



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

# EWOV CONNECT



## Spring 2012 issue

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EWOV opened in May 1996.  
By 31 August 2012, we had assisted 349,856 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

Community outreach is an important aspect of our work.

It helps us build awareness of EWOV's role and process and it enables us to hear from those who use our services.

Our upcoming community road shows place a lot of emphasis on the important role that financial counsellors and community agency workers play in assisting customers with energy and water (and related) problems. As you'll see on page 2, we've planned this latest series of visits with you in mind.

I know your work is often intense and you find yourself stretched for time, but I encourage you to take part when the EWOV community road show heads your way.

We know that, with your assistance, we can reach Victorian consumers whose low awareness of EWOV's services may be preventing them from seeking our assistance.

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

## We're hitting the road to meet with you

Spreading the word about EWOV among energy and water customers is an ongoing job for us. Over the years, we've found that one of the most effective ways of reaching people is by working with existing community networks. So, over the last few weeks, we've been contacting community agencies and customer advocacy groups about taking part in our latest community road shows. This time around, we specifically want to meet with financial counsellors and other community agency workers, whose daily roles bring them into contact with people who could use EWOV's help.

To ensure our planning was on the right track, we road-tested the format and content with a group of financial counsellors from different parts of the state. Thanks to those of you who helped us out with this. Taking that and other feedback on board, the meetings will be informal and relaxed, rather than presentation-style. You'll be able to talk freely about the energy and water issues customers are raising with you. And we'll be able to talk about our complaint handling experience of those issues. We'll also show you the resources EWOV has available to help you and customers in your area generally (including our new website, informational videos, fact sheets, publications and poster).

We hope to chat with you at an EWOV road show in your area over the coming months! Here are some early dates and locations.

September 2012	WANTIRNA SOUTH	UNITING CARE HARRISON
September 2012	EPPING	KILDONAN
September 2012	COLLINGWOOD	KILDONAN UNITING CARE
September 2012	RINGWOOD	EASTERN ACCESS COMMUNITY HEALTH (EACH)
October 2012	ASCOT VALE	MOONEE VALLEY LEGAL SERVICES
October 2012	DINGLEY	DINGLEY VILLAGE COMMUNITY ADVICE BUREAU
December 2012	BALLARAT	CONSUMER AFFAIRS VICTORIA GRAMPAINS REGION
December 2012	LILYDALE	EACH YARRA VALLEY AGED CARE

If you're interested in taking part, but haven't heard anything locally yet, you can contact Kate Graham: [Kathryn.Graham@ewov.com.au](mailto:Kathryn.Graham@ewov.com.au).

### What does this mean for you?

You'll have a great opportunity to raise with us the energy and water issues your clients are raising with you.

You'll be able to gather updated EWOV (and other) information (including our new basic fact sheet and poster).

And, you'll be able to suggest things that we may be able to do to further help you at the front line.

*Meetings tailored to the needs of financial counsellors and community agency workers*



**WE'RE ALSO WORKING ON OTHER MEETINGS FOR:**

*Geelong  
Hamilton  
Ashfield  
Fitzroy  
Bairnsdale  
Mildura*

Helping get the energy and water message across to people with limited English

## New EWOV energy and water fact sheet

We took on board some user feedback that our previous basic energy and water fact sheet could be improved—to make it easier to read for the customers it's meant to help (those whose English is limited and/or those who may have little understanding of energy and water matters). Addressing this, our new basic fact sheet (shown below and available now) is simpler, visually user-friendly with recognisable images and symbols, and written in plain English. It folds down to a handy DL size.



**06 HAVE YOU BEEN DISCONNECTED?**  
You should have received a disconnection notice from your company. Please refer to this for company contact details.  
To get your service back on, please:  
• CONTACT your company.  
• ASK for help to pay your bills.  
• ASK when your service will be turned back on.  
Call Energy and Water Ombudsman (Victoria) on 1800 500 509 and we can help you get reconnected.

**07 MARKETING**  
Salespeople may knock on your door or call you, asking you to change companies.  
If you do not want to talk to these salespeople:  
• SAY 'I am not interested, thank you.'  
• ASK the salesperson to leave.  
You should ask for identification (ID) before talking to any door-to-door salesperson.  
If you sign a contract then change your mind, you have 10 business days to contact the company to cancel the contract.  
Salespeople may also contact you on the phone. If you do not want them to contact you, please call the Do Not Call Register on 1300 792 958.

