

ANNUAL REPORT 2020



ENERGY AND WATER
OMBUDSMAN
Victoria *Listen Assist Resolve*

EWOV acknowledges the Traditional Owners of country on which we operate throughout Victoria and recognises their continuing connection to land, waters and culture. We pay our respects to Elders past, present and emerging.

IN OUR REPORT

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EWOV overview

EWOV provides fair, reasonable, independent, economical, informal and timely dispute resolution services to Victoria’s energy and water customers and companies.

Energy and Water Ombudsman (Victoria) (EWOV) was set up in late 1995 as Australia’s first electricity Ombudsman. It expanded to include natural gas in 1999, water in 2001, liquefied petroleum gas (LPG) in 2005 and embedded networks in 2018.

EWOV operates on an industry-based Ombudsman model. It is not an industry regulator or a government body. The framework for its operation is drawn from the *EWOV Charter*, the *EWOV Limited Constitution*, licence conditions for the electricity and gas industries, the *General Exemption Order 2017* for embedded networks, relevant water legislation, the liquefied petroleum gas (LPG) industry code and the *Benchmarks for Industry-based Customer Dispute Resolution (CDR Benchmarks)*.

EWOV provides fair, reasonable, independent, economical, informal and timely dispute resolution services to Victoria’s energy and water customers and companies. We use alternative dispute resolution (ADR) processes to reach sustainable outcomes, taking account of the circumstances of the complaint, good industry practice and the law.

For us to deal with a complaint, the company/entity must be an EWOV scheme participant, the property must be in Victoria, and the customer should have tried at least once to resolve the complaint themselves by contacting the company/entity directly.

EWOV’s purpose also requires us to work to reduce the occurrence of complaints. We publish high quality, independent information about the customer experience of the energy and water industries, making this information available to prevent future complaints. We run a comprehensive outreach program to build awareness of EWOV among customers and community organisations. We identify systemic issues and report them to energy and water companies, and to regulators and government as appropriate, to help ensure issues are recognised and addressed. Through effective collaborative relationships with energy and water companies and regulators, we help drive customer service improvements.



OUR VISION

A fair and accessible energy and water market for all Victorians

OUR PURPOSE

To independently and efficiently resolve energy and water disputes in Victoria and reduce their occurrence

OUR VALUES

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

Cynthia Gebert

Energy and Water Ombudsman (Victoria)

More on our website

See www.ewov.com.au/2020 for information on the cases we received in 2019-20 for individual energy and water scheme participants/entities, together with data visualisations and detailed graphical representations.



Our reporting responsibilities

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

Data note

The data in this report covers the year 1 July 2019 to 30 June 2020, run at 7 July 2020. Percentages are rounded to the nearest whole number, so may not always total to 100%.

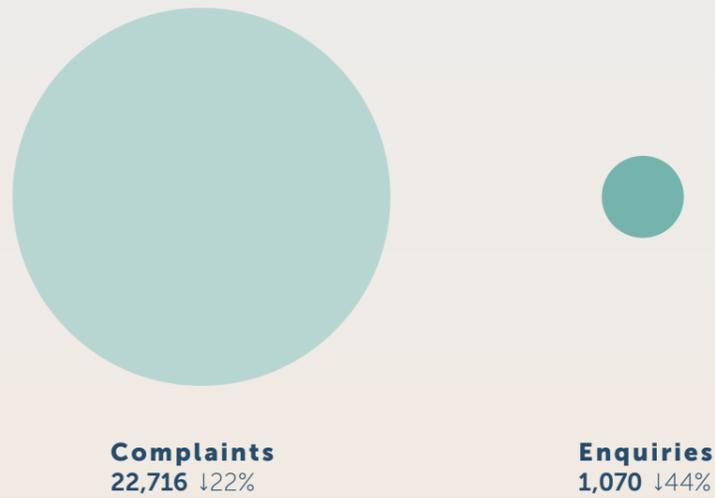
2019-20 Snapshots

23,786 cases were received ↓24%

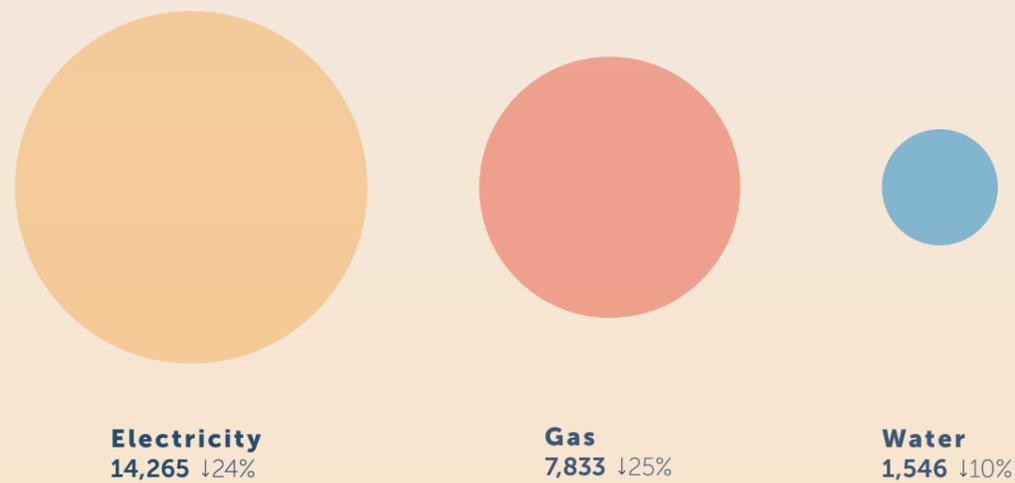
516
Scheme participants,
up from 325 the
previous year

40
Systemic issues
identified through
EWOV's case handling

\$2,647,415
Provided for customers
through EWOV's dispute
resolution processes



Cases by industry

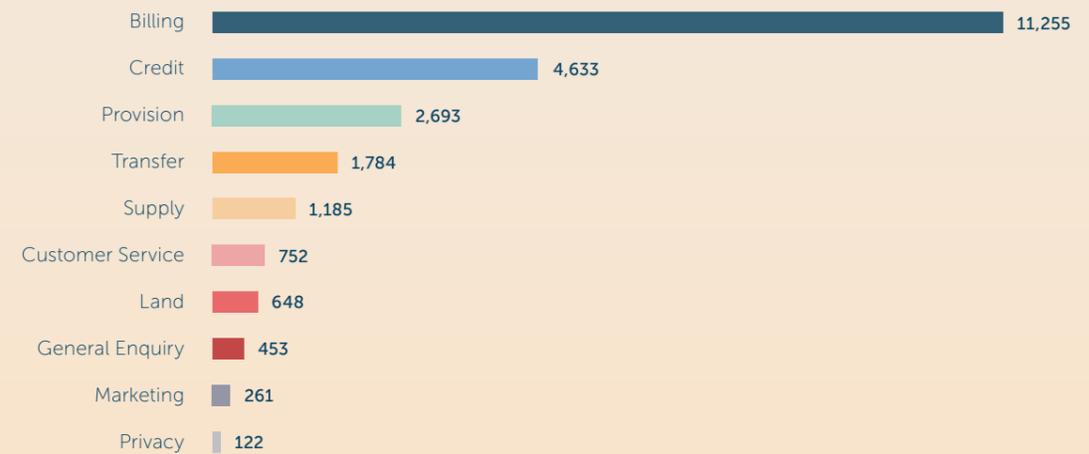


Note: During 2019-20 we also received 11 cases about dual fuel and 131 cases related to other industries.

5 year history



Cases by issue



From the Board

Chairman's message

As EWOV navigates a wide array of policy, regulatory and operational uncertainties, to say it operates in a complex, changing environment has become an understatement.

Uncertainty was front of mind when the Board worked with the Ombudsman and her Senior Leadership Team to set strategic priorities for 2019-20. Also front of mind was what EWOV's future jurisdiction could, and should, look like. To better reflect the challenges facing the scheme and the need for it to be future-ready, we revised EWOV's objectives and priorities, and introduced 'future scope and capability' as an additional strategic priority.

More recently, the Board's thinking about the future of EWOV has been informed by research commissioned by the Australia & New Zealand Energy and Water Ombudsman Network. This research looks at what consumers are likely to expect of our schemes in five, ten, fifteen years from now, and suggests changes to ensure the schemes remain fit for purpose. In February 2020, the Ombudsman and I met with the other Chairs and Ombudsmen to discuss the research findings. It was a productive meeting, resulting in some clear priorities which the Ombudsmen are working on together.

However, not everything can be addressed at a national level. Separately, we have been considering the Victorian context. In this respect, the Board has found the report of the latest independent review of EWOV very helpful. It is pleasing that the reviewers found EWOV continues to be a professionally run, well-supported and a highly regarded scheme. The review findings and recommendations provide valuable insights on how

EWOV should evolve, suggest areas for improvement, and highlight risks should the scheme not continue to improve. The Board discussed and adopted the review report in February 2020 and provided our response to the recommendations. The Ombudsman and her team have developed an action plan, which recognises the need for EWOV to adapt and develop its capabilities to maintain its high-quality dispute resolution.

The Board's aim is to ensure a strategic approach is taken to positioning EWOV for the long-term. I thank all directors for their valuable insights and contributions on these important matters.

In changes to the Board, we farewelled industry director Claire Hamilton (AusNet Services) in August 2019, thanking her for her important contributions and measured insights over almost eight years. In October 2019, we welcomed Andrew Davis (Jemena) and, in June 2020, consumer directors, Peter Gartlan and Gerard Brody, were reappointed by the Essential Services Commission for one and three years respectively. The Board is outstanding, and I thank them for their input.

I am also delighted to advise that Ombudsman Cynthia Gebert has been reappointed for a further five years. In an already uncertain environment, COVID-19 has thrown up challenges for all of us. EWOV's capacity to weather this 'storm' and continue to provide the service its stakeholders expect of it is impressive. It highlights the calibre of the Ombudsman and her team. Our thanks go to her and the team for yet another splendid year.



Paul Sheahan AM
Chairman, EWOV Limited

The 'members' of EWOV Limited are the 'scheme participants' of the EWOV dispute resolution scheme.

The EWOV Limited Board is responsible for the business affairs and property of the company, including corporate governance, the setting of budgets, risk management, strategic planning and ensuring the Ombudsman's independence. The day-to-day operation of the EWOV dispute resolution scheme is the responsibility of the Ombudsman. The roles of the Board and the Ombudsman are complementary, with the Ombudsman attending Board meetings.

Governance statement

Energy and Water Ombudsman (Victoria) Limited is a company limited by guarantee and not having share capital. The objective of the company is to independently and efficiently resolve disputes between customers and energy and water service providers in Victoria, with the further aim of reducing the occurrence of disputes. To fulfil this objective, EWOV Limited has set up a dispute resolution scheme called Energy and Water Ombudsman (Victoria) (EWOV) and appointed an Ombudsman who has authority under the *EWOV Charter* to receive, investigate and facilitate the resolution of complaints.

Directors



Paul Sheahan AM
Chairman appointed
November 2014



Jonathan Briskin
Origin Energy
Industry Director,
appointed August 2014



Gerard Brody
Consumer Action Law Centre
Consumer Director,
appointed August 2014



Andrew Davis
Jemena
Industry Director,
appointed October 2019



Gavin Dufty
St Vincent de Paul Society
Consumer Director,
appointed August 2013



Eugenio (Gino) Fragapane
AGL Energy
Industry Director,
appointed August 2015



Peter Gartlan
Consumer Director,
appointed July 2012



Claire Hamilton
AusNet Services
Industry Director,
December 2011
to August 2019



Ronda Held
Consumer Director,
appointed July 2016



Peter Quinn
Goulburn Valley Water
Industry Director,
appointed August 2018

Company Secretary: Christopher See, EWOV, appointed October 2008

The Ombudsman reflects



2019-20 was an extraordinary year. As we prepare this report, COVID-19 continues to play havoc with the lives of many Victorians, many Australians, and many people worldwide. And the work of EWOV is as important as ever.

Credit where credit is due

How to start my reflections on a year that was extraordinary? It has to be with the people who make up the EWOV team — who have stared down the challenges and pushed on with doing what we're here to do.

When we planned for 2019-20, we knew we'd be challenged by the relocation of our office elsewhere within the Melbourne CBD. Good planning and execution saw us achieve this particularly well in August 2019.

Who could have predicted that, seven months later, we'd find ourselves picking the office up again? This time at short notice — moving it north, south, east and west — to put it down in our homes — in our spare rooms, lounge rooms, kitchens and even our bedrooms.

This certainly gave a whole new perspective to 'taking work home'. It also gave us an unexpected, accelerated, whole-of-office test of steps we'd already taken to build our use of videoconferencing — as well as testing our levels of comfort — not just with camera angles, but with the added challenges of home confinement with family or housemates.

I'm impressed and proud that we were able to transition to working from home so well — how the EWOV team just got in and did what needed to be done — how they drew on their reserves of resilience, flexibility, commitment and good humour — how they have maintained a strong sense of what matters, professionally and personally.

Essentially, we've been able to deliver on our internal and external responsibilities as we would have done from the office environment. We've been able to adapt our thinking about what our different EWOV roles do and how to deliver on that in a remote environment. Not all organisations have been able to achieve this. The energy we've put into evolving EWOV over the past few years is certainly paying off.

**“Extraordinary*...
- beyond what is ordinary
- out of the regular or
established order
- exceptional
- unusual
- remarkable”**

**Macquarie Dictionary*

The value of independent review

Under the *EWOV Constitution* and the 'effectiveness' benchmark of the *Benchmarks for Industry-Based Customer Dispute Resolution (CDR Benchmarks)*, EWOV's operation is regularly reviewed by an independent party. The most recent of these reviews was undertaken by Cameron. Ralph. Khoury in late 2019. In consultation with the EWOV Board, this wide-ranging review particularly focused on quality assurance, resource allocation, outreach and engagement with vulnerable customers, and an assessment of case handling fairness. The independent review report and the Board's response to the recommendations are available on our website.

The reviewers concluded that EWOV is performing well against the key external dispute resolution benchmarks. They found management and staff to be engaged, and they complimented us on our focus on continuous improvement. They also recognised the important role EWOV has played, and the extent of work involved for management and staff, in implementing key changes in the Victorian energy and water regulatory environment over the last few years. It was really pleasing to hear that we're hitting the mark with our forward-looking focus. Aligned to that, they also concluded that EWOV must continue to adapt or face some significant risks.

The review identified some opportunities for refinement and improvement, with our investigation process seen as the greatest opportunity for change to meet shifting stakeholder expectations. We've developed an action plan to address the agreed recommendations, and to the end of 2019-20 had progressed several aspects.

“... EWOV must continue to adapt or face some significant risks ...”

Understanding what the future is likely to bring

Each year, we focus EWOV's operations on specific strategic priorities agreed with the Board. Our performance against these priorities is summarised in the next section of this report.

In 2019-20, it was decided that our strategic priorities should be expanded to include a focus on the future. Ensuring EWOV is future-ready is about adjusting how we operate internally. It's also about using what we know to influence externally. Critical to this is good research.

During the year, we joined with the other energy and water Ombudsmen from Australia and New Zealand to commission independent research by the University of Sydney Law School. The research report — *What will consumers expect of an energy and water ombudsman scheme in 2020, 2025 and 2030?* — is published on our website. The researchers found strong support for our schemes as part of the consumer protection framework. They also found strong support for expansion of our energy jurisdictions, to ensure we can deal with complaints about more energy products and services.

“... an increasing number of energy customers may not have access to EWOV ...”

With this in mind, we're building our understanding of the customer experience outside traditional energy systems — and the extent to which complaints about different emerging technologies may, or may not, fall within EWOV's current jurisdiction. Research undertaken by the EWOV team has found that, without targeted reform, an increasing number of energy customers may not have access to EWOV in the decades ahead. This concerns us enormously — and it should concern anyone who has an interest in ensuring there continue to be appropriate dispute resolution options in a changing energy market. From this work, we now have an early roadmap of what we can expect from the future energy system, which we can share with policy makers. We also have a better understanding of what we'll need to do to handle new complaint types should our jurisdiction be expanded.

In a second phase of this research, we're working with Australian National University and the Victorian Department of Environment, Land, Water and Planning (as a contributing funder) to identify new complaints that may accompany the development and adoption of new energy products and services.

These research projects add to our in-depth analysis of cases and issues, our data reports, our policy submissions, and our systemic issues work. It all goes to doing what we can, with what we know, to help get the settings right for a robust and capable consumer protection framework.

A question of when, not if, cases will rise

As you'll see elsewhere in this annual report, EWOV's 2019-20 cases were down 24% from 2018-19, and down 34% from four years ago. It's unusual, and surprising, that we have such low case numbers — especially when (with the addition of embedded networks) EWOV has 516 scheme participants, up from 325 last year.

We believe it's a question of when our case load will increase again, not if. For many Victorians (consumers and businesses), 2020 started with the devastating effects of bushfires. COVID-19 has broadened and deepened the hardship already being felt across the community.

It's widely accepted — by industry, government agencies, and community organisations — that, despite the extensive financial support being provided, the far-reaching economic and societal effects of COVID-19 are yet to be revealed. We expect customers will find it increasingly hard to meet their energy and water costs. We anticipate an increase in cases, and we're scenario planning around the possible scale and timing to help us manage the flow-on effects on our dispute resolution performance.

Returning to the increase in EWOV scheme participants, from this year we're moving our reporting of complaints lodged against individual companies/entities out of the annual report and on to our website. This fits well with the work we've been doing to present more interactive and timely data online. It also means we can report information about scheme participants more equally. Going forward, this 'data hub' approach will enable us to report more quickly on cases, issues, and trends.

