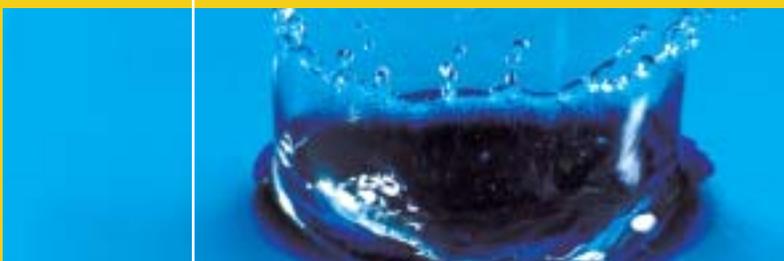
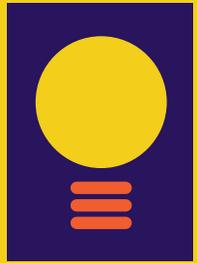


# *Annual report 2002*



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The Ombudsman, Fiona McLeod and Board Chairperson Tony Staley proudly present the EWOV 2001-2002 Annual Report. Throughout this Annual Report we will feature the dedicated staff of the EWOV. Our conciliators offer behind the scenes views of their daily problem solving exercises in what we hope will lead to a better understanding of the function of the EWOV.

## MISSION

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

## PRINCIPLES

### Independence

Impartial and fair.

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

### Access

Informal and open to all.

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

### Equity

Just, economical, efficient and confidential.

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

### Effectiveness

Skilled staff and quality systems.

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

### Community Awareness

Public relations and education.

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

### Linkages

Working with community and relevant organisations.

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

# *Annual report 2002*

## YEAR IN REVIEW

1

**The total number of cases received by the EWOV this financial year increased by 33 per cent, from 6,658 to 8,874.** Community awareness of the EWOV scheme is increasing all the time, through such avenues as notices on members' bills, the Ombudsman's program of visits to regional communities around Victoria, and media coverage of EWOV activities.

**Electricity cases concerning Billing increased by 19 per cent, partly due to one member's billing system difficulties.** That retailer accounted for 40 per cent of all electricity Billing cases in 2001/2002.

**Electricity Full Retail Competition (FRC) began on 13 January 2002, with approximately two million residential and small business customers able to choose their electricity retailers from that date.** Over the year, the EWOV received 348 cases concerning the roll-out of FRC (5 per cent of all electricity cases).

**In the EWOV's first full year of receiving water cases, the scheme received 1,013 cases** (the Energy Industry Ombudsman (Victoria) had become the Energy and Water Ombudsman (Victoria) on 12 April 2001). Billing is the most prevalent issue, particularly at the EWOV's lower case levels. Water cases are frequently proving to be of a complex nature, with some involving broader community issues such as water supply quality for whole townships, sewage spills or the consultation process prior to the introduction of new town sewerage schemes.

**On 27 March 2002, an official event was held to launch the EWOV formally as a scheme encompassing all three industries — electricity, gas and water.**

**This year, the EWOV welcomed the gas distribution members to the scheme.** With the addition of more independent retailers, EWOV membership overall increased from 45 to 55.

**Gas cases lodged with the EWOV increased by 41 per cent, from 1,067 to 1,508 cases.** One reason for this increase was the billing system difficulties experienced by one member.

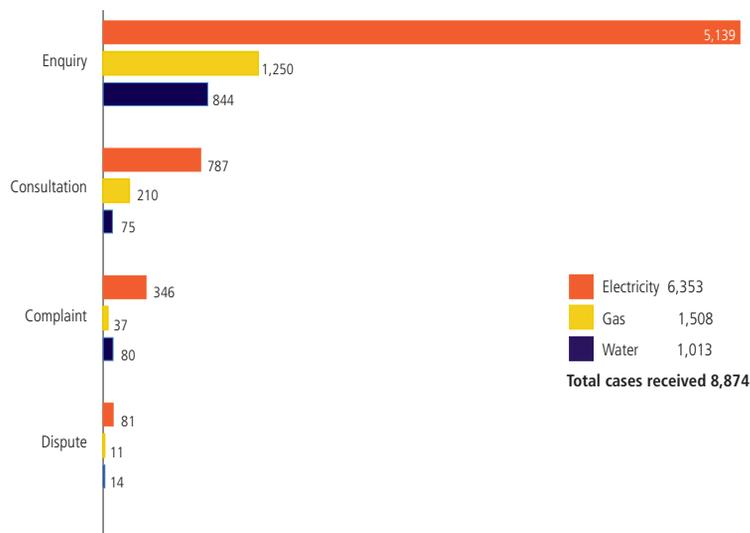
**Approximately one in eight cases received by the EWOV involved the actual or imminent disconnection or restriction of a customer's electricity, gas or water supply for non-payment of arrears.** In particular, Enquiries concerning disconnection increased by 139 per cent for the electricity industry (from 245 to 586) and by 74 per cent for the gas industry (from 173 to 301). These increased case numbers partly reflect the requirement that the EWOV's contact details appear on all electricity and gas disconnection notices; and partly reflect increased awareness among financial counsellors and other community groups of the EWOV, with the result that more clients in financial hardship are being referred to the scheme.

**In order to stimulate discussion and 'new thinking' among its members around the issue of customer hardship, the EWOV organised a conference on this theme.** 'Getting Connected – Genuine Utility-Consumer Partnerships' was held on 9 November 2001 in Melbourne.

**The Ombudsman made three Binding Decisions in the 2001–2002 period.**

# An overview of results

**Figure 1: Cases received**



The total number of cases received in 2001–2002 (8,874) increased by 33 per cent compared to the total number of cases received last year (6,658).

- Electricity cases increased by 16 per cent (from 5,467 to 6,353).
- Gas cases increased by 41 per cent (from 1,067 to 1,508).
- The EWOV began receiving water cases on 12 April 2001. Water cases increased from 124 received in the period 12 April – 30 June 2001 to 1,013 received this year.

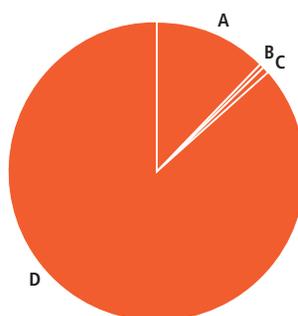
Throughout the year, cases showed a steady upward trend across the three industries, with the most significant increases occurring at the EWOV's lowest case level: Enquiries. Electricity Enquiries increased by 24 per cent and gas Enquiries increased by 54 per cent. The most prevalent issue across all three industries was Billing, with Billing Enquiries amounting to 63 per cent of all electricity Enquiries, 74 per cent of all gas Enquiries and 61 per cent of all water Enquiries.

Reasons for the increase in Enquiries include the following.

- Electricity and gas disconnection Enquiries both rose sharply in the year in review.
- Billing system issues and call centre problems were experienced by several members in the electricity, gas and water industries.
- The EWOV message began to appear on water company/authority bills from December 2001.
- Water Enquiries peaked in May 2002, when the EWOV received 184 Enquiries in a single month, up from 96 in April 2002. This was largely due to one EWOV member experiencing difficulties with its call centre at the same time as the EWOV's details appeared on its bills.
- Full Retail Competition (FRC) in the electricity industry commenced on 13 January 2002. 6 per cent of electricity Enquiries concerned FRC issues.

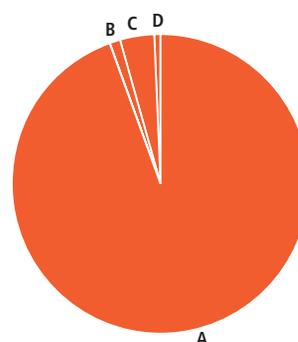
**Figure 2: Who lodged electricity, gas and water cases with the EWOV?**

Category	Cases	Percentage
A Business	1,089	12%
B Charity	42	0%
C Government	64	1%
D Residential	7,679	87%
<b>Total</b>	<b>8,874</b>	<b>100%</b>



**Figure 3: How did the EWOV receive cases?**

Category	Cases	Percentage
A Telephone	8,382	94%
B Email	102	1%
C Written/Fax	330	4%
D In Person	60	1%
<b>Total</b>	<b>8,874</b>	<b>100%</b>



The number of gas and electricity cases received for investigation at Consultation, Complaint and Dispute levels was comparable to the previous year.

Origin Energy Electricity received the most electricity Enquiries and Consultations (mostly about Billing issues), whilst TXU Electricity received the most electricity Complaints and Disputes (mostly about Supply issues).

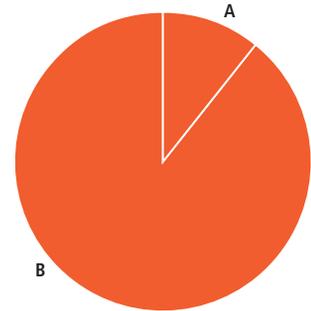
Origin Energy Gas received the most gas Consultations (mostly concerning Billing), whilst Pulse Energy Gas received the most gas Complaints (mostly about Provision).

Billing was the most prevalent issue for water Enquiries and Consultations, whilst a significant proportion of water Complaints and Disputes was about Supply issues.

For full information and analysis on cases received by the EWOV — including details of the individual performances of every electricity and gas company — please turn to the Results section for each industry.

**Figure 4: Ombudsman’s Binding Decisions/decisions not to investigate a case further**

Category	Number
A Binding Decisions	3
B Decisions not to investigate a case further	25
<b>Total</b>	<b>28</b>



**Figure 5: How did customers find out about the EWOV?**



# Chair's report

*As I celebrate my fifth year as Chairperson of the Board, I am pleased to see the EWOV continue its record of meeting each challenge with the efficiency, professionalism and expertise for which it has become renowned.*

## Every challenge an opportunity

The year 2001–2002, our first full year of water cases, has seen the expanded Energy and Water Ombudsman scheme for the State of Victoria consolidate its position as a widely respected alternative dispute resolution scheme, committed to serving the Victorian community. Its reputation has spread internationally, and the esteem with which the scheme is held was illustrated in May 2002 when the Ombudsman, Fiona McLeod, was invited to visit South Africa to discuss the possible establishment of a South African Electricity Ombudsman.

We also saw the EWOV rise to the challenge of electricity Full Retail Competition (FRC). The EWOV team prepared for the roll-out of FRC with its usual efficiency — training staff in readiness, monitoring the impact of contestability as the roll-out occurred, liaising closely with other relevant bodies and providing input into codes and guidelines under development. FRC has made our reporting role still more crucial, our role in handling cases meaning we are in a key position to report on market conduct issues to the Essential Services Commission and Consumer Affairs Victoria as and when they arise.

## Increased media interest

Over this past year, we have seen increased media scrutiny of the performance of our utilities and, indeed, of the performance of the Ombudsman scheme, reflecting the high expectations of the community of its utility providers. This is well illustrated by the intense media interest that surrounded the release of the EWOV's bi-annual newsletter, *Resolution*, in May 2002. This newsletter focused on hardship issues, and highlighted the corporate responsibility of all those involved in essential services to all those suffering financial hardship.

In its role as an alternative dispute resolution service for Victoria's three utility services, the EWOV is destined to attract an ongoing spotlight, focusing not only on its performance, but also its ability to contribute to raising the customer service standards of the electricity, gas and water providers.

## Constitutional change

This year has seen the scheme expand once again as we welcomed the gas distribution businesses. With the addition of the independent electricity and gas retailers joining the scheme, our membership increased from 45 to 55.

Following extensive consultation with EWOV members, we also approved a new case receipt procedure affecting the distribution companies, with effect from 1 July 2002. This overtakes our previous procedure of 'Billing the Biller', and is highlighted in the Ombudsman's Report.



## The EWOV Board

This year we farewelled EWOV Director Lyndon Goulding from United Energy, who resigned on 31 October 2001, and I would like to take this opportunity to thank Lyndon for over two years of fine service to the EWOV. I and my fellow Board members welcome Richard Gross from Powercor Australia as his replacement, and we look forward to a long and fruitful relationship with him.

I would also like to acknowledge the contributions of our inaugural water member, Mick Bourke from City West Water, who has provided great input into the scheme in his first full year. Finally, I thank all of the EWOV Directors for their ongoing commitment to the scheme.

## The year ahead

Potential challenges in the year ahead include a possible further major expansion of the scheme. The State Government has announced the formation of a Public Transport Industry Ombudsman (PTIO) in 2003. A working group, chaired by Fiona McLeod, has been formed to look at models and options, one of which involves integrating the new PTIO into the EWOV. That this is being mooted is just another example of the regard in which Fiona and her team are so widely held.

There is also the possibility that the EWOV's jurisdiction may be expanded to include cases involving bottled gas (LPG). This follows increasing pressure from consumer groups for residential customers of bottled LPG to have access to the EWOV scheme.

From my own perspective, I know that Fiona and her excellent staff will continue to perform extremely well and meet every challenge in this time of growth. My fellow Board members and I are confident that this admirable scheme will continue on the successful path it has paved for itself, as it provides fine service to electricity, gas and water customers from all walks of life — independently, speedily and fairly.

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

# *Ombudsman's report*

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*In every Annual Report since the EWOV's inception,  
I have reported that the scheme has grown.*

*This year has been no exception — we received 33 per cent  
more cases than last year; a total of 8,874 cases.*



## A growing scheme

Case receipt showed a steady upward trend across all industries throughout the year: electricity was up 16 per cent, gas grew by 41 per cent and we received 1,013 water cases. It is clear that community awareness of the EWOV scheme is increasing all the time, through such avenues as notices on our members' bills, my program of visits to regional communities around Victoria, and media coverage of our activities.

## Water turns one

The one-year anniversary of water joining the scheme was on 12 April 2002. During the year under review, we received 1,013 water cases.

On 27 March 2002, we held an official event to welcome our water members and formally launch the EWOV as a scheme encompassing all three industries. The launch was held at the EWOV's new offices, with over 100 of our members and stakeholders attending.

After a full year of receiving water cases, we are now in a position to make some observations about the issues and trends that have emerged. As with the electricity and gas industries, Billing is the issue that most concerns water customers, particularly at the lower case levels of Enquiry and Consultation. At the higher case levels, the issues become more complex, with Supply and Provision the main issues for water Complaints and Disputes.

The most striking difference between water cases and the other industries is that water cases are frequently more complex, with some involving broader community issues, such as water supply quality for whole townships, or the consultation process prior to the introduction of new town sewerage schemes. Water cases also have the potential to cause a high level of customer distress, especially when they concern issues such as sewage backflow or burst mains.

Individual naming of water members will commence for cases received from 1 July 2002, with the EWOV reporting on the performances of the individual companies and authorities from early 2003.

In other developments regarding water, the Department of Natural Resources and Environment (DNRE) consulted with the EWOV on an important area for the future of the water industry in Victoria: the prospect of the Essential Services Commission (ESC) taking over the regulation of the industry from January 2003. Having reviewed the water cases received by the EWOV, we recommended that as much consistency as possible be built into the regulatory standards for the industry Victoria-wide, and we welcomed these reforms. It is anticipated that, in 2003, the ESC will be involved in regulating Melbourne Water Corporation, and the regional water sector; whereas at the present time it only regulates the metropolitan water sector.

## Electricity Full Retail Competition

The biggest event in the electricity industry this year was the introduction of Full Retail Competition (FRC). On 13 January 2002, approximately two million residential and small business customers became contestable, giving them a choice of electricity retailer. Customers who use between \$5,000 and \$20,000 worth of electricity per year had been contestable since 1 January 2001.

The much-anticipated opening of the market to smaller customers was quieter than expected. As at 30 June 2002, approximately 18,000 residential and small business customers had transferred retailers. This figure represents under 1 per cent of customers who became contestable on 13 January 2002. The EWOV received 258 cases relating to electricity FRC issues in the six months between 1 January and 30 June 2002 — accordingly, the proportion of transfers that resulted in cases lodged with the EWOV was a little over 1 per cent.

Although market activity was slow at first, a number of interesting issues emerged from the beginning. The EWOV was contacted by a small number of customers claiming that some retailers' sales representatives had engaged in inappropriate market conduct. Concerns about billing errors or delays during the transfer process were also raised. The EWOV has worked closely with regulators, the Victorian State Government and industry, to address issues as they arose.

The EWOV has also been working with the ESC, Consumer Affairs Victoria (CAV), and the Australian Competition and Consumer Commission (ACCC) to develop reporting protocols for cases raising Market Conduct issues. The ESC is in the process of setting up a Marketing Code of Conduct Advisory Committee, of which the EWOV, CAV and the ACCC will be observers.

The EWOV has provided extensive feedback to the ESC, based on our casework experience of FRC. For further detail about the EWOV's work with the ESC, please see our Special Report on p 23.

### Electricity Full Retail Competition cases received 1 July 2001 – 30 June 2002



For a detailed explanation of the different EWOV case types, see page 20.

Electricity Retailer	Contestability	Market Conduct	Transfer	Total Full Retail Competition cases	%
AGL	3	2	22	27	8
CitiPower	11	2	18	31	9
Country Energy	0	0	3	3	1
ENERGEX	2	1	0	3	1
EnergyAustralia	1	0	1	2	1
Ergon Energy	1	0	0	1	0
Integral Energy	0	0	1	1	0
Origin Energy Electricity	14	1	35	50	14
powerdirect	10	18	30	58	17
Pulse Energy Electricity	22	8	29	59	17
TXU Electricity	4	3	32	39	11
Not allocated	25	3	46	74	21
<b>Total</b>	<b>93</b>	<b>38</b>	<b>217</b>	<b>348</b>	<b>100</b>

Note that this table includes all case levels. Of the 348 electricity FRC cases, 294 cases (or 84 per cent) were Enquiries.

The total number of electricity FRC cases received by the EWOV for the reporting period was 348. Of these, only 90 were received before 1 January 2002. The 2001 cases largely concerned medium-to-large business customers. The types of issues affecting these customers tended towards concerns about billing and contracts, such as:

- allocation of network charges;
- contracts not clearly outlining all charges in a way customers could readily understand;
- provision of information about tariffs;
- billing errors.

In the early days of FRC for small customers, many customers contacted the EWOV for information about the new market conditions, or the flow-on effects of these. Many of these requests for information were able to be dealt with at Enquiry level, either by providing information, or making appropriate referrals (most often to the ESC's Customer Information Line: 1300 134 575).

FRC cases received by the EWOV are divided into three main categories:

- *Contestability*: this issue description was used until early January 2002, and included all contestability issues, including those relating to customers who were contestable prior to 13 January 2002. In early January 2002, this category was replaced by the two categories below.
- *Market Conduct*: this category concerns a retailer's advertising or sales activities. Examples include customers claiming that a retailer engaged in misleading conduct, or dissatisfaction with the conduct of salespeople, particularly door-to-door salespeople.
- *Transfer*: this category concerns the transfer process from one retailer to another. Examples include delayed bills, delayed transfer, overlapping bills and bills from an incorrect retailer.

The table above shows (by member) how many electricity cases in these three categories were received by the EWOV.

## Independence

### Impartial and fair.

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

## Market Conduct

A significant proportion of market conduct cases was received against independent retailer *powerdirect*. This is in part explained by the fact that *powerdirect* has been engaged in active marketing for some time, compared with the overall activity in the market.

Of the total 38 Market Conduct cases received, 35 were taken at Enquiry level and accordingly the EWOV did not conduct detailed investigations of these matters. At Enquiry level, we either provide information to the customer, or refer the matter back to the member for investigation and/or resolution. The fact that so few of these customers needed to return to the EWOV indicates an attitude of flexibility on the part of the retailers and a willingness to resolve matters quickly.

The three Market Conduct Consultations received all related to door-to-door marketing.

The key Market Conduct issues raised by electricity customers include:

- pressure door-to-door sales techniques, such as pressure to sign up by a certain date, or forego the price deal being offered;
- false claims, for example that the retailer has government support and/or that the customer's present retailer has a poor reputation;
- failure to inform customers of their cooling off rights;
- contracts not setting out actual prices, for example, quoting only retail usage figures with little or no reference to network or regulated charges;
- no mention of significant metering costs;
- up-front fees, for example some brokers have charged an up-front fee of \$150, refundable if no saving is made within one to three years of taking supply from a recommended retailer; and
- salespeople failing to identify clearly which retailer they are working for.

## Transfer

Of the 217 Transfer cases, 182 or 84 per cent were Enquiries. A number of these were general customer Enquiries, seeking information about FRC.

The key Transfer issues raised by electricity customers include:

- 'double billing', ie receiving bills from two retailers for the same billing period, or overlapping billing periods; this is due to a lack of communication between a company's electronic transfer system and its billing system — there are still some manual processes in place while electronic systems are being developed;

- dissatisfaction with the type or lack of market offers available;
- delays in transferring retailers, or in receiving bills once a transfer has taken place; currently there are still manual aspects to the transfer process — businesses are working towards the development of a business-to-business system which should improve this over time;
- poor communication between retailers resulting in customers being given conflicting information about their transfer;
- confusion about who to apply to for a new connection when moving into a new property, and who is the financially responsible retailer for the premises; and
- retailers objecting to customers transferring to a different retailer, on the grounds of a debt owed to the first retailer.

For an insight into three customers' personal experience of electricity FRC, please see the case studies on pp 30-31.

In preparation for gas FRC, currently scheduled for October 2002, the EWOV has contributed to the ESC's gas FRC Strategic Communications Advisory Group and to VENCORP's Victorian Gas Contestability Forum meetings.

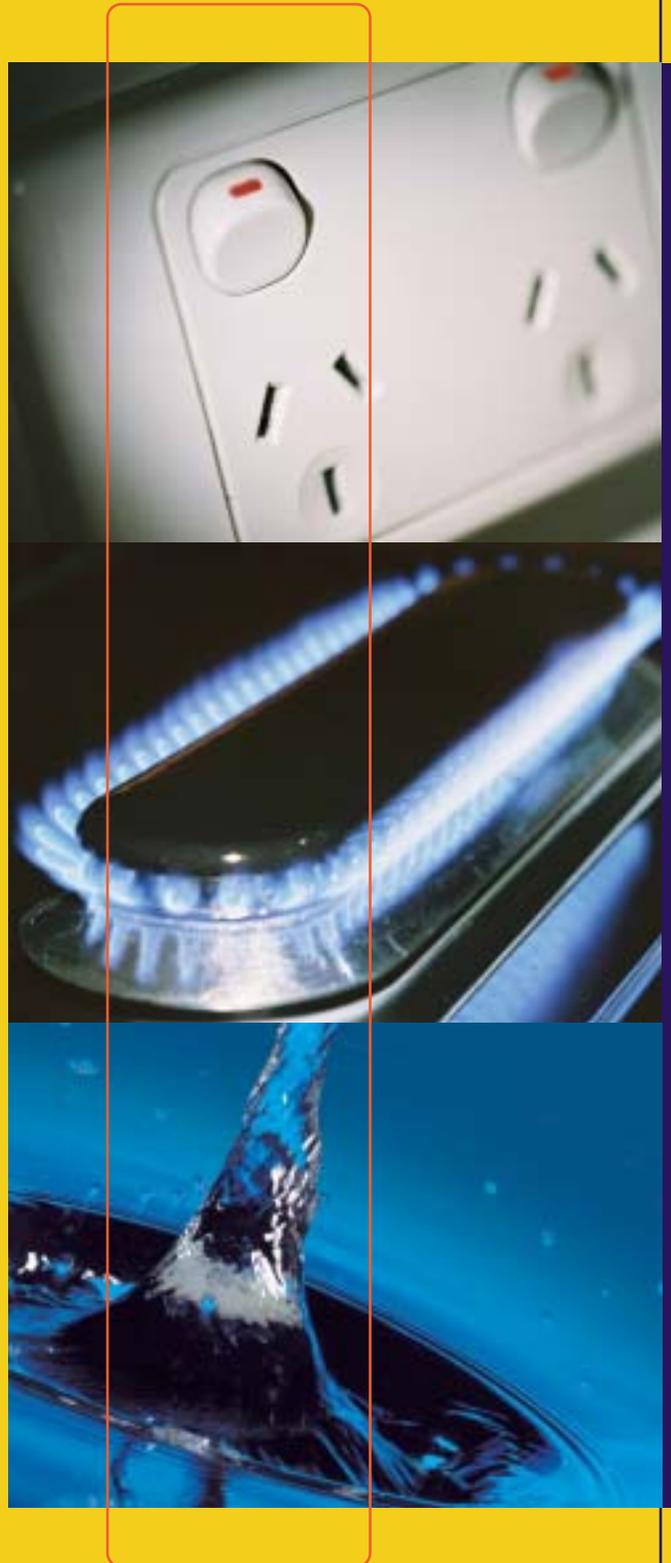
## Our dual role

The EWOV's primary purpose is to resolve complaints about electricity, gas and water. We do that by receiving and investigating individual cases. However, we also play a pivotal role in identifying systemic issues as they arise. Our daily contact with customers places us in a key position to be able to observe trends and provide feedback to industry and regulators.

This year our work on systemic issues and input to policy development has been a key focus. In the last Annual Report, I advised of a restructure of the EWOV team that took place on 18 June 2002. The decision to create a full-time dedicated position for Policy and Research has been more than vindicated by the demands for the EWOV's participation during this year. The EWOV was involved in several key committees and working groups, and provided comments on numerous issues papers, codes and guidelines. We have provided fortnightly feedback to the ESC about our casework experience of FRC. This has assisted the ESC with its review of the effectiveness of electricity FRC. For further detail about our policy work this year, please see our Special Report, 'Spotlight on Policy', on p 23.

We have also worked closely with members this year on some difficult systemic issues.

A systemic billing problem involving Origin Energy Electricity came to the attention of the EWOV in April 2002, through cases involving customers who had not received their normal quarterly accounts. By the end of that month, up to 27,000 customers were affected. The EWOV raised this issue with the ESC and Origin Energy Electricity, and has worked closely with both parties to resolve the issue and minimise its impact on customers. The number of Origin Energy Electricity customers affected has been significantly reduced at the time of writing.



Issues currently or recently under discussion with the ESC include electricity FRC market conduct and transfer issues, members' interpretation of the Voltage Variation Compensation Guideline, one member's interpretation of allowable backbilling periods, the interpretation of the Electricity and Gas Retail Codes regarding the transfer of arrears to new accounts, high gas disconnection rates and the upward trend in electricity disconnection rates, complaints about delays with new connections and the application of the Special Power Payment.

## Hardship

Over the years, it has become increasingly apparent that working with customers in hardship is one of the most challenging aspects of our work — for us and for our members. In 2001–2002, approximately one in eight cases received by the EWOV involved the disconnection or restriction of a customer's electricity, gas or water supply for non-payment of arrears. For customers, it is an emotive issue, and often much more complex than simply not being able to pay their bill. For members, not being able to recover debts is vexing and bad for business. The EWOV wanted to stimulate discussion and 'new thinking' around this issue, and to that end, we organised a conference on the theme of hardship. 'Getting Connected — Genuine Utility–Consumer Partnerships' was held on 9 November 2001 in Melbourne.

Hardship issues from both consumer and industry perspectives were discussed, and delegates were addressed by a range of excellent speakers, including the Rev Tim Costello, President of the Baptist Union of Australia. Sue Fraser, from welfare agency Kildonan Child and Family Services, chaired a session in which customers who had experienced hardship spoke about their experiences with their utility providers. This session powerfully illustrated that when customers are having difficulty paying their utility bills, it is usually because a whole range of things has gone wrong in their lives, and they are dealing with multiple issues.