**08 MOVING OUT?**  
When you are moving out, you need to call your companies to ask for final bills. Tell them your new address.  
**CONTACT EWOV**  
Remember: before you contact us you need to try to resolve the issue with your electricity, gas or water company. If you're not sure which company you're with, check your bill.  
Call us: 1800 500 509 (Freecall) between 8:30am and 5pm, Monday to Friday.  
Go online: [www.ewov.com.au](http://www.ewov.com.au)  
Email us: [ewovinfo@ewov.com.au](mailto:ewovinfo@ewov.com.au)  
Write to us: Reply 1341 409 Melbourne VIC 3000 (see script letters to Braille)  
Fax us: 1800 500 549 (Freecall)  
Interpreter services: 131 455  
For hearing and speech impaired contact the National Relay Service.  
Online at: [www.nrs.gov.au](http://www.nrs.gov.au)  
Speak and Read  
If you can speak, but cannot hear call: 131 457 or 1800 555 477 (Freecall)  
Type and Listen  
If you can hear, but are not able to speak call: 131 457 or 1800 555 477 (Freecall)  
Speak and Listen  
If you are hard to understand on the phone call: 1800 500 509 or 1800 555 477 (Freecall)

**01 MOVING IN?**  
Electricity, gas and water are not free. You need to set up your electricity, gas and water accounts.  
Follow these steps:  
• CALL an electricity, gas and water company.  
• TELL them you would like to connect the service.  
• STATE and SPELL your name and your address.  
• If you have a concession card, make sure the name you give is the SAME as the name on your card.

**02 CHOOSING YOUR COMPANIES**  
You choose your energy company. Compare by contacting Your Choice on 1300 134 575 or [www.yourchoice.vic.gov.au](http://www.yourchoice.vic.gov.au)  
You cannot choose your water company. To find out which water company services your area, please speak with your local council, settlement worker or neighbour. Or visit [www.water.vic.gov.au](http://www.water.vic.gov.au)

**03 SAVING MONEY**  
The more electricity, gas and water you use, the more you pay. Some appliances in your home use a lot of energy.  
Be CAREFUL when you use heaters, air conditioners and clothes dryers. Remember to turn off taps.

**04 PAYING BILLS**  
You need to pay for the electricity, gas and water you use. If you don't pay your bills, your energy may be disconnected or water restricted.  
You can pay bills:  
• At an Australia Post office.  
**Centrepay**  
• In small amounts from your Centrelink payment. Ask Centrelink how this is done using Centrepay.  
• Over the phone using a debit or credit card.  
• With online banking.

