



# Res ONLINE



ENERGY AND WATER  
OMBUDSMAN  
Victoria **Listen Assist Resolve**

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# THE OMBUDSMAN'S VIEW

## SMS is helping us ensure Assisted Referral is fair and effective

Assisted Referral of customers back to someone at a higher level within their energy or water company is an important stage in EWOV's dispute resolution process.

In 2016, when we surveyed customers about the process, we found they were frustrated by a seeming absence of follow-up by EWOV of their Assisted Referral.

When we explored this further with them, it became clear that one of the most important messages about the Assisted Referral process wasn't getting through.

Customers said they didn't know they could come back to EWOV if they weren't contacted by the company, or if they remained dissatisfied following contact with the company. While we knew we were presenting the 'you can come back to EWOV' message — more than once, in different ways and at different times — it was apparent that this part of the process wasn't well-understood.

We decided to trial an SMS later in the Assisted Referral process, to remind customers they had this option. The trial was successful and the reminder SMS has now been introduced permanently. As well as delivering benefits for customers, we anticipate being able to provide feedback to energy and water companies to help drive internal dispute resolution improvements too.

The [feature article](#) in this issue of *Res Online* explains our SMS initiative, with some examples.



**Cynthia Gebert**  
Energy and Water Ombudsman (Victoria)

If you have any feedback about *Res Online*, please contact Matt Helme, EWOV's Research and Communications Manager at: [matt.helme@ewov.com.au](mailto:matt.helme@ewov.com.au).

## Other case studies in this issue

- [Customer missed out on her Pay on Time discounts for a year \(billing\)](#)
- [Customer gained assistance under retailer's hardship program \(credit\)](#)
- [Gas connection completed once the customer knew what he needed to do \(provision\)](#)

## Affordability Report gets a new look

We've revamped EWOV's quarterly *Affordability Report* to shed more light on the energy and water credit complaints we receive. Alongside the usual trend reporting, each quarter we'll put the spotlight on a different topic, delving a little deeper into the data to share new insights. For the December 2017 issue the focus was public housing tenants.

[Read it here.](#)

A handwritten signature in black ink, appearing to read 'Cynthia Gebert'.

**Cynthia Gebert**

Energy and Water Ombudsman (Victoria)

# THE BIG PICTURE

OCTOBER - DECEMBER 2017

Compared to last quarter:

CASES  
▼ 2%

ENQUIRIES  
▲ 7%

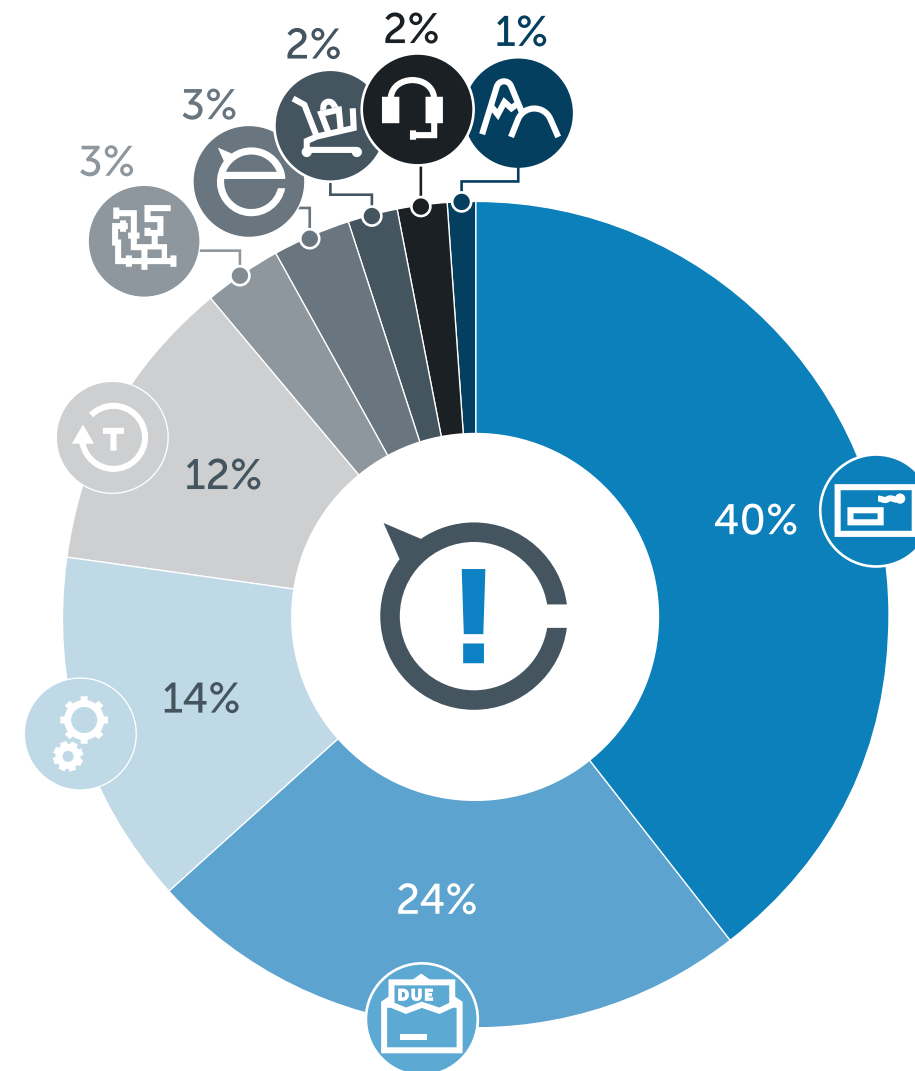
UNASSISTED REFERRALS  
▼ 11%

ASSISTED REFERRALS  
▲ 1%

INVESTIGATIONS  
▼ 3%



The issues customers complained about



Compared to last quarter:

BILLING  
3,414 cases  
▼ 8%

CREDIT  
2,016 cases  
▼ 2%

PROVISION  
1,185 cases  
▲ 33%

TRANSFER  
1,008 cases  
▲ 6%

SUPPLY  
258 cases  
▼ 9%

GENERAL ENQUIRY  
232 cases  
▼ 24%

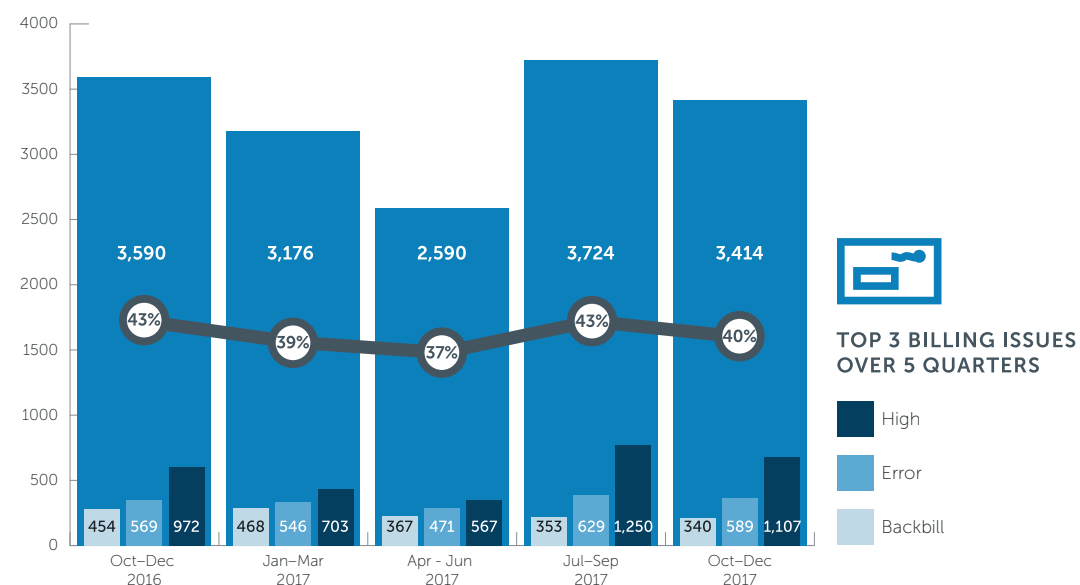
MARKETING  
161 cases  
▲ 7%

CUSTOMER SERVICE  
135 cases  
▼ 6%

LAND  
114 cases  
▼ 18%

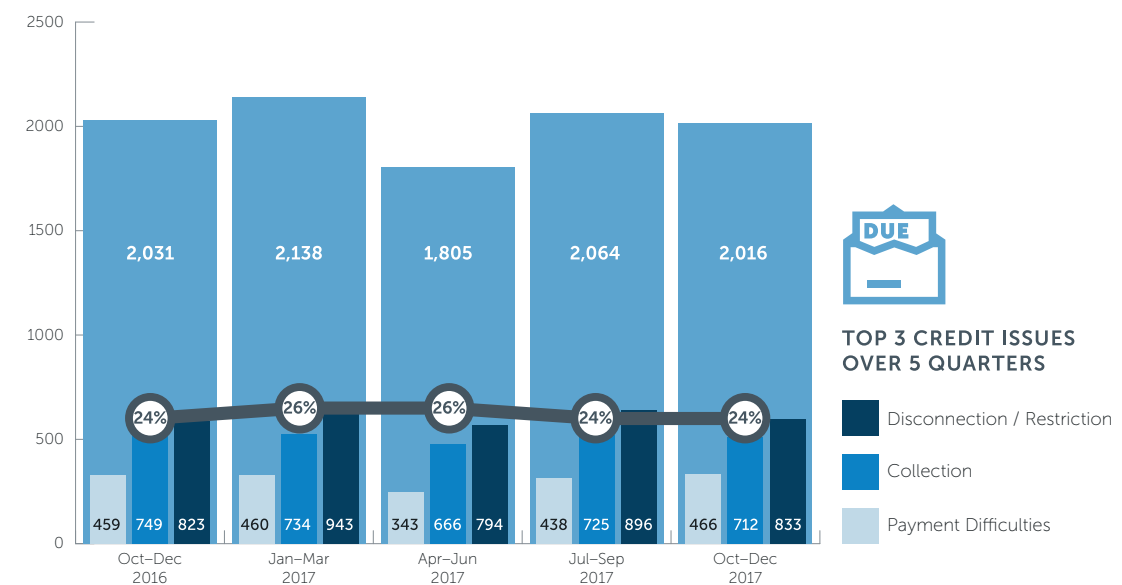
## Billing cases

Number of Billing cases % of overall cases



## Credit cases

Number of Credit cases % of overall cases



# ISSUES WATCH:

## How SMS is adding value to EWOV's resolution process

### **We're always looking for ways to make EWOV's dispute resolution process work better.**

In August 2017, after a successful trial in late 2016, we introduced a follow-up SMS for customers whose complaint EWOV initially handles by Assisted Referral. It's still early days, but the addition of SMS in this way is already delivering positive outcomes towards ensuring the Assisted Referral process is fair and that customers understand their options.

### **Surveying showed the 'you can come back to EWOV' message wasn't getting across to many customers.**

In April 2016, we surveyed customers specifically about the effectiveness of the Assisted Referral process. The survey results clearly showed we could be doing more to improve customers' understanding that the referral back to their energy or water company isn't necessarily the end of the resolution process. 41% of respondents weren't happy with the information provided to them as part of the Assisted Referral. 13% of respondents didn't know they could return to EWOV if they weren't contacted by their company. 17% didn't know they could return to EWOV if they were unhappy with the outcome of the Assisted Referral. So, despite our telling Assisted Referral customers several times in writing and during conversation that they could and should return to EWOV if the Assisted Referral didn't resolve their complaint, in many cases the message was getting lost.

### **We tested a different way of getting the message across to customers.**

With the support of the EWOV Limited Board and our Process Advisory Committee, we decided to trial an SMS reminder (about coming back to EWOV) further along in the Assisted Referral process. Of the 355 customers who received an SMS in the trial, 49 recontacted EWOV, with 22 complaints progressing to either Real Time Resolution or Investigation. Significantly, the outcomes achieved once these complaints returned to EWOV were different from those proposed at Assisted Referral.

#### **EWOV's Assisted Referral process**

Where a customer has spoken with their company, but their complaint remains unresolved, we register it as an Assisted Referral and facilitate contact with the customer by a higher-level contact within the company. The process of Assisted Referral provides an opportunity for the company to reconnect with their customer. Undertaken effectively by the company, it can build goodwill and customer confidence in the company's capacity to resolve any future problems. Where Assisted Referral doesn't resolve a customer's complaint, we will open an Investigation.



### **An SMS reminder is now a permanent part of EWOV's Assisted Referral process.**

In August 2017, we added an SMS reminder to the Assisted Referral process permanently and it's already delivering positive outcomes. The SMS is sent to the customer 45 days after referral of the complaint to the energy or water company. It serves as a timely reminder that the customer can come back to EWOV if the Assisted Referral hasn't resulted in resolution of their complaint. In the five months from August 2017 to December 2017, we sent 5,479 SMSs. 436 customers contacted EWOV within five days of receiving the SMS. 279 complaints advanced to an Investigation.

### **SMS Case Study 1**

#### **Affordable payment instalments agreed after EWOV's SMS follow-up**

**Case numbers:** 2017/16135

After receiving a series of bills she disputed as too high, and with debt collection action initiated by the electricity retailer, Ms Y switched retailer in March 2017. In early August 2017, she was notified that she still owed the previous retailer around \$2,000. At this point Ms Y contacted EWOV seeking assistance to resolve the situation.

We registered Ms Y's complaint as an Assisted Referral and facilitated contact with her by a higher-level contact within the energy retailer. After receiving EWOV's SMS follow-up, Ms Y re-contacted us saying she was dissatisfied with the outcome of the Assisted Referral. She said the retailer had told her she would need to make payments of \$400 a fortnight towards the arrears. Ms Y said she wasn't in a position to do this, and thought it was unreasonable.

Responding to EWOV's Investigation of Ms Y's complaint, the retailer confirmed Ms Y owed just over \$1,000. It acknowledged Ms Y's concerns and her financial situation, and proposed a payment plan of \$50 a fortnight until the arrears was cleared.

Ms Y was satisfied with this outcome and the complaint was closed.

## SMS Case Study 2

### Credit default listing removed after EWOV's SMS follow-up

**Case numbers:** 2017/16861

Mr J complained about a default listed on his credit report by an electricity retailer. He said he'd moved overseas in December 2014. His flatmate had remained in the apartment and Mr J assumed the flatmate was paying the electricity bills. In April 2016, he became aware that the final bill of \$524 wasn't paid and a default against him had been listed for it. Mr J said he paid the bill in full, but couldn't get the retailer to lift the default listing.

We registered Mr J's complaint as an Assisted Referral and facilitated contact with him by a higher-level contact within the energy retailer. After receiving EWOV's SMS follow-up, Mr J re-contacted us saying he was dissatisfied with the outcome of the Assisted Referral. He said the retailer still refused to lift the default listing, even though it was apparent that it knew the last known address in its records for him wasn't accurate, so the letter of intent to list the default had been sent to him at the wrong address.

EWOV Investigation of Mr J's complaint found that the electricity retailer was told, twice, that Mr J had moved out of the property before it issued the final bill and moved to list the default. We also found that the retailer made no attempt to gain Mr J's current address. The retailer lodged a request for the default listing to be removed, advising that this would take 48 hours.

Mr J was satisfied with this outcome and the complaint was closed.

## SMS Case Study 3

### Billing confirmed as correct and payable after EWOV's SMS follow-up

**Case numbers:** 2017/14247

Ms W complained about high electricity billing. She contacted EWOV seeking an explanation and a 50% reduction.

We registered Ms W's complaint as an Assisted Referral and facilitated contact with her by a higher-level contact within the energy retailer. After receiving EWOV's SMS follow-up, Ms W re-contacted us saying she was dissatisfied with the outcome of the Assisted Referral.