Tony Kelly, Acting Chief Executive Officer of Yarra Valley Water (YVW), spoke about the hardship policies his company has developed. YVW has found that an effective hardship policy has not only benefited customers, but has resulted in improved cash flow, improved relationships with the welfare sector, improved customer loyalty and a reduction of bad debts. Similarly, Mick Bourke, Chief Executive Officer of City West Water, spoke about the success of its hardship policy.

Since the conference, a number of our members have advised us that they are working on their own hardship policies, a move I strongly encourage all members to consider.

The need to be flexible and creative when working with customers in hardship was highlighted when I made a Binding Decision on a case relating to this issue. This case was one of the most difficult and complex examples of hardship and affordability that I have considered to date. A case study can be found on p 32.

It is disappointing to note that the EWOV continues to receive a significant number of cases concerning the actual or imminent disconnection of electricity or gas as a result of Billing issues. Whilst this partly reflects the requirement that the EWOV's contact details appear on all disconnection notices since 1 January 2001 for electricity, and since 1 September 2001 for gas, it does also appear to indicate that the practice of disconnecting customers in arrears is continuing at a significant rate.



Another possible reason for the increase in Disconnection cases may be due to increased awareness of the EWOV scheme among financial counsellors and other community groups, with the result that more clients in financial hardship are being referred to us.

## Becoming an international player

When our scheme was established in 1995 as the Electricity Industry Ombudsman (Victoria), we were the first Electricity Ombudsman scheme in the world. Over the six years of our existence, we have played a supporting role in the establishment of many other Ombudsman schemes. I have worked closely with New South Wales, South Australia and Tasmania in setting up their schemes.

The National Energy Ombudsman Network (NEON) was formed in 1998. With the expansion of the Victorian and New South Wales schemes to take water complaints, it became the National Energy and Water Ombudsman Network (NEWON). When the New Zealand scheme joined in early 2002, the network was renamed the Australian and New Zealand Energy and Water Ombudsman Network (ANZEWON). We are very pleased to welcome New Zealand Electricity Complaints Commissioner Judi Jones on board.

ANZEWON's aim is to ensure that members and customers alike receive consistent, best practice service from all such schemes. To read more about our work this year in achieving greater consistency across the schemes, refer to the Special Report about our policy work on p 23.

News of the EWOV's expertise in our field has spread even further across the globe — to South Africa and China. Representatives from the electricity industry in both countries approached the EWOV this year, with a view to sharing our knowledge about complaints handling in the utility industries.

The National Electricity Regulator (NER) of South Africa invited me to visit them in Johannesburg in May 2002. The NER is considering establishing a South African Electricity Ombudsman. The NER itself currently takes customer complaints, while its other activities more closely mirror those of the ESC in Victoria. The NER is exploring the idea that customer complaints may be better handled outside regulation, but is keen to retain its connection with customers and their service providers.

There was great interest in how the EWOV operates, and our role in identifying systemic issues. I explained that the EWOV reports any apparent breaches of the regulatory framework (licences, codes, regulations, laws), and then liaises with the regulator and the company concerned. Our organisation is able to act as a link between the regulator and the actual experience of customers.

We were delighted and fascinated when a representative of the electricity industry from the southern Chinese province of Guangdong contacted the EWOV about arranging a study tour. A delegation of government and electricity industry representatives visited the EWOV on 24 May 2002.

Currently looking to restructure its electricity services, the Chinese Government has expressed interest in the Victorian model of electricity reform. The members of the delegation were very keen to learn more about the Victorian electricity industry model, including its Ombudsman, and any similarities between companies in China and Australia.



## Visiting Victoria

In May 2002, I began the first of a series of visits to regional Victoria. Accompanied by a Conciliator, I went to north eastern Victoria, home of three member water authorities.

One aim of these regional tours is to meet personally with our newest members. Another is to introduce the scheme to local water customers through media interviews and a series of meetings with community representatives, giving me the opportunity to respond directly to any local concerns raised about electricity, gas or water issues. Where possible, I also visit any gas and electricity members in the area. On this visit, we also held individual complaints lodgement sessions for the first time, allowing me to meet with consumers on a one-on-one basis.

I aim to visit every water member outside the metropolitan Melbourne area by the end of 2002.

## Special Power Payment/Off-Peak Concession issues

To alleviate the effects of the electricity price increases which came into effect on 13 January 2002, the Victorian Government introduced the one-off Special Power Payment (SPP) and a new Off-Peak Concession for eligible customers.

The introduction and application of these have caused difficulties among some retailers and confusion for some customers.

The Off-Peak Concession was due to commence on 1 April 2002, but most retailers experienced problems in implementation, leading to increased calls to the EWOV. Only one retailer, TXU Electricity, was ultimately able to comply with the anticipated start date.

It is expected that the Off-Peak Concession will begin to appear on the bills of the other electricity retailers from 1 July 2002, with retrospective application to 1 April 2002.

The formatting of accounts has also caused problems for both Origin Energy Electricity and TXU Electricity, particularly in relation to the presentation of the GST — GST is applied (correctly) before the SPP is deducted, however due to the format of the accounts it appears to customers that they are paying more than 10 per cent GST. This has led to confusion and consequently more calls to the EWOV.

## Community Awareness

### Public relations and education.

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

## Bill the Biller

Following extensive consultation with members, the EWOV Board has approved a new case receipt procedure. From 1 July 2002 we will be receiving and reporting cases involving network issues directly against the distribution businesses. Under our former case receipt procedure ('Bill the Biller'), we received, charged and publicly reported all cases against the retailer.

## Case Handling Advisory Committee (CHAC)

There are eight members of CHAC:

- three industry representatives, who are company or authority contacts with direct day-to-day case handling experience with the EWOV scheme;
- three consumer group representatives; and
- two independent Alternative Dispute Resolution (ADR) experts.

Prior to the entry of water to the scheme, the then-Energy Industry Ombudsman (Victoria) (EIOV) reviewed its procedures for handling cases on an annual basis. It relied on input from company contacts from its electricity and gas members, who dealt with cases from the EIOV on a daily basis. This meant that the annual reviews were focused at a detailed procedural level, and lacked the rigour of taking into account the guiding principles for case handling procedures in Australian industry-based customer dispute resolution schemes.

In order to inject this contextual thinking into decisions about how to develop best practice for the efficient and effective investigation and resolution of electricity, gas and water cases, CHAC was re-configured to include consumer representatives and experts in alternative dispute resolution (ADR). The new-look CHAC met for the first time in November 2001.

In 2002, CHAC meetings were held in April and July, with a variety of issues canvassed. There is general agreement that the input of CHAC members to the development of case handling procedures is very useful, and is working well. Representation of all stakeholders means that there is a good balance of views, and ADR experts with experience across various industries are providing a broad perspective.

Participants have contributed a range of ideas for consideration, including input into the scheme's review of the 'Bill the Biller' policy. Prior to 1 July 2002, all electricity and gas cases involving network issues were registered against the complainant's retailer. As reported above, the EWOV decided to change its case receipt procedure in this regard, effective from 1 July 2002.

The EWOV is also working closely with CHAC on matters relating to an ANZEWON project to bring consistency to all the schemes in the network, wherever practicable. A number of proposed changes has resulted from our work on this project, and these will be thoroughly canvassed at CHAC meetings. For more detail about our work with ANZEWON, please see our Special Report on p 23.

## Voltage Variation Compensation Guideline (VVCG)

Following extensive consultation by the ESC with industry representatives, consumer groups and other stakeholders, the VVCG was introduced in April 2001.

Initially, there were considerable differences in how members interpreted and applied the VVCG. These issues were addressed in a meeting with the ESC, members and the EWOV in October 2001, during which the ESC required distribution businesses to take steps to improve their compliance with the VVCG. Encouragingly, a 41 per cent reduction in voltage variation damage cases was observed in the period 1 July – 31 December 2001 (a drop from 184 to 109 cases).

However, case receipts on this issue have begun to increase again. Between 1 January 2002 and 30 June 2002, the EWOV received 156 voltage variation damage cases. While this figure is not as high as in previous reporting periods, it is a cause for some concern.

The EWOV will continue to monitor these cases carefully (keeping the ESC informed) to establish the cause of this increase. I note that one of the steps required by the ESC in the October 2001 meeting was that all distribution businesses comply with the requirement that customers be informed about the EWOV whenever they have a claim for appliance damage rejected. It may be that some members' increased compliance with this requirement is the reason that cases with the EWOV have increased.

## Privacy policy

In order to comply with the *Privacy Act* 1998 (Cth), which came into effect on 21 December 2001, the EWOV changed some of its work practices and wrote a privacy policy. The EWOV Board approved the policy, and a copy is available on our website: [www.ewov.com.au](http://www.ewov.com.au).

## We welcome more members

At the time of writing the last Annual Report, the EWOV scheme had just expanded its membership from 21 to 45 members. During this year, a number of distributors and independent retailers joined the scheme, giving the EWOV a total of 55 members. For a full list of the scheme's members, please see p 21-22.

## Binding Decisions

I made three Binding Decisions in the period under review: see pp 26,27 and 32 for details.



Fiona McLeod  
Energy and Water Ombudsman (Victoria)

# Governance

## Board

The EWOV is governed by a Board comprising equal representation of:

- **Community/consumer representatives** — the Chairperson of the Essential Services Commission (ESC), after consultation with the ESC's Customer Consultative Committee, appoints to the Board four Directors from groups representing customers of electricity, gas or water services; and
- **EWOV members** — the electricity members appoint two Directors to the EWOV Board, the gas members appoint one Director, and the water members appoint one Director.

The Board has an independent Chairperson: The Hon Tony Staley.

The Board oversees the EWOV scheme. It is responsible for the business affairs and property of the EWOV, including corporate governance, the setting of budgets, risk management, strategic planning, and financial and major policy matters. It ensures the Ombudsman's independence.

## Ombudsman

The Ombudsman has the responsibility for the day-to-day operation of the scheme. The roles of the Ombudsman and the Board are complementary, with the Ombudsman attending Board meetings.



Complementary roles — Ombudsman Fiona McLeod and Chairperson The Hon Tony Staley.



# Board members

*The EWOV Board is comprised of equal numbers of industry and consumer representatives.*

*The Hon Tony Staley was appointed the independent chairperson in November 1998.*

## Chairperson

**The Hon Tony Staley** (appointed 30 November 1998)

## Directors — industry representatives

**Mr Mick Bourke**, Managing Director, City West Water Ltd (appointed 12 April 2001)

**Ms Caryle Demarte**, General Manager, Government and Regulatory Affairs, TXU Australia Pty Ltd (appointed 21 May 1999)

**Mr Richard Gross**, Manager Regulation and Pricing, Powercor Australia Ltd (appointed 14 December 2001)

**Mr Simon Lucas**, Company Secretary, CitiPower Pty Ltd (appointed 30 November 1998)

## Directors — community/consumer representatives

**Mr Chris Field**, Executive Director, Consumer Law Centre Victoria (appointed 20 April 2001)

**Mr Denis Nelthorpe**, Consumers Federation of Australia (appointed 30 November 1998)

**Mr Colin Peirce**, Deputy Chairman, Executive Member, Small Business Association of Victoria (Executive Sub-Committee of the Victorian Employers' Chamber of Commerce and Industry) (appointed 30 November 1998)

**Ms Barbara Romeril**, Executive Director, Community Child Care Victoria (appointed 20 April 1999)



## Company Secretary

**Mr Steve Morris**, Business Manager, EWOV  
(appointed 9 October 2000)

## Alternate directors

**Mr Mark Harvey**, Chief Executive Officer,  
Victorian Water Industry Association (VWIA)  
(appointed 26 July 2001)  
— alternate director for Mr Mick Bourke

**Mr Anthony Kelly**, Company Secretary,  
TXU Australia Pty Ltd (appointed 14 December 1998)  
— alternate director for Mr Simon Lucas

**Mr Ken Stickland**, Chairman, Regulatory Reform  
Committee, Property Council of Australia  
(appointed 23 February 2000)  
— alternate director for Mr Colin Peirce

**Mr Anthony Wood**, General Manager  
Public and Government Affairs,  
Origin Energy Ltd (appointed 21 January 2002)  
— alternate director for Ms Caryle Demarte



**Facing page:**

(From left) Barbara Romeril, Fiona McLeod, Colin Peirce,  
Tony Staley, Richard Gross.

**This page top:**

Dennis Nelthorpe (left), Mick Bourke.

**This page bottom:**

Simon Lucas (left), Caryle Demarte, Chris Field.

# Organisational structure



*The EWOV undertook an organisational restructure on 18 June 2001.*

*In large part this restructure was to accommodate the increase of the scheme to include the water industry.*

In order to be able to manage growing case loads adequately, extra Conciliation staff were appointed; and to facilitate the work of the Conciliation team further, the position of Manager Complex Cases was created.

The Manager Complex Cases focuses on any matters that are particularly protracted or difficult, and which may require a higher level of skill and attention to resolve.

Prior to the restructure, the Manager Investigations and Policy had managed the Investigations team (now the Conciliation team), as well as managing policy and public affairs. As part of the restructure, further new positions were created: Manager Conciliation, and Policy and Research Officer. A General Manager Strategic Operations was appointed to manage these specialised areas and assist the Ombudsman in overseeing the effective operation of the scheme.

This reporting period covers the first full year of the new structure. The EWOV has conducted a comprehensive review of the changes and has concluded that the new structure has enhanced the EWOV's capabilities as an effective complaints handling organisation.

## Conciliation Team

As at 30 June 2002, the EWOV has allocated funding for 10 full-time Conciliator positions.

The EWOV also has two full-time Enquiry Officers as part of this team. Enquiry Officers act as the EWOV's 'frontline', receiving the majority of the initial customer phone calls, letters, emails and faxes at the EWOV office. Their role is to answer general questions, refer customers where appropriate to a senior contact at their electricity, gas or water company/authority, and refer new cases onto Conciliation staff for investigation.

The Conciliators investigate and resolve cases received by the EWOV. The emphasis of their work is on the resolution of cases, by facilitating outcomes that both parties agree on to resolve the complaint. The Manager Conciliation is responsible for managing all aspects of the Conciliation team. The team is supported by the Executive Assistant to the Manager Conciliation.

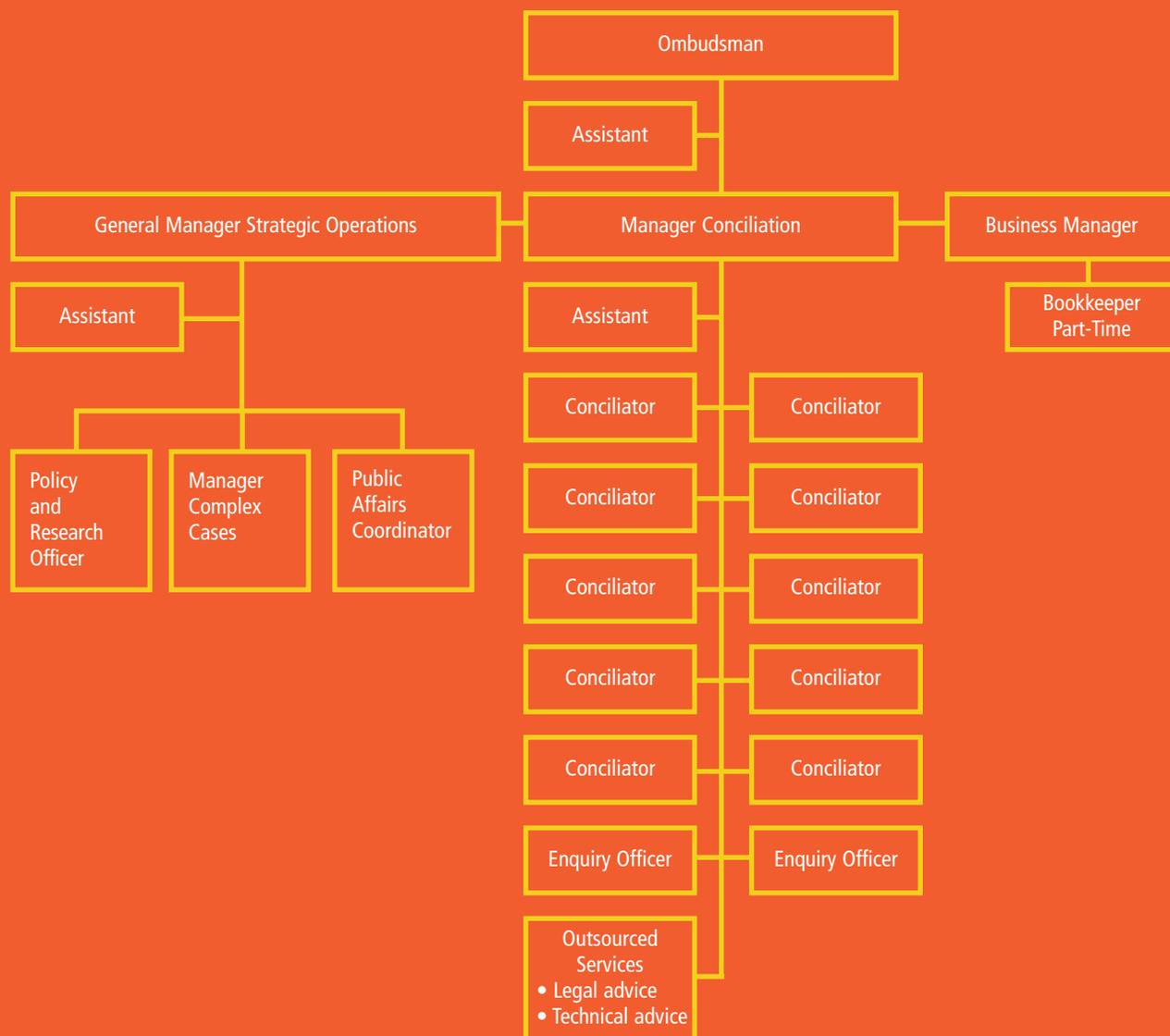
## Strategic Operations Team

This team comprises the Policy and Research Officer, the Public Affairs Coordinator and the Manager Complex Cases, headed by the General Manager Strategic Operations. The team is supported by the Executive Assistant to the General Manager Strategic Operations.

The work of the Strategic Operations Team covers four main areas, as detailed below.

## Policy and Research

Demands on the EWOV to provide feedback to industry, regulators and policy makers are considerable, and this area enables the organisation to make a significant contribution in this arena. The Policy and Research Officer plays a key role in keeping EWOV staff abreast of industry developments.



## Complex Cases

The creation of a role purely focussed on complex cases enables the EWOV to manage and progress complex, difficult matters more efficiently. The Manager Complex Cases also contributes to training of EWOV staff in all aspects of case management.

## Public Affairs

The primary purpose of the public affairs area is to raise community awareness of the EWOV scheme and the services it provides. All EWOV communications, both hard copy and electronic, are written and produced by this area. In addition, the Public Affairs Coordinator manages community, media and stakeholder liaison and contributes to the formulation of effective marketing strategies.

## Training

Having a resource such as the Strategic Operations Team gives the EWOV the ability to manage and implement consistent, high standards of organisational and individual training for EWOV staff.

## Administration Team

This comprises the EWOV's Business Manager, supported by a part-time bookkeeper. The Business Manager is responsible for all financial and physical aspects of the scheme, supervising the EWOV's budget, human resources, IT systems and other office equipment.

## *Equity*

**Just, economical, efficient and confidential.**

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

# *EWOV operations*

## Jurisdiction and funding

### Jurisdiction

The EWOV deals with many problems and issues that may arise between customers and their electricity, gas and water providers, including:

- the provision and supply of, or failure to provide or supply, electricity, gas or water services
- billing
- credit and payment services
- disconnections/restrictions
- refundable advances (security deposits)
- land and land access, including vegetation management issues
- matters raised by the Essential Services Commission (ESC)
- matters referred by an electricity, gas or water company/authority to the EWOV with the consent of the complainant

An important feature of the scheme is that it also provides an avenue of redress for third parties directly affected by the activities of any electricity, gas or water company/authority. This covers situations where the activity of a member of the scheme may affect someone who is not their customer; for example marketing electricity or gas to the general public, or vegetation management by the electricity transmission company.

### Funding

The EWOV is an industry-based scheme that derives its funding from its members on a 'user pays' basis, involving a combination of fixed fees and variable fees. The variable fees reflect the number of cases of each case level handled by the EWOV in relation to each member.

Accordingly, the 'user pays' basis provides a financial incentive for member companies/authorities to reduce the number of cases coming to the EWOV by solving each customer's issue within the member's own internal processes.

### Mission

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

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

### Start up levy

The start up levy is a fixed fee applied to members when they join the EWOV.

The purposes of the start up levy are to cover the costs of joining the EWOV, and to contribute to the costs of establishing the scheme. These costs were originally covered by the founding electricity and gas members.

Start up levies are repayable by the EWOV to the founding members.

### Annual levy

The annual levy is applied to members each year to fund the EWOV operations. It comprises a fixed fee to cover membership costs and a variable fee to cover the cost of the EWOV handling cases.

The variable fee is based on each member's share of cases handled.

### Special levy

With the approval of the Board, the EWOV management may at any time obtain funds by raising a special levy from the members, for example for specific projects or market research.

## Operations

Easy access for customers is a key principle of the EWOV's operations. The EWOV does not require complainants to put their concern in writing. They can ring us up and tell us about their problem over the phone.

Freecall and freefax facilities enable customers to contact the EWOV without incurring any expense. Callers with a speech or hearing impairment are able to contact the EWOV through the National Relay Service (NRS), while an interpreting service is available to callers whose first language is not English.

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

## *Effectiveness*

### Skilled staff and quality systems.

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

## Case handling procedure

The EWOV scheme is an alternative to formal legal processes for solving complaints from Victorian customers of electricity, gas and water. The context for our investigations is:

- what is fair and reasonable
- what constitutes good industry practice
- what lies within current law.

Our process:

- allows the parties to act for themselves, without the need for representation
- can help the parties understand the issues
- gives a sense of ownership of the outcome, as both parties have willingly agreed to it
- is free for customers
- is available to everyone, including business and domestic users
- is comparatively speedy
- is informal
- is accessible, with no need to put complaints in writing
- is impartial.

## The dual role of the EWOV

While the conciliation of cases forms a large part of the EWOV's work, another of our roles is to identify serious issues capable of affecting a large number of customers, sometimes known as systemic issues. We raise such issues with the relevant regulators and the company/authority concerned. The regulators also consult with us, as well as with consumers and industry, on codes and guidelines under development.

For further information about this aspect of the EWOV's work, please refer to our Special Report on p 23.



'When a customer contacts the EWOV, we first determine whether they have tried to resolve the matter directly with their company or authority. If not, we discuss their issue with them and make suggestions about how they may broach the matter with their provider.'

'If the customer has contacted their company or authority, but only once and only at call centre level, the EWOV has a procedure of referring the matter back to the member, but at a higher level. This procedure, called Refer to Higher Level or RHL, provides the EWOV's members with a further opportunity to resolve the customer's complaint at Enquiry level, without having a case investigated by the EWOV.'

'If the customer's matter remains unresolved following an RHL, or if the customer has already made extensive attempts to resolve their issue, the EWOV lodges a case for investigation. Our first step is to contact the member concerned, put the customer's complaint to them and ask them to respond. We ask the member to provide information that will assist our investigation, such as screens from their system detailing billing history, meter readings, customer contacts and the like. If necessary, the EWOV commissions independent technical or legal advice. If the customer has documentation that supports their case, we ask them to provide it. We aim to establish an objective view of what has happened, and then to help the parties reach an agreement they are both happy with.'

'Where a case has been through detailed investigation and negotiation and remains unresolved, the Ombudsman reviews the case and may make a Binding Decision. A Binding Decision is binding on the EWOV member, but the customer elects whether or not to accept it.'

Elize Simpson  
Conciliator

## Access

### Informal and open to all.

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

## Some useful terminology

### EWOV case types

#### Enquiries

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

#### Consultations

A *Consultation* is a more substantial matter than an Enquiry. It requires investigation and contact with the company/authority. Consultations have a 14-day time frame within which to be resolved.\* Billing matters are routinely categorised as Consultations.

#### Complaints

A *Complaint* is relatively complex and requires detailed investigation. It may be an unresolved Consultation. Complaints have a 28-day time frame within which to be resolved.\* Electricity Supply and gas and water Provision matters are routinely categorised as Complaints.

#### Disputes

A *Dispute* requires a high level of investigation and negotiation. It is generally an unresolved Complaint. A Dispute has a 90-day time frame within which to be resolved.\* Unresolved cases at Dispute level may go to a Binding Decision by the Ombudsman.

\* Timeframes may be affected by factors internal to the company/authority (such as field testing and reports, site inspections, inadequate resourcing for complaint management, case backlogs), factors external to the company/authority (such as the EWOV seeking technical/legal advice, delays in customer action/replies and case backlogs), and the complexity of the case.

#### Disconnection cases

Cases referred to as 'Disconnection' cases (or 'Restriction' regarding water) mean disconnection/restriction of supply, usually as a result of Billing issues. They encompass both actual and imminent disconnection/restriction of supply.

Electricity and gas companies are required to include the EWOV's contact details on disconnection notices. There is currently no equivalent requirement on the water companies/authorities to include the EWOV's contact details on restriction notices.

#### Provision

The term 'Provision', as it relates to cases lodged with the EWOV, means anything to do with the company/authority's assets, eg gas and water pipes, electricity meters.

- 'Provision: In-Place' covers issues relating to existing company or authority assets, or issues concerning getting supply connected to an existing property.
- 'Provision: New' covers issues relating to a customer trying to get energy or water connected for the first time, perhaps querying the cost of the new connection, or dissatisfaction with delays in connection.

'Taking water cases has been a whole new area for the Conciliation team. We've had a lot of training in issues such as the supply of water, licensing, irrigation and water infrastructure.'

'It's been really interesting to learn about the complex regulatory environment in the water industry. There are four different sectors in the water industry, and different regulations apply to the various sectors. Cases coming in from rural and regional areas tend to be about quite different issues to the metropolitan ones. Drought conditions clearly put people under a lot more pressure in the country than they do in the city.'