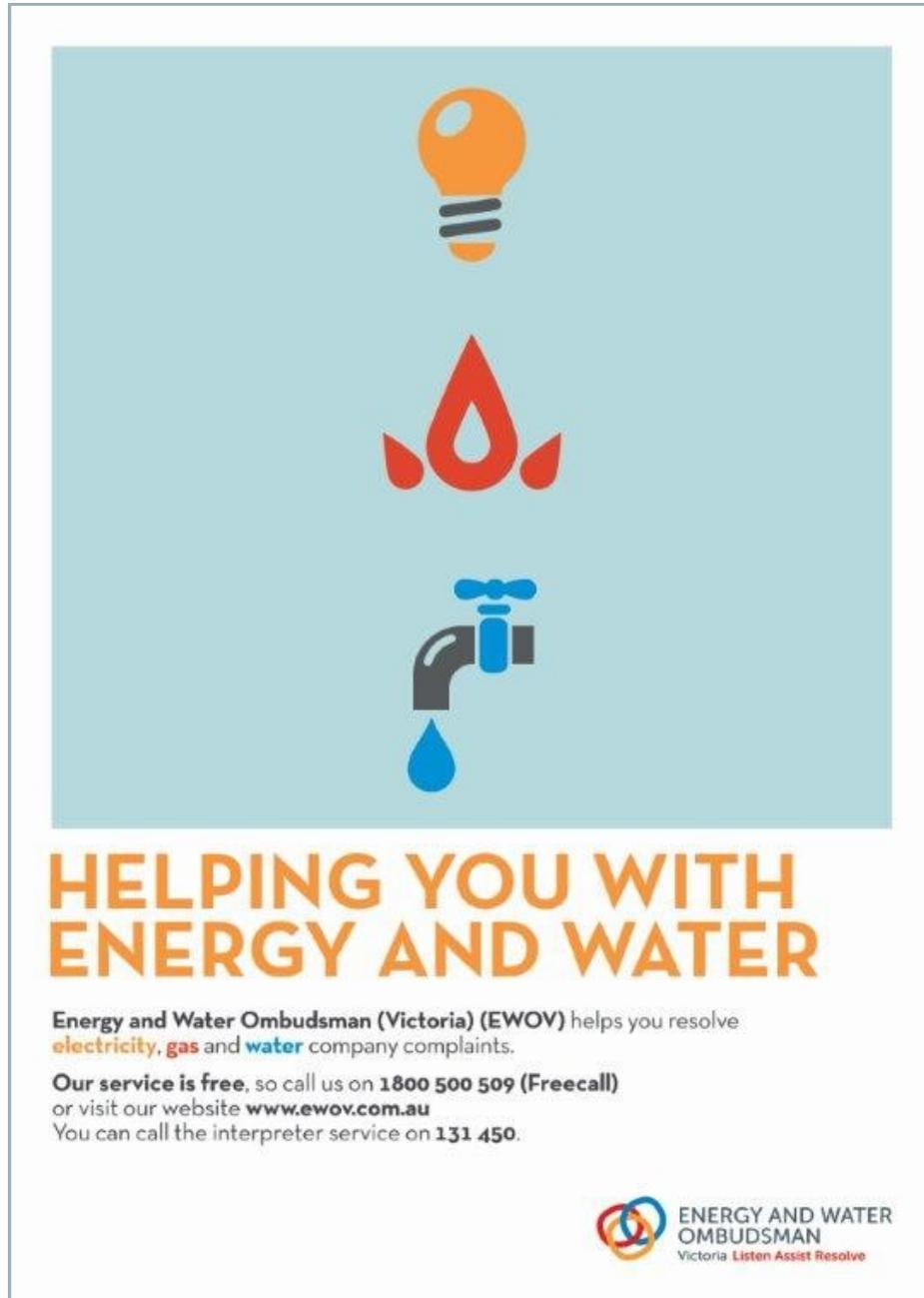
**05 NEED MORE TIME TO PAY?**  
There are three types of bill your company will send:  
• First bill  
• Reminder notice  
• Disconnection notice  
If you need more time to pay a bill, please contact your company. Your company may offer you a payment plan. This allows you to pay small regular amounts more often.  
You may also be entitled to other help from your company like:  
• A concession card discount on your bill.  
• Government assistance like the Utility Relief Grant.  
• Free financial counselling.  
• Free energy saving advice or home visit.  
If you need help, please call Energy and Water Ombudsman (Victoria) on 1800 500 509.

**THE NEW BASIC ENERGY AND WATER FACT SHEET IS ON OUR WEBSITE TOO.**  
[You can download a copy here.](#)

**Getting some ...**  
We can send you copies to use with your clients. Just contact Kate Graham by email on [Kathryn.Graham@ewov.com.au](mailto:Kathryn.Graham@ewov.com.au) or call on 03 8672 4277.

 **There's also a new EWOV poster**

A fresh look that more quickly conveys the areas EWOV works in ...



*Help us build awareness of EWOV among your clients*

**THE NEW EWOV POSTER IS ON OUR WEBSITE TOO.**

[You can download a copy here.](#)

**Getting one ...**

We can send you one to put up in your agency. Just contact Kate Graham by email on [Kathryn.Graham@ewov.com.au](mailto:Kathryn.Graham@ewov.com.au) or call on 03 8672 4277.

**Helping customers deal with the shock of a high bill**

**Energy customers facing high bill stress**

In the last few months, we’ve received more calls about high energy bills, which is usual for this time of the year. Some customers have reported particularly large unexpected increases. Many of these customers have been very definite that the bill couldn't be right. Some (buoyed by media reports) were quick to point to the carbon price; others to the regulated distribution price rises.

From our discussions with these customers, we identified two common causes—higher winter usage and backbilling by some energy retailers.

One recent wave of complaints coincided with the first post-winter billing. So far, this year has delivered a short summer and a long winter. As we’ve talked with customers, it’s become clear (to us and to them) that, because of the weather, they’ve actually used more electricity and gas, sometimes without realising it.

Another wave of complaints followed backbilling by some energy retailers. It’s of concern to us that some retailers appear to have disregarded the backbilling provisions in the [Energy Retail Code](#), seeking payment within weeks for bills that were up to 12 months late and therefore several times higher than the customer’s usual bills. This has been identified as a systemic issue and referred to the Essential Services Commission.