"... we expect customers will find it increasingly hard to meet their energy and water costs ..."

Solid foundations help with unpredictability

There's no doubt that the work we're doing to future-proof EWOV — the foundations we're laying to ensure it stays relevant in a changing world — is paying off. Thank you to the EWOV staff team. Thank you also to EWOV Limited Chairman, Paul Sheahan, and the Board who have encouraged, challenged and supported us throughout the year.

As I write this, our return to the office is on hold again. The steps are in place for a safe return, but when that will be remains a question, and when we do, it won't be in the way as we left. On the upside, the COVID-19 crisis has presented us with some opportunities, especially around how and where we work.

So, while we're not moving far from our houses just yet, we're definitely focused on what needs to be done today and preparing for what's likely to come our way next.



Cynthia Gebert
Energy and Water Ombudsman (Victoria)

Strategic priorities

In 2019-20, in consultation with the EWOV Limited Board, the Senior Leadership Team focused on seven strategic objectives. Our performance against these objectives is reported on pages 10 to 17.

- ✓ **Operating model**
Provide efficient, effective, fair and independent dispute resolution services to energy and water customers and scheme participants
- ✓ **Industry relationships**
Foster effective, collaborative relationships and drive continued customer service improvement by scheme participants
- ✓ **Customer and community engagement**
Ensure the accessibility and awareness of EWOV
- ✓ **Policy and influence**
Be a respected provider of high quality, independent information, analysis and advice about the customer experience of the energy and water industries
- ✓ **Human capability**
Foster an agile, high-performing organisation
- ✓ **Systems and data analysis**
Deliver robust and capable information technology and data solutions to support EWOV's goals
- ✓ **Future scope and capability**
Ensure EWOV remains relevant and effective in a changing environment

Operating Model

Our performance

We performed well against key measures, particularly efficiency and accessibility:

- To provide accessible and efficient service to customers contacting EWOV on the 1800 number
 - Calls answered in 30 seconds: KPI = 80%. Result = 90%.
- To provide timely and sustainable resolution of straightforward cases
 - Stage 1 Investigations closed within 28 days: KPI = >90%. Result = 91%.
 - Stage 1 Investigations not reopened: KPI = 90%. Result = 99%.
- To be both effective and efficient in handling Investigations (Stage 2+)
 - Average days to close: KPI = 60 days. Result = 65 days.
 - Closed within 180 days: KPI = >98%. Result = 97%.
 - Not reopened: KPI = 97%. Result = 98%.

We established baseline levels of satisfaction with the stages of our complaint handling process, which we will monitor over time – 75% for Enquiry, 80% for Assisted Referral and 75% for Investigation.

Customer satisfaction improved relative to 2018-19, with a 78% 'excellent or good' rating, up from 71% per report to board against annual plan.

We introduced monthly customer surveying for greater insights on the customer experience of EWOV. We've used this to help drive improvements – including coaching for individual staff, and performance measurement linked to individual accountability for the experience a customer has with us.

We incurred a total cost of \$10.8m – \$2.3m (17%) below budget.

We moved offices, with minimal disruption to our service and performance, due to a well-led project and a structured change/communication plan.

We refined case handling and data capture in response to several regulatory changes – the Payment Difficulty Framework, Victorian Default Offer, Best Offer, and energy-related family violence standards.

Acting on an independent review recommendation, we introduced mandatory phone contact for all Stage 2 complaints. We're seeing early indications of more timely resolution. We supplemented this with a sampling of calls for each Conciliator – to ensure these phone calls are being used to inform the customer about EWOV's role and process, and to clarify the issues in the complaint.

Strategic Priorities

- Improve ability to identify and respond to fluctuations in case volumes
- Embed a continuous improvement culture and approach to all EWOV processes
- Strong and effective financial management that balances efficient and fair operations

We are trialling real-time allocation of affordability Investigations to see whether this helps keep customers engaged in our process.

We improved our data capture around cases that were out of EWOV jurisdiction and used it to inform our policy work.

Acting on an independent review recommendation, we separated our internal complaints handling policy from our internal review policy.

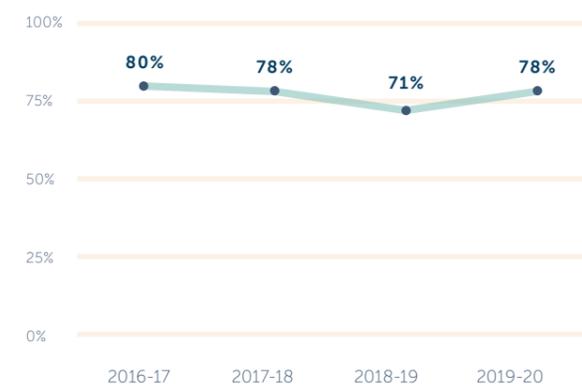
We made some changes to make the timeframes for our internal review process clearer.

We made 32 changes to our case management system Resolve in response to regulatory changes and to improve efficiency and user experience.

Acting on an independent review recommendation, we initiated development of a 'customer experience model'.

Customer satisfaction survey results

Overall (good or excellent result)



Industry relationships

Our performance

We changed our annual survey of scheme participants, to better understand their views and concerns.

We maintained, or improved, ratings by scheme participants of our performance against the *Benchmarks for Industry-Based Customer Dispute Resolution* and developed an action plan to address areas identified for improvement.

Acting on an independent review recommendation, we improved our process for capturing concerns escalated by scheme participants – by introducing better data capture and analysis, which provides useful feedback and important quality checks.

We met regularly with scheme participants about case handling issues – giving them an opportunity to provide feedback about our performance and the impacts of jurisdictional changes.

We pursued eligible new scheme participants, with mixed success – some embedded network entities (such as owners corporations) still aren't aware of their obligation to join EWOV, and the consequences of not doing so are limited. We kept the Essential Services Commission informed on our progress. For the first time in our history, we expelled a scheme participant from EWOV for failing to meet its obligations as a scheme participant.

We improved our current scheme participant onboarding process – achieving greater consistency, less manual/double-handling of information, and highlighting the importance of the Member Portal as a source of key documents.

Strategic Priorities

- Actively seek and act on feedback
- Share our knowledge and insights
- Collaborate to drive customer service improvements and reduce complaints

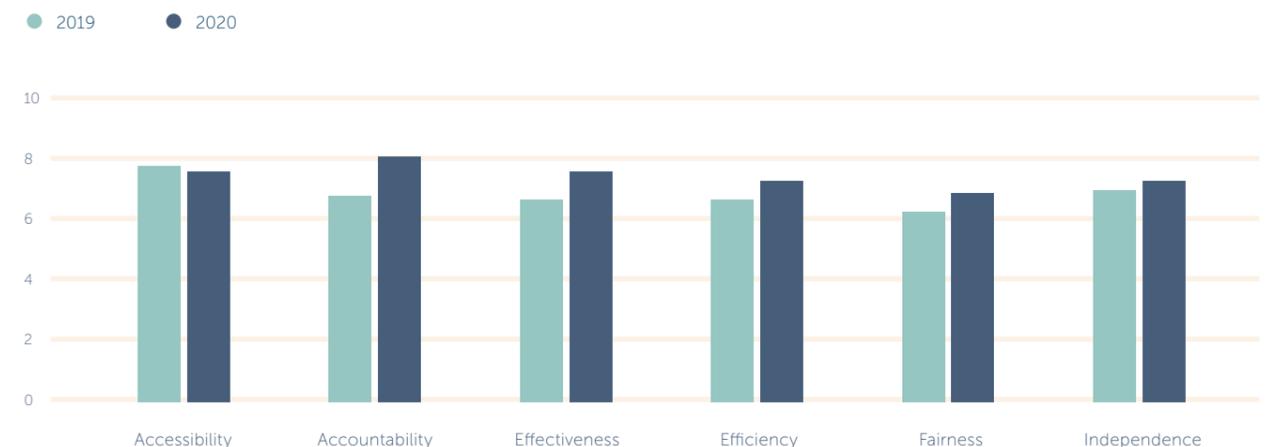
We reworked our scheme participant training into a series of modules delivered by videoconferencing – increasing training accessibility and receiving very positive feedback. We also tailored training sessions to embedded network scheme participants.

We continued to identify ways to collaborate with scheme participants around industry-specific issues.

Acting on an independent review recommendation, we introduced examples of good industry practice to the Member Portal, to help scheme participants understand our views and in turn improve case handling efficiency.

We provided information and data in specific publications for scheme participants, with readership and engagement remaining relatively stable.

Scheme participants rating of EWOV against CDR Benchmarks



Customer and community engagement

Our performance

We adopted Energy Consumers Australia's finding* that 36% of Victorians claim familiarity with the energy Ombudsman as a benchmark to track the impact of our awareness-raising initiatives.

Our focus on strategic engagement with community agencies delivered more timely feedback and enabled us to make improvements.

We set up a dedicated priority line for community agencies to ensure workers at the frontline can get quick access to EWOV when they need it, especially in times of community crisis.

We changed our process to ensure that complaints raised at outreach events – often by the most vulnerable members of the community – are immediately moved to Investigation.

Through pilots, we established key partnerships with community organisations that are conduits to vulnerable customers – this enabled us to host community roundtables, present to staff meetings, share EWOV resources, and host 'Know Your Rights' days.

Connecting with organisations with which we had limited previous engagement – including regional disability support organisations, and some CALD community and Indigenous-led organisations – enabled us to participate in more outreach events.

Strategic Priorities

- ✓ Engage with all customer groups, especially vulnerable and disadvantaged customers
- ✓ Actively seek and act on feedback
- ✓ Share our knowledge and insights

We reviewed our publications and communications materials using a suite of analytic tools to inform design, content, and frequency.

After we identified that emails about specific issues generated much higher engagement with community organisations – e.g. the impacts of the summer bushfires, and COVID-related high bills – we switched our focus to more regular, timely and relevant electronic newsletters.

We enhanced our website based on an assessment of how stakeholders engage with it.

We undertook targeted trials using Facebook to reach specific customer groups.

*Consumer Sentiment Survey, December 2019



On 25 November 2019, EWOV joined members of the Essential Services Commission for the Walk Against Family Violence, an event raising awareness of family violence organised by safe steps.



On 19 September 2019, EWOV attended a City of Hume event at Broadmeadows targeted at culturally and linguistically diverse community members and those accessing emergency relief.

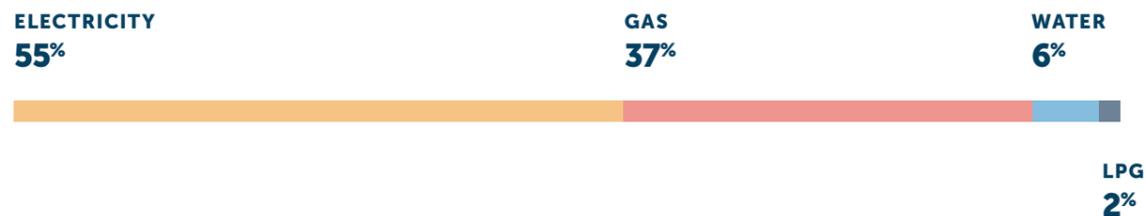


Ombudsman Cynthia Gebert participated in a panel discussion with Essential Services Commission Chairperson Kate Symons and The Hon. Lily D'Ambrosio MP for International Women's Day on 6 March 2020.



On 15 October 2019, EWOV attended a Money Care Hub event organised by Salvation Army Pathways in Shepparton.

Outreach cases by industry



Throughout 2019-2020, EWOV attended a number of events organised by Djirra including Sisters Day Out, Sisters Day In and activities at the Koori Women's Place in Abbotsford.



Targeted outreach communications distributed to culturally and linguistically diverse communities during the COVID-19 lockdown.

Policy and influence

Our performance

We participated in Federal, State and other regulatory policy reform workshops, focus groups and consultation processes, contributing our complaint handling experience, data and stories.

We made twelve formal submissions – to consultation processes of the Australian Energy Market Commission, Office of the Australian Information Commissioner, Australian Energy Regulator and Essential Services Commission.

We engaged with the bodies to which we made submissions – and others, including the Department of Environment, Land, Water and Planning, Solar Victoria, and Australian National University – on how to future-proof consumer protections and ensure there continue to be appropriate dispute resolution options in a changing energy market.

We provided weekly ministerial and regulatory COVID-19 briefings on energy complaint trends and contributed to periodic industry and consumer roundtables about the impacts of COVID-19.

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

We published two ad-hoc reports on the early impacts of the Payment Difficulty Framework and the Victorian Default Offer and Best Offer reforms, making timely data on these key reforms readily available.

After a review of our external communications, we consolidated three publications (*ResOnline*, *Affordability Report*, *Connect*) into a new quarterly, web-based publication, called *Reflect*.

We developed a data hub on our website for more timely information on monthly and 12-monthly case trends and key observations.

We worked with the other Ombudsman schemes in the Australia & New Zealand Energy and Water Ombudsman Network to ensure that effective consumer protections were established and implemented around the *Consumer Data Right* in energy.

Strategic Priorities

- ✓ Share our knowledge and experience
- ✓ Influence the policy environment for energy and water dispute resolution
- ✓ Broadly scan the external environment for influences on EWOV and identify strategic responses



We published 'Charging Ahead', an EWOV research project designed to help us understand the customer experience outside traditional energy systems, and the growth of new residential energy technology in Victoria.

Systems and data analysis

Strategic Priorities

- ✓ Robust and capable information and communications technology
- ✓ Strong governance processes

Our performance

We implemented more elements of our 'Security Framework' to counter current and future risks in our cyber environment and support a robust, secure IT environment – seven of the 'Essential Eight' items have now been delivered.

We ran a 'penetration test' to assess external and internal threats – inclusive of external network assessment, web application assessment, email security testing (phishing assessment) and physical security testing. It showed we have a robust, secure IT operating environment, with some areas that require attention, but don't pose an immediate risk.

We continued to make EWOV data valuable and accessible to internal and external stakeholders – with a significant uptake in dashboard adoption internally.

Improved data capture supported the production of thematic publications on the impacts of regulatory changes on customers.

We developed the data hub for EWOV's website to incorporate more timely case data for external stakeholders.

We successfully implemented a web chat option to provide another channel for customer contact.

Having accelerated the use of videoconferencing (and comfort with it), we started assessing how we support a hybrid working environment on an ongoing basis.

We explored cost-effective options for providing data visualisations for scheme participants and other stakeholders.

Future scope and capability

Strategic Priorities

- ✓ Build a solid understanding of areas of potential customer complaint in changing energy and water markets
- ✓ Work with key stakeholders to create a robust consumer protection framework
- ✓ Develop an organisation with ready-to-adapt governance, funding and operating modes

Our performance

We built EWOV's knowledge of non-traditional energy products and services.

We published the research we jointly commissioned with the other energy and water Ombudsman schemes to help us understand how the dispute resolution needs of energy and water customers may differ 5 to 10 years from now, what they may expect of an Ombudsman scheme, and the changes which may be needed to ensure our schemes remain fit-for-purpose.

We published an EWOV research project designed to help us understand the customer experience outside traditional energy systems, and the growth of new residential energy technology in Victoria. The research considered customer dispute resolution in the context of residential solar PV, residential batteries, electric vehicles, microgrids, virtual power plants, peer-to-peer trading, and home energy management systems.

We commissioned the team in the Australian National University's Battery and Storage Grid Integration Program to undertake the second phase of our research (co-funded by the Department of Environment, Land, Water and Planning) and to engage in field research with consumers of emerging technologies.

Human capability

Our performance

Our annual staff survey showed staff engagement increased to 81% (from 79%).

We introduced changes to our intranet to improve transparency, provide information directly to staff, and improve personal and professional development – giving ready access to salary processes, benefits, internal recruitment, wellbeing resources and leadership/coaching materials.

We developed a comprehensive reward and recognition program, which encourages capability building and behaviour reflective of EWOV's values.

We built greater flexibility into our recruitment strategy, to ensure we use the most effective approach for EWOV's different roles and to help us deal with case variability.

With the move to working from home, we successfully adapted our intranet to balance information provision with the connection/social elements of EWOV.

We used Microsoft Teams to provide further opportunity for people to connect informally – our increased comfort with videoconferencing will support greater flexibility in work practices going forward.

We shifted the onboarding program for operational roles from intensive classroom-based learning to a lengthier blend of classroom and on-the-job learning – supplemented by more extensive group learning, buddying and coaching support.

In response to the independent review, we changed our already strong quality assurance framework to focus on organisational trends and systemic improvement – rather than the narrower focus of individual performance.

We refined our capability framework to better embed the link between the data we obtain from our quality assurance work, and our coaching and capability work.

Strategic Priorities

- ✓ Our people – their safety, development and processes
- ✓ Strong governance processes

We further refined our approach to continuous improvement – thinking differently about how we use our data and the available sources of feedback (such as surveys) to ensure our improvement efforts are focused on the areas of greatest need.

We mapped out a program that covers the key elements of effective performance – case management, continuous improvement, effective communication and dispute resolution, self-management, and coaching and leadership. Supplementing the technical backbone of our capability program, this places a greater focus on the well-rounded skills required to perform, and links closely with the personal development elements of our wellbeing program.

Through a contemporary leadership program for current and emerging leaders across EWOV, we focused on self-leadership, influencing others, leading others, developing others, managing performance and leading teams.

Organisational structure



Cases received and who lodged them

23,786 TOTAL CASES ↓24% FROM 2018-19



● During 2019-20 we also received 11 cases about dual fuel and 131 cases related to other industries.