Katie Howie  
Conciliator



# EWOV members

*All electricity and gas retailers and distribution companies operating in Victoria, together with the transmission company SPI PowerNet (responsible for the transmission of high voltage electricity from the generators), are required by licence to participate in an Ombudsman scheme. Membership of the EWOV fulfils this licence condition.*

*This year, we welcomed the gas distribution businesses to the EWOV.*

*The Essential Services Legislation (Dispute Resolution) Act 2000 (Vic) places a legislative requirement on Melbourne Water Corporation, the regional urban authorities and the rural water authorities to participate in an approved dispute resolution scheme. Membership of the EWOV fulfils this legislative requirement.*

## Electricity members

### Local electricity retailers

AGL Electricity Ltd (12 per cent market share)  
CitiPower Pty (12 per cent market share)  
Origin Energy Electricity Ltd (27 per cent market share)  
Pulse Energy Pty Ltd (26 per cent market share)  
TXU Electricity Ltd (23 per cent market share)

### Transmission company

SPI PowerNet

### Independent electricity retailers

ACTEWAGL Retail Ltd  
Country Energy  
ENERGEX Retail Pty Ltd  
EnergyAustralia  
Ergon Energy Pty Ltd  
Integral Energy Australia  
powerdirect  
TXU Pty Ltd

### Electricity distributors

AGL Electricity Ltd  
CitiPower Pty  
Powercor Australia Ltd  
TXU Electricity Ltd  
United Energy Ltd

## Gas members

### Local gas retailers

Origin Energy Retail Ltd (36 per cent market share)  
Pulse Energy Pty Ltd (36 per cent market share)  
TXU Pty Ltd (28 per cent market share)

### Independent gas retailers

AGL Energy Sales and Marketing Ltd  
CitiPower Pty  
ENERGEX Retail Pty Ltd  
EnergyAustralia  
Origin Energy (Vic) Pty Ltd

### Gas distributors

Envestra Ltd  
Multinet Gas  
Vic Gas Distribution Pty Ltd  
TXU Networks

## Water members

Victorian water services are provided by 24 companies and authorities in four sectors.

- Metropolitan retail
- Metropolitan wholesaler
- Regional urban
- Rural

All are government owned.

## Market share

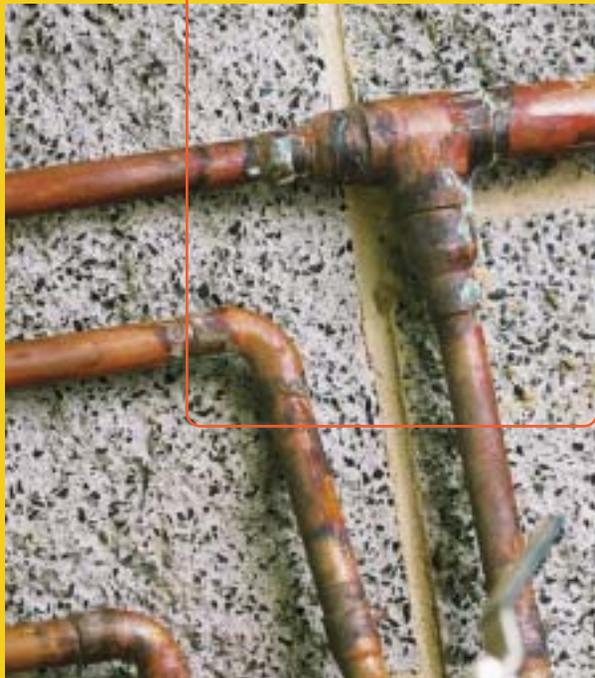
The results in this Annual Report for electricity and gas companies should be read in conjunction with the market share of customers for each company, which is the proportion of customers allocated to each of the electricity companies in December 1994, and the gas companies in November 1998, following deregulation. These are appropriate benchmarks for this Report, as only a small proportion of gas and electricity customers have changed retailers to date.

The EWOV is currently reviewing the question of what constitutes an appropriate benchmark in the wake of Full Retail Competition, and is holding discussions with the Essential Services Commission (ESC) in this regard. The results of these discussions will be reported in next year's Annual Report.

## Bill the Biller

Under the EWOV's case receipt procedure ('Bill the Biller'), we received, charged and publicly reported all cases against the retailer.

Following extensive consultation with members, the EWOV Board has approved a new case receipt procedure. Accordingly, from 1 July 2002 we will be receiving and reporting cases involving network issues directly against the electricity and gas distribution businesses.



In the next Annual Report, the EWOV will report on individual water companies and authorities, enabling trends to be identified and monitored in water cases received from 1 July 2002.

## Metropolitan retail

The three metropolitan retail companies retail and distribute water and sewerage systems. They are regulated by the ESC.

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

## Metropolitan wholesaler

Melbourne Water Corporation manages water supply catchments, removes and treats most of Melbourne's sewage, and manages waterways and major drainage systems. The Department of Natural Resources and Environment (DNRE) is currently responsible for Melbourne Water, however it is anticipated that Melbourne Water will be regulated by the ESC from 2003.

## Regional urban

The 15 regional urban water authorities provide water and sewerage services. They are regulated by the DNRE. It is anticipated that they will be regulated by the ESC from 2003.

- Barwon Water
- Central Highlands Water
- Coliban Water
- East Gippsland Water
- Gippsland Water
- Glenelg Water
- Goulburn Valley Water
- Grampians Water
- Lower Murray Water
- North East Region Water
- Portland Coast Water
- South Gippsland Water
- South West Water
- Western Water
- Westernport Water

## Rural

The five rural water authorities provide a range of services, including irrigation as well as domestic and wholesale supply, to regional urban water authorities. They are regulated by the DNRE.

- First Mildura Irrigation Trust
- Goulburn-Murray Water
- Southern Rural Water
- Sunraysia Rural Water
- Wimmera Mallee Water

# SPECIAL REPORT

## Spotlight on policy

**As at 30 June 2002, the EWOV had received 33,824 cases about electricity, gas and water since its inception in 1996. Only 33 of these cases have had to be resolved through Binding Decision. Our daily contact with customers from all over Victoria gives us valuable information about customers' experiences of their electricity, gas and water providers. Accordingly, the EWOV plays a key role in providing feedback to industry, regulators and policy makers.**

In recognition of the importance of this role, the position of Policy and Research Officer was created in June 2001, as part of the restructure of the EWOV.

Since then, the EWOV has undertaken a wide range of policy and research work. This includes providing regulators with comments on various issues papers and draft codes and guidelines, contributing to committees and working groups, raising systemic issues with regulators and relevant members of the scheme, and working on the Australian and New Zealand Energy and Water Ombudsman Network (ANZEWON) project.

Wherever possible, we adopt a 'preventative focus', looking for ways to identify and address problems before they become a source of widespread customer complaint.

### Getting ready for Full Retail Competition (FRC)

During the first part of the year (July to December 2001), the EWOV's policy focus was largely on getting ready for FRC by January 2002. Drawing on our casework experience, the EWOV provided comments and materials for a number of draft codes and guidelines that the Essential Services Commission (ESC) developed in preparation for electricity and gas FRC. Electricity FRC commenced on 13 January 2002, and gas FRC is expected to commence in October 2002.

We also conducted extensive training for the EWOV Conciliators, to ensure that they were familiar with the new codes and guidelines, and understood how the new market would operate.

When electricity FRC started, the EWOV initiated an internal process of regular meetings, so that information could be readily shared by Conciliation staff. Our observations about FRC were collated into fortnightly reports, which we presented to the ESC. We were able to provide fresh, practical examples of how the market was operating under the new conditions. A small number of customers raised concerns about inappropriate market conduct. Where a customer's experience appeared to indicate a serious, systemic problem, the EWOV liaised with the retailer concerned, while also reporting to the Australian Competition and Consumer Commission (ACCC), Consumer Affairs Victoria (CAV) and the ESC. A market conduct reporting protocol was established with these bodies.

### Committees and working groups

The EWOV was involved in several committees and working groups, a number of which were convened by the ESC. The FRC Strategic Communications Advisory Group discussed strategies for effectively communicating to customers about electricity and gas FRC. The Contestability Reference Group brought together industry and consumer representatives to discuss electricity FRC issues. The Market Conduct Group brought together representatives from the ESC, EWOV, ACCC and CAV to discuss market conduct issues relating to electricity and gas FRC. The Customer Consultative Committee provides the ESC with a forum for consulting with consumer groups.

The Victorian Government, through the Department of Natural Resources and Environment (DNRE), convened the FRC Implementation Working Group, which monitored the progress of electricity FRC. VENCORP convened the Victorian Gas Contestability Group, which brought together industry and consumer representatives to discuss issues relating to gas FRC. The Office of the Chief Electrical Inspector's Rural Advisory Committee discusses electrical safety issues affecting regional Victoria. The EWOV was an active member of all of these groups.

### Responses to other regulatory authorities

The EWOV also provided written responses to a range of regulatory issues papers. For example, we commented on:

- the DNRE review of electricity and gas licence exemptions
- DNRE's National Competition Policy Review of Water Legislation: Independent Report
- DNRE papers on establishing the ESC as the economic regulator of the Victorian water industry.

### Water issues

The EWOV believes that Victorian water customers and industry would benefit from greater consistency of standards across all sectors of the industry. In December 2001, we wrote a paper supporting the Government's proposal that the rural and regional sectors of the water industry be brought into the jurisdiction of the ESC, to bring them into line with the metropolitan sector, which is already under ESC jurisdiction.

### Systemic issues

When systemic, or potentially systemic, issues arise in our casework, the EWOV reports the issue to the relevant regulators. The EWOV also seeks feedback from the member or members of the scheme concerned.

In 2001–2002, Origin Energy Electricity experienced a significant billing delay issue. The EWOV provided Origin Energy Electricity and the ESC with several reports on the number of customers who contacted our office about this issue. We provided a practical insight into the types of issues that customers were raising with us, and made suggestions for how to address them so as to reduce the impact on customers. At the time of writing, Origin Energy Electricity had been able to significantly decrease the number of customers affected.

## The EWOV's work with the Essential Services Commission (ESC)

The EWOV provided comments on draft versions of the following codes and guidelines:

- Electricity Credit Assessment Guideline
- Electricity Customer Metering Code
- Revised Electricity Retail Code
- Electricity Customer Transfer Code
- Revised Electricity Distribution Code
- Code of Conduct for Marketing Retail Electricity in Victoria
- Revised Gas Retail Code
- Revised Gas Distribution System Code
- Guideline No. 10: Confidentiality and Informed Consent, Electricity and Gas

We also commented on:

- FRC publicity materials (such as customer brochures)
- Comparative Performance reports for the gas, electricity and Melbourne metropolitan water industries
- the ESC's report 'Review of the Effectiveness of FRC for Electricity', requested by the Minister for Energy and Resources
- the ESC's draft decision on electricity Use of System Agreements
- an ESC issues paper on the supply of bottled gas (LPG) in Victoria

The EWOV was represented on the:

- Strategic Communications Advisory Group
- Contestability Reference Group
- Market Conduct Group
- Customer Consultative Committee

The EWOV also reported fortnightly to the ESC on FRC cases.

## Systemic issues continued

Members' compliance with the Voltage Variation Compensation Guideline (VVCG) is another issue on which the EWOV has been working, with members and the ESC. The VVCG was introduced in April 2001, with the intention of clarifying electricity distributors' responsibilities in this area. The EWOV noted that initially, there were significant differences among members regarding its interpretation and application.

To address this issue, a meeting was held in October 2001, with the ESC, electricity distributors and the EWOV. An outcome of this meeting was that the ESC required distribution businesses to take steps to review and improve their compliance with the VVCG. Following this, there was a significant decrease in the number of voltage variation damage cases received by the EWOV. However, in the period 1 January – 30 June 2002, the number of cases received has increased again. This trend is discussed in more detail in the Ombudsman's report. The EWOV will continue to observe this issue closely and provide feedback to the ESC.

## Australia and New Zealand Energy and Water Ombudsman Network (ANZEWON)

In June 2001, the members of the National Energy and Water Ombudsman Network (NEWON) initiated a project to review their respective policies and procedures. This involved visiting Energy and Water Ombudsman schemes in New South Wales, South Australia and Tasmania, comparing case handling procedures and sharing good ideas.

The purpose of this review was to:

- ensure that the schemes operate as consistently as possible, given the different operational and regulatory environments of each scheme; and
- identify and promote best practice, where possible.

In March 2002, the New Zealand Electricity Complaints Commission joined the network, and NEWON became ANZEWON.

We believe that external stakeholders such as members, regulators and customers, should be able to interact readily with any of the ANZEWON schemes without confusion or widely varying standards.

The areas being reviewed include case handling, jurisdiction and budget setting/charging. We have found that, in many areas, each scheme operates in a consistent manner. In some instances, we have been able to make changes to bring consistency to our processes. For example, the research project investigated whether each ANZEWON scheme required customer representatives to complete an Authority to Act form. This discussion has led to greater consistency in the use of Authority to Act forms. The project also examined whether customers were provided with information about each scheme via their bills. As a result, the South Australian and Tasmanian schemes are currently looking at ways to increase customer awareness about them via customer accounts.

These are just two of the issues being examined as part of the ANZEWON review project.

## Linkages

### Working with community and relevant organisations.

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

# Electricity case studies

C/2001/5479

## High bills for a small business customer

Mr R contacted the EWOV in December 2001, as he was concerned that his average daily usage of electricity had increased from \$3 to \$4.50 per day. He had raised the issue directly with his electricity retailer, and discussed the problem with its Senior Tariff Energy consultant. The company conducted a meter test and found it to be operating within the relevant Australian standards.

Mr R advised the EWOV that he had last paid his electricity bill on 19 September 2000, and the arrears were approximately \$2,400. Mr R said that his office had been operating in the same premises for the past eight years, and there had been no additional equipment acquired, nor changes to his patterns of electricity usage; however his bills had increased significantly. When Mr R contacted the EWOV, he remained confused as to why his bills had become so high, and was dissatisfied with his electricity retailer's response.

The EWOV investigated, and information provided by Mr R's retailer appeared to indicate that his bills were correct. However, Mr R continued to dispute the bills. The EWOV arranged an independent technical inspection of Mr R's premises on 3 May 2002. The report confirmed that, based on the information provided by Mr R, and from observations and measurements taken by the independent technical consultant, the energy used within the premises was consistent with the energy that had been recorded by the retailer's meters.

When Mr R received his bill on 5 June 2002, it showed an amount of 1,755 kilowatt hours had been used within the premises for that billing period. Mr R accepted that this was his usage.

Mr R's retailer applied a customer service gesture of \$300 to Mr R's account, for the length of time it had taken to resolve his concerns. Mr R agreed to pay the outstanding arrears of \$2,900.90 in full, upon receipt of a resolution letter from the EWOV.

**Comment: This case shows that in some instances, obtaining independent advice can assist customers in understanding their electricity consumption. It also highlights the importance of undertaking a thorough investigation into customers' concerns, rather than simply advising them that their accounts are correct. It illustrates how important it is to respond to customers' concerns in a timely manner.**

**'Through the calls we receive every day, we have an amazing amount of current information at our fingertips. We are able to observe trends as they emerge... we are a key place where independent customer feedback about electricity, gas and water in Victoria is gathered.'**

**Stephen Gatford  
Policy and Research Officer**

C/2001/717

## Customer consuming power

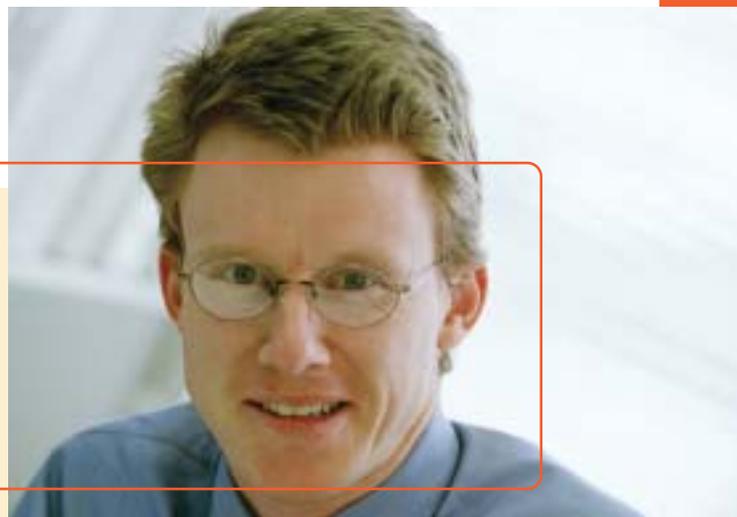
Ms L contacted the EWOV as she had been receiving what she believed were excessive electricity accounts. Ms L advised that she did not believe it was possible that she was consuming the amount of electricity the company was charging her for. The EWOV undertook an investigation into her concerns. The meter at Ms L's property had been tested and the results indicated that the meter was functioning within the allowable limits and was correctly recording usage.

As Ms L continued to state that it was impossible she was using the electricity recorded on her meter, the EWOV arranged for an independent technical consultant to attend her premises to undertake an energy audit and determine whether her electricity bills were consistent with her appliances and their usage.

Based on Ms L's billing information, and from observations and tests undertaken by the EWOV's independent technical consultant, the report concluded that the energy usage recorded by Ms L's meter was used within her premises.

The EWOV provided the results of the energy audit and inspection to Ms L. She advised the EWOV that she did not agree with the results of the EWOV's investigation. Ms L was asked to provide any additional information to the EWOV that could have assisted in further investigation of her concerns. Ms L did not provide any additional information that would indicate that the company's assets were responsible for the level of her electricity consumption. Accordingly, the Ombudsman exercised her discretion under clause 6.3(c) of the EWOV Charter not to investigate this matter further.

**Comment: In some cases, even after a thorough, independent investigation has been completed and it is clear that a customer's energy usage is being recorded correctly, customers are unable to accept the level of their usage and it is necessary for the EWOV to assess whether any further investigation is warranted**



# Electricity case studies

## D/2001/69: Binding Decision Tree pruning

Mr V complained about past damage to his trees as a result of tree pruning practices by his company's contractor. Further, he was dissatisfied with negotiations with his company regarding current and future tree pruning.

Mr V's trees were located adjacent to powerlines running parallel to the border of his property. The trees had been trimmed in January 1999, and in September 1999 the contractor for the company had returned and commenced further pruning. Mr V claimed that, in doing so, the contractor entered his property without his permission and cut and damaged eight trees; however, following Mr V's intervention, pruning was halted. Mr V claimed that the pruning was undertaken irresponsibly and varied from the requirements of the relevant Code.

The company maintained that its pruning was undertaken in accordance with the Code. It advised the EWOV that Mr V's area was zoned as Rural (fire-prone). It advised that all powerlines in the area were inspected annually just before summer (in addition to the three-year pruning cycle), to ensure no unsafe trees existed or were close to wires. It claimed that in recent years, it (and the SECV before it) had had difficulty achieving the appropriate clearance required at Mr V's property. This had meant that at each annual bushfire inspection, the company had been required to trim Mr V's trees further.

The EWOV obtained independent arboricultural advice from two separate experts. The second report confirmed the findings of the first report, that five of the eight trees had suffered actual damage, but that damage was 'transient and reversible'. Loss was calculated at \$511.33.

As an immediate safety issue emerged regarding the current tree pruning while this case was under investigation, and the matter was not resolved through negotiation, the Ombudsman referred that matter to the Office of the Chief Electrical Inspector.

The Ombudsman proceeded to Binding Decision on the past damage component of Mr V's case taking into account a number of factors, including relevant regulations, independent arboricultural advice, legal advice, good industry practice and customer service considerations.

The Ombudsman noted that the company is under a duty to keep the clearance zones around lines adjacent to Mr V's property clear of vegetation in accordance with the relevant Code. However, she also noted that, given its consultation responsibilities, the company had contributed to Mr V's frustration and inconvenience by not following its established practice of listing this customer on its register (of customers with specific vegetation issues) and in failing to consult in a meaningful manner.

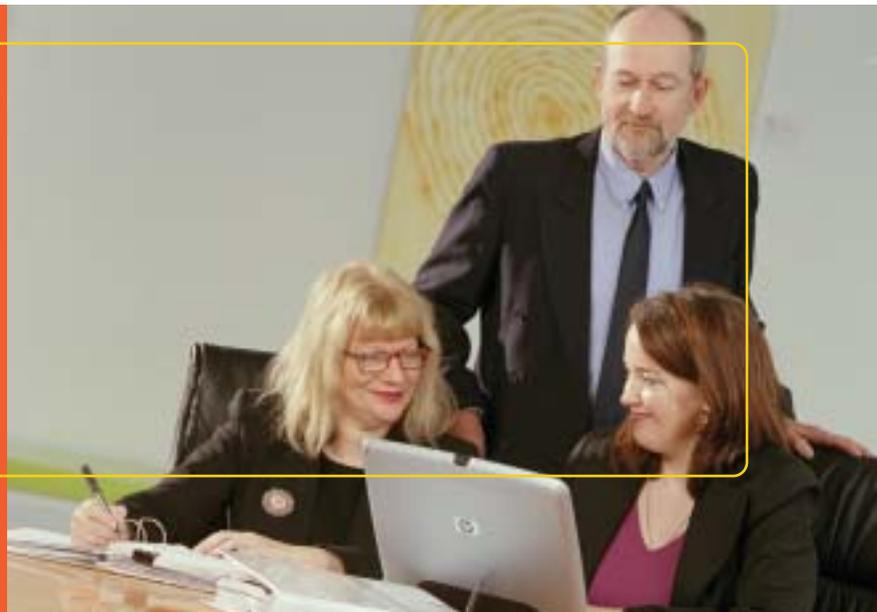
Mr V had made a calculation of the value of his trees. However, having reviewed the methodology behind the assessment made by EWOV's two independent arboricultural consultants, the Ombudsman was satisfied that their assessment of \$511.33 took appropriate account of the number of trees that were damaged, their amenity value, the extent of that damage, its lasting impact and the level of compensation that should be paid.

The Ombudsman directed the company to pay Mr V the sum of \$811.33, being \$511.33 in compensation, plus a further \$300, representing a customer service payment for inconvenience and out-of-pocket expenses.

Mr V accepted the Ombudsman's Decision.

**Comment: This case demonstrates that tree pruning is a sensitive issue for customers, particularly bearing in mind the aesthetic value of trees and the sentimental attachment customers can have for them. It highlights the importance of consultation and the necessity for both parties to be aware of their rights and obligations under relevant safety regulations.**

Every month, Executive Assistant to the Manager Conciliation Trish Fay (right) runs a number of reports on all cases lodged with the scheme. All case data is checked manually to ensure that it is consistent, has been accurately entered, and is registered correctly. Here, Enquiry Officer Jeff Smith and Conciliator Maree Healy suggest ideas for streamlining the process.



# Electricity case studies

## D/2000/12: Binding Decision

### Voltage variation

Mrs G stated that following a voltage variation at her home her computer was damaged beyond repair. Mrs G submitted a claim for the cost of a new equivalent computer (\$1,595), plus compensation for lost information and the inconvenience and cost of sourcing another computer.

The company did not dispute the event that caused the voltage variation, and offered Mrs G an ex gratia payment of \$200, which she rejected.

The EWOV obtained advice from an independent loss adjuster who valued the computer in the order of \$200. The EWOV also obtained independent technical advice regarding appropriate surge protection devices to prevent or minimise future voltage variations as this was the customer's second damage event.

When making her decision, the Ombudsman took into account what is fair and reasonable in all the circumstances, common law and the *Trade Practices Act 1974*, the object of which is clearly to place a person in the position in which they would have been, but for the incident.

The Ombudsman directed that the company pay Mrs G \$770, made up as follows:

- \$200, covering the market value of her computer at the date of the event;
- \$220, to cover the cost of installing appropriate surge protection devices at Mrs G's premises; and
- \$350 on the basis of customer service, due to the company's long delay in processing Mrs G's claim.

The Ombudsman also directed the company to provide information on surge protection devices, information regarding any recent works it had carried out on the customer's feeder/circuit, and any future works it had planned to minimise future supply events.

Mrs G accepted the Ombudsman's Decision.

**Comment: This case illustrates that customers are entitled to good customer service, including the prompt provision of information about the process of their claim and their rights at law. What was fair and reasonable in the circumstances of this case took into account customer service issues as well as compensation for the damage incurred.**

## C/2002/2193

### Billing delay proves to be systemic

Mrs P contacted the EWOV in April 2002, concerned that the last electricity bill she had received was in October 2001. She had called her electricity company numerous times to request bills due to her, but had not succeeded in having a bill issued. Mrs P stated that she had transferred to a 'climate saver' tariff in September or October 2001, and this was when the billing issue appeared to have arisen. Mrs P advised



Conciliator Antonia Mercorella (left) consults Manager Complex Cases Julia Hickey about two cases involving claims for compensation. Policy and Research Officer Stephen Gatford is providing feedback on whether the member concerned has complied with the Voltage Variation Compensation Guideline.

that, although her meter had been read since October 2001, she had not been issued with bills following these readings. Mrs P wanted her bill issued as soon as possible, and an explanation as to what had caused the delay.

The EWOV took the matter for investigation, and found that Mrs P had been affected by a systemic billing problem the electricity company was experiencing at the time. The company apologised for the delay and the fact that its call centre staff had not provided an adequate explanation. The company issued Mrs P all bills up to 12 April 2002, and credited her account with \$50 in recognition of the inconvenience this matter had caused her. A direct contact name and number in the Customer Response area of the company was also provided, in the event that Mrs P experienced any billing queries or difficulties in the future.

**Comment: this case illustrates the importance of accurate communication with customers, and a timely response to their concerns.**

# Electricity case studies

C/2002/309

## An aesthetic problem

Mrs F stated that for as long as she could remember there had always been a power pole outside the front of her property. Approximately five years ago, the electricity company installed a substation. Mrs F stated that, since the substation was installed, it had grown progressively larger in size. Mrs F was upset that she and her husband were never consulted about the installation of a substation.

Mrs F stated that the substation was very large and greatly impacted on the amenity of her property. She had been advised by a real estate agent that the substation had significantly reduced the value of the property. Mrs F had been advised that the substation could have been moved two metres from its current position, at a cost to her of \$19,000. Mrs F was not satisfied with this offer because she could not afford to pay \$19,000, and moving the pole just two metres was not far enough and would hardly make any difference. Mrs F requested the EWOV's assistance to resolve her issue.

The EWOV contacted the company concerned, and was advised that the substation was built in 1964 and had not been changed since. Photographs supplied by Mrs F were consistent with a 40 year old

structure. The existing pole was of 1968 vintage. The company had no record of any capital expenditure on this asset since that date.

During the course of the EWOV investigation, numerous options were explored with the company and Mrs F. The company proposed replacing the substation with a more modern asset. Mrs F had a look at a similar substation in the area, to see what the proposed substation would look like. Mrs F and the company both took photos to assist the process.

Mrs F's case was resolved on the basis that the company would replace the substation outside her property within two to three months. The new pole to be used allowed the substation to be placed higher than it was on the existing pole. The new substation was to be placed on the other side of the pole, and would not be placed on a wooden platform. The substation was to be rebuilt to current standards, incorporating better aesthetics, and was to be painted green to create a camouflage. The cost of this work was to be fully borne by the company.

The company also provided Mrs F with a tree voucher for \$100, so that she could plant trees to camouflage the new pole and substation. The company provided Mrs F with a direct higher-level contact in the event that she required further assistance in future.

**Comment: This case is an example of how lateral and creative thinking can be of assistance in resolving a seemingly intractable dispute between a company and a customer. By being flexible and listening to Mrs F's concerns, the company was able to offer a solution that allowed it to fulfil its obligations while allaying the customer's concerns.**

Public Affairs Coordinator Olivia Lennon (left) and General Manager Strategic Operations Jo Benvenuti review the new design of the EWOV newsletter *Resolution*. *Resolution* is produced twice a year by the Strategic Operations Team for the EWOV's members and stakeholders including the general public. It gives a detailed review of the work of the EWOV and the performance of its members, highlighting trends emerging from the cases received by the scheme.



