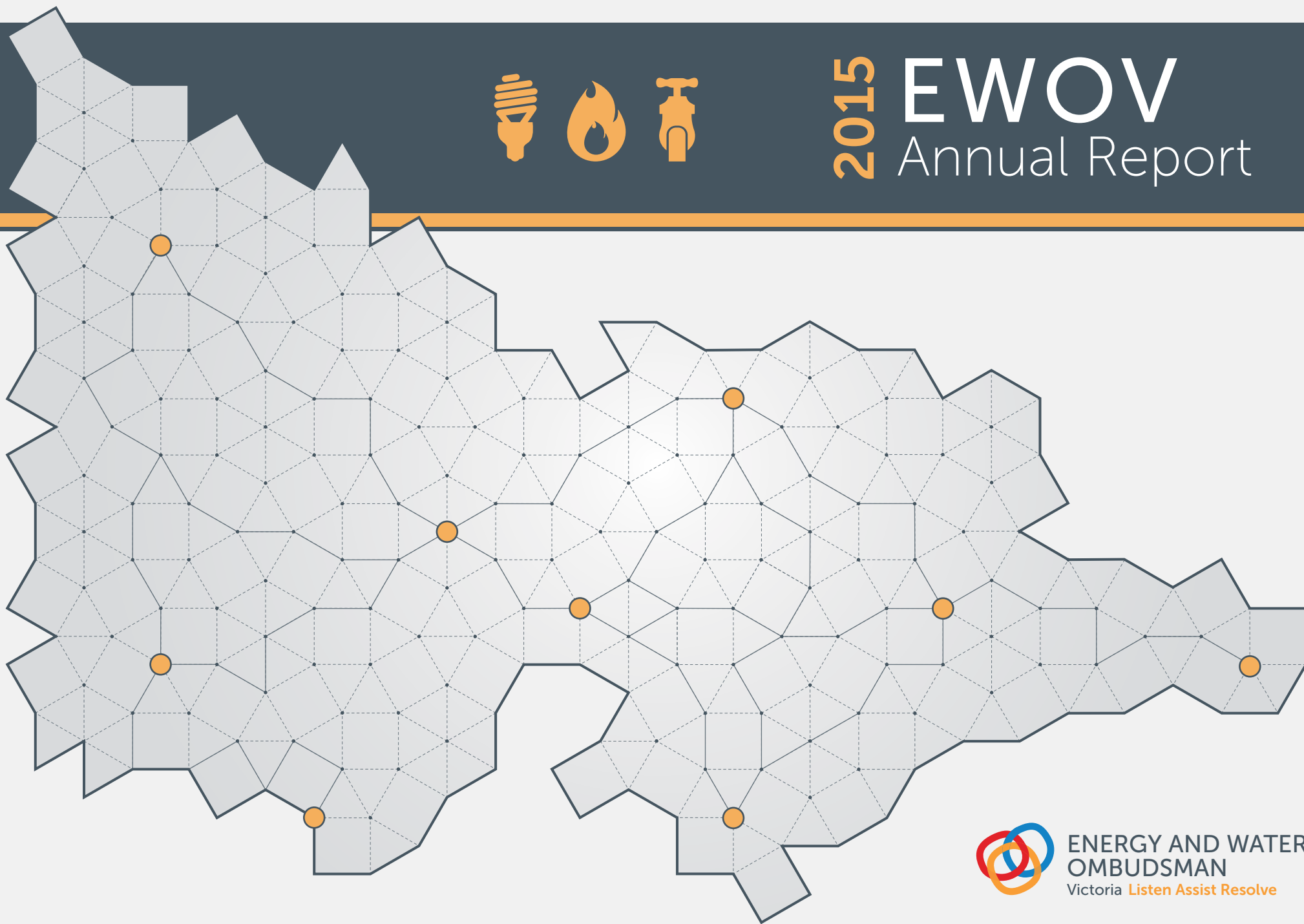




# 2015 EWOV Annual Report



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

## EWOV's purpose

EWOV's purpose is to independently and efficiently resolve disputes between customers and energy and water companies in Victoria.

## EWOV's goal

To be a fair, impartial and highly respected dispute resolution service.

## About this Annual Report

EWOV's *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)*, republished in February 2015 by the Treasury (Australian Government). The *CDR Benchmarks* focus on the principles of accessibility, independence, fairness, accountability, efficiency and effectiveness.

## Data note

This report reflects data for the period 1 July 2014 to 30 June 2015 run at 3 July 2015. Percentages are rounded to the nearest whole number, so may not always total 100%.

## On our website

The online version of this report at [www.ewov.com.au](http://www.ewov.com.au) presents a series of interactive visualisations and graphical representations of the cases EWOV received in 2014-15.



**Go online**  
to view an interactive  
version of EWOV's  
*Annual Report*.  
[ewov.com.au](http://ewov.com.au)

# In our 2014-15 report

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# Fair, free, impartial, independent

## An introduction to the Energy and Water Ombudsman (Victoria) (EWOV)

**Set up in late 1995 as Australia's first electricity Ombudsman, EWOV is an external dispute resolution (EDR) scheme operating independently on an industry-based Ombudsman model.**

EWOV exists to resolve disputes between customers and energy and water companies in Victoria, fairly and impartially and at no cost to the customers who seek our help.

Our staff are skilled in alternative dispute resolution processes. They assess complaints on a case-by-case basis and work towards outcomes that are fair and reasonable, having regard to relevant industry codes, good industry practice and the law.

With EWOV's comprehensive jurisdiction, we're able to deal with most of the issues customers raise about their energy and water services — provision, supply, billing, credit, payment arrangements, energy disconnection, water restriction, marketing, transfer, poles, wires, pipes, meters, vegetation management and land.

EWOV isn't a customer advocate, or an advocate for industry. It isn't a government body or an industry regulator. EWOV specialises in customer dispute resolution.

It's important though that EWOV has good working relationships with the bodies which do have those closely-related roles and responsibilities. By doing so we extend the value of our dispute resolution work beyond the individual complaints — to drive customer service improvements, to prevent complaints arising in the first place, and to fulfil our broader community awareness, public reporting and systemic issues responsibilities.

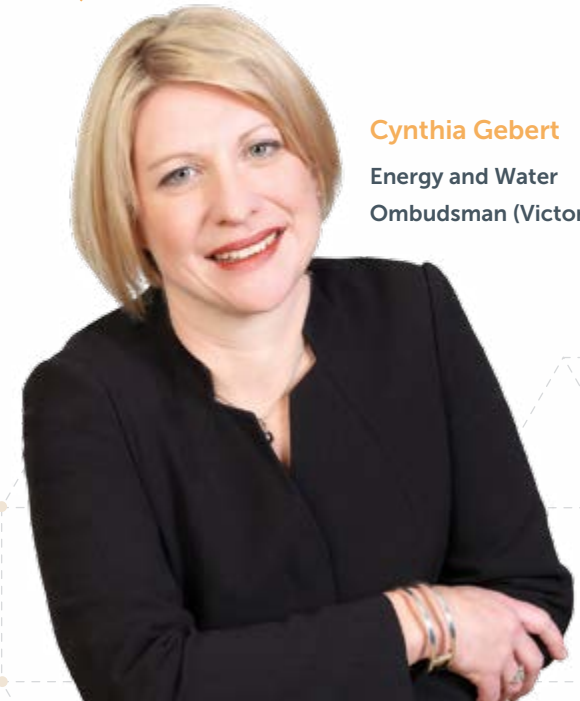
The framework for EWOV's operation is drawn from the *EWOV Charter*, the *EWOV Limited Constitution*, licence conditions for the electricity and gas industries, relevant water legislation, the liquefied petroleum gas (LPG) industry code and the *Benchmarks for Industry-Based Customer Dispute Resolution (CDR Benchmarks)*.

With almost two decades and over 550,000 cases behind us, our experience and understanding of the energy and water industries is extensive and embedded in EWOV's processes.

In 2014, independent reviewers described EWOV as '*an evolved scheme that has responded in a very practical and pragmatic way to the forces around it*'.

This resonated in 2014-15, as we adapted and responded to a turnaround 40% fall in cases.

**EWOV isn't a customer advocate, or an advocate for industry. It isn't a government body or an industry regulator. EWOV specialises in customer dispute resolution.**