Cases location



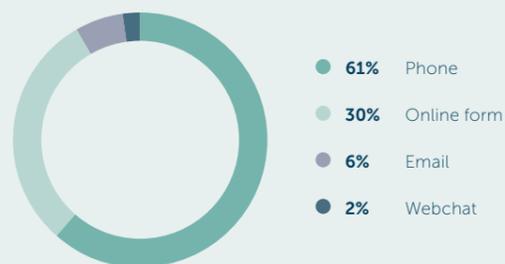
The customers

Customer type



Note: Percentages are rounded to the nearest whole number, so may not always total to 100%.

How they contacted us



Residential customers

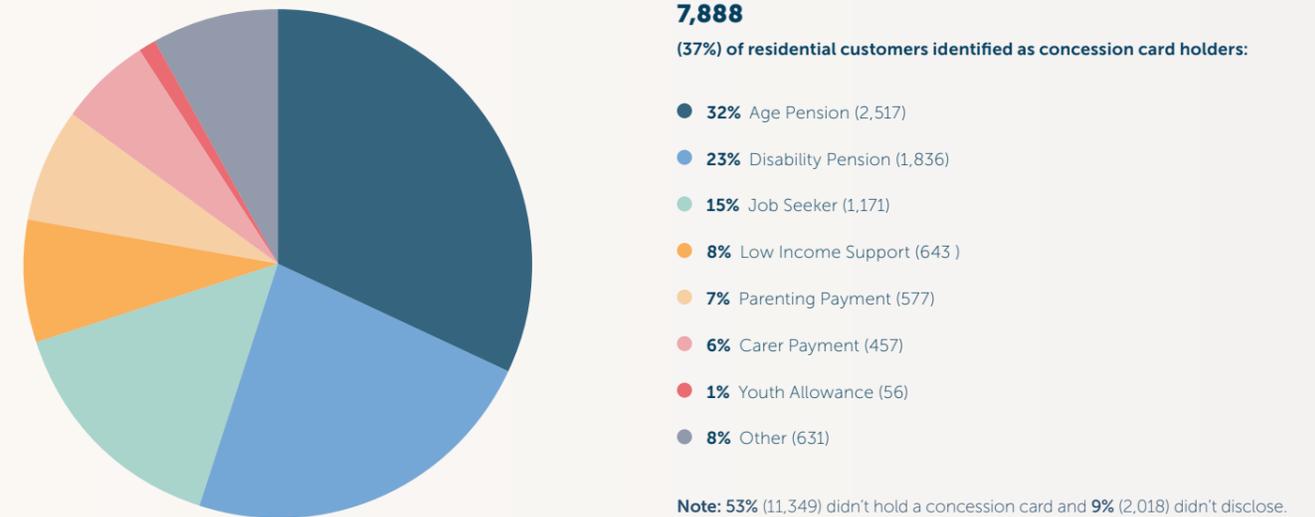
531 (2%) of residential customers identified as Aboriginal or Torres Strait Islander

Owning vs renting

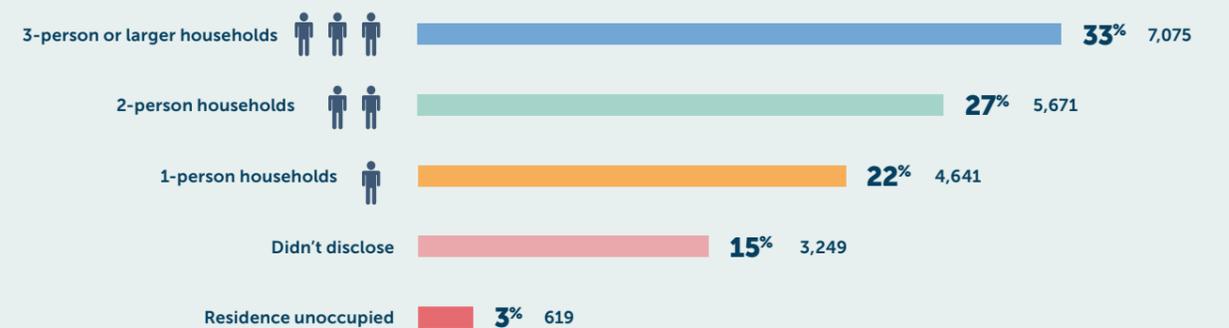


Note: 12% (2,585) didn't disclose.

Concessions



Household size



Dispute resolution processes and outcomes

EWOV's work is often described as external dispute resolution (EDR), because our process is independent of and external to the companies/entities participating in our scheme (the scheme participants).

Our approach to dispute resolution

Our aim is to handle complaints in a fair, reasonable, independent, economical, informal and timely way.

We look to uncover the facts to help the customer and the scheme participant better understand the issues and each other's point of view. We work towards agreement on a resolution and what needs to be done to achieve it. This outcome may be achieved directly between the customer and the scheme participant, or it may be conciliated by us.

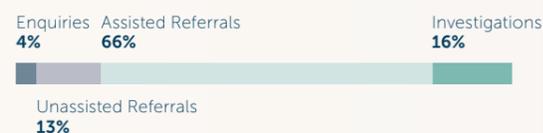
We use the term **case** to cover all customer contacts with EWOV – each case is registered as either an 'enquiry' or a 'complaint'.

- An **enquiry** is a request for information.
- A **complaint** is an expression of dissatisfaction about a policy, a practice, or the customer service performance of an energy or water company or an embedded network entity that's an EWOV scheme participant – where a response or resolution is explicitly or implicitly expected.

When a customer contacts EWOV, we consider:

1. Whether we have jurisdiction under the *EWOV Charter* to deal with the issue
2. Whether the contact is an enquiry or a complaint
3. How many times the customer has contacted the scheme participant, how they did that, and with whom they spoke.

Cases by stages in 2019-20 (23,786)



Note: Percentages are rounded to the nearest whole number, so may not always total to 100%.

Enquiry

What is an enquiry?

An enquiry is a request of us for general information. Where we can, we provide the information ourselves. Where we can't, we provide the customer with contact information for the most appropriate other office.

Enquiries EWOV registered in 2019-20 (1,070)



How we responded to enquiries

We referred **510** (48%) customers to a regulator (many of these enquiries were about solar and referred to Consumer Affairs Victoria).

We gave **123** (12%) customers information and referred to their energy or water company/entity.

We referred **147** (14%) customers to another Ombudsman.

We helped **213** (20%) people with general information.

We referred **11** (1%) people to government or a member of parliament.

We referred **49** (5%) people to another body.

In **11** cases (1%) there was insufficient information to progress the enquiry.

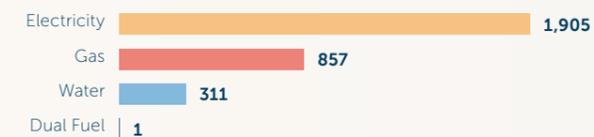
Unassisted Referral

What happens at Unassisted Referral?

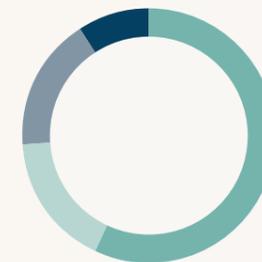
Before EWOV can register a complaint, the customer must have given the scheme participant the opportunity to address the problem. We generally refer these customers back to the scheme participant's contact centre. Some customers also contact us seeking information to help them decide whether and how to progress a complaint.

Complaints we registered and closed at Unassisted Referral

In 2019-20, 3,074 complaints (13%) were registered at Unassisted Referral:



3,044 complaints were closed at Unassisted Referral:



- 57% Customers referred to the scheme participant's call centre
- 17% Customers provided with general information
- 17% Closed due to insufficient information to take the complaint further
- 9% Customers referred to a regulator

Assisted Referral

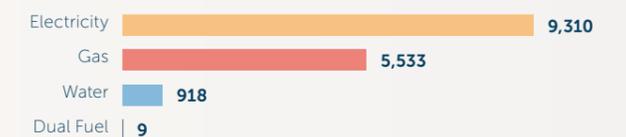
What happens at Assisted Referral?

We register a complaint as an Assisted Referral where a customer has contacted the scheme participant at least once and the complaint remains unresolved. We arrange for a designated higher-level person within the scheme participant to contact the customer. We make this referral after providing the customer with information about their rights and responsibilities. We tell them they can return to EWOV if the Assisted Referral doesn't resolve the complaint for them. We send them a reminder SMS at the 4-week mark, asking them to contact us if the complaint isn't resolved.

The scheme participant has 3 business days to contact the customer by phone, letter or email. It has a total of 15 business days to resolve the complaint. These timeframes are for the scheme participant to investigate the complaint and undertake any necessary actions. An Assisted Referral is deemed to have failed if a customer comes back to EWOV – due to no contact by the scheme participant, or contact outside the required timeframes, or following a final offer or offer of resolution.

Complaints we registered and closed at Assisted Referral

In 2019-20, 15,770 complaints (66%) were registered at Assisted Referral:



We finalised **12,902** complaints (82%) at this level, when the customer's complaint was resolved by the scheme participant, or the customer didn't return to us.

Where the customer returned to EWOV still dissatisfied with how the scheme participant responded to their complaint, we opened an Investigation.

Investigation

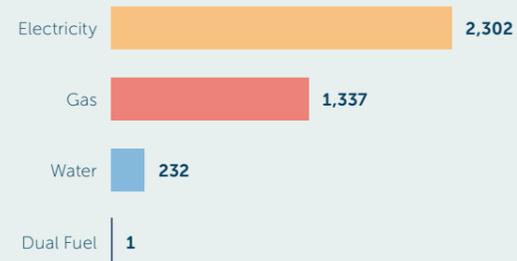
Opening an Investigation

When a customer returns to EWOV saying Assisted Referral to a higher-level contact didn't resolve their complaint, we review the complaint again for jurisdiction before we open an Investigation. Sometimes we bypass Assisted Referral and move directly to Investigation. We do this where we assess a complaint as being complex and unlikely to be resolved by referral; where the customer's circumstances reflect EWOV's *Vulnerable and Disadvantaged Customer Policy and Procedure*; and/or where an energy or water scheme participant requests an Investigation.

Setting expectations

At the start of an Investigation, our Conciliators explain what EWOV can and can't do, and make the customer aware of our 'fair and reasonable' expectations.

In 2019-20, we opened 3,872 Investigations:



Investigation stages and upgrades

An Investigation may resolve at Stage 1 (Batch), Stage 2, Stage 3 or Final Stage depending on its complexity and whether the matter has been upgraded in line with EWOV's *Complaint Upgrade Policy*.

EWOV upgrades complaints to help ensure that scheme participants provide timely, accurate and appropriate responses to assist resolution. Other reasons for upgrades include a scheme participant suggestion for resolution that's inappropriate or inadequate; and where the scheme participant (or a relevant third party) disconnects or restricts supply, pursues debt collection activity or contacts the customer about the issue during the Investigation. An EWOV Team Manager or the General Manager Operations may also exercise their discretion to upgrade a complaint. Complaint upgrades incur additional costs for scheme participants.

Binding Decision

Sometimes a complaint goes through EWOV's Investigation process without resolution. At this point, the Ombudsman may decide to close the complaint if it's assessed that further investigation isn't warranted. Or the Ombudsman may make a Binding Decision. A Binding Decision is binding on the scheme participant if the customer accepts it. It's not binding on the customer, who can choose to pursue their complaint in another forum, such as a court.

Stage 1 Investigations

A **Stage 1 Investigation** is one that we think can be resolved within 10 business days, because it doesn't require detailed information, action or analysis by us, the scheme participant or the customer. To provide faster information flows, we may gather a scheme participant's Stage 1 complaints into a 'batch' and schedule a meeting to go through each complaint. Many complaints are closed at Stage 1 (Batch). If the complaint isn't resolved promptly, it's upgraded. A scheme participant may also ask for a complaint to be handled at Stage 2.

We closed 1,523 Investigations at Stage 1:

- 1,446 (95%) conciliated
- 70 (5%) procedural closure (customer disengaged from our process)
- 4 (<1%) withdrawn by the customer
- 3 (<1%) found to be out of jurisdiction.

Stage 2 Investigations

A **Stage 2 Investigation** requires more detailed information, action or analysis by us, the scheme participant, or the customer. The scheme participant has 10 business days to provide us with a response, which we review and discuss with the customer. We then work with the customer and the scheme participant to conciliate a 'fair and reasonable' outcome for both parties.

We upgraded 103 Investigations to Stage 2:

- 57 electricity Investigations
- 42 gas Investigations
- 4 water Investigations.

We closed 1,949 Investigations at Stage 2:

- 1,445 (74%) conciliated
- 451 (23%) procedural closure – customer disengaged from our process
- 19 (1%) withdrawn by the customer
- 16 (1%) found to be out of jurisdiction
- 10 (1%) found to be better dealt with by another body
- 7 (<1%) fair and reasonable assessment – fair offer made to the customer
- 1 (<1%) Ombudsman found the customer's behaviour unreasonable.

Stage 3 Investigations

We upgraded 534 Investigations to Stage 3:

- 318 electricity Investigations
- 173 gas Investigations
- 43 water Investigations.

We closed 407 Investigations at Stage 3:

- 311 (76%) conciliated
- 85 (21%) procedural closure – customer disengaged from our process
- 4 (1%) found to be out of jurisdiction
- 4 (1%) fair and reasonable assessment – fair offer made to the customer
- 2 (<1%) withdrawn by customer
- 1 (<1%) found to be better dealt with by another body.

Final Stage Investigations

Once a complaint is upgraded to **Final Stage**, we begin the Binding Decision process. We aim to finalise a complaint at Final Stage within 90 days – by negotiating an outcome; closing the complaint on the basis that a 'fair and reasonable' offer has been made by the scheme participant; or referring the matter to the Ombudsman for a Decision.

We upgraded 141 Investigations to Final Stage:

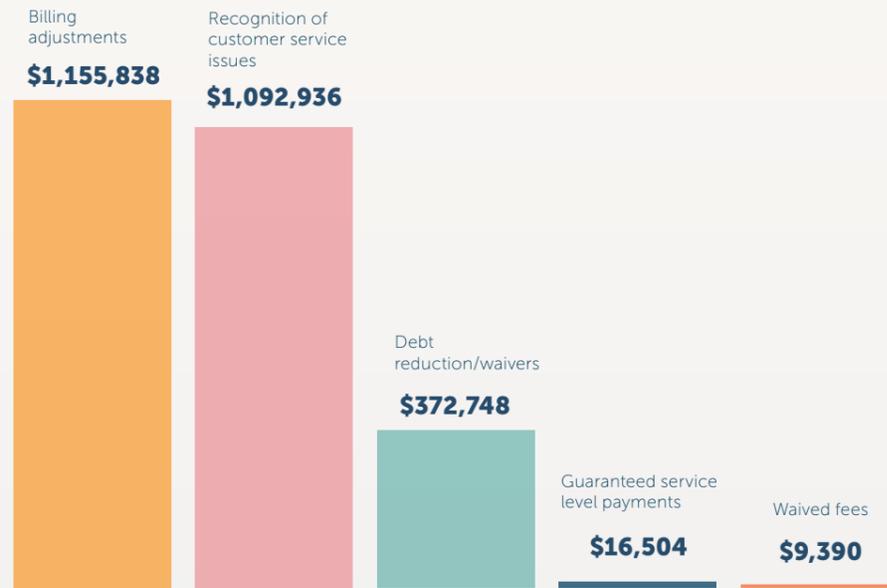
- 91 electricity Investigations
- 42 gas Investigations
- 8 water Investigations.

We closed 147 Investigations at Final Stage:

- 112 (76%) conciliated
- 32 (22%) procedural closure – customer disengaged from our process
- 3 (2%) fair and reasonable assessment – fair offer made to the customer.

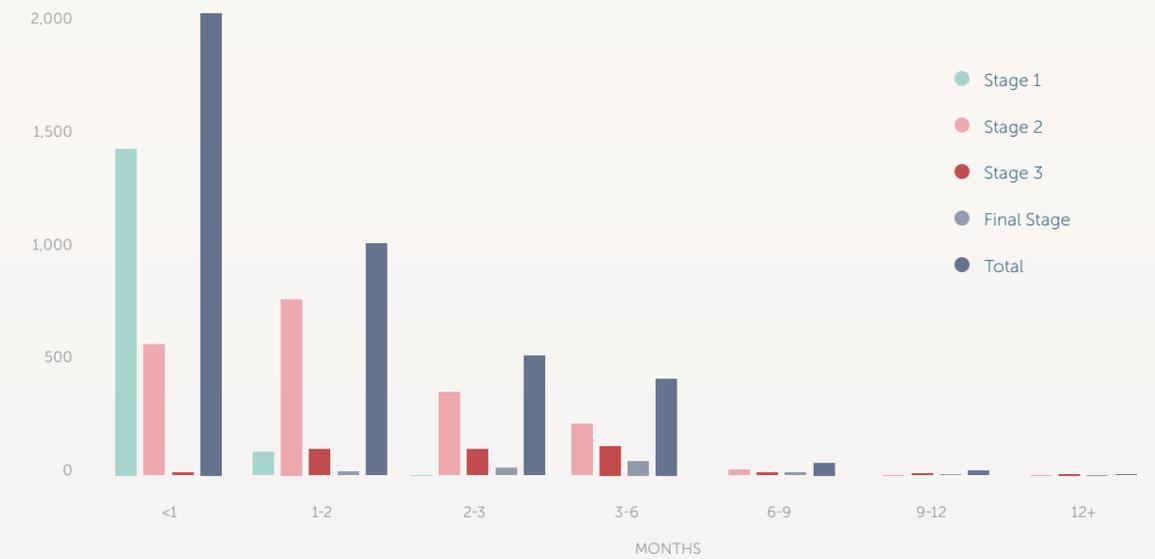
Monetary outcomes from EWOV Investigations

\$2,647,415 was provided by scheme participants to customers as a result of EWOV Investigations



Investigation timeframes

By stages



Note: The number of cases finalised by EWOV is always lower than the number of cases received. This is because an unresolved complaint may progress through several stages of receipt and escalation, and there are always some open Investigations. The outcomes data for finalised cases reflects the stage at which the final outcome was achieved.