C/2002/551

## Disconnection of a non-account holder

A financial counsellor contacted the EWOV on behalf of his client, Ms B. Ms B's electricity had been disconnected for arrears of \$611.50. However, the account was not in Ms B's name; it was in the name of her former de facto partner who no longer lived at the address. The account had never been in Ms B's name.

When Ms B's financial counsellor contacted the electricity company, he was advised that Ms B would have to pay \$460 before reconnection and pay the balance of the account later. The company also advised it would reconnect Ms B if she could provide a lease agreement which proved that her former partner no longer lived at the property. Ms B was unable to provide this — she did not have a lease agreement as her accommodation was temporary emergency housing.

Following the EWOV's receipt of the case, the company reconnected Ms B's electricity. It opened a new account in her name, and agreed not to pursue her for the debt in her former partner's name. Ms B arranged a payment plan so she could pay her ongoing usage in instalments.

**Comment: This case highlights the importance of establishing new accounts in accordance with the Electricity Retail Code and companies not attempting to hold new customers liable for a previous customer's debt. It also highlights the importance of customers providing accurate/correct account-holder details.**

# Electricity case studies

D/2002/20

## The cost of low voltage

Mr C, a business customer, contacted the EWOV with a concern about ongoing low voltage supply. In two years he had had to replace several compressors on refrigeration units, and one air compressor. Not only did this cost him money, but he was also losing revenue through not being able to supply goods/services when his equipment was not in operation. Mr C's electrician had advised him that the cause of the problem was low voltage.

Mr C had contacted his electricity company numerous times about the issue, but had not been able to ascertain the cause of the problem, nor what could be done to rectify it. At one stage, a recorder was put on his supply, but he was not advised of the results of this test. Mr C wanted to know if it was low voltage causing his problem, or if his compressors were failing due to some other cause. If the cause was found to be low voltage, Mr C was seeking compensation for his losses.

The company provided information to the EWOV which indicated that tests had been conducted at Mr C's premises which showed that, while voltage at the substation supplying his premises was within allowable limits, the voltage at his premises was lower than the standard required by the Electricity Distribution Code. It was apparent that there had been delays in undertaking the necessary rectification works. In addition, Mr C had not been kept informed of what was being done to fix his problem.

As it took some time to resolve Mr C's matter, the amount of his claim increased during the course of his case with the EWOV. Initially, the company advised that works would be completed by early February 2002, but this was not the case. The company replaced the substation supplying Mr C's property, and conducted tests which showed he was receiving sufficient voltage. Final test results were received by the EWOV in mid-April 2002.

Mr C's case was resolved on the basis of an ex-gratia payment by the company of \$8,350. A cheque for this amount was forwarded to Mr C within 14 days of the company's receipt of a signed release form.

**Comment: Mr C's case illustrates the advantages of addressing supply issues as promptly as possible, and the importance of communicating closely with customers. While supply matters can often be relatively complex and expensive to rectify, the costs associated with addressing the effect on customers can also be significant.**

D/99/53

## A complex case of network tariffs

A business customer, T, wrote to the EWOV (then the EIOV) in July 1999, disputing the network demand tariff component of its accounts from July 1998 to May 1999 as it did not believe its consumption warranted a demand tariff.

T had signed a contract with a new retailer to apply from 1 July 1998. It did not receive accounts. It was told there was a billing system problem, and heard nothing further. The first few accounts T received from the new retailer were in line with its estimates. It then received an account dated 10 April 1999, which included a demand tariff of \$1,247.25. It was told a billing mistake had been made, and the distributor had advised that a demand tariff should have been charged all along.

The retailer made contact with the distributor on T's behalf. It was decided that T should not be charged for the demand tariff from May 1999. However, charges for the demand tariff from 1 July 1998 to May 1999 would remain. T requested a tariff re-assignment back to 1 July 1998.

The retailer stated that, since network charges are passed through at cost from the distributor, in accordance with the contract signed by T, the charges would apply unless the distributor deemed otherwise. It stated that it was told by the distributor that the tariff assignment was made in line with an Office of the Regulator General (ORG) (now Essential Services Commission) 'guideline', that being the Victorian Electricity Supply Industry Tariff Order 1995 (the Tariff Order). The Tariff Order provides that, on a customer's request, the customer's network tariff can be changed, but the change cannot be backdated prior to the date of the request.

The EWOV's investigation revealed that T was on a non-cost effective tariff from August 1996 (ie prior to becoming contestable). There was a more cost-effective tariff available to the customer, as its demand did not exceed 81kW for the period (considerably below the amount that warranted the charging of a demand tariff).

The EWOV believes that retailers have some responsibility to act as 'agents' for customers throughout their whole relationship, but particularly at the time of initial transfer. Thus, this non cost-effective tariff should have been noted at the time of transfer.

The EWOV re-calculated T's network charge bills from 1 July 1998 to 19 May 1999, based on the customer being on a more appropriate tariff. This re-calculation showed that, had T been assigned to this tariff when it first became contestable, it would have paid some \$8,077.85 in network charges. As it stood, T had been invoiced for \$19,454.42 in network charges, a difference of \$11,376.57.

The new retailer indicated that it was prepared to make an offer of \$9,000 to the customer in final settlement of the matter. T accepted this offer.

**Comment: This case highlights the importance of retailers advising customers about all components of a contract and providing detailed tariff information to ensure that the most cost-effective price structure is made available to the customer.**

# Electricity case studies

D/2002/23

## Misinterpretation of the Voltage Variation Compensation Guideline (VVCG)

Mrs M contacted the EWOV as her electricity company had refused to honour her claim for damage caused by a voltage variation event. She had lodged a claim for \$2,936.60 after a power surge damaged a number of appliances, including her computer, monitor, printer, microwave, TV, video and washing machine. The surge was caused after lightning hit a powerline, causing one line to fall away and rest on another line. The power remained on during this time; however, approximately two hours later, the line separated from the pole and caused a surge to come through Mrs M's house, damaging her appliances.

On the advice of her electricity company, Mrs M had repaired most of the appliances, and had provided full substantiation of her claim. However, the company rejected her claim in full.

The EWOV undertook an investigation into the matter. The case was upgraded to Dispute status when the company advised that it would not pay the claim, as the amount claimed was over the scheduled amount in the Voltage Variation Compensation Guideline (VVCG). The company argued that this was a legitimate basis for rejecting a claim.

The EWOV obtained independent legal advice and advice from the Essential Services Commission on the company's interpretation of the VVCG. The advice obtained indicated that the company was misapplying the VVCG and could not use the amount of the claim as a basis for rejecting it.

The company considered this advice and the case was resolved on the basis that it honoured the customer's claim in full. The company also advised the EWOV that it had revised its interpretation of the VVCG and in future, would not reject customers' claims on the basis that the amount claimed was higher than the scheduled amount.

**Comment: This case illustrates the need to understand the relevant industry Codes and Guidelines fully and apply them correctly. It also highlights the important role the EWOV plays, not only in identifying potential systemic issues, but in helping to rectify them.**

FRC: C/2002/2658

## Objection to transfer

Mr Q had signed a contract on 18 February 2002, to transfer to a new retailer. The transfer was supposed to take place on 16 April 2002. In May 2002, as he had not received an account, he contacted his new retailer. His new retailer advised him that there had been an objection to his transfer request, and that it was probably because he had an outstanding debt of over \$200 with his previous retailer. His new retailer referred him to his old retailer.

Mr Q contacted his old retailer and was advised that an outstanding debt had been transferred from another state of Australia. Mr Q did not understand why he had not been told about the outstanding debt, whether in fact one existed at all, and why he had been unable to transfer retailers.

The EWOV investigated the matter and found that an objection to the transfer had been placed as the Meter Data Provider (MDP) had not been provided; that is, the meter readings had not been provided to MSATS (Market Settlement and Transfer System — the central database of all meter identification numbers and which is the financially responsible retailer). As a result, the transfer had been placed on the pending list and had not been actioned.

Mr Q's failure to transfer had nothing to do with an outstanding debt, however his new retailer had trained its staff to advise customers that where an objection had been placed, it was due to an outstanding debt with the customer's former retailer.

The EWOV requested that both retailers provide a response to the issues Mr Q had raised. The new retailer had to resubmit the transfer on a 'retrospective' transfer document as a result of the delays, whilst the former retailer had to consent to the retrospective transfer and contact the MDP to ensure that it had supplied MSATS with the relevant meter information to progress the transfer.

The case was resolved on the basis that the former retailer sent Mr Q a final account up to 18 April 2002, for \$178.89. The former retailer applied a \$50 customer service gesture to his account for the inconvenience that this matter had caused him, leaving an outstanding amount of \$128.89.

The new retailer took responsibility for all accounts arising from 18 April 2002 onwards. The new retailer also updated its training to ensure that its Customer Service Representatives are aware of other possible forms of objections (other than outstanding debts).

**Comment: Mr Q's case highlights the need for good communication between all players in the new contestable market. It is difficult for customers to be referred back and forth between their former and preferred retailers when there is an issue with their transfer. There is also a need for open lines of communication between distributors (who provide meter reading data) and all retailers.**

# Electricity case studies

FRC: C/2002/1595

## Door-to-door sales spiel backfires

Mr N, a small business manager, told the EWOV that a representative of his current electricity retailer had visited his business while he was away. The representative advised a member of Mr N's staff that, if he did not sign a new three-year contract with the retailer, the business's energy bills would increase substantially in the new year. The representative advised the staff member that the rates on the contract were the same as the ones the business was currently on, and that if the staff member signed the contract, he would be ensuring that the business's electricity prices would not increase for three years.

Upon his return, Mr N discovered that the staff member had signed the contract, and that the contract rates were significantly higher than the rates he had been on previously. He stated that his bills had doubled. Mr N contacted his electricity company and was advised several times that the matter would be looked into. After three months went by and the matter remained unresolved, he contacted the EWOV.

Following EWOV contact, the company agreed to terminate Mr N's contract. It apologised to Mr N, cancelled all bills issued on the contract rate, and issued new bills based on its standing rate. An amount of \$1,175 was credited to Mr N's account, which was the difference between bills he had paid on the contract rate, and the reissued bills based on the standing rate.

In addition, the company investigated the behaviour of its representative, and advised the EWOV that this person had been removed from sales duties. The retailer liaised closely with the EWOV about the measures it put in place to prevent other customers being similarly affected.

**Comment: This case demonstrates the importance of retailers properly training and monitoring the performances of their sales representatives, in order to ensure customers are fully informed about the nature of the contract they are signing.**

'As Conciliators, we have had considerable training in understanding how the transfer process works in the new electricity market. When a customer enters into a contract with a retailer for electricity, that retailer is required to submit a request to a central database called MSATS (Market Settlement and Transfer System), which is operated by the National Electricity Market Management Company (NEMMCO).

Every electricity meter in Australia has an identification number called a NMI (National Meter Identifier), and MSATS keeps a record of which retailer is financially responsible for each customer's meter. MSATS then has to process the transfer, and informs both the new retailer and the former retailer when the transfer has taken place.

'It's a new market, we're all learning about the transfer process and the kinks are gradually being ironed out.'

Anna Faoagali  
Conciliator

FRC: 2002/3165

## Transfer delayed

When Mr U contacted the EWOV in June 2002, he advised that he had signed a market contract with a new retailer in January 2002, and he was still waiting to be transferred from his host retailer. The last bill he had received was one from his host retailer in January 2002. Mr U advised that, despite several contacts with his new retailer over the preceding couple of months, his transfer had not been completed. Mr U was concerned because, in six months, he had not received or paid a bill. Now that there had been such a delay in transferring, he no longer wanted to complete the transfer. Mr U felt that his new retailer had taken an unreasonable amount of time to transfer him and that that should be sufficient grounds to terminate his contract.

Mr U also advised that his rental lease would expire on 7 July 2002, and that he would then be vacating his current address. Mr U had spoken to his new retailer the day before he contacted the EWOV, and advised that he wanted to end the contract. The Customer Service Representative he spoke to told him that the matter would be referred to someone more senior and he would be contacted the following day. Mr U did not receive a call as promised, so he contacted the EWOV. Mr U wanted an explanation as to why it had taken the new retailer so long to transfer his account.

The EWOV investigation found that Mr U's transfer was delayed due to incorrect National Meter Identifiers (NMIs) being registered on his account. In view of the customer service issues involved in the case, and for ease of administration since Mr U was due to vacate his premises shortly, the new retailer agreed to cancel his contract and the transfer request. Mr U's host retailer took responsibility for billing him through the disputed period, up until his final reading in July 2002.

**Comment: This case demonstrates the effect that delays can have upon customers and the need for customers to be kept informed as to when the transfer will take place.**



# Gas case studies

## GD/2001/13: Binding Decision

### A difficult and complex case of hardship

Mrs Y contacted the EWOV in August 2000 following disconnection of her gas supply for account arrears of approximately \$1,600. Mrs Y said that she had been experiencing difficulties with her budget and that she had recently received a very high gas bill. Her financial counsellor, lodging the case on her behalf, advised that Mrs Y had a large family and that a pension was her only regular source of income. She had also experienced problems with her direct debit being deducted from her account prior to her income being paid in.

In response, the company said that it had previously disconnected Mrs Y's gas supply because she had not made regular payments. It did not believe that she had demonstrated that she was in particular hardship, and cited the irregular nature of her payment history as justification for disconnecting her service. It noted that her usage was greater than her apparent ability to pay her accounts. It also noted that it had previously entered into payment arrangements with her, but that she had not adhered to these.

As part of its investigation, the EWOV arranged an independent energy audit. The consultant found that Mrs Y was using the gas she was being billed for. Her usage was very high due to the poor energy efficiency standards of her Ministry of Housing property. The company had allowed Mrs Y's arrears to accrue to a high level, and had not fully taken into account the particular hardships of her situation. An independent financial counsellor had provided advice to the effect that Mrs Y was willing and able to make small payments towards her account, but the company rejected Mrs Y's suggested payment arrangements and had insisted on larger payments which were not manageable for Mrs Y. The company did not have a formal hardship policy, so the staff dealing with Mrs Y did not have appropriate guidelines for how to deal with her circumstances.

In making her Binding Decision, the Ombudsman took into account relevant regulations, issues of customer service, and the respective responsibilities of various parties in assisting customers experiencing financial hardship.

In order to inform herself better about Mrs Y's circumstances, the Ombudsman met with Mrs Y at her home. The Ombudsman noted that it was apparent that Mrs Y was experiencing difficulties in paying for all her essential services, including her food. The Ombudsman believed this case to be one of the most difficult and complex examples of hardship and affordability that she had considered and that insufficient consideration had been given by the gas company to this.

At the time of the Binding Decision, Mrs Y's gas account was \$2,741.69 in arrears (she had reduced the amount outstanding from \$2,878.74 by making ongoing fortnightly payments). Having regard to the circumstances of the case, the Ombudsman determined that a fair and reasonable outcome was that the company waive \$2,351.69 of Mrs Y's outstanding debt, which would reduce her debt from \$2,741.69 to \$390.

As Mrs Y had demonstrated that she wished to make payments towards her debt, despite her difficulties in doing so, and the financial counsellor advised that small payments were possible, the Ombudsman decided that it would be inappropriate to waive the entire debt.

The Ombudsman therefore directed that the company accept a payment plan from Mrs Y to pay the remaining account arrears of \$390 over a period of 12 months. She determined this amount having taken into account advice from Mrs Y's financial counsellor regarding Mrs Y's capacity to pay. The Ombudsman recommended that Mrs Y contact the company immediately if she was experiencing difficulty in making these payments, and that the company allow her six months to establish a regular payment pattern.

The Ombudsman also directed that the company develop a draft hardship policy in conjunction with its Customer Consultative Committee, and provide a first draft to the EWOV within four months.

Mrs Y accepted the Ombudsman's decision.

The Ombudsman also made the following observations in relation to the case:

- companies should consider whether previous payment arrangements were realistic when contemplating disconnecting a service due to non-payment;
- companies need to manage customers in hardship more closely, and prevent their arrears from rising to unmanageable levels;
- companies should obtain advice from a financial counsellor when a customer appears to be in hardship, and should take that advice into consideration when deciding how to manage a customer;
- companies should have a formal hardship policy;
- Centrelink recipients can experience problems with direct debit systems not coinciding with Centrelink payment cycles, and that this service should therefore be well targeted and monitored for suitability to particular customers;
- poorly maintained appliances often affect tenants' energy usage, and this applies equally to private tenants as to Ministry of Housing tenants, such as this customer;
- while customers do have the option of applying for a Utility Relief Grant (URG), in some circumstances, they need further support. The URG Scheme has strict criteria and is focused on short-term rather than long-term solutions; and
- there needs to be better coordination between the relevant agencies to ensure that there are holistic solutions to individual problems.

The Ombudsman noted that as a result of her consideration of this case, she intended to write to the Ministers for Health, Community Services, Housing, and Energy and Resources, suggesting a more coordinated response to cases such as these.

**Comment: This case highlights the importance of companies and authorities being flexible and having a wide range of options to assist customers in cases of financial hardship. Hardship policies assist both customers and companies/authorities in the long term.**

# Gas case studies

G/2002/174

## A backbill causes hardship

Mr G did not receive bills from his gas provider for a period of nine months. Then he was issued with a backbill of around \$400, at the same time as he received a number of other large, unexpected bills. Consequently, he was unable to afford to pay the account.

Mr G's application for a Utility Relief Grant was rejected. He had tried to negotiate an affordable payment plan with his gas company, without success. Mr G contacted the EWOV for assistance, as he had received a disconnection warning notice.

During the course of its investigation the EWOV recommended that Mr G arrange an appointment to see a financial counsellor. Mr G did so, and the financial counsellor advised the EWOV that Mr G was facing particular financial hardship and it was unlikely he would be able to contribute any amount to paying off the arrears on his account, now or in the foreseeable future. Mr G and the financial counsellor had assessed that he could afford to contribute \$12 per week towards his ongoing gas usage. This amount was sufficient to cover that usage, but not his arrears.

The company proposed that, if Mr G were prepared to enter into a payment arrangement of \$20 per fortnight, it would credit his account one instalment for every six payments made on time. In addition, in recognition of the difficulty that the company had caused Mr G by not billing him regularly, it offered a customer service gesture of \$80.

However, this offer did not resolve the matter for Mr G, as he advised that he had developed an effective means of budgeting that had worked for him for many years. He did not want to be locked into a fortnightly payment plan with his gas company, as this could compromise his ability to meet his other financial commitments.

In addition, he remained concerned that he did not have the ability to cover his ongoing usage, as well as pay off his arrears. He could not foresee ever being able to pay off his arrears.

As the matter remained unresolved, the gas company made a new offer: a customer service gesture of \$125 and one credit of \$20 for every four payments of \$20 made to the account. Then, if 20 payments were made on time, a further customer service gesture of \$125 would be applied. This offer meant that, in effect, the gas company was prepared to waive Mr G's arrears, in stages, over a 12-month period.

Mr G advised the EWOV that he believed this plan would work well for someone who needed to be motivated to pay their bills. He did not believe he fell into this category and that his payment history to date had demonstrated he was a 'good payer'. Mr G stated that he was committed to paying for his ongoing usage but could not afford to pay off the arrears. He believed that if he had been billed correctly at the time, he would not have found himself in this situation. Mr G made a counter-offer to the gas company: he would pay his ongoing bills in full as they fell due during the coming year, and if he did so, at the end of the year the gas company would review his account and waive the arrears at that stage.

After some consideration the company agreed to implement Mr G's suggestion and the case was resolved on this basis.

**Comment: in cases of severe hardship, it is sometimes not possible to apply the 'rule book'. This case is an example where a company was prepared to be flexible in responding to a customer's needs, and offer lateral solutions to a problem. The company recognised that hardship affects different individuals in different ways, listened to the customer's suggestions and found a way to work with his particular circumstances.**



**In May 2002, the Ombudsman began a series of visits to regional Victoria, with a view to meeting personally with the EWOV's newest members, and introducing the scheme to local electricity, gas and water customers. Heather McCauley, Executive Assistant to the General Manager Strategic Operations and Steve Morris, Business Manager, were instrumental in coordinating the logistics of these visits. Here, they are discussing invoicing arrangements for transport of various publications, audio-visual equipment and the EWOV banner to Wodonga for the Ombudsman's first visit.**

# Gas case studies

GD/2001/5

## Honouring a quote

Mrs S contacted the EWOV as she had been experiencing delays in having her property connected to gas. She had first requested a quote for a new connection in late 2000. This quote was due to be supplied to her first on 6 November 2000, however company delays meant it was not supplied until December 2000. The quote was for \$680.

Mrs S then requested that a quote be provided for all of the flats in her block, under instructions for the body corporate. The company provided a quote for \$10,000. The body corporate decided that it would not go ahead with the works and Mrs S sought to have her own gas supply connected.

Mrs S then requested that the company re-quote the works for her property. She signed this quote and had the body corporate manager fax it back to the gas company once the body corporate's approval had been provided. The quote was returned to the company on 7 April 2001. Mrs S had repeated contact with the company after this to ascertain when the works could commence.

At one stage, she was advised it would take 40 days. She was then advised, however, that the work could not go ahead until a new quote

had been issued to her. She was verbally advised that the company would not be proceeding because she had taken too long getting back to it after her 2000 quote. The company advised it would need to issue a new quote and the cost of connection.

The EWOV undertook an investigation into the matter and found that the company had provided an incorrect quote in the first instance, one that did not include the cost of digging up and reinstating the concrete at the property. The new quote of \$3,000 was inclusive of reinstatement costs. Mrs S believed that as she had accepted the company's offer to do the works at the price of \$680, that the works should be undertaken for this amount.

After a great deal of consideration and in light of the customer service issues relating to misinformation provided by the company, and the delays associated with advising Mrs S that the quote would not be honoured, the company offered to undertake the works to connect Mrs S to gas supply for the original price quoted of \$680.

**Comment: this case highlights the need for accurate quoting, and good communication with customers about the new connections process.**



Conciliator Elize Simpson (left) explains the details of a gas disconnection case she has just closed to Public Affairs Coordinator Natasha Broadstock, who is considering whether or not to include it in the Annual Report. Case studies are an important component of both the Annual Report and the EWOV's biannual newsletter *Resolution*, giving EWOV members, stakeholders and the public insight into actual cases lodged with the scheme and how they were resolved.

# Gas case studies



Conciliators Kellie Lee (left) and Angela Bourke (right) discuss with Enquiry Officer Sansha Johnson the backbilling provisions of the Gas Retail Code and how they affect customers. Sansha is about to return a call to a customer whose gas provider was unable to explain to the customer's satisfaction exactly how his backbill had been calculated.

GD/2001/934

## Finding the cause of a high bill

Ms T contacted the EWOV as she was concerned that her gas bill was too high. She had been in contact with her gas company on a number of occasions, and had been advised that the bill was correct. Ms T had received an estimated bill for the period 19 April – 19 June 2001 for \$35.00. The following bill, for the period 19 June – 16 August 2001, was \$713.53. Taking into account her Winter Energy Concession, Ms T owed \$598.15. Ms T studied her earlier bills and could not believe that she had used the quantity of gas that had been recorded on her gas meter.

Ms T had written to the company and offered to pay for 268 megajoules worth of gas, because this was approximately the amount of gas she had used in previous billing periods at the same time of year. The company had conducted an on-site energy audit with Ms T, and concluded that her bill was correct. She had gas ducted heating with a total of five ducted heating vents in the downstairs area, a gas hot water system used only by herself as the sole occupant of the property, and a gas log fire that was installed many years ago but was never used. Ms T stated that the high bill was causing her a considerable amount of anxiety and stress.

The EWOV investigated the matter and information provided by the gas company did not offer an explanation for the sudden increase in Ms T's gas consumption.

An independent inspection was arranged, and the report confirmed that Ms T's ducted heating system had a faulty air duct that was discharging around 50–75 per cent of total heated air into her first storey ceiling space. The independent consultant advised that tape was used to cover this duct and disconnect it, but the tape had worn away and therefore a significant amount of heated air was lost.

The company maintained that Ms T's appliances were her responsibility, and because the cause of this high bill was a result of her faulty ducted heating system, she was responsible for paying the bill. However, Ms T had paid \$379 of the \$598.15 bill already and, as a means of resolving the complaint, the company agreed to waive the remaining \$219.15.

**Comment: this case illustrates the need for companies to be able to assist customers to understand their consumption. In-house resources, such as technical consultants who can provide energy audit advice, are valuable tools in resolving customers' concerns about high bills.**

G/2002/56

## Considering capacity to pay

Mr Y emailed the EWOV in relation to the imminent disconnection of gas at his property. When the EWOV contacted him on 15 May 2002 in response to his email, he had already been disconnected due to being unable to reach an agreement with the gas company regarding his payment plan.

Mr Y advised the EWOV that he was only able to afford a maximum of \$25 per fortnight towards his gas. His company had told him that unless he paid \$307.04 within 24 hrs, he would not be reconnected. Mr Y advised that he was experiencing financial difficulty at the time, and had been able to negotiate payment arrangements with all his other utility companies. Mr Y advised that he was able to pay \$50 on 15 May 2002, and then would make fortnightly payments of \$25 from 29 May 2002.

When contacted by the EWOV, the gas company reconnected supply, agreed to Mr Y's suggestion and arranged a payment plan of \$25 per fortnight, commencing on 29 May 2002. Mr Y undertook to make a payment of \$50 on 15 May 2002. Mr Y agreed to maintain this payment arrangement. If his circumstances changed in future and he was unable to make payments as agreed, Mr Y agreed to contact the gas company directly and negotiate a new arrangement.

**Comment: Mr Y's situation is one of those cases of hardship where in the long run, it is better for both company and customer not to disconnect. It is interesting to note that Mr Y made an offer of payment according to what he could afford, but this was initially rejected by the company, despite companies being required to consider a customer's capacity to pay under the Gas Retail Code. After consideration, the company accepted the offer Mr Y had made before he came to the EWOV, but had incurred the additional expense of disconnecting then reconnecting Mr Y's gas supply.**

# Water case studies

W/2001/192

## Concerns about high bills and water quality could not be substantiated

Mrs G contacted the EWOV complaining of continued high water accounts and of poor water quality at her property. She also complained that she was dissatisfied that her sewerage pipe was connected to her neighbour's pipes (before the point of connection with the sewer mains), and that blockages could occur in her or her neighbour's sewerage pipes, due to her neighbour's water usage habits. This had been a longstanding complaint between Mrs G and her water authority.

The water authority advised the EWOV that it had undertaken a number of steps in an attempt to resolve Mrs G's concerns, however it had been unsuccessful in doing so. The EWOV requested that a meter test be undertaken at Mrs G's property by the water authority, and that water samples be taken and tested to ascertain whether they met World Health Organisation (WHO) standards. The EWOV arranged for its independent technical consultant to be present at the testing of both the meter and the water sampling.

The tests were carried out and the results indicated that the meter tested within the allowable limits and that the water quality at the property was within WHO standards. The test results were confirmed by the EWOV's consultant. The EWOV also undertook an investigation into Mrs G's billing history dating back to 1990. The results of this investigation did not indicate any inconsistency in Mrs G's billing, taking into account her advised water usage (in particular, her advice that she frequently ran water through her pipes to avoid blockages occurring).