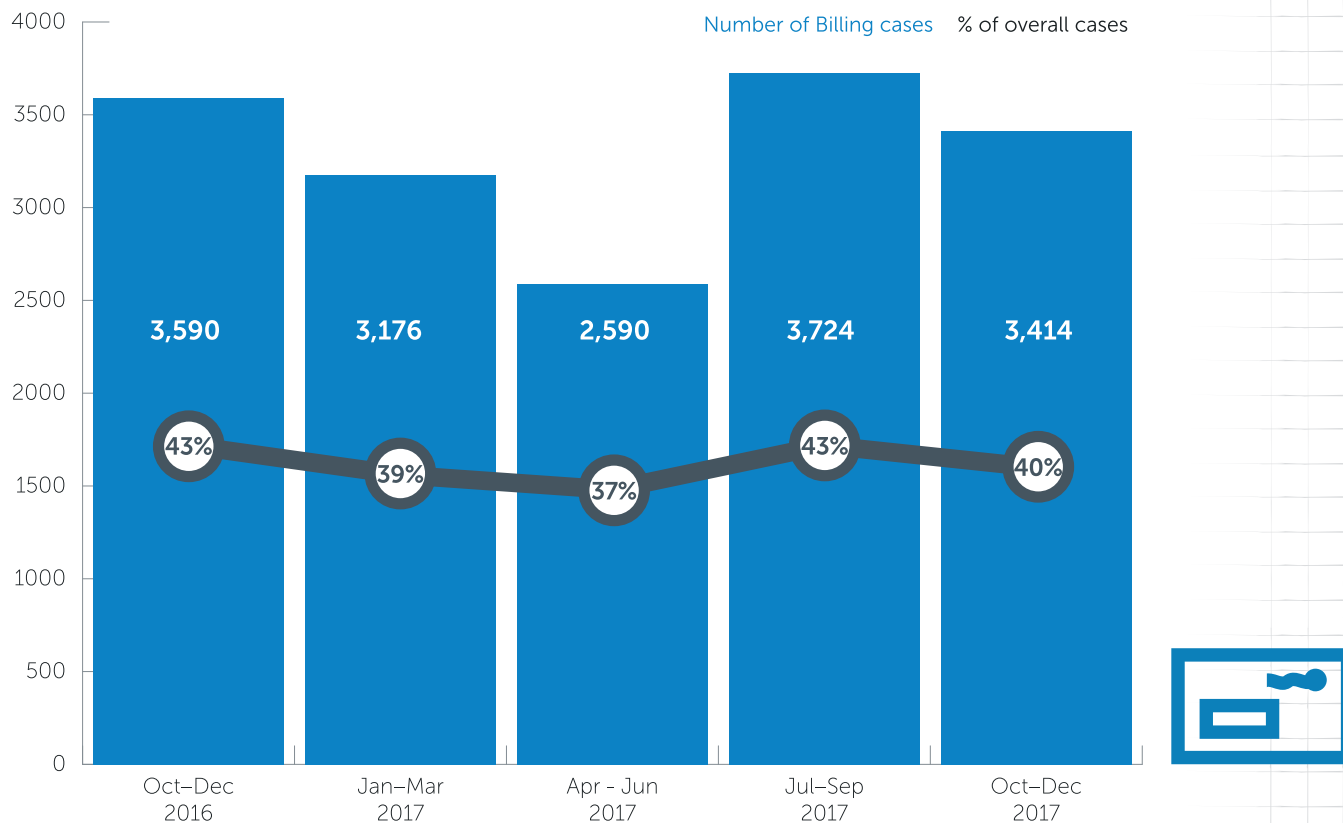
Ms W said the retailer's higher-level contact told her the bills were high because she was using more electricity than previously. Ms W said this couldn't be the case as she'd recently returned to work. She told us she didn't accept the usage data the retailer provided to her, or its advice that she owed about \$700. She wanted to close her account and switch to another retailer. She said she was promised further contact from the retailer, which didn't eventuate. Ms W agreed to pay \$200 as an undisputed amount and \$50 fortnightly while EWOV investigated her concerns.

EWOV's Investigation found that Ms W was billed correctly based on her usage. There was evidence of overnight winter heating loads on many occasions. It also appeared that split system cooling was used on hot days. We found that no backbills were issued and the billing was up to date. We confirmed that the rates and charges were as contracted with Ms W when the account was opened. Ms W was surprised by this. She thought the retailer could have done more to explain her billing and help her understand her usage.

The retailer confirmed Ms W owed \$703. It provided an \$80 customer service credit, reducing this to \$623, which Ms W agreed to pay off at \$100 a fortnight. The complaint was closed.

# BILLING

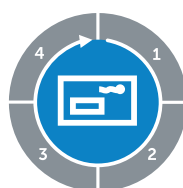
FIGURE 1  
Billing cases



COMPARED TO  
LAST QUARTER  
**BILLING CASES**



**8%**



COMPARED TO  
THIS TIME LAST YEAR  
**BILLING CASES**



**5%**





## Billing Case Study: Customer missed out on her Pay on Time discounts for a year

*Property with a remotely-read Smart Meter; backbill attributed to meter access issues; discounts not applied*

**Case number:** 2017/21848

In mid-September 2017, Ms T received an electricity backbill for \$1,310. She disputed the bill, saying she always paid by the due date to be sure she received the 26% Pay on Time discount. When she called the retailer she was told it was a backbill, for additional charges not billed in the last 12 months, likely because of meter access problems. Ms T said there was clear access to her meter. The retailer told her the amount owing didn't include her Pay on Time discount. It sent her a revised bill for \$587.

In early October 2017, Ms T contacted EWOV. We registered the complaint as an Assisted Referral and facilitated contact with her by a higher-level contact within the electricity retailer. Ms T returned to EWOV dissatisfied with the retailer's response. She said the retailer had admitted that the billing was incorrect and her Pay on Time discount wasn't applied, but had then sent her an estimated bill for \$417. As Ms T's property had a remotely-read Smart Meter, she didn't understand the reason for the estimated bill.

EWOV opened an Investigation into the complaint. Our review of the meter data for Ms T's property found that her billing was based on actual meter readings. We confirmed there was a remotely-read Smart Meter at the property, so meter access wasn't needed.