Other outcomes from EWOV Investigations

In **341** Investigations, the resolution included a payment plan. **308** of the payment plans were offered under the Payment Difficulty Framework:

- **186** customers had their arrears put on hold for a minimum of 6 months – allowing them to pay below their consumption and build their capacity to increase payments, or to reduce consumption, or both.
- **101** customers went onto a payment plan for both ongoing consumption and arrears, with their arrears to be paid within 2 years.
- **21** customers went onto a payment plan for both ongoing consumption and arrears, with their arrears to be paid over more than 2 years.



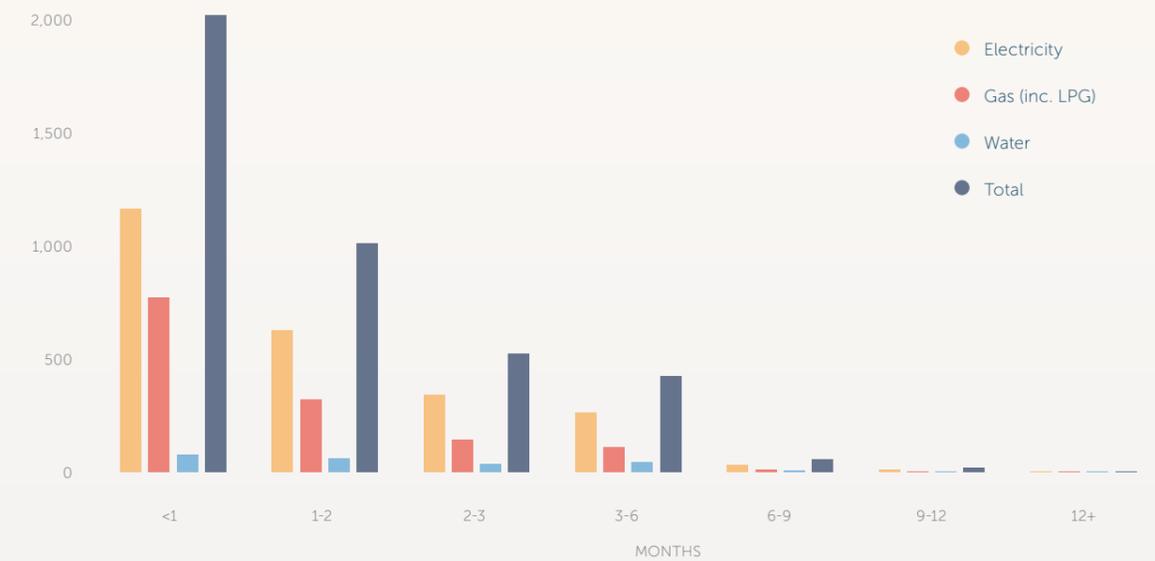
1,313 written apologies were provided to customers



In **341** Investigations, the resolution included a payment plan

We finalised **395** Wrongful Disconnection Payment (WDP) assessments, from which **248** wrongful disconnection payments were made. These payments ranged from \$15.28 to \$85,984.38.

By industry



Issues and trends

We group complaint issues under 10 high-level categories

Billing: Generating and sending bills, and payment processes

Credit: Unpaid bills and the action taken by companies/entities to collect arrears

Customer service: The level of service received or not received

Land: How company/entity activities or network assets affect a customer's property

Marketing: How electricity and gas retailers go about gaining new customers

Privacy: How a customer's personal information is handled

Provision: Connection of a property to an energy or water network

Supply: Physical delivery of the electricity, gas or water service

Transfer: Switching an electricity or gas account to another energy retailer

General enquiry: Cases that don't fit under more specific categories

Top sub-issues raised by customers in 2019-20

Overall

1. Billing: high
2. Billing: error
3. Credit: debt collection/credit default listing
4. Provision: existing connection
5. Billing: tariff

Gas

1. Billing: high
2. Billing: error
3. Credit: debt collection/credit default listing
4. Credit: disconnection
5. Credit: payment difficulties

Electricity

1. Billing: tariff
2. Billing: error
3. Billing: high
4. Credit: debt collection/credit default listing
5. Provision: existing connection

Water

1. Billing: high
2. Billing: fees & charges
3. Billing: error
4. Land: property damage
5. Credit: debt collection/credit default listing

Sub-issues

Within each of these high-level categories, there are several sub-issues. We report on the basis of 'one case – one issue', that being the main issue the customer raises when they contact us. Having listened to the customer, we sometimes register two or more issues for a case – for example, backbill followed by payment difficulties.

A customer may also have issues with two different companies at the same time. During the life of a complaint, we may re-categorise the initial case issue as more information comes to light about the actual nature of the complaint.



High bills was the top sub-issue raised by customers in 2019-20

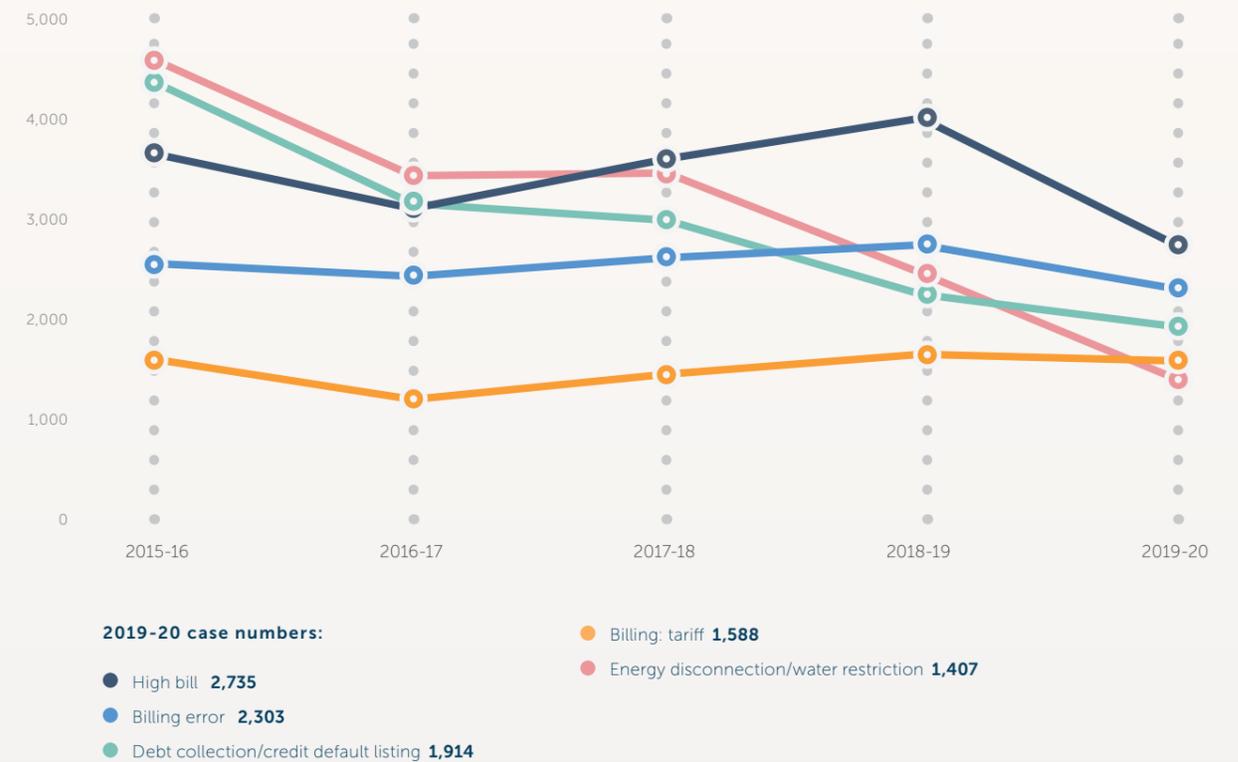
2,735 total cases
↓31% from 2018-19



Energy disconnection / water restriction cases have been decreasing since 2015-16

1,407 total cases
↓43% from 2018-19

Tracking common sub-issues overall over 5 years



Billing

BILLING: Generating and sending bills, and payment processes

COMMON SUB-ISSUES: High, error, tariff, concession, backbill

Trends in billing cases

- EWOV received 11,255 billing cases in 2019-20:
- 58% electricity, most commonly about tariffs, billing errors and high bills
 - 36% gas, most commonly about high bills, billing errors and backbilling
 - 7% water, most commonly about high bills, fees & charges and billing errors.

Against 2018-19, billing cases were down 18% (and down 25% from four years ago):

- Electricity billing cases were down 17%
- Gas billing cases were down 19%
- Water billing cases were down 16%.

While billing cases fell overall, through the year EWOV's quarterly publications drew attention to some notable increases:

- From July to September 2019, 37% more billing cases, with increases across most issues.
- From October to December 2019, 40% more gas backbilling cases and 31% more cases about energy billing delay.

- We also identified 17 billing issues as systemic, some of them listed below:
- Backbilling after customers were charged on summer gas rates in winter
 - Billing delays related to inability to display Best Offer on bills
 - Notice of energy rate changes
 - Incorrect charging of tenants for water usage
 - Sewage disposal charges applied when they weren't before.

For more information on systemic issues see pages 50 and 51.

Billing cases, the Payment Difficulty Framework and the COVID-19 factor

In 2019-20, from EWOV Investigations, 609 customers were found to be eligible for assistance under the Payment Difficulty Framework. These were residential customers with arrears of \$55 or more on an open electricity, gas or dual fuel account. For 325 of these customers (53%), billing was the main issue. The most common billing sub-issues were high bill (107), billing error (51), backbill (46), tariff (32) and concession (27). A further 229 customers raised credit issues, and 55 customers raised a range of provision, customer service, transfer and supply issues.

In mid-March 2020, we started tracking 'COVID-19 cases' as a subset of all EWOV cases – we later reframed our approach when it became clear that COVID-19 was affecting all customers, not just those who mentioned it when they called us. High bill emerged early on as the most common billing issue. Another billing issue, which emerged as the pandemic progressed, was to do with the application of concessions to the bills of customers who hadn't qualified for them previously – largely due to address and name mismatches between the information held by government departments and the information held by energy retailers.

CASE STUDY

Water billing based on lot liability

Residential customer | Vacant property | Residential complex

Mr Y complained about high water bills for an unoccupied property, seeking to have his latest bill of \$388 reduced to \$180. He said his water corporation had told him the billing was correct. When Assisted Referral to the water corporation didn't resolve the complaint, we opened an Investigation.

Responding to our Investigation, the water corporation said that Mr Y's property was part of a group of 159 lots, all supplied through one water meter. Based on advice from the owners' corporation, each property was billed based on its lot liability under the owners' corporation plan. Mr Y's property had a liability factor of 447, making him responsible for 0.38% of the cost of water to the property. Any change to this billing arrangement would need to be requested in writing by the owners' corporation.

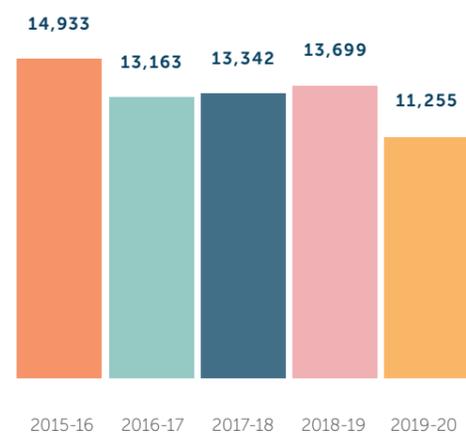
Our Investigation confirmed that the disputed bill was similar to the one Mr Y received for the same period the year before. We also confirmed that he was being billed in line with the percentage the owners' corporation had allocated to him.

We explained to Mr Y that the water corporation was billing him in line with Section 263A of *The Water Act* (1989), which sets out the liability of owners' corporation or lot owners for fees relating to the supply of water, and that the owners' corporation could change the percentage of the total usage each lot/owner pays by advising the water corporation in writing.

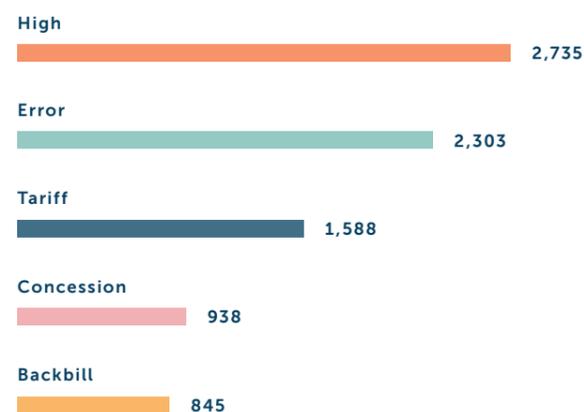
Having already provided Mr Y with \$250 in customer service credits in response to his concerns, the water corporation offered a payment extension.

Mr Y accepted this offer and the complaint was closed. 2019/14426

5 year history



Top sub-issues





CASE STUDY

Controlled load appliances driving high electricity bills

Residential customer | Large arrears | Billed as non-residential

Between August 2018 and August 2019, Mr K paid \$250 a week off electricity arrears of \$14,014.08. His retailer matched his payments dollar for dollar. When the payment plan ended, he was told he still owed \$6,000. He was asked whether he'd like another payment arrangement for this amount. Mr K said that at this point he found out that his home was being billed on a non-residential tariff. After he provided evidence that it was a home, the retailer changed his tariff to residential. He said his request to have the residential tariff backdated and overpayments refunded was refused, and nothing definitive came out of checks by both the retailer and his electrician. By February 2020, when Mr K's son contacted EWOV on his father's behalf, Mr K hadn't made any payments since August 2019.

When Assisted Referral to the electricity retailer didn't resolve the complaint, we opened an Investigation.

Our Investigation was informed by a report from EWOV's Technical Advisor. We discovered that Mr K had two meters at his large home — one meter for dedicated controlled load appliances and another meter for all other usage. A review of Mr K's bills showed high usage on both meters, with increases on the controlled load meter during colder weather. His controlled load related to two appliances — a 3.6 kilowatt hot water service and underfloor heating. Mr K had previously identified his underfloor slab heating as contributing to the high usage. While he said he hadn't used it for months, this wasn't reflected in the usage recorded on the controlled load meter. Our examination of meter data from February 2018 to March 2020 showed that 70% of Mr K's total usage could be attributed to his controlled load appliances.

Responding to our Investigation, the retailer said the home had been assigned to a non-residential tariff because its consumption was over 40 megawatt hours a year. It confirmed the change to a residential network tariff from late November 2019. It said testing of both meters found they were operating within Australian Standards.

Mr K accepted the results of our Investigation and that his controlled load appliances were most likely causing his continuing high bills. At early April 2020, his arrears stood at \$7,816.42. His most recent monthly bill (March 2020 to April 2020) was \$566.46. Mr K accepted the retailer's offer of a 12-month plan with a 20% discount. He agreed to pay \$50 a week and said he understood he could pay more some weeks if he could afford it.

The payment plan assistance for him would include:

- placing a hold on his account arrears for six months, on the understanding that bills would still be issued so his arrears would grow
- giving him regular updates about his usage
- allowing him to pay what he could for the six-month period
- providing him with advice on government assistance, such as the Utility Relief Grant Scheme
- providing practical assistance to help him reduce his energy costs.

The plan was backdated to the beginning of January 2020, reducing his arrears by \$280.97. He also accepted the retailer's offer of a customer service credit of \$500, reducing his arrears further. Mr K was satisfied with this outcome and the complaint was closed. 2020/761

Image: Shutterstock.com

Credit



CREDIT: Unpaid bills and the action taken by companies/entities to collect arrears

Trends in credit cases

EWOV received 4,633 credit cases in 2019-20:

- 59% electricity
- 37% gas
- 5% water.

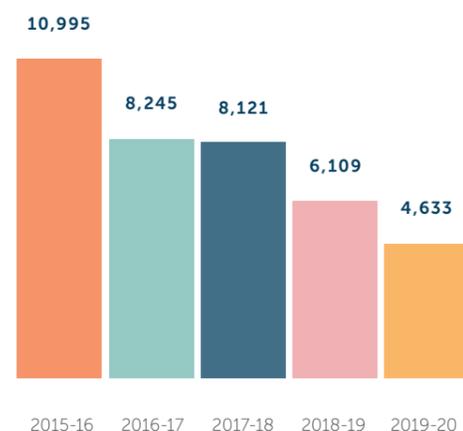
In all three industries, debt collection/credit default listing was the most common issue.

Against 2018-19, credit cases were down 24% (and down 58% from four years ago):

- Electricity credit cases were down 26%
- Gas credit cases were down 23%
- Water credit cases were down 5%.

We believe the sustained (positive) impact of the Payment Difficulty Framework implemented by the Essential Services Commission in January 2019 was behind these falls – largely through deferral of arrears. COVID-19 has since added an unforeseen layer of complexity, with record levels of unemployment drawing government and industry support. Energy disconnection and debt collection have been suspended. How credit cases trend in this environment remains to be seen.