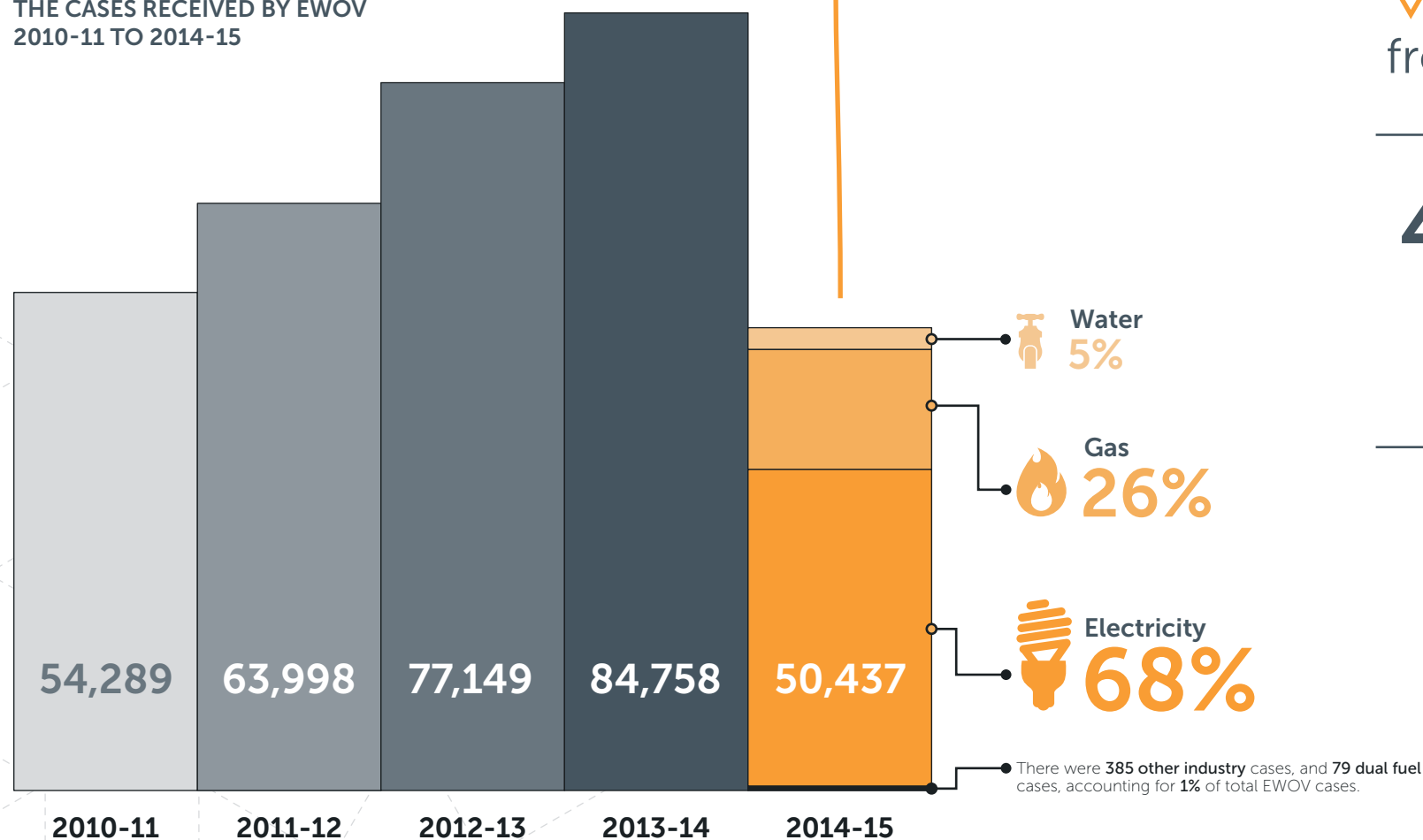


**Cynthia Gebert**  
Energy and Water  
Ombudsman (Victoria)

# Snapshots of 2014-15

## Overall cases

THE CASES RECEIVED BY EWOV  
2010-11 TO 2014-15



# 50,437

Cases

down  
▽ 40%  
from 2013-14

# 48,378

Complaints  
down  
▽ 41%  
from 2013-14

# 2,059

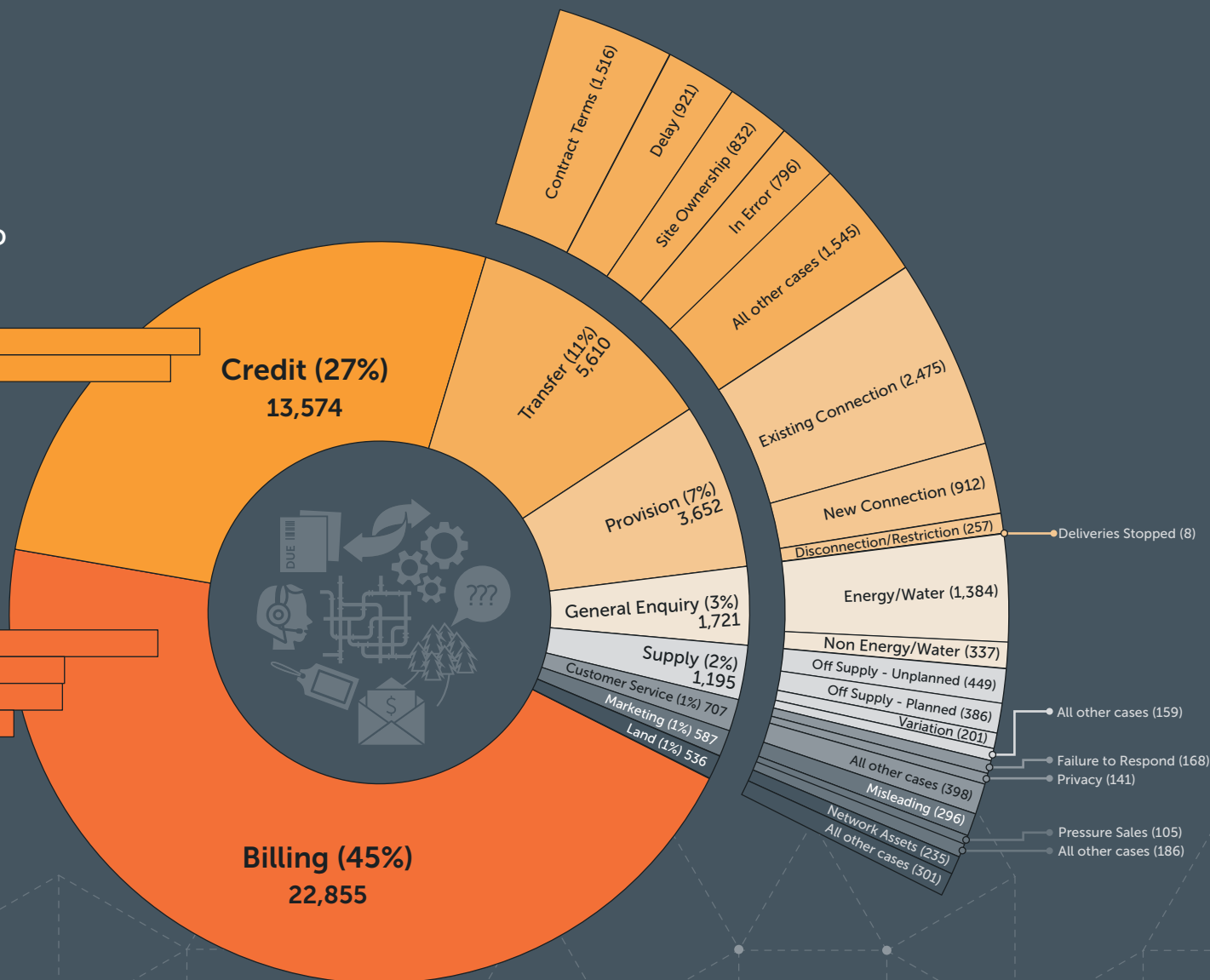
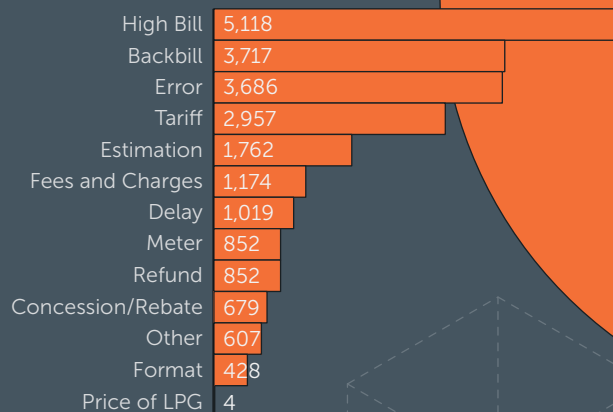
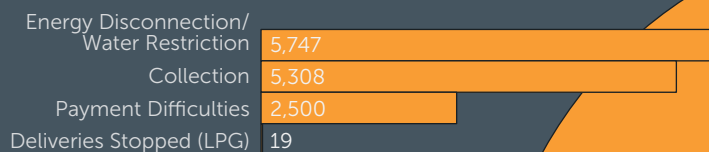
Enquiries  
down  
▽ 21%  
from 2013-14



**Go online**  
to view interactive  
versions of EWOV's  
overall cases and issues.  
[ewov.com.au](http://ewov.com.au)

# Overall issues

## THE MAIN ISSUES CUSTOMERS RAISED



# Governance

## Chairman's message

Aware of widespread high regard for the work of the EWOV dispute resolution scheme, it was with great pleasure that I took up the role of EWOV Limited Chairman in November 2014.

Eight months into my appointment, I am delighted to provide this report on behalf of an impressive team of directors — people who clearly understand the role and dynamics of a governance structure that provides oversight to a highly-functioning industry-based customer dispute resolution scheme. I take this opportunity to publicly recognise the work of my predecessor, The Hon Tony Staley AO, in whose experienced hands the EWOV Limited Board operated for 16 years, and to thank him for the legacy he has left.

During the 2014-15 year, the Board continued to meet its corporate governance, financial, risk management and strategic planning responsibilities. It also welcomed two new directors — Gerard Brody (CEO of the Consumer Action Law Centre) and Jonathan Briskin (General Manager of Origin Energy's Retail Customer Operations Group) — each of whom brings a high level of individual capability, as well as practical and in-depth knowledge of the consumer and industry sectors respectively.

Even from my relatively short time in the chair, I can say with confidence that EWOV deserves its reputation for excellence. Dispute resolution within the electricity, gas and water industries presents challenges on several fronts, starting with the fact that the companies are providing essential services. Energy and water are also industries that lend themselves well to the application of technology and different business models, so change is never too far away. Therein lie challenges and opportunities for customer/company interactions and, in turn, for EWOV as the designated dispute resolution scheme.

The Ombudsman, Cynthia Gebert, is an active participant in our Board meetings, ensuring we are well-informed about the type of cases, issues and trends EWOV is dealing with in its day-to-day work with energy and water customers and companies. As you will see from her overview of 2014-15, it is still very much a case of changing times for EWOV.

The Board understands how change affects an organisation, especially its staff. We appreciate the professionalism and dedication the EWOV team brings to its work, to ensure the delivery of high quality, effective, efficient, fair and impartial dispute resolution services.

Looking ahead, the Board is well placed to advise and support EWOV, especially around early warnings of industry and other developments which are likely to affect its operations. We will continue to do that actively and diligently.

**Two levels of administration are crucial to the maintenance of EWOV's independence — the Board of EWOV Limited, a company limited by guarantee, and the Ombudsman.**

The nine-person EWOV Limited Board consists of an independent Chairman, four consumer directors nominated by Victoria's Essential Services Commission and four energy/water industry directors elected by EWOV Limited's industry members.

The Board is responsible for the business affairs and property of the company, including corporate governance, approval of budgets, risk management, strategic planning and ensuring the Ombudsman's independence.

The Board also appoints the Ombudsman, who is responsible for the day-to-day operation of the EWOV dispute resolution scheme.



**Paul Sheahan AM**

**Chairman, EWOV Limited**



# EWOV Limited Board

## Paul Sheahan AM

Chairman, appointed November 2014

## Carolyn Bond AO

Consumer Director, appointed June 2007

## Neil Brennan, Western Water

Industry Director, appointed August 2002

## Jonathan Briskin, Origin Energy

Industry Director, appointed August 2014

## Gerard Brody, Consumer Action Law Centre

Consumer Director, appointed August 2014

## Gavin Dufty, St Vincent de Paul Society

Consumer Director, appointed August 2013

## Peter Gartlan, Financial & Consumer Rights Council

Consumer Director, appointed July 2012

## Claire Hamilton, AusNet Services

Industry Director, appointed December 2011

## Josephine Monger, AGL Energy

Industry Director, appointed June 2012

## Company Secretary

Christopher See, EWOV, appointed October 2008



# The Ombudsman's overview

## Cases fall 40%

Almost every year since EWOV opened in 1996, cases have increased. The highest annual increase was 52% in 2008-09. In 2013-14, it was a more modest 10%. While the increases no doubt reflect our work to build community awareness of EWOV's services, they also reflect how well the energy and water companies have dealt with changes in their own operating environments from time to time.

One of the standouts in this regard has been the implementation of new and upgraded billing systems. For some years now, we've reported on the increasing number of customers contacting us with complaints about delayed bills, estimated bills and billing errors as companies (energy retailers in particular) installed new billing systems. Adding to their billing concerns, when customers tried to get answers from the companies themselves, they often encountered overloaded call centres and stretched internal dispute resolution teams. Dissatisfied, they turned to EWOV for help.

We welcomed the initial falls cautiously. The good news is that they continued through 2014-15, with the end-of-year result that cases fell 40% to 50,437, our lowest annual total since 2009-10.

Regularly we observed that EWOV was being drawn into the resolution of relatively straightforward, often system-related, complaints that could (and should) have been resolved by the companies without our involvement.

Responding to the increasing demand, the EWOV team has worked hard each year to review and adapt its processes, to ensure complaints were being handled fairly, impartially, effectively and efficiently. Early in 2014, when the EWOV Board and the Management Team sat down to develop EWOV's 2014-2017 Strategic Plan, growing case volumes was the main challenge facing us.

Signs that this may be changing emerged in the first quarter of 2014-15, with cases for July to September 2014 down 43% on those for the same quarter the year before. We welcomed the initial falls cautiously. The good news is that they continued through 2014-15, with the end-of-year result that cases fell 40% to 50,437, our lowest annual total since 2009-10.

Reflecting on this unexpected development and the unpredictability of case receipt, we understand that the large-scale billing system changes by energy and water companies are complete and the problems arising from them have for the most part been addressed. We also think the fall in cases is indicative of customer service and internal dispute resolution improvements by the companies.

That said, the fall in cases mustn't be a trigger for complacency on our part, or that of the companies, when it comes to analysing trends and identifying areas for improvement. There's more that companies should be doing to 'get it right' when their customers first make contact with them to express concerns. There's more that can be done to put in place effective programs of root cause analysis to identify and act on what's really driving complaints, especially the recurring ones. And better use can be made by the companies of the early resolution opportunities EWOV offers, so that when a complaint does make it to us the customer's concerns are resolved speedily, fairly and effectively, minimising the need for our further involvement.




## Affordability still a major concern

So, 2014-15 turned out to be a year of transition for EWOV, as we managed an unusual set of operational challenges — underpinned by a shift away from high volumes of less complex cases towards a higher proportion of complaints requiring an Investigation.

Cases fell across all industries and issues categories. But in an indication of the changing nature of our work, while billing cases fell 47%, credit cases fell only 25%. In 2014-15, 27% of EWOV cases were about credit issues, up from 21% in 2013-14 and 16% in 2012-13.