**ON THE CARBON PRICE SCHEME HOUSEHOLD ASSISTANCE PACKAGE**

[Brotherhood of St Laurence's Guide](#)

[Australian Government household assistance estimator](#)

**What does this mean for you?**

Over the years, high billing is the issue that’s generated the most complaints to EWOV. We’re sure it ranks high on the list of issues clients raise with you too. Here are some of the things to remember when helping a client deal with a high energy bill:

- Under the *Energy Retail Code*, energy retailers can backbill for a maximum of 12 months (9 months if the problem was billing system related), must offer the customer time to pay (at least equal to the period of the undercharge) and can’t charge interest.
- Retailers must take account of what the customer (or their financial counsellor) says they can afford to pay, and offer extra time and information on other available assistance.
- Energy retailers can also help customers with information about how much energy their appliances are likely to be using.
- EWOV’s high bill fact sheets—one for [energy](#) and one for [water](#) take a practical, plain-English, step-by-step approach to helping customers work out the reason/s.

## More contact by credit repair companies

Still on recent case trends, we're also receiving cases where the complaint was lodged by a credit repair company, acting as the energy or water customer's representative.

When it comes to these cases, our main concern is that customers may be paying (often large amounts) for services they are entitled to free if they contact EWOV themselves.

What often happens is this. After obtaining payment from the customer, the credit repair company (with the customer's authority) will contact EWOV to seek an investigation of the customer's complaint. We do this (as we are required to) and achieve a resolution, for which there is no charge.

Here's a recent example ...

When the customer's gas retailer delayed removing a credit default listing against him, this led to a delay in the approval of his mortgage. The customer paid a credit repair company \$2,000 to get the default listing removed. On behalf of the customer, the agent lodged a complaint with EWOV. Responding to our investigation, the gas retailer accepted that the default may have been wrongly applied due to a records update issue. It apologised for the inconvenience, had the default listing lifted and made a \$300 customer service payment to the customer. (2012/18691)

So, the desired outcome of lifting the default listing was achieved through EWOV, but at considerable expense to the customer.

### What does this mean for you?

Remember that EWOV's services (and those of other Ombudsman offices) are free to customers. If people in your area are using credit repair companies, they may be paying for some services that would normally be free to them. If you and others in your agency are alert to this, you may be able to help people avoid paying out when they don't have to.

*Some consumers are paying for help they could get for free*



### **ON DEBT COLLECTION**

*The pursuit of the impossible ...  
Consumer experience with external collection of retail energy debts:  
A [case study report](#) by the Consumer Action Law Centre  
June 2012*

**Energy customers should be choosing a contract that's right for their situation**

## Navigating the marketing pitch

### Advise customers to do their homework first

You'll likely have heard of the bulk-negotiation energy switch campaign that received a lot of publicity over recent months. It offered customers the opportunity to counter rising electricity prices through bulk discounts with the organisers' nominated energy retailer. Given community concerns about price increases, it's not surprising to hear that over 200,000 customers registered their interest. While customers may benefit from this type of approach to negotiating an energy contract, the terms and conditions of a bulk contract may not leave the customer in a better position overall.

When working with clients who may wish to switch energy retailer, we recommend you use (or point them to) readily available independent information. Examples include the '[Choosing an energy retailer](#)' page on the Essential Services Commission's [Your Choice](#) website, where there are tips on how to choose a retailer and an offer comparison tool. There's also EWOV's [Changing energy retailer](#) fact sheet and customer information video, [Energy marketing and transfers](#).



### Door-to-door marketing of energy and other products

The Australian Competition and Consumer Commission (ACCC) recently released a research report it had commissioned into the door-to-door sales industry in Australia. Among other things, this report revealed that, on average, every home in Australia is door-knocked eight times a year. It observed that the model of third party agents (with remuneration typically based on commission) may encourage sales agents to adopt tactics that aren't fully compliant with Australian Consumer Law (ACL) to secure more sales. Some sales agents also reported preying on vulnerable 'easy targets', using false pretexts to hook consumers in (such as pretending to have lost their dog), or failing to provide certain information as required under the ACL.

The ACCC also released a Do Not Knock sticker and consumer guides:

- Get the ACCC's [do not knock sticker](#)
- Report: [Research into the door to door sales industry in Australia](#)
- More information and consumer guides: [Knock! Knock! Who's There?](#)

**THE DEPARTMENT OF PRIMARY INDUSTRIES' NEW SWITCH ON SITE HAS USEFUL INFORMATION ABOUT POWER BILLS**

### What does this mean for you?

Customers looking to save money may be persuaded (by salespersons or campaigns) to act quickly and to their disadvantage. The independent resources put out by industry regulators and Ombudsman offices can help people deal more effectively with marketing approaches and campaigns, and make choices that are right for their situation.

