



Winter 2013 issue

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EWOV opened in May 1996. By 31 May 2013, we had assisted over 403,000 energy and water customers, most of them residential.

We provide independent advice, information and referral regarding energy and water services.

We receive, investigate and facilitate the resolution of complaints involving customers and energy and water service companies in Victoria.

We identify, and where appropriate redress, systemic issues and refer these to energy and water companies and regulators.

We work with customer groups, industry and regulators to drive ongoing customer service improvement and to prevent complaints.

Message from the Ombudsman

We place a high value on maintaining strong working relationships with all of EWOV's key stakeholders. Co-operation and collaboration underpin our collective capacity to deliver effective outcomes for Victoria's energy and water customers and the broader Victorian community.

We've therefore been pleased to have recent opportunities to share what we do, how we do it and the results we achieve, with community representatives.

A 'behind the scenes' EWOV familiarisation workshop ([see page 5](#)) saw us host a group of Victorian financial counsellors at our office. Participants gained a first-hand feel for our work, by listening to calls being handled by our staff at different points of our dispute resolution process. They also shared with us their first-hand experiences of energy and water issues facing their clients. We plan to run more of these workshops.

We also recently joined with other Ombudsman schemes to present at an *Unlocking the Codes* professional development day run by the Financial & Consumer Rights Council (FCRC) ([see page 4](#)) and at the annual *External Dispute Resolution (EDR) Forum*.

We look forward to further opportunities for this type of engagement with community agencies and FCRC.

Cynthia Gebert
Energy and Water Ombudsman (Victoria)

Understanding flexible electricity pricing

As we reported in the last issue of *EWOV Connect*, some customers with Smart Meters installed at their property will soon be able to choose to take up flexible electricity pricing. Flexible pricing, also known as ‘time-of-use pricing’, is essentially a mix of different tariffs for different times of day. It’s intended to give customers more options and better control of their electricity bills. Usage is recorded every 30 minutes, so the customer’s bill can take account of when electricity is used, as well as how much is used. Customers can, for example, save money by shifting their usage from peak periods to off-peak periods. Our [new fact sheet](#) explains flexible pricing and answers some initial questions customers may have about it.

The Department of State Development, Business and Innovation (DSDBI) has created a new flexible pricing page on its [Switch On](#) website (see breakout box at right for links to this and other info on the *Switch On* site). DSDBI says other tools to help customers understand flexible pricing will follow later in 2013.

New EWOV fact sheet

Explains flexible pricing

Answers common customer questions

Flexible electricity pricing
INFORMATION ABOUT TIME-OF-USE TARIFFS FOR ELECTRICITY CUSTOMERS
FACT SHEET 03

This fact sheet is designed to provide information about the introduction of flexible pricing, also known as time-of-use pricing, for Victorian electricity customers.

A quick look at flexible pricing

- During 2013, electricity customers will be offered a choice between a flat rate and new flexible pricing.
- Flexible pricing is designed to give customers more options and better management over their electricity bills. It also provides an incentive to shift electricity consumption from times of the day when there is the most demand for the network (peak times) to times when there is less demand (off-peak).
- Shifting your electricity usage from peak to off-peak times could save you money on your bill.
- Flexible pricing is a mix of different electricity tariffs for different times of the day. See the next page for more information about this.
- Some electricity companies will offer a variety of products and flexible tariff structures. You can contact electricity companies to find out if you're eligible and what's available to you.
- Customers will need a Smart Meter to access flexible pricing. Smart Meters record electricity usage in intervals, usually every 30 minutes. This means that customers can be billed based on not just how much electricity they use but also when they use it.
- Some electricity retailers and distributors have online web portals that allow you to also view and manage your daily or hourly electricity consumption.