In reporting on 2013-14 we highlighted how, for the first time, a credit issue — energy disconnection/water restriction — had topped the complaints list, moving high bill down to second place. 2014-15 saw this trend continue with two credit issues — energy disconnection/water restriction and collection (debt collection and credit default listing) — now at the top of the complaints list above high bill.

**2014-15 saw this trend continue with two credit issues — energy disconnection/water restriction and collection (debt collection and credit default listing) — now at the top of the complaints list above high bill.**



Credit complaints are typically complex, especially where they involve issues of affordability and hardship. A new EWOV specialist team, with an emphasis on phone-based conciliation, has improved our approach to their resolution. It has also built our specialist knowledge and capacity to provide expert advice on these issues, which we are drawing on to work with the companies towards outcomes that are fair, reasonable and sustainable. Over 2014-15, the new specialist team initiative delivered us a pleasing 22% reduction in the average days to close credit Investigations, relative to 2013-14.

We welcomed the Victorian Government's announcement in February 2015 that it had provided terms of reference to the Essential Services Commission for an inquiry and report on the financial hardship programs of energy retailers. This work will be focused on best practices, with a final report anticipated by the end of 2015.

To contribute our experience about financial hardship and the affordability of energy and water to the ongoing public dialogue, in March 2015 we published a research report canvassing five areas where companies can do more to assist customers who find themselves in this situation. Our report, *A closer look at affordability: An Ombudsman's perspective on energy and water hardship in Victoria*, has been well received by all stakeholders.

## Improving internal dispute resolution

One of the key objectives under EWOV's 2014-17 Strategic Plan is to drive customer service improvements by the companies. In February 2015, we published a report on the effectiveness of the internal dispute resolution (IDR) processes of energy and water companies. *Can I speak with a manager? An analysis of energy and water company performance in handling your complaint* draws on our surveying of customers who have lodged complaints with EWOV to highlight areas customers think energy and water companies should be working on to improve their customer service.

To help progress complaint types where entrenched positions and/or different views are common, we've developed position statements, setting out our general approach to certain types of complaints — initially complaints about meter access and estimated billing, debt collection and default listing, and compensation following voltage variation. As well as improving complaint handling consistency around these issues, the new position statements are improving understanding between us and the companies about how these types of complaints can be most effectively investigated and resolved. Since their introduction, we've seen falls in the average days to close collection (debt collection and credit default listing), estimated billing and supply variation Investigations.

## In February 2015, we published a report on the effectiveness of the internal dispute resolution (IDR) processes of energy and water companies.

We've also introduced an extended version of *Res Online*, our quarterly case trends and issues publication, which supplements the general public version with industry-specific resources. To make the most of this tailored publication, *Res Online for SPs (Scheme Participants)*, we're placing a high priority on getting it out to the right people within each energy and water company.

## New consultation mechanisms

With the aim of injecting broader contextual thinking into the decisions we take around best practice dispute resolution, we've set up a new Process Advisory Committee. Made up of industry and consumer representatives, this committee is meeting quarterly to provide advice to us on case handling policy and processes.

Similarly, we've set up a separate Community Consultation Group as a formal means of gathering input and feedback from a wide range of community agencies. Participants are drawn from a mix of service delivery agencies and research and advocacy organisations, including those with extensive experience working with or on behalf of vulnerable customers. The group is meeting three times a year, with adhoc consultation as relevant issues arise.

It's important to note though that each of these consultation initiatives has a specific purpose, and neither is a substitute for our ongoing engagement with companies and consumer organisations through other channels.

## Working with other Ombudsmen

Over the year, we continued to work with the other Energy and Water Ombudsman offices in the Australia & New Zealand Energy and Water Ombudsman Network (ANZEWO), towards alignment (to the extent possible) of aspects of the operations of our respective offices.

Taking a broader perspective on external dispute resolution, my membership of the Australian and New Zealand Ombudsman Association (ANZOA) continues to facilitate EWOV's capacity to share insights with Ombudsman offices outside the energy and water sectors.

## A tribute to the EWOV team

It's a pleasure to work with people who understand their roles and put so much effort into doing a great job, under sometimes difficult circumstances. Thank you to all of the EWOV team for what you achieved in a year that saw us adapting to another significant change in EWOV's operating environment.

## So what's on the horizon?

Naturally, the move away from high volumes of cases about relatively straight-forward issues has been very welcome. I'm hopeful it represents a new normal for EWOV, enabling the scheme to operate on a more traditional Ombudsman model, as an office of last resort, and allowing us to refocus our dispute resolution on more complex, unresolved complaints.

**Whatever 2015-16 delivers, EWOV's stakeholders can be assured that we'll be focused on maintaining an appropriate balance between dispute resolution processes that are accessible, efficient, fair and impartial, and an operating model that's flexible and responsive.**

However, as the Chair and I have both observed, the changes and challenges will continue, largely driven by emerging technologies, product innovation and new business models around energy services for both residential and business customers. We also anticipate some jurisdictional issues around the resolution of certain types of energy complaints — for example, solar leasing and solar batteries, and arrangements that bundle non-energy products and services.

Issues of affordability and financial hardship show no sign of disappearing and continue to demand a concerted collaborative approach from all stakeholders. One thing we'll be focusing on going forward — which we believe is in the interests of both companies and customers — is the sustainability of the payment plans we negotiate as complaint outcomes, to ensure these are realistic, maintainable and reflect the customer's capacity to pay.

Whatever 2015-16 delivers, EWOV's stakeholders can be assured that we'll be focused on maintaining an appropriate balance between dispute resolution processes that are accessible, efficient, fair and impartial, and an operating model that's flexible and responsive.



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

# Researching and informing

**EWOV is a highly-regarded source of independent research into energy and water issues.**

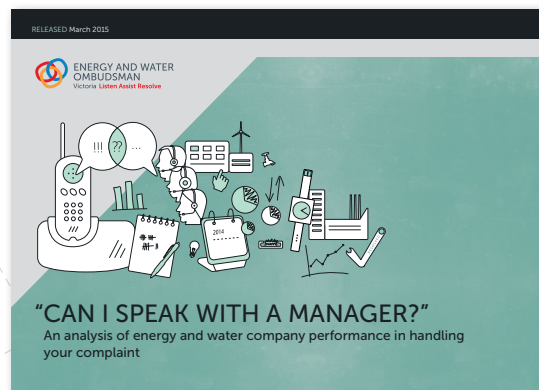
Our direct contact with tens of thousands of Victorian energy and water customers each year gives us a unique insight into the customer experience. Our long history of dispute resolution means we're well placed to suggest how problems should be addressed and could have been prevented in the first place.

We draw on our case work to inform and influence the work of industry, government, regulators, consumer organisations and others with a role in developing public policy around provision of energy and water services. We also draw on it to create resources for use by customers and their representatives, the companies and the public generally.

## In-depth research reports

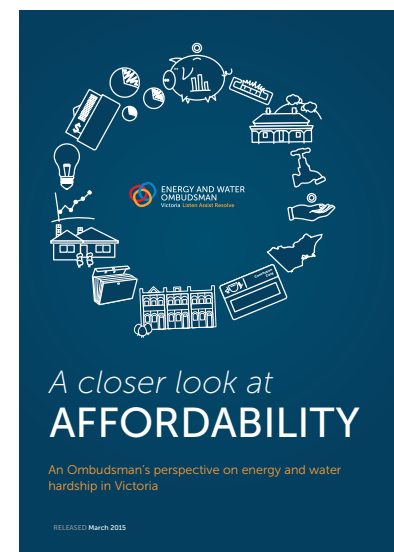
**Can I speak with a manager? An analysis of energy and water company performance in handling your complaint**

Released in February 2015, this customer service report provides an analysis of the effectiveness of the internal dispute resolution (IDR) processes of the energy and water companies in the EWOV scheme. It draws on surveying of customers who sought EWOV's assistance in the second half of 2014, about their expectations and experiences when they attempted to resolve their complaint directly with their energy or water company. The survey results strongly indicate that, for the most part, the expectations of these customers and the resolutions they were seeking were reasonable, and that companies could have done more to engage with them and meet their expectations when the customer first made contact. The report is available in full on our website: [www.ewov.com.au](http://www.ewov.com.au).



**A closer look at affordability: An Ombudsman's perspective on energy and water hardship in Victoria**

Released in March 2015, this report critically examines EWOV's affordability and hardship complaints. It highlights and examines five areas where, based on our research, we believe energy and water companies can do more to assist customers — the provision of effective hardship support, making sustainable payment plans, improving communications and customer engagement, providing better customer support before disconnecting and restricting supply, and taking more reasonable debt collection action. It also suggests some collaborative action could be taken by companies, government and regulators to help solve the problem of energy and water affordability. The report is available in full on our website: [www.ewov.com.au](http://www.ewov.com.au).



# New quarterly reports

## Affordability Report

Recognising the widespread community interest in energy and water affordability and hardship issues, we introduced a new quarterly *Affordability Report* in December 2014. Complementing our other quarterly publications, it combines detailed data about the sub-issues in credit cases received by EWOV — energy disconnection/water restriction, collection (debt collection and credit default listing) and payment difficulties — with qualitative analysis of themes and a detailed case study. All editions of our quarterly report on affordability are available on the EWOV website: [www.ewov.com.au](http://www.ewov.com.au).



## Res Online Scheme Participant Edition

As a result of our discussions with company representatives who work with us directly on dispute resolution, and those who work in internal communications, we introduced a new quarterly *Res Online for SPs* in May 2015. It's an extension of *Res Online*, our long-standing quarterly publication for stakeholders generally. Housed in our extranet for the companies taking part in the EWOV scheme, it provides a range of additional information on case trends and case handling for different industry segments.



# Systemic issues

Our systemic issues identification, registration, investigation, referral and reporting responsibilities are underpinned by the *EWOV Charter* and *EWOV Limited Constitution*, regulatory memoranda of understanding and reporting protocols, and the *CDR Benchmarks*. The value of EWOV as a source of early warning on emerging, possibly systemic, issues is widely acknowledged. We've recently reviewed EWOV's systemic issues function. Going forward, we'll be placing more emphasis on data analysis to identify emerging complaint issues and drive improvements. On pages 35 and 36, there's a list of the systemic issues identified and closed during 2014-15.

## Requests for input to public policy

During 2014-15, we made 12 written submissions to public policy consultations, most of them to inform the work of energy regulators. They're all available on our website: [www.ewov.com.au](http://www.ewov.com.au). We also participated in a range of regulatory, government, industry and community consultation forums and responded to a large number of stakeholder requests for case trends data and other relevant information.

# Awareness and access

**We have a responsibility to ensure that anyone in Victoria who needs assistance with an energy or water complaint knows about EWOV and can use our services easily.**

## Building awareness

### Adapting our strategies as the role of traditional media changes

1,003 Victorians took part in our September 2014 consumer awareness survey. As we plan future awareness activities, we're carefully considering the results. Despite our outreach work, prompted awareness of EWOV sits only marginally higher than where it was five years ago (65% in 2015 against 64% in 2009) and unprompted awareness of EWOV is lower (50% in 2014 against 60% in 2009). Evident in related results from the survey was a significant lessening of the influence of traditional media. Only 10% of those surveyed cited media as the way they became aware of EWOV, against 23% in 2009. We think this is undoubtedly reflective of the diminishing role of traditional media in the Australian media landscape, in favour of other information sources.

On the flip side, our strategy of strengthening EWOV's online presence and reaching out to community organisations directly is paying off, with awareness through the internet and through financial counsellors and community organisations both increasing.

Other important findings were that only 26% of respondents knew that EWOV is a free service and only 12% knew that EWOV isn't a government body. In response to these results, we're making a concerted effort to educate consumers about these important aspects of EWOV's operations, through better messaging in our telephone answering service, website, publications, social media output and traditional media relations.

### Working through community representatives

In our experience (and confirmed by our recent surveying), one of the most effective ways to build awareness of EWOV's services is through community agencies, where people are likely to go when they need help, particularly help with bills. It's essentially the old adage of multiplying our feet, among people (especially financial counsellors) who have a practical and ongoing use for the energy and water dispute resolution and customer education information we can provide.

