



Summer 2012 issue

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EWOV opened in May 1996. By 30 November 2012, we had assisted 367,798 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

110 and rising ...

That's how many community organisations we've met with so far, as part of EWOV's most recent community roadshow.

Our links with grassroots organisations are enormously helpful in enabling us to get the word about EWOV's dispute resolution services out to more vulnerable and/or isolated customers.

Through the recent visits, we've reached low income groups, people with disabilities (and their carers), refugees, recent arrivals, the elderly (including non-English speaking older migrants), members of the Indigenous community, and prisoners.

Since taking up the Ombudsman role in February of this year, one of my goals has been to improve our communication with EWOV's stakeholders—to get back in touch with what's happening on the ground. The community roadshow is providing us with a great opportunity to do that.

I hope you find the information in this issue of *EWOV Connect* useful to you in your work with energy and water customers. We've included a number of the things which were requested of us while we were 'on the road'. *Connect* is written as a resource for community agencies—with your input, we're looking forward to developing it further in 2013.

Cynthia Gebert
Energy and Water Ombudsman (Victoria)

Great response to community roadshow

Thanks for helping us raise awareness

From August to November 2012, through EWOV’s community roadshow, we met with community workers from 110 organisations across Victoria. Thank you for your hospitality and your obvious interest in learning more about EWOV. As well as being evident during the meetings, that interest has translated into more subscribers to *EWOV Connect*, increased traffic to our website generally—and in particular views of our online videos—and more @ewov followers on Twitter.

Listening as well as talking

Thank you also for your frank discussion of the energy and water issues that you see worrying people most at this time—billing issues (especially high bills), financial hardship, payment plans, access to hardship programs, debt collection action, energy disconnection/water restriction (and in energy, the wrongful disconnection payment), using supply efficiently, budgeting difficulties, door-to-door energy marketing and poor company customer service. These issues come up commonly in complaints to EWOV and it’s always good for us to get perspectives on them from the community frontline.

Acting as well as listening

We’ve been delighted with your positive response to our new poster, basic fact sheet and online videos. We’ve also noted your suggestions for how we might make them even better. If you aren’t familiar with these new EWOV resources yet, [check page 4](#) for images of them and information on how to get copies.

We’re reviewing all of the information requests and suggestions we received from you during the roadshow visits, to see how we may be able to assist—through *Connect*, through our other publications and online. As a start, [check page 3](#) for some practical resources for you related to billing and energy disconnection/water restriction.

And, our community roadshow isn’t over—here are some of the destinations already planned for early 2013:

14 January 2013	Westvale Community Centre (St Albans)
22 January 2013	Brosnan Centre (Brunswick)
30 January 2013	Merri Outreach Support Service (Northcote)
13 February 2013	Workskills Incorporated (Corio)
25 February 2013	Dingley Village Neighbourhood Centre
25 March 2013	Brotherhood Community Care (Frankston)

Raising awareness

Sharing resources

Strengthening community links



Tips to help you help your clients

Case studies illustrate how different types of complaints have been resolved

REMEMBER

If one of your clients has been disconnected, be sure to ask the energy company to assess for a wrongful disconnection payment (WDP).

If it's found their supply was disconnected wrongfully, they will be entitled to \$250 a day for each day they were without electricity or gas (pro-rata).

But, you or your client needs to contact the retailer within 14 days of the disconnection, or the WDP will be capped at \$3,500.

You asked for it—roadshow follow-ups

Tips on handling high bills (and other billing issues)

Many of you have asked for information you can use to advise clients who are worried about paying a high bill, or who are faced with a pattern of higher bills. Our website (www.ewov.com.au) has lots of readily available information.

There's a [high energy and water bills](#) consumer video.

Two fact sheets specifically address high residential bills. One covers [high electricity and natural gas bills](#) and the other covers [high water bills](#).