Key points about flexible pricing

- Flexible pricing will be available later in 2013 for customers with Smart Meters.
- It's voluntary — you don't have to change your existing tariff — you must consent to a change.
- If you're a household and switch to flexible pricing with your current retailer and then change your mind, you can swap back to your original tariff structure without an administration fee (until March 2015). However, an early contract termination fee may apply — ask your retailer about this.
- Interactive devices such as web portals and in-home displays will increasingly become available. When used in conjunction with a Smart Meter, these tools provide customers with more detailed information about their electricity consumption.
- More usage information can help customers make a clear decision about the suitability of flexible pricing for them. It also helps control usage at the property and, ultimately, the cost of electricity bills.
- See the next questions.

Information content sourced from the [Industry website](#)

ENERGY AND WATER OMBUDSMAN
Victoria Listen Assist Resolve

Freecall: 1800 500 509
Freefax: 1800 500 549
Email: ewov@ombudsman.vic.gov.au
Web: www.ewov.vic.gov.au

What does this mean for you?
With the imminent arrival of flexible electricity pricing, we think you'll find this fact sheet handy to use with clients. You can [download a PDF copy](#) from our website or request hard copies using our [online publication request form](#).

YOU CAN USE THE INFO ON THE 'SWITCH ON' WEBSITE TO HELP YOUR CLIENTS MANAGE ELECTRICITY COSTS

An [energy comparison tool](#) to compare usage with that of other households

What makes up the cost of power bills?

[Energy Saver Incentive](#) for discounts and special offers on selected energy saving products/appliances

Info on [flexible pricing](#)

Calculate the cost of major appliances

Top 10 ways to [save power](#)

[Concessions/rebates](#)

Flexible electricity pricing
INFORMATION ABOUT TIME-OF-USE TARIFFS FOR ELECTRICITY CUSTOMERS
FACT SHEET 03

Frequently Asked Questions

What if I already have peak and off-peak tariffs?
Currently, some residential and business customers receive an off-peak tariff for energy use at different times of the day. Others have off-peak for a dedicated appliance, such as a hot water system. Once flexible pricing is introduced, the tariff will apply to all electricity usage, not just dedicated appliances. If you receive an off-peak tariff already, when you may need to consider whether flexible pricing will be a better deal for you.

Are the new flexible tariffs higher than the current flat tariffs?
There will be a mixture of tariffs, depending on what time of day the electricity is used. The peak tariff will apply when the cost of delivering electricity is the highest, generally during the afternoon and early evening. Off-peak is the lowest tariff and generally applies overnight. The shoulder tariff is between the peak and off-peak tariffs. See examples on the right.

What will the flexible pricing tariffs be?
The electricity market in Victoria is deregulated. Electricity retailers offer different products and contracts, each with different prices and associated terms and conditions. It's important to fully understand what the impact may be if you change to flexible pricing and/or electricity retailers. You can visit the independent government price comparison at: www.ewov.vic.gov.au

I've received my first bill since switching to flexible pricing and it's a lot higher than normal. Check to see which tariff was used to bill most of your consumption — was it the peak tariff? If it was, then you may want to reconsider if flexible pricing is best suited to your individual circumstances and electricity consumption patterns.

I don't yet have a Smart Meter, how do I get one?
If you don't already have a Smart Meter installed and want to access flexible pricing, contact your electricity retailer to enquire. If your local electricity distributor can bring the installation date forward, there may be a fee for this, so check this with the company first. As part of the Victorian Government program, every household and small business will have a Smart Meter installed by the end of 2013.

How will I know if flexible pricing is right for me?
Flexible pricing has the potential to save customers money, but won't suit everyone — particularly households that have high consumption at peak times of the day. You should carefully consider the options and whether or not you'll be better off with flexible pricing or by staying on your current tariff structure.

Do I have to change to flexible pricing?
No — you can decide whether to change to flexible pricing or not. Your electricity company must obtain your consent to change your tariff.

When will the different tariffs apply?
Each electricity company will set the times that the different tariffs apply. The diagrams below are examples of what times of day the different tariffs will apply for weekdays and weekends.

Contacts and more information

How do I find out more about flexible pricing?
You can contact your electricity company to find out what flexible pricing options are available.
You can also visit the Department of Primary Industries (DSDBI) on website at www.switchon.vic.gov.au or call 136 266 for more information.

