensuring the flexibility and responsiveness of its operating model.

At the request of the Board, we addressed six specific areas in particular:

- Operating model
- Industry relationships
- Customer and community engagement
- Policy and influence
- Systems and data analysis
- Human capability.

Operating model

Our overall goal was to provide efficient, effective, accessible, fair and independent dispute resolution services to energy and water customers and scheme participants

We met or exceeded all of the key performance indicators specific to case handling on which we report to the Board:

- Accessible and efficient service to customers contacting EWOV on the 1800 number:
 - Our target was 80% of calls answered within 30 seconds. We achieved 92.9%.
- Sustainable resolution of failed Assisted Referrals through the Real Time Resolution (RTR) process:
 - Our target was 85% of RTR resolutions not reopened. We achieved 89.6%.

- Timely and sustainable resolution of straightforward cases:
 - Our target was closure of more than 90% of Stage 1 Investigations within 28 days. We achieved 91.1%
 - Our target was 85% of cases closed through Stage 1 Investigations not reopened. We achieved 97.5%.
- Effectiveness and efficiency in handling all Investigations:
 - Our target was an average of 60 days to close Investigations (Stage 2 and above). We achieved 54.1 days.
 - Our target was over 98% of cases closed within 180 days. We achieved 98.8%.
 - Our target was 97% of Investigations not reopened. We achieved 97.6%.

With case volumes falling, we took prompt action to recalibrate resources across all departments, including a greater than 30% reduction in the work force. We brought EWOV's costs in at \$12.1m, \$3.0m (20%) under budget of \$15.1, mainly because the reducing caseload required fewer staff across the scheme.

Based on our surveying of customers who had used our service, we achieved an 80% rating of 'excellent or good', up from 79% in 2014-15.

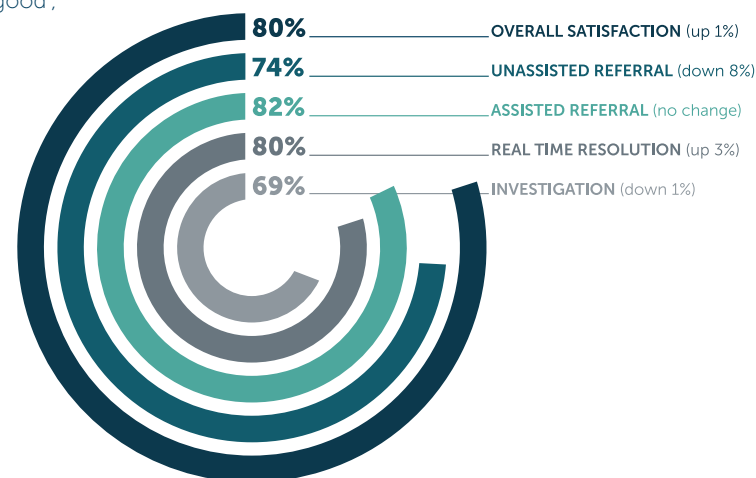
CUSTOMER SATISFACTION SURVEY RESULTS (GOOD OR EXCELLENT RESULT) WITH THE PERCENTAGE CHANGE FROM 2014-15

Workforce planning:

- An all-in-one telephony solution with a workforce management tool helped us achieve an efficiency gain through better planning, improved forecasting of interactions, more effective real time management and use of resources.
- Management of the Real-Time Desk function by Team Managers as part of their daily role freed up an FTE each day for other work.

We added three topics to the position statements that provide guidance to scheme participants on how EWOV considers key complaint types:

- Default listing and credit collection
- Compensation following outage
- Payment difficulties and hardship – energy.



1998-1999

A world first of another kind

In July 1998, an electricity company took Supreme Court action on three Binding Decisions the Ombudsman made in early 1998. The decisions compensated three customers for property loss due to voltage variation, when a contractor for the State Electricity System Operator didn't isolate all trip circuits before conducting a test. It was the first time in the world that a member company of an industry-based ombudsman scheme had taken legal action against its own scheme on jurisdiction.

The company argued the Ombudsman's jurisdiction, saying the event wasn't within its reasonable control. EIOV defended and won the action, on the basis that the event was within the company's reasonable control — it was responsible for ensuring an appropriate 'Use of System Agreement' was in place and for arrangements to maintain supply to the customers' premises, including during testing events.

The judge vindicated the Ombudsman's power to determine jurisdiction, because the scheme was based in contract between EIOV and scheme participants. She said it wasn't for courts to take any interest in jurisdictional or Binding Decision disputes where scheme participants freely enter a scheme, understanding that they give power of jurisdiction and decision-making to an Ombudsman. Her view was that the Ombudsman had the power to make whatever decision she believed fair and reasonable, as long as it wasn't aberrant or irrational. While saying it wasn't the court's role to review the decisions, she observed all three were sound.

New workflow procedures increased our efficiency and effectiveness:

- A post-case closure customer contact workflow was introduced to support appropriate case handling when a customer recontacts EWOV and we must decide whether the complaint should be reopened.
- An escalated calls workflow more systematically captures and tracks feedback about individual case handling, enabling us to identify trends in staff performance, the application of EWOV policy and issues specific to scheme participants.
- A specific Wrongful Disconnection Payment (WDP) workflow has improved the consistency and efficiency of case handling and greater transparency of the status of WDP assessments through automated reporting.

Industry relationships

Our overall goal was to foster effective, collaborative relationships and drive continued customer service improvement by the energy and water industries, prioritising information sharing, feedback and collaboration with scheme participants.

We broadened the number of staff receiving our quarterly publication for scheme participants, *Res Online | Scheme Participant Edition*, from 99 to 419.

Following consultation with scheme participant staff who use the extranet, we redeveloped the monthly and year-to-date case data reports, and audited them to ensure data integrity. Surveying showed that most scheme participants believe the extranet provides timely and relevant information.

An online survey of scheme participants, about EWOV's performance, showed improved results since the last survey. From the results, we have focused on:

- more timely and effective communication with scheme participants
- providing more information during the complaint handling process and once an EWOV position has been reached
- specific attention to independence, impartiality, even-handedness and effective communication in side-by-side coaching and
- improving scheme participants' understanding of EWOV's policy and processes.

The Process Advisory Committee, made up of three scheme participant and three consumer/community representatives, continued to meet quarterly. During the year, the committee played a key role in considering the practical application of EWOV's *Vulnerable and Disadvantaged Customer Policy*. It also contributed to improvements in information sharing following an Assisted Referral, transparency of the Real Time Resolution process and handling of WDP assessments.

We worked closely with the scheme participants generating higher case volumes and/or more complex complaints — utilising standing appointments with scheme participant contacts, case clarification meetings, scheme participant focus days and company-specific training.

We investigated the use of online learning tools to improve scheme participant complaint handling but, in the absence of clear effectiveness measurements, we decided not to proceed further with this initiative.

1999-2000

Naming companies in public reporting

In 1999, for the first time, EIOV named individual electricity companies in its six-monthly public report, *Resolution*. This was a major milestone in the scheme's development.

It had been clear for some time that consumers, industry and regulators were keen for more detail about the complaint handling performances of energy companies. A successful public reporting regime already existed in Victoria by way of performance monitoring and reporting by the Office of the Regulator-General, and publicly identified poor performance was generally regarded as an incentive to improve.

When naming companies was canvassed with each electricity company's CEO, there was a high level of comfort with the notion of public reporting by company name, for three main reasons:

- the existing public reporting regime by the industry regulator
- the desire of electricity companies who performed well in relation to EIOV complaints to be able to publicise this fact
- a feeling that anonymous reporting may contribute to a community perception of the energy industry being homogeneous in its approach to customer service, which wasn't the case.

Taking views for and against naming into account, and after a consultation process with all members, the EIOV Board decided that individual electricity companies would be named from 1 July 1999 and gas retailers from 1 July 2000.

Customer and community engagement

Our overall goal was to increase EWOV's ability to assist energy and water customers, focusing on awareness, access, information and outreach.

We ran an extensive 'EWOV is a free service' messaging campaign through our community, online and media engagement. As well as highlighting easy access to EWOV, this campaign was aimed at reaching consumers who may think they need to come to EWOV through a paid third party.

Projects in this campaign included updating our consumer fact sheets with a clear 'free and independent' message directly above EWOV's 1800 number, bringing forward the 'free service' messaging in EWOV's introductory phone message to customers, as well as carrying this message through to our other promotional materials and website. We targeted tenant awareness by including EWOV's 'free and independent' message and contact details in Consumer Affairs Victoria's publication *Renting a home: a guide for tenants*, and on the 'utility charges' page of the Tenants Union of Victoria (TUV) website, both important tenant referral points to our website.

We also targeted awareness among younger consumers, with 'free and independent' information packs being gratefully received by 14 major Victorian Universities and TAFEs.

We ran an extensive 'EWOV is a free service' messaging campaign ... As well as highlighting easy access to EWOV, this campaign was aimed at reaching consumers who may think they need to come to EWOV through a paid third party.

In the course of our extensive community engagement through the year, we actively promoted the 'EWOV is a free service' message. Our participation included the Victorian Seniors Festival, a pilot school project, a case handling event in Wangaratta, and a number of Bring Your Bills Days and similar events.

This campaign also flowed through to the strategic expansion of our social media presence, with the free service message being promoted prominently across Twitter, Facebook and LinkedIn.

We developed new 90-second animated videos for use online. Released with the launch of a new website early in the 2016-17 year, the topics were chosen based on popularity of the current videos and resources, as well as common drivers of complaints.

We continued to promote the value of EWOV Open Days as a means of building awareness of EWOV and how we work among staff in community, financial counselling, government and regulatory groups.

Policy and influence

Our overall goal was to be a respected provider of high quality, independent information about customer experience of the energy and water industries.

We provided 25 tailored responses to data requests from regulators, government departments, customer advocate groups and the media.

We made 13 formal submissions to public policy consultations, nine of them to energy regulators — including on retail competition, retailer arrangements for customer financial hardship, exempt sellers, energy market development and embedded networks. We also made a substantial submission to the *Australian Consumer Law Review*. All of these EWOV submissions are publicly available on our website.

We actively participated in the Essential Services Commission's *Energy Hardship Inquiry*, bringing our complaint handling experience to the consultation process.

Our publications — *Res Online*, *Affordability Report*, *Connect*, *Solar and Smart Meter Report* — were published quarterly and widely read. The number of publication-related pages viewed on our website increased by 7%.

We joined with other ANZEWO schemes to commission a research paper on *Consumer access to external dispute resolution in a changing energy market*. The paper will inform our thinking, and that of policy makers and regulators, on how to ensure access to free, independent dispute resolution for all energy consumers in a rapidly-evolving energy market.

We made 13 formal submissions to public policy consultations, nine of them to energy regulators...

Systems and data analysis

Our overall goal was to deliver robust and capable information technology and data solutions to support EWOV's goals.

Over the course of the year we exceeded the minimum working day availability of 99.5% uptime for EWOV's key systems — telephony environment (99.93%), Resolve case management system (99.93%) and email application (100%).

The new telephony solution was successfully implemented on time and under budget. It has delivered a more robust business system, more integrated management of customer communication, more effective workforce management, and staff efficiency gains.

We implemented Tableau as an analysis and reporting tool, initially to supplement Crystal Business Objectives. Internally, the standard email and printed delivery of reports has been replaced by interactive dashboards. More robust data interrogation will facilitate a shift to predictive indicators and more effectively support an agile and flexible operating model. The rollout of new dashboards has also reduced staff reliance on reporting analysts for new operational reports and ad hoc data.

from the
ARCHIVES

2000-2001

Logical and cost effective to add water

The Victorian Labor Government came to office in 1999 with the policy of creating a statutory Essential Services Ombudsman to cover the electricity, gas, water and public transport industries. After considerable community and industry consultation, it was agreed that extending EIOV to include water was a logical and cost-effective alternative to setting up another scheme.

EIOV's Board and energy members unanimously agreed to a new constitution incorporating the water industry. EIOV became EWOV, increasing scheme participation from 21 to 45. EWOV commenced full operation for water complaints in June 2001.

"Back when the water industry was presented with the need to establish an independent dispute resolution service for its customers, we canvassed a variety of options. We could have set up our own water ombudsman scheme, but this would not have been efficient, nor would it have been able to access the value of an existing similarly focused scheme." Mick Bourke, Managing Director, City West Water, 2002

"One important aspect that gave our scheme a head start as we began to take water cases was the extensive experience we have in conciliating complaints raised against the gas and electricity industries ... We have the processes, we have the procedures, we've talked at first hand with a diverse range of consumers, and we've come to understand how they want their complaints to be handled." Ombudsman, Fiona McLeod, 2002

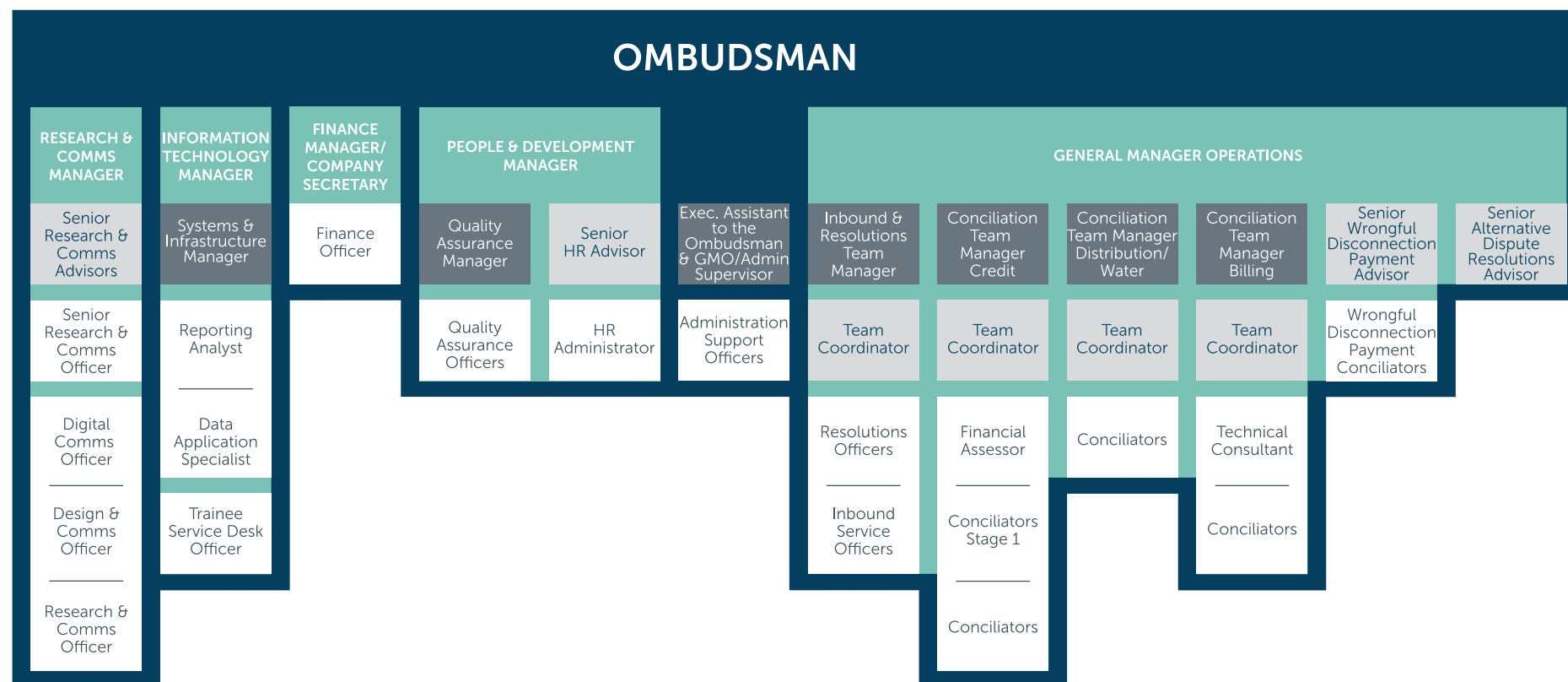
Human capability

Our overall goal was to maintain an agile, engaged and high performing workforce.

The fall in case volumes necessitated organisational restructures and staffing reductions of over 30%, achieved through two carefully planned and supportive redundancy processes.

We consulted extensively with staff to identify and define the skills (competencies) required to perform effectively at EWOV and build a shared understanding of EWOV's values. Eight core competencies and four leadership competencies were identified. The Korn Ferry Leadership Architect tool was used to identify the competencies and EWOV's Quality Assurance Framework used to identify the skills and behaviour that underpin the competencies. This will increase the effectiveness of the link between the measured skills and behaviours and individual and organisational performance.

We worked with Melbourne Business School to deliver a six-month program to our middle managers — to increase their ability to contribute to EWOV's strategic priorities and future, lead people and teams through change, deliver results that support EWOV's strategic priorities, and continue to develop personal leadership and agility. Post-program assessment showed that the program objectives were achieved.



OUR 2015-16 CASEWORK

36,152 cases received

Down 28% from 2014-15

By case type

- 1,666 cases registered as enquiries, down 19% from 2014-15
- 34,486 cases registered as complaints, down 29% from 2014-15

By industry

- 22,629 electricity cases, down 34% from 2014-15
- 10,715 gas cases, down 18% from 2014-15
- 2,398 water cases, up 1% from 2014-15
- 105 dual fuel cases, up 33% from 2014-15
- 305 cases about other industries, down 21% from 2014-15

Which customers contacted EWOV?

32,924 cases were lodged by residential customers (91%), 3,082 cases by business customers (9%) and 146 cases by not-for-profit/government customers (<1%).

71% of customers were from metropolitan Melbourne (down from 75% in 2014-15) and 29% were from regional and rural Victoria (up from 25% in 2014-15).

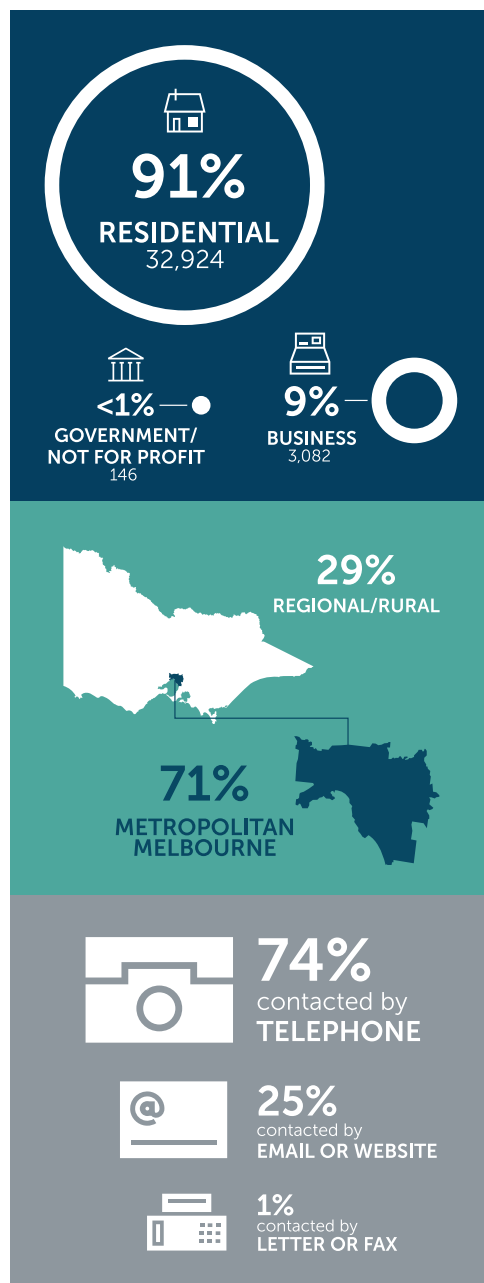
The parts of Victoria with the highest rates of EWOV cases (residential customers, energy and water combined) per 1,000 of population were Loddon Shire, Central Goldfields Shire and Murrindindi Shire.