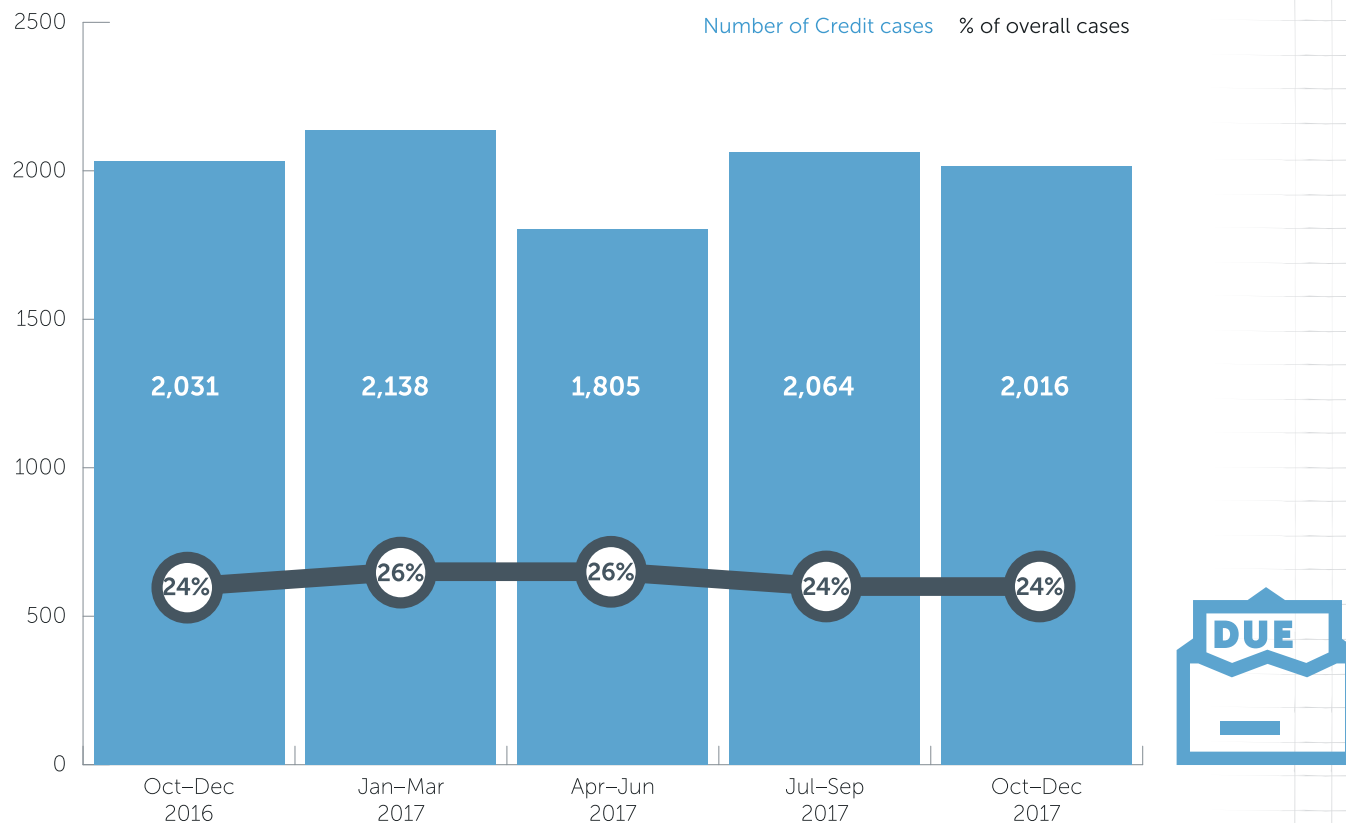
The retailer confirmed to us that Pay on Time discounts hadn't been applied for the period May 2016 to May 2017. Ms T was owed an additional credit of \$587, which reduced her account balance at mid-November 2017 to \$180.

Ms T agreed to pay this amount to clear the account and the complaint was closed.

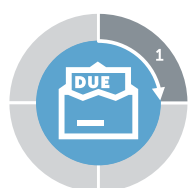
As Ms T's property had a remotely-read Smart Meter, she didn't understand the reason for the estimated bill.

# CREDIT

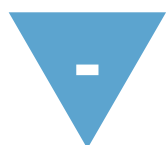
FIGURE 2  
Credit cases



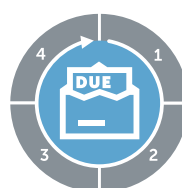
**Note:** The disconnection data in this report does not include LPG Deliveries Stopped cases.



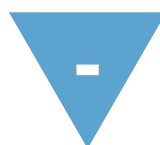
COMPARED TO  
LAST QUARTER  
**CREDIT CASES**



**2%**



COMPARED TO  
THIS TIME LAST YEAR  
**CREDIT CASES**



**1%**



## Credit Case Study: Customer gained assistance under retailer's hardship program

*Supply disconnected in compliance with relevant regulations; customer's payment offer accepted*

**Case numbers:** 2017/24231

After Ms A's gas was disconnected in late October 2017, her financial counsellor referred her to EWOV for assistance. Ms A said she'd been living at the property for about six months. She admitted she hadn't made payments to the account and thought she owed about \$400. She said she may have received a disconnection notice.

Due to the supply disconnection and affordability issues, in line with EWOV's *Vulnerable and Disadvantaged Customer Policy and Procedure*, we moved straight to an Investigation. We arranged for Ms A's gas to be reconnected while we investigated.

Our Investigation of Ms A's complaint confirmed that she had been billed on actual usage and that eligible concessions had been applied. Her arrears stood at \$585. Her fortnightly gas usage came to about \$58. Her average daily usage for the most recent billing period (June 2017 to August 2017) was \$5. Her most recent payment was \$10, made in November 2017 after the supply disconnection.

The gas retailer said it would accept payments of \$10 a fortnight under its hardship program, this amount to be reviewed after three months. It also assisted with an account credit of \$50. It said someone from its hardship team would call Ms A within 10 business days to help her with the payment plan, an energy audit, an Utility Relief Grant application, and to discuss other possible discounts.

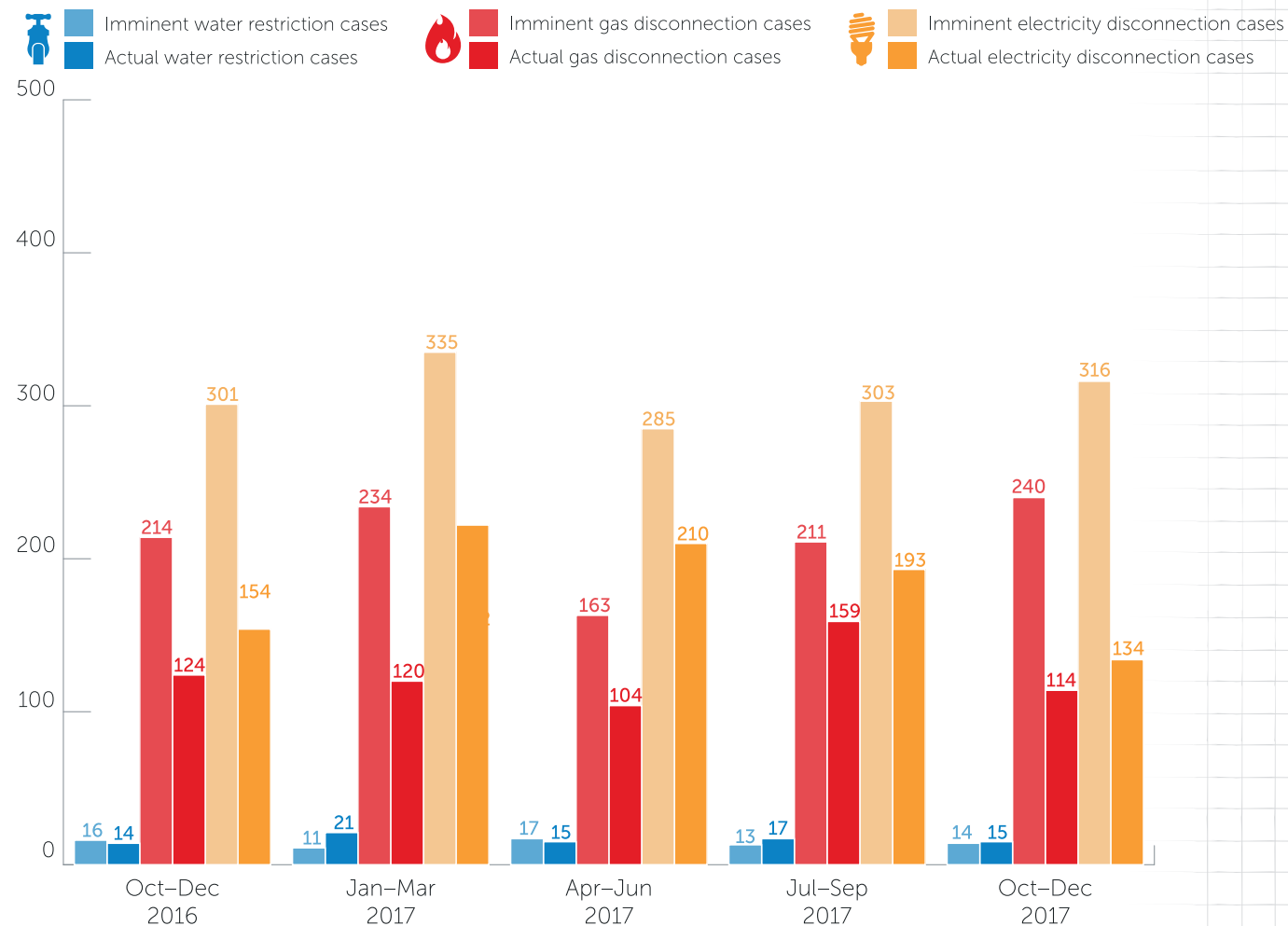
EWOV's separate Investigation of whether the disconnection was wrongful concluded that the gas retailer had complied with the *Energy Retail Code* in disconnecting Ms A's supply, so a Wrongful Disconnection Payment (WDP) wasn't applicable.