Some recent billing case studies

[Bulk hot water thermostat set 30% too high](#) (on page 6 of this issue)

From our website:

[Customer in financial hardship experiences debt collection activity](#)

[Customer has a high water bill due to a faulty solar system](#)

[Customer contacts EWOV about delayed billing](#)

[Customer contacts EWOV about delayed electricity account billing](#)

Fact sheets on other aspects of billing

[Can't pay your energy or water bill?](#)

[Estimated bills and meter access](#)

[Concessions](#)

[Refunds and lost payments](#)

[Backbilling](#)

[Charges on water bills](#) (regional urban customers)

[Charges on water bills](#) (metropolitan customers)

Tips for customers whose energy supply has been disconnected (or whose water supply has been restricted) or who are facing energy disconnection or water restriction

Fact sheet: [Disconnection and restriction for debt](#)

Consumer video: [Energy disconnection and water restriction](#)

General tips to help you in your role

The [Advice for community agencies](#) section of our website includes practical information on things such as [acting for a client](#) (with EWOV).

How to get our basic fact sheet and poster

Eye-catching visuals help us get important information across simply and clearly

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 134 576 or 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

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.

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 to 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 9:00am and 5pm Monday to Friday.

Go online www.ewov.com.au

Email us enquiries@ewov.com.au

Write to us, reply first 450 Melbourne VIC 3000

For more services or details:

Fax us 1800 500 509 (toll free)

Interpreter services 131 450

For hearing and speech impaired contact the National Relay Service:

Online at: www.nrs.gov.au

Speak and Read (131 450) or 1800 500 677 (Freecall)

Type and Listen (131 450) or 1800 500 677 (Freecall)

Speak and Listen (131 450) or 1800 500 677 (Freecall)



HELPING YOU WITH ENERGY AND WATER

Energy and Water Ombudsman (Victoria) (EWOV) helps you resolve electricity, gas and water company 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.





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Would you like copies?

Contact Kate Graham by email: Kathryn.Graham@ewov.com.au or call on 03 8672 4277

They're also available on our website:

[Energy and water basics](#)

[EWOV community poster](#)

Affordability issues highlighted

Check how EWOV cases for your shire or council area compare with others

Fast facts from our 2012 Annual Report

23% more complaints than in 2010-11

We received 63,998 cases overall (up 18%), including 61,176 complaints (up 23%).

31% more electricity complaints

There were 47,790 electricity cases (up 26%). By issue: 54% billing, 14% credit, 12% provision. 45,810 of the electricity cases were complaints—up 31%, mainly due to solar installation issues, community concerns about Smart Meters, billing system problems experienced by some electricity retailers and growing affordability issues. There's more online at www.ewov.com.au about [electricity, gas and water cases](#)



Affordability was highlighted as a continuing issue. In 2011-12, 10,322 customers raised Credit as their main issue—20% more customers than in 2010-11. Releasing our 2012 Annual Report, the Ombudsman expressed EWOV's concern that more customers were finding it harder to pay their bills—often waiting until they received energy disconnection or water restriction notices before making payments or contacting their company about a payment plan. She encouraged companies to make a greater effort to engage as early as possible with customers who have payment difficulties, and provide them with constructive help through financial hardship programs.



MORE ANNUAL REPORT LINKS

[Webcast](#)

[Ombudsman's report](#)

[Systemic issues](#)
(pages 26 & 27)

Investigation outcomes

We finalised 12,279 investigations, 10% more than in 2010-11. We achieved \$3,966,292 in redress for customers:

- \$1,874,435 in billing adjustments
- \$1,611,204 in recognition of customer service issues
- \$389,783 in debt reductions/waivers
- \$54,872 in guaranteed service level payments
- \$35,998 in waived fees

3,189 payment plans were arranged.
6,504 apologies were provided.

By shire and council area

The parts of Victoria with the highest rates of EWOV residential cases per 1,000 of population were Mount Alexander Shire, City of Banyule, Central Goldfields Shire, Moorabool Shire, Macedon Ranges Shire and East Gippsland Shire. You can check your shire or council area's trends, on [pages 14 and 15](#).

51% of 2011-12 cases were about Billing

Most common Billing sub-issues by industry

- Electricity: tariff (18%), high bill (16%), delay (16%)
- Gas: high bill (22%), error (21%), estimation (9%)
- Water: high bill (40%), fees and charges (19%), error (16%)

On the increase in complaints about electricity tariffs

Most electricity tariff cases were about solar feed-in tariffs. Commonly, the solar tariff wasn't applied to the customer's account or was applied wrongly, or the customer missed out on the Premium Feed-in Tariff because of retailer error.