The maps on pages 18 and 19 provide more information on 'hot spots' around Victoria for EWOV cases overall, energy disconnection/water restriction cases, credit collection cases and high bill cases.

The top 5 sub-issues

1. Credit: energy disconnection/water restriction for account arrears
2. Credit: debt collection/credit default listing
3. Billing: high
4. Billing: error
5. Billing: backbill

 **36,152** Cases



The hot spots

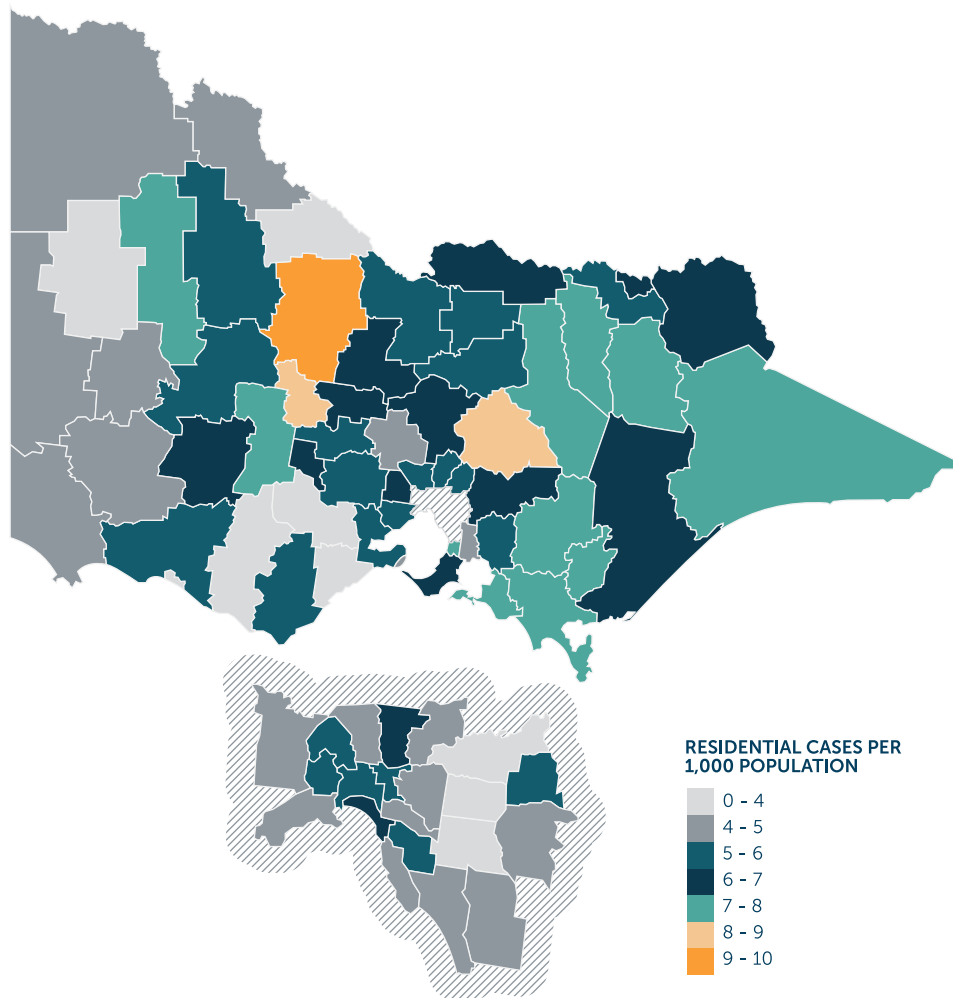


Victorian councils
and shires

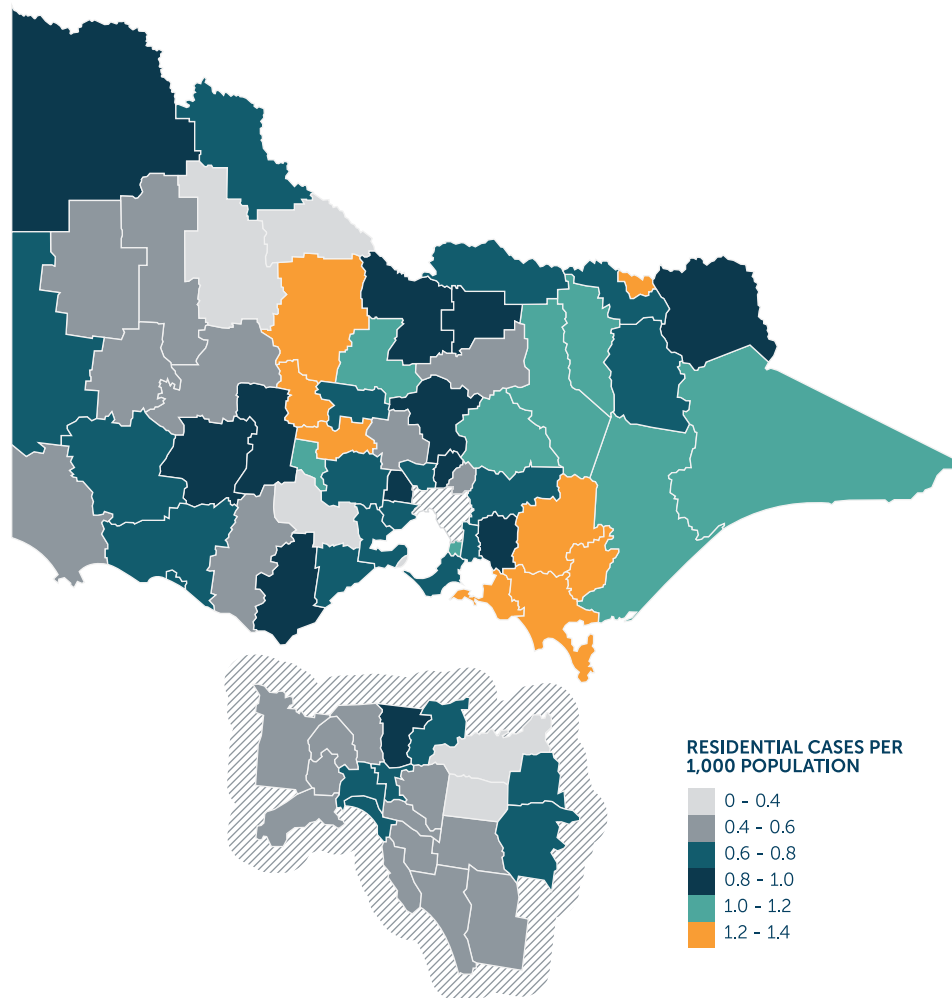


Metropolitan Melbourne
councils

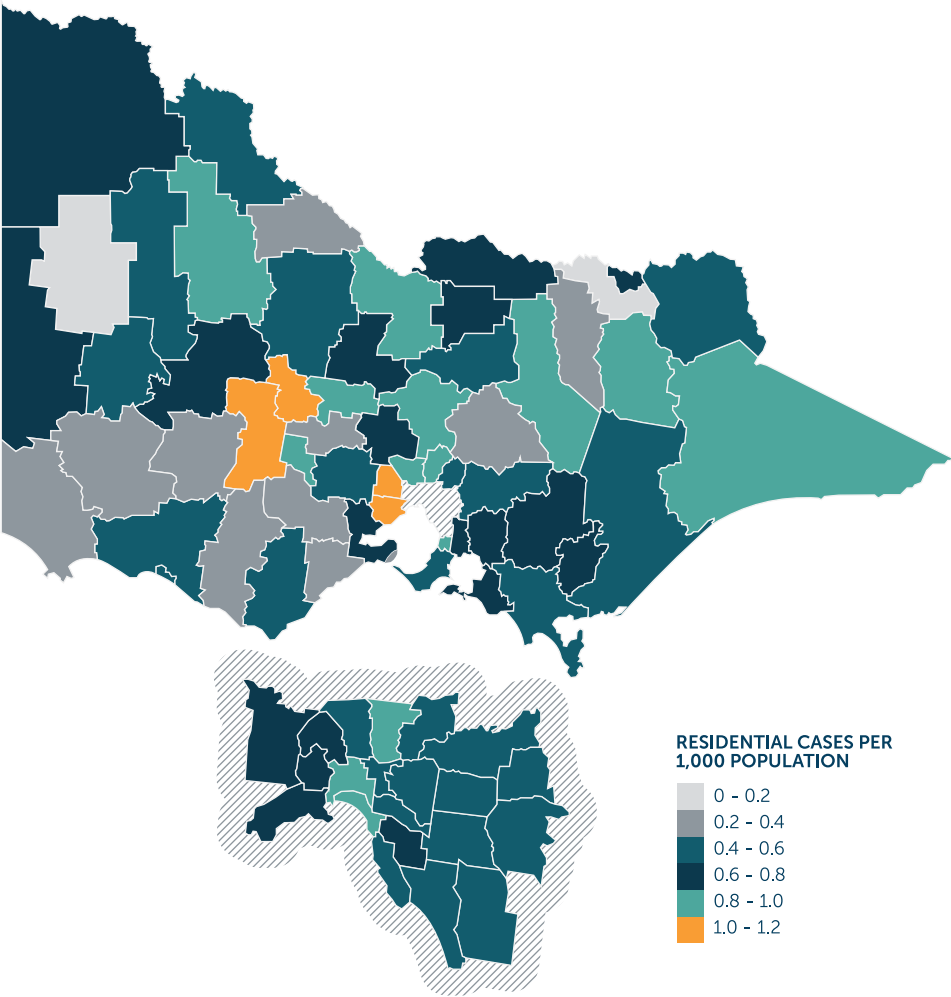
THE CASES EWOV RECEIVED FROM RESIDENTIAL CUSTOMERS BY COUNCIL/SHIRE



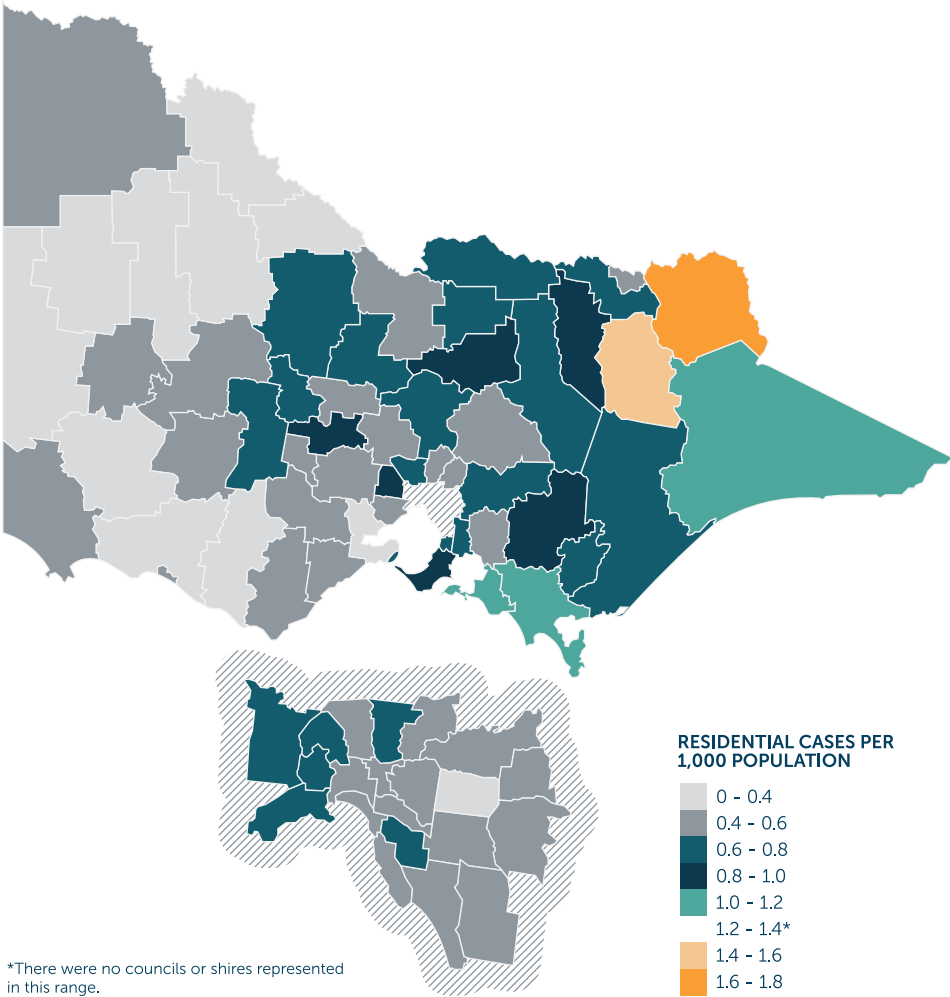
THE ENERGY DISCONNECTION/WATER RESTRICTION CASES EWOV RECEIVED FROM RESIDENTIAL CUSTOMERS BY COUNCIL/SHIRE



THE DEBT COLLECTION/CREDIT DEFAULT LISTING CASES EWOV RECEIVED FROM RESIDENTIAL CUSTOMERS BY COUNCIL/SHIRE



THE HIGH BILL CASES EWOV RECEIVED FROM RESIDENTIAL CUSTOMERS BY COUNCIL/SHIRE



*There were no councils or shires represented in this range.

2001-2002

Customers wake up to choice

On 13 January 2002, the transition to full retail competition in electricity (which commenced in 1994 with Victoria's largest electricity users) was completed. Overnight, the last tranche of almost two million residential and small business customers became contestable, meaning they could buy from the electricity retailer of their choice.

Full retail competition arrived with creative sales pitches and advertising (a fetching Zsa Zsa Gabor-style mouse fronted one retailer's advertisements) and a range of marketing enticements, including 'guaranteed lower prices', Fly Buy benefits, vouchers, discounts for direct debit, and the chance to win a car.

Despite this, for residential customers in particular, the opportunity to choose an electricity retailer materialised slowly, because it took most electricity retailers a while to be ready to make offers to residential customers outside their designated local area. By 30 June 2002, some 18,000 residential and small business customers had switched retailer. In the first half of 2002, EWOV received 258 cases about full retail competition, 86% of them enquiries.

Some marketing issues (inappropriate market conduct by sales representatives) and transfer issues (related billing errors and delays) started to emerge and we worked closely with regulators, government and industry to address these as they arose. We also worked closely with the Essential Services Commission, Consumer Affairs Victoria and the Australian Competition and Consumer Commission to develop reporting protocols for cases raising market conduct issues

Easy to contact, easy to use

Easy access has always been an EWOV priority. From the beginning, customers anywhere in the state could use 1800 Freecall and Freefax facilities. Callers with a speech or hearing impairment could use a telephone typewriter service. An interpretation and translation service assisted customers whose first language wasn't English. With a customer's explicit authority, an authorised representative could act for them. And of course, customers could (and did, and some still do) write to us and, sometimes, lodge their complaint in person.

By 2000, we'd added email and, by 2011, online forms via our website. We extended our access for hearing and speech-impaired customers through the National Relay Service. We also gave customers on a restricted phone service the option to ring Telstra reverse charges to have EWOV accept the charges and the call cost.

For years, mobile phone companies charged customers who rang our free 1800 number from their mobile phone. To help customers avoid the charge, we'd ring them back. In 2015, this significant access issue was largely addressed, when most mobile phone companies introduced free calls to 1800 numbers.

Technology continues to change how customers prefer to contact us. Increasingly that's electronically, as and when they have the need. In EWOV's first full year, 91% of cases were lodged by phone and the remainder by letter or fax. By 2005-06, phone contact had increased to 95%, email/website to 3%, and 2% otherwise. By 2015-16, phone contact was down to 74% and email/website lodgement was up to 25%. In a world where access options are still changing, it's an ongoing priority to ensure EWOV keeps up.

Cases, complaints, enquiries

The term **case** covers all customer contacts with EWOV. Each case is registered as either an 'enquiry' or a 'complaint' and handled in accordance with our Best Practice Procedures.

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

An **enquiry** is a customer's request for general information (e.g. about the Smart Meter rollout). Where we can, we provide this information ourselves. Where we can't, we provide the customer with contact information for the most appropriate office.

Our process is split into stages

EWOV's aim is to resolve disputes between customers and their energy and water companies equitably and to the satisfaction of both parties, fairly and independently. Complaints are handled confidentially, informally rather than legally, and on an individual basis. They are also able to be considered in their wider context, focusing on what is fair and reasonable, good industry practice and the law. Having received a complaint, we determine which of the following stages it will be handled at and how it may move through different resolution stages. We keep customers and companies updated on the progress of the complaint. If we can't deal with something, we tell the customer why and refer them to an appropriate body.



Unassisted Referral

If the customer hasn't contacted their company about the complaint before contacting us, we register an Unassisted Referral and give them information so they can contact the company directly to have the problem resolved. In 2015-16, we registered 4,823 Unassisted Referrals — 3,173 electricity, 1,181 natural gas, 22 LPG, 11 dual fuel and 436 water.



Assisted Referral

If the customer has contacted their company, but hasn't been able to agree on a resolution, we register an Assisted Referral. This means we contact the company and request that it investigate the customer's concerns and make contact with them. The company has three business days to contact the customer by phone and five business days to contact them in writing. It has a total of 15 business days to resolve the complaint. The customer is told to contact EWOV again if they don't hear from the company within these timeframes, or if their concerns aren't resolved by its response. In 2015-16, we registered 22,439 Assisted Referrals — 13,804 electricity, 6,989 natural gas, 58 LPG, 68 dual fuel and 1,520 water.



Real Time Resolution

If an Assisted Referral doesn't resolve the customer's complaint and they recontact us, we may attempt to handle the complaint immediately by negotiating directly with the company, through a process we call Real Time Resolution. In 2015-16, we registered 1,648 complaints at Real Time Resolution — 1,008 electricity, 540 natural gas, 4 LPG, 6 dual fuel and 90 water.



Investigation

In 2015-16, we registered 5,576 complaints as Investigations — 3,577 electricity, 1,731 natural gas, 12 LPG, 19 dual fuel and 237 water. We open an Investigation where:

- Assisted Referral or Real Time Resolution has failed, the matter remains unresolved, and the customer recontacts EWOV, or
- the matter is complex and unlikely to be resolved as an Assisted Referral or by Real Time Resolution, or
- the customer's circumstances reflect EWOV's *Vulnerable and Disadvantaged Customer Policy and Procedure*, warranting an Investigation, or
- an energy or water company requests an Investigation.



Binding Decision

The power of Binding Decision is a hallmark of effective industry-based customer dispute resolution. In EWOV's case it ensures that, if a customer and a company remain in dispute after our Investigation, the matter can be decided by the Ombudsman up to \$20,000. Or, if both parties agree, up to \$50,000. A Binding Decision is automatically binding on the company. The customer has 21 days to decide whether to accept it or not. The customer may choose to reject the decision and take legal or other action. If they do, the company is released from its terms. The rules around Binding Decisions are set out in the EWOV Charter. It's a requirement that all Binding Decisions be published. They are available on EWOV's website. It hasn't been necessary for the Ombudsman to make a Binding Decision since 2003, but in the early days of the scheme it was a powerful tool for driving service improvements.

from the ARCHIVES

2002-2003

Drawing on Binding Decisions to highlight common issues

EWOV has an explicit mandate to identify systemic and trend issues to help improve service for energy and water customers. While each complaint has its own particular circumstances and is treated on its merits, there have been some clear common issues across the complex and contentious complaints which have gone to Binding Decision by the Ombudsman. These include:

- effective complaints handling
- balancing customer service with codes, rules and legislation
- provision of customer information
- consultation with affected customers
- clear transparent and documented policies and procedures
- power surge liability/compensation
- asset management to prevent damage
- customer responsibility to take precautions
- implementation of Use of System Agreements.