To this end, we continued our involvement in the External Dispute Resolution (EDR) Forum, run alongside the annual conference of Financial Counselling Australia. Convened annually, the EDR Forum provides EWOV, and other Ombudsman and EDR offices, a great opportunity to engage directly with the financial counselling community on common and scheme-specific issues.

The forum seeks to build skills as well as awareness, to help financial counsellors present clients' cases to EDR schemes effectively. In turn it gives them the opportunity to raise EDR practices that present barriers to effective dispute resolution.

### EWOV open days

The opportunity to have a 'behind the scenes' look at EWOV continues to be another effective way of building understanding of what we do and how we do it. Since introducing this activity in 2014, we've conducted 10 open days, for over 100 community, financial counselling, government and regulatory participants.

### Grassroots community presentations, consultation and case handling advice

We also continue to make EWOV staff available to community organisations across Victoria, to speak with community representatives and also directly with customers. In 2014-15, we took part in nine 'Bring Your Bills Days', mainly across the western suburbs of Melbourne. We also actively sought out other grassroots opportunities to provide information on energy and water rights and responsibilities to consumer segments which can be harder to reach, taking part in NAIDOC Week, the Victorian Seniors Festival, the SPAN Community Housing event and the Vietnamese Women's Association Energy Expo, among others.



## Facilitating access

Equitable access to EWOV is a priority. Not only do customers need to know EWOV exists, they need to be able to use the services we offer — readily, easily and for free — no matter where in Victoria they are located or their particular circumstances.

We place a high priority on processes that are simple to understand and easy to use. Our customer communications are presented clearly, concisely and in plain English. Surveying of customers who contacted EWOV in 2014-15 showed that 91% of them found our service easy or very easy to use (up from 88% in 2013-14).

Most customers still contact us by phone (75%). An advantage of this is that it enables us to recognise and assist customers with particular needs. For example, as well as offering access to interpreter services, we have put the language skills of 36 staff across 19 languages to good use. Phone contact also gives us the opportunity to identify and help people who may need particular assistance to make their complaint, whether from us or from someone else (such as a family member or financial counsellor) acting on their behalf.

While phone is still the most common means of lodging complaints with us, the 24-hour availability of our online complaint form is proving increasingly popular. 2014-15 saw 24% of contacts being made through email and online forms, up from 20% in 2013-14.



We also continued to use our experience to produce resources, such as fact sheets and online videos and other content, which build the capability of customers to understand energy and water issues and resolve their complaints themselves.

During 2014-15, we distributed 11,726 fact sheets to customers and to community agencies, many of which were requested by the agencies to support their work with clients.

### TIS translation services

- Assisted 647 customers
- Top 5 languages: Mandarin, Vietnamese, Greek, Farsi (Persian), Cantonese

### Our most popular website pages (after our home page)

- Complaint form
- Contact us
- Frequently asked questions
- How to lodge a complaint with EWOV
- Process for complaints

### Our most popular self-help online videos

- How to reduce the energy or water bill
- How to resolve your own complaint
- How to read your Smart Meter
- Common water issues
- The Victorian Smart Meter rollout

### Our most popular fact sheets

- Can't pay your energy or water bill?
- Energy and water basics
- High electricity and natural gas bills
- Concessions
- EWOV complaint handling brochure

### Our most popular website pages for community representatives

- Community information pack
- Advice for community agencies
- Community visit calendar

# Our performance

**We focused on maintaining an appropriate balance between the accessibility, efficiency, fairness and independence of EWOV's processes, while ensuring the flexibility and responsiveness of our operating model.**

The Board asked the EWOV Management Team to focus on six specific areas:

- Operating Model
- Industry Relationships
- Customer and Community Engagement
- Policy and Influence
- Systems and Data Analysis
- Human Capability.

## Operating model

**Our overall goal was to provide efficient, effective, accessible, fair and independent dispute resolution services, meeting key performance indicators and improving the satisfaction levels of customers and the companies that are EWOV scheme participants.**

We met or exceeded all of the key performance indicators specific to case handling, which we report on to the Board. Our performance reflects improvements in the efficiency, sustainability, fairness and independence of EWOV's processes over recent years.

Overall satisfaction with EWOV's service increased, with 79% of surveyed customers rating their overall satisfaction with our handling of their case as excellent or good, up from 75% in 2013-14.

EWOV's Net Promoter Score (+73) and scores for independence (81%) and fairness (81%) were stable compared with those for 2013-14.

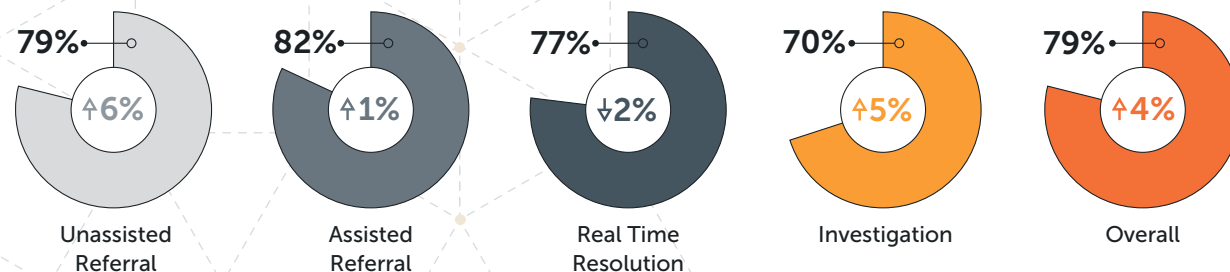
We brought EWOV's costs in at \$13.7m, \$4.7m (26%) under budget, mainly as a result of lower caseloads requiring fewer staff across the scheme.

We produced a comprehensive significant event plan to enable us to respond rapidly and effectively to significant uplifts in demand for EWOV's services, a strategic initiative in the wake of the rising case volumes of recent years.

A refined workforce planning methodology will improve our capacity to forecast resource requirements across the different stages of EWOV's processes.

At its June 2015 meeting, we provided the Board with a detailed report on the actions taken and further planned actions arising from the recommendations of the 2014 National Benchmarks Review.

### CUSTOMER SATISFACTION SURVEY RESULTS (GOOD OR EXCELLENT RESULT) WITH THE PERCENTAGE CHANGE FROM 2013-14



NOTE: Refer to page 22 for more on EWOV case types.

# Industry relationships

**Our overall goal was to foster effective, collaborative relationships and drive continued customer service improvement by the energy and water industry.**

We launched a version of our popular *Res Online* publication, tailored to the needs of the staff within the companies who work with us on dispute resolution.

We developed a number of position statements to provide guidance to the companies and other stakeholders on how EWOV considers key issues in certain types of cases, and to assist company complaint handling. Following the introduction of the first three position statements, we've seen falls in average days to close Investigations of the following issues — debt collection and credit default listing (down 35%), estimated billing (down 29%) and supply variation (down 18%).

We progressed work on greater consistency across the operations of the offices in the Australia & New Zealand Energy and Water Ombudsman Network (ANZEWO).

With company input, we revised EWOV's good industry practice request template, to more effectively capture and manage good industry practice advice for use across our case handling.

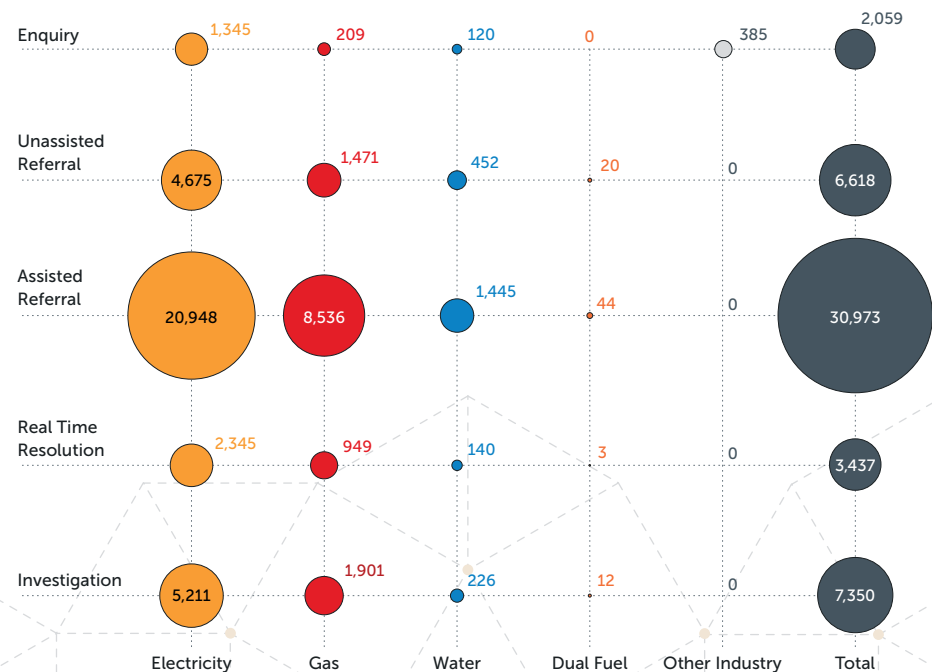
We introduced a Process Advisory Committee to provide input to our development of case handling policies and procedures.

We developed a Resolve-based workflow for the systematic capture and tracking of feedback (from customers and companies) about our case handling. This enables us to undertake better data and trend analysis and more effectively implement strategies to address areas for improvement.

We continued to work closely with the companies with high complaint volumes and/or more complex complaints, including scheduling case clarification meetings, focus days and company-specific training to improve case handling efficiency and effectiveness.

Having published our affordability research paper, we discussed the recommendations made in it with individual companies, peak bodies, regulators, government and in forums focused on affordability issues.

## WHICH INDUSTRY, WHICH EWOV PROCESS 2014-15



# Customer and community engagement

**Our overall goal was to increase EWOV's ability to assist energy and water customers — through providing useful resources and information, to help them more effectively manage their complaints directly with the companies, and to ensure that community organisations, particularly those which assist the most vulnerable Victorian communities, understand EWOV's processes and how to work most effectively and efficiently with us.**

Our strategy of strengthening EWOV's online presence and reaching out to community organisations directly delivered increases in awareness through the internet (5% increase) and through financial counsellors and community organisations (5% increase).

To educate consumers that EWOV is a free, non-government service, we increased the prominence of these important points in our telephone, website, publications, social media and traditional media messaging.

We continued our open days for community, financial counselling, government and regulatory groups, with over 100 attendees taking part to the end of 2014-15.

We refreshed our external publications to improve readability.

We set up a Community Consultation Group (CCG) to provide advice to EWOV, based on members' knowledge of energy and/or water issues, and on their experience working with or on behalf of vulnerable customers.

We participated in nine Bring Your Bills Days and took numerous other opportunities to build awareness among hard-to-reach customer groups.

We continued our annual participation in the External Dispute Resolution (EDR) Forum for financial counsellors.

We gained extensive TV, print, online and radio coverage across the state for key EWOV reports.

**To educate consumers that EWOV is a free, non-government service, we increased the prominence of these important points in our telephone, website, publications, social media and traditional media messaging.**

People who found out about EWOV through the internet:



People who found out about EWOV through financial counsellors and community organisations:



## Systems and data analysis

**Our overall goal was to deliver robust and capable information technology and data solutions to support EWOV's goals.**

We exceeded the minimum working day availability of 99% uptime for our telephone environment (100%), Resolve case management system (99.5%) and email application (100%).

To improve EWOV's business continuity in the event of a 'disaster event', we replicated our server environment off-site and implemented virtual desktop solutions for the off-site management of everyday operational tasks.

A new telephony solution will provide us with more integrated management of customer communications and more effective workforce management.

Introduction of the application 'Tableau' will improve our capacity to systematically and analytically interrogate EWOV case data.