Billing still top of the issues list

Electricity tariffs in the complaints spotlight too

One customer's high gas bill story

Bulk hot water thermostat set 30% too high



The customer's apartment building had a bulk hot water service. Following a bulk hot water meter exchange, she received a bill of \$185.49. Her previous bill of \$73.84 was calculated using a volume conversion factor of 4.546. The \$185.49 bill was calculated on a conversion factor of 10. The customer thought this may be why it was so high, but she couldn't resolve the issue with her gas retailer directly. In line with EWOV's *Payment of Undisputed Amounts Policy*, the customer made a part-payment of the bill at the start of our investigation.

We reviewed billing and other information and arranged a site visit attended by our independent technical advisor, the customer and the apartment building manager. Meter and volume tests, an inspection for leaks and checks of the master bulk hot water meter, the individual apartment meters and the water heating units were all undertaken. Safety issues with the bulk hot water system were detected and advised to the building management for rectification. The multiplier had increased from 4.546 to 10, but that was because the older meter was imperial and the new one metric. Our technical advisor's report concluded that the underlying cause of the high bill was the bulk hot water thermostat being set about 30% too high, which in turn led to over-heating. The building management agreed to turn the temperature down. Our technical advisor returned to the property the next week and confirmed the bulk hot water system and meters were working correctly. We discussed the results of gas and water audits with the customer. The gas retailer credited a customer service payment of \$85 to her account, leaving a balance of \$63.87 which was in line with her historical consumption. She was also given a payment extension of three weeks. G/2011/5546



Read more about Billing issues on [pages 16,20,21](#) of our Annual Report

Credit complaints highlight complex inter-related issues of payment difficulties, disconnection, debt collection

16% of 2011-12 cases were about Credit

Credit issues are about the capacity of customers to pay their energy and water bills and stay on supply.

10,332 customers (20% more than in 2010-11) raised Credit as their main issue in 2011-12, making it our second biggest source of customer complaint. 65% of these were electricity customers, 33% were gas customers and 2% were water customers. Our cases highlighted that affordability continued to be an issue for many customers.

53% of Credit cases were about energy disconnection or water restriction, up from 48% of Credit cases the previous year. 28% of Credit cases were about debt collection (in line with the previous year) and 18% were about payment difficulties (down from 24%).

It's common for a Credit complaint to present as a mix of issues around energy disconnection/water restriction, payment difficulties and debt collection. One of these becomes the trigger for the customer to seek help—in this case, call EWOV.

In 2011-12, there was a 24% fall in cases where the customer's main issue was payment difficulties, but there was a 48% increase in cases where the customer's main issue was the imminent (threatened) or actual disconnection of their energy supply. We attribute the fall in cases where payment difficulties was the customer's main issue to the situation where, by the time many customers called us, payment difficulties had taken second place to maintaining or reinstating their energy supply.



Read more about Credit issues on [pages 16,22,23](#) of our Annual Report

Customer in hardship asked to pay \$995 before electricity reconnection



A customer experiencing long-term financial hardship had accumulated arrears of \$1,420.77 on his electricity account and \$1,796.07 on his gas account (both with the same energy retailer). While not on a payment plan, the customer was making regular payments of \$40 a fortnight towards each account. He said that when his electricity supply was disconnected due to the arrears, he was asked to pay \$995 before it could be reconnected. He said he wasn't offered assistance or other options. In line with EWOV's *Reconnection/Derestriction Policy*, the customer's electricity supply was reconnected while we investigated his complaint. The energy retailer found that its disconnection of the customer's supply did not comply with the requirements of the *Energy Retail Code*. As a result, a wrongful disconnection payment of \$3,500 applied. After this cleared the arrears on his electricity account, the customer asked that the remainder be used to clear his gas account. The retailer accepted his undertaking to continue paying \$40 a fortnight toward each account and provided him with a higher level contact in case he had further payment problems. 2012/9615

More Credit case studies

Financial hardship leads to water restriction



The customer was having difficulty paying for his utilities generally and had built up some \$1,300 in water arrears. His water supply was restricted for non-payment and he couldn't negotiate full restoration. In line with EWOV's *Reconnection/Derestriction Policy*, the water restriction was lifted while we investigated his complaint.