The *Binding Decisions Digest* first published by the Ombudsman in August 2002 drew attention to these common issues and provided insight into some of the more complex and contentious matters EWOV had dealt with. It contained the facts of each case, details of any regulatory breaches, the issues arising, whether they were of a systemic nature and, where appropriate, subsequent developments and the current status of the issues.

2003-2004

Utility connection services emerge

Our casework raised questions about use by customers (often tenants) of ‘utility connection services’ to set up electricity, gas, water and telephone services, through one application form often filled out at a real estate agent’s office. In particular, we had concerns about whether customers were then put onto market contracts without their explicit informed consent.

In one case, a tenant signed papers provided by a real estate agent, ticking a box for her utilities to be connected. She heard nothing until a ‘to the occupier’ letter arrived from the local electricity retailer telling her to set up an account. Having done this, a few months later she received a bill from a different retailer, backdated to the month after she moved in. She hadn’t agreed to a contract with the other retailer and didn’t want to. Her account was switched back to the local retailer retrospectively.

Other concerns included how much these customers knew about their retailer, the types, terms and conditions of contracts they were placed on, and how the Essential Services Commission (ESC)’s marketing codes and the *Fair Trading Act 1999* (Vic) applied. EWOV couldn’t deal with cases about ‘utility connection services’ directly, but it could assist where the service was acting as an agent for a scheme participant. In September 2003, we provided the ESC and Consumer Affairs Victoria with a report on ‘utility connection services’ cases, highlighting issues of transfer without explicit informed consent, connection delays and billing delays.



31,652 cases
finalised

1,664

Enquiries

680 (41%)
Referred to a regulator

321 (19%)
Provided general
information

264 (16%)
Provided general
information and referred to
energy/water companies

230 (14%)
Referred to another
ombudsman

140 (8%)
Referred to other bodies

29 (2%)
Referred to government

29,988

Complaints finalised

4,648
Unassisted
Referrals



3,772 (81%)
complaints referred back to energy or
water company call centres, because
the customer hadn’t contacted the
company before contacting EWOV

551 (12%)
complaints referred to a regulator,
other ombudsman, government or
another body

325 (7%)
complaints didn’t require referral or
investigation. Some customers simply
wished to register their complaint
with us, without further action

18,060
Assisted
Referrals



complaints
referred back to companies,
but at a higher
level

1,478
Real Time
Resolutions



322
payment plans
arranged

101
apologies
provided to
customers

\$245,271
achieved in
redress for
customers

\$112,368
in billing
adjustments

\$86,945
in recognition
of customer
service issues

\$39,490
in debt
reduction/
waivers

\$6,236
in waived fees

\$232
in guaranteed
service level
payments

5,802
Investigations



4,187 (72%)
complaints had
conciliated
outcomes

1,704
payment
plans arranged

1,093
apologies
provided to
customers

\$2,686,170
achieved in
redress for
customers

\$1,475,822
in billing
adjustments

\$705,025
in recognition
of customer
service issues

\$453,951
in debt
reduction/
waivers

\$42,933
in waived fees

\$8,439
in guaranteed
service level
payments

1,615 (28%)
other finalised
complaints

1,513 (26%)
closed due to
non-participation
by the customer

48 (<1%)
withdrawn by
the customer

37 (<1%)
closed as the
case was deemed
by EWOV to be
out of jurisdiction

13 (<1%)
closed as EWOV
deemed a fair
offer had been
put forward

2 (<1%)
more
appropriately
dealt with by
another body

2 (<1%)
closed on the
basis that further
investigation was
not warranted

2004-2005

One complaint signalled a systemic issue affecting 7,000 water customers

In June 2005, a metropolitan service charge error came to public attention when the three metropolitan water retailers sent refunds, ranging from hundreds of dollars to thousands of dollars, to customers around Melbourne.

Since 1998, metropolitan water customers on a single property title had been required to pay only one water and sewerage charge — even where there was more than one dwelling on the property.

One customer's complaint led to the discovery by the metropolitan water retailers that some 7,000 metropolitan water customers had been overcharged by being billed one service charge per dwelling (that is, multiple service charges) instead of one service charge per property title. This was an excellent example of a systemic issue being identified from just one case.

It could, however, have been discovered 18 months earlier. In 2004, we identified this issue in a complaint lodged with EWOV. At that time, we asked the water retailer concerned whether other customers may be similarly affected. Its response was that it was an isolated error.

Issues and trends

Falls across the top issues categories

It was pleasing to see falls across all top level issues categories in 2015-16.

Billing remained the single biggest source of complaints, raised as the main issue in 14,643 cases. Positively, billing cases fell 36% from 22,855 cases in 2014-15, largely due to the resolution of problems with company billing systems. The most common billing sub-issues were high bill (3,663 cases), error (2,326 cases) and backbill (2,144 cases).

Credit remained the second biggest source of complaints, raised as the main issue in 10,995 cases. Credit cases fell 19% from 13,574 cases in 2014-15. We believe this pleasing, though smaller, fall in credit cases can be attributed to more attention by energy retailers to preventing the escalation of less complex hardship complaints. We registered 4,538 credit cases about energy disconnection/water restriction and 4,319 cases about debt collection/credit default listing.

The chart on page 25 shows trends in the top five sub-issues, all of which are either credit or billing issues.

For trends in other common issues, see pages 26 – 27.

For a closer look at billing issues, see pages 28 – 31.

For a closer look at credit issues, see pages 32 – 37.

On issues watch

Transfer

- an 11% increase in transfer cases with site ownership as the main issue

Supply

- a 21% increase in overall cases about supply quality
 - a 31% increase cases about the quality of gas supply
- a 17% increase in complaints about water supply

Billing

- an 11% increase in cases about estimation of gas bills
- a 25% increase in cases about water backbills
- a 3% increase in cases about high water bills

Credit

- a 16% increase in water cases about debt collection/credit default listing
- a 9% increase in cases about restriction of water supply

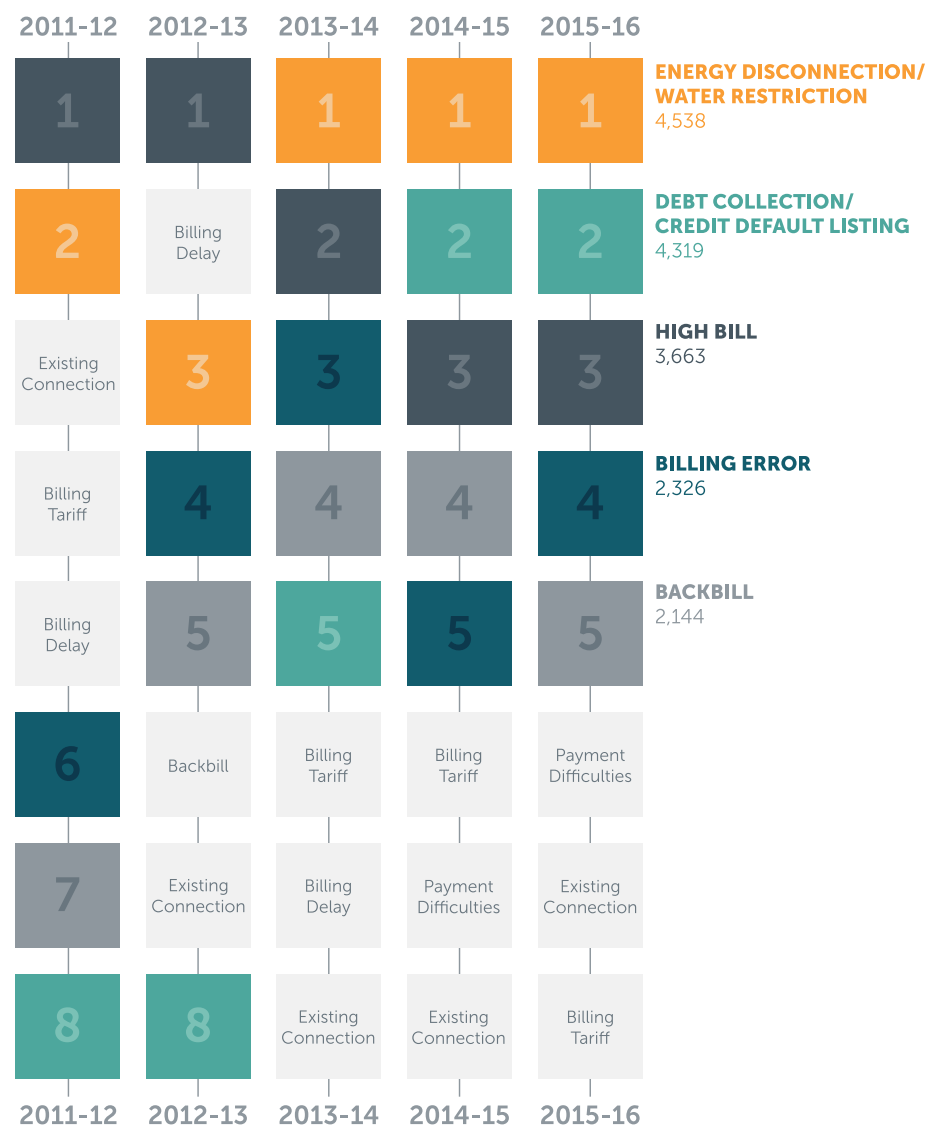
The top 5 issues raised by residential customers in 2015-16

- Disconnection/restriction (4,127)
- Debt collection/credit default listing (4,028)
- High bill (3,439)
- Billing error (2,139)
- Payment difficulties 2,066

The top 5 issues raised by business customers in 2015-16

- Disconnection/restriction (387)
- Backbill (352)
- Debt collection/credit default listing (87)
- High bill (213)
- New connection (186)

TOP 5 ISSUES IN 2015-16 AND HOW THEY HAVE RANKED SINCE 2011-12



A quick guide to EWOV's issues categories

We use nine high-level issues categories:



Billing

Generating and sending bills, and payment processes



Credit

Unpaid bills and the action taken to collect arrears, including energy disconnection/water restriction, debt collection and credit default listing



Customer Service

The level of service received or not received



Land

The effect of company activities or network assets on a customer's property



Marketing

How energy retailers go about gaining new customers



Provision

The connection of a property to the energy or water network



Supply

The physical delivery of the energy or water service



Transfer

Switching an account to a new energy retailer.

Based on the customer's statement, we sometimes register two or more issues for the one complaint — for example, estimated billing and high bill. A customer may also have issues with two different companies at the same time. During the life of a complaint, we may re-categorise the initial issue, as more information comes to light about the actual nature of the complaint.

2005-2006

First training for some company staff

In 2004-05, EWOV cases increased significantly. This raised questions about the effectiveness of the internal dispute resolution (IDR) processes of some energy and water companies. Specifically, we were concerned about why more customers were bringing their complaints to EWOV, even though they'd complained to their company.

In November 2005, we ran our first IDR workshop. Overall, our aim was to reduce EWOV cases by helping energy retailers identify opportunities for improving their IDR processes, at both management and operational levels. The workshop was attended by 26 electricity and gas retailer staff (customer service managers and team leaders, billing and credit managers, and call centre managers). Most said they learnt new approaches they could readily implement. The workshop was so well received that we ran two more in March 2006 for staff from water companies and energy distributors.

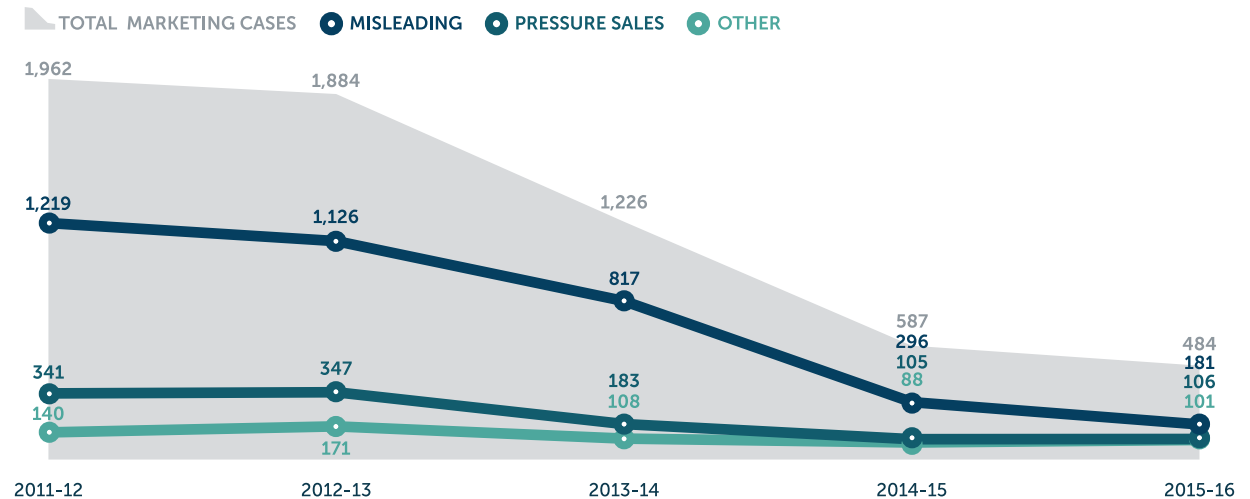
We were surprised to find out that some one-third of attendees at EWOV's IDR workshops had no previous formal training in complaints handling, despite dealing with complaints daily.

In June 2006, we built on our workshops by running an IDR conference with the theme, Internal dispute resolution: strategies that go to the heart of your business. It was attended by over 100 company staff and some invited consumer, community, government and ombudsman representatives.

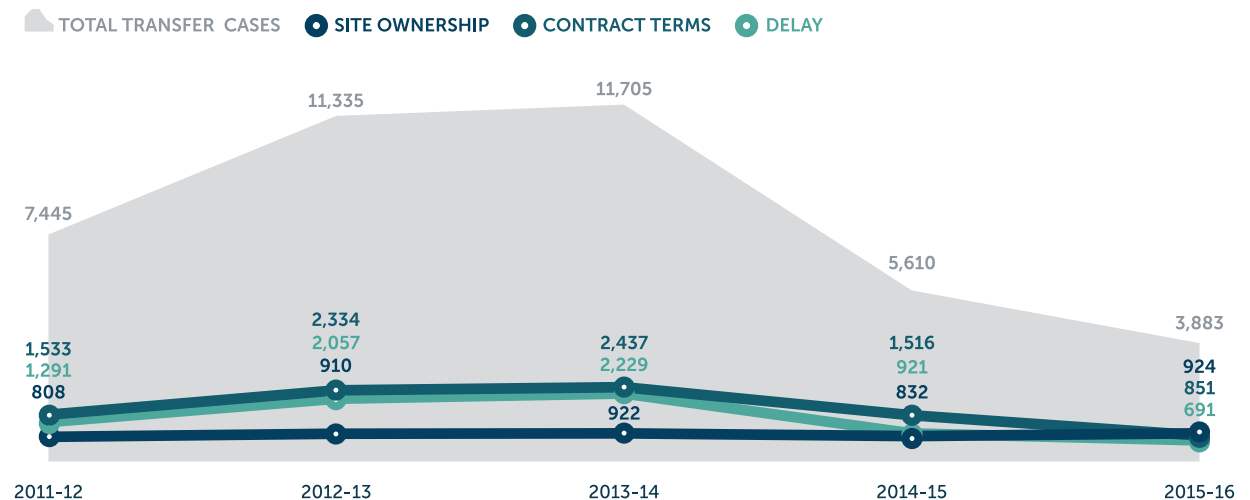
Tracking marketing, transfer, provision and supply issues

For definitions of EWOV's complaint issues, including marketing, transfer, provision, and supply, see page 25.

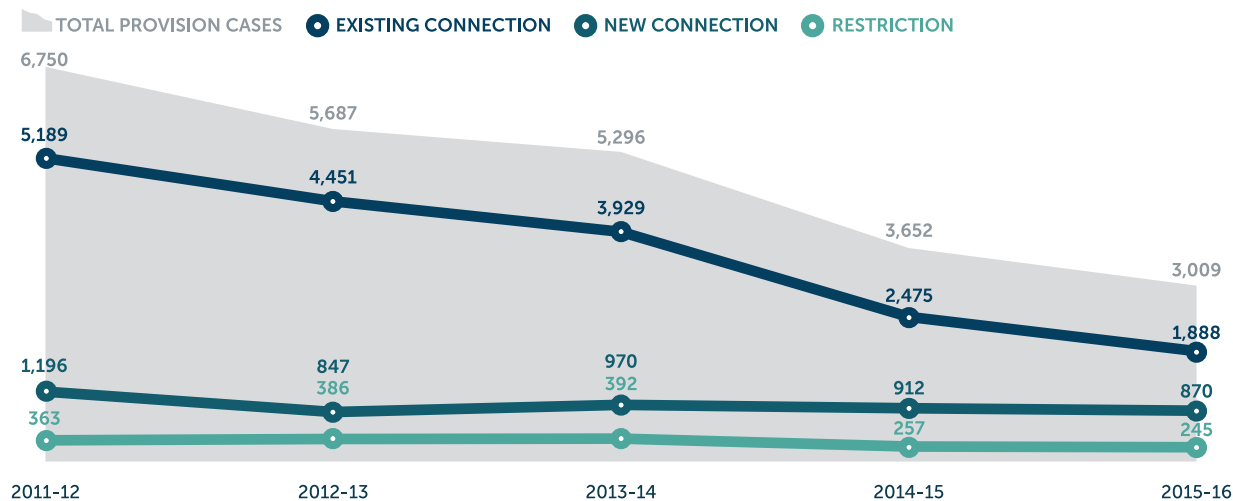
TOP THREE MARKETING ISSUES 2011-12 TO 2015-16



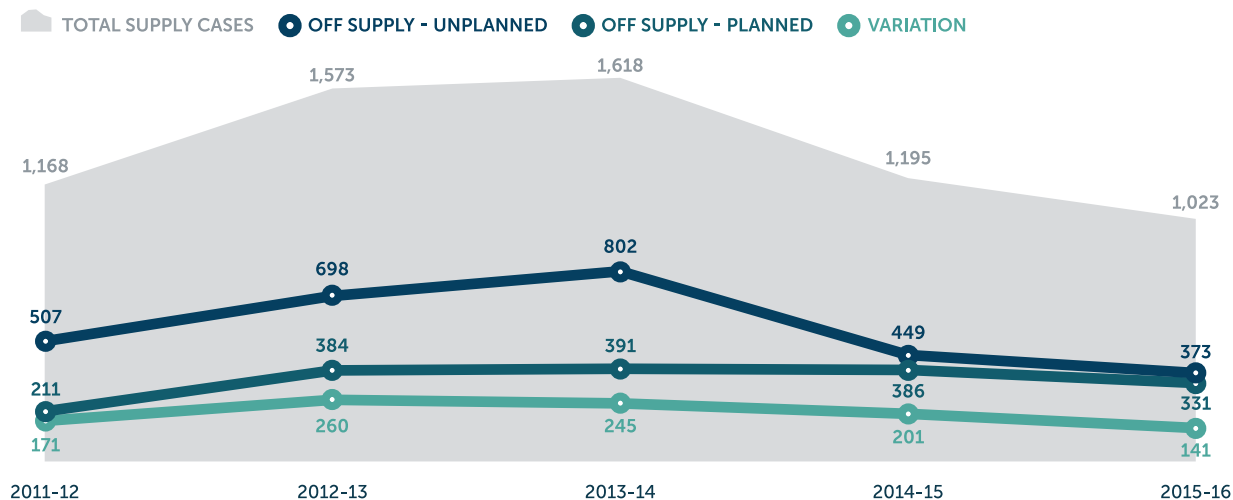
TOP THREE TRANSFER ISSUES 2011-12 TO 2015-16



TOP THREE PROVISION ISSUES 2011-12 TO 2015-16



TOP THREE SUPPLY ISSUES 2011-12 TO 2015-16



2006-2007

Value adds for scheme participants

Our first scheme participant conference in March 2007 was a well received mix of the latest in dispute resolution practices, practical complaint handling workshops, and the opportunity to share experiences with those doing similar jobs across industries.