Ms A satisfied with these outcomes and the complaint was closed.

The gas retailer said it would accept payments of \$10 a fortnight under its hardship program, this amount to be reviewed after three months.

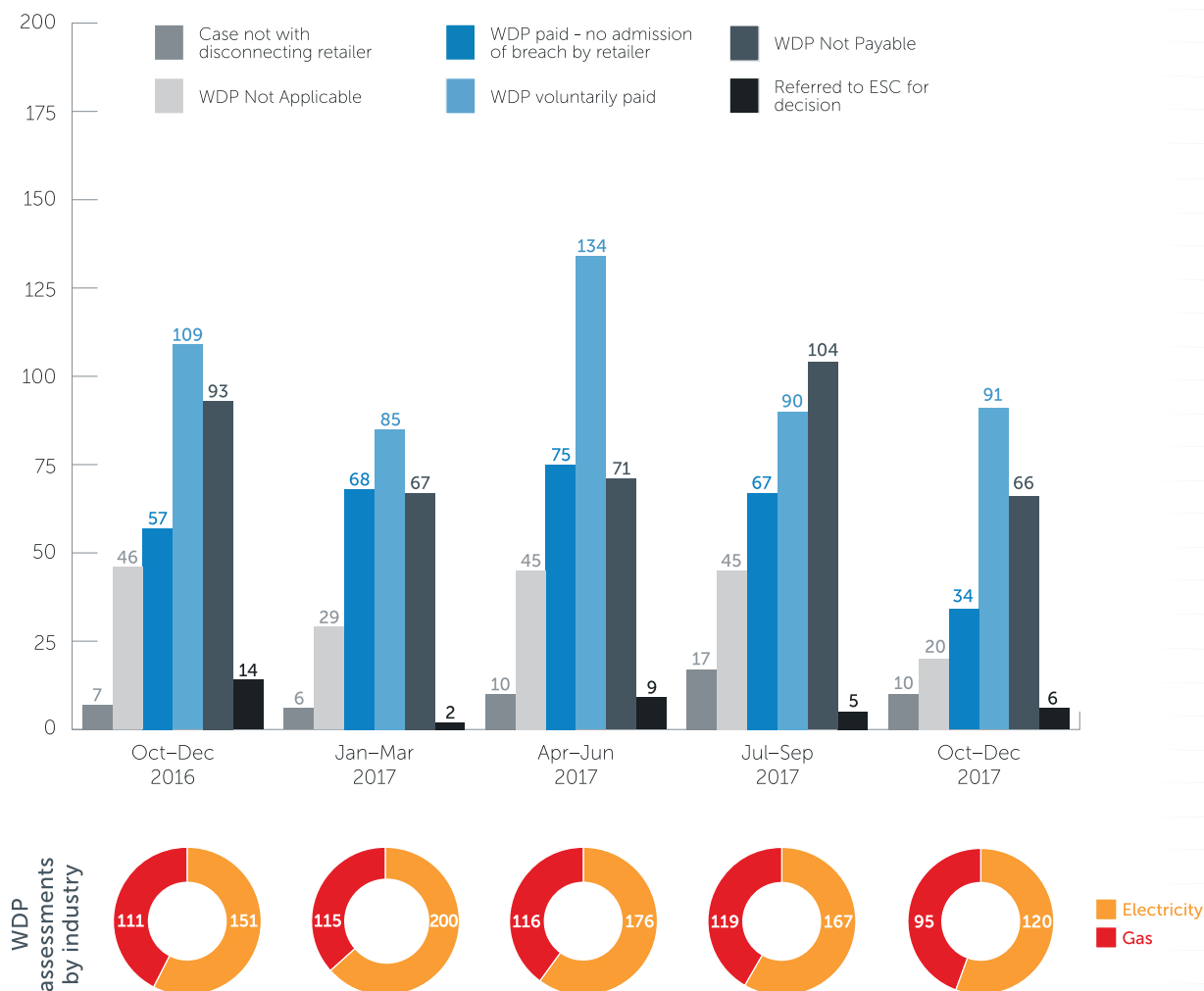
FIGURE 3

Credit-related disconnection and restriction cases



**Note:** The disconnection data in this report does not include LPG Deliveries Stopped cases.

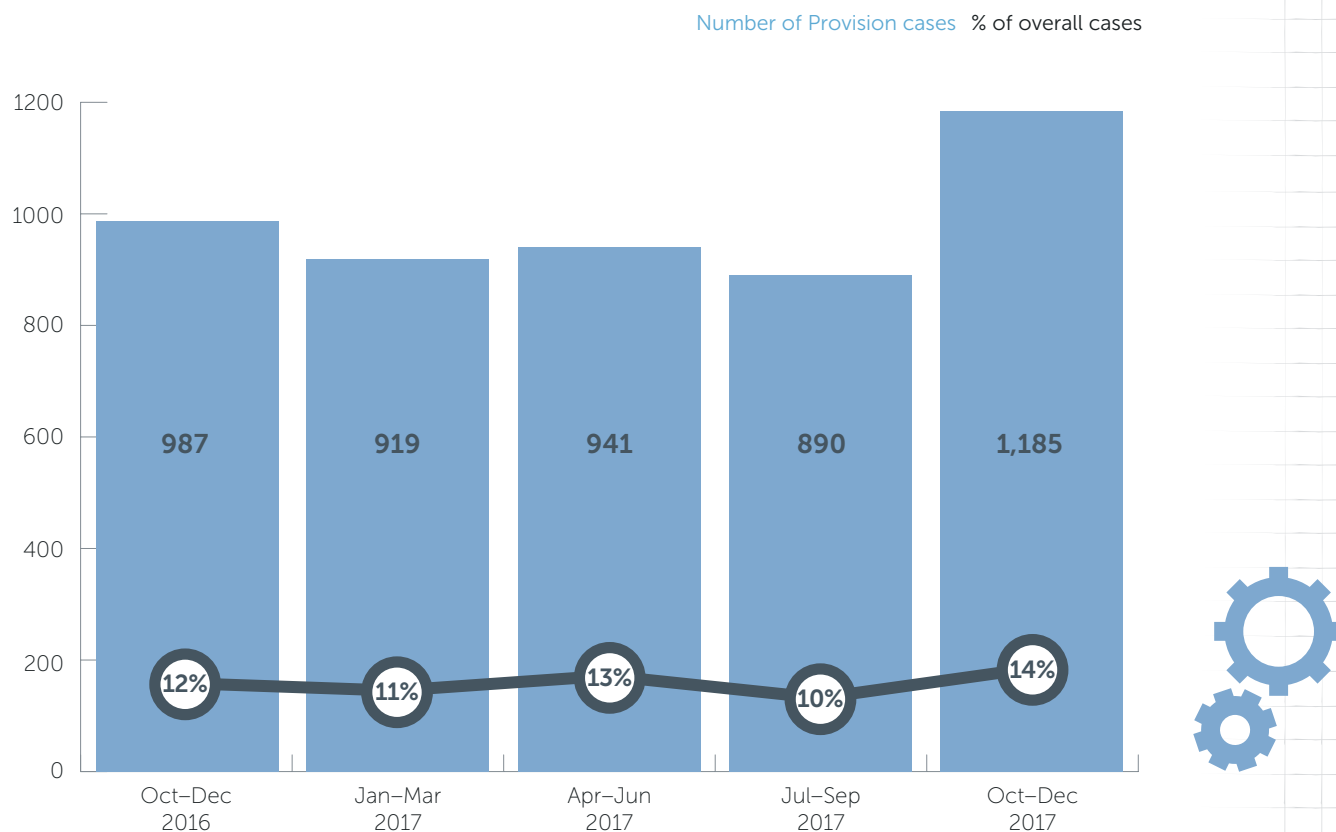
**FIGURE 4**  
**WDP outcomes**



# PROVISION

FIGURE 5

Provision cases



COMPARED TO  
LAST QUARTER

PROVISION CASES



**33%**



COMPARED TO  
THIS TIME LAST YEAR

PROVISION CASES



**20%**



## Provision Case Study: Gas connection completed once the customer knew what he needed to do

*Miscommunication; customer not told by retailer or distributor that he needed to complete certain works*

**Case number:** 2017/23629

In June 2017, Mr R requested a gas connection to his shop. He said the gas retailer acknowledged receipt of his application and told him the application had been sent to the gas distributor. When Mr R followed up to see why his gas wasn't connected, he was told that the distributor hadn't responded to the retailer's request for a progress update.