5 year history



COMMON SUB-ISSUES: Debt collection/credit default listing, energy disconnection, payment difficulties

While credit cases fell overall, through the year EWOV's quarterly publications drew attention to some notable increases:

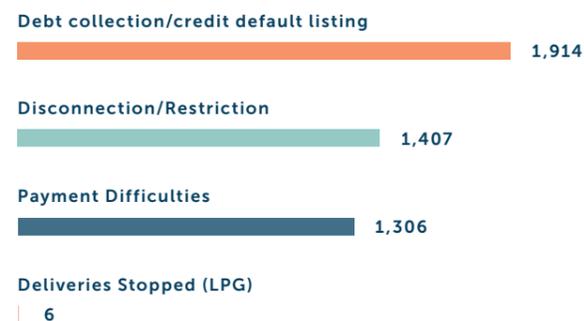
- From July to September 2019, 13% more debt collection/credit default listing cases.
- From October to December 2019, 18% more payment difficulties cases.

We also identified seven credit issues as systemic, some of them listed below:

- Delays in sending grant application forms to customers
- Disconnected customers not taken back or reconnected
- No advice of payment difficulty assistance on disconnection notices
- Overpayment of energy concessions entitlements.

For more information on systemic issues see pages 50 and 51.

Top sub-issues



Credit cases, the Payment Difficulty Framework and the COVID-19 factor

From EWOV Investigations, 609 customers were found to be eligible for assistance under the Payment Difficulty Framework. These were all residential customers with arrears of \$55 or more on an open electricity, gas or dual fuel account. For 229 of these customers (38%), credit was the main issue. The most common credit sub-issue was disconnection (135), followed by payment difficulties (83) and debt collection/credit default listing (11). A further 325 customers raised billing issues, and 55 customers raised a range of provision, customer service, transfer and supply issues.

In mid-March 2020, we started tracking 'COVID-19 cases' as a subset of all EWOV cases. Payment difficulties emerged as the most common credit issue, followed by debt collection/credit default listing, and imminent energy disconnection. As mentioned earlier, we later reframed our approach to tracking 'COVID-19 cases' when it became clear that COVID-19 was affecting all customers, not just those who mentioned it when they called us.

CASE STUDY

Recent job loss deepens financial hardship

Residential customer | Notice of disconnection | Access to Utility Relief Grant Scheme

Having recently lost her job, Ms A received an electricity disconnection notice. Ms A was carrying arrears on both her electricity and gas accounts. She said that when she contacted her energy retailer to arrange payment extensions and plans, she wasn't told about the Utility Relief Grant Scheme. Due to Ms A's vulnerable circumstances and imminent disconnection of her supply, we exercised our discretion to bypass Assisted Referral and open an Investigation.

The energy retailer said Ms A had been maintaining her payments until early August 2019. Since then her payments hadn't been enough to cover her usage and the debt had built up. It said she was still making payments, but not enough to cover the arrears and ongoing bills. The retailer said it was unclear what had led to Ms A's changed circumstances. It said payment plans, with pay-on-time discounts, were set up in November 2019 and January 2020 to help with the arrears and the ongoing bills – when Ms A didn't keep up the payments, the payment plans were cancelled. The retailer maintained it had made best endeavours to contact Ms A via SMS and phone – but it also admitted that its staff had the opportunity to provide her with the application form for a Utility Relief Grant and didn't do so.

As a result of our Investigation, the retailer applied pay-on-time discounts to Ms A's electricity

account, a total credit of \$2,683.09. It also cancelled and re-billed her electricity from January 2019 to January 2020, to apply the Annual Electricity Concession, a total of \$437.91. This reduced her electricity debt to \$51.48.

The retailer also applied pay-on-time discounts of \$560.08 to her gas account. It cancelled and re-billed for May 2019 to October 2019, to apply the Winter Energy Concession, a total of \$115.68. This reduced her gas debt to \$393.95.

The retailer put these debts on hold for 6 months.

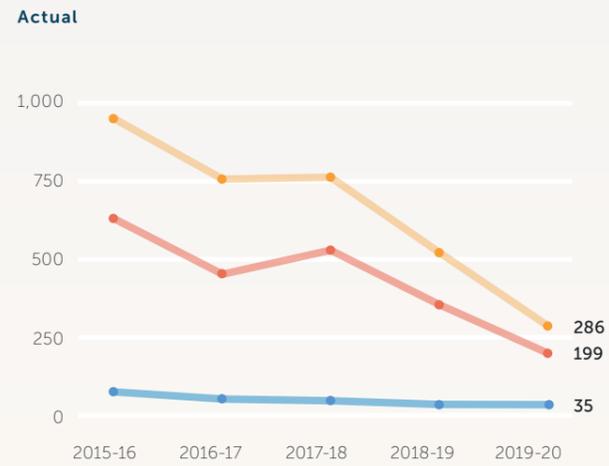
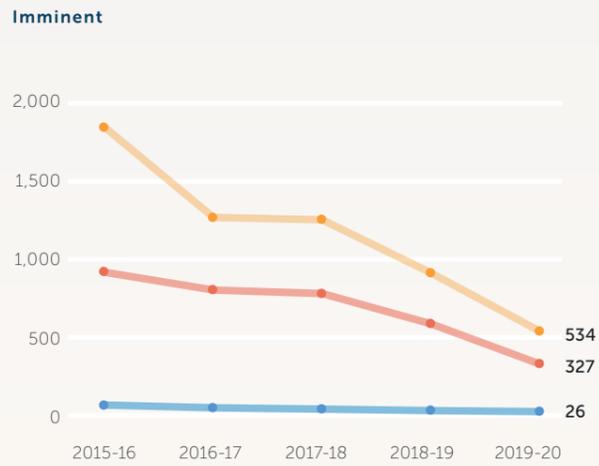
At case closure, Ms A's electricity usage was averaging \$10.19 a day and \$142.73 a fortnight. A payment plan of \$75 a fortnight for electricity was agreed. Her gas usage was averaging \$4.29 a day and \$60.16 a fortnight. A payment plan of \$25 a fortnight for gas was agreed.

The retailer also undertook to provide her with assistance under the Payment Difficulty Framework, including energy efficiency advice to help her manage her usage, tariff reviews tailored to her usage, its best available offers, and the form to apply for a Utility Relief Grant.

Ms A agreed to participate in the retailer's hardship program, be contactable, and make the fortnightly payments on time. 2020/3232 & 2020/3225

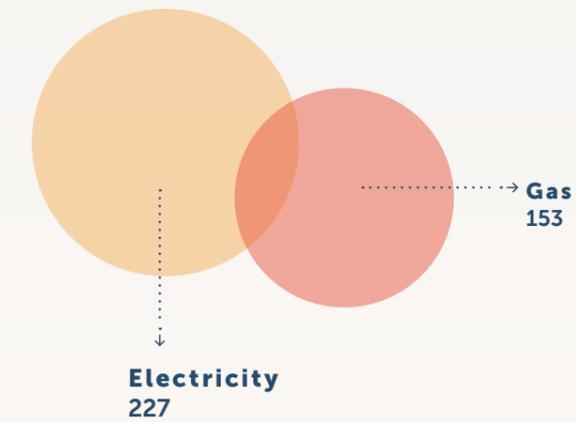
Credit-related energy disconnection and water restriction cases

● Electricity ● Gas ● Water



380

WDP ASSESSMENTS OPENED:



Assessing 'wrongful disconnection'

A Wrongful Disconnection Payment (WDP) is payable to a customer if an energy retailer hasn't complied with the terms and conditions of its contract with the customer, and the requirements of the *Energy Retail Code*, before disconnecting their electricity or gas. The payment is currently \$500 a day (or part thereof), capped at \$3,500 if the customer doesn't contact the energy retailer within 14 days of the disconnection.

When we investigate a customer's disconnection complaint, we also make a separate assessment of whether a WDP is payable. If we and the retailer can't agree on an outcome, we seek a formal decision from the Essential Services Commission. In 2019-20, we finalised 395 WDP assessments, 60% electricity and 40% gas. 248 WDPs were paid and 10 assessments were referred to the Essential Services Commission for decision.

CASE STUDY

Selling jewellery to pay energy bills

Residential customer | First language not English | Community outreach contact

Ms E, who speaks English as a second language, approached EWOV staff at a community outreach event in early December 2019. She told us she was using emergency relief to feed her family. She said her energy retailer had disconnected her electricity without warning due to arrears of \$900 and was threatening to disconnect her gas. She said things worsened when she needed to travel overseas for family reasons and Centrelink stopped her payments. Ms E said her retailer told her she must pay \$500 and agree to a \$160 a fortnight payment plan to have her electricity reconnected. She said that, to do this, she had to sell jewellery.

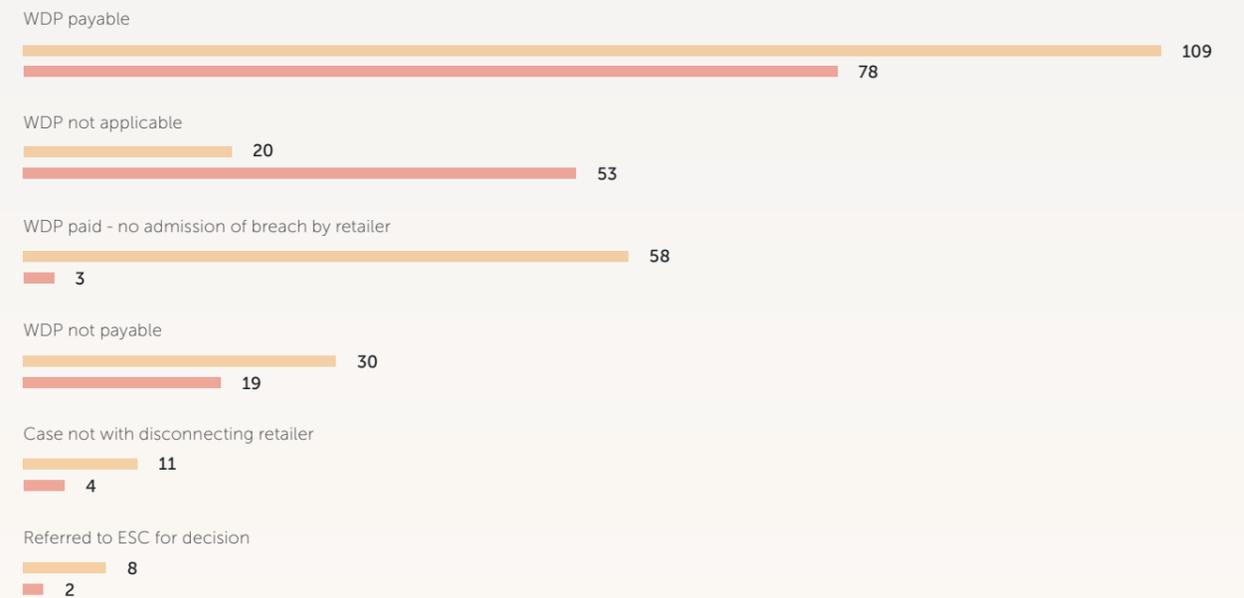
Given Ms E's vulnerable circumstances, we used our discretion to bypass Assisted Referral to open an Investigation. Responding to our Investigation, the energy retailer confirmed that Ms E's electricity was disconnected and reconnected on the same day in mid-October. It said the gas had not been disconnected.

As a result of EWOV's Investigation, the energy retailer applied credits of \$650 to Ms E's electricity and gas accounts in recognition of not sending her the form to apply for a Utility Relief Grant. It applied pay-on-time discounts and once-off credits to her accounts, and it waived the electricity reconnection fee. After credits of \$970.73 for electricity and \$1,075.24 for gas, both of her accounts had credit balances. The retailer said that Ms E could ask about a payment arrangement when she received her next gas or electricity bill. 2019/22160 & 2019/22161

EWOV's separate investigation of whether the disconnection was wrongful found that Ms E's electricity supply was disconnected for just under four hours. The equivalent wrongful disconnection payment was \$81.94. The retailer agreed to apply a credit of \$81.94 to Mrs E's electricity account, with no breach recorded. WDP/2019/590

Outcomes of WDP assessments closed

● Electricity ● Gas



Provision

PROVISION: Connection of a property to an energy or water network

COMMON SUB-ISSUES: Existing connection, new connection

Trends in provision cases

EWOV received 2,693 provision cases in 2019-20:

- 66% electricity
- 29% gas
- 4% water.

In all three industries, existing connection was the most common provision issue.

Against 2018-19, provision cases were down 32% (and down 11% from four years ago):

- Electricity provision cases were down 30%
- Gas provision cases were down 39%
- Water provision cases were down 21%.

While provision cases fell overall, through the year EWOV's quarterly publications drew attention to some notable increases:

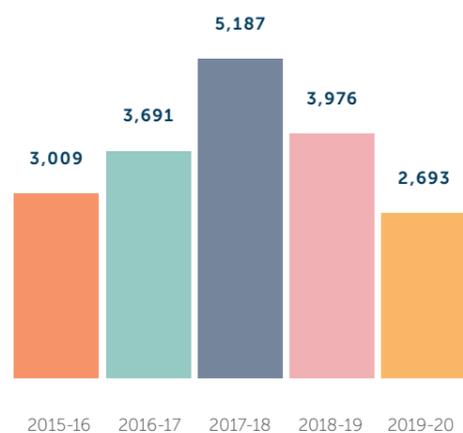
- From January to March 2020, 21% more electricity provision cases.
- Within that increase, 31% more provision at an existing connection cases.

We identified one provision issue as systemic:

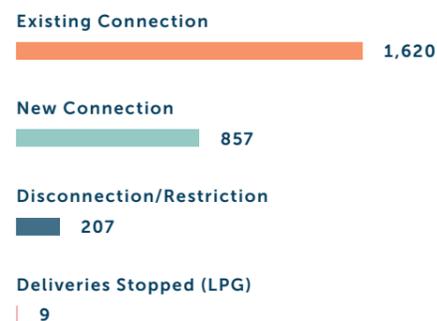
- No notice of remote disconnection for properties with a smart meter.

For more information on systemic issues see pages 50 and 51.

5 year history



Top sub-issues



CASE STUDY

Balancing aesthetics with functionality

Residential customer | Network asset installation | Lack of consultation/notice

Ms W arrived home to find a 'large black disc' installed unexpectedly at her property entrance. She considered it detracted from the aesthetics of her property. Ms W said she contacted the local electricity distributor seeking to have the disk relocated or removed. The distributor's response was that the device was an external antenna, which couldn't be removed because it was needed for improved meter communications. When Assisted Referral didn't progress the complaint, we opened an Investigation.

The electricity distributor acknowledged the device was installed without consultation and that Ms W had contacted it several times. It said the device was needed to fix a communication fault — so that the Advanced (Smart) Meter stayed synchronised, and so it could meet its regulatory obligations to provide accurate, remotely read data to the electricity retailer. It added that it had offered to replace the antenna with a white one. Our Investigation explored whether the antenna could be moved to the other side of the wall, but this was discounted as it created reception problems and may cause meter reading issues.

After discussions, Ms W accepted the distributor's proposal that it have the device repainted. However, she rejected its offer of a customer service payment of \$200, in favour of being notified when a new, improved product became available and could be fitted. The distributor agreed to monitor new products that would be suitable for this situation and would be a better look than the current antenna. 2019/21554

Image: Shutterstock.com

Supply

SUPPLY: Physical delivery of the electricity, gas or water service

Trends in supply cases

EWOV received 1,185 supply cases in 2019-20:

- 69% electricity, most commonly about planned outages and unplanned outages
- 18% gas, most commonly about quality and unplanned outages
- 13% water, most commonly about quality and sewer/stormwater overflow/blockage.

Against 2018-19, supply cases were down 7% (but up 16% from four years ago):

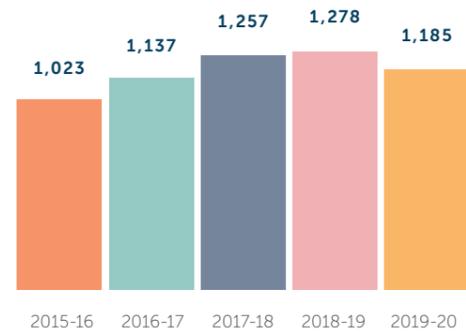
- Electricity supply cases were down 14%
- Gas supply cases were up 14%
- Water supply cases were up 8%.

We identified four supply issues as systemic:

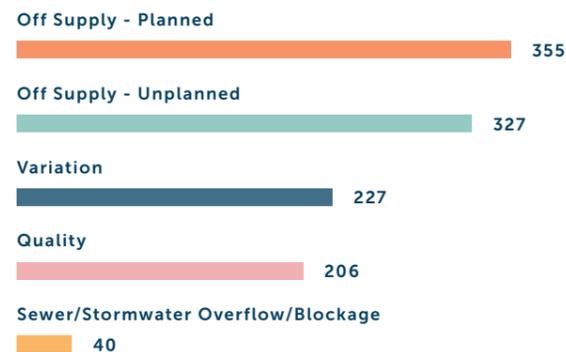
- Water in gas service lines
- Low gas pressure affecting appliance use
- Better checking for electricity voltage variation events (2).

For more information on systemic issues see pages 50 and 51.

5 year history



Top sub-issues



COMMON SUB-ISSUES: Planned outage, quality, unplanned outage

CASE STUDY

Dealing with the cold without gas

Residential customer | Regular gas outages | Upgrade delays

Several times a week Ms T lost her gas supply for several hours. Pointing to 25 occasions without gas and limited flow on other days, she requested that her August – September 2019 bill be credited.

When Assisted Referral didn't resolve the complaint, we opened an Investigation. The local gas distributor said a known 'water in service' issue was affecting the property, and a mains upgrade was scheduled for 2021. It said this was a large project, based on greatest demand. It necessitated extensive planning, contributions from other authorities, and a significant amount of time to ensure the works were completed compliantly and to a high standard.