We introduced a scheme participant 'extranet', a secure website through which companies could receive their EWOV case reports. It also provided ready access to resources, including the case handling manual, contact lists, frequently asked questions and case studies.

EWOV Link, our quarterly electronic newsletter for scheme participant staff, continued to provide the latest information on case trends, issues and tips for addressing particular types of complaints.

We ran 20 sector-specific training sessions for scheme participants, including on how EWOV assessed wrongful disconnection issues, high energy bills and high water bills. And we facilitated nine more complaint handling workshops for over 200 scheme participant staff. One was an advanced workshop introduced at the request of attendees at the introductory workshops.

"Over the last couple of years, we've put a lot of work into helping scheme participants improve their internal dispute resolution (IDR) processes. I think that, through a combination of EWOV activities and resources for scheme participants, we've played a role in bringing about [a] level of case stabilisation." Ombudsman, Fiona McLeod

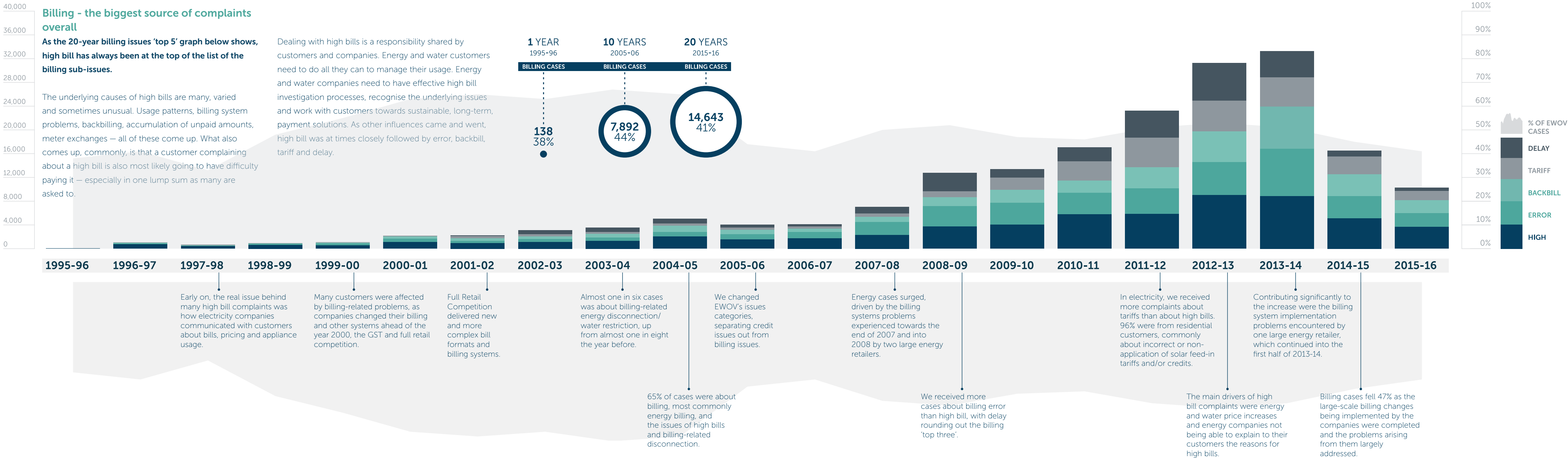
20 years of billing issues

Billing - the biggest source of complaints overall

As the 20-year billing issues 'top 5' graph below shows, high bill has always been at the top of the list of the billing sub-issues.

The underlying causes of high bills are many, varied and sometimes unusual. Usage patterns, billing system problems, backbilling, accumulation of unpaid amounts, meter exchanges — all of these come up. What also comes up, commonly, is that a customer complaining about a high bill is also most likely going to have difficulty paying it — especially in one lump sum as many are asked to.

Dealing with high bills is a responsibility shared by customers and companies. Energy and water customers need to do all they can to manage their usage. Energy and water companies need to have effective high bill investigation processes, recognise the underlying issues and work with customers towards sustainable, long-term, payment solutions. As other influences came and went, high bill was at times closely followed by error, backbill, tariff and delay.



Billing issues in 2015-16

Billing cases are at an eight-year low

Overall in 2015-16, billing cases were at their lowest since 2007-08, reflecting the end of major billing system implementations by the companies and improvements in internal dispute resolution that saw straightforward billing complaints being dealt with to customer satisfaction.

Billing cases made up 41% of our work, compared with 45% in 2014-15.

High bill was still the most common sub-issue (3,663 cases), followed by error (2,326 cases), backbill (2,144 cases), tariff (1,593 cases) and estimation (1,106 cases).

As the map on page 19 shows, the parts of Victoria with the highest rates of high bill cases were the colder regions of Towong Shire and Alpine Shire.

For more detailed industry information about billing issues, see page 42 for electricity, page 48 for gas and page 53 for water.

On issues watch

- an 11% increase in cases about estimation of gas bills
- a 25% increase in cases about water backbills
- a 3% increase in cases about high water bills



Billing case study: year 20

High estimated bills and unexplained direct debits

In April 2015, the customer received a high estimated electricity bill. He believed his bills had been estimated since June 2014. He was told that a hold would be placed on his account until his concerns were looked into. Despite this, two payments for \$311.85 and \$336.85 were taken by unauthorised direct debit. Dissatisfied at this and at continuing to receive estimated bills, he contacted EWOV and switched to another retailer.

Contacted by EWOV, the retailer put a hold on the account while it contacted the local electricity distributor. The distributor wasn't able to explain the estimated meter reads. We requested copies of the customer's bills, the retailer's contact notes, an account reconciliation and meter read data. We confirmed that some previous bills had been estimated, but in final billing him, the retailer had caught his billing up after the estimates. Two direct debits had been processed while the account was supposed to be on hold. The retailer had already refunded one of them.

The retailer apologised to the customer. It confirmed his account had been closed and the final bill for \$533.19 was based on an actual meter read. It agreed to waive this in recognition of the customer service issues and unauthorised deduction of funds from his bank account. The customer confirmed he'd received a refund for the first direct debit of \$311.85. The retailer undertook to process a refund for the second direct debit of \$336.85 by an agreed date. 2015/17312

He was told that a hold would be placed on his account until his concerns were looked into. Despite this, two payments for \$311.85 and \$336.85 were taken by unauthorised direct debit.



14,643
BILLING CASES

 **36%**



Billing case study: year 1

High bill included usage for previous tenant

Before he moved into new premises, a suburban customer was informed by the power company that the meter had been read the day before to finalise the account for the previous tenant. He was told he would be billed from that date. Two months later he was contacted by the company requesting access to read the meter. It seems the earlier reading had not been taken.

When the customer queried how the bill with the former tenant would be split, the power company wasn't able to provide him with a detailed answer. He then received a bill in excess of \$400 for two months' usage, which included a \$44 connection fee. The bill represented a higher rate of usage than his normal average. The customer was concerned that he was paying a substantial part of the previous tenant's bill and contacted the company again. The power company wasn't able to offer a detailed answer.

EIOV investigated the matter and asked the customer to read his meter every day to determine usage. The customer was able to confirm usage slightly below normal. The result of EIOV's Investigation was that the company accepted a mistake had been made with the customer's bill, which was then reduced to \$300.

The customer was concerned that he was paying a substantial part of the previous tenant's bill ...

from the ARCHIVES

2007-2008

Billing system problems flow on

In a difficult and challenging year, the impact of information technology issues was brought sharply into focus, when two of Australia's largest energy companies experienced billing system problems. This led to call centre congestion, customer confusion, and a surge in customer complaints to the companies and to EWOV.

In December 2007, one energy retailer's problems with a new billing system drew a lot of publicity. Its call centre was overwhelmed, with flow-on effects for EWOV. This peaked for us in January 2008, but continued into February 2008 with slightly lower cases volumes. The problems included billing errors and reminder notices sent to several thousand customers who'd already paid their bills. Customer dissatisfaction was increased by long delays when they rang the retailer's call centre.

Then, in late March 2008, two national energy retailers moved some 1.2 million customers across to their billing systems from the systems of their newly-purchased interstate electricity companies. The data transfer didn't go as smoothly as anticipated. Account and billing issues were compounded by call centre resourcing issues and call handling delays for other customers too.

These events were examples of how, despite the best of intentions and pre-testing, billing system installations and changes and large-scale customer integrations are fertile ground for problems. They also demonstrated how billing systems problems can cause EWOV's case volumes to surge quickly and unexpectedly.

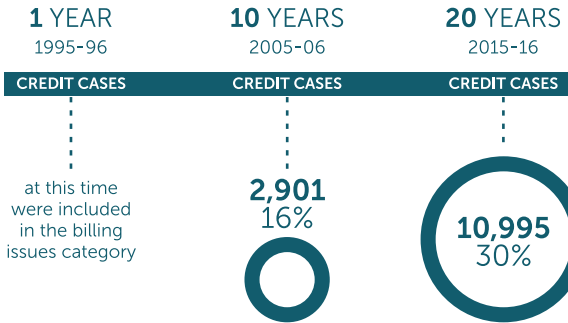
20,000
18,000
16,000
14,000
12,000
10,000
8,000
6,000
4,000
2,000
0

20 years of credit issues

Credit – the capacity of customers to pay their bills and stay on supply

As the graph below tracking credit issues across 20 years shows, EWOV originally recorded credit cases as part of billing.

In 2005, we separated credit out into its own issues category, focused on the capacity of customers to pay their bills and stay on supply. The main credit sub-issues are energy disconnection/water restriction, payment difficulties and debt collection/credit default listing.



1995-96 1996-97 1997-98 1998-99 1999-00 2000-01 2001-02 2002-03 2003-04 2004-05 2005-06 2006-07 2007-08 2008-09 2009-10 2010-11 2011-12 2012-13 2013-14 2014-15 2015-16

Under a new EIOV policy, electricity companies agreed to reconnect supply where the customer's complaint related to the reason for the disconnection.

From January 2001, it became a code requirement for EWOV's contact details to be on all electricity and gas disconnection notices.

The three major electricity and gas retailers moved to develop customer hardship programs.

Case analysis we provided to the Essential Services Commission (ESC) pointed to shortfalls in customer hardship initiatives.

From 1 July 2005, changes to EWOV's issues categories saw credit issues separated out from billing issues.

Credit was EWOV's second largest issues category after billing — mostly about energy disconnection for debt, payment difficulties and debt collection activities.

Many cases (disconnection, high bill, arrears, debt collection, payment plans) pointed to increasing customer financial hardship.

One energy retailer's billing system problems saw many of its customers receive large backbills, followed by threatened or actual disconnection for non-payment.

EWOV's historical case trends changed when two credit issues topped the list of complaints overall.

"When you're handling an essential service, you're also handling a public trust ... It might be profit-intended, however it is still a public trust first and foremost, and therefore it will be examined by standards which aren't simply, will never simply be, profit-driven..."

Reverend Tim Costello, keynote speaker at EWOV's first hardship conference in November 2001

With a higher than expected number of gas disconnection cases, EWOV signalled it would be monitoring to see whether gas company policies or procedures may need improvement.

Concerned at rising cases about payment difficulties, we ran EWOV's first conference on financial hardship issues. Themed *Getting connected – Genuine utility-consumer partnerships*, it highlighted the leading role of water company hardship programs and led to new thinking on the part of energy retailers. It also prompted regulatory changes to require energy and water companies to have customer hardship programs.

EWOV cases pointed to a systemic issue around actual and threatened energy disconnection, despite evidence of customer incapacity to pay.

In December 2004, the Victorian Government introduced the Wrongful Disconnection Payment, with immediate and significant falls in energy disconnections.

Cases about actual disconnection increased, reflecting a rise in disconnections generally across Victoria, as reported by the ESC.

In March 2008, we convened EWOV's second hardship conference, themed *Hardship: where are we on the journey?*

In 53% of the energy disconnection complaints EWOV assessed, the retailer agreed to make a Wrongful Disconnection Payment.

As affordability issues became apparent, EWOV expressed concern about the emergence of credit repair companies, which made much of providing people with a quick debt fix, for a price.

A record 18,065 customers raised credit as their main issue — 48% more than in 2012-13 and 207% more than four years earlier.

For the second year in a row, energy disconnection/water restriction and debt collection/credit default were the top ranking customer issues.

100%
90%
80%
70%
60%
50%
40%
30%
20%
10%
0%

% OF EWOV CASES

PAYMENT DIFFICULTIES

COLLECTION

DISCONNECTION/RESTRICTION

Credit issues in 2015-16

Welcome falls in credit cases

Overall in 2015-16, credit cases were at a four-year low. This reflects a better approach by energy retailers to complaint prevention, and to minimising escalation of less complex hardship complaints, through payment flexibility and better assistance for customers in temporary payment difficulty. However, the sector has a long way to go to come close to managing long-term affordability issues.

Credit cases were 30% of our caseload, compared with 27% in 2014-15. Energy disconnection/water restriction was the most common sub-issue (4,538 cases), followed by debt collection/credit default listing (4,319 cases) and payment difficulties (2,114 cases). Collection cases were down across all of the three largest energy retailers and disconnection cases fell for the two largest retailers.

As the maps on pages 18 and 19 show, the parts of Victoria with the highest rates of energy disconnection/water restriction cases were the shires of Baw Baw, South Gippsland, Hepburn and Central Goldfields. The parts of Victoria with the highest rates of collection cases were Melton Shire, Pyrenees Shire, Wyndham Council and Central Goldfields Shire.

For more detailed industry information about credit issues, see page 42 for electricity, page 48 for gas and page 53 for water.



Credit case study: year 20

Getting back on track after financial hardship

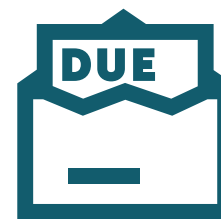
A customer was told her fortnightly payment plan of \$30 was no longer enough and, unless she paid her account balance of \$1,734.70 in full, her supply would be disconnected. Worried about her high bills and financial situation, she contacted EWOV. Because the complaint raised complex hardship issues, the retailer requested an Investigation.

We found that, having been removed for lack of engagement, the customer was back in her retailer's hardship program and actively participating. She'd recently agreed to a new payment plan of \$55 a fortnight, based on her advised capacity to pay. The retailer confirmed its reluctance to return to fortnightly payments of \$30, because her usage was \$62 a fortnight.

The customer agreed to an energy audit by our Technical Consultant, and to monitor her usage more carefully. Our Financial Assessor found her rent costs were more than half of her income. With other expenses, this meant she couldn't afford to increase her fortnightly payments to more than \$35. We recommended that the retailer agree to this for a period to give her the chance to address her usage.

The retailer agreed to \$35 a fortnight for three months, to be reviewed once the customer had reduced her usage. The customer applied for a Utility Relief Grant and the retailer agreed to continue assistance through its hardship program. 2015/28157

The retailer confirmed its reluctance to return to fortnightly payments of \$30, because her usage was \$62 a fortnight.



10,995
CREDIT CASES

 **19%**



Credit case study: year 1

Disconnected for a waived refundable advance

A customer said that he'd been disconnected unfairly, that he'd been declared bankrupt and that the electricity company was one of his creditors. The customer said he'd been asked to pay a refundable advance of \$200. Six weeks prior to the disconnection, a support worker had negotiated on the customer's behalf, and the electricity company had agreed to waive the refundable advance.

The customer was paying his accounts via an Easyway plan, in fortnightly payments of \$20. When he received a bill for \$1.38, he discontinued his payments as he believed he was now in credit. His supply was then disconnected for arrears of \$201.38, \$200 of which was the refundable advance.

When the customer called the electricity company, he was told that supply could be restored if he made a payment of \$144 that day (\$44 reconnection fee and \$100 refundable advance). The customer felt that this was unfair as the company had previously agreed to waive the refundable advance.

As part of our Investigation, we examined customer records and requested other relevant notes from the company. It provided the requested documentation and moved quickly to offer a resolution. It agreed to waive the refundable advance, reconnect the customer that day and not charge a reconnection fee. The customer agreed to bring his account up to date within the next week and to adhere to the plan in future.

When he received a bill for \$1.38, he discontinued his payments as he believed he was now in credit. His supply was then disconnected for arrears of \$201.38, \$200 of which was the refundable advance.

from the ARCHIVES

2008-2009

Swift action to maintain our standards

Faced with rising case volumes, we streamlined our processes, looking for effective but speedier ways of doing things. Our goal was continuous improvement in all aspects of our work. We set up an internal innovation working group and we commissioned an independent review of our case handling policies and processes.

In mid-June 2007, we'd introduced an extension of our existing 'refer to higher-level' process on an interim basis to help us deal with rising caseloads. All customers whose complaint qualified for an Investigation by us (because they'd already had two contacts with their company) were offered the option of going back to the company, with the assurance of a telephone call from a high-level company contact within 24 hours.

We continued to offer customers this option and, in 2008-09, 60% of customers (10,946) took it up. This eased the pressure on us, gave companies another opportunity to rebuild their customer relationships and, given our high caseloads, resolved the problem for many customers much more quickly than if we'd moved straight to an Investigation. Importantly for customers, it also prevented a backlog of complaints within EWOV.

We calculate it saved EWOV taking on more than 40 additional Conciliators, at a cost of several million dollars. In April 2009, the EWOV Board approved the process permanently — with customer choice and ongoing customer satisfaction surveys to be the underlying tests of its effectiveness.

2009-2010

A record \$5,678,380 in redress

This year's record redress included a billing adjustment of close to \$2,457,000, after a business's electricity usage was calculated at four times more than actual, due to a systems error.

Another complaint involved overcharging of 214 residents of a large inner-city complex for water. The complex, a mix of residences, commercial premises, parking spaces and common property, was subject to four body corporates. Until mid-2000, each residence had been individually metered and billed. After a failure of remote meter reading equipment, the metering set-up had been changed to two meters only. Since July 2000, the 214 residences had been billed equally for the development's total water use. The commercial properties hadn't been billed.

Following our Investigation of a complaint from a resident, the water company refunded existing residents all overcharges between July 2000 and February 2010. All up, 201 residents had been overcharged just over \$301,860, and 13 residents had been undercharged just under \$2,400. The overcharges were credited back to residents' accounts according to how long they'd lived there. The undercharges weren't pursued. All residents were sent an explanatory letter, reviewed by EWOV.

Separately, we discussed with the water company the potential systemic implications for other complexes. We also informed the Department of Sustainability and Environment of our findings and raised the issue with the other metropolitan water companies.