## Policy and influence

**Our overall goal was to continue to be a respected provider of high quality, independent information about customer experience of the energy and water industries.**

EWOV data and information was actively sought by regulators, government, consumer and industry groups through direct approach and by way of our participation in working groups and forums.

Readership of EWOV's publications continued to grow, with overall 'open rates' for 2014-15 up to 40% from 34% in 2013-14 and 28% in 2012-13. We were particularly pleased to see the 'open rate' for *Res Online* jump from 34% in 2013-14 to 36% in 2014-15, after work we did to refresh the overall look and improve readability.

We published two comprehensive research reports. The first presented the results of our survey of the experiences of 1,645 customers when they engaged with their energy or water company's internal dispute resolution (IDR) processes. It was distributed by Electronic Direct Mail (eDM) across EWOV's key stakeholders, resulting in 2,733 eDM opens and over 100 downloads of the full report in the first few weeks after the launch. The second report discussed and made recommendations for addressing the issue of energy and water financial hardship from an Ombudsman perspective. It was distributed by eDM to over 1,600 stakeholders from our contact database, resulting in 4,347 eDM opens and 62 downloads of the full report within two weeks of the launch.

EWOV publications  
overall open rates:



Res Online  
open rates:



# Human capability

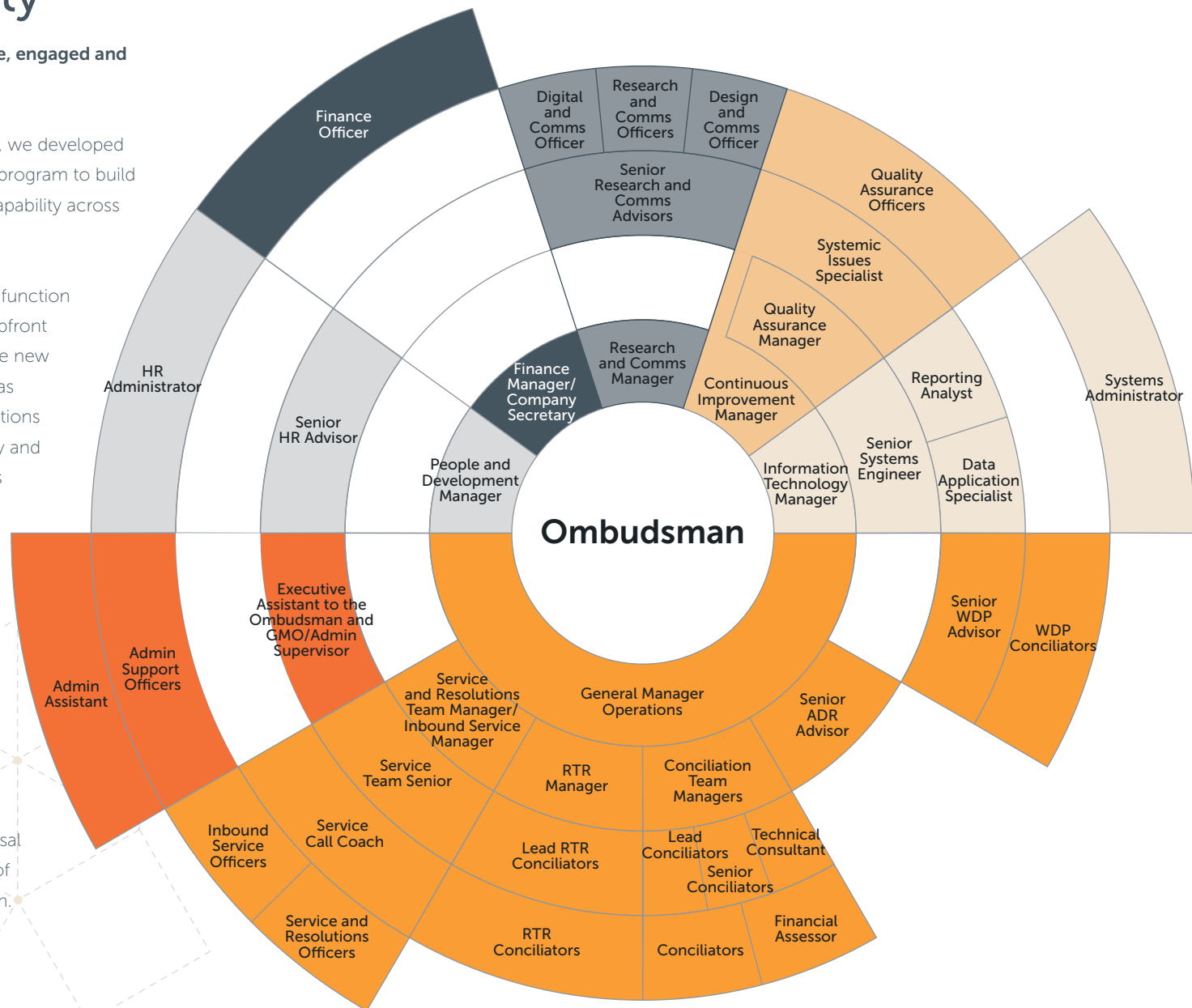
**Our overall goal was to maintain an agile, engaged and high performing workforce.**

Working with Melbourne Business School, we developed a contemporary leadership development program to build employee management and leadership capability across EWOV.

We brought our entire Human Resources function back in-house delivering more effective upfront management of people-related issues. The new People and Development Manager role has ensured employee relations/industrial relations issues are managed promptly, consistently and in an integrated manner. The role also has a more strategic focus, delivering broader organisational and cultural benefits.

We reviewed EWOV's remuneration model, using the existing job evaluation scores to create five salary bands of similar-sized roles, delivering much greater transparency and equity in remuneration.

We implemented the Performance Appraisal and Recruitment and Selection modules of our Human Resources Information System.





# Our casework

## 50,437 cases received

### By case type

2,059 cases registered as enquiries (4%)  
48,378 cases registered as complaints (96%)

### By industry

34,524 electricity cases (68%)  
13,066 gas cases (26%)  
79 dual fuel cases (<1%)  
2,383 water cases (5%)  
385 cases about other industries (1%)

### Which customers contacted EWOV?

45,698 cases were lodged by residential customers (91%), 4,448 cases by business customers (9%) and 291 cases by not-for-profit/government customers (<1%).

75% of customers were from metropolitan Melbourne (up from 72% in 2013-14) and 25% were from regional and rural Victoria (down from 28% in 2013-14).

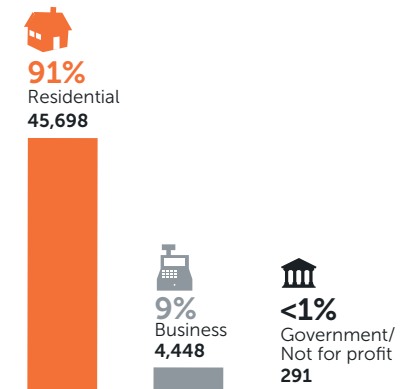
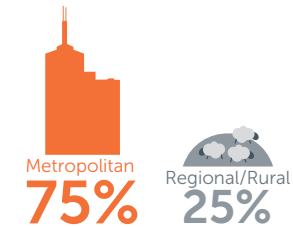
The parts of Victoria with the highest rates of EWOV cases (residential customers, energy and water combined) per 1,000 of population were Murrindindi Shire and Towong Shire, both in north-eastern regional Victoria. The maps on pages 20 and 21 provide more insight into the hot spots for EWOV residential cases and common issues around Victoria.

### What were the top 5 issues of complaint?

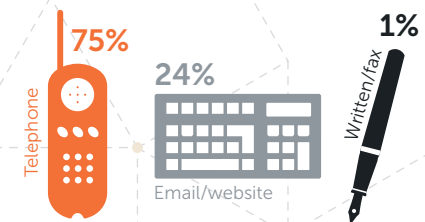
1. Credit: energy disconnection/water restriction for account arrears (11%)
2. Credit: debt collection and credit default listing (11%)
3. Billing: high (10%)
4. Billing: backbill (7%)
5. Billing: error (7%)

# 50,437

Cases



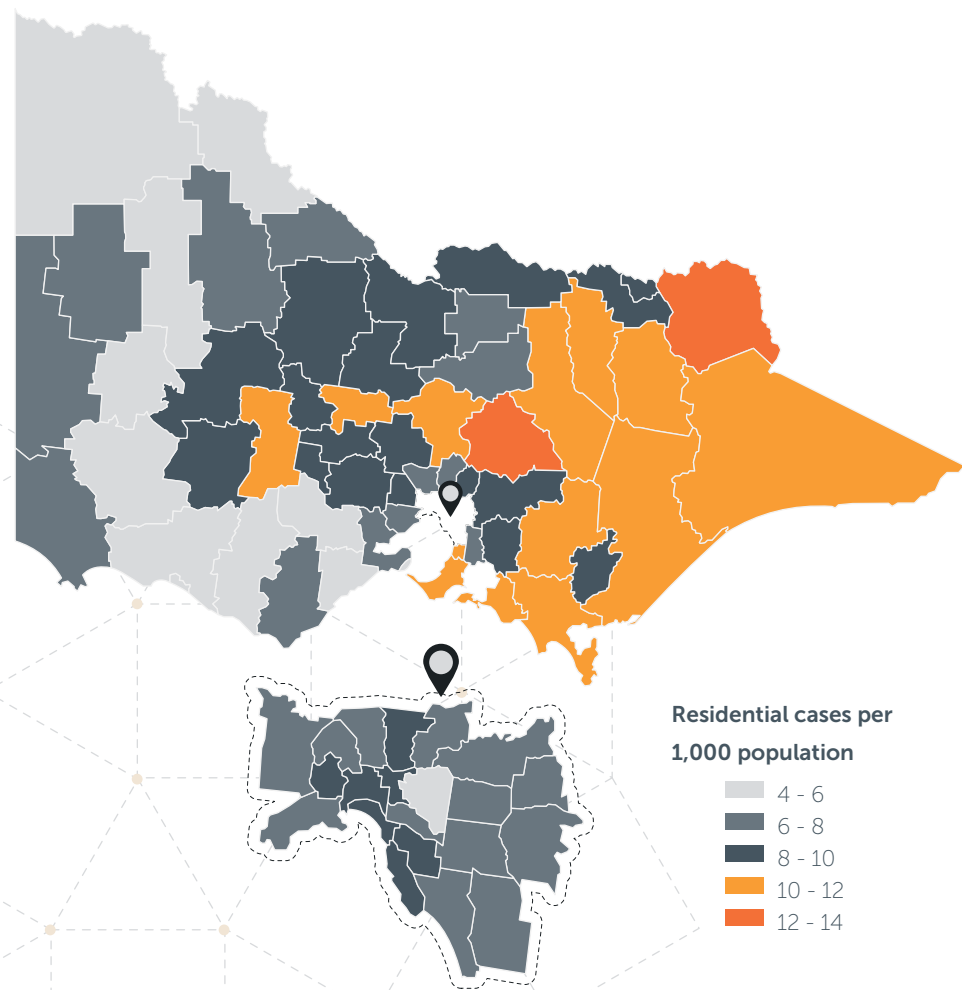
### How did customers make contact?