Mrs G also advised that there was a water leak at or around her water meter, which she believed her water authority was responsible for. A thorough investigation into this claim was undertaken by the EWOV, including an independent inspection and it was found that there was no evidence to suggest that there was a leak at the property.

The results of the EWOV's investigation indicated that the water authority's assets did not appear to be responsible for the level of Mrs G's water accounts, nor that the quality of water at the property was substandard. Investigations carried out by the EWOV's technical consultant also indicated that there was no apparent water leak at or around her water meter. Mrs G did not accept the results of the EWOV's investigation. Accordingly, the Ombudsman exercised her discretion under clause 6.3 (c) of the EWOV Charter to close the customer's case on the basis that no further investigation was warranted.

**Comment: This case illustrates that some customers, despite a thorough investigation being undertaken, can find it difficult to accept that the company's assets are not responsible for their concerns. In these instances, it is necessary to assess whether further investigation is warranted or whether a case should be closed.**

W/2002/138

## Responsibility for repair of assets — flexibility is the key

In February 2002 the service pipe between the water mains and Mr E's meter burst. The water authority attended and temporarily fixed the pipe, but advised Mr E that as the pipe was made of galvanised iron, and not copper, the water authority would not take responsibility for repairing the pipe. The authority advised that Mr E would have to find his own plumber and pay for the cost of repairs upfront. It advised that Mr E would have to pay the first \$500 of any repair, and it would reimburse him the remaining costs at a later stage, if the total cost of repairs exceeded \$500.

Mr E stated that he could not afford to pay \$500, let alone the upfront plumbing costs. He contacted the EWOV as he had been unable to resolve his concerns directly with the water authority. During the course

**'In my experience, the key to resolving cases is a willingness on the part of both customer and company/authority to be creative and flexible. I've noticed that cases where both parties are prepared to adapt tend to resolve quickly, whereas when one or both parties cling to a position, the case takes longer to resolve.'**

**'Sometimes the company/authority doesn't realise just how important customer service issues can be. People are only human, and an apology or even just an acknowledgment of their situation can go a long way towards alleviating feelings of grievance.'**

**Bridie Fennessy  
Conciliator**



# Water case studies

of the EWOV's investigation it was noted that in accordance with the *Water Act 1989* and the water authority's customer contract, customers are responsible for the repair of the service pipe between the mains and the meter, if it is made from galvanised iron pipe.

Mr E accepted that he was responsible for the repairs however advised the EWOV that he would be unable to pay \$500 upfront to have the pipe fixed. The water authority responded to Mr E's concerns by offering to complete the necessary repairs to the supply pipe and to pay the total upfront costs for this repair to be done. It was agreed that Mr E would reimburse the water authority the amount of \$500 by way of monthly instalments of \$27 per month over an 18-month period.

**Comment: This case illustrates the point that, even though a company/authority may be entitled to ask a customer to pay all costs upfront, not all customers will be able to comply with this requirement. It is important to keep in mind that individual customers may need individual solutions. Flexibility — as demonstrated by this water authority — is the key.**

WD/2001/23

## The distressing effects of a sewage backflow

Mr H had experienced sewage backflow under his house, over a five-year period. He had been in touch with his water authority numerous times during the five years and was dissatisfied with the lack of action about the problem. Mr H had been advised that the water authority was waiting for an insurance and engineering report. He had experienced long delays in between contacts from the water authority and had come to believe that nothing was ever going to be done.

Mr H said that his house had sustained structural damage, was mouldy and had rising damp. He advised that this matter was affecting his health, and a family member had moved out as she could not sleep in the bedroom.

Mr H provided a report to his water authority, which stated that the cost to repair his house was \$24,000. However, the report indicated that not all of the damage to the house should be attributed to the sewerage leakages. Mr H's water authority then offered him \$6,948.

As part of its investigation, the EWOV obtained independent loss assessment advice, which concurred with the water authority's assessment of the damage. The independent report advised that the damage/loss suffered was approximately \$7,000. Mr H advised that he was dissatisfied with this amount, given the number of spills and the length of time the matter had taken to be resolved.

The water authority took this into account, and offered to compensate Mr H with \$12,000. This figure represented approximately \$7,000 for damage, and \$5,000 as a customer service gesture, in recognition of the inconvenience that had been suffered by Mr H due to the sewerage spills. The water authority also undertook to ensure trees on neighbouring properties would be looked at and removed if necessary to avoid future spills.

**Comment: Despite the damage component of this case only being valued at approximately \$7,000, this water**

**company recognised the inconvenience and distress that had been caused to this customer and compensated him accordingly. Issues of customer service form a large part of the EWOV's work and it is always encouraging to see members dealing with these issues in a proactive way.**

W/2001/160

## Water restriction for \$15 account

Ms T, a regional urban water authority customer, contacted the EWOV after her water supply was restricted over an unpaid account of \$15.64. She advised that she had paid the account, but was unable to arrange de-restriction without payment of a reconnection charge of \$40.

In the course of the EWOV's investigation it was revealed that Ms T was on a long-term disability pension and the holder of a Health Care Card. She advised it was the third time in two years her supply had been restricted, and that she had paid the \$40 de-restriction charge on two previous occasions.

The authority advised the EWOV that it applied its internal restriction policy firmly as a conscious attempt to address a problem with having accounts paid (especially for small amounts).

The authority further advised it did not attempt to contact customers by telephone prior to ordering restriction, partly because its staff frequently met with abuse from customers over the telephone. When small amounts were owed, the authority advised that it did not foresee payment difficulties being the reason for non-payment so did not believe a proactive attempt to offer time for payment was appropriate.

During the EWOV investigation, an analysis of Ms T's accounts revealed that although her payments had been erratic for much of the 12 months leading up to her restriction, her accounts had had a zero balance, and at no time did her arrears exceed \$20, taking her concession status into account.

In order to resolve the issue for this particular customer, the authority agreed not to impose a de-restriction fee in this instance and Ms T and the authority entered into a payment arrangement of \$8 per month. Ms T was satisfied with this outcome and her case was closed accordingly.

However, the authority stood by its credit policy and advised that it had been implemented as it was intended in this case. It did advise, however, that it wished to enter into discussions with the EWOV about changing its policy to bring it into line with standards operating in the rest of the industry. These issues are the subject of further discussions at a senior level involving the EWOV and the authority in question.

**Comment: This case demonstrates the discrepancies between the restriction policies of some of the regional urban water authorities and the metropolitan companies. Companies and authorities need to take into account that it is usually not economical to restrict for such a small amount, given the cost involved in restricting a customer. It is also important that companies and authorities are flexible in their billing policies and procedures.**



# Water case studies

W/2002/228

## A bill out of the blue

Mr J received a bill for \$678 for the repair of collapsed sewerage pipes in or around December 2001. He had no idea when or where works had even been carried out. Mr J contacted his water authority on a number of occasions, requesting information regarding the works, an itemised account, and an explanation of how the damage had occurred. Mr J's daughter had also sent a letter requesting this information and complaining about the damage bill. His son also contacted the water authority on his behalf. The water authority had returned Mr J's son's call, and requested that Mr J pay the account.

Mr J believed that, at around the same time as sewerage pipes were damaged, builders were working in the area. He believed that the workers could have been responsible for the damage caused to the pipes, and should be responsible for the cost of their repair.

Mr J wanted to know whether he was liable for the costs of repair, and wanted to know more about the damage and repair of the sewerage system that was carried out by the water authority. Mr J wanted to be assured that his water authority had followed the correct procedures in sending him this bill.

The EWOV took the case for investigation, and contacted the water authority concerned. The authority advised that three properties (one of which was Mr J's) were connected by a combined drain to the sewer reticulation system. The water authority advised of the investigation and actions that had led to Mr J receiving a bill.

The water authority stated that a combined drain is private plumbing that is jointly owned by the customers connected to it. Two of the three properties had a history of sewer blockages in this plumbing, but no blockages were recorded against Mr J's property. Mr J's neighbours had been liaising with the water authority about the problem.

The water authority had arranged for a video of the combined drain at no cost to the customers. The video had determined the condition of the service and what actions were required to remedy it. The water

authority had written to Mr J's neighbours to advise them of the options. A further letter had been sent, advising that the video of the combined drain had shown substantial tree root infiltration and fat build-up in the section of drain in question.

Mr J's neighbour had requested the water authority to carry out repairs to the combined drain, in July 2001. This neighbour had requested that each customer connected to the combined drain be billed separately. The water authority agreed to do this on the understanding that all owners along the line were informed.

The works were completed and an account for the cost was raised and sent to each customer. The total cost was \$2,034, being \$678 each. The water authority provided an itemised account.

The water authority advised that clause 333 of the Water Industry Regulations 1995, and section 68 of the *Water Industry Act 1994*, clearly define that the responsibility for maintenance and repair of the combined drain rests with the property owners, and the water authority can reasonably recover costs associated with repairs.

The Act requires that the water authority serve notices on customers who require repairs, and to recover costs from those customers on whom notice was served.

In this instance, while the water authority complied with the intention of the Act, with the aim of helping its customers carry out the necessary repairs, it did not serve a notice on Mr J.

The case was resolved on the basis that the water authority waived the entire account (\$678) as it had not complied with the notice requirements of repair works. It also sent a letter of apology to Mr J, for not providing enough information relating to the repair of the drain.

**Comment: This case demonstrates the importance of keeping customers informed about works in their area that may affect them. In Mr J's case, the water authority was entitled to claim part of the cost of the sewer repair from Mr J, but — because it failed to notify him — was prevented from doing so.**

Conciliators Katie Howie (left) and Samantha Crowhurst compare notes on a case recently received by Katie involving a burst water pipe. Such cases can be very emotive, because the question of responsibility for repairs is not always clear-cut, particularly given the different regulatory framework in metropolitan, regional urban and rural areas.





Manager Conciliation Michael Ridgway, and Conciliators Anna Faoagali (centre) and Bridie Fennessy, discuss a rural customer's complaint about his water allocation, and consider whether or not the allocation the customer has received is fair and reasonable, taking all the circumstances into account.

W/2002/297

## Water restricted — finding a manageable payment arrangement

Mr C contacted the EWOV on 2 May 2002, and advised that his water supply had been restricted due to outstanding arrears of \$146.60 on his account. Mr C stated that he had promised to make the payment in full to his water authority that day, but something had come up and he could not meet this arrangement. Mr C had spoken to the water authority earlier, and had been advised that it required half the amount due before it would remove the restriction on his water supply.

Mr C acknowledged that he had made arrangements previously to pay the amount in full on 24 April 2002. He stated that, due to a delay in receiving his pension, as well as other financial commitments, he was not able to make this payment. Mr C was concerned, as he did not believe he and his family would cope with limited water supply. He stated that they could not have a shower, or use their washing machine.

Mr C explained that he had visited a financial counsellor that day, and she had assisted him in filing for bankruptcy. He wanted to 'do the right

thing' and pay this bill when he could. He suggested entering into a payment plan to make fortnightly payments. Mr C said that he wanted to apologise to the customer service representatives he had spoken to earlier, but he felt like he was 'hitting a brick wall'.

The EWOV took the case for investigation, and found that the outstanding balance for Mr C's water account was \$96.60. The water authority removed the restriction on Mr C's water supply, and waived the reconnection charge of \$45 (as per EWOV Policy). Mr C agreed to make three payments of \$60 towards his water account, on 6 June 2002, 20 June 2002, and 4 July 2002. Following this, Mr C undertook to make ongoing fortnightly payments of \$10, starting from 18 July 2002. If, for any reason, Mr C's circumstances prevented him from making a payment on time in future, he advised he would contact the water authority prior to missing the payment, to keep it informed.

**Comment: Mr C's case shows how difficult the issue of hardship can be, particularly when it involves restriction of a vital resource, such as water. When Mr C was given extra time to pay his bill, he did in fact do so. Finding a payment arrangement that the customer can manage on an ongoing basis can prevent this type of situation arising.**

# Electricity results

## Enquiries

- Total Enquiries received (5,139) showed a 24 per cent increase on the 4,152 Enquiries received last year.
- This year recorded an increase in Disconnection Enquiries. 586 Enquiries, or 11 per cent of all Enquiries, concerned Disconnection, a marked 139 per cent increase on the 245 Disconnection Enquiries received last year. In part, this increase reflects the Electricity Retail Code's requirement that the EWOV's contact details be included on all disconnection notices from 1 January 2001, and that some companies were exempted by the ESC from complying until mid-2001. However, Origin Energy Electricity accounted for more than half of this increase in Enquiries, and Origin Energy Electricity has advised the EWOV that it included the EWOV's details on its disconnection notices from 1 January 2001.
- 1,792 Enquiries (35 per cent) were received against Origin Energy Electricity.
- Origin Energy Electricity's Billing Enquiries (1,279) represented 25 per cent of all Enquiries and 40 per cent of all Billing Enquiries. This high case receipt partly reflects the number of cases associated with Origin Energy Electricity's billing system issues.
- Origin Energy Electricity's Disconnection Enquiries (292) represented 50 per cent of the total Disconnection Enquiries.
- **294 Enquiries (6 per cent) concerned FRC issues.**

## Consultations

- Total Consultations received (787) showed a 1 per cent decrease on the 797 Consultations received last year.
- This year recorded a fall-off in Billing Consultations due to billing systems issues, but an increase in Disconnection Consultations. 105 Consultations, or 13 per cent of all Consultations, concerned Disconnection, a 75 per cent increase on the 60 Disconnection Consultations received last year. In part, this increase reflects the Electricity Retail Code's requirement that the EWOV's contact details be included on all disconnection notices from 1 January 2001, and that some companies were exempted by the ESC from complying until mid-2001.
- Origin Energy Electricity recorded 318 Consultations, 40 per cent of all Consultations. Of these, 306 related to Billing, representing 42 per cent of all Billing Consultations. This high case receipt reflects Origin Energy Electricity's billing system issues.
- TXU Electricity recorded the highest number of Disconnection Consultations — 36, or 34 per cent of all Disconnection Consultations.
- **33 Consultations (4 per cent) concerned FRC issues.**

## Complaints

- Total Complaints received (346) showed a 13 per cent decrease on the 398 received last year.
- Fewer Billing Complaints were received — 84, compared to 128 received last year (a 34 per cent decrease), reflecting a higher rate of resolution of these issues at Consultation level.
- TXU Electricity received the highest number (129) and percentage (37 per cent) of Complaints. TXU Electricity's 70 Supply Complaints represented 56 per cent of all Supply Complaints.
- TXU Electricity's Supply: Unplanned Outage Complaints (57) represented 59 per cent of the total Supply: Unplanned Outage Complaints (97). 24 of these concerned power interruptions without an accompanying appliance damage claim, due to severe storms in August 2001 which resulted in some customers being off supply for over 24 hours.
- Origin Energy Electricity received the next highest number (90) and percentage (26 per cent) of Complaints. 37 of these Complaints concerned Provision.
- **16 Complaints (5 per cent) concerned FRC issues.**

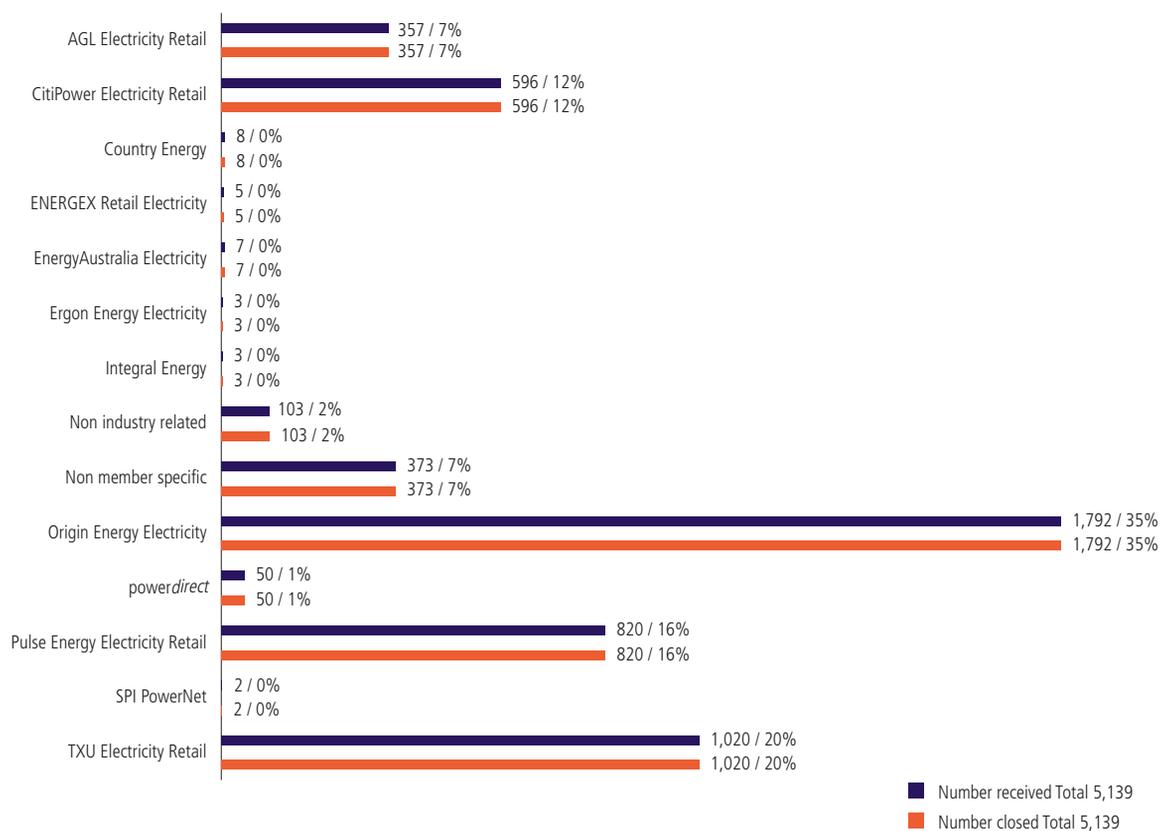
## Disputes

- Total Disputes received (81) showed a 33 per cent decrease on the 120 Disputes received last year (22 of which related to a single event).
- 36 Disputes (44 per cent) were received against TXU Electricity. 19 of these concerned Supply (amounting to 61 per cent of the total 31 Supply Disputes received).
- CitiPower's Billing Disputes (11) represented 55 per cent of the total Billing Disputes (20).
- **5 Disputes (6 per cent) concerned FRC issues.**

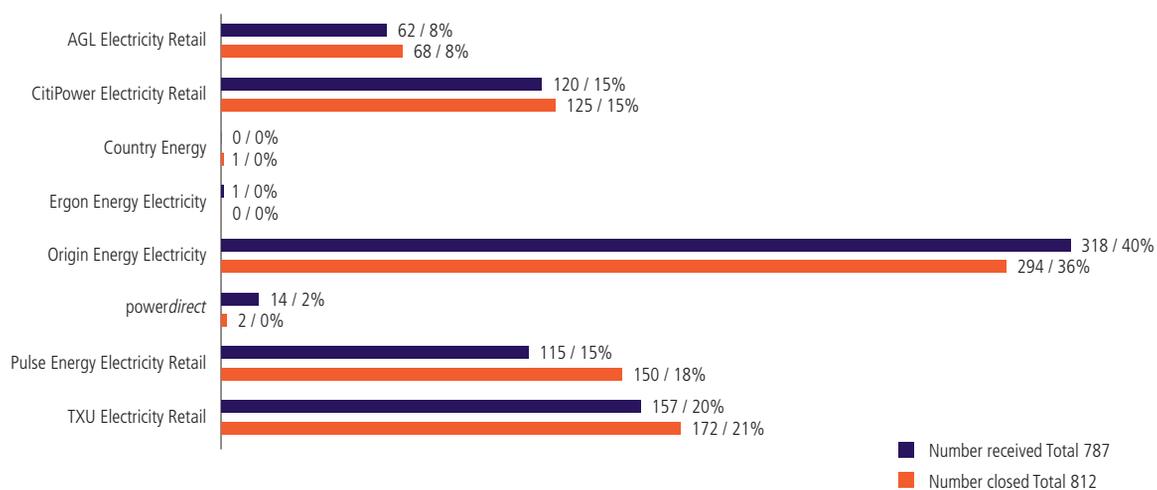
## Full Retail Competition (FRC)

FRC cases (Contestability, Market Conduct and Transfer), which relate to the roll-out of competition in the electricity industry, are highlighted.

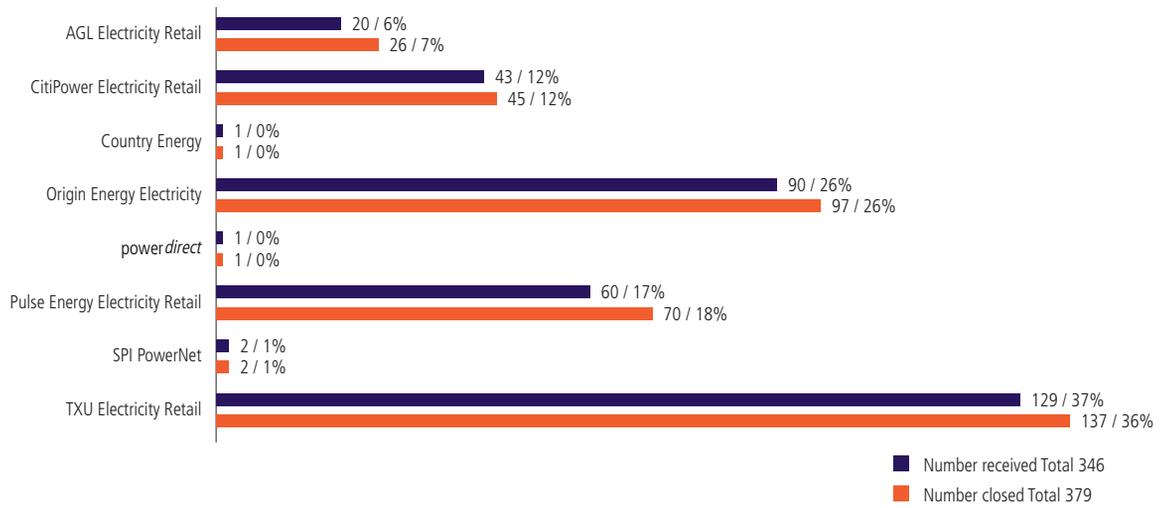
### Figure 1: Electricity ENQUIRIES received and closed



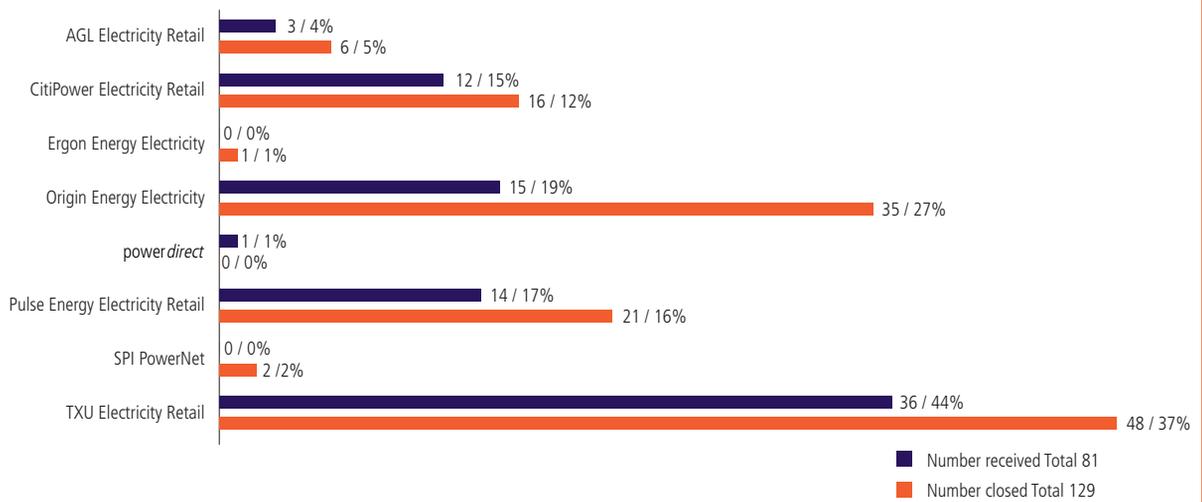
### Figure 2: Electricity CONSULTATIONS received and closed



### Figure 3: Electricity COMPLAINTS received and closed



### Figure 4: Electricity DISPUTES received and closed



## Factors affecting average days to close cases

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

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

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

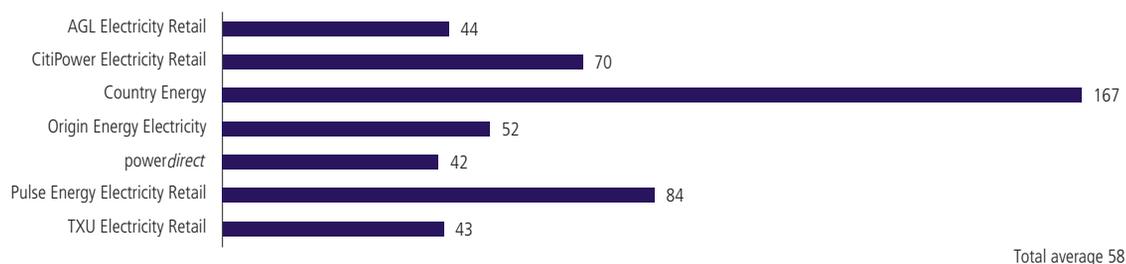
## Average days to close CONSULTATIONS

- The total average days to close Consultations (58 days) showed a reduction on the average days to close Consultations last year (65 days).
- The total average days to close Consultations was affected by a single Consultation against Country Energy which took 167 days to close. The matter related to Disconnection. Delays were caused partly by difficulties in contacting the customer (who had no telephone), and partly by extensive EWOV consultation with regulators to establish the correct standards applying to the customer, who lived in a remote area of north eastern Victoria.

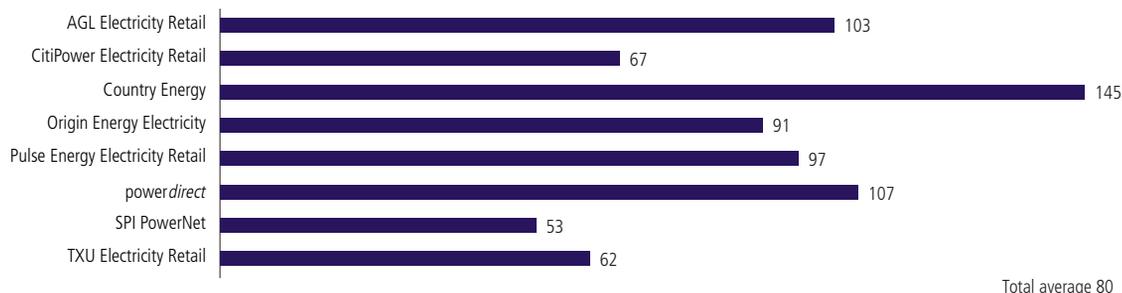
## Average days to close COMPLAINTS

- The total average days to close Complaints increased to 80 from 75 last year, partly because of a single Complaint against Country Energy which took 145 days to close. This Complaint related to a Billing Tariff issue.