Our investigation found that the process the water corporation followed leading up to the supply restriction was appropriate –including several attempts to contact the customer about the arrears and visits to his home before the restriction was put in place.

We facilitated an agreed payment arrangement of \$50 a fortnight—\$30 to cover the customer's ongoing usage and \$20 to reduce his arrears. If he met his payment obligations for 12 months, he would receive a \$400 account credit. The water corporation also offered a water audit to help him reduce his usage and accepted him into its hardship program. 2011/2245

Water restriction linked to financial hardship

Wider consequences of incorrect gas default listing



Home loan refused due to incorrect gas default listing



The customer's home loan application was refused because of a \$1,800 default listing by a gas retailer for arrears relating to a property she hadn't lived at. The customer said she'd provided the retailer with proof that she hadn't lived there, but it insisted it had no record of default listing her and didn't respond to several subsequent attempts she made to sort the problem out.

To assist with the resolution of this complaint, the customer undertook a credit file search. This confirmed the default listing by the retailer and the address it related to. The customer also provided us with the proof that she hadn't lived at the address. In resolution of the complaint, the retailer apologised for the inconvenience caused, reimbursed the \$51.95 for the credit search and provided her with an additional \$150 customer service payment. The customer was sent a cheque for \$201.95 and the default listing was lifted

Water corporations able to charge interest on late bills

Updated water customer service codes



Changes to water debt management

The *Water Amendment Act 2012* changed the debt management powers of Victoria's water corporations.

The Essential Services Commission recently published the Final Decision from its [Water Customer Service Codes Review 2012: Regulation of debt management powers](#).

Amongst other things, the ESC has decided that:

- water corporations may charge interest on unrecovered amounts
- interest on unrecovered amounts won't apply to (or will be waived for) customers with concession cards and/or in financial hardship
- it will set a maximum, annualised, compounding rate of interest (updated annually on 31 May, preceding each new financial year and applied from 1 July each year)
- all customers, residential and non-residential, will have the same maximum rate of interest
- the existing disclosure and notice periods in the Urban Code will be extended to cover metropolitan water corporations
- a charge on property will apply where the customer owns the relevant property
- changes to Customer Service Codes will take effect from 1 July 2013
- metropolitan water corporations won't be able to charge interest on debt accrued before 1 July 2013
- until 30 June 2013, the transitional interest rate of a maximum of 10% for regional and rural water corporations will apply.

The ESC has advised that it has some responsibility over the implementation of the changed debt management powers, and that it has altered its Customer Service Codes to exercise this responsibility. It says the changes won't reduce the strong emphasis in the Codes on customer engagement, transparency, and early intervention to resolve debt payment problems.

The ESC has now published December 2012 versions of the Customer Service Codes for [Urban Water](#) and [Rural Water](#).

Concessions for non-mains supply

Non-mains concessions are available to concession cardholders who obtain their energy or water supply from sources other than the usual energy company or water corporation.

In energy, it includes people who use liquefied petroleum gas (LPG) (also known as bottled gas) and/or heating oil, who run generators, or who receive electricity from an embedded network.

In water, it includes people in rural locations who buy tank water for their homes, or who pay fees to a water co-operative for their water. It also includes some residents of retirement villages and apartment buildings who pay the accommodation manager, rather than a mains water corporation.

Non-Mains Energy Concession

The Department of Human Services (DHS) advises that Non-Mains Energy Concession applications for 2012 opened on 1 July 2012. Concession cardholders who use non-mains energy should submit their applications before 31 January 2013. There's more information, a contact phone number and the application form on [this page of the DHS website](#).

Non-Mains Water Concession

This concession used to be called the Carted Water Rebate. It is given as a rebate, and eligible cardholders can claim up to three rebates each financial year, depending on their domestic water costs. There's more information on [this page of the DHS website](#).

Useful information for clients on LPG, tank water and other non-mains sources of supply



From our community roadshow photo album

Discussing issues and sharing resources ...



in Wodonga



in Wantirna South



in Ballarat

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/GotaProblem/Complaint-form.aspx>

Website: www.ewov.com.au

Post: GPO Box 469 Melbourne Vic 3001