ENERGY AND WATER OMBUDSMAN
Victoria Listen Assist Resolve

Freecall: 1800 500 509
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New EWOV brochure

A snapshot overview of our complaint handling process

Explaining EWOV's complaint process

A [new How we help brochure](#) provides an easy-to-understand snapshot overview of what EWOV does at each stage of its complaint handling process—Enquiry, Unassisted Referral, Assisted Referral, Real Time Resolution and Investigated Complaint. It also outlines how to lodge a complaint, what we can help with, some basics about jurisdiction and reminds readers that our services are free and impartial.

What does this mean for you?

As well as being a very useful general resource, this is a good brochure to hand out to a client after their complaint has been lodged with EWOV. You can [download a PDF](#) copy from our website or request hard copies using our [online publication request form](#).

WHAT IS THE ENERGY AND WATER OMBUDSMAN (VICTORIA) (EWOV)

We assist you to resolve complaints with your electricity, gas (including LPG), or water company.

Independent and free for Victorians.

Our outcomes are fair to you and your company.

WHAT EWOV IS NOT

WE ARE NOT an industry watchdog, regulator or government.

WE CANNOT change government policy or the price of energy or water.

WE DO NOT act on your behalf and we do not act on behalf of your company.

CONTACT EWOV

Remember: before you contact us you need to try to resolve the issue with your electricity, gas or water company.

Call us: 1800 500 509 (Freecall) between 8:30am and 5pm, Monday to Friday.

Go online: www.ewov.com.au

Email us: ewovinfo@ewov.com.au

Write to us: Reply Paid 469 Melbourne VIC 8060 (we accept letters in Braille)

Fax us: 1800 500 549 (Freefax)

Interpreter service: 131 450

For hearing and speech impaired contact the National Relay Service.

Online at: www.relayservice.com.au

Speak and Read
If you can speak, but cannot hear call: 133 677 or 1800 555 677 (Freecall)

Type and Listen
If you can hear, but are not able to speak call: 133 677 or 1800 555 677 (Freecall)

Speak and Listen
If you are hard to understand on the phone call: 1300 555 727 or 1800 555 677 (Freecall)





HOW WE HELP

A guide to how we handle your electricity, gas (including LPG) and water complaints.

Our service is free, so call us on 1800 500 509 (Freecall) or visit our website www.ewov.com.au. You can call the interpreter service on 131 450.

01 HOW EWOV HELPS RESOLVE COMPLAINTS

Our process is split into stages. We determine which stage your complaint is handled at.

A different person at EWOV may handle each stage of your complaint. The person handling your complaint is skilled and trained to do this.

We always update you on your complaint. However, if you are unsure, contact us.

If we cannot help you resolve your complaint, we will tell you why and refer you to an appropriate body.

COMPLAINT STAGES EXPLAINED

01 ENQUIRY

This is when you request information, or want to tell us something, but do not want to make a complaint.

02 UNASSISTED REFERRAL

If you have not contacted your company about your complaint before contacting us, we will register an Unassisted Referral. This means we give you information so that you can contact your company directly to resolve your complaint.

03 ASSISTED REFERRAL

If you have contacted your company but have been unable to resolve your complaint, we will register an Assisted Referral. This means we contact your company and request that it investigates your concerns and contacts you back. The company has either:

- three business days to contact you by phone or
- five business days to contact you by email or mail.

Your company has a total of 15 business days to resolve your complaint. If you have not heard from your company within these timeframes or if your concerns aren't resolved by its response, contact us again.

04 REAL TIME RESOLUTION

If your Assisted Referral has not resolved your complaint and you contact us back, we may attempt to handle your complaint immediately via directly negotiating with your company. This is called Real Time Resolution.

05 INVESTIGATED COMPLAINT

If your complaint is not resolved via Real Time Resolution, it will become an Investigated Complaint. This is when an EWOV Conciliator investigates your complaint by gathering all relevant information from you and the company.