**Figure 5: Average days to close electricity CONSULTATIONS**



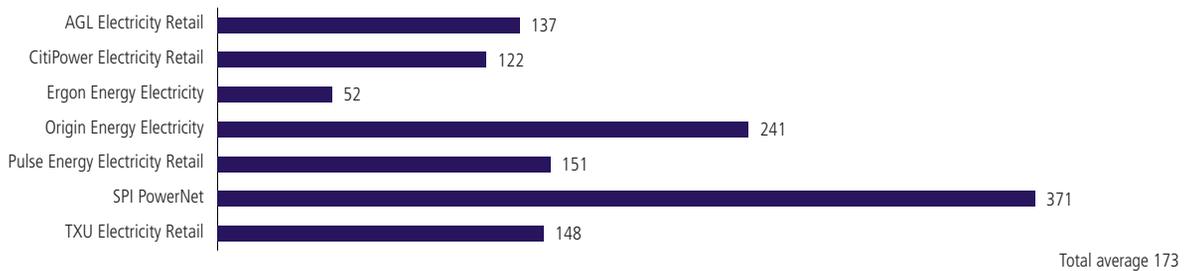
**Figure 6: Average days to close electricity COMPLAINTS**



## Average days to close DISPUTES

- The total average days to close Disputes increased to 173 from 121 last year. This is partly because of two Disputes against SPI PowerNet (then GPU PowerNet) which took an average of 371 days to close. Both of these very complex cases concerned the proposed location of mobile telephone equipment on an existing electricity transmission tower. One issue raised concerned the question of whether adequate community consultation had been undertaken.
- Origin Energy Electricity's average days to close electricity Disputes were also high — Origin Energy Electricity took an average of 241 days to resolve 35 Disputes. Of these Disputes, 27 were originally received against Powercor Australia.
- Although Pulse Energy Electricity's average days to close electricity Disputes is relatively low (an average of 151 days to close 21 cases), one of these Disputes (originally received against United Energy) took 801 days to close. This complex case concerned interpretation of the Tariff Order as regards the reassignment of network tariffs resulting in a backbill.

**Figure 7: Average days to close electricity DISPUTES**



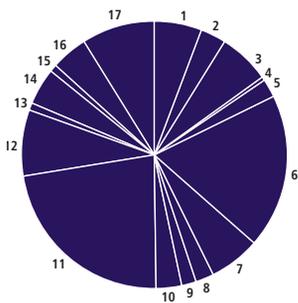
### *Most prevalent issues: electricity*

The information on the following pages sets out the most prevalent issue raised by each company's customers. That prevalent issue is then broken down into a second level of description, shown by a pie chart.

Figure 8: Most prevalent electricity ENQUIRY issue and 2nd level issue

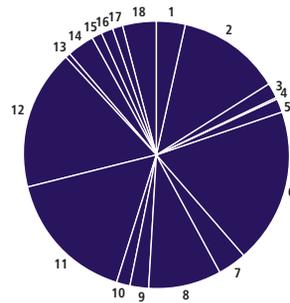
### AGL Electricity Retail

Prevalent issue		Billing	
No of Enquiries		225	
% of company's total Enquiries		63	
2nd level issue	No of Enquiries	2nd level issue	No of Enquiries
1 Arrears	13	10 Format	7
2 Backbill	7	11 High	51
3 Concession	14	12 Inquiry	18
4 Delay	1	13 Lost Payments	2
5 Direct Debit	5	14 Meter	10
6 Disconnection	42	15 Re-Connection	2
7 Easyway	14	16 Service Charge	10
8 Error	5	17 Tariff	20
9 Estimation	4		



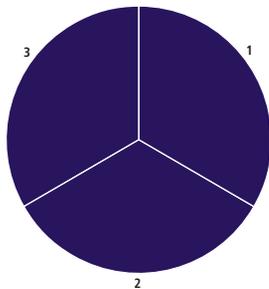
### CitiPower Electricity Retail

Prevalent issue		Billing	
No of Enquiries		485	
% of company's total Enquiries		81	
2nd level issue	No of Enquiries	2nd level issue	No of Enquiries
1 Arrears	17	10 Format	8
2 Backbill	61	11 High	79
3 Concession	9	12 Inquiry	82
4 Delay	1	13 Lost Payments	3
5 Direct Debit	8	14 Meter	16
6 Disconnection	91	15 Re-Connection	6
7 Easyway	17	16 Refundable Advance	7
8 Error	43	17 Service Charge	6
9 Estimation	11	18 Tariff	20



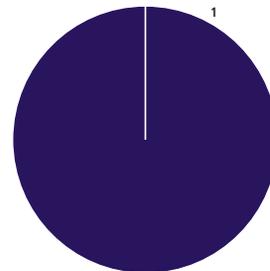
### Country Energy

Prevalent issue		Transfer	
No of Enquiries		3	
% of company's total Enquiries		38	
2nd level issue	No of Enquiries		
1 Cooling Off	1		
2 Delay	1		
3 Offer	1		



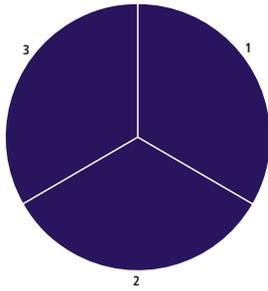
### ENERGEX Retail Electricity

Prevalent issue		Contestability	
No of Enquiries		2	
% of company's total Enquiries		40	
2nd level issue	No of Enquiries		
1 Information	2		



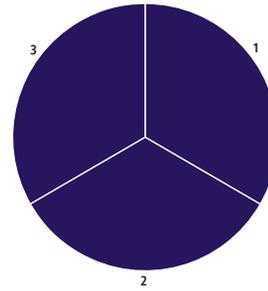
### EnergyAustralia Electricity

Prevalent issue		Billing
No of Enquiries		3
% of company's total Enquiries		43
2nd level issue	No of Enquiries	
1 Backbill	1	
2 Disconnection	1	
3 Tariff	1	



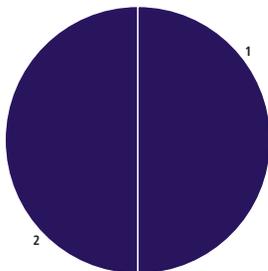
### Ergon Energy Electricity

Prevalent issue		Billing Contestability General Enquiry
No of Enquiries		1 of each
% of company's total Enquiries		33 each
2nd level issue	No of Enquiries	
1 Billing	Tariff 1	
2 Contestability	Information 1	
3 General Enquiry	N/A 1	



### Integral Energy Australia

Prevalent issue		Billing
No of Enquiries		2
% of total Enquiries		67
2nd level issue	No of Enquiries	
1 Re-Connection	1	
2 Tariff	1	



### Non industry related

Prevalent issue		General Enquiry
No of Enquiries		80
% of Non industry related Enquiries		78
2nd level issue		N/A
No of Enquiries		80

### Non member specific

Prevalent issue		General Enquiry
No of Enquiries		125
% of Non member specific Enquiries		34
2nd level issue		N/A
No of Enquiries		125

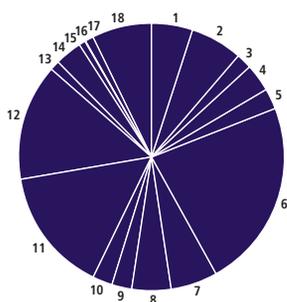


### Origin Energy Electricity

Prevalent issue	Billing
-----------------	---------

No of Enquiries	1,279
% of company's total Enquiries	71

2nd level issue	No of Enquiries	2nd level issue	No of Enquiries
1 Arrears	64	10 Format	31
2 Backbill	81	11 High	193
3 Concession	24	12 Inquiry	180
4 Delay	43	13 Lost Payments	15
5 Direct Debit	32	14 Meter	42
6 Disconnection	292	15 Re-Connection	10
7 Easyway	73	16 Refundable Advance	1
8 Error	61	17 Service Charge	13
9 Estimation	31	18 Tariff	93

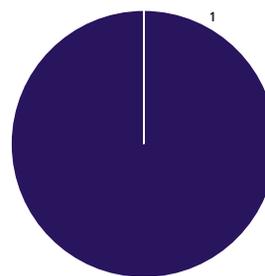


### powerdirect

Prevalent issue	Market Conduct
-----------------	----------------

No of Enquiries	18
% of company's total Enquiries	36

2nd level issue	No of Enquiries
1 Sales/Contact	18

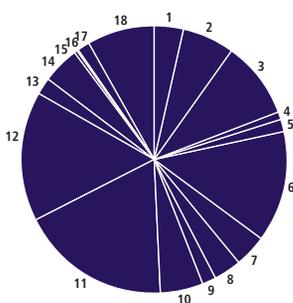


### Pulse Energy Electricity Retail

Prevalent issue	Billing
-----------------	---------

No of Enquiries	536
% of company's total Enquiries	65

2nd level issue	No of Enquiries	2nd level issue	No of Enquiries
1 Arrears	19	10 Format	28
2 Backbill	34	11 High	98
3 Concession	50	12 Inquiry	84
4 Delay	5	13 Lost Payments	11
5 Direct Debit	8	14 Meter	24
6 Disconnection	72	15 Re-Connection	2
7 Easyway	21	16 Refundable Advance	1
8 Error	18	17 Service Charge	8
9 Estimation	9	18 Tariff	44



### SPI PowerNet

Prevalent issue	Land
-----------------	------

No of Enquiries	2
% of company's total Enquiries	100

2nd level issue	No of Enquiries
1 Easement	2

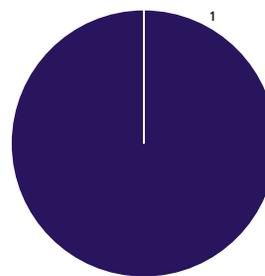


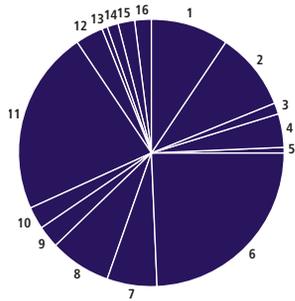
Figure 9: Most prevalent CONSULTATION issue and 2nd level issue

**TXU Electricity Retail**

Prevalent issue	Billing
-----------------	---------

No of Enquiries	614
% of company's total Enquiries	60

2nd level issue	No of Consultations	2nd level issue	No of Consultations
1 Arrears	43	10 Format	18
2 Backbill	84	11 High	90
3 Concession	44	12 Inquiry	49
4 Delay	6	13 Lost Payments	4
5 Direct Debit	4	14 Meter	19
6 Disconnection	77	15 Re-Connection	6
7 Easyway	23	16 Refundable Advance	4
8 Error	28	17 Service Charge	17
9 Estimation	9	18 Tariff	89

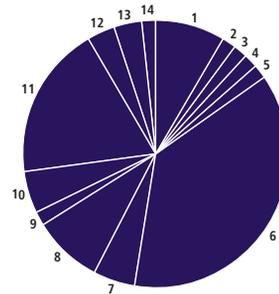


**AGL Electricity Retail**

Prevalent issue	Billing
-----------------	---------

No of Consultations	59
% of company's total Consultations	95

2nd level issue	No of Consultations	2nd level issue	No of Consultations
1 Arrears	5	8 Error	5
2 Backbill	1	9 Estimation	1
3 Concession	1	10 Format	3
4 Delay	1	11 High	11
5 Direct Debit	1	12 Meter	2
6 Disconnection	22	13 Service Charge	2
7 Easyway	3	14 Tariff	1

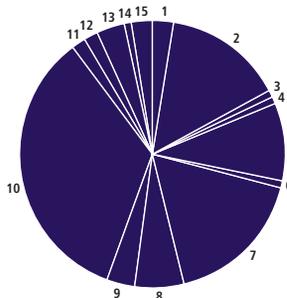


**CitiPower Electricity Retail**

Prevalent issue	Billing
-----------------	---------

No of Consultations	117
% of company's total Consultations	98

2nd level issue	No of Consultations	2nd level issue	No of Consultations
1 Arrears	3	9 Format	4
2 Backbill	17	10 High	40
3 Delay	1	11 Meter	2
4 Direct Debit	1	12 Re-Connection	2
5 Disconnection	11	13 Refundable Advance	4
6 Easyway	1	14 Service Charge	1
7 Error	20	15 Tariff	3
8 Estimation	7		

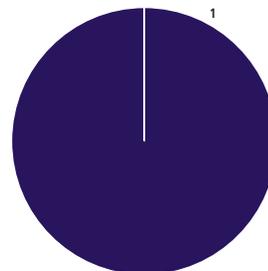


**Ergon Energy Electricity**

Prevalent issue	Billing
-----------------	---------

No of Consultations	1
% of company's total Consultations	100

2nd level issue	No of Consultations
1 Tariff	1

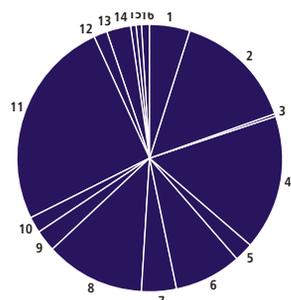


### Origin Energy Electricity

Prevalent issue	Billing
-----------------	---------

No of Consultations 306  
 % of company's total Consultations 96

2nd level issue	No of Consultations	2nd level issue	No of Consultations
1 Arrears	15	9 Estimation	8
2 Backbill	45	10 Format	6
3 Concession	1	11 High	78
4 Delay	50	12 Lost Payments	5
5 Direct Debit	7	13 Meter	9
6 Disconnection	25	14 Re-Connection	2
7 Easyway	13	15 Service Charge	2
8 Error	37	16 Tariff	3

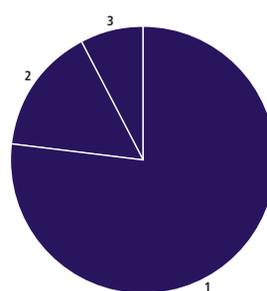


### powerdirect

Prevalent issue	Transfer
-----------------	----------

No of Consultations 13  
 % of company's total Consultations 93

2nd level issue	No of Consultations
1 Billing	10
2 N/A	2
3 Offer	1

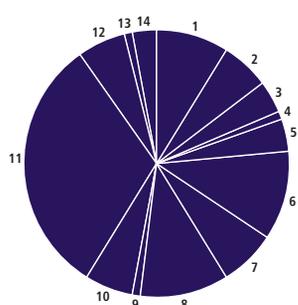


### Pulse Energy Electricity Retail

Prevalent issue	Billing
-----------------	---------

No of Consultations 102  
 % of company's total Consultations 89

2nd level issue	No of Consultations	2nd level issue	No of Consultations
1 Arrears	9	8 Error	11
2 Backbill	6	9 Estimation	1
3 Concession	4	10 Format	6
4 Delay	1	11 High	32
5 Direct Debit	4	12 Meter	6
6 Disconnection	11	13 Service Charge	1
7 Easyway	7	14 Tariff	3



### TXU Electricity Retail

Prevalent issue	Billing
-----------------	---------

No of Consultations 148  
 % of company's total Consultations 94

2nd level issue	No of Consultations	2nd level issue	No of Consultations
1 Arrears	14	9 Estimation	4
2 Backbill	14	10 Format	4
3 Concession	2	11 High	33
4 Delay	6	12 Meter	5
5 Direct Debit	1	13 Re-Connection	1
6 Disconnection	36	14 Refundable Advance	2
7 Easyway	9	15 Service Charge	3
8 Error	11	16 Tariff	3

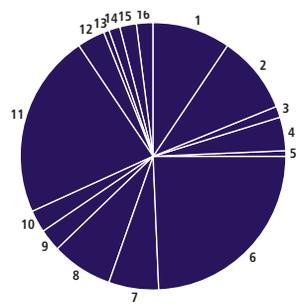
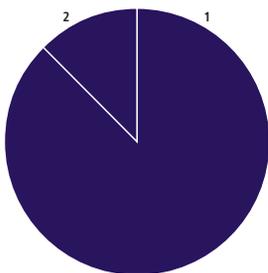


Figure 10: Most prevalent electricity COMPLAINT issue and 2nd level issue

**AGL Electricity Retail**

Prevalent issue	Provision
No of Complaints	8
% of company's total Complaints	40

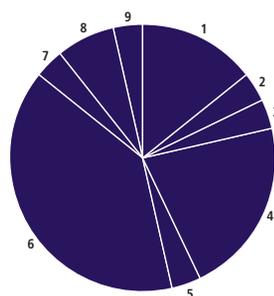
2nd level issue	No of Complaints
1 In-Place	7
2 New	1



**CitiPower Electricity Retail**

Prevalent issue	Billing
No of Complaints	27
% of company's total Complaints	63

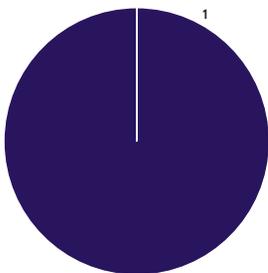
2nd level issue	No of Complaints
1 Backbill	4
2 Direct Debit	1
3 Disconnection	1
4 Error	6
5 Format	1
6 High	11
7 Meter	1
8 Tariff	2



**Country Energy**

Prevalent issue	Billing
No of Complaints	1
% of company's total Complaints	100

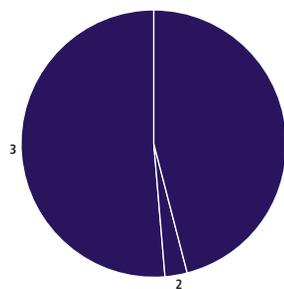
2nd level issue	No of Complaints
1 Tariff	1



**Origin Energy Electricity**

Prevalent issue	Provision
No of Complaints	37
% of company's total Complaints	41

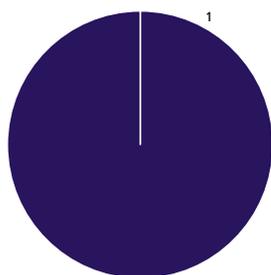
2nd level issue	No of Complaints
1 In-place	17
2 Interference	1
3 New	19



### powerdirect

Prevalent issue	Transfer
No of Complaints	1
% of company's total Complaints	100

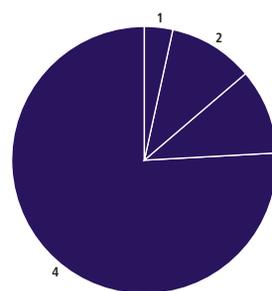
2nd level issue	No of Complaints
1 Information	1



### Pulse Energy Electricity Retail

Prevalent issue	Supply
No of Complaints	29
% of company's total Complaints	48

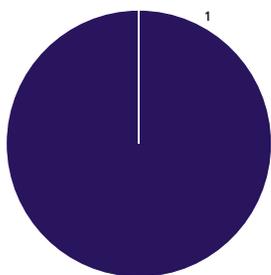
2nd level issue	No of Complaints
1 Planned Outage	1
2 Quality	3
3 Reliability	3
4 Unplanned Outage	22



### SPI PowerNet

Prevalent issue	Land
No of Complaints	2
% of company's total Complaints	100

2nd level issue	No of Complaints
1 Vegetation	2



### TXU Electricity Retail

Prevalent issue	Supply
No of Complaints	70
% of company's total Complaints	54

2nd level issue	No of Complaints
1 Planned Outage	1
2 Quality	7
3 Reliability	5
4 Unplanned Outage	57

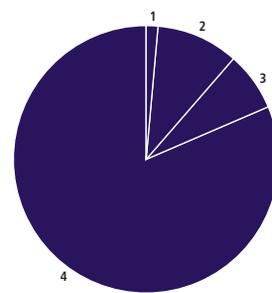
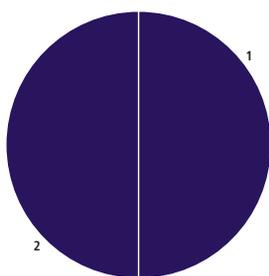


Figure 11: Most prevalent electricity DISPUTE issue and 2nd level issue

### AGL Electricity Retail

Prevalent issue	Provision
No of Disputes	2
% of company's total Disputes	67

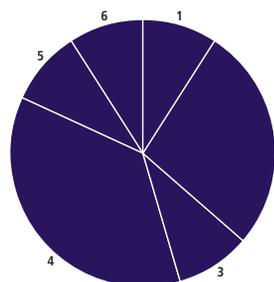
2nd level issue	No of Disputes
1 In-Place	1
2 Inteference	1



### CitiPower Electricity Retail

Prevalent issue	Billing
No of Disputes	11
% of company's total Disputes	92

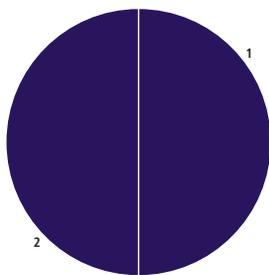
2nd level issue	No of Disputes
1 Backbill	1
2 Error	3
3 Format	1
4 High	4
5 Meter	1
6 Tariff	1



### Origin Energy Electricity

Prevalent issue	Provision
No of Disputes	4
% of company's total Disputes	27

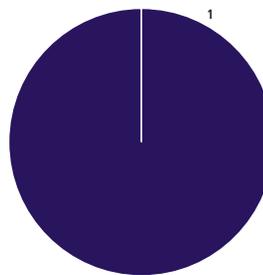
2nd level issue	No of Disputes
1 In-Place	2
2 New	2



### powerdirect

Prevalent issue	Contestibility
No of Disputes	1
% of company's total Disputes	100

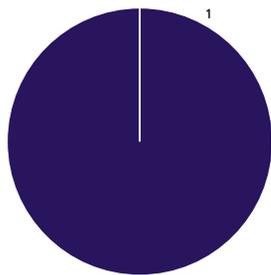
2nd level issue	No of Disputes
1 N/A	1





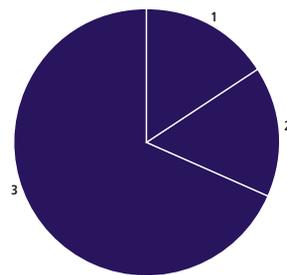
### Pulse Energy Electricity Retail

Prevalent issue		Supply
No of Disputes		9
% of company's total Disputes		64
2nd level issue	No of Disputes	
1 Unplanned Outage	9	



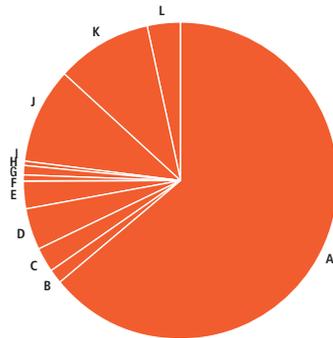
### TXU Electricity Retail

Prevalent issue		Supply
No of Disputes		19
% of company's total Disputes		53
2nd level issue	No of Disputes	
1 Quality	3	
2 Reliability	3	
3 Unplanned Outage	13	



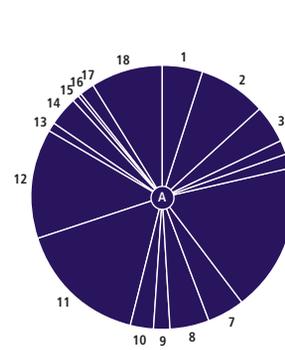
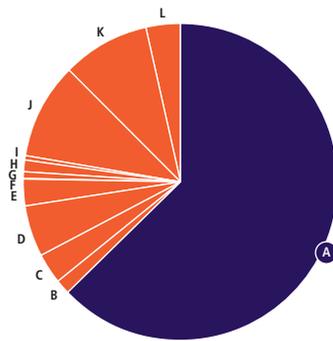
**Figure 12: Electricity cases (all) received by issue**

A	Billing	4,061	64%
B	Contestability	93	1%
C	Customer Service	160	3%
D	General Enquiry	269	4%
E	Land	177	3%
F	Legislation	3	0%
G	Market Conduct	38	1%
H	Ombudsman Inquiry	61	1%
I	Privacy	28	0%
J	Provision	622	10%
K	Supply	624	10%
L	Transfer	217	3%
<b>Grand Total</b>		<b>6,353</b>	<b>100%</b>



**Figure 13: Electricity ENQUIRIES received by issue (all companies)**

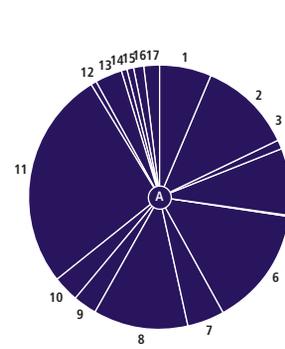
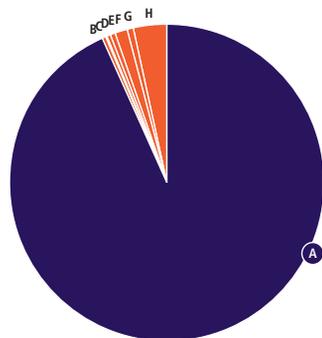
A	Billing	3,223	63%
B	Contestability	77	1%
C	Customer Service	160	3%
D	General Enquiry	269	5%
E	Land	140	3%
F	Legislation	3	0%
G	Market Conduct	35	1%
H	Ombudsman Inquiry	61	1%
I	Privacy	23	0%
J	Provision	504	10%
K	Supply	462	9%
L	Transfer	182	4%
<b>Total</b>		<b>5,139</b>	<b>100%</b>



1	Arrears	160
2	Backbill	269
3	Concession	149
4	Delay	56
5	Direct Debit	57
6	Disconnection	586
7	Easyway	148
8	Error	156
9	Estimation	65
10	Format	92
11	High	517
12	Inquiry	433
13	Lost Payments	35
14	Meter	116
15	Re-Connection	27
16	Refundable Advance	13
17	Service Charge	58
18	Tariff	286
<b>Total</b>		<b>3,223</b>

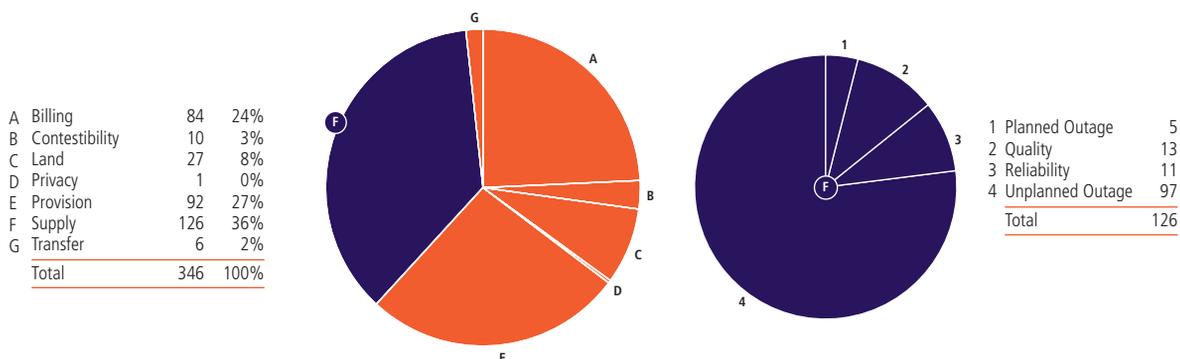
**Figure 14: Electricity CONSULTATIONS received by issue (all companies)**

A	Billing	734	93%
B	Contestability	3	0%
C	Land	1	0%
D	Market Conduct	3	0%
E	Privacy	4	1%
F	Provision	10	1%
G	Supply	5	1%
H	Transfer	27	3%
<b>Total</b>		<b>787</b>	<b>99%</b>