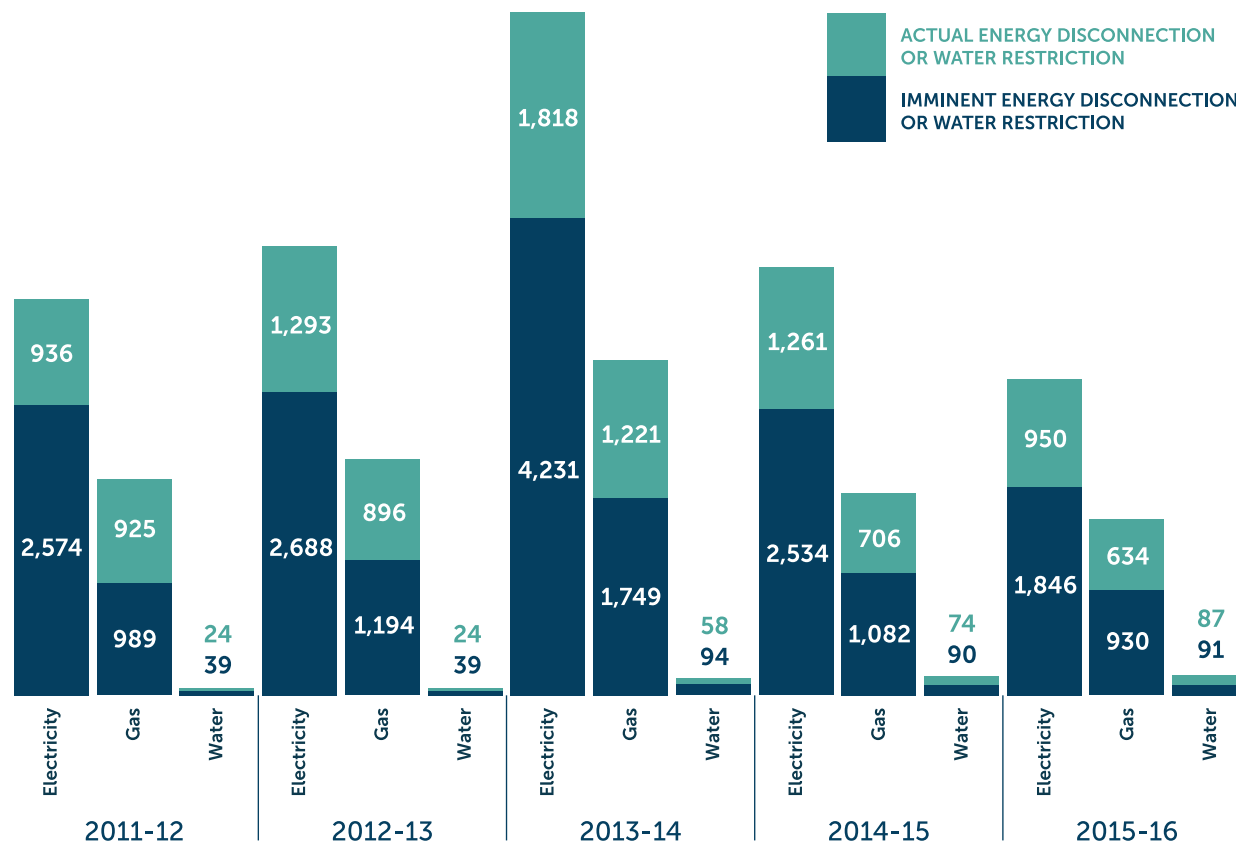
Tracking credit-related energy disconnection/water restriction

4,538 customers raised credit-related disconnection/restriction as their main issue of complaint, 21% fewer than in 2014-15, and down 49% from a peak of 9,171 customers in 2013-14.

By industry, 2,796 credit-related disconnection/restriction cases were lodged by electricity customers (down 26% from 2014-15), 1,564 by gas customers (down 13%) and 178 by water customers (up 9%).

The falls in electricity and gas disconnection cases are a sign that energy retailers have been taking a more customer-focused approach to affordability issues, before they start the disconnection process. In water, the increase generally relates to the credit activities of the metropolitan water retailers.

CREDIT-RELATED ACTUAL AND IMMINENT ENERGY DISCONNECTION AND WATER RESTRICTION CASES FROM 2011-12 TO 2015-16



Tracking Wrongful Disconnection Payments

In December 2004, the Victorian Government introduced the wrongful disconnection payment (WDP) legislation. In this context wrongful means that, in disconnecting supply, the energy retailer didn't comply with the terms and conditions of its contract with the customer — and in particular with the requirements set out in the *Energy Retail Code*. The payment is \$250 for each day the customer's supply was wrongfully disconnected and pro rata of \$250 for any part of a day. Pursuant to the *Energy Legislation Amendment (Consumer Protection) Act 2015*, for energy disconnections from 1 January 2016, the WDP amount increased to \$500 a day (or part thereof), capped at \$3,500 if the customer doesn't make contact with the retailer within 14 days.

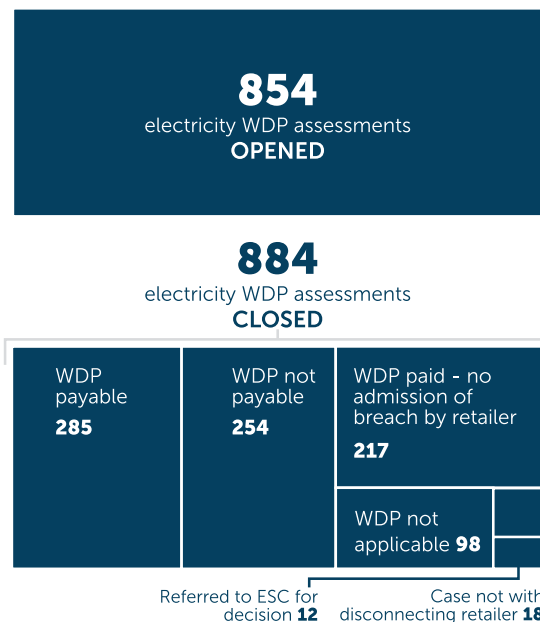
In assessing disconnection-related complaints, we gather information (from customers and retailers) about the circumstances of the disconnection. In some circumstances, the retailer has already made a wrongful disconnection payment (WDP) before the customer lodges their complaint with EWOV. In other cases where a complaint has been lodged with us, the retailer reviews the circumstances of the complaint, finds that it didn't meet the terms and conditions of the customer's contract, and advises that it will be making a payment. Yet in other cases, the WDP is found not to be an issue.

In 2015-16 we opened 854 stand-alone assessments into possible wrongful disconnection of electricity, 19% fewer than in 2014-15 and 39% fewer than in 2013-14. We also opened 662 stand-alone assessments into possible wrongful disconnection of gas, 2% more than in 2014-15 but 28% fewer than in 2013-14.

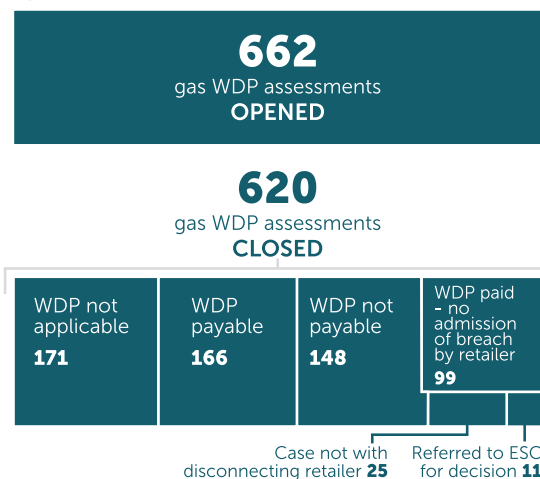
WRONGFUL DISCONNECTION PAYMENT (WDP) ASSESSMENTS OPENED AND THE OUTCOMES



ELECTRICITY



GAS



from the ARCHIVES

2010-2011

Smart Meter rollout raised customer concerns

From September 2009, as part of a state government program, electricity distributors progressively installed Smart Meters (also known as advanced meters) in homes and businesses across Victoria. We were able to investigate many of the complaints lodged with EWOV, but not all.

For example, the advanced meter charge introduced by the government in January 2010 fell outside of our jurisdiction because it was government policy. Similarly, some people didn't want a Smart Meter installed or wanted installation delayed. While the Victorian Government had made it clear that people could defer the installation of a Smart Meter until it made a decision on the rollout, customers complained about installers ignoring the note they left to this effect on the existing meter.

Where a Smart Meter was installed, customers complained about receiving higher than expected bills, interference with other appliances and property damage associated with the installation. A common complaint was around the customer's inability to read the new meter — under the existing legislation, electricity retailers didn't have to provide start and end reads on Smart Meter bills, so customers found they could no longer check the usage they were billed for against the usage on the meter. We recommended better training of company call centre staff and access for customers to specialists in interval meter issues as a way of addressing many of the complaints EWOV had received.

2011-2012

Rethinking our approach

By August 2011, despite our best efforts to recruit and train staff and adapt our processes, rising complaints had taken EWOV to a tipping point. Our capacity to deliver high quality services to customers and scheme participants was severely challenged and we faced a significant complaint backlog. Supported by the EWOV Board, we embarked on a tough, intensive 'rethinking' exercise, facilitated by independent experts.

During the last few months of 2011, everything we were doing and why we were doing it was scrutinised — case handling processes and procedures, systems, structure, resource effectiveness, management processes, and indicators and incentives.

This step-by-step analysis was very valuable, enabling us to step back, look objectively at the EWOV 'process' and identify opportunities to streamline our case handling processes, produce more efficient resolutions earlier, restructure roles for flexibility and response, reduce complaint handling administration, and deal with events such as complaint surges.

At the same time, we committed to a strategy for addressing the complaints backlog. A new Triage Team assessed complaints and rang customers to see whether the issue could be resolved quickly without an Investigation. This team also handled all failed Assisted Referrals. Committed, focused and pulling together, we cleared the complaint backlog within four weeks. This meant that, despite receiving 32% more complaints from October to December 2011 (against the same quarter the previous year), we finalised 68% more open Investigations.

SYSTEMIC ISSUES

A number of documents underpin EWOV's systemic issues identification and reporting responsibilities.

These include the *EWOV Charter* at sections 7.1 and 7.2, the *EWOV Constitution*, our regulatory memoranda of understanding and reporting protocols, and the *Benchmarks for Industry-Based Customer Dispute Resolution (CDR Benchmarks)*.

Monitoring and identification of systemic issues gives us the opportunity to alert the company concerned, help bring about a timely and efficient solution, and reduce the potential effect on a wider group of customers.

Our reporting of systemic issues brings a greater level of transparency to industry practices, helping to drive customer service improvements and prevent complaints.

Energy

- Double-charging for off-peak rates SI/2014/70
- Second payments sought some time after direct debits were dishonoured SI/2015/31
- Billing delay due to a tariff-mismatch SI/2015/35
- Online portal wasn't displaying the correct account balance SI/2015/43
- Non-compliant reminder notices SI/2015/27
- Wrong feed-in tariff applied to accounts (1) SI/2015/33
- Bulk hot water billing in megajoules rather than litres SI/2015/42
- Disconnection notices with short disconnection timeframes SI/2015/51
- Customers sent other customers' account information SI/2015/48
- Wrong feed-in tariff applied to accounts (2) SI/2015/55

- Hoax email with scam invoice SI/2015/58
- Billing backlog SI/2016/2
- Complexity of calculating termination fees – large business contracts SI/2015/26
- Disconnection warning notices sent too quickly to customers on deemed contracts SI/2016/7
- Loss of access to an energy distributor's online web portal SI/2016/33
- Payment plan customers had their whole account balance direct-debited SI/2016/49
- Customers quoted incorrect (cheaper) tariffs in phone and door-to-door marketing SI/2016/9
- Misleading telephone marketing SI/2016/34
- Confusion over which gas retailers can sell where SI/2016/37
- Changing notification of price increases SI/2016/11

Water

- Different billing periods for different charges SI/2015/17
- Bills issued two weeks late SI/2015/52
- Procedure for registering/declaring a property as a serviced property not followed SI/2015/45
- Double direct debits SI/2015/59
- Delayed application of GSL rebates SI/2016/30
- Estimated final water information statements when properties are sold SI/2016/19
- Non-billing of water and sewerage charges SI/2015/49
- Water and sewerage charges billed in error SI/2015/50
- Digital water meter replacement program SI/2016/20
- Changes to how high bills are handled SI/2016/18

2012-2013

EWOV Roadshow hit the highways

As part of our focus on looking outwards, we undertook a comprehensive and very well received Community Roadshow. This initiative was centred on talking to community organisations which work directly with the most vulnerable energy and water customers.

From Frankston to Ballarat, Swan Hill to Brunswick, Mildura to Geelong, Bendigo to Wodonga, we connected with 167 community agencies and over 800 community workers, including financial counsellors, legal advisors, disability assistants and Citizen Advice Bureau staff.

Our aim was to showcase EWOV information and resources that frontline workers in community organisations and agencies could use to help people presenting with energy and water questions and concerns. Each presentation was intentionally informal and flexible, so discussion could be driven by issues important to the attendees at that location. Commonly these were around financial hardship, supply disconnection, high bills, billing complexity, the Smart Meter rollout and energy marketing (particularly to vulnerable customers, such as the elderly and new migrants).

Through the Community Roadshow we were able to showcase EWOV resources directly to financial counsellors and community agency workers. It also provided a great opportunity to renew and build our relationships with key community organisations.

Billing delay due to a tariff mismatch

Our investigation of one customer's complaint about delayed billing due to a tariff-mismatch revealed the issue also affected 8,908 other customers. The energy retailer confirmed a tariff alignment issue, which resulted in customers being billed on the wrong tariff. Some customers were undercharged, some were overcharged, and others weren't affected financially. The retailer said it wouldn't seek to recover undercharged amounts and any amounts overcharged would be refunded. It said it had implemented system changes to prevent a recurrence. The regulator was notified. SI/2015/35

Second payments sought some time after direct debits were dishonoured

Five complaints to EWOV highlighted that some customers were being asked to pay bills a second time. Some of the bills went back to 2013. The customers had originally paid through direct debit, which was subsequently dishonoured. The energy retailer confirmed the action, saying that due to a billing system issue its standard debt collection process wasn't followed for these accounts. It said all the affected customers were notified about the issue at the time, but they weren't reminded of the arrears until recently. It advised that a billing system change implemented in June 2015 would prevent a recurrence. The regulator was notified. SI/2015/31

Loss of access to online web portal

One complaint received by EWOV highlighted loss of access to an energy distributor's online web portal (to monitor electricity usage). The problem appeared to be linked to Smart Meter upgrades completed by the energy distributor. The distributor identified around 3,000 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 could still request their interval meter data. The regulator wasn't notified. SI/2016/33

Different billing periods for different charges

In one complaint to EWOV the customer's water bill showed different billing periods for the Sewerage Disposal Charge and the Water Consumption Charge. The customer was billed on a shared meter. The water corporation advised that some 8,000 sites were affected. The properties were billed through a shared meter between July 2015 and September 2015. It said the meter had been fixed and the bills sent at the end of September 2015 showed the same billing period for usage and sewage disposal charges. The regulator wasn't notified. SI/2015/17

Delayed application of GSL rebates

The water corporation self-reported this issue to EWOV and the Essential Services Commission. Guaranteed Service Level (GSL) rebates are normally applied to water accounts automatically. Due to system issues since September 2014, approximately 13,250 rebates hadn't been applied to eligible customer accounts (up to November 2015). The systems issue was resolved and the water corporation had commenced applying a backlog of rebates to customer accounts. Most customers had received their rebate and would receive an apology letter which explained the delay and details of the rebate. EWOV didn't receive any complaints about this issue. SI/2016/30

2013-2014

Independent review

Under the *CDR Benchmarks*, EWOV must have periodic independent reviews of its performance. In late 2013, CameronRalph Navigator was engaged to assess EWOV's performance against the benchmarks of accessibility, independence, fairness, accountability, efficiency and effectiveness. The reviewers presented their report to the EWOV Board in June 2014. The Board welcomed the findings, which assessed that EWOV meets the standards expected under the benchmarks, and is a professionally run scheme in which staff are highly engaged with their work and committed to continuous improvement. The Board responded to each of the recommendations made by the reviewers. These reflected a need for 'subtle shifts in balance' rather than significant change.

Customer surveying

We undertake quarterly online and annual phone surveying of customers who've had contact with EWOV. This surveying focuses on our guiding principles of effectiveness, community awareness and access, quality and efficiency of service, independence and equity. In 2013-14 we achieved a Net Promoter Score of 71, the result of 82% of respondents saying they'd recommend EWOV to a family member or friend. Customers rated our fairness at 83% (up from 73%), independence at 82% (up from 76%), ease of lodging a complaint at 88% (good/excellent) and satisfaction with the way we handled the complaint at 78% (good/excellent). These results largely reflected our focus on training and support, to enable staff to respond appropriately and effectively in an environment where we know that most people who contact us are looking to make a complaint.

BY INDUSTRY

Scheme participants

(a consolidated list)

Starting with the electricity companies back in 1995, all energy and water companies operating in Victoria have been required by licence and/or legislation to join an ombudsman scheme approved by the Essential Services Commission. That scheme is EWOV. At 30 June 2016, 83 electricity, gas and water companies were members of EWOV Limited. Some of these companies trade under the same name.

Energy

Electricity retailers

- 1st Energy¹
- AusNet Services
- AGL Sales²
- Alinta Energy
- Blue NRG
- Click Energy
- Commander Power³
- CovaU
- Diamond Energy
- Dodo Power & Gas⁴
- EnergyAustralia
- EnergyAustralia (Yallourn)
- ERM Power Retail
- GloBird Energy⁵
- Lumo Energy Australia
- Macquarie Bank Limited
- Momentum Energy

- Neighbourhood Energy
- Next Business Energy
- Online Power & Gas
- Onsite Energy Solutions
- Origin Energy⁶
- Pacific Hydro Retail
- People Energy
- Powerdirect
- Powershop Australia
- QEnergy
- Red Energy
- Simply Energy
- Stanwell Corporation
- Sumo Power⁷
- WINconnect⁸

Electricity distributors

- AusNet Services
- CitiPower
- Jemena Electricity Networks (Vic)
- Powercor Australia
- United Energy Distribution

Electricity transmission companies

- AusNet Services
- Basslink

Natural gas retailers

- AGL Sales⁹
- Alinta Energy
- Click Energy
- CovaU
- Dodo Power & Gas
- EnergyAustralia
- Lumo Energy Australia
- Momentum Energy

2014-2015

A closer look at affordability

Released in March 2015, this report critically examined EWOV's affordability and hardship complaints. It highlighted and examined five areas where, based on our research, we considered energy and water companies could do more to assist customers — the provision of effective hardship support, making sustainable payment plans, improving communications and customer engagement, providing better customer support before disconnecting and restricting supply, and taking more reasonable debt collection action. It also suggested some collaborative action that could be taken by companies, government and regulators to help solve the problem of energy and water affordability.

Can I speak with a manager?

Released in February 2015, this customer service report provided an analysis of the effectiveness of the internal dispute resolution (IDR) processes of the energy and water companies in the EWOV scheme. It drew on surveying of customers who sought EWOV's assistance in the second half of 2014, about their expectations and experiences when they attempted to resolve their complaint directly with their energy or water company. The survey results strongly indicated that, for the most part, the expectations of these customers and the resolutions they were seeking were reasonable, and that companies could have done more to engage with them and meet their expectations when the customer first made contact.

Both reports are on our website: ewov.com.au.