HOW TO LODGE A COMPLAINT

You can lodge a complaint by phone, on our website (www.ewov.com.au) or in writing. When you make a complaint, we will ask you to provide:

- your contact details
- the name of the company involved in the complaint
- the history of how you've tried to resolve the issue.

Ask the right questions

Know the 'rules'

Help your clients get better outcomes

The value of working with industry codes

Staff from EWOV, the Telecommunications Industry Ombudsman (TIO) and the Financial Ombudsman Service (FOS) collaborated on a very practical presentation for a recent *Unlocking the Codes* day run by the Financial & Consumer Rights Council (FCRC). EWOV's presentation focused on the energy and water codes, to help financial counsellors:

- improve their knowledge of the energy and water codes and the provisions in them (particularly those around billing, credit and disconnection)
- use the codes in their everyday work with clients
- ask the right questions of energy and water companies when acting on behalf of clients (particularly around hardship assistance)
- understand that laws and codes are only one element EWOV considers in working out what is fair and reasonable.

QUICK LINKS TO THE VICTORIAN RETAIL ENERGY AND WATER CODES
(on the Essential Services Commission's website)

[Energy Retail Code](#)
(Version 10)
May 2012

[Water Customer Service Codes](#)
December 2012
[Urban water](#)
[Rural water](#)

We also contributed to a joint, complex and multi-faceted hardship case study to illustrate that hardship is rarely about just an energy bill or a phone bill or a credit card debt—it's usually a combination of financial issues and may require the involvement of several Ombudsman offices. The composite case highlighted the importance of getting in early to ask for help and address problems and potential customer hardship, as well as having the paperwork, notes from calls and information on hand when contacting companies and Ombudsman offices. It also emphasised the critical role financial counsellors can play in effective resolution of complex, multi-faceted issues.

What does this mean for you?

Where you're acting for a client in hardship, ask to speak with someone in the energy or water company's hardship area. You have the right to negotiate a payment plan for your client that takes account of their capacity to pay. If you can't get through to the company's hardship team, or you can't reach a satisfactory outcome when you do, contact EWOV for assistance.



Taking an inside look at EWOV

Taking part in a recent ‘behind the scenes’ workshop at EWOV has helped a group of financial counsellors better understand the practical aspects of our work. As well as listening in on calls taken by our Intake Officers, they spent some time sitting with our Real Time Resolution Conciliators to observe how that team handles complaints.

Feedback about the workshop was excellent, with the following comments typical of the reaction overall:

“clearer about what is happening at EWOV’s end”

“clearer understanding of stages of complaints”

“approaching issues from different angles”

“made me aware of the detailed work involved”

“better understanding of processes/procedures”

The workshop agenda also included an EWOV overview which covered topics such as jurisdiction (the complaints we can and can’t deal with), history and how we can help with hardship complaints.

What does this mean for you?

If your agency would like to take part in a future ‘behind the scenes’ familiarisation workshop at EWOV, please contact Kate Graham on 03 8672 4277.

*Practical
workshop for
financial
counsellors*

*Great
feedback*

*Book in
for one*

**THANKS FOR
YOUR SUPPORT
OF OUR
COMMUNITY
ROADSHOW!**

*We recently
completed a
state-wide community
roadshow that
saw us meet with 820
people from 167
organisations.*

*To mark the success of
the initiative, we’ve
prepared a little
online video wrap-up.*

*[You can view
it here](#)*



Focus on water issues: billing

In [Res Online 4](#), released in May 2013, we reported on EWOV cases for the October to December 2012 quarter. With quite a lot happening in the Victorian water industry over the past year or so (regulatory price reviews, new business plans, legislative changes, a price freeze arising from over-collection of payments related to the Wonthaggi desalination plant and the expansion of the hardship guaranteed service level), we decided to include a [feature article](#) taking a closer look at water cases, issues and developments.