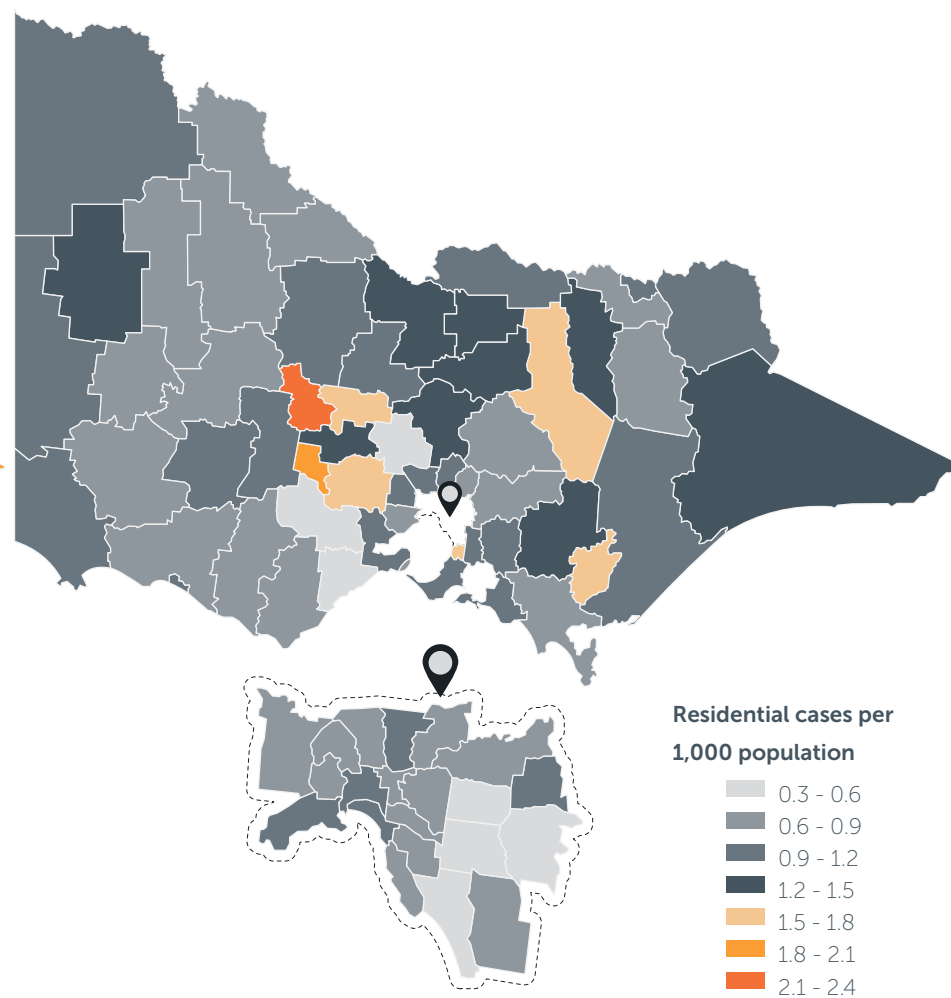
# The hot spots



THE CASES EWOV RECEIVED FROM RESIDENTIAL CUSTOMERS BY COUNCIL/SHIRE

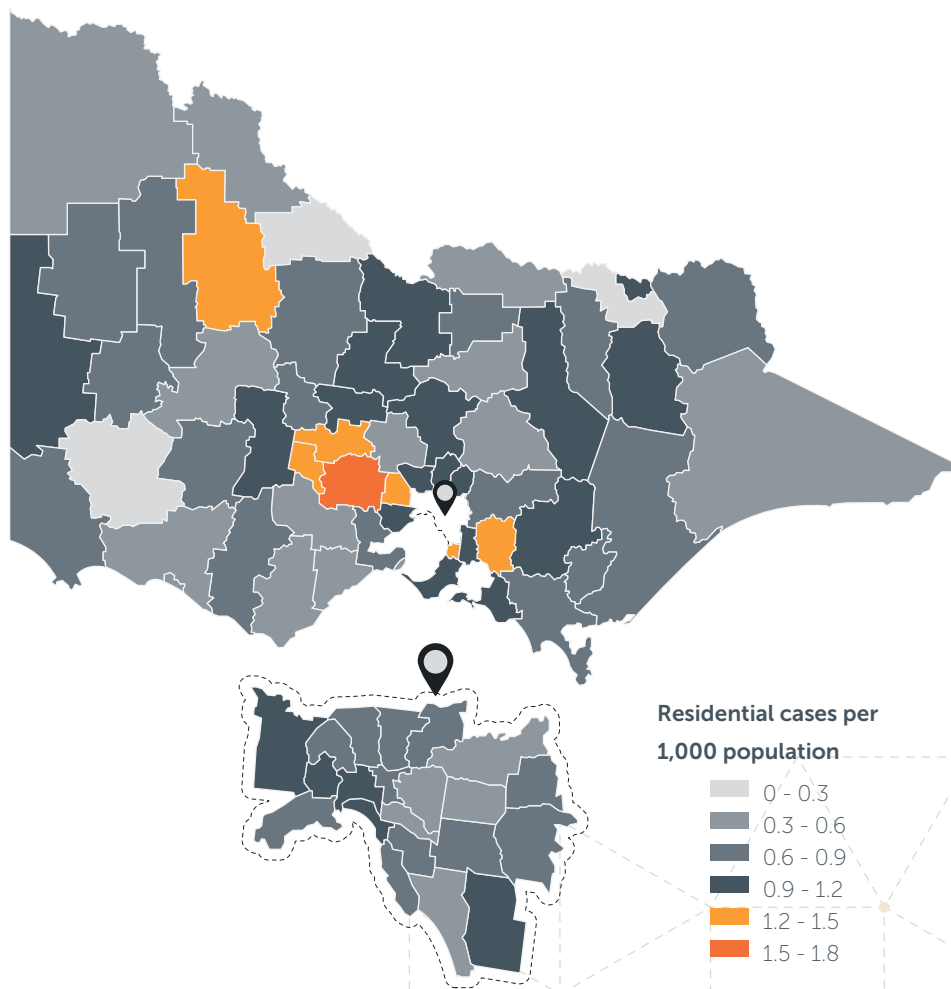


THE ENERGY DISCONNECTION/WATER RESTRICTION CASES EWOV RECEIVED FROM RESIDENTIAL CUSTOMERS BY COUNCIL/SHIRE

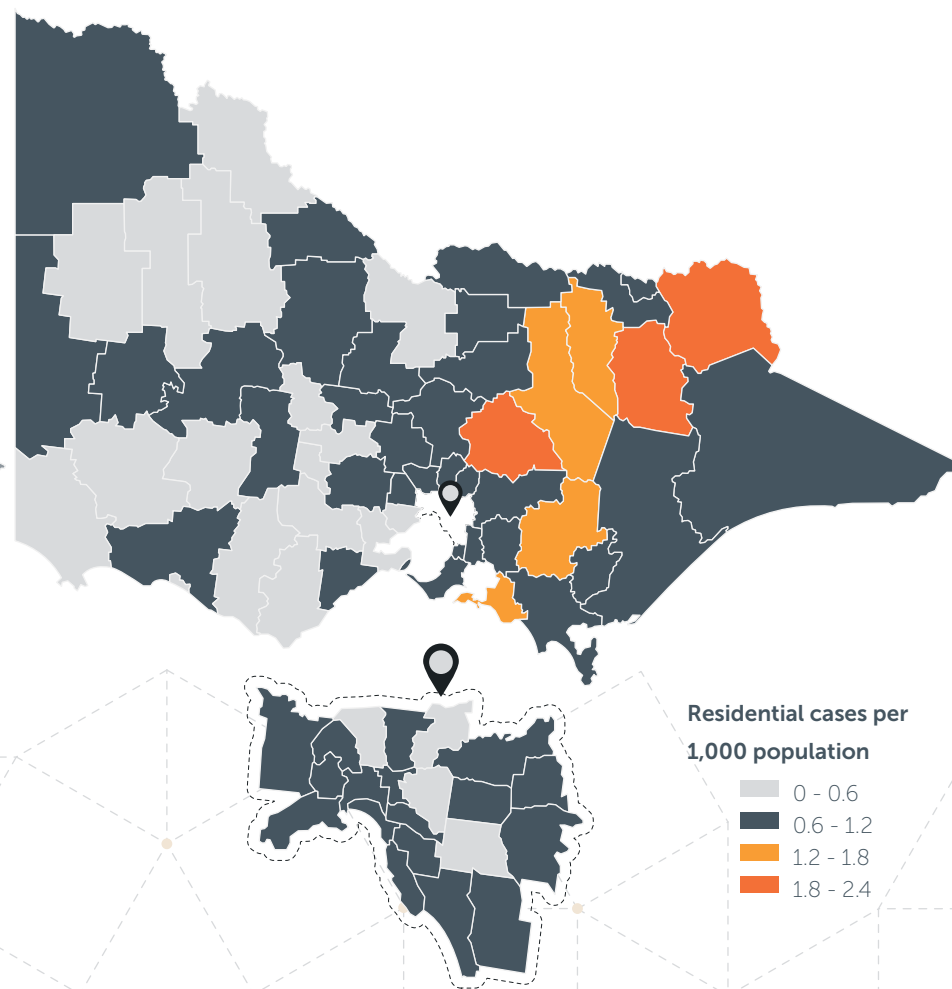




## THE COLLECTION CASES EWOV RECEIVED FROM RESIDENTIAL CUSTOMERS BY COUNCIL/SHIRE



## THE HIGH BILL CASES EWOV RECEIVED FROM RESIDENTIAL CUSTOMERS BY COUNCIL/SHIRE



# Case receipt and progression

**EWOV's approach is informal and based on the principles of alternative dispute resolution (ADR).**

The work we do is often described as external dispute resolution (EDR), because we are independent of and external to the companies participating in our scheme (the scheme participants). Essentially, we look to uncover the facts to help the customer and their company 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 company, or it may be conciliated by us. In 2014-15, customers gave EWOV an overall satisfaction rating (good or excellent) of 79% for the way we handled their case (up from 75% in 2013-14).

The visual depiction below tracks one customer's complaint about debt collection action on arrears and the potential effect of that on his credit rating. The example complaint progressed through each of EWOV's stages and was finally resolved through an Investigation by us.

# Cases, enquiries, complaints

EWOV uses the term **case** to cover all customer contacts. Each case is registered as either an 'enquiry' or a 'complaint' and handled in accordance with our Best Practice Procedures.

A **complaint** is an expression of dissatisfaction about a policy, a practice or the customer service performance of an energy or water company, which is an EWOV scheme participant, where a response or resolution is explicitly or implicitly expected.

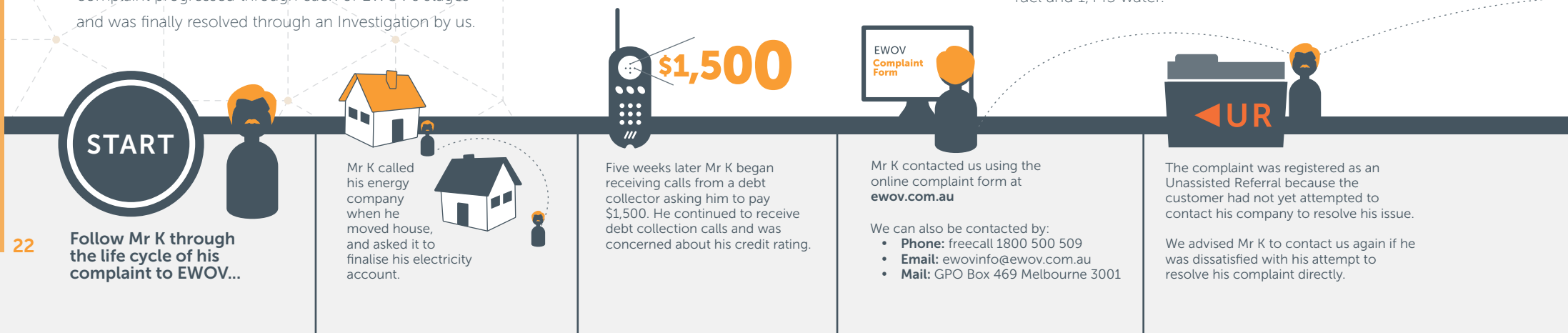
An **enquiry** is a customer's request for general information (e.g. about the Smart Meter rollout). Where we can, we provide this information ourselves. Where we can't, we provide the customer with contact information for the most appropriate office. In 2014-15, we registered 2,059 cases as enquiries — 1,345 electricity, 209 gas, 120 water and 385 other industry.

## Unassisted Referral

Where the customer hasn't yet spoken with their company about their complaint, we refer them back to the company's contact centre. In 2014-15, we registered 6,618 cases at Unassisted Referral — 4,675 electricity, 1,471 gas, 20 dual fuel and 452 water.