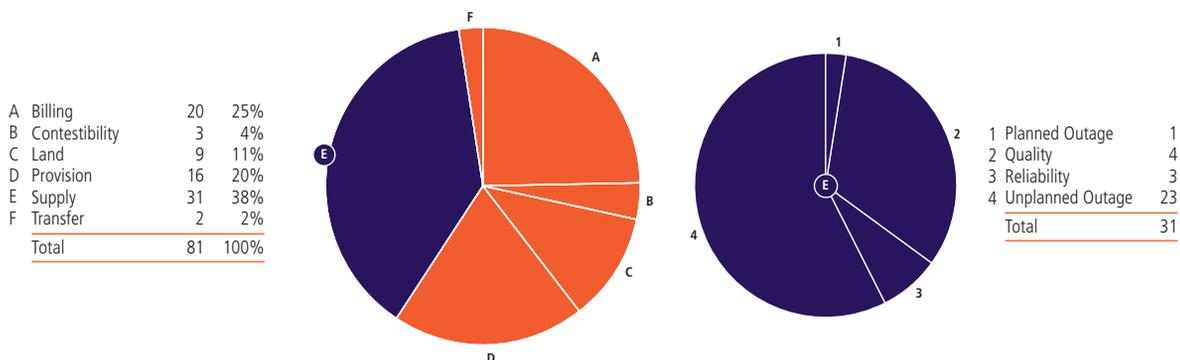


1	Arrears	46
2	Backbill	83
3	Concession	8
4	Delay	59
5	Direct Debit	14
6	Disconnection	105
7	Easyway	33
8	Error	84
9	Estimation	21
10	Format	23
11	High	194
12	Lost Payments	5
13	Meter	24
14	Re-Connection	5
15	Refundable Advance	6
16	Service Charge	9
17	Tariff	14
<b>Total</b>		<b>733</b>

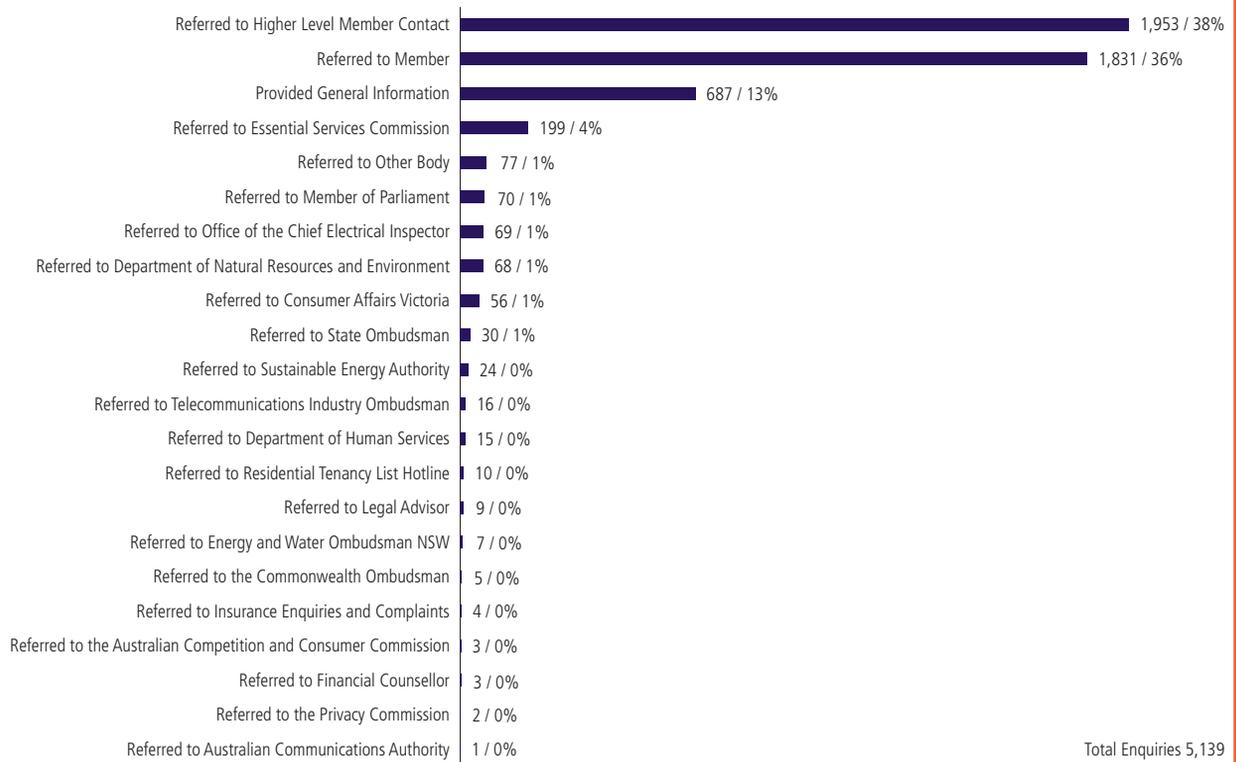
**Figure 15: Electricity COMPLAINTS received by issue (all companies)**



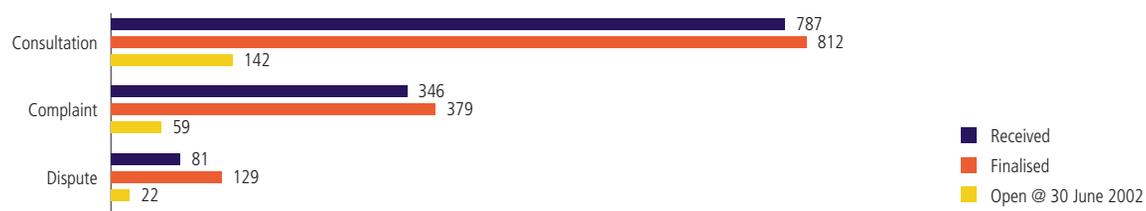
**Figure 16: Electricity DISPUTES received by issue (all companies)**



### Figure 17: Outcomes of electricity ENQUIRIES



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



**Figure 19: Age of open electricity cases @ 30 June 2002**



**Figure 20: Average time spent on closed electricity cases (in minutes)**



# Gas results

## ENQUIRIES

- Total Enquiries received (1,250) showed a marked 54 per cent increase on the 812 received last year.
- 301 Enquiries (24 per cent) concerned Disconnection, a substantial 74 per cent increase on the 173 Disconnection Enquiries received last year. Gas Disconnection Enquiries represented 32 per cent of all Billing Enquiries received. In part, this increase reflects the Gas Retail Code's requirement that the EWOV's contact details be included on all disconnection notices from 1 September 2001.
- Origin Energy Gas recorded the highest number (581) and percentage (46 per cent) of Enquiries overall, a marked 108 per cent increase on the 279 Enquiries recorded against it last year.
- Origin Energy Gas's Billing Enquiries (465) represented 37 per cent of all Enquiries and 50 per cent of all Billing Enquiries. This high case receipt partly reflects its billing difficulties (resulting from its new billing system, introduced in April 2002), which coincided with problems with its customer call centre and the fact that the EWOV's message appeared on its bills in May and June 2002.
- 180 Disconnection Enquiries (60 per cent of all Disconnection Enquiries) were recorded against Origin Energy Gas, and seem to generate from a less flexible approach to payment arrangements than the other gas retailers.

## CONSULTATIONS

- Total Consultations received (210) were comparable with the 208 Consultations received last year.
- Disconnection Consultations remained constant, with 78 received this year (37 per cent of all Consultations) and 78 received last year.
- Origin Energy Gas was the source of 44 per cent of all Consultations received.
- Origin Energy Gas recorded the highest number of Disconnection Consultations — 40, or 51 per cent of all Disconnection Consultations.
- TXU Gas received 40 per cent of all Disconnection Consultations. Most of TXU Gas's Consultations concerned Disconnection (31 out of 38 Consultations).
- 79 of Pulse Energy Gas's 80 Consultations concerned Billing.
- Pulse Energy Gas recorded only 7 of the 78 Disconnection Consultations (9 per cent of all Disconnection Consultations).

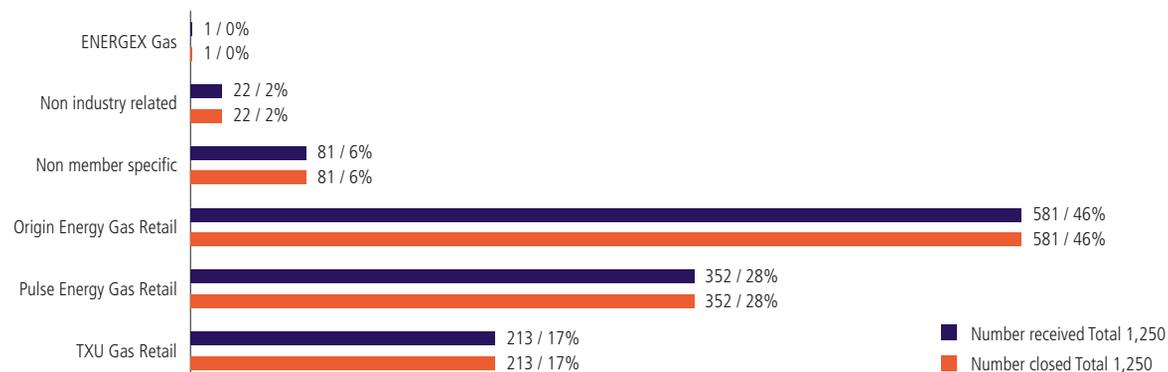
## COMPLAINTS

- Total Complaints (37) received showed a 5 per cent decrease on the 39 received last year.
- There were no Disconnection Complaints, reflecting the resolution of these cases at Consultation level.
- Pulse Energy Gas received the majority of Complaints (21, or 57 per cent). 11 of these related to Provision, representing 52 per cent of the total Provision Complaints.
- Supply is usually not a major issue for gas companies because gas supply lines are underground and are generally less subject to interruptions than overhead electricity lines.

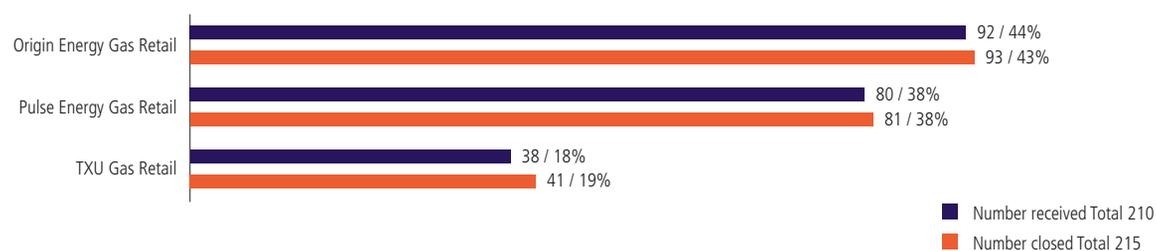
## DISPUTES

- Total Disputes received (11) showed a 38 per cent increase on the 8 received last year.
- Pulse Energy Gas and TXU Gas each recorded 5 Disputes, while Origin Energy Gas recorded 1.
- 3 of the 5 Provision Disputes were recorded against TXU Gas.

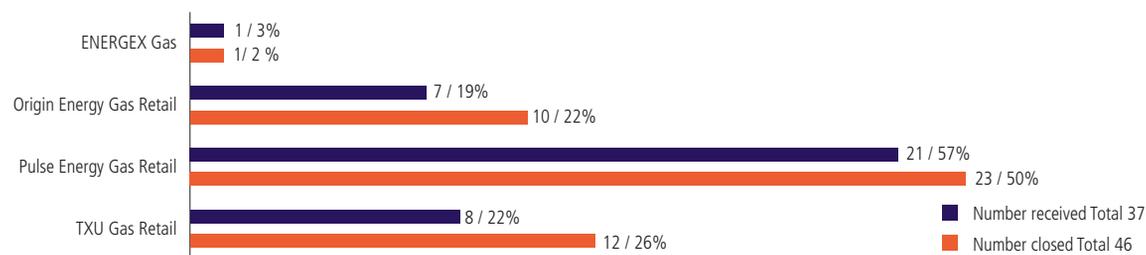
### Figure 21: Gas ENQUIRIES received and closed



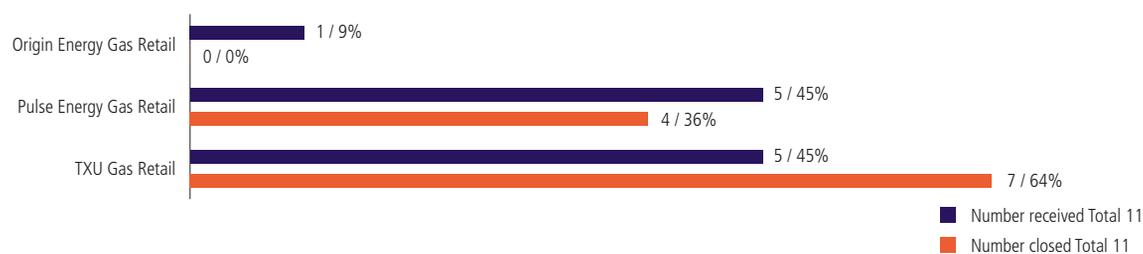
### Figure 22: Gas CONSULTATIONS received and closed



### Figure 23: Gas COMPLAINTS received and closed



### Figure 24: Gas DISPUTES received and closed



## Factors affecting average days to close cases

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

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

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

### Average days to close gas Consultations

- The average days to close Consultations (45 days) showed a reduction on the average days to close Consultations last year (58 days).
- Pulse Energy Gas recorded the highest average days to close Consultations (72 days), an increase on its average days to close Consultations last year (64 days). Pulse Energy Gas closed 81 Consultations. 43 of these concerned Billing: High or Billing: Backbill issues, which can require relatively detailed investigations.

- TXU Gas recorded an average of 45 days to close Consultations, a significant reduction on its average days to close Consultations last year (65 days).
- Origin Energy Gas recorded an average of just 21 days to close Consultations, a significant reduction on its average days to close Consultations last year (50 days). This relates to the high number of Disconnection Consultations received by Origin Energy Gas. Disconnection cases are usually resolved relatively quickly by the customer being reconnected and an affordable payment arrangement being negotiated.

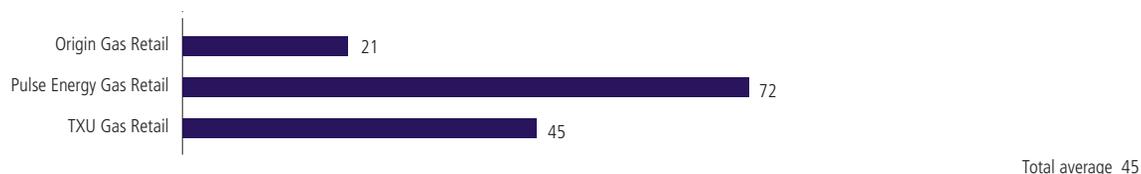
### Average days to close gas Complaints

- The average days to close Complaints (76 days) showed a reduction on the average days to close Complaints last year (88 days).
- Pulse Energy Gas recorded the highest average days to close Complaints (96 days).
- ENERGEX took 92 days to close a single Complaint. This Complaint related to a Billing Tariff issue.

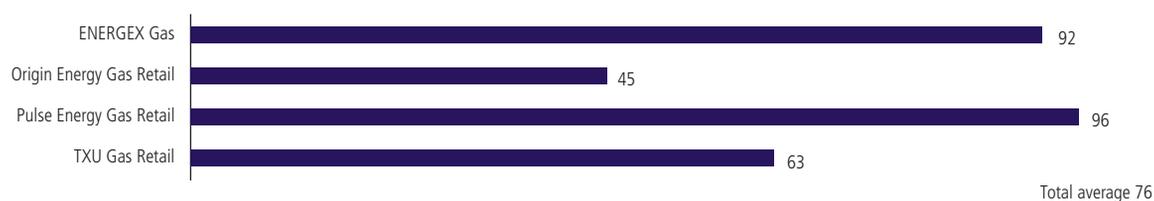
### Average days to close gas Disputes

- The average days to close Disputes (94 days) showed a significant reduction on the average days to close Disputes last year (240 days).
- One Dispute against Pulse Energy Gas took 255 days to close.

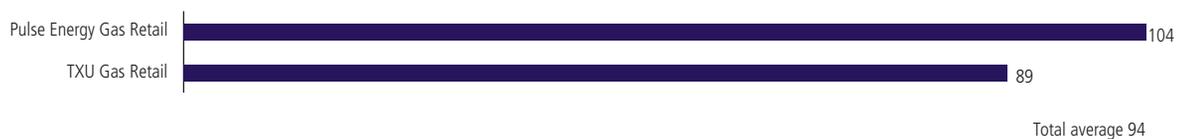
**Figure 25: Average days to close gas CONSULTATIONS**



**Figure 26: Average days to close gas COMPLAINTS**



**Figure 27: Average days to close gas DISPUTES**



### *Most prevalent issues: gas*

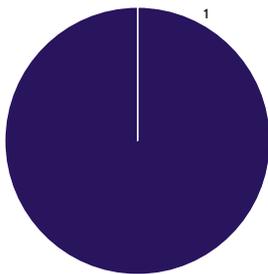
The information on the following pages sets out the most prevalent issue raised by each company's customers. That prevalent issue is then broken down into a second level of description, shown by a pie chart.



**Figure 28: Most prevalent gas ENQUIRY issue and 2nd level issue**

**ENERGEX Gas**

Prevalent issue		General Enquiry
No of Enquiries		1
% of company's total Enquiries		100
2nd level issue		No of Enquiries
1	N/A	1



**Non industry related**

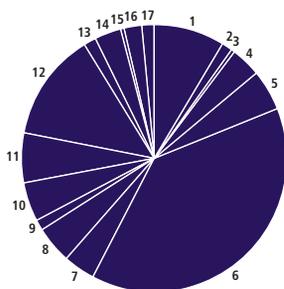
Prevalent issue		General Enquiry
No of Enquiries		17
% of total Enquiries		77
2nd level issue		N/A
No of Enquiries		17

**Non member specific**

Prevalent issue		General Enquiry
No of Enquiries		37
% of total Enquiries		46
2nd level issue		N/A
No of Enquiries		37

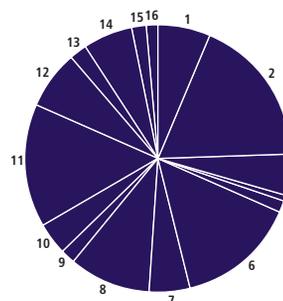
**Origin Energy Gas Retail**

Prevalent issue		Billing
No of Enquiries		465
% of company's total Enquiries		80
2nd level issue		No of Enquiries
1	Arrears	40
2	Backbill	6
3	Bulk Hot Water	2
4	Concession	17
5	Direct Debit	23
6	Disconnection	180
7	Easyway	18
8	Error	21
9	Estimation	6
10	Format	22
11	High	28
12	Inquiry	61
13	Lost Payments	7
14	Meter	15
15	Re-Connection	2
16	Service Charge	10
17	Tariff	7



**Pulse Energy Gas Retail**

Prevalent issue		Billing
No of Enquiries		282
% of company's total Enquiries		80
2nd level issue		No of Enquiries
1	Arrears	18
2	Backbill	51
3	Concession	14
4	Delay	2
5	Direct Debit	4
6	Disconnection	41
7	Easyway	14
8	Error	28
9	Estimation	5
10	Format	11
11	High	42
12	Inquiry	20
13	Lost Payments	6
14	Meter	17
15	Service Charge	5
16	Tariff	4



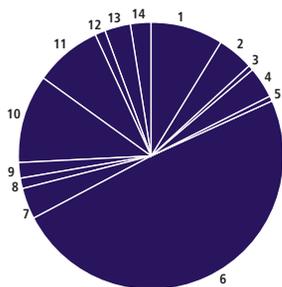
**Figure 29: Most prevalent gas CONSULTATION issue and 2nd level issue**

**TXU Gas Retail**

Prevalent issue	Billing
-----------------	---------

No of Enquiries	159
% of company's total Enquiries	75

2nd level issue	No of Enquiries	2nd level issue	No of Enquiries
1 Arrears	14	8 Error	2
2 Backbill	7	9 Format	3
3 Bulk Hot Water	1	10 High	17
4 Concession	6	11 Inquiry	13
5 Direct Debit	1	12 Meter	2
6 Disconnection	78	13 Service Charge	5
7 Easyway	6	14 Tariff	4

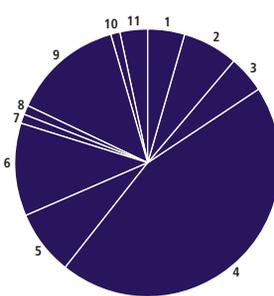


**Origin Energy Gas Retail**

Prevalent issue	Billing
-----------------	---------

No of Consultations	89
% of company's total Consultations	97

2nd level issue	No of Consultations	2nd level issue	No of Consultations
1 Arrears	4	8 Format	1
2 Backbill	6	9 High	12
3 Direct Debit	4	10 Lost Payments	1
4 Disconnection	40	11 Meter	3
5 Easyway	7		
6 Error	10		
7 Estimation	1		

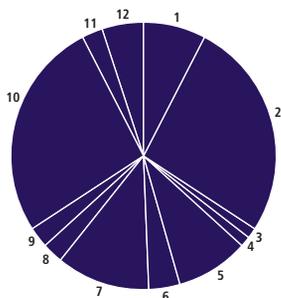


**Pulse Energy Gas Retail**

Prevalent issue	Billing
-----------------	---------

No of Consultations	79
% of company's total Consultations	99

2nd level issue	No of Consultations	2nd level issue	No of Consultations
1 Arrears	6	8 Estimation	2
2 Backbill	21	9 Format	2
3 Concession	1	10 High	21
4 Delay	1	11 Lost Payments	2
5 Disconnection	7	12 Meter	4
6 Easyway	3		
7 Error	9		

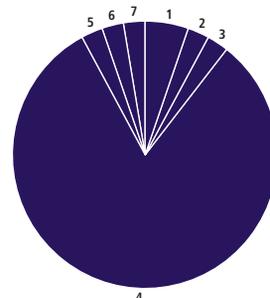


**TXU Gas Retail**

Prevalent issue	Billing
-----------------	---------

No of Consultations	38
% of company's total Consultations	100

2nd level issue	No of Consultations
1 Arrears	2
2 Backbill	1
3 Concession	1
4 Disconnection	31
5 Format	1
6 High	1
7 Meter	1

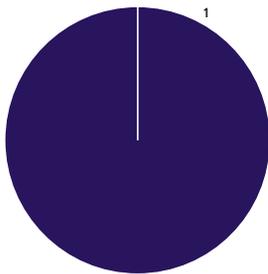


**Figure 30: Most prevalent gas COMPLAINT issue and 2nd level issue**

**ENERGEX Gas**

Prevalent issue	Billing
No of Complaints	1
% of company's total Complaints	100

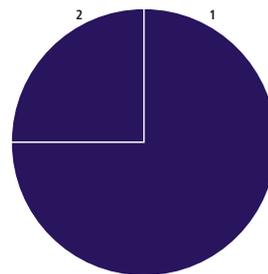
2nd level issue	No of Complaints
1 Tariff	1



**Origin Energy Gas Retail**

Prevalent issue	Provision
No of Complaints	4
% of company's total Complaints	57

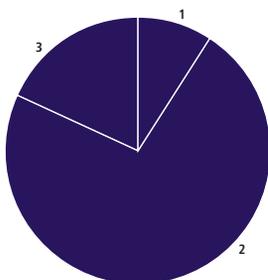
2nd level issue	No of Complaints
1 In-Place	3
2 New	1



**Pulse Energy Gas Retail**

Prevalent issue	Provision
No of Complaints	11
% of company's total Complaints	52

2nd level issue	No of Complaints
1 Disconnection	1
2 In-Place	8
3 New	2



**TXU Gas Retail**

Prevalent issue	Provision
No of Complaints	6
% of company's total Complaints	75

2nd level issue	No of Complaints
1 In-Place	6

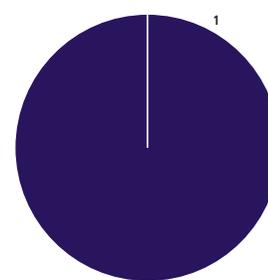
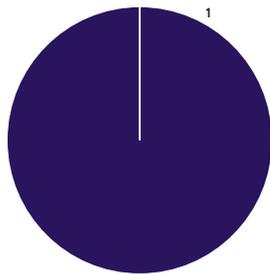


Figure 31: Most prevalent gas DISPUTE issue and 2nd level issue

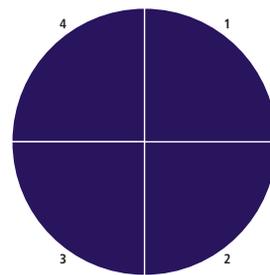
**Origin Energy Gas Retail**

Prevalent issue		Billing
No of Disputes		1
% of company's total Disputes		100
2nd level issue	No of Disputes	
1 Tariff	1	



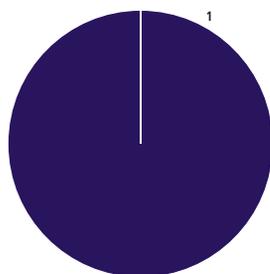
**Pulse Energy Gas Retail**

Prevalent issues		Billing: Provision
No of Disputes		2 each
% of company's total Disputes		40 each
2nd level issue	No of Disputes	
<b>Billing:</b>		
1 Disconnection	1	
2 High	1	
<b>Provision:</b>		
3 In-Place	1	
4 New	1	

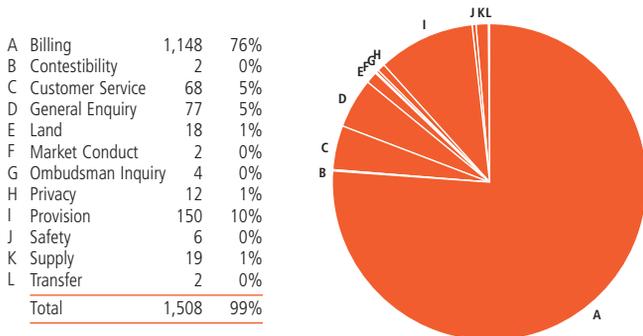


**TXU Gas Retail**

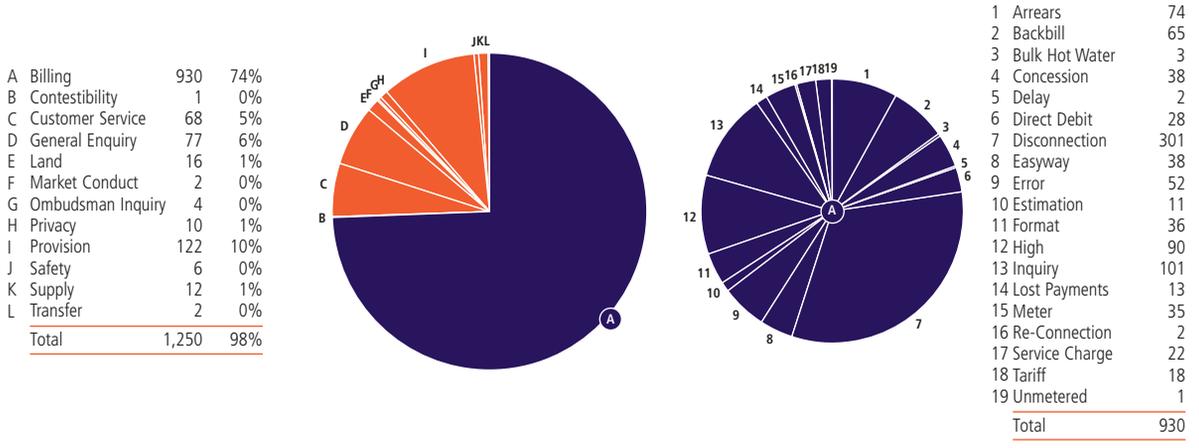
Prevalent issue		Provision
No of Disputes		3
% of company's total Disputes		60
2nd level issue	No of Disputes	
1 In-Place	3	