Common water issues

Billing accounted for 65% of all the water issues customers raised with us in the October to December 2012 quarter—most commonly high bills followed by fees and charges. Two of the water case studies from the report follow. The first illustrates an innovative resolution that addressed the customer’s immediate billing complaint and will also help her avoid similar issues in future. The second ([on page 7](#)) illustrates some of the confusion that can arise around who is responsible for paying water charges—in this case, landlord responsibilities versus those of the tenant.

One customer’s billing story

Addressing high bill concerns with a water savings offer

The customer was concerned about persistently high water bills of over \$300, which she believed were too high for her usage. She said her water corporation had told her the bills were based on actual meter readings. It had also asked her to complete a cross-check test, which it said confirmed her billing was in line with the property’s usage. Still concerned that she was being overcharged, the customer contacted EWOV seeking an independent investigation of whether her property was capable of using the amount of water recorded on the meter. Responding to our investigation, the water corporation advised the property was using some 960 litres of water a day. It confirmed the water meter had been tested and found to be operating within Australian Standards. We arranged a meeting with the customer and a representative of the water corporation at the property. A water leak test at that time revealed no leaks. However, the customer’s single flush toilet was found to be using about 10 litres with each flush. To assist resolution of the complaint, the water corporation offered to cover the cost of installing a dual-flush toilet. The customer was satisfied with this outcome and agreed to pay the arrears of \$222.55. 2012/47048

**Res Online 4
water cases
feature**

65% billing

**High bills
case study**

SUPPORT FOR VULNERABLE CUSTOMERS

The Melbourne water industry is joining with three leading social service organisations (Kildonan Uniting Care, Good Shepherd Youth & Family Services and AMES) to form the Vulnerable Customer Taskforce. The aim of the taskforce is to proactively respond to the challenge of higher demand for financial assistance programs.

More from
Res Online 4

Payment of
water service
charges

Water
industry
developments

Focus on water issues: service charges

Water service charges can be particularly hard for people to understand, partly because who is responsible for paying them is not always clear.

One customer's water charges story

Water billing issue leaves tenant at risk of supply restriction

A property owner received a bill of \$3,502.10 for three years' water consumption at her rental property. When she rang to have the bill sent to the tenant, she was told she had to pay it because she hadn't provided the water corporation with her tenant's details. She said she was told it was the landlord's responsibility to establish an account in the tenant's name, and that she would have to recover usage charges from her tenant as the legislation prevented the water corporation from billing the tenant directly. She said she was directed to the Victorian Civil and Administrative Tribunal (VCAT) for further assistance. She said she was also told that what she thought was a backbill was actually accumulated usage and service charges since she bought the property in 2008. Our investigation, including a review of laws and codes, satisfied us that the water corporation could in fact charge the property owner for usage in this instance. Despite that, the water corporation apologised for the inconvenience caused and credited her account with \$1,567 to remove all usage charges and undertook to send her an amended bill. It said that it would, in future, bill her tenant for usage charges and bill her for the service charges only. 2012/46166

DID YOU KNOW?

One of EWOV's online consumer videos covers water charges, leaks, meters and other common water issues.

[More here](#)

Our *Res Online 4* [water feature](#) also included updates on the following Victorian water industry developments:

- the Wonthaggi desalination plant 'refunds' process
- the hardship-related guaranteed service level (GSL)
- the common legislation for all water corporations in Victoria since 1 July 2012
- the Essential Services Commission (ESC)'s Water Price Review 2013-18 that authorised Victorian water prices and service standards for the next few years
- the latest ESC performance report on Victoria's urban water corporations, covering the areas of household consumption, household bills, hardship, customer complaints, network reliability, water quality environmental performance and major projects.

 **Recent energy consumer developments**

Energy Affordability Roundtable

The Energy Ombudsmen around Australia recently partnered with the Energy Retailers Association of Australia and the Australian Council of Social Service to present a report to the Commonwealth Government’s Standing Committee on Energy and Resources. The report, [available here](#), contains the outcomes of a *National Energy Affordability Roundtable* held in Sydney in April 2013. It includes key recommendations for action by government, industry, consumer organisations, regulators and energy Ombudsmen to deal with energy affordability nationwide.