Mr R contacted EWOV in late October 2017. We registered Mr R's complaint as an Assisted Referral and facilitated contact with him by a higher-level contact within the gas retailer. Recontacting EWOV after the Assisted Referral, Mr R said the gas still wasn't connected despite several contacts with the gas retailer.

Responding to EWOV's Investigation of Mr R's complaint, the retailer acknowledged it had received his application in June 2017. It said the delay was due to the absence of a core hole so the electrical wiring could be run through into the shop. Providing the core hole was Mr R's responsibility, and once it had been provided, the distributor could complete the connection.

While we confirmed that it was Mr R's responsibility to arrange the work, it became clear that neither the retailer nor the distributor had told him about it. We told Mr R and he took the required action. The retailer apologised for the inconvenience caused to him. The gas line was installed in late November 2017.

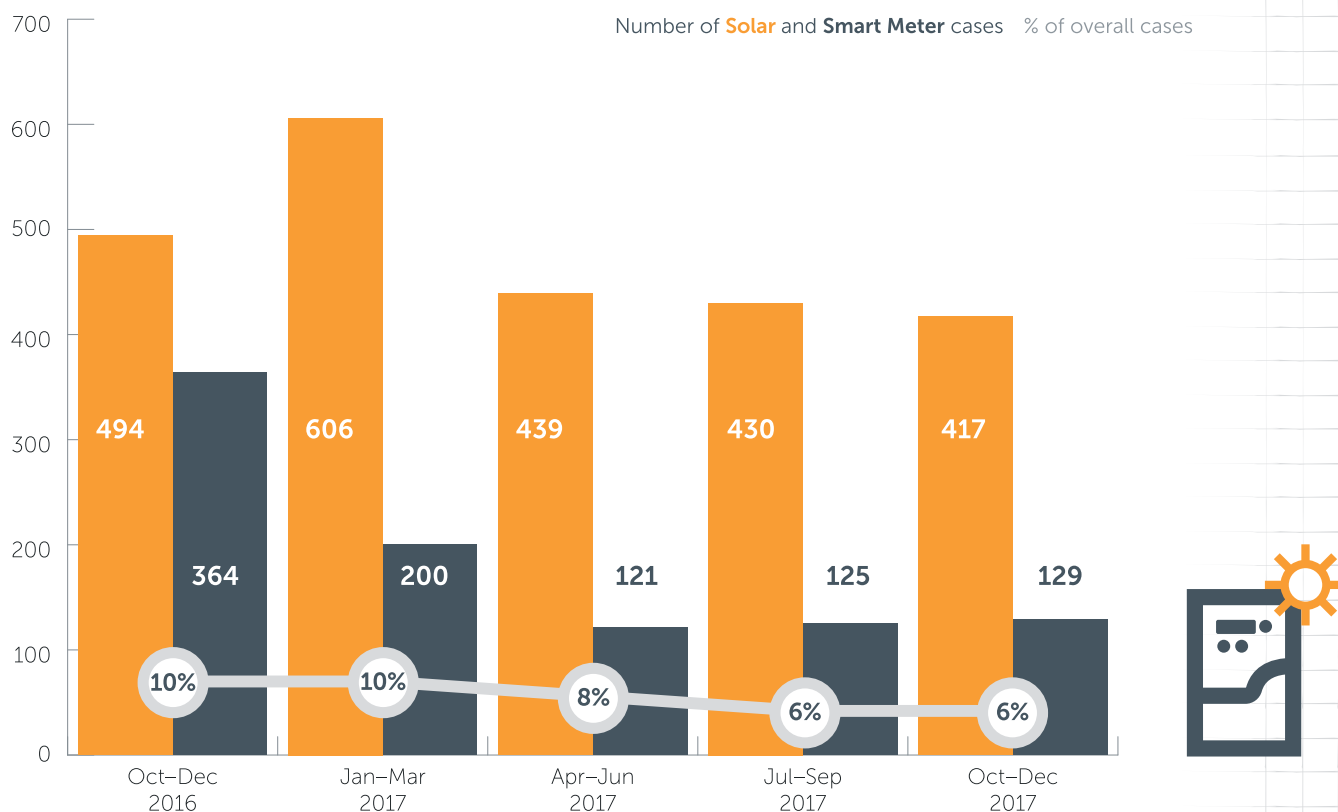
Mr R was satisfied with this outcome and the complaint was closed.

**It was Mr R's responsibility to arrange the work, but neither the retailer nor the distributor had told him about it.**

# SOLAR AND SMART METERS

FIGURE 6

Solar and Smart Meter cases



COMPARED TO  
LAST QUARTER  
**SOLAR AND SMART  
METER CASES**



**2%**



COMPARED TO  
THIS TIME LAST YEAR  
**SOLAR AND SMART  
METER CASES**



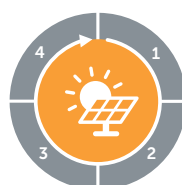
**36%**



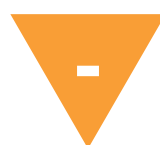
COMPARED TO  
LAST QUARTER  
**SOLAR CASES**



**3%**



COMPARED TO  
THIS TIME LAST YEAR  
**SOLAR CASES**



**15%**



## Trends

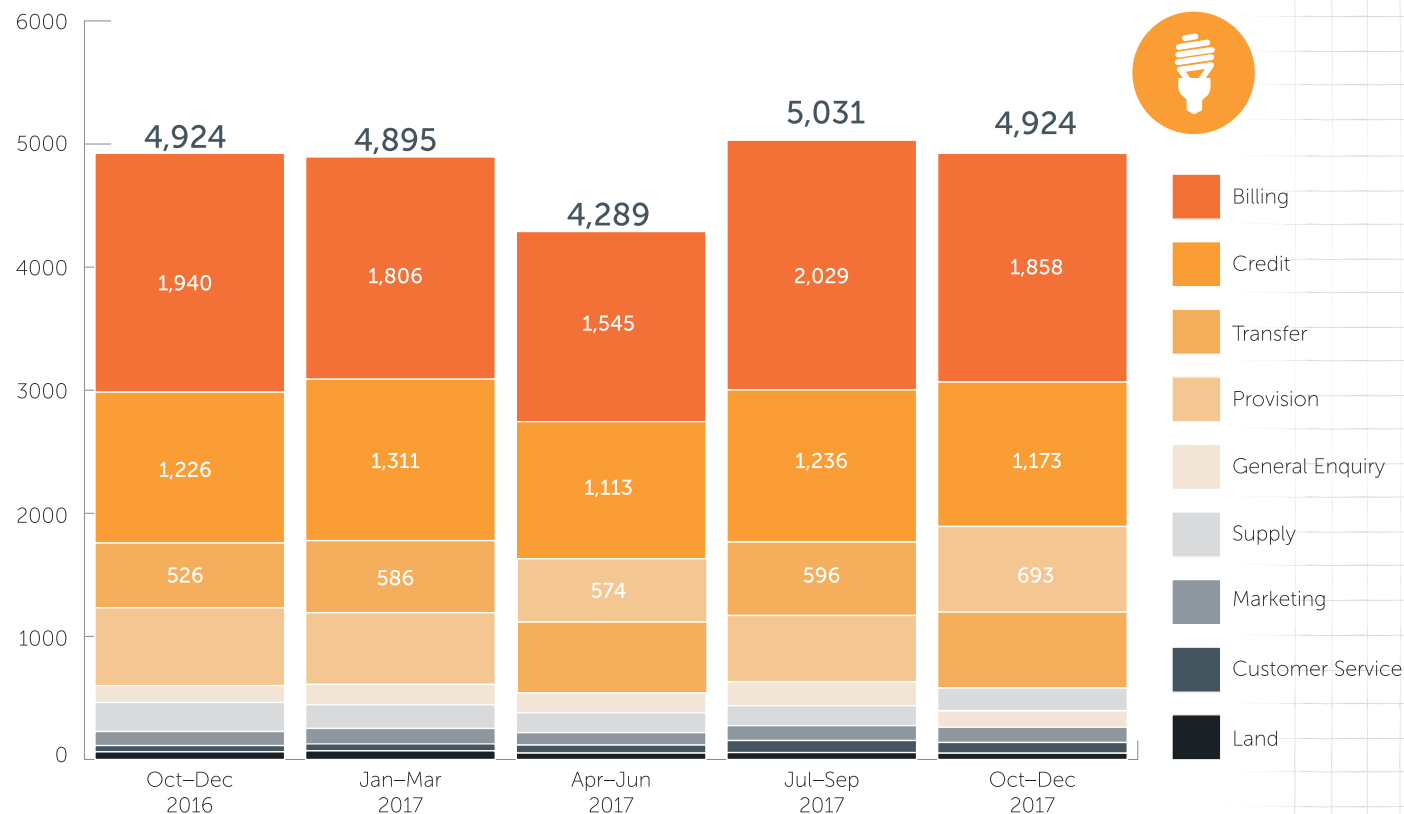
Solar and Smart Meter cases (combined) made up 6% of all EWOV cases in the October to December 2017 quarter. In the July to September 2017 quarter it was also 6%, and in the October to December 2016 quarter it was 10%.