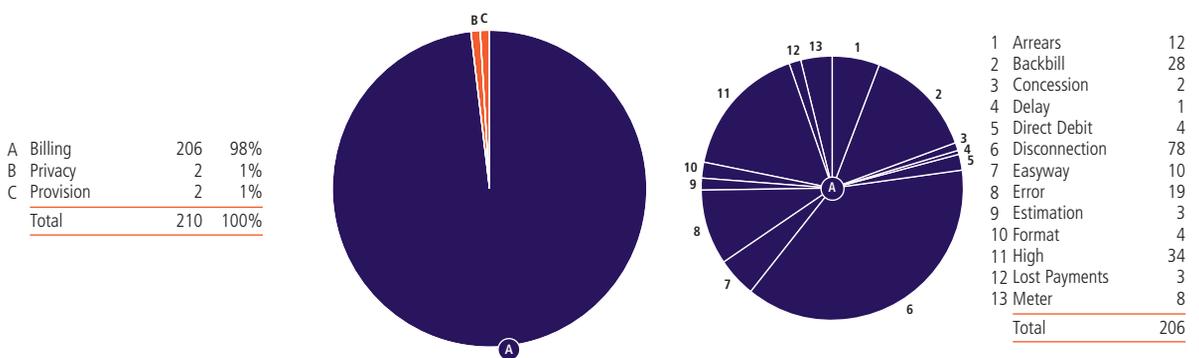
**Figure 32: Gas cases (all) received by issue**



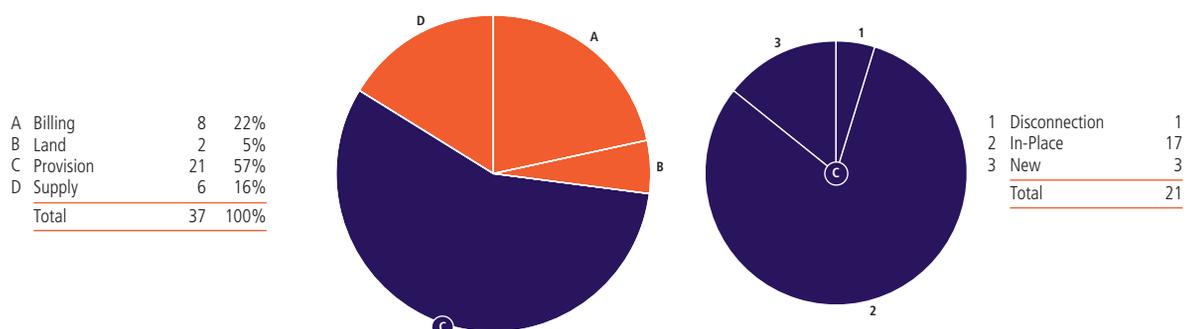
**Figure 33: Gas ENQUIRIES received by issue (all companies)**



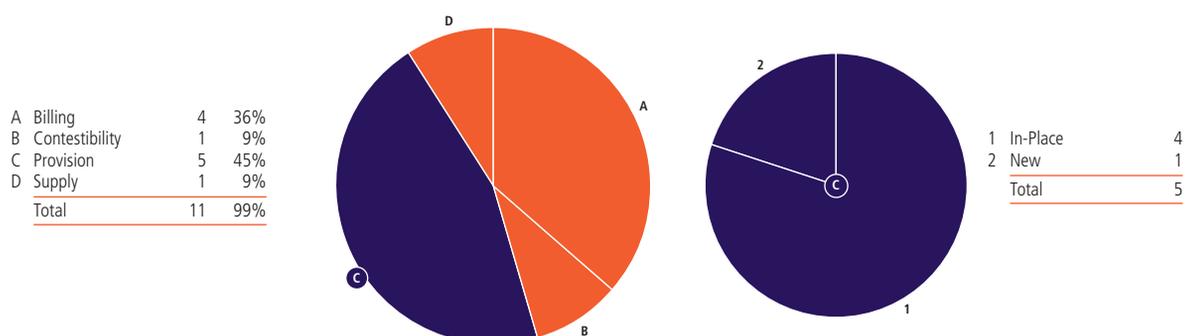
**Figure 34: Gas CONSULTATIONS received by issue (all companies)**



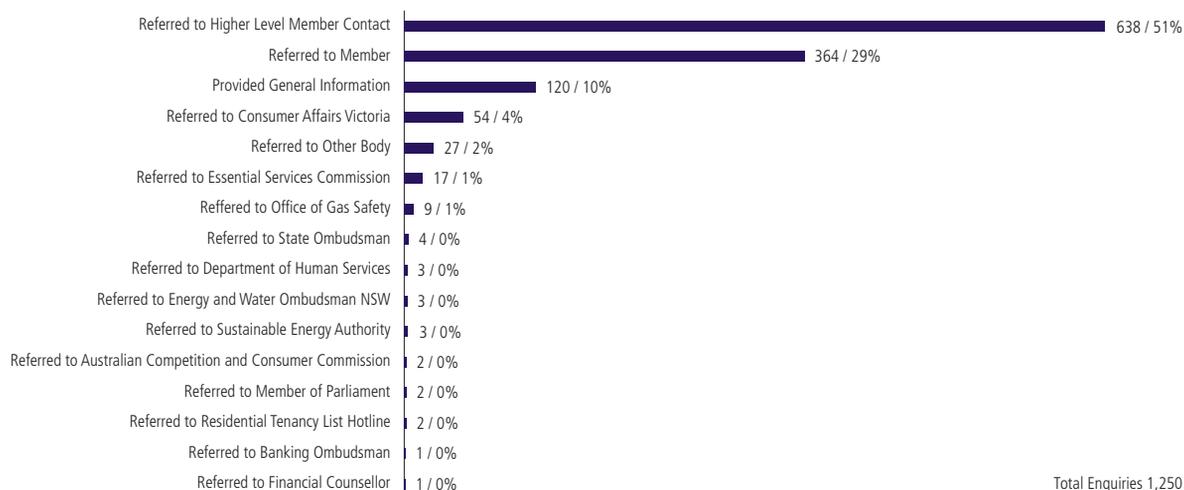
### Figure 35: Gas COMPLAINTS received by issue (all companies)



### Figure 36: Gas DISPUTES received by issue (all companies)



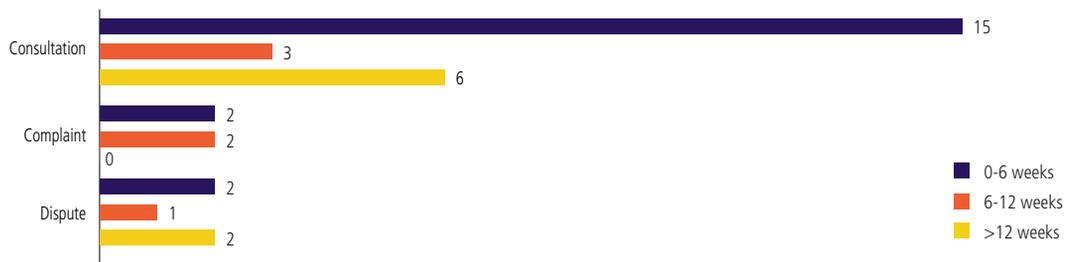
### Figure 37: Outcomes of gas Enquiries



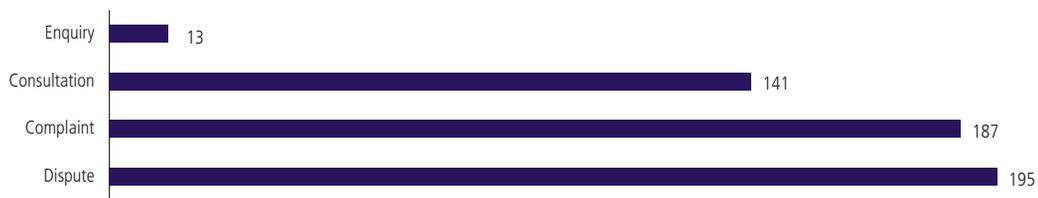
**Figure 38: Progress of gas cases during the year**



**Figure 39: Age of open gas cases @ 30 June 2002**



**Figure 40: Average time spent on closed gas cases (in minutes)**



# Water results

The EWOV began receiving water cases on 12 April 2001; therefore this Annual Report is the first to cover a full year of water cases, and will draw comparisons with the early trends reported in last year's Annual Report.

The increase in the number of cases received regarding water reflects the increased community awareness of the EWOV's jurisdiction to take water cases.

Individual naming of water companies and authorities will commence for cases received from 1 July 2002, with the EWOV reporting on the performances of the individual companies and authorities from early 2003.

## ENQUIRIES received by issue (all companies/authorities)

- A total of 844 Enquiries was received. (92 Enquiries were received 12 April – 30 June 2001.)
- 515 Enquiries (61 per cent) related to Billing, compared to 50 Enquiries (54 per cent) in the period 12 April – 30 June 2001.
- The most prevalent Billing issue was Inquiry (109 Enquiries, or 21 per cent of all Billing Enquiries). This category is used to denote calls from customers where they have contacted the EWOV before contacting their company/authority. The EWOV's position in such cases is to request these customers to try to resolve the issue directly with their company/authority.
- Restriction/Disconnection Enquiries received (37) amounted to 4 per cent of all Enquiries. In the period 12 April – 30 June 2001, 5 Restriction/Disconnection Enquiries were received, amounting to 5 per cent of all Enquiries.
- By way of comparison, the equivalent percentages for Disconnection Enquiries in the electricity and gas industries were 11 per cent for electricity Enquiries and 24 per cent for gas Enquiries.

## CONSULTATIONS received by issue (all companies/authorities)

- A total of 75 Consultations was received. (17 Consultations were received 12 April – 30 June 2001.)
- 69 Consultations (92 per cent) related to Billing, compared to 14 Consultations (82 per cent) in the period 12 April – 30 June 2001.
- Restriction/Disconnection Consultations received (6) amounted to 8 per cent of all Consultations. In the period 12 April – 30 June 2001, 4 Restriction/Disconnection Consultations were received, amounting to 24 per cent of all Consultations.
- By way of comparison, the equivalent percentages for Disconnection Consultations in the electricity and gas industries were 13 per cent for electricity Consultations and 37 per cent for gas Consultations.

## COMPLAINTS received by issue (all companies/authorities)

- A total of 80 Complaints was received. (15 Complaints were received 12 April – 30 June 2001.)
- 33 Complaints (41 per cent) related to Supply, compared to 8 Complaints (53 per cent) in the period 12 April – 30 June 2001.
- Water Supply matters are generally of a complex nature and may involve such issues as access, quality, sewage spills or interruptions.

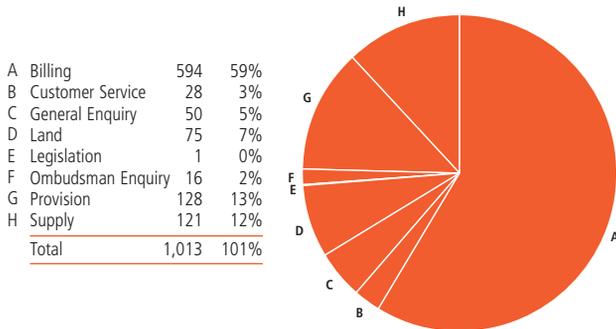
## DISPUTES received by issue (all companies/authorities)

- A total of 14 Disputes was received. (No Disputes were received 12 April – 30 June 2001.) As at 30 June 2002, 8 had been resolved and closed.
- 10 Disputes (71 per cent) related to Supply. 5 of the 8 Supply Complaints received 12 April – 30 June 2001 were escalated to Dispute status this year, reflecting the complexity of these cases.
- The EWOV has noted the high proportion of complex water cases received. These cases include water access issues, and community issues such as the choice of sewerage schemes for townships. The EWOV will continue to monitor these issues for trends.

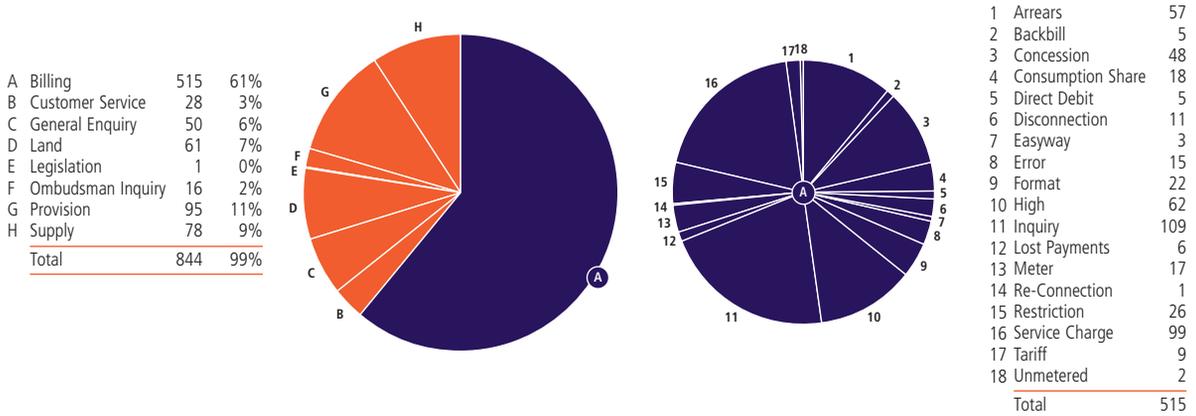
### *Most prevalent issues: water*

The information on the following pages sets out the most prevalent issues raised by water customers. The most prevalent issue is then broken down into a second level of description, shown by a pie chart.

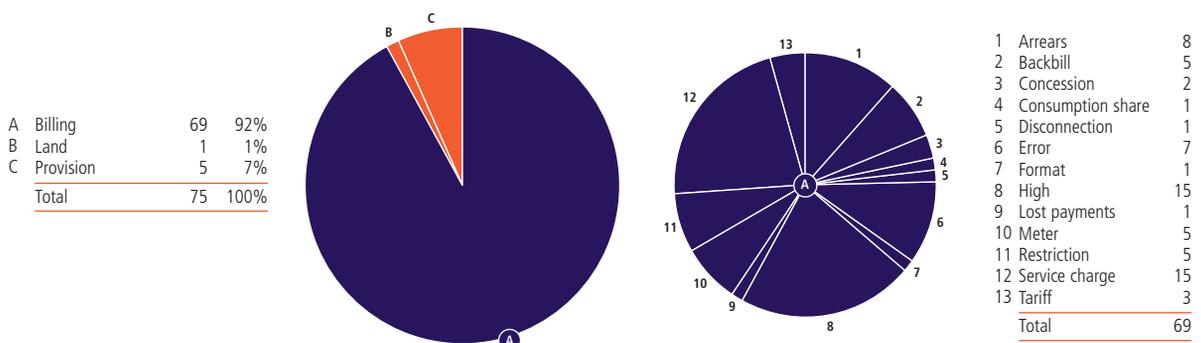
**Figure 41: Water cases (all) received by issue**



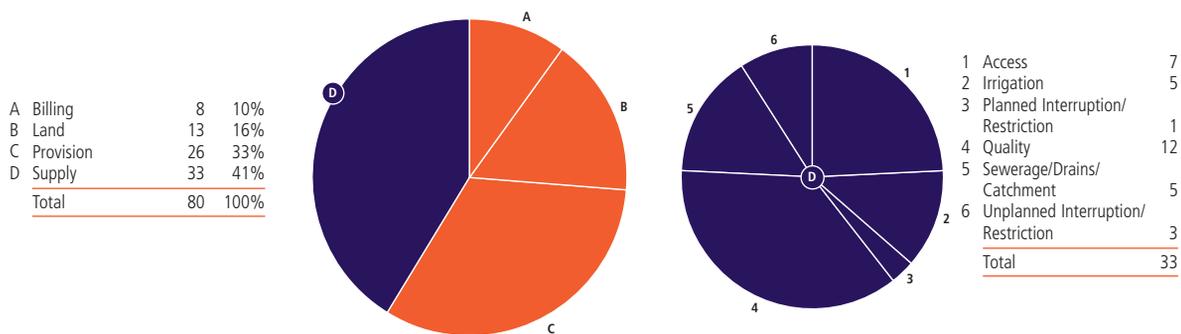
**Figure 42: Water ENQUIRIES received by issue (all companies/authorities)**



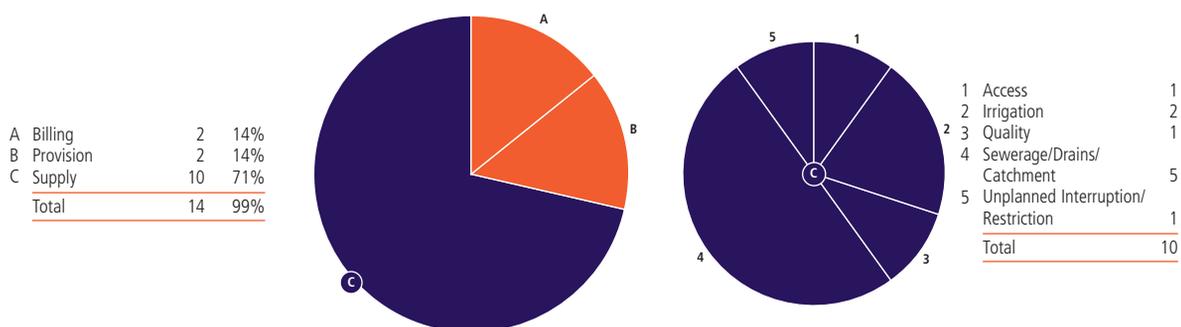
**Figure 43: Water CONSULTATIONS received by issue (all companies/authorities)**



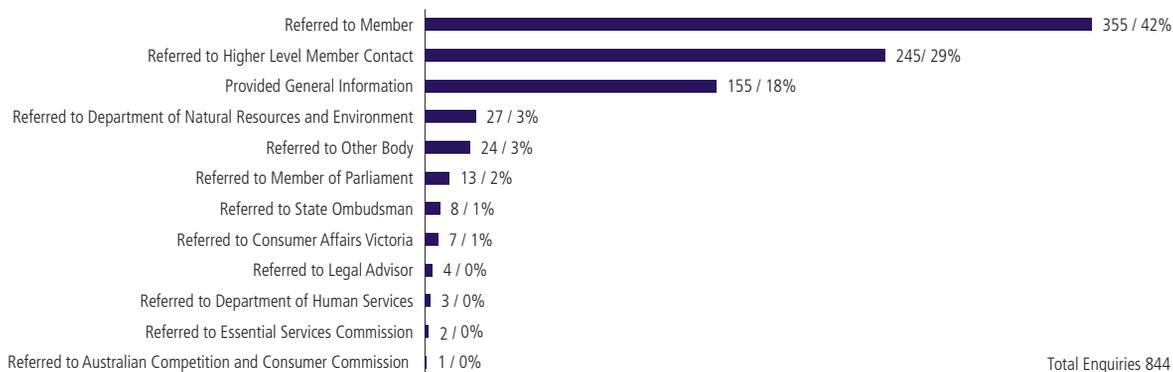
**Figure 44: Water COMPLAINTS received by issue (all companies/authorities)**

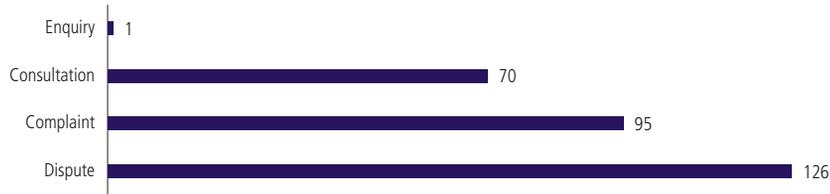
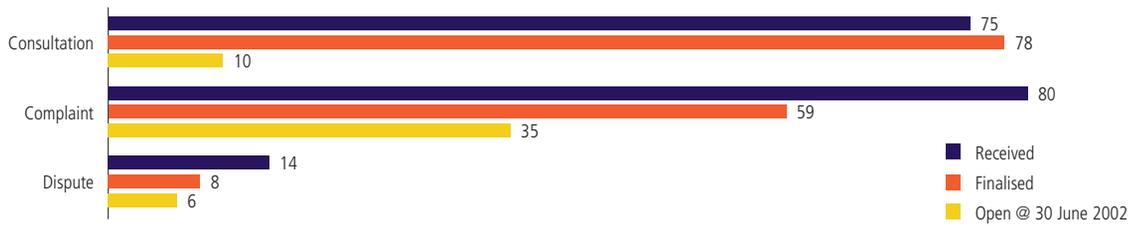
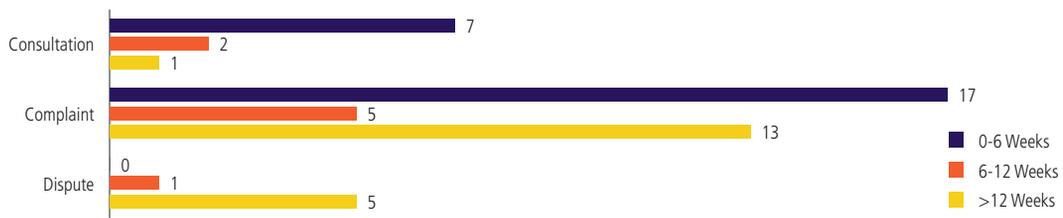
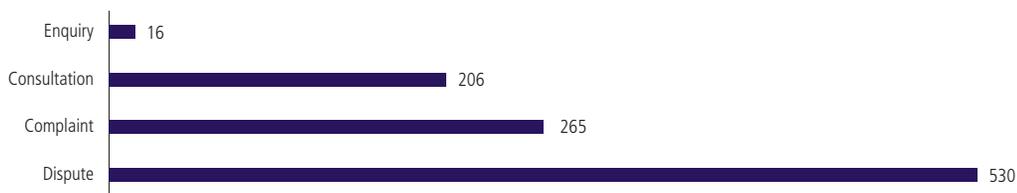


**Figure 45: Water DISPUTES received by issue (all companies/authorities)**

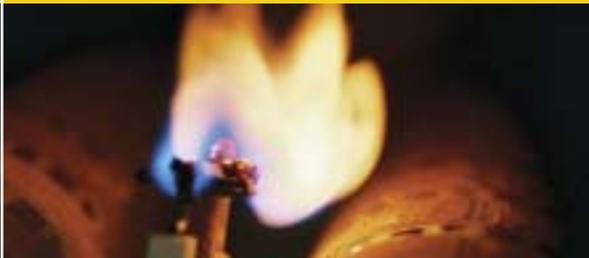


**Figure 46: Outcomes of water Enquiries**



**Figure 47: Average days to close water cases****Figure 48: Progress of water cases during the year****Figure 49: Age of open water cases @ 30 June 2002****Figure 50: Average time spent on closed water cases (in minutes)**

# *Financial statements 2002*



# *financial statements*

## Statement of financial position *As at the year ended 30 June 2002*

	2002 \$	2001 \$
<b>Current Assets</b>		
Cash assets	249,025	174,607
Investments	300,000	426,000
Other	19,017	28,191
<b>Total Current Assets</b>	<b>568,042</b>	<b>628,798</b>
<b>Non-Current Assets</b>		
Plant and equipment	280,402	355,636
<b>Total Non-Current Assets</b>	<b>280,402</b>	<b>355,636</b>
<b>Total Assets</b>	<b>848,444</b>	<b>984,434</b>
<b>Current Liabilities</b>		
Payables	212,760	509,874
Interest-bearing liabilities	0	2,166
Provisions	94,977	116,397
<b>Total Current Liabilities</b>	<b>307,737</b>	<b>628,437</b>
<b>Non-Current Liabilities</b>		
Provisions	50,267	18,000
<b>Total Non-Current Liabilities</b>	<b>50,267</b>	<b>18,000</b>
<b>Total Liabilities</b>	<b>358,004</b>	<b>646,437</b>
<b>Net Assets</b>	<b>490,440</b>	<b>337,997</b>
<b>Members' Equity</b>		
Retained surplus	490,440	337,997
<b>Total Members' Equity</b>	<b>490,440</b>	<b>337,997</b>

# financial statements

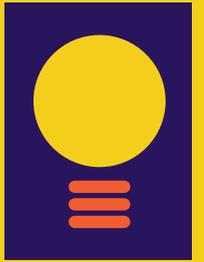
## Statement of cashflows *For the year ended 30 June 2002*

	2002 \$	2001 \$
<b>Cash Flows from Operating Activities</b>		
Levy receipts from members (inclusive of Goods and Services Tax)	2,986,501	2,748,667
Payments to suppliers and employees (inclusive of Goods and Services Tax)	(2,980,085)	(2,227,153)
Interest received	38,369	21,655
Borrowing costs	(18)	(4,968)
<b>Net Cash Inflow/(Outflow) from Operating Activities</b>	<b>44,767</b>	<b>538,201</b>
<b>Cash Flows from Investing Activities</b>		
Proceeds from sale of plant and equipment	4,317	4,545
Payments for plant and equipment	(98,500)	(163,794)
<b>Net Cash Outflow from Investing Activities</b>	<b>(94,183)</b>	<b>(159,249)</b>
<b>Cash Flows from Financing Activities</b>		
Principal repayments under finance leases	(2,166)	(79,630)
<b>Net Cash Outflow from Financing Activities</b>	<b>(2,166)</b>	<b>(79,630)</b>
<b>Net Increase (Decrease) in Cash Held</b>	<b>(51,582)</b>	<b>299,322</b>
<b>Cash at the Beginning of the Financial Year</b>	<b>600,607</b>	<b>301,285</b>
<b>Cash at the End of the Financial Year</b>	<b>549,025</b>	<b>600,607</b>

# *financial statements*

## **Statement of financial performance** *For the year ended 30 June 2002*

	<b>2002</b> \$	<b>2001</b> \$
<b>Revenue from Ordinary Activities</b>	<b>3,015,249</b>	<b>2,321,743</b>
Employee benefits expense	(1,598,998)	(1,182,255)
Depreciation and amortisation expense	(101,014)	(101,849)
Borrowing costs expense	(18)	(4,968)
Rental expense	(254,635)	(95,941)
Other expenses from ordinary activities	(908,142)	(807,557)
<b>Surplus from Ordinary Activities</b>	<b>152,443</b>	<b>129,173</b>
<b>Total Changes in Members' Equity Other Than Those Resulting from Transactions with Members as Members</b>	<b>152,443</b>	<b>129,173</b>



## Contact Details

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