Energy Information Fund

In its May 2013 newsletter, the Consumer Utilities Advocacy Centre (CUAC) reported that the Victorian Government has decided to support community organisations in the development and delivery of energy education for low-income or disadvantaged consumers, through an *Energy Information Fund*. CUAC says its role will be to support the fund by developing a network of community organisations, building a website and resource hub, developing some basic materials, and helping implementation through advice, promotion and assistance for applicants. More in [CUAC’s May 2013 newsletter](#)

Public Interest Advocacy Centre NSW (PIAC) report

Cut off III– the social impact of utility disconnection, a recent PIAC report, has found that paid workers are as likely as pensioners and people who are unemployed, to be disconnected from electricity or other utilities. 44% of households disconnected from electricity, gas or water in NSW last year reported their primary source of income as paid employment. [Full report on the PIAC website](#)

CSIRO Home Energy project

For the past year or so, CSIRO has been managing a large, national participative project on behalf of the Department of Climate Change and Energy Efficiency. The project is directed to helping volunteer participants save money on their power bills by understanding how their home uses energy. It involves in-home energy monitors placed in a sample of homes built in the past decade. The project will provide data for assessing how homes use energy in different Australian climatic zones. The project is nearing completion.

[More on the CSIRO website](#)

Affordability

Consumer information

Utility supply disconnection

Home energy use

CONTRIBUTING OUR EXPERIENCE TO PUBLIC POLICY CONSULTATIONS

Since the beginning of 2013, EWOV has made several public submissions to regulators and government agencies on energy-related issues, including privacy issues around Smart Meters and the harmonisation of energy retail codes.

[More here](#)

More EWOV reports

Energy Marketing and Transfer Report

published in May 2013

covering January 2013 to March 2013

Main findings:

- a 1% decrease in marketing cases
- a 15% increase in transfer cases
- a 2% decrease in door-to-door marketing cases
- a significant increase in transfer delay and associated transfer billing cases

[Report in full and sections here](#)

Solar and Smart Meter Update

published in May 2013

covering January 2013 to March 2013

Main findings:

- a 10% increase in Smart Meter cases
- the majority of Smart Meter cases were about billing (61%), a further 19% involved issues about provision of supply and 9% involved issues with customer service
- a 3% increase in solar cases
- we received almost the same number of solar cases (2,684 cases) as before the closure of the Premium Feed-in Tariff scheme in 2011
- the top solar issue reported to EWOV was delay in upgrading supply

[Report in full and sections here](#)

We've recently included feed-in tariff information in our [Solar and Feed-in Tariff Basics fact sheet](#)

EWOV essentials

We can help with electricity, gas (natural and LPG) and water problems that can't be resolved directly with an electricity, gas or water company. Our services are free and available to everyone.

What kinds of problems?

- the provision and supply of a service (or the failure to provide or supply it)
- billing
- credit and payment services
- disconnections and restrictions
- refundable advances (security deposits)
- land and property issues

How do we resolve problems?

Most things can be sorted out through discussion and agreement. In a small number of cases, the Ombudsman makes a final decision—just like an umpire. Decisions are binding on energy and water companies and may include awards of up to \$20,000 or, if all parties agree, up to \$50,000. Read more on our website: www.ewov.com.au

Freecall 1800 500 509

If the phone service is restricted—ring 12550 (Telstra reverse charges) and quote this number: (03) 8672 4460—we'll accept the reverse charges and the call cost. Calls from mobile phones may attract charges—we can ring you back.

Free fax: 1800 500 549

Interpreter service: 131 450

National Relay Service: 133 677

Email: ewovinfo@ewov.com.au

Online complaint form: <http://www.ewov.com.au/contact-us/new-complaint-form>

Website: www.ewov.com.au

Post: GPO Box 469 Melbourne Vic 3001