Solar cases were down 3% compared to those for the July to September 2017 quarter and down 16% against those in the October to December 2016 quarter. The most common solar issues were provision at an existing connection and billing (tariff).

Smart Meter cases were up 3% against the July to September 2017 quarter, but down 65% against those in the October to December 2016 quarter. The most common Smart Meter issues were related to billing, specifically high bills and tariffs.

# ELECTRICITY

FIGURE 7  
Electricity cases



COMPARED TO  
LAST QUARTER

**ELECTRICITY  
CASES**



**2%**



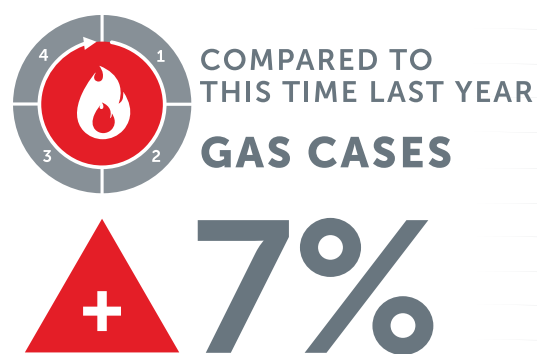
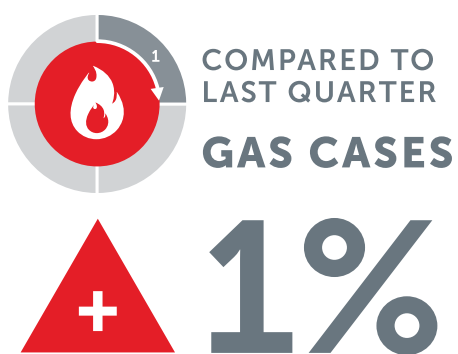
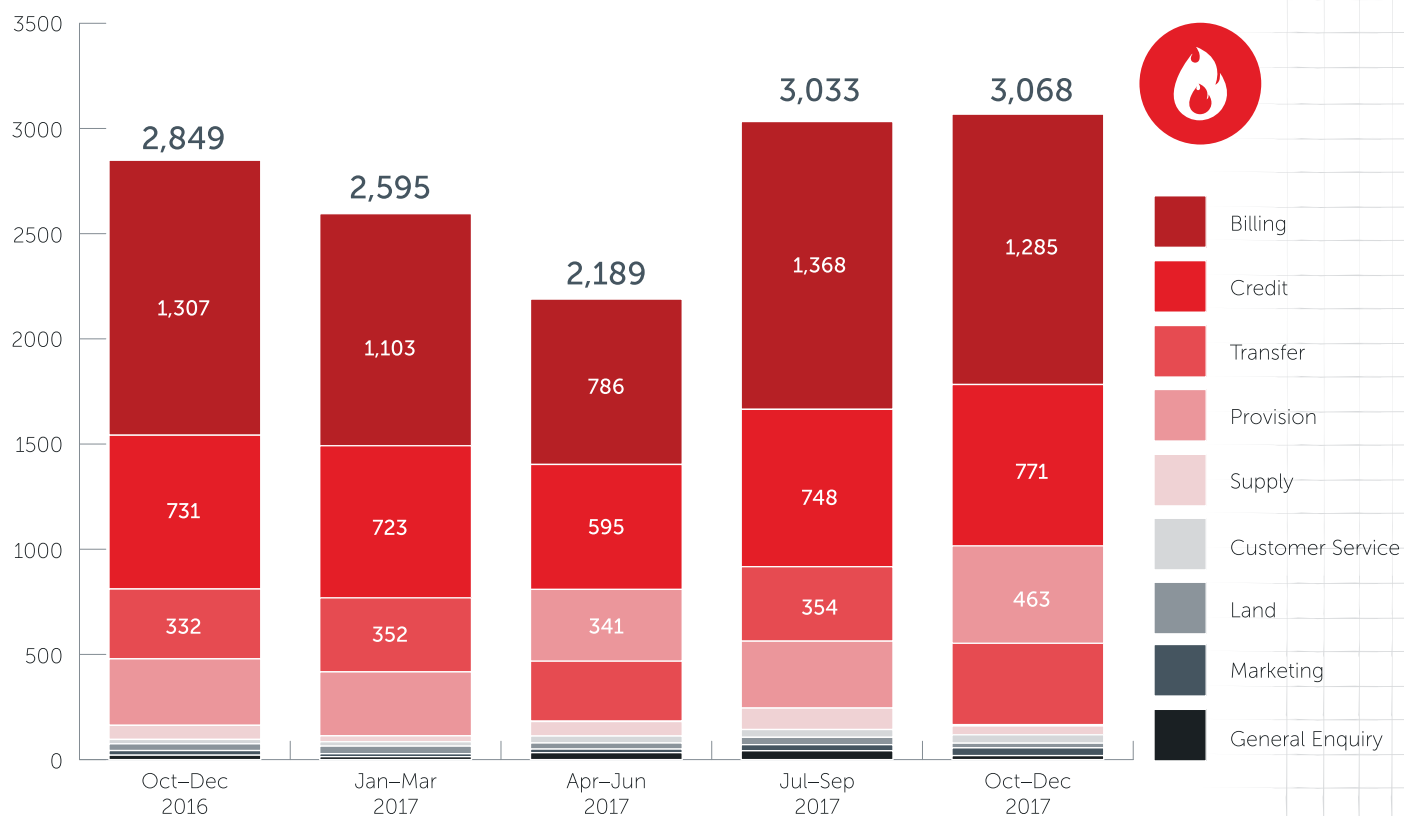
COMPARED TO  
THIS TIME LAST YEAR