- Origin Energy¹⁰
- Red Energy
- Simply Energy

Natural gas distributors

- AusNet Services
- Australian Gas Networks¹¹
- Multinet Gas Vic

Liquefied petroleum gas (LPG) retailers

- Elgas
- Origin Energy LPG¹²
- Supagas

Water

Metropolitan water retailers

- City West Water Corporation
- South East Water Corporation
- Yarra Valley Water Corporation

Metropolitan water wholesaler

- Melbourne Water Corporation

Regional urban water corporations

- Barwon Region Water Corporation
- Central Gippsland Region Water Corporation¹³
- Central Highlands Region Water Corporation
- Coliban Region Water Corporation
- East Gippsland Region Water Corporation
- Goulburn Valley Region Water Corporation
- North East Region Water Corporation
- South Gippsland Region Water Corporation
- Wannon Region Water Corporation
- Western Region Water Corporation
- Westernport Region Water Corporation

Rural water corporations

- Goulburn-Murray Rural Water Corporation
- Gippsland Southern Rural Water Corporation

Rural urban water corporations

- Grampians Wimmera Mallee Water Corporation
- Lower Murray Urban and Rural Water Corporation

NOTES:

1. 1st Energy Pty Ltd joined EWOV Limited as an electricity retail member on 9 June 2016.
2. Two electricity retail members of EWOV Limited trade as AGL Sales — AGL Sales Pty Ltd and AGL Sales (Queensland Electricity) Pty Limited.
3. Commander Power and Dodo Power & Gas are trading names of M2 Energy Pty Ltd.
4. Commander Power and Dodo Power & Gas are trading names of M2 Energy Pty Ltd.
5. GloBird Energy joined EWOV Limited as an electricity retail member on 21 August 2015.
6. Three electricity retail members of EWOV Limited trade as Origin Energy — Country Energy, Origin Energy Electricity Ltd and Sun Retail Pty Ltd.
7. Sumo Power is the trading name of SparQ Pty Ltd.
8. Name changed from WINenergy Pty Ltd in June 2016.
9. Two gas retail members of EWOV Limited trade as AGL Sales — AGL Sales Pty Ltd and AGL Sales (Queensland) Pty Ltd.
10. Two gas retail members of EWOV Limited trade as Origin Energy — Origin Energy (Vic) Pty Ltd and Origin Energy Retail Ltd.
11. Two gas distribution members of EWOV Limited trade as Australian Gas Networks — Australian Gas Networks Limited and Australian Gas Networks (Vic) Limited.
12. Two LPG members of EWOV Limited trade as Origin Energy LPG — Origin Energy LPG Limited and Origin Energy Retail Ltd.
13. Central Gippsland Regional Water Corporation is commonly known as Gippsland Water.

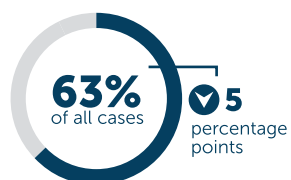


ELECTRICITY 2015-16

22,629

Cases

▼ 34%



21,562

Complaints

▼ 35%

1,067

Enquiries

▼ 21%

3,577

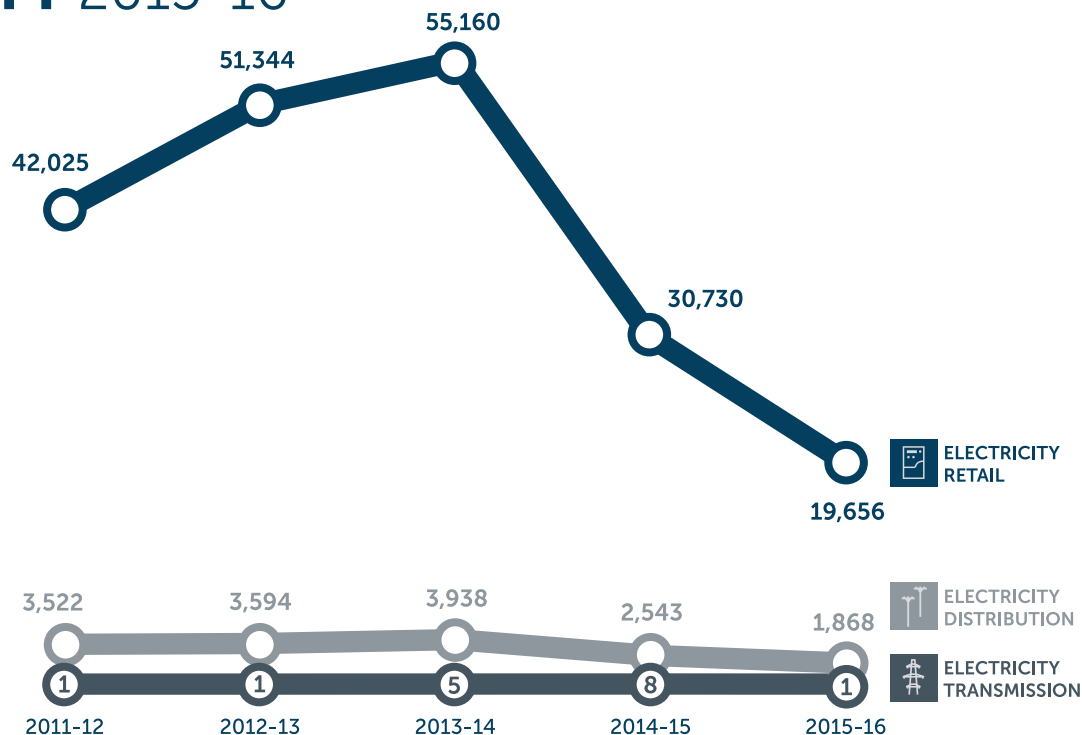
Investigations

▼ 31%

3,754

Investigations finalised

▼ 29%



At 30 June 2016, 43 electricity companies were EWOV scheme participants — 36 electricity retailers, 5 electricity distributors and 2 electricity transmission companies.

There are just over 2.7 million electricity customers in Victoria.¹⁴ Customers can choose to buy their electricity from most of the 36 retailers. They can't choose their electricity distributor, because each of the five distributors owns the 'poles and wires' network in a specific part of the state.

Victoria's electricity industry is privately owned, independently regulated and operates within the National Energy Market.



19,656

Electricity retail cases

▼ 36%



1,868

Electricity distribution cases

▼ 26%



1

Electricity transmission case

▼ 88%



20,101

Residential



2,421

Business

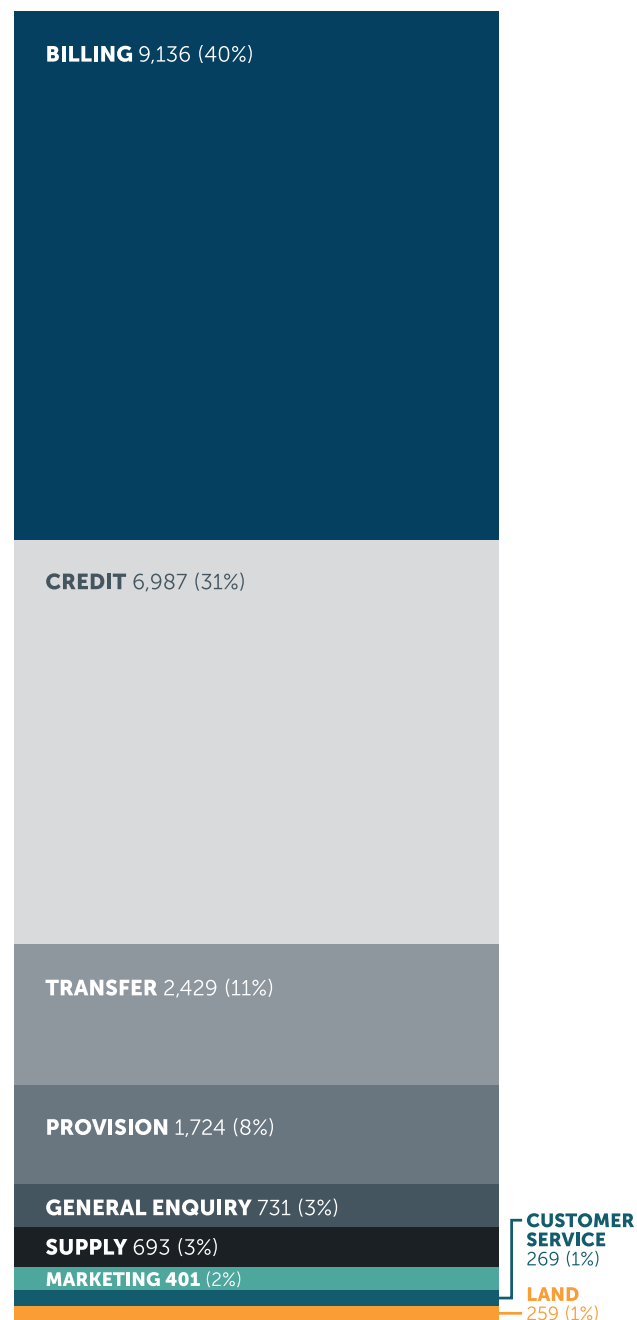


107

Government/
Not for profit

14. Energy Retailers Comparative Performance Report – Customer Service 2014-15 (May 2016), Essential Services Commission Victoria.

THE ISSUES RAISED BY ELECTRICITY CUSTOMERS



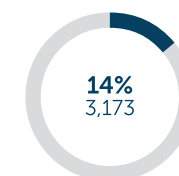
ISSUE	NUMBER
Billing (40%)	9,136
High	1,973
Tariff	1,508
Backbill	1,494
Error	1,351
Estimation	476
Fees and Charges	473
Concession/Rebate	396
Delay	386
Refund	346
Meter	291
Other	276
Format	166
Credit (31%)	6,987
Collection	2,951
Disconnection	2,796
Payment Difficulties	1,240
Transfer (11%)	2,429
Contract Terms	619
Site Ownership	465
Delay	388
In Error	339
Without Consent	252
Billing	158
Cooling-off Rights	130
Objection	78
Provision (8%)	1,724
Existing Connection	1,175
New Connection	376
Disconnection	173
General Enquiry (3%)	731
Energy	721
Non Energy	10
Supply (3%)	693
Off Supply - Planned	297
Off Supply - Unplanned	267
Variation	121
Quality	6
Sustainability Initiatives	2
Marketing (2%)	401
Misleading	152
Pressure Sales	91
Other	83
Information	65
Non Account Holder	10
Customer Service (1%)	269
Privacy	71
Poor Service	70
Failure to Consult/Inform	39
Incorrect Advice/Information	39
Failure to Respond	32
Poor/Unprofessional Attitude	18
Land (1%)	259
Network Assets	118
Other	82
Vegetation Management	42
Street Lighting	14
Easement	3

CASE TYPES

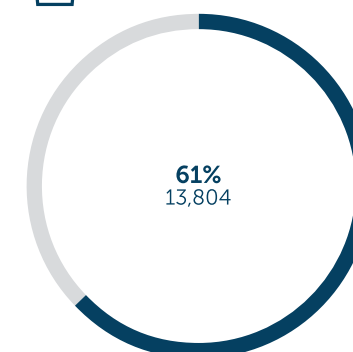
ENQUIRIES



UNASSISTED REFERRALS



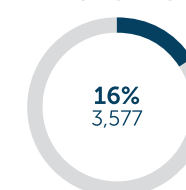
ASSISTED REFERRALS




































REAL TIME RESOLUTION







INVESTIGATIONS



ELECTRICITY CASES EWOV RECEIVED IN 2015-16

ELECTRICITY CASES EWOV RECEIVED IN 2015-16		OVERALL CASES		ENQUIRIES	COMPLAINTS				TOTAL COMPLAINTS
		2015-16	2014-15		Unassisted Referrals	Assisted Referrals	Real Time Resolutions	Investigations	
RETAIL CUSTOMER BANDWIDTH ~									
1st Energy		1	-	1	0	0	0	0	0
AGL Sales		4,013	6,826	33	439	2,438	231	872	3,980
Alinta Energy		628	644	4	100	418	27	79	624
Australian Power & Gas		-	131	-	-	-	-	-	-
Blue NRG		23	21	1	6	14	0	2	22
Click Energy		243	549	4	39	162	8	30	239
Commander Power		15	5	0	4	7	2	2	15
CovaU		27	1	1	11	13	0	2	26
Diamond Energy		11	9	0	3	7	0	1	11
Dodo Power & Gas		309	557	4	45	222	11	27	305
EnergyAustralia		4,303	7,830	52	569	2,753	176	753	4,251
EnergyAustralia (Yallourn)		3	0	0	1	1	1	0	3
ERM Power Retail		6	4	1	2	3	0	0	5
GloBird Energy		17	-	1	7	8	1	0	16
GoEnergy		4	0	0	2	2	0	0	4
Lumo Energy		1,455	2,006	15	181	975	77	207	1,440
Macquarie Bank Limited		0	0	0	0	0	0	0	0
Momentum Energy		590	1,076	8	90	369	28	95	582
Neighbourhood Energy		21	194	0	2	17	1	1	21
Next Business Energy		2	1	0	0	2	0	0	2
Online Power & Gas		111	35	4	23	74	4	6	107
Onsite Energy Solutions		0	0	0	0	0	0	0	0
Origin Energy		3,711	5,587	47	468	2,427	111	658	3,664
Pacific Hydro Retail		2	1	0	0	2	0	0	2
People Energy		205	128	0	29	152	8	16	205
Powerdirect		890	1,188	6	72	564	69	179	884
Powershop Australia		65	88	2	19	39	1	4	63
QEnergy		66	90	1	7	48	3	7	65
Red Energy		828	1,084	27	124	524	49	104	801
Simply Energy		2,040	2,675	27	246	1,375	106	286	2,013
Stanwell Corporation		0	0	0	0	0	0	0	0
Sumo Power		67	0	2	11	50	4	0	65
WINconnect		0	0	0	0	0	0	0	0
Total retail		19,656	30,730	241	2,500	12,666	918	3,331	19,415
DISTRIBUTION PERCENTAGE CUSTOMERS ^									
AusNet Services	25%	657	810	10	131	419	40	57	647
CitiPower	12%	144	149	4	37	76	2	25	140
Jemena Electricity Networks (Vic)	12%	246	249	5	41	164	15	21	241
Powercor Australia	28%	317	363	5	67	143	9	93	312
United Energy Distribution	24%	504	972	9	85	336	24	50	495
Total distribution		1,868	2,543	33	361	1,138	90	246	1,835
TRANSMISSION									
AusNet Services		1	8	0	1	0	0	0	1
Basslink		0	0	0	0	0	0	0	0
Total transmission		1	8	0	1	0	0	0	1
NON COMPANY SPECIFIC									
Non company specific		1,104	1,243	793	311	0	0	0	311
ELECTRICITY TOTALS		22,629	34,524	1,067	3,173	13,804	1,008	3,577	21,562

NOTES:

~ Customer bandwidths:
 less than 10,000 customers
 10,000 – 100,000 customers
 200,000 – 230,000 customers
 520,000 – 590,000 customers

This information is based on the *Essential Services Commission's Energy Retailers Comparative Performance Report – Pricing 2013 – 2014* (May 2016).

^ Electricity distributors' customer shares are based on the *Australian Energy Regulator's Electricity Distributors 2011–13 Performance Report* (June 2015).

1st Energy joined EWOV as an electricity retail scheme participant on 9 June 2016.

Australian Power & Gas is no longer an EWOV scheme participant.

Commander Power & Gas is a trading name of M2 Energy Pty Ltd.

Dodo Power & Gas is a trading name of M2 Energy Pty Ltd.

Globird Energy joined EWOV as an electricity retail scheme participant on 21 August 2015.

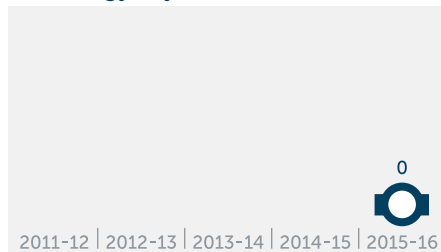
WINconnect was formally known as WINenergy.



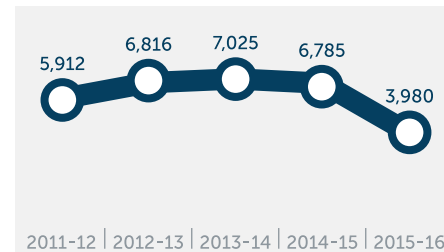
COMPLAINT RECEIPT TRENDS FOR ELECTRICITY COMPANIES FROM 2011-12 TO 2015-16

Electricity retail

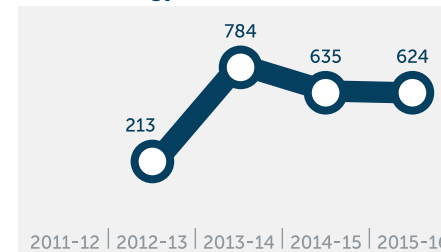
1st Energy Pty



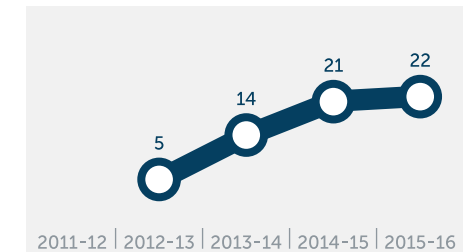
AGL Sales



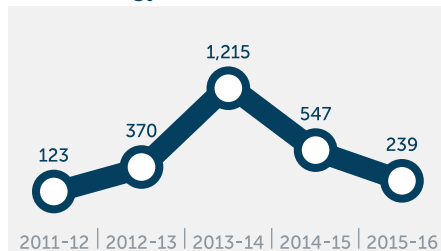
Alinta Energy



Blue NRG



Click Energy



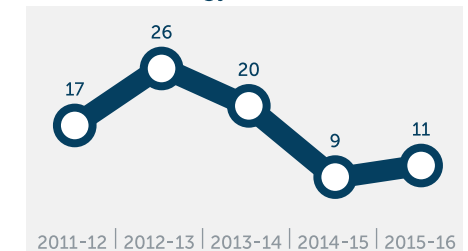
Commander Power



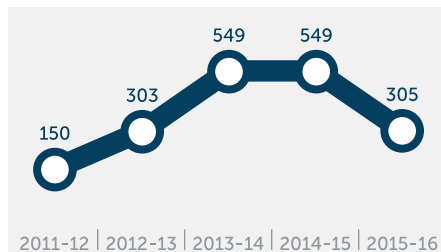
CovaU



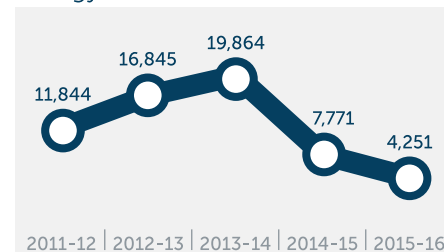
Diamond Energy



Dodo Power & Gas



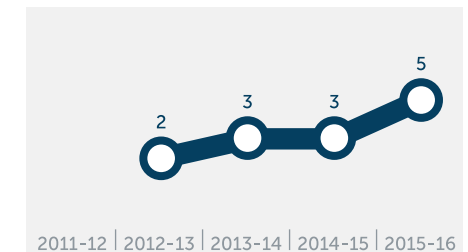
EnergyAustralia



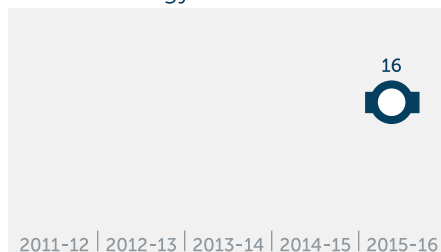
EnergyAustralia (Yallourn)



ERM Power Retail



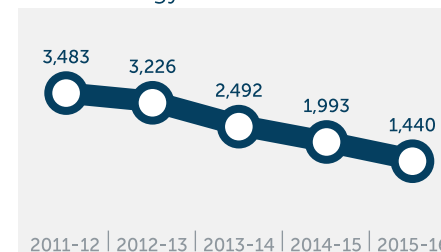
GloBird Energy



GoEnergy



Lumo Energy



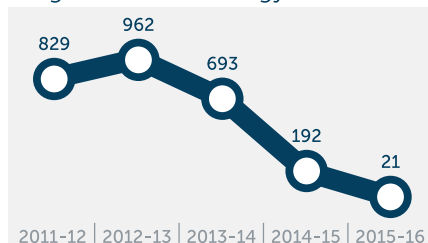
Macquarie Bank Limited



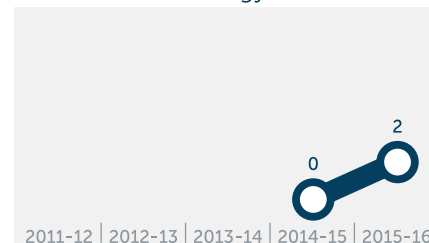
Momentum Energy



Neighbourhood Energy



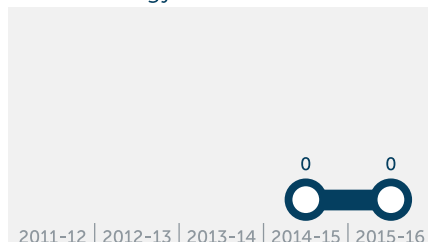
Next Business Energy



Online Power & Gas



Onsite Energy Solutions



Origin Energy



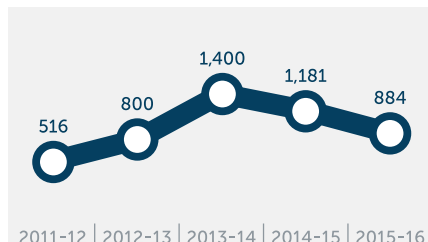
Pacific Hydro Retail



People Energy



Powerdirect



Powershop Australia



QEnergy



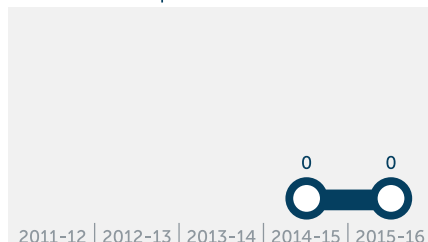
Red Energy



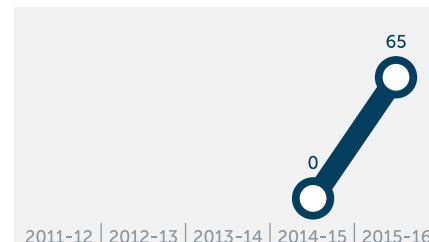
Simply Energy



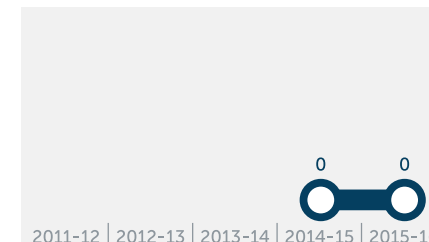
Stanwell Corporation



Sumo Power



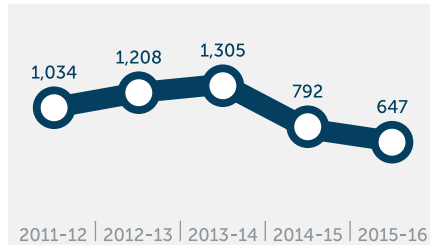
WINconnect



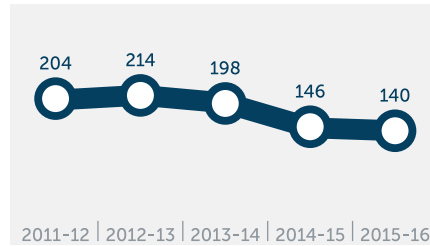
NOTE: Complaint numbers represent the actual number of complaints EWOV received for each company and do not take into account the size of each company's customer base.