While it acknowledged Ms T had experienced significant outages, it said there were other areas in her suburb in more urgent need of attention, and these works had to be completed before hers. It offered to increase water syphoning (including before forecasted rains) and provide her with fortnightly updates. It said she would receive four Guaranteed Service Level (GSL) payments for July and August 2019, a total of \$750, and possibly for September 2019 after assessment.

The distributor provided a further customer service payment of \$589. It also said that if Ms T engaged a plumber who could provide a detailed assessment of each appliance, including whether any repairs were needed because of the gas supply issues, it would cover the plumber's charges.

Ms T was satisfied with this outcome and the complaint was closed. 2019/13496

Land

LAND: How company/entity activities or network assets affect a customer's property

COMMON SUB-ISSUES: Network assets, property damage

Trends in land cases

EWOV received 648 land cases in 2019-20:

- 47% electricity
- 18% gas
- 35% water.

In all three industries, network assets and property damage were the most common land issues.

Against 2018-19, land cases were down 8% (but up 25% from four years ago):

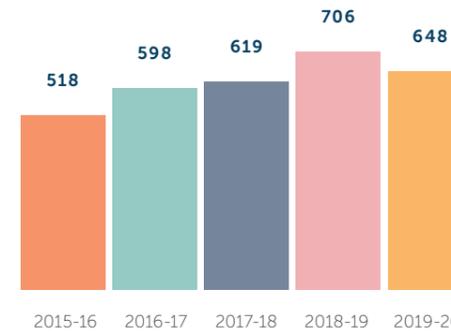
- Electricity land cases were down 10%
- Gas land cases were down 11%
- Water land cases were down 4%.

We identified one land issue as systemic:

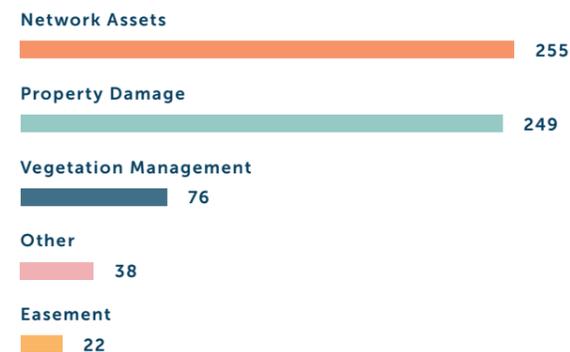
- Compensation claims from water customers.

For more information on systemic issues see pages 50 and 51.

5 year history



Top sub-issues



CASE STUDY

Maintaining public safety

Concerned citizen | Public inconvenience & safety | Electricity network assets

In early September 2019, Mr A complained that a set of streetlights in the middle of a tram track on a major road had been out for almost a year. Following Assisted Referral, he returned saying the electricity distributor had told him it would take about 3 to 4 weeks for the lights to be fixed. A month later the lights still weren't working.

Responding to our Investigation of the complaint, the local electricity distributor confirmed that a small fire at the base of a tramway power pole in December 2018 affected the underground lighting cabling. It said the cabling in this section was set directly into concrete with no conduit, so repairing the cable would involve trenching approximately 500 metres of concrete below the tram lines. The tram operator wasn't prepared to shut down the tram service to have the repairs done, but it agreed to a temporary overhead power supply as a short-term solution.

The lighting was reconnected in early October 2019. The distributor undertook to work with the tram operator on a permanent solution, noting that the timeframe would be dictated by the tram operator. It apologised for the time taken to restore the lighting, but said it believed this had been communicated to Mr A by phone and email during 2019. We updated Mr A. Our Investigation was closed when he didn't maintain contact with us. 2019/13496

Marketing

MARKETING: How electricity and gas retailers go about gaining new customers

Trends in marketing cases

EWOV received 261 marketing cases in 2019-20:

- 78% electricity
- 22% gas.

In both industries, misleading marketing was the most common issue.

Against 2018-19, marketing cases were down 55% (and down 46% from four years ago):

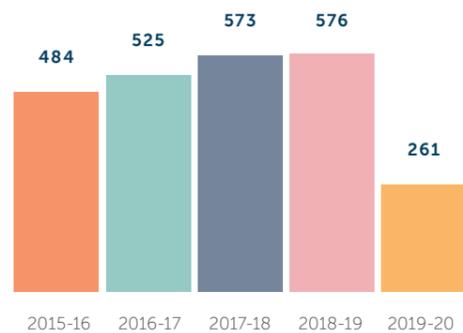
- Electricity marketing cases were down 56%
- Gas marketing cases were down 49%.

We identified two marketing issues as systemic:

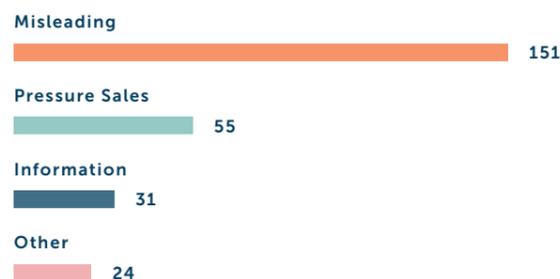
- Rates unclear in contract information
- Accounts set up even though the prospective customer failed a credit check.

For more information on systemic issues see pages 50 and 51.

5 year history



Top sub-issues



COMMON SUB-ISSUES: Misleading, pressure sales

CASE STUDY

Misled on contract rates

Residential customer | Door-to-door marketing | Debt

Ms C switched electricity retailer after being promised fixed rates for two years of 21.95c per kWh (peak) and 15c per kWh (off-peak) by a door-to-door marketer. When she received her bills, the rates were different. By the time she contacted EWOV, her arrears were building, and she was out of work. Assisted Referral to Ms C's retailer confirmed that the rates on her bill were wrong. It provided a credit of \$167, but that still left Ms C with a large debt she couldn't pay. She returned to EWOV and we opened an Investigation.

The retailer said Ms C was on its best market offer. However, it also said its review of the complaint showed poor customer service in handling her concerns – initially, and when she made subsequent calls over several months. It said Ms C should have been quoted 30c per kWh (peak) and 15c per kWh (off-peak). She was also told the contract was fixed-term when it didn't offer fixed-term contracts. It said a \$341.95 account credit in mid-August 2019 for delayed billing had reduced her arrears to \$1,122.54.

It apologised and provided a further credit of \$336.76. This left Ms C owing \$785.78. The retailer offered hardship assistance in the form of a \$63 fortnightly payment plan for two years to cover her ongoing electricity usage and arrears, assistance to apply for a Utility Relief Grant, over the phone energy audits, and quarterly reviews to help her reduce her energy consumption and costs. 2019/13316

Transfer

TRANSFER: Switching an electricity or gas account to another energy retailer

COMMON SUB-ISSUES: Transfer in error, without consent, contract terms, delay

Trends in transfer cases

EWOV received 1,784 transfer cases in 2019-20:

- 60% electricity, most commonly about error, contract terms and transfer without consent
- 40% gas, most commonly about error, delay and transfer without consent.

Against 2018-19, transfer cases were down 42% (and down 50% from four years ago):

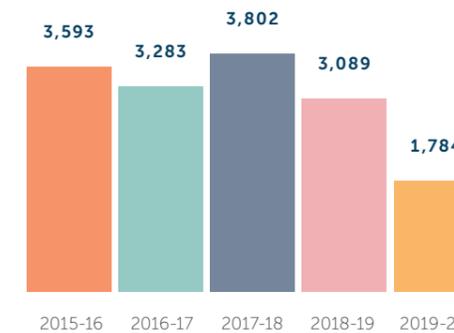
- Electricity transfer cases were down 42%
- Gas transfer cases were down 43%.

We identified one transfer issue as systemic:

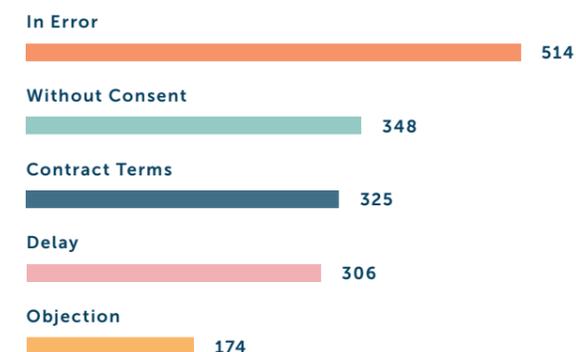
- Switched to another energy retailer without consent.

For more information on systemic issues see pages 50 and 51.

5 year history



Top sub-issues



CASE STUDY

Obtaining explicit informed consent

Elderly residential customers | First language not English | Door-to-door marketing

Mr R called EWOV on behalf of his elderly migrant parents who spoke limited English. He said the gas and electricity accounts for their home had been switched to a different energy retailer after door-to-door marketing. He said the sales representative discussed energy plans and gave his father brochures, but his father said he hadn't signed anything. Mr R said the accounts were in his mother's name, not his father's, and his mother wouldn't have agreed to a switch. The paperwork received from the retailer showed a signature which Mr R believed to be forged.

When Assisted Referral didn't resolve the complaint, we opened an Investigation. We reviewed the call recording provided by the retailer. While Mr R's father had responded 'yes' to most of the questions, his limited understanding of English raised doubt that explicit informed consent had been obtained to the transfer. In response to the concerns raised, the retailer offered to arrange a retrospective transfer and waive the current balance on each account. Using the Victorian Energy Compare website, Mr R's parents decided they'd prefer to switch to a different retailer altogether. We contacted that retailer to see whether it was willing to accept the account transfers. It confirmed it was. The accounts were switched across. Mr R and his parents were satisfied with this outcome and the complaint was closed. 2019/15857 & 2019/15858

Customer Service

CUSTOMER SERVICE: The level of service received or not received

COMMON SUB-ISSUES: Poor service, incorrect advice or information

Trends in customer service cases

EWOV received 752 customer service cases in 2019-20:

- 69% electricity
- 24% gas
- 5% water.

In all three industries, poor service and incorrect advice were the most common issues.

Against 2018-19, customer service cases were up 1% (and up 144% from four years ago):

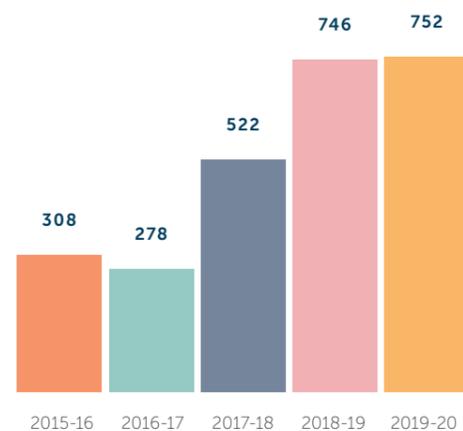
- Electricity customer service cases were down 3%
- Gas customer service cases were up 19%
- Water customer service cases were down 2%.

We identified two customer service issues as systemic:

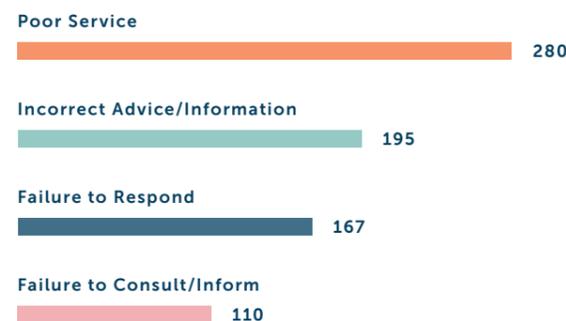
- Unable to contact energy retailer
- Provision of information about COVID-19 relief package.

For more information on systemic issues see pages 50 and 51.

5 year history



Top sub-issues



CASE STUDY

Misleading information about how solar grant would be received

Elderly residential customer | Incorrect advice | Good industry practice

Ms F complained that the electricity retailer from which she bought her solar system didn't help her apply for the government solar rebate as she was told it would. After the system was put in, she found she'd missed out on the rebate because she had to apply for it before installation.

When Assisted Referral didn't resolve the complaint, we opened an Investigation. Responding to our Investigation, the retailer said Ms F was never promised the application would be completed for her. It provided two call recordings as evidence of this. Our review of the recordings showed that Ms F had clearly told the retailer she was elderly and without computer access. And the retailer representative had told her the grant would be applied to her account automatically.

Solar Victoria confirmed that once the solar panels were installed, Ms F was no longer eligible for the grant. It said it was aware of other customers in similar positions.

We asked other electricity retailers about good industry practice in situations of this type. This showed the retailer's \$100 offer of resolution was inconsistent with what other retailers would offer. All the retailers we contacted said they'd provide a \$2,500 credit, the equivalent of the grant.

The retailer apologised to Ms F. It offered a cheque for \$2,600 – \$2,500 for the grant she could have received and a customer service payment of \$100. Ms F was satisfied with this outcome and the complaint was closed. 2019/12335

Image: Shutterstock.com

Privacy

PRIVACY: How a customer's personal information is handled

Trends in privacy cases

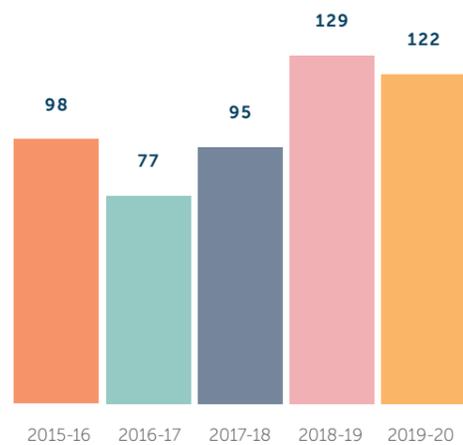
EWOV received 122 privacy cases in 2019-20:

- 60% electricity, most commonly about details requested and details obtained without consent
- 25% gas, most commonly about details requested and details released
- 14% water, most commonly about details released.

Against 2018-19, privacy cases were down 5% (but up 24% from four years ago):

- Electricity privacy cases were down 16%
- Gas privacy cases were down 9%
- Water privacy cases were up 183%.

5 year history



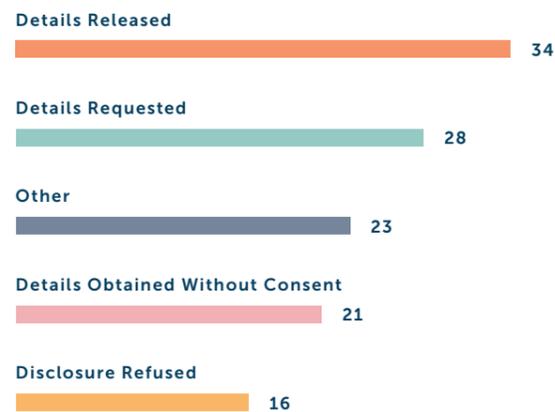
COMMON SUB-ISSUES: Details released, requested, obtained without consent

We identified five privacy issues as systemic:

- Emails addressed to wrong customers
- Inappropriate sharing of details
- Customer data shared in emails (3).

For more information on systemic issues see pages 50 and 51.

Top sub-issues



CASE STUDY

Asked for personal information she hadn't provided on signing up

Details requested by company | Identification options

Ms J had recently switched retailers. Having been asked to input her date of birth, when she rang her energy retailer to ask for an extension of time to pay an energy bill, Ms J was worried about the security of her personal information. Ms J said she didn't recall providing her date of birth when she switched over.

When Assisted Referral didn't resolve the complaint, we opened an Investigation. The gas retailer told us its records went back five years only, but it thought it was likely it obtained Ms J's date of birth when she set up her first account with it back in 2011. As part of our Investigation, we checked the current *Code of Conduct for Marketing Retail Energy in Victoria*. Under the Code, an energy retailer is required to keep telephone marketing records for one year only.

The retailer said that there were strict guidelines around account security, which its call centre staff had to follow to be able to discuss her account. However, if Ms J didn't wish to use her date of birth, she didn't have to — she could be verified by way of her name, address, account number and total of her last invoice. Ms J confirmed this was her preference and the complaint was closed. 2020/4607

Image: Shutterstock.com

Solar

SOLAR: Relating to solar installation by an EWOV scheme participant

Trends in solar cases

In 2019-20 we registered 1,467 solar cases, down 25% from 1,949 cases in 2018-19.

- 1,103 cases (75%) were within jurisdiction
- 364 cases (25%) were outside of jurisdiction.

Billing and provision were the most common solar issues.

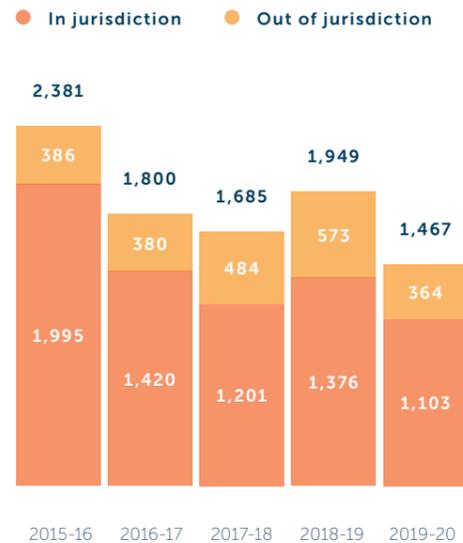
The 364 solar cases that were out of our jurisdiction mainly concerned a business which was not an EWOV scheme participant (usually a solar retail or installation company). In these cases, we referred the customer to Consumer Affairs Victoria or the Clean Energy Council, as appropriate. Most commonly these complaints were about solar installers, and customers raised a range of issues – misleading marketing, faulty inverters, installation delays, inverters lacking the required capacity, solar systems not working at full capacity, solar systems not installed incorrectly, and relevant paperwork not submitted to the electricity retailer or distributor.