**ELECTRICITY  
CASES**

**no change**

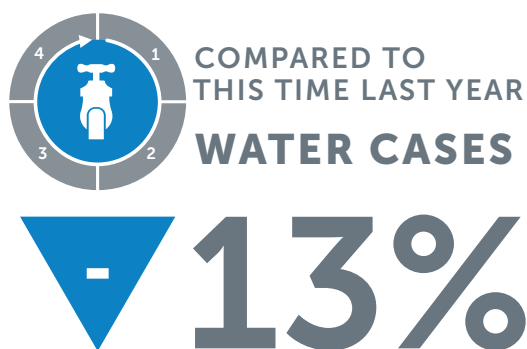
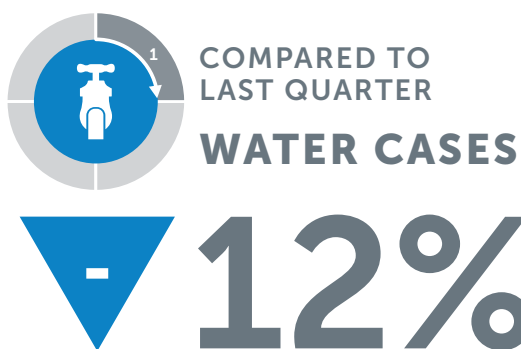
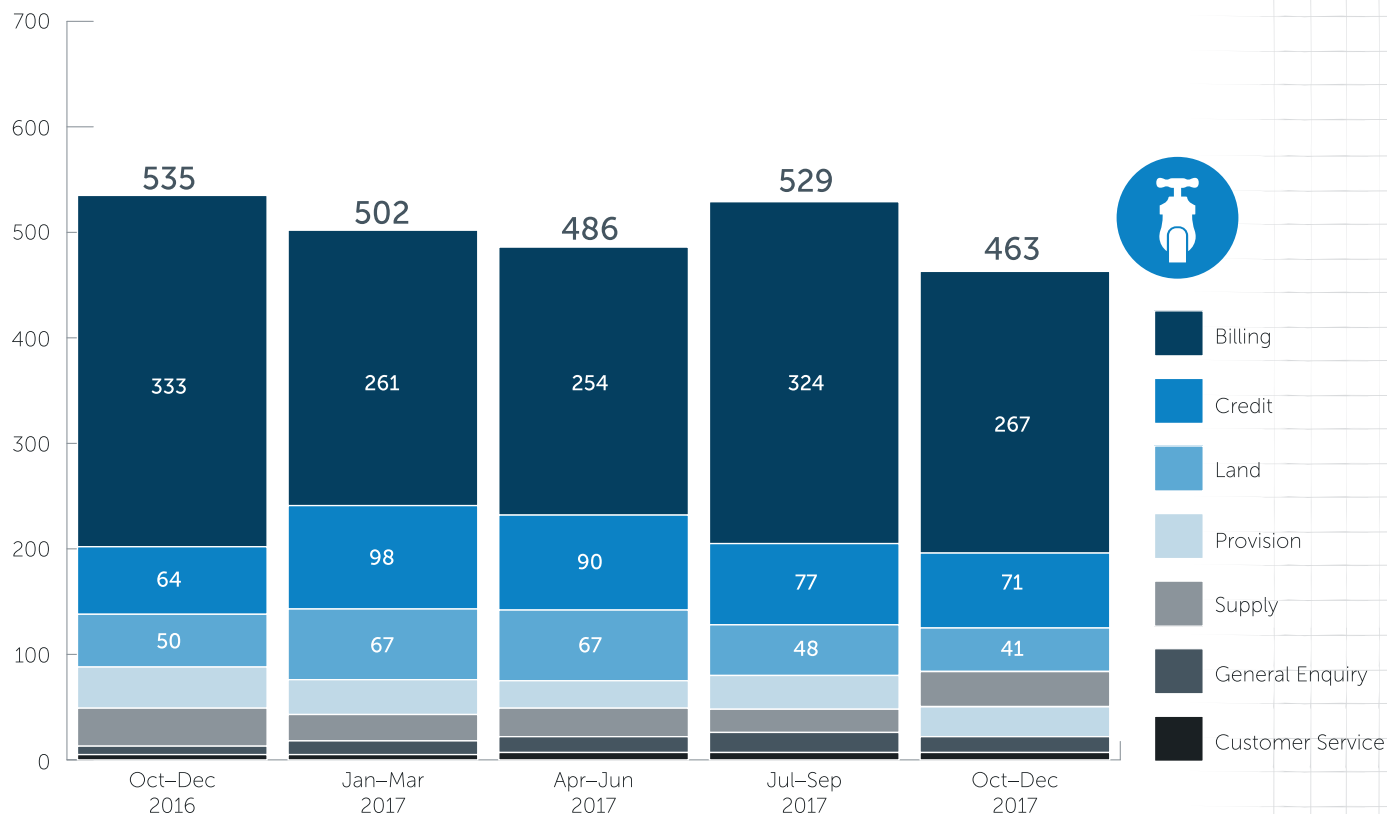
# GAS

FIGURE 8  
Gas cases



# WATER

FIGURE 9  
Water cases



# SYSTEMIC ISSUES

## Summary of systemic issue investigations opened and closed

October to December 2017

	Energy	Water	LPG
Open/Under Investigation	4	0	0
Closed	1	0	0

Note: Systemic issue investigations opened and closed during the above period that cannot yet be identified as being systemic haven't been included.

## Systemic issues identified through EWOV's case handling

October to December 2017

### *Multiple discount offers applied to energy accounts*

EWOV's complaint handling revealed that some customers of one energy retailer were incorrectly receiving multiple discounts up to a cumulative total of 40%. Some of these discounts continued past the expiry date of the offer, and despite a new discount offer being applied to the account. After becoming aware of the issue, the energy retailer informed affected customers, removed the discounts they shouldn't have received and, as appropriate, provided options for them to change to a new offer.

SI/2017/24

# PUBLIC SUBMISSIONS MADE BY EWOV

## **Draft Report - Review of regulatory arrangements for embedded networks**

### ***Australian Energy Market Commission (AEMC)***

EWOV's comments on the draft report supported the AEMC's proposal for significant reform to address the deficiencies in the existing regulatory framework for embedded entities. The AEMC's aim of better aligning regulation for standard supply and embedded network customers is in line with EWOV's long-standing view that, as far as possible, all energy customers should benefit from equal protections. In particular, we welcomed the AEMC's endorsement of Ombudsman access as a core customer protection, which should always apply.

[EWOV's submission online](#)

[About this AEMC consultation](#)

## **AER Customer Price Information Review – Issues Paper**

### ***Australian Energy Regulator (AER)***

EWOV welcomed the AER's review of how energy price information is shared with customers. Our submission included case studies of complaints about marketing, pricing and contract terms. We also made several practical recommendations for minimising these types of complaints.

[EWOV's submission online](#)

[About this AER consultation](#)

## **Draft Guidance Note – Payment Difficulty and Disconnection**

### ***Essential Services Commission (ESC)***

EWOV welcomed the ESC's detailed guidance on the minimum standards of conduct for retailers under the proposed new Part 3 provisions of the Energy Retail Code. We confirmed that guidance of this kind will be valuable for EWOV in conciliating fair and reasonable complaint outcomes where customers are experiencing payment difficulties. It will also be useful and instructive when EWOV assesses retailer compliance with the Energy Retail Code prior to disconnection. We provided comments on aspects of the guidance note which we thought could be clearer.

[EWOV's submission online](#)

[About this ESC consultation](#)

## **Fixed benefit periods – notification obligations for energy retailers – Draft Decision**

### ***Essential Services Commission (ESC)***

EWOV's submission drew on relevant case data to highlight a gradual increase over the past 18 months in complaints about contract terms variations. We provided our analysis of contract term variation complaints received in the July to September 2017 quarter, which highlighted tariff rates (or prices) as the issue most complained about. We used case studies to illustrate the customer experience in complaints where a contract benefit, such as a discount, changed after a fixed-term contract had expired.

[EWOV's submission online](#)

[About this ESC consultation](#)

## **AER Draft (Retail) Exempt Selling Guideline – November 2017**

### ***Australian Energy Regulator (AER)***

In EWOV's submission, we supported the AER's inclusion of Ombudsman scheme access for residential customers. We noted that, in Victoria under the Government's General Exemption Order, small businesses will also have access to EWOV. We encouraged the AER to consider extending access for small business customers in the National Energy Market. We also supported the requirement on exempt sellers to have complaint handling and dispute resolution procedures, consistent with the Australian Standard.

[EWOV's submission online](#)

[About this AER consultation](#)

# GLOSSARY

More about EWOV's [issue](#) and [complaint terminology](#) can be found on our website.