## All water customers now under same rules

Under the *Water Amendment (Governance and Other Reforms) Act 2012* (the Governance Act), all Victorian water corporations are now governed under the same legislation (the *Water Act 1989*).

The Department of Sustainability and Environment (DSE) [advises](#) that the Governance Act established a more uniform and improved governance and operational framework for all state-owned water businesses in Victoria. It also converted the three Melbourne water retailers (City West Water, South East Water and Yarra Valley Water) from Corporations Act companies operating under the *Water Industry Act 1994*, into statutory water corporations that now operate under the *Water Act 1989*.

As a result, since 1 July 2012, all water corporations in Victoria have been governed under the same legislation—the [Water Act 1989](#).

For metropolitan water customers, there have been changes to rights and obligations in relation to:

- a water corporation requiring a customer to connect to their works
- a customer's ability to apply to Victorian Civil and Administration Tribunal (VCAT) for a review of a water corporation decision
- how to notify a water corporation of a change of occupancy in a residential property, caravan site or mobile dwelling
- the ability of a water corporation to enter a customer's residential land in certain circumstances.

There were also changes to water corporation powers to recover debts accrued through unpaid water bills. Two debt recovery powers remain in the *Water Act 1989*. Monies owed to a water corporation can be a charge on the customer's land and interest can accrue on unpaid monies. The Essential Services Commission will regulate use of these debt recovery provisions.

*Some changes  
to customer  
rights and  
obligations*



### What does this mean for you?

These changes may affect your clients. The Department of Sustainability and Environment's [frequently asked questions](#) page contains useful information about what has changed and for whom, and other matters affecting water customers throughout Victoria.

*Returning unrequired desalination payments to customers as desalinated water comes into the system*



## About the desalination plant

### Price freeze for some customers

In 2011-12, Melbourne Water and four water retailers (City West Water, South East Water, Yarra Valley Water and Western Water) collected more payments than required from customers to cover costs relating to the Wonthaggi desalination plant, which is now running behind schedule.

In June 2012, the Victorian Government and the water corporations announced a price freeze and a promise to return to customers any additional unrequired desalination payments, with interest, in the first quarter of 2013-14 (that is, between July and September 2013).

As a result, 2012-13 prices for water, sewerage, trade waste and some recycled water services will stay at 2011-12 levels and most customers of these four retailers will avoid price increases averaging 10%.

The reduction in bills over 2012-13 will vary by customer, depending on the services they receive, how much water they use, whether they are an owner-occupier or a tenant, and which retailer they are with. Although it won't be a credit as such, we understand that customers will see the 'refund' amount clearly on their bills.

Source: Essential Services Commission's July 2012 [Monitoring the Return of the Unrequired Desalination Payments to Customers](#) paper.

### Water from desalination plant entering the system

You may have seen recent media reports that the Victorian Desalination Plant is now producing water, which will gradually be introduced to the water network via Cardinia Reservoir. Melbourne Water advises that this water must meet the requirements of the Australian Drinking Water Guidelines, Victorian health requirements and World Health Organisation guidelines before it enters supply. The quantity of production will progressively increase over the coming months, with the plant being capable of full production by the end of the year.

EWOV's jurisdiction will enable us to deal with certain concerns customers may have about this process—such as customer dissatisfaction with the quality of the water being supplied to their property. In other cases—for example, where the customer is concerned about the water from the desalination plant entering Cardinia Reservoir or whether the reimbursement to customers of the unrequired desalination payments (see above) will be affected—we will assist them with information and a referral.

## Ombudsman news

### Congratulations x 2

Former Energy and Water Ombudsman (Victoria), **Fiona McLeod**, was announced as the recipient of the 2012 Lifetime Achievement Award at the recent conference of the Society for Consumer Affairs Professionals (SOCAP).



On 16 August 2012, Australia's Special Minister of State, the Hon Gary Gray AO MP announced that **Colin Neave** (former Chief Ombudsman for the Financial Ombudsman Service) has been appointed Australia's new **Commonwealth Ombudsman**.

## 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](http://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](mailto:ewovinfo@ewov.com.au)

Online complaint form: <http://www.ewov.com.au/GotaProblem/Complaint-form.aspx>

Website: [www.ewov.com.au](http://www.ewov.com.au)

Post: GPO Box 469 Melbourne Vic 3001