Electricity distribution

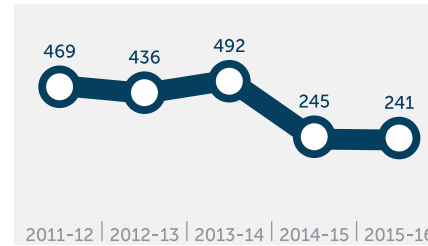
AusNet Services



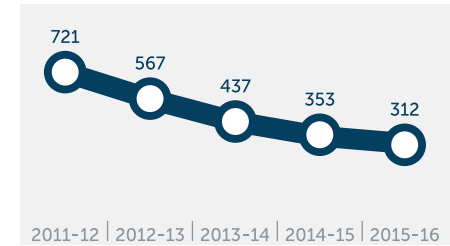
CitiPower



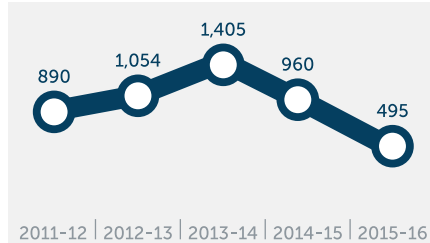
Jemena Electricity Networks (Vic)



Powercor Australia



United Energy Distribution

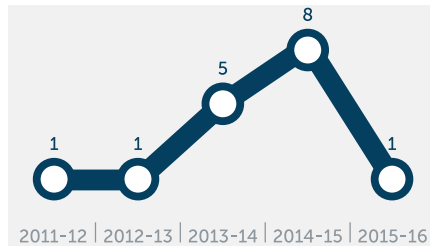


NOTE:

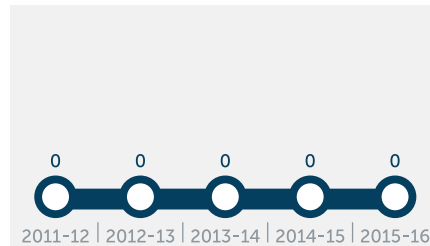
Previous formatting errors transposed data in the AusNet Services and United Energy graphs. This has now been corrected.

Electricity transmission

AusNet Services



Basslink





GAS 2015-16

10,715

Cases

✓ 18%



10,537

Complaints

✓ 18%

178

Enquiries

✓ 15%

1,743

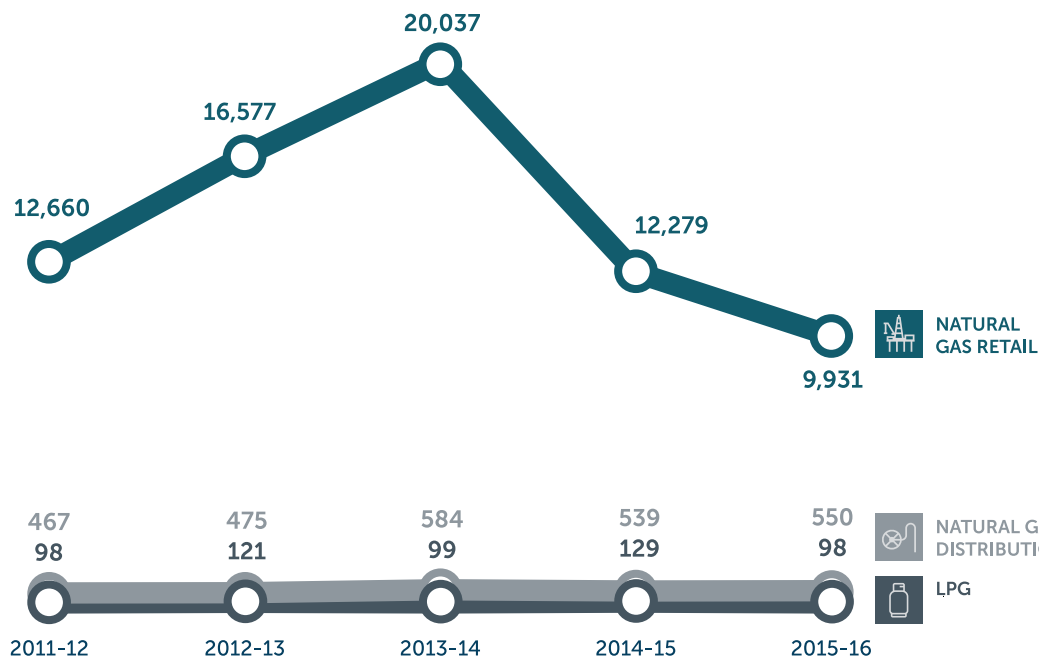
Investigations

✓ 8%

1,800

Investigations finalised

✓ 3%



At 30 June 2016, 21 gas companies were EWOV scheme participants – 13 natural gas retailers, 4 natural gas distributors and 4 liquefied petroleum gas (LPG) retailers.

There are just over 1.91 million gas customers in Victoria.¹⁵ They can choose to buy from most of the 13 natural gas retailers. They can't choose their distributor, because each of the four natural gas distributors owns a network of pipes in a specific part of the state. Customers using LPG at home, or in their business, can choose to purchase it from LPG retailers or resellers operating in their area.

Victoria's natural gas industry is privately owned, independently regulated and operates within the National Energy Market



9,931

Natural gas retail cases

▼ 19%



550

Natural gas distribution cases

▲ 2%



98

LPG cases

▼ 24%



10,268

Residential



429

Business



18

Government/
Not for profit

THE ISSUES RAISED BY GAS CUSTOMERS

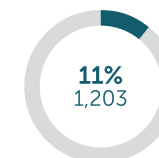


ISSUE	NUMBER
Billing (38%)	4,074
High	1,023
Error	796
Estimation	597
Backbill	519
Fees and Charges	202
Meter	183
Concession/Rebate	181
Refund	164
Delay	145
Other	130
Tariff	74
Format	55
Price of LPG	5
Credit (33%)	3,531
Disconnection	1,564
Collection	1,182
Payment Difficulties	761
Deliveries Stopped	24
Transfer (13%)	1,441
Site Ownership	458
Delay	302
Contract Terms	225
In Error	148
Billing	129
Without Consent	83
Objection	60
Cooling-off Rights	36
Provision (10%)	1,115
Existing Connection	619
New Connection	422
Disconnection	68
Deliveries Stopped	6
Supply (2%)	193
Off Supply - Unplanned	84
Quality	72
Off Supply - Planned	19
Variation	18
Sustainability Initiatives	0
General Enquiry (<1%)	104
Energy	104
Non Energy	0
Customer Service (<1%)	102
Poor Service	29
Privacy	21
Failure to Consult/Inform	18
Failure to Respond	15
Incorrect Advice/Information	13
Poor/Unprofessional Attitude	6
Marketing (>1%)	81
Misleading	29
Information	19
Other	17
Pressure Sales	14
Non Account Holder	2
Land (<1%)	74
Other	42
Network Assets	29
Easement	2
Cylinder (LPG)	1
Vegetation Management	0

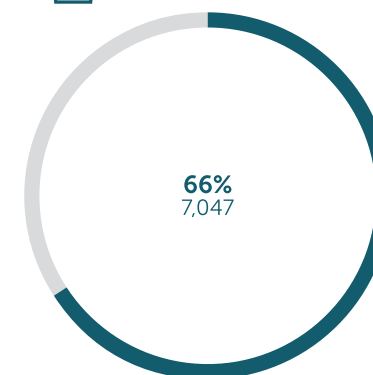
CASE TYPES



UNASSISTED REFERRALS



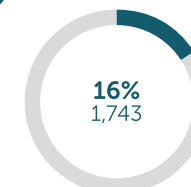
ASSISTED REFERRALS















REAL TIME RESOLUTION







INVESTIGATIONS



GAS CASES EWOV RECEIVED IN 2015-16

GAS CASES EWOV RECEIVED IN 2015-16		OVERALL CASES		ENQUIRIES	COMPLAINTS				TOTAL COMPLAINTS
		2015-16	2014-15		Unassisted Referrals	Assisted Referrals	Real Time Resolutions	Investigations	
NATURAL GAS RETAIL		CUSTOMER BANDWIDTH ~							
AGL Sales		2,611	3,357	10	247	1,662	175	517	2,601
Alinta Energy		289	262	2	50	187	8	42	287
Australian Power & Gas		-	59	-	-	-	-	-	-
Click Energy		79	12	0	10	55	6	8	79
CovaU		4	-	0	3	1	0	0	4
Dodo Power & Gas		191	236	1	20	153	6	11	190
EnergyAustralia		2,056	3,073	17	232	1,382	95	330	2,039
Lumo Energy		871	953	3	79	583	47	159	868
Momentum Energy		82	9	2	13	56	1	10	80
Origin Energy		2,252	2,815	14	233	1,518	94	393	2,238
Red Energy		423	380	4	54	290	24	51	419
Simply Energy		1,073	1,123	6	102	742	57	166	1,067
Total natural gas retail		9,931	12,279	59	1,043	6,629	513	1,687	9,872
NATURAL GAS DISTRIBUTION		PERCENTAGE CUSTOMERS ^							
AusNet Services	33%	125	141	8	25	79	3	10	117
Australian Gas Networks	31%	181	153	9	37	116	11	8	172
Multinet Gas	36%	244	245	10	30	165	13	26	234
Total natural gas distribution		550	539	27	92	360	27	44	523
LPG (RETAILER SPECIFIC)									
Elgas		69	53	1	16	42	4	6	68
Kleenheat		-	29	-	-	-	-	-	-
Origin Energy LPG		21	46	0	4	12	0	5	21
Supagas		8	1	1	2	4	0	1	7
Total LPG (retailer specific)		98	129	2	22	58	4	12	96
NON COMPANY SPECIFIC									
Natural gas		129	112	83	46	0	0	0	46
LPG		7	7	7	0	0	0	0	0
GAS TOTALS		10,715	13,066	178	1,203	7,047	544	1,743	10,537

NOTES:

~ Customer bandwidths:
 less than 4,000 customers
 30,000 – 40,000 customers
 130,000 – 160,000 customers
 400,000 – 550,000 customers

This information is based on the *Essential Services Commission's Energy Retailers Comparative Performance Report – Pricing 2013 – 2014* (May 2016).

^ Natural gas distributors' customer shares are based on the *Australian Energy Regulator's Victorian Gas Distribution Businesses - Comparative Performance Report 2012* (February 2014).

Australian Power & Gas is no longer an EWOV scheme participant.

Dodo Power & Gas is a trading name of M2 Energy Pty Ltd.

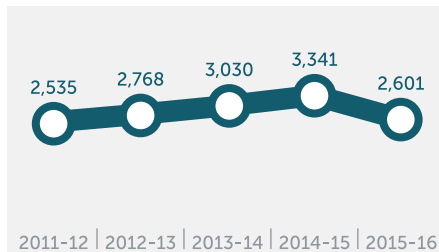
Kleenheat is no longer an EWOV scheme participant.



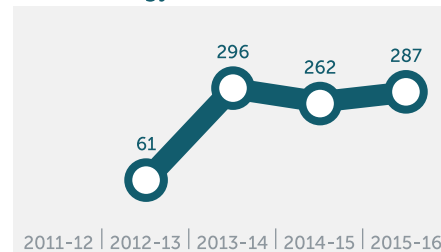
COMPLAINT RECEIPT TRENDS FOR GAS COMPANIES FROM 2011-12 TO 2015-16

Natural gas retail

AGL Sales



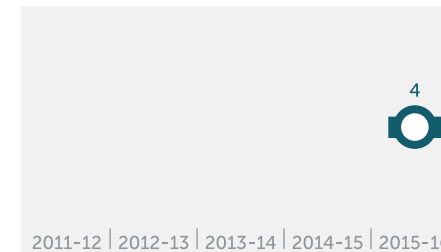
Alinta Energy



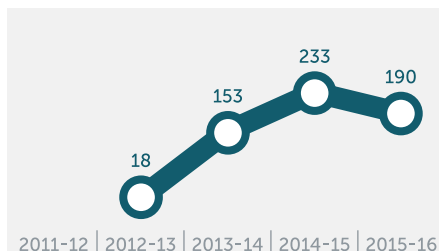
Click Energy



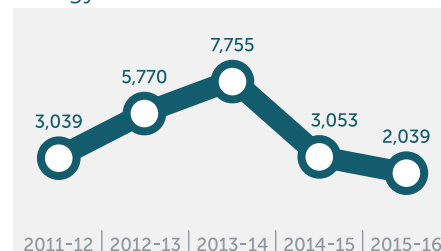
CovaU



Dodo Power & Gas



EnergyAustralia



Lumo Energy



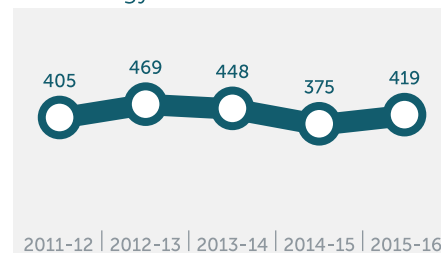
Momentum Energy



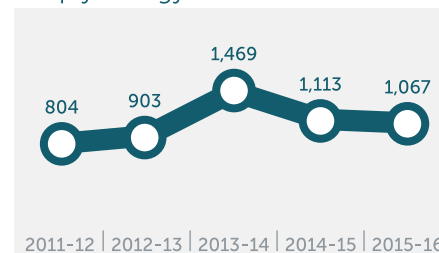
Origin Energy



Red Energy

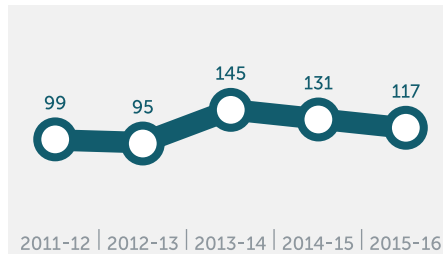


Simply Energy

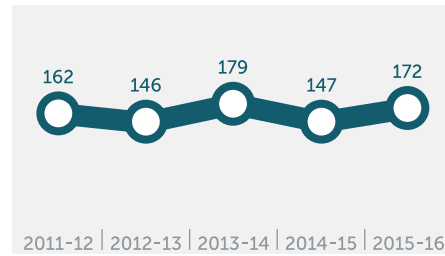


Natural gas distribution

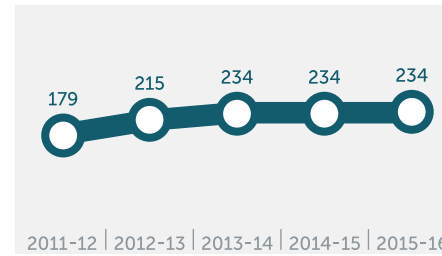
AusNet Services



Australian Gas Networks

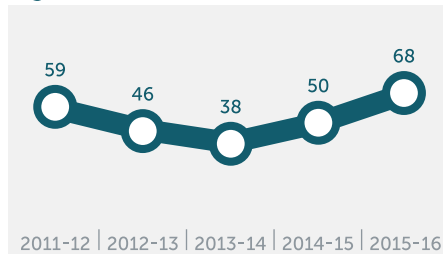


Multinet Gas

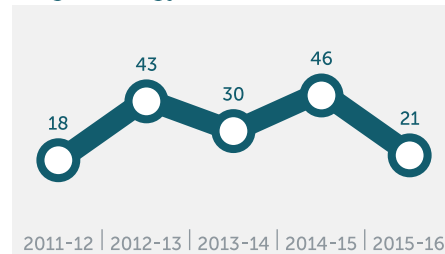


LPG

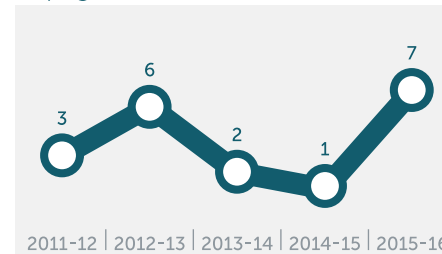
Elgas



Origin Energy LPG



Supagas



NOTE: Complaint numbers represent the actual number of complaints EWOV received for each company and do not take into account the size of each company's customer base.