## Assisted Referral

Sometimes, even though the customer speaks with someone at their company's contact centre, their complaint remains unresolved. In these cases, the complaint is handled as an Assisted Referral. This means it's referred to a designated higher level contact within the company. We make the referral after providing the customer with some information about their rights and responsibilities, relevant to their complaint. Assisted Referral enables companies and customers to reconnect, building goodwill and customer confidence in their company's capacity to resolve any future problems. Undertaken effectively, Assisted Referral can successfully and significantly reduce the number of complaints which need to go through to Real Time Resolution and Investigation. In 2014-15, we registered 30,973 cases at Assisted Referral — 20,948 electricity, 8,536 gas, 44 dual fuel and 1,445 water.



## Real Time Resolution

Despite the resolution opportunities offered by the Assisted Referral process, not all Assisted Referrals result in resolution. Some customers return to us still dissatisfied with the solution their company has proposed. Others return because the company didn't contact them or, having contacted them, didn't get back to them again as promised. Our Real Time Resolution Team receives failed Assisted Referral complaints from customers and works by phone to negotiate a fair and reasonable resolution of the complaint, usually within 24 hours.

In 2014-15, we registered 3,437 cases at Real Time Resolution — 2,345 electricity, 949 gas, 3 dual fuel and 140 water.

## Investigation

We open an Investigation where:

- Assisted Referral or Real Time Resolution has failed, the matter remains unresolved, and the customer recontacts EWOV, or
- the matter is complex and unlikely to be resolved as an Assisted Referral or by Real Time Resolution, or
- the customer's circumstances reflect EWOV's *Vulnerable and Disadvantaged Customer Policy and Procedure*, warranting an Investigation, or
- an energy or water company requests an Investigation.

In 2014-15, we registered 7,350 Investigations — 5,211 electricity, 1,901 gas, 12 dual fuel and 226 water.

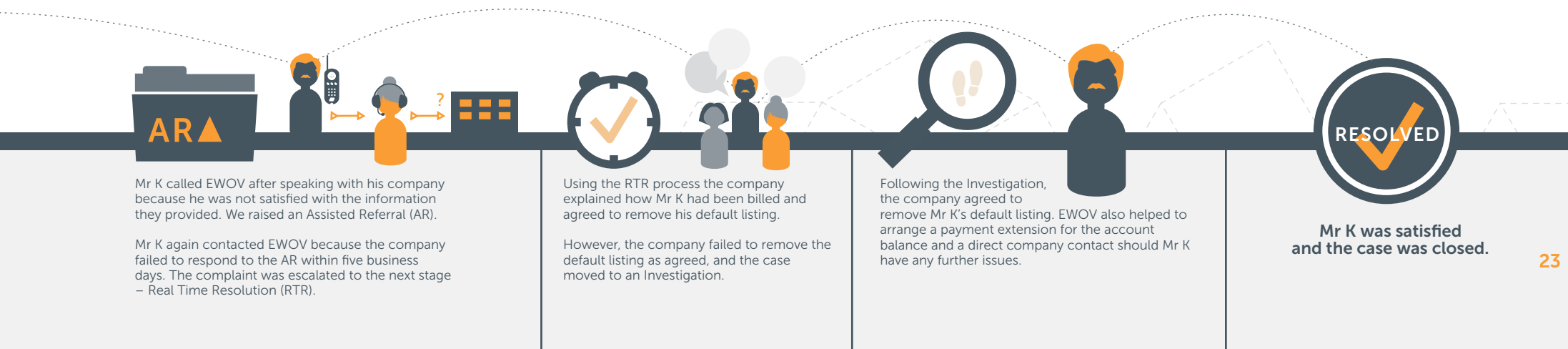
## Binding Decision

If a complaint goes through the process of Investigation without a resolution being achieved, the Ombudsman has the power to close the complaint if it's assessed that further investigation isn't warranted, or to make a Binding Decision. Where the Ombudsman makes a Binding Decision, the decision is binding on the company if the customer accepts it. Alternatively, the customer may choose to take action in another forum, such as a court.

No Binding Decisions were made in 2014-15. It hasn't been necessary for the Ombudsman to make a Binding Decision since 2003.



**Go online**  
to view an interactive  
version of this visual  
case study  
[ewov.com.au](http://ewov.com.au)



# Complaint resolution and outcomes

**42,739** Cases finalised

**2,050**  
Enquiries finalised

**863 (42%)**  
Referred to a Regulator

**497 (24%)**  
Provided general information

**289 (14%)**  
Provided general information and referred to energy/water companies

**221 (11%)**  
Referred to another Ombudsman

**152 (7%)**  
Referred to other bodies

**28 (1%)**  
Referred to Government

**40,689**  
Complaints finalised

**6,205**  
Unassisted Referral

**24,194**  
Assisted Referral

**2,933**  
Real Time Resolution

**7,357**  
Investigation

**5,232 (84%)**  
complaints referred back to energy or water company call centres, because the customer hadn't contacted the company before contacting EWOV

**341 (5%)**  
complaints didn't require referral or investigation. Some customers simply wished to register their complaint with us, without further action

**632 (11%)**  
complaints referred to a regulator, other ombudsman, government or another body

complaints referred back to companies, but at a higher level

**659** payment plans arranged

**234** apologies provided to customers

**\$486,836** achieved in redress for customers

**\$112,888** in billing adjustments

**\$194,151** in recognition of customer service issues

**\$107,894** in debt reduction/waivers

**\$63,971** in waived fees

**\$7,932** in guaranteed service level payments

**5,793 (79%)** complaints had conciliated outcomes

**2,394** payment plans arranged

**3,138** apologies provided to customers

**\$3,841,861** achieved in redress for customers

**\$2,305,398** in billing adjustments

**\$1,027,726** in recognition of customer service issues

**\$365,461** in debt reduction/waivers

**\$106,449** in waived fees

**\$36,827** in guaranteed service level payments

**1,564 (21%)** other finalised complaints

**1,455 (20%)** closed due to non-participation by the customer

**45 (<1%)** withdrawn by the customer

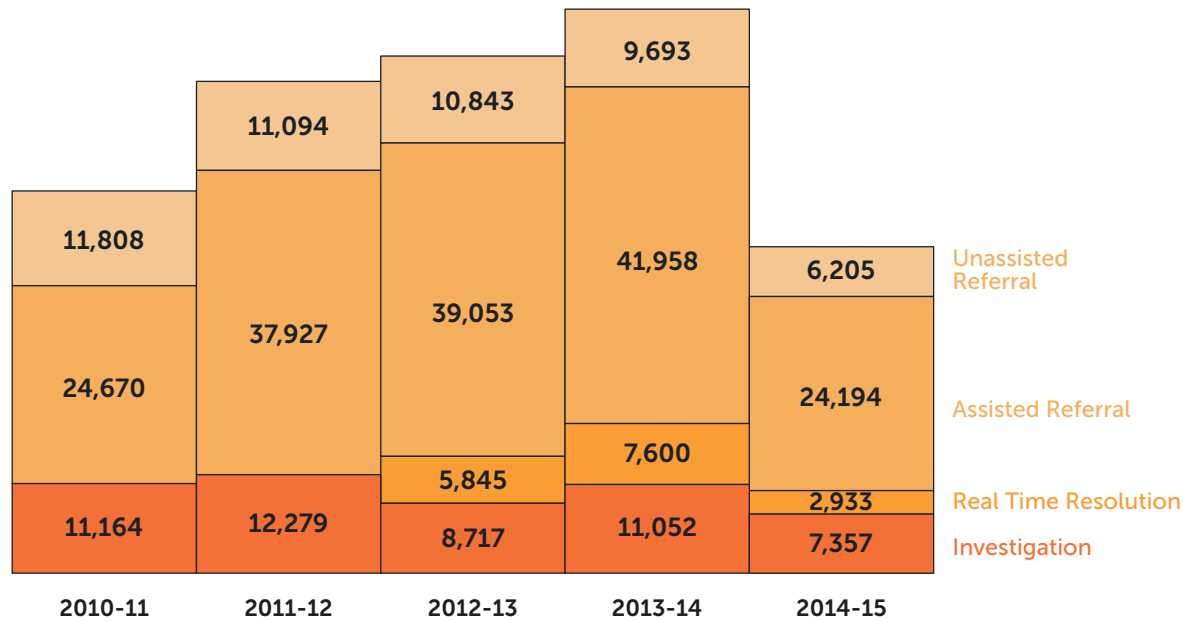
**38 (<1%)** more appropriately dealt with by another body

**26 (<1%)** closed on the basis that further investigation was not warranted

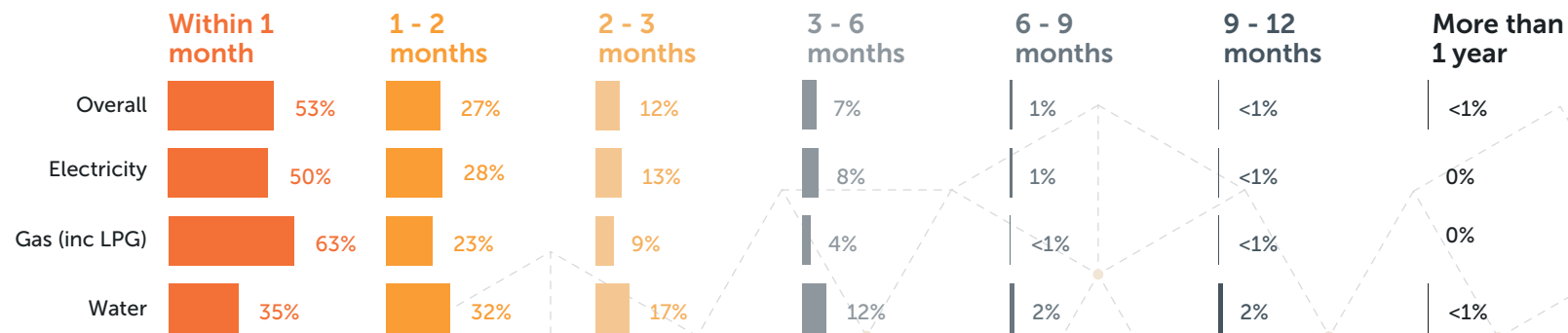
**NOTE:**  
Cases to EWOV may progress through a number of stages of receipt and escalation. The data here reflects the final outcomes.