Monthly trends in solar cases



COMMON SUB-ISSUES: Provision at an existing connection, tariff, high bill

5 year history



Billing issues

We registered 598 solar **billing** cases, 559 within jurisdiction and 39 outside jurisdiction:

- 359 (60%) were about tariffs.
- 63 (11%) were about high bills.

Among the issues that customers with solar billing complaints raised with us:

- They were promised the premium feed-in rate – they received the general/standard feed-in rate.
- Expected solar credits weren't applied.
- They received estimated bills with estimated solar credits.
- They received bills with meter data for a different meter.
- There were rate changes/price increases without notice.
- They received unexplained high bills after backbilling, leading to payment difficulties.

Provision issues

We registered 501 solar **provision** cases, 381 within jurisdiction and 120 outside jurisdiction:

- 450 (90%) were about provision at an existing connection.

Among the issues that customers with solar provision complaints raised with us:

- Loss of controlled load after being assured it would be available.
- Being unable to install solar because they were in a complex with an embedded network.
- Installation of their system was unreasonably delayed.
- The solar system wasn't working as well as they thought it should.

CASE STUDIES

Upset at 'losing' the Premium Feed-in Tariff

Residential customer | Disputed eligibility | Retailer switch highlighted confusion about set-up

Mr B complained that he lost the Premium Feed-in Tariff (PFIT) when he switched electricity retailer. He said his solar system was installed in early 2011, and he'd received the PFIT until switching retailer in August 2019. When the new retailer continued to insist that he wasn't eligible, he contacted EWOV.

When Assisted Referral didn't resolve the complaint, we opened an Investigation. The retailer told us that, because Mr B signed up through its website, it couldn't assess his feed-in tariff eligibility at 'point of sale'. But he'd been advised over the phone in early August 2019, and in writing in late August 2019, that his site wasn't eligible for PFIT.

We contacted the local electricity distributor to check on the original application. We found that the solar information received from Mr B's original retailer in February 2011 didn't specify application of the PFIT tariff. The distributor said the tariff code was SFIT (standard feed-in tariff) from installation and it hadn't received a service order from the retailer requesting that it be changed to PFIT. The retailer also provided evidence that the distributor had provided this advice in August 2019.

We explained the results of our Investigation to Mr B. The retailer calculated the difference between the PFIT and the SFIT since Mr B switched across in August 2019 as \$75.14. It credited this to Mr B's electricity account. Mr B accepted the outcome and the complaint was closed. 2019/18395

Slow progress on solar installation

Residential customer | Retirement village | Information provision

Mr M lived in a retirement village. He said he applied to the embedded network entity which supplies electricity to the village to have solar installed at his home. The embedded network entity rejected the application, saying it was carrying out tests to the network, without giving any information on what the testing was for.

Mr M said his repeated requests for information had been met with responses of 'no further correspondence on the issue'. He said two other residents of the village had solar installed through the previous owners of the village. He believed there were other residents who also wanted solar installed. He was also concerned that the village's delay would mean he'd miss out on a government subsidy.

When Assisted Referral didn't resolve the complaint, we opened an Investigation. The embedded network entity said its process for solar installation was underway, and it would advise all residents once it had established what capacity there was in the area and what size system the local electricity distributor would allow. The complaint was resolved shortly afterwards, when the embedded network entity made Mr M and other residents in the village an acceptable offer on a solar system, inclusive of the benefits of the Solar Homes Rebate. 2019/21044

Embedded network

EMBEDDED NETWORK: An embedded network that is, or is part of, an EWOV scheme participant

COMMON SUB-ISSUES: Billing error, high bill, tariffs, billing delay, fees & charges, disconnection

Jurisdiction

EWOV has been able to deal with embedded network complaints since 1 July 2018. Embedded networks are private electricity networks supplying homes or businesses within specific self-contained sites — including apartment buildings, shopping centres, caravan parks and retirement villages. Under the *General Exemption Order*, embedded network entities in Victoria are required to join an approved customer dispute resolution scheme — that scheme is EWOV.

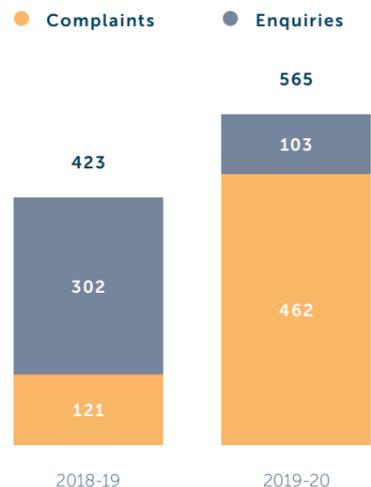
126,977 customers can now have their complaint dealt with by us. To increase this number, we continue to work with the Essential Services Commission to identify embedded network entities that haven't yet joined EWOV.

By 30 June 2020, EWOV Limited had 419 embedded network members across 1,105 sites:

- 601 residential sites
- 11 residential commercial sites
- 246 caravan parks
- 153 commercial sites
- 94 retirement villages.

There's a full list of embedded network scheme participants on our website: www.ewov.com.au.

2 year history



Trends in embedded network cases

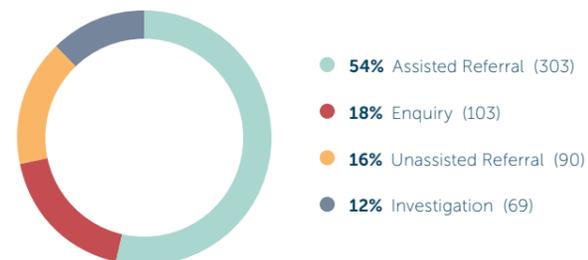
2019-20 was EWOV's second year of embedded network jurisdiction.

We saw embedded network cases increase to 2% of all EWOV cases (up from 1%) and 84% of cases fall within our jurisdiction (up from 30%).

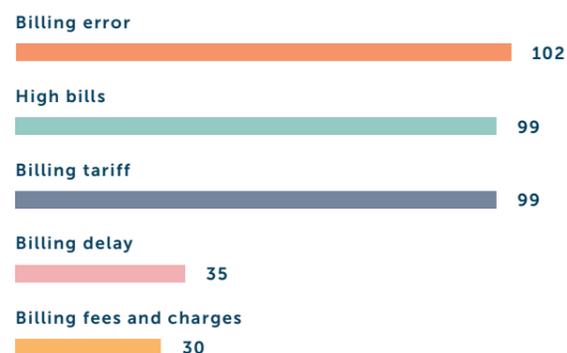
We received 565 embedded network cases, 34% more than in 2018-19:

- 370 cases (65%) about embedded network entities that are EWOV scheme participants in their own right
- 107 cases (19%) about embedded network entities that operate under the licence of an existing EWOV scheme participant (e.g. an electricity retailer)
- 88 cases (16%) about embedded network entities that are not yet EWOV scheme participants.

Cases by stages



Top sub-issues



CASE STUDY

Arriving at a fair refund

Shopping centre tenant | Faulty meter
| Overcharged for 6 years

Mr N, the owner of a grocery business in a shopping centre, contacted EWOV unable to agree on the amount he should be refunded after high billing due to a faulty meter. He calculated the refund at \$162,000.

The embedded network entity, through which his electricity was purchased, had acknowledged the faulty meter. It initially offered him \$100,000, before increasing this to \$112,000, then \$140,000.

We opened an Investigation when the embedded network entity advised us that it had already apologised to Mr N and had met with him several times without reaching a resolution. It confirmed that the meter at Mr N's business was replaced in 2018, after which his bills fell significantly.

Our review of the billing data for Mr N's business showed that he had been charged a total of \$343,413 since July 2012. We were also able to draw on historical and current meter data to calculate our assessment that Mr N had been overcharged \$109,446. We shared our calculations with him and with the embedded network entity.

The embedded network entity elected to increase its offer to \$147,000. Mr N accepted this and the complaint was closed. 2019/16975

Billing issues

429 embedded network cases were about billing, most commonly:

- 102 (24%) about billing errors
- 99 (23%) about high bills
- 99 (23%) about tariffs.

Among the issues that customers with embedded network billing complaints raised with us:

- They had no access to the Victorian Default Offer.
- There was little or no information on bills about prices, usage or billing period.
- The monthly supply charge was higher than the cost of their usage.
- There were unexplained increases in rates and daily connection charges.
- Agreed payment discounts weren't applied.
- They had no access to off-peak rates.
- They had no access to the smart meter to view their usage.

Credit issues

43 embedded network cases were about credit:

- 25 (58%) about disconnection
- 10 (23%) about payment difficulties
- 8 (19%) about debt collection/credit default listing.

Among the issues that customers with embedded network credit complaints raised with us:

- They weren't receiving concessions.
- They couldn't arrange payment extensions or other assistance.
- In financial hardship, they weren't told about government grants.
- Collection activity after bill payment wasn't credited to their account, despite proof of payment.
- Debt collection after the neighbouring apartment's meter was read, not theirs.

Systemic issues

EWOV's role and responsibilities

Our systemic issues identification and reporting responsibilities are underpinned by the *EWOV Charter* and the *EWOV Limited Constitution*, regulatory memoranda of understanding and reporting protocols, and the *Benchmarks for Industry-Based Customer Dispute Resolution*. These responsibilities differ slightly between energy and water.

In energy, where we believe a potential systemic issue exists and it hasn't been appropriately remediated by the energy scheme participant — or we haven't been able to obtain a formal response from the scheme participant — we must formally refer the potential issue to the Essential Services Commission for its investigation.

In water, we identify, investigate and seek redress for affected customers — with a report to the Department of Environment, Land, Water and Planning on the outcome and whether the water corporation has co-operated with us to resolve the issue appropriately.

Defining systemic

We define a systemic issue as an issue, problem or change in scheme participant policy or practice that affects, or has the potential to affect, a number of customers. Some affected customers contact EWOV and some don't.

Identification of systemic issues gives us the opportunity to alert the scheme participant concerned, to help bring about a timely and efficient solution and reduce the potential for more customers to be affected.

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

SYSTEMIC ENERGY ISSUES

Billing:

- Bill smoothing arrangements not covering usage SI/2018/14
- Errors in processing direct debits SI/2018/25
- Electricity bills showed estimated meter readings as actual SI/2019/10
- Notice of rate changes SI/2019/12
- Wrong information in online app SI/2019/18
- Invoice for LPG bills already paid SI/2019/33
- Refunds in error SI/2019/37
- Backbilling after customers were charged on summer gas rates in winter SI/2019/39
- Inability to display Best Offer on bills SI/2019/41
- Opening meter readings shown on bills as estimated SI/2019/43
- Retailer unable to view new bills SI/2019/52
- Bills missing start and end index reads SI/2020/1
- Double billing and incorrect service charges SI/2020/7
- Delays for large customers SI/2019/42
- Fees charged for direct debit rejection SI/2019/4

Credit:

- Disconnected customers not taken back or reconnected SI/2019/20
- No advice of payment difficulty assistance on disconnection notices SI/2019/30
- Overpayment of energy concessions entitlements SI/2019/36
- Delays in sending grant application forms SI/2019/46 and SI/2019/49
- Non-compliant disconnection warning notice SI/2019/3
- No mention of EWOV on notices SI/2020/22

Customer service:

- Unable to contact energy retailer SI/2020/9
- Provision of information about COVID-19 relief package SI/2020/24

Marketing:

- Rates unclear in contract information SI/2018/48
- Accounts set up even though the prospective customer failed a credit check SI/2019/44

Privacy:

- Emails addressed to wrong customers SI/2019/51

Provision:

- No notice of remote disconnection for smart meter properties SI/2019/40

Supply:

- Low gas pressure affecting appliance use SI/2019/26
- Water in gas service lines SI/2019/45
- Better checking for electricity voltage variation events SI/2019/22 & SI/2019/23

Transfer:

- Switched to another energy retailer without their consent SI/2018/61

SYSTEMIC WATER ISSUES

Billing:

- Incorrect charging of tenants for water usage SI/2018/46
- Sewage disposal charges applied when they weren't before SI/2019/21

Privacy:

- Inappropriate sharing of details SI/2019/24
- Customer data shared in emails SI/2020/11, SI/2020/12 and SI/2020/13

Land:

- Compensation claims from water customers SI/2019/48

Delays in sending grant application forms

Our case handling revealed delays in sending Utility Relief Grant application forms to customers, following issues with the Department of Health and Human Services' (DHHS) online portal. Two energy retailers told us they had taken the delay up with DHHS. We understand the portal was updated shortly afterwards.

Two systemic issues: SI/2019/46 and SI/2019/49

Backbilling after customers were charged on summer gas rates in winter

Our case handling revealed that customers of a gas retailer were backbilled after the retailer wrongly charged them on summer gas rates during winter. Just under 55,000 customers were affected. The retailer advised that the winter gas rates in its billing system didn't roll over from the previous year as they should have. It said it had set up a customer hotline, sent affected customers written apologies, and provided account credits. It also amended its rates change process. SI/2019/39

Incorrect charging of tenants for water usage

Our case handling revealed that a water corporation was charging 580 tenants for water that wasn't measured by a dedicated check meter. This isn't permitted under the *Water Act 1989*. The Department of Environment, Land, Water and Planning advised us it was aware of and monitoring the issue. SI/2018/46

Sewage disposal charges applied when they weren't before

Our case handling highlighted that a water corporation had started to include sewage disposal charges on the bills of customers whose property was connected to the main sewer, but who hadn't been billed previously. The water corporation said that in reviewing its asset data, it found 2,606 properties with unbilled sewer availability. It said 679 of these properties were now being billed, and there were valid reasons why the other properties still weren't. SI/2019/21

No notice of remote disconnection for smart meter properties

Our case handling showed that an energy retailer's disconnection notice for occupier accounts didn't state that customers with a smart meter could have their electricity supply disconnected remotely. This is a breach of clause 110(2)(h) of the *Energy Retail Code*. The retailer amended the notice and made a total of 52 wrongful disconnection payments. SI/2019/40

Switched to another energy retailer without their consent

Our case handling revealed that customers had been signed up to an energy retailer without their consent. The retailer said the customers' details had been entered fraudulently by a sales agent for one of its third-party marketing service providers. It said it had since audited all of the accounts referred by the sales agent, and the third-party marketer had terminated its agreement with the agent. 67 affected customers were identified and their accounts either closed or retrospectively transferred back to their previous retailer. SI/2018/61

Accounts set up even though the prospective customer failed a credit check

Our case handling highlighted an issue around the setting up of energy accounts. When a prospective customer failed a credit check, an existing customer (a relative) was contacted by the retailer's agent and asked to set the electricity and gas accounts up for them — on the understanding that the accounts would revert to the new customer once they were active. The energy retailer said its agent had acted outside standard documented process and sales teams would be reminded about process requirements. SI/2019/44

Water in gas service lines

Our case handling revealed that about 50 customers had been affected by gas outages over the past year, due to water entering a gas distributor's service lines. The distributor advised us it was planning to install a small high-pressure network extension and renew the mains in the affected street. It said it had responded to the reported gas supply incidents using 'reasonable endeavours' to meet guaranteed service levels. SI/2019/45

Compensation claims from water customers

Our case handling highlighted problems after a water corporation's main burst and water leaked into a gas distributor's mains. Several customers of the water corporation contacted EWOV seeking compensation for damage and loss. The water corporation advised that its offer to all affected customers would be to pay the customer's excess for any successful claim made on their own insurance. SI/2019/48

Electricity

14,265
Cases
↓24%

60%
of all cases

View more information and our interactive data online at ewov.com.au/2020

The customers

There are just over 2.86 million residential and small business electricity customers in Victoria,¹ most of whom have been able to choose their electricity retailer since early 2002. They can't choose their electricity distributor, because each of the five distributors owns and operates the 'poles and wires' network in a specific part of the state. Some customers (e.g. customers in caravan parks, retirement villages, retail complexes) buy their electricity through an embedded network entity. For more information about embedded networks, see pages 46 and 47.

The scheme participants

EWOV Limited had 49 electricity members under licence at 30 June 2020:

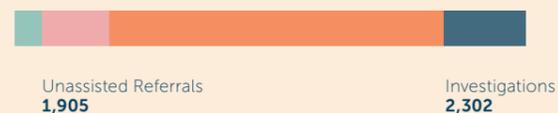
- 41 Retailers
- 5 Distributors
- 3 Transmission companies

A further 419 electricity embedded network entities were members under the *General Exemption Order*.

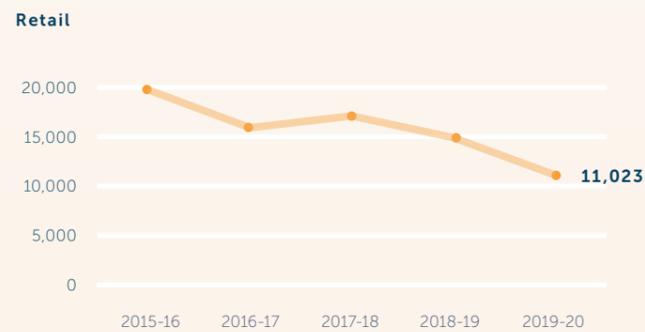
There's a full list of electricity scheme participants on our website: www.ewov.com.au.