WATER 2015-16

2,398

Cases

▲ 1%



2,283

Complaints

▲ 1%

115

Enquiries

▼ 4%

237

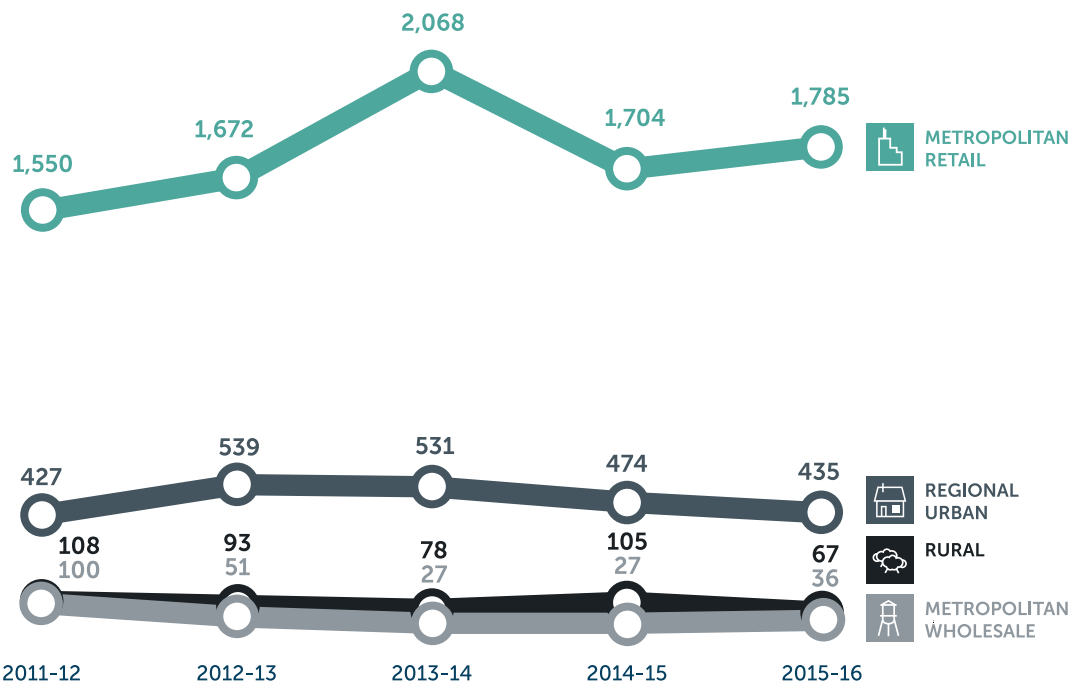
Investigations

▲ 5%

229

Investigations finalised

▲ 5%



At 30 June 2016, 19 water corporations were EWOV scheme participants — 3 metropolitan retailers, 1 metropolitan wholesaler, 11 regional urban water corporations, 2 rural water corporations and 2 rural urban water corporations.

Constituted under the *Water Act 1989*, these state-owned water corporations service over 2.6 million¹⁶ residential and business customers. They provide a range of water services to customers within their service areas — water supply, sewage and trade waste disposal and treatment, water delivery for irrigation and domestic and stock purposes, drainage and salinity mitigation services. Some of them also manage bulk water storages and designated recreational areas throughout Victoria.

16. *Water Performance Report – Performance of Victorian Urban Water and Sewerage Businesses 2014-15* (December 2015), Essential Services Commission Victoria.



1,785

Metropolitan retail cases

▲ 5%



435

Regional urban cases

▼ 8%



67

Rural cases

▼ 35%



36

Metropolitan wholesale cases

▲ 41%



2,155

Residential



222

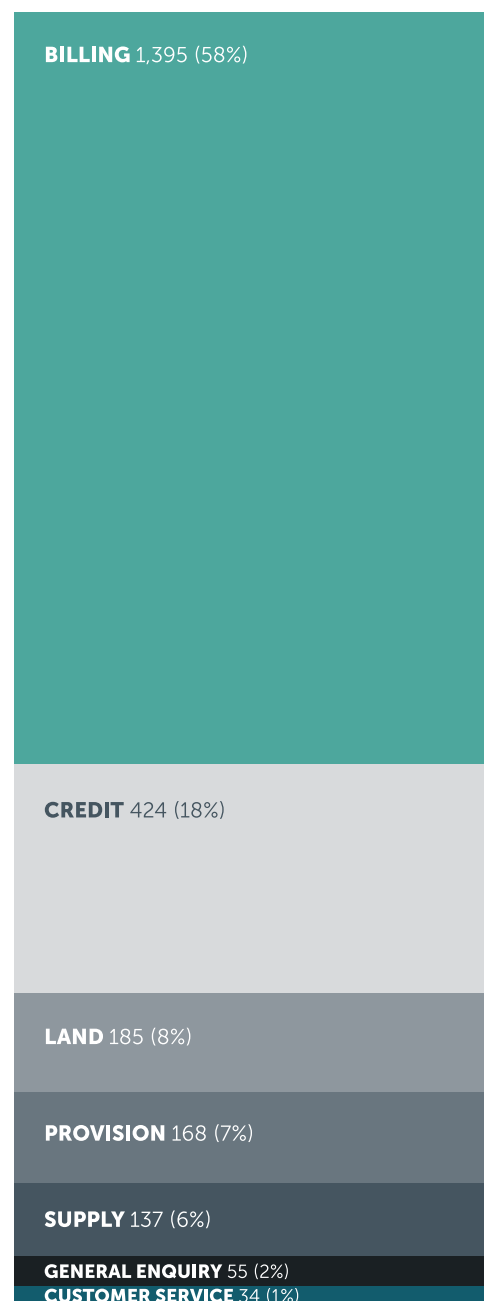
Business



21

Government/Not for profit

THE ISSUES RAISED BY WATER CUSTOMERS



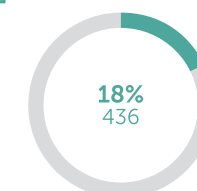
ISSUE	NUMBER
Billing (58%)	1,395
High	660
Fees and Charges	209
Error	164
Backbill	126
Other	52
Refund	48
Concession/Rebate	32
Estimation	32
Format	24
Meter	21
Delay	16
Tariff	11
Credit (18%)	424
Restriction	178
Collection	165
Payment Difficulties	81
Land (8%)	185
Network Assets	83
Other	79
Easement	16
Vegetation Management	7
Street Lighting	0
Provision (7%)	168
Existing Connection	92
New Connection	72
Restriction	4
Supply (6%)	137
Quality	41
Sewer/Stormwater Overflow/Blockage	39
Off Supply - Unplanned	22
Water Licensing	16
Off Supply - Planned	15
Variation	2
Water Restrictions	2
Sustainability Initiatives	0
General Enquiry (2%)	55
Water	54
Non Water	1
Customer Service (1%)	34
Failure to Consult/Inform	8
Poor Service	8
Privacy	7
Failure to Respond	5
Incorrect Advice/Information	5
Poor/Unprofessional Attitude	1

CASE TYPES

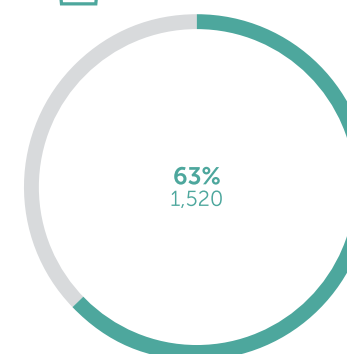
ENQUIRIES



UNASSISTED REFERRALS



ASSISTED REFERRALS



REAL TIME RESOLUTION



INVESTIGATIONS



WATER CASES EWOV RECEIVED IN 2015-16

WATER CASES EWOV RECEIVED IN 2015-16		OVERALL CASES		ENQUIRIES	COMPLAINTS				TOTAL COMPLAINTS
		2015-16	2014-15		Unassisted Referrals	Assisted Referrals	Real Time Resolutions	Investigations	
METROPOLITAN RETAIL		SECTOR SHARE ~							
City West Water Corporation	22%	562	443	24	99	395	12	32	538
South East Water Corporation	38%	598	634	11	91	399	36	61	587
Yarra Valley Water Corporation	40%	625	627	9	123	398	24	71	616
Total metropolitan retail water		1,785	1,704	44	313	1,192	72	164	1,741
METROPOLITAN WHOLESALE									
Melbourne Water Corporation		36	27	2	8	17	2	7	34
REGIONAL URBAN									
Barwon Region Water Corporation	22%	67	94	1	16	40	2	8	66
Central Gippsland Region Water	10%	39	37	0	6	31	0	2	39
Central Highlands Region Water	10%	42	46	0	8	22	3	9	42
Coliban Region Water	11%	77	85	0	20	41	5	11	77
East Gippsland Region Water	3%	12	10	1	2	8	0	1	11
Goulburn Valley Region Water	8%	32	30	2	6	19	1	4	30
Grampians Wimmera Mallee Water	5%	23	25	0	1	20	0	2	23
Lower Murray Urban and Rural Water	5%	15	10	0	6	8	0	1	15
North East Region Water	7%	36	44	1	5	25	0	5	35
South Gippsland Region Water	3%	9	15	1	0	7	0	1	8
Wannon Region Water	6%	23	36	1	4	13	0	5	22
Western Region Water	9%	56	26	1	11	39	3	2	55
Westernport Region Water	2%	4	16	0	2	2	0	0	4
Total regional urban water		435	474	8	87	275	14	51	427
RURAL		SECTOR SHARE ^							
Gippsland Southern Rural Water	16%	11	14	1	3	5	0	2	10
Goulburn-Murray Rural Water	52%	45	51	3	6	25	1	10	42
Grampians Wimmera Mallee Water	19%	4	28	0	0	2	0	2	4
Lower Murray Urban and Rural Water	13%	7	12	0	1	4	1	1	7
Total rural water		67	105	4	10	36	2	15	63
NON COMPANY SPECIFIC									
Non company specific		75	73	57	18	0	0	0	18
TOTALS		2,398	2,383	115	436	1,520	90	237	2,283

NOTES:

~ Metropolitan and regional urban water corporations' sector shares are based on customer numbers in the ESC's *Water Performance Report –Performance of Victorian urban water and sewerage businesses* (December 2015).

^ Rural water corporations' sector shares are based on the *National Water Commission's National Performance Report 2012-13: rural water service providers* (April 2014).



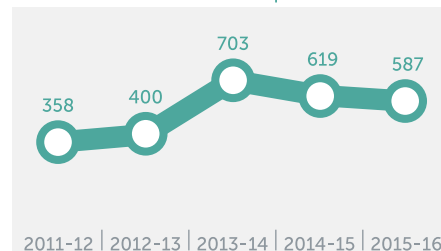
COMPLAINT RECEIPT TRENDS FOR WATER COMPANIES FROM 2011-12 TO 2015-16

Metropolitan retail

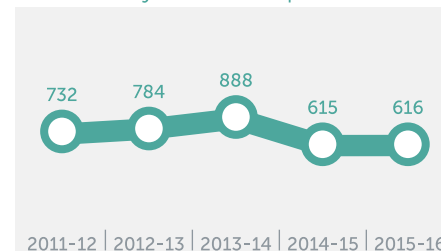
City West Water Corporation



South East Water Corporation

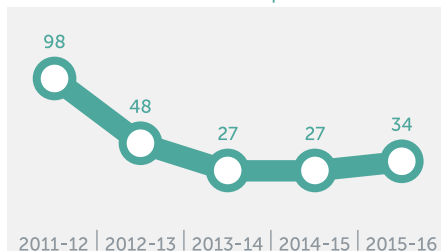


Yarra Valley Water Corporation



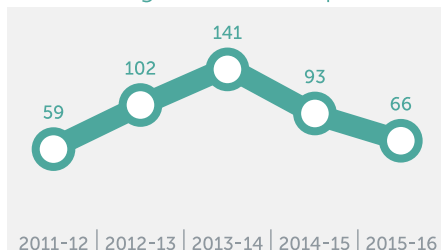
Metropolitan wholesale

Melbourne Water Corporation

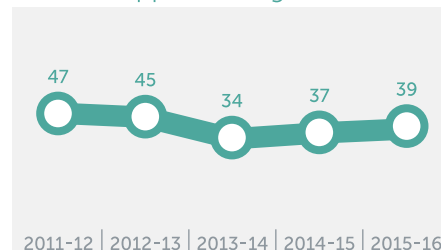


Regional urban

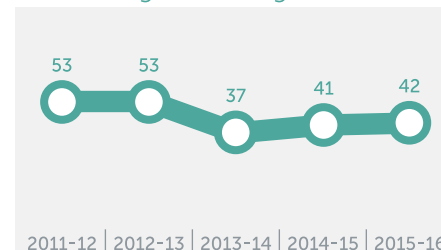
Barwon Region Water Corporation



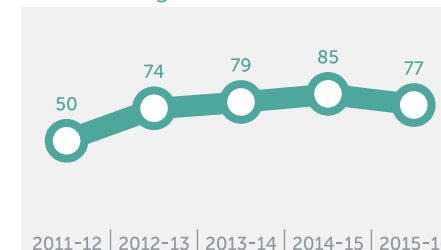
Central Gippsland Region Water



Central Highlands Region Water



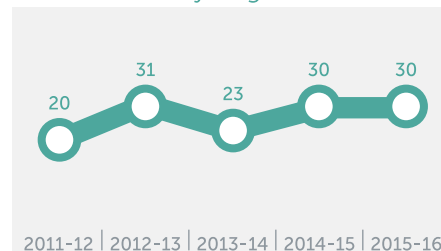
Coliban Region Water



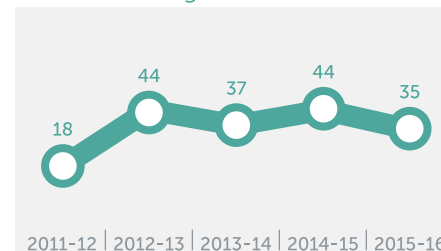
East Gippsland Region Water



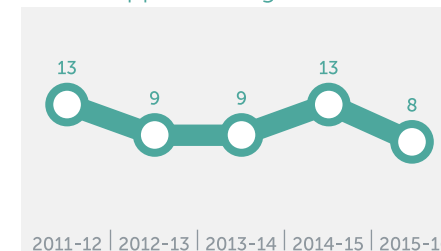
Goulburn Valley Region Water



North East Region Water

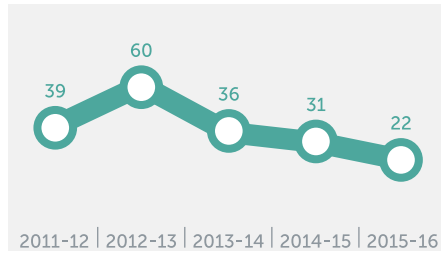


South Gippsland Region Water

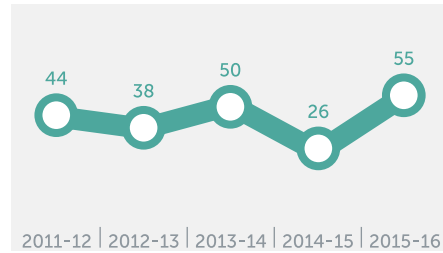


NOTE: Complaint numbers represent the actual number of complaints EWOV received for each company and do not take into account the size of each company's customer base.

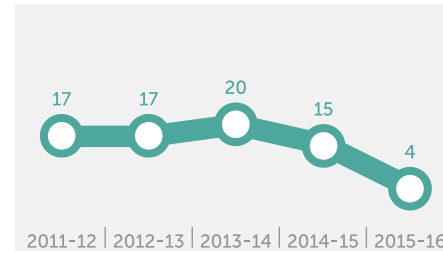
Wannon Region Water



Western Region Water

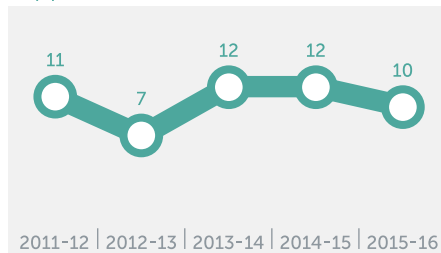


Westernport Region Water

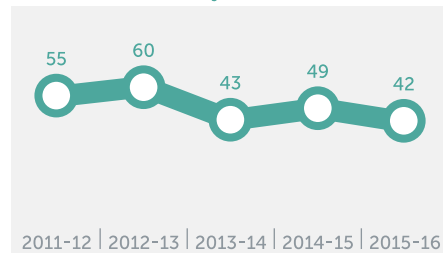


Rural

Gippsland Southern Rural Water

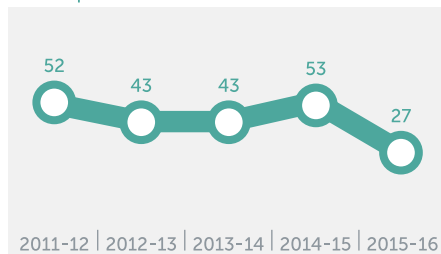


Goulburn-Murray Rural Water

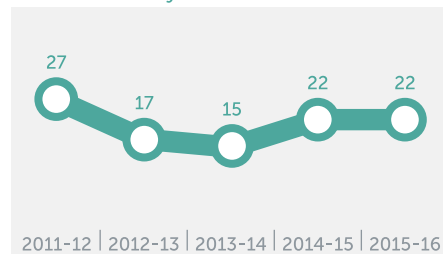


Rural urban

Grampians Wimmera Mallee Water



Lower Murray Urban and Rural Water



FINANCIAL STATEMENTS

Income statement

For the year ended 30 June 2016

	2016 \$	2015 \$
Revenue	10,040,674	14,213,059
Employee benefits expense	(8,784,640)	(10,553,496)
Depreciation and amortisation expense	(265,057)	(338,072)
Loss on disposal of plant and equipment	(15,823)	-
Rental expense	(1,363,217)	(1,348,753)
Administration expenses	(678,885)	(757,565)
Consultancy expenses	(176,585)	(298,205)
Research & Communication expenses	(217,856)	(171,901)
Training and development	(179,398)	(147,377)
Office lease make good obligations	(33,600)	(33,600)
(Loss)/Surplus before income tax expense	(1,674,387)	564,090
Income tax expense	-	-
Total Comprehensive (Loss)/Income for the year	(1,674,387)	564,090

Balance sheet

As at 30 June 2016

	2016 \$	2015 \$
Current Assets		
Cash and cash equivalents	6,840,914	9,054,566
Trade and other receivables	-	73,645
Other	236,489	44,059
Total Current Assets	7,077,403	9,172,270
Non-Current Assets		
Plant and equipment	570,172	471,640
Total Non-Current Assets	570,172	471,640
Total Assets	7,647,575	9,643,910
Current Liabilities		
Trade and other payables	462,624	647,285
Provisions	1,063,713	1,107,587
Total Current Liabilities	1,526,337	1,754,872
Non-Current Liabilities		
Provisions	384,288	477,701
Total Non-Current Liabilities	384,288	477,701
Total Liabilities	1,910,625	2,232,573
Net Assets	5,736,950	7,411,337
Members' Equity		
Retained earnings	5,736,950	7,411,337
Total Members' Equity	5,736,950	7,411,337

Cashflow statement

For the year ended 30 June 2016

	2016 \$	2015 \$
Cash Flows from Operating Activities		
Levy receipts from Members (inclusive of goods and services tax)	10,857,643	14,150,285
Payments to suppliers and employees (inclusive of goods and services tax)	(12,888,440)	(14,727,348)
Interest received and other income	196,556	366,885
Net cash used in operating activities	(1,834,241)	(210,178)
Cash Flows from Investing Activities		
Payments for plant and equipment	(379,411)	(33,235)
Net cash used in investing activities	(379,411)	(33,235)
Net decrease in cash and cash equivalents	(2,213,652)	(243,413)
Cash and cash equivalents at the beginning of the Financial Year	9,054,566	9,297,979
Cash and cash equivalents at the end of the Financial Year	6,840,914	9,054,566

HOW TO CONTACT EWOV

We can help if you have a problem with an electricity, gas or water company which you can't resolve directly with that company. Our services are free and available to all Victorians.



Free call

1800 500 509

Calls from mobile phones may attract charges. We can ring you back.

If calling from a restricted phone service, ring 12550 (Telstra reverse charges) and ask for (03) 8672 4460. We will accept the reverse charges and the call cost.

Interpreter service: 131 450

National Relay Service: 133 677



Go online

Email us: ewovinfo@ewov.com.au

Fill out our online complaint form: ewov.com.au

Write to us: GPO Box 469 Melbourne 3001

Fax us: 1800 500 549 (free fax)



@ewov



facebook.com/EWOV1

ABN: 57 070 516 175