## CLOSURES BY COMPLAINT TYPE FROM 2010-11 TO 2014-15



## HOW LONG INVESTIGATIONS TOOK TO RESOLVE



# Issues and trends

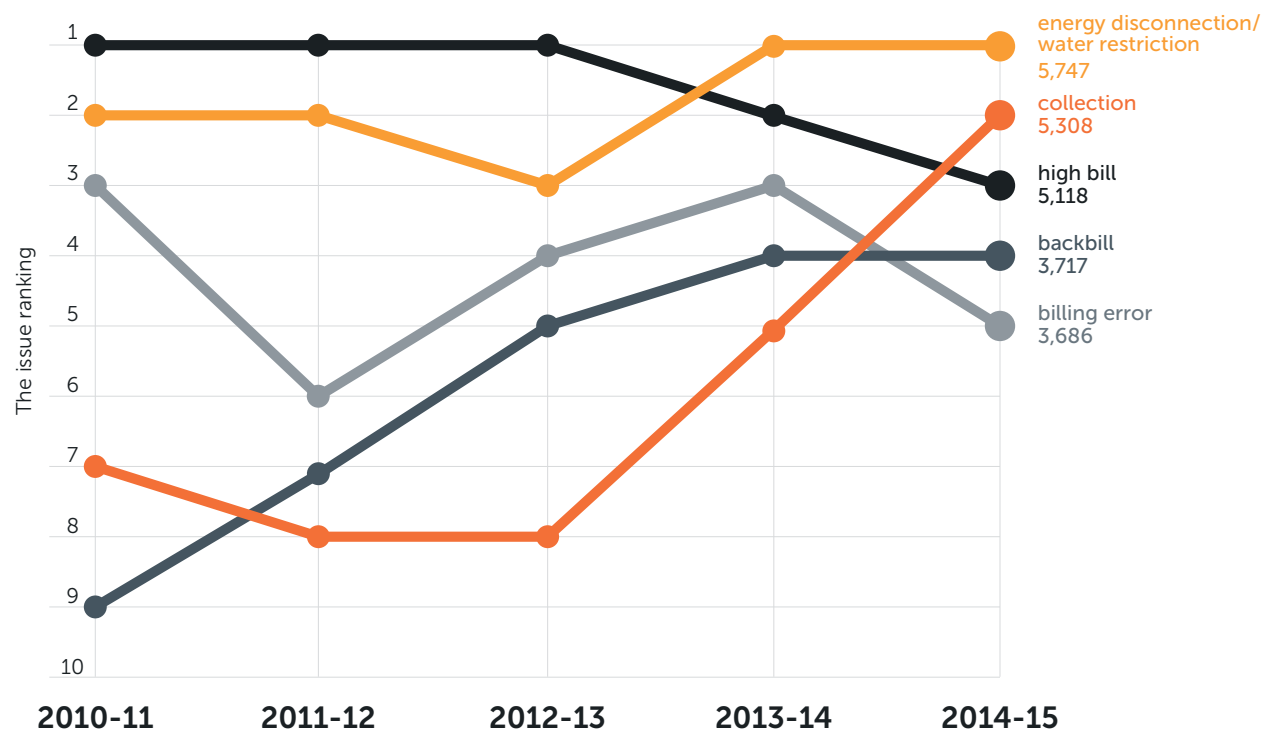
## Two credit issues top the list

In 2014-15, billing was the single biggest source of complaints to EWOV, raised as the main issue in 22,855 cases (45% of our caseload). Credit followed, raised as the main issue in 13,574 cases (27% of our caseload). But, in a change of historical trends, two credit issues topped the list of customer complaints overall.

The number one source of customer complaint in 2014-15 was the credit issue of energy disconnection/ water restriction, raised as the main issue in 5,747 cases. Sitting in second place was the credit issue of collection (debt collection and credit default listing) which was raised as the main issue in 5,308 cases. High bill followed at number three, raised as the main issue in 5,118 cases.

The graph on the right illustrates the evolution of this change over the past five years, and particularly since 2012-13. On the following pages we take a closer look at the billing and credit issues categories.

## THE TOP FIVE CUSTOMER ISSUES IN 2014-15 AND HOW THEY HAVE RANKED SINCE 2010-11



Until 2013-14, high bill topped the list of customer complaints. In 2013-14, high bill was replaced for the first time by the credit issue of energy disconnection/water restriction. In 2014-15, high bill was pushed down to third place by the credit issue of collection (debt collection and credit default listing).

 **Go online**  
to view an interactive  
version of the top  
five customer issues  
[ewov.com.au](http://ewov.com.au)

## Top issues by customer segment

### Residential customers

- Electricity:
  - collection (debt collection and credit default listing) (3,422)
  - credit-related electricity disconnection (3,289)
  - high bill (2,792)
- Gas:
  - credit-related gas disconnection (1,725)
  - collection (debt collection and default listing) (1,350)
  - high bill (1,310)
- Water:
  - high bill (598)
  - fees and charges (219)
  - credit-related water restriction (152)

### Business customers

- Electricity:
  - backbill (603)
  - credit-related electricity disconnection (486)
  - collection (debt collection and default listing) (315)
- Gas:
  - provision of supply at a new connection (80)
  - credit-related gas disconnection (59)
  - provision of supply at an existing connection (53)
- Water:
  - high bill (40)
  - fees and charges (37)
  - provision of supply at an existing connection (19)

### Main issues for not for profit/government customers

- Electricity:
  - backbill (29)
  - tariff (24)
  - credit-related electricity disconnection (20)
- Gas:
  - supply provision at a new connection (8)
  - backbill (5)
  - estimated bill (4)
- Water:
  - fees and charges (2)
  - high bill (2)
  - land and network assets (2)

## Our issues categories

EWOV uses nine issues categories:



### Billing

Generating and sending bills, and payment processes



### Credit

Unpaid bills and the action taken to collect arrears, including energy disconnection/water restriction, debt collection and credit default listing



### Customer Service

The level of service received or not received



### General Enquiry

A general customer enquiry to EWOV



### Land

The effect of company activities or network assets on a customer's property



### Marketing

How energy retailers go about gaining new customers



### Provision

The connection of a property to the energy or water network



### Supply

The physical delivery of the energy or water service



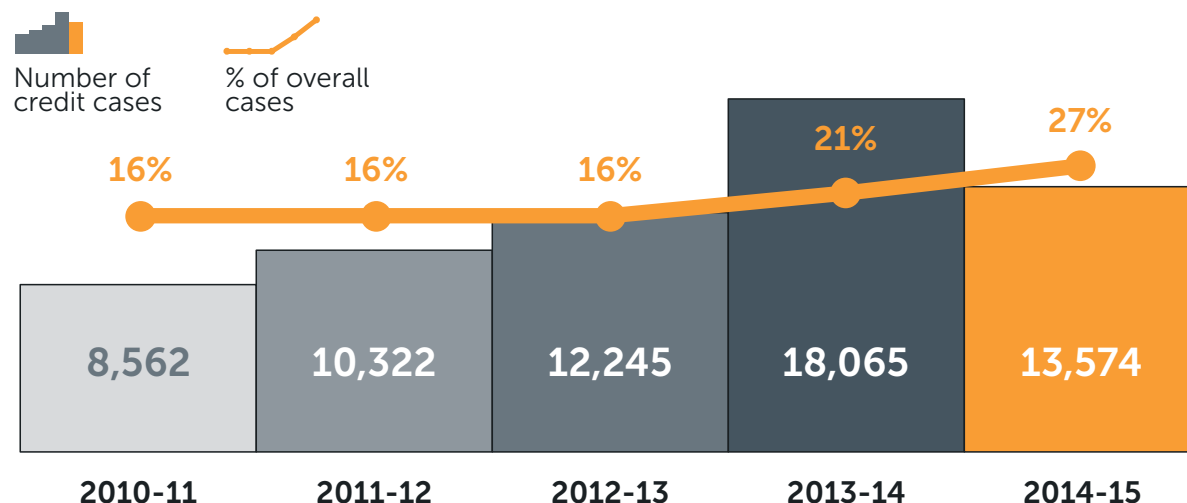
### Transfer

Switching an account to a new energy retailer

Based on the customer's statement, we sometimes register two or more issues for the one case — for example, estimated billing and high bill. 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.

# A closer look at credit

## TRENDS IN CREDIT CASES FROM 2010-11 TO 2014-15



We've tracked the fall in credit cases over the past year with a level of optimism that energy retailers are taking a more customer-focused approach to affordability issues.

We registered 13,574 credit cases, down 25% from 18,065 cases in 2013-14. Cases for the three main credit sub-issues all fell to some degree.

While we welcome the falls, 13,574 credit cases lodged with EWOV (92% of them residential) still indicates that far too many people are having difficulty paying for their usage, especially their electricity and gas.

Two credit issues — energy disconnection/water restriction and collection (debt collection and credit default listings) — topped the list of complaints overall, above high bills in third place.

### Five year trends

The graph above tracks annual trends in cases about credit issues over the past five years.

Having increased year-on-year from 2010-11 to 2013-14, cases about energy disconnection/water restriction fell 37% in 2014-15. Even so, at 5,747 cases they were still 41% above those for 2010-11.

Similarly, having also increased year-on-year from 2010-11 to 2013-14, cases about collection (debt collection and credit default listings) fell in 2014-15, but by a smaller 10%. At 5,308 cases, they were 122% above those for 2010-11. Year-on-year, cases about payment difficulties have variously increased and fallen since 2010-11. In 2014-15, they fell 15% to 2,500 cases, still 20% higher than in 2010-11.

In 2010-11, credit cases represented 16% of EWOV's case load. In 2014-15, they represented 27%.

## Credit issues across customer segments

### Residential customers

- 5,166 Energy disconnection/water restriction
- 4,924 Collection (debt collection and credit default listing)
- 2,443 Payment difficulties

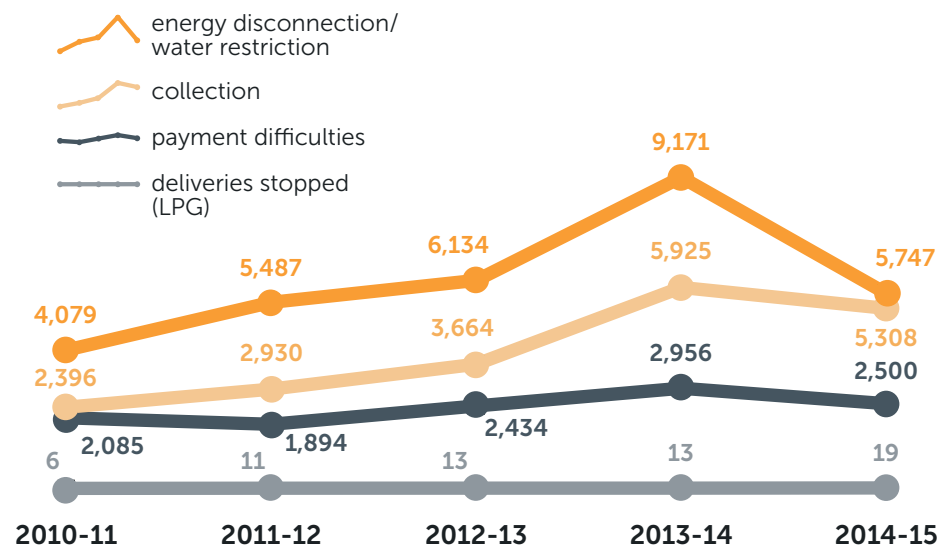
### Business customers

- 557 Energy disconnection/water restriction
- 372 Collection (debt collection and credit default listing)
- 51 Payment difficulties

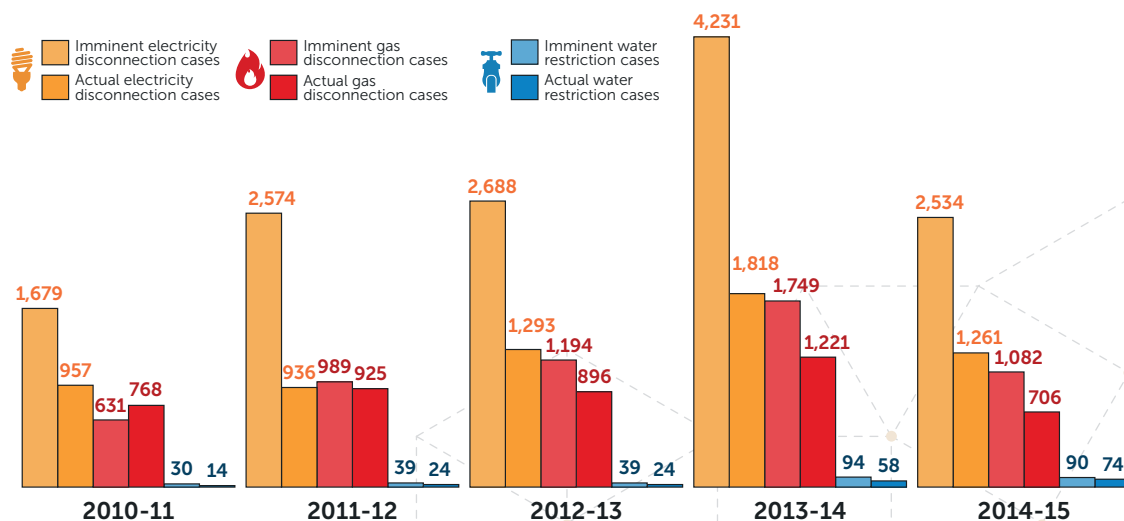
### Government/Not for profit

- 24 Energy disconnection/water restriction
- 12 Collection (debt collection and credit default listing)
- 6 Payment difficulties

## TRENDS IN CREDIT SUB-ISSUES FROM 2