Cases by stages

Enquiries **748** Assisted Referrals **9,310**

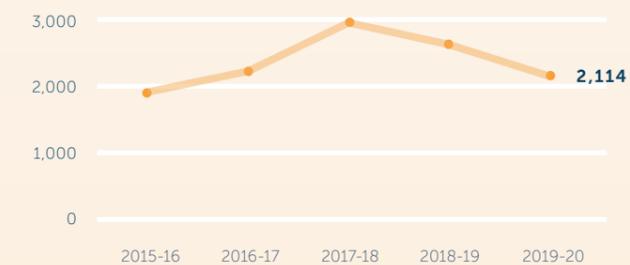


5-year history of case numbers



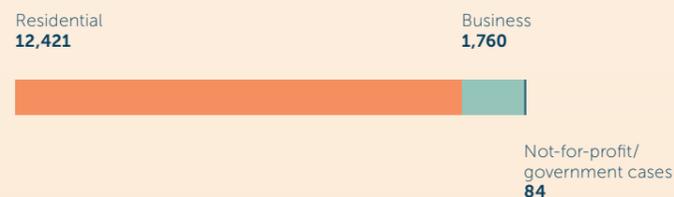
Note: The variation in data from 2020 and previous years in licence complaint numbers relates to the allocation of out of jurisdiction complaints across embedded networks and licensed businesses in the period before EWOV could take embedded network complaints.

Distribution

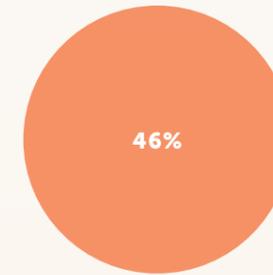


Note: There were also 758 (5%) non-company specific electricity cases and 370 (3%) retail embedded network cases.

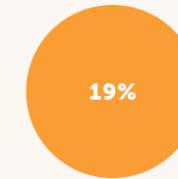
Cases by customer type



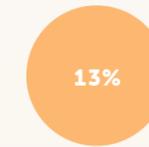
The issues



Billing	6,510
Tariff	1,403
Error	1,355
High	1,300
Concession	560
Backbill	387
Fees and Charges	384
Refund	315
Delay	273
Estimation	166
Format	149
Meter	122
Other	89
Bulk Hot Water	7



Credit	2,718
Collection	1,165
Disconnection	820
Payment Difficulties	733



Provision	1,790
Existing Connection	1,141
New Connection	513
Disconnection	136



Transfer	1,065
In Error	292
Contract Terms	240
Without Consent	230
Delay	128
Objection	99
Cooling Off Rights	76



Supply	816
Off Supply - Planned	328
Off Supply - Unplanned	263
Variation	211
Quality	14



Customer service	517
Poor Service	190
Incorrect Advice / Information	136
Failure to Respond	119
Failure to Consult / Inform	72

2%



Land	305
Network Assets	144
Property Damage	74
Vegetation Management	68
Other	9
Street Lighting	8
Easement	2

2%



General Enquiry	268
Energy	268

1%



Marketing	203
Misleading	118
Pressure Sales	44
Information	23
Other	18

1%



Privacy	73
Details Requested	17
Other	17
Details Obtained Without Consent	16
Details Released	14
Disclosure Refused	9

Note: Percentages are rounded to the nearest whole number, so may not always total to 100%.

¹ Essential Services Commission 2018, *Victorian Energy Market Report: 2018-19*

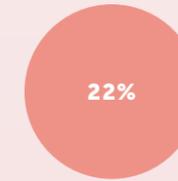
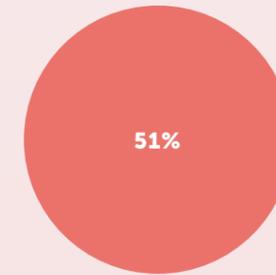
Gas

7,833
Cases
↓25%

33%
of all cases

View more information and our interactive data online at ewov.com.au/2020

The issues



Billing	4,000
High	1,155
Error	839
Backbill	426
Concession	354
Estimation	318
Refund	174
Tariff	174
Fees and Charges	159
Delay	112
Meter	98
Bulk Hot Water	81
Format	61
Other	49

Credit	1,695
Collection	652
Disconnection	526
Payment Difficulties	511
Deliveries Stopped	6

Provision	785
Existing Connection	407
New Connection	301
Disconnection	68
Deliveries Stopped	9



Transfer	718
In Error	222
Delay	178
Without Consent	117
Contract Terms	85
Objection	75
Cooling Off Rights	41

Supply	211
Quality	129
Off Supply - Unplanned	51
Off Supply - Planned	20
Variation	11

Customer service	179
Poor Service	68
Incorrect Advice / Information	45
Failure to Respond	37
Failure to Consult / Inform	29



Land	116
Property Damage	75
Network Assets	34
Other	5
Vegetation Management	2

Marketing	58
Misleading	33
Pressure Sales	11
Information	8
Other	6

General Enquiry	40
Energy	40

Privacy	31
Details Requested	10
Details Released	9
Disclosure Refused	5
Other	4
Details Obtained Without Consent	3

Note: Percentages are rounded to the nearest whole number, so may not always total to 100%.

The customers

There are just over 2.05 million residential and small business gas customers in Victoria,² who have been able to choose their natural gas retailer since 2002. They can't choose their distributor, because each of the natural gas distributors owns and operates a network of pipes in a specific part of the state. Customers using LPG at home, or in their business, have choice of LPG retailers or resellers operating in their area.

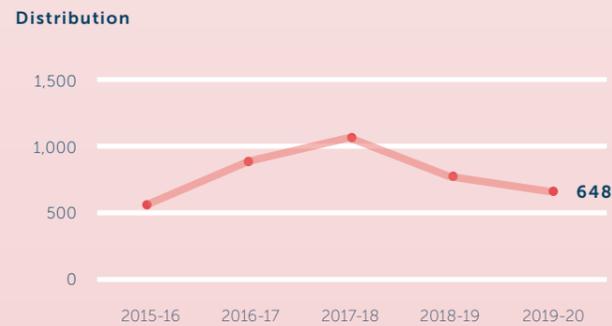
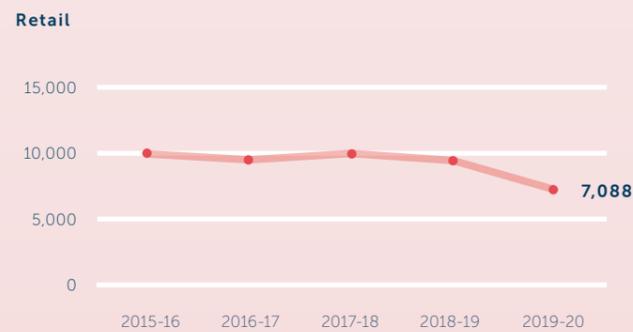
The scheme participants

EWOV Limited had 29 gas members at 30 June 2020:

- 20 Natural gas retailers under licence
- 5 Natural gas distributors under licence
- 4 Liquefied petroleum gas (LPG) retailers under the *LPG Industry Code*.

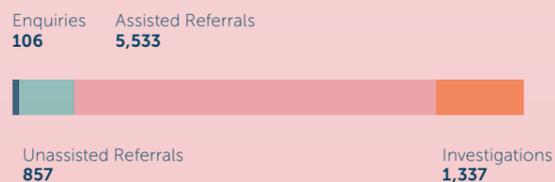
There's a full list of gas scheme participants on our website: www.ewov.com.au.

5-year history of case numbers



Note: There were also 97 (1%) non-company specific gas cases.

Cases by stages



Cases by customer type



² Essential Services Commission 2018, *Victorian Energy Market Report: 2018-19*

Water

1,546
Cases
↓10%

6%
of all cases

View more information and our interactive data online at ewov.com.au/2020

The customers

Across Victoria, there are just over 2.8 million³ residential and business water customers who are provided with water supply, sewage and trade waste disposal and treatment, water delivery for irrigation and domestic and stock purposes, drainage, and salinity mitigation services.

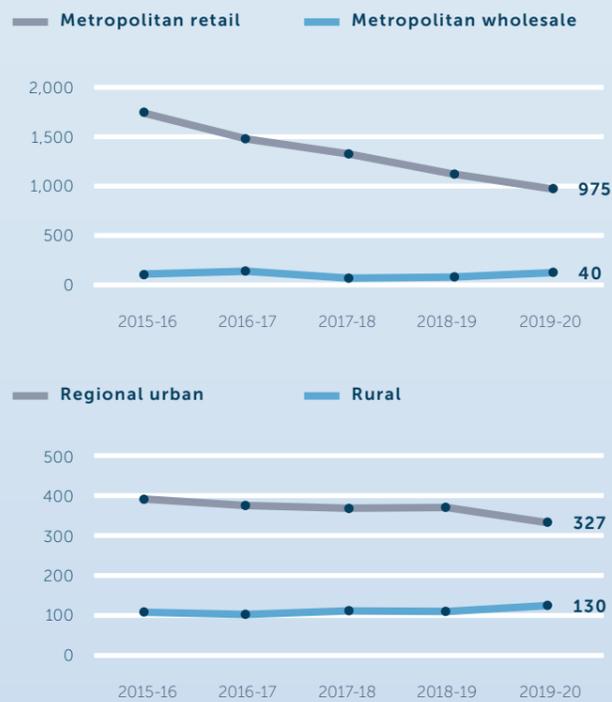
The scheme participants

EWOV Limited had 19 water members at 30 June 2020 – all of them are State-owned water corporations constituted under the *Water Industry Act 1989*:

- 3 metropolitan retailers
- 1 metropolitan wholesaler
- 11 regional urban water corporations
- 2 rural water corporations
- 2 rural urban corporations.

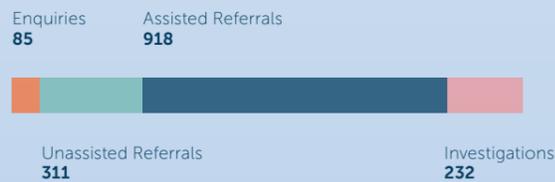
There's a full list of water scheme participants on our website: www.ewov.com.au.

5-year history of case numbers



Note: There were also 74 (5%) non-company specific water cases.

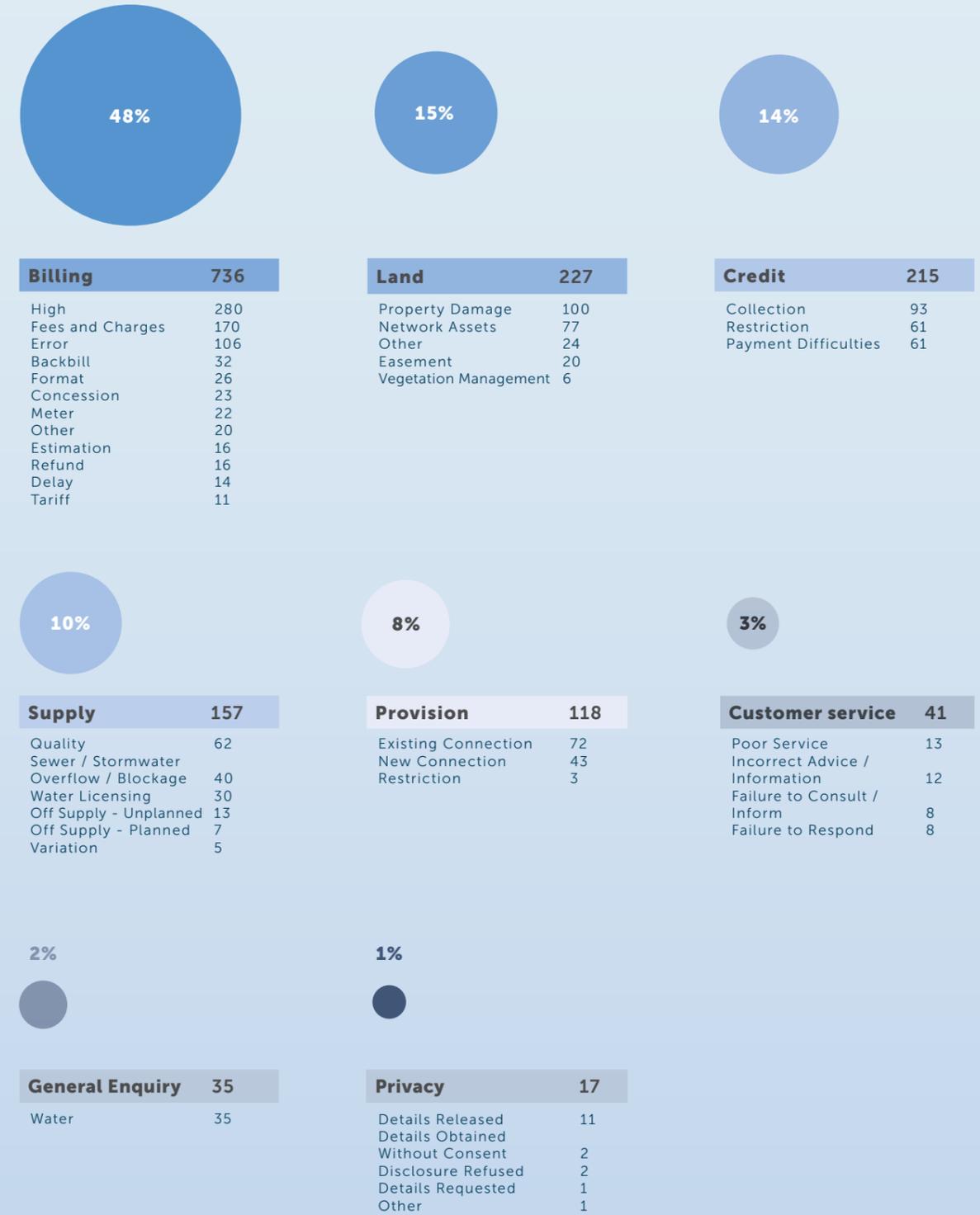
Cases by stages



Cases by customer type



The issues



Note: Percentages are rounded to the nearest whole number, so may not always total to 100%.

³ Essential Services Commission 2019, *Water performance report 2018-19: Performance of Victorian urban water and sewerage businesses*

Income Statement

For the year ended 30 June 2020

	2020	2019
	\$	\$
Revenue	8,630,390	8,799,546
Employee benefits expense	(7,036,748)	(7,249,834)
Depreciation and amortisation expense	(1,097,014)	(274,483)
Finance lease interest	(220,499)	-
Rent and office move expense	(403,112)	(841,565)
Administration expenses	(785,789)	(705,922)
Consultancy expenses	(286,274)	(45,681)
Research & Communication expenses	(137,115)	(172,027)
Training and development	(141,844)	(185,669)
Loss before income tax expense	(1,478,005)	(675,635)
Income tax expense	-	-
Loss for the year	(1,478,005)	(675,635)
Other Comprehensive Loss	-	-
TOTAL COMPREHENSIVE LOSS	(1,478,005)	(675,635)

Balance Sheet

As at 30 June 2020

	2020	2019
	\$	\$
Current Assets		
Cash and cash equivalents	3,843,183	4,613,692
Financial asset - term deposits	3,259,316	3,182,155
Trade debtors and other assets	180,352	181,198
Total Current Assets	7,282,851	7,977,045
Non-Current Assets		
Plant and equipment	2,247,039	1,828,203
Intangibles	199,264	231,133
Right of Use Asset	4,726,190	-
Total Non-Current Assets	7,172,493	2,059,336
TOTAL ASSETS	14,455,344	10,036,381
Current Liabilities		
Trade and other payables	1,146,967	1,114,389
Provisions	1,092,862	1,031,011
Lease liability	722,350	-
TOTAL CURRENT LIABILITIES	2,962,179	2,145,400
Non-Current Liabilities		
Provisions and office lease incentives	756,578	1,287,014
Lease liability	5,610,625	-
Total Non-Current Liabilities	6,367,203	1,287,014
TOTAL LIABILITIES	9,329,382	3,432,414
Net Assets	5,125,962	6,603,967
Members' Equity		
Retained surplus	5,125,962	6,603,967
TOTAL MEMBERS' EQUITY	5,125,962	6,603,967

Cashflow Statement

For the year ended 30 June 2020

	2020	2019
	\$	\$
Cash flows from operating activities		
Levy receipts from Members (inclusive of goods and services tax)	8,129,405	9,921,993
Payments to suppliers and employees (inclusive of goods and services tax)	(8,738,718)	(10,262,339)
Interest received and other income	197,941	169,261
Interest paid	(220,499)	-
Net cash used in operating activities	(631,871)	(171,085)
Cash flows from investing activities		
(Payments to) acquire / Proceeds from financial assets	(77,161)	(617,573)
Payments for plant and equipment and intangibles	(874,708)	(1,719,549)
Proceeds from lease incentives	1,402,643	962,548
Net cash from / (used in) investing activities	450,774	(1,374,574)
Cash flows from financing activities		
Repayment of lease liabilities	(589,412)	-
Net cash used in financing activities	(589,412)	-
Net decrease in cash and cash equivalents	(770,509)	(1,545,659)
Cash and cash equivalents at the beginning of the financial year	4,613,692	6,159,351
Cash and cash equivalents at the end of the financial year	3,843,183	4,613,692



We can help with complaints about electricity, gas or water companies, or embedded network entities, which a customer hasn't been able to resolve directly with the company or entity.

Our services are free and available to everyone.

FREE CALL

1800 500 509

Calls from mobile phones may attract charges.
We can call back.

If calling from a restricted phone service, ring 12550 (Telstra reverse charges) and ask for (03) 8672 4450. We will accept the reverse charges and the call cost.

Interpreter service: 131 450

National Relay Service: 133 677

USE THE COMPLAINT FORM ON OUR WEBSITE

www.ewov.com.au

WRITE TO US

GPO Box 469 Melbourne 3001

EMAIL US

ewovinfo@ewov.com.au

FAX US

1800 500 549 (free fax)



ABN: 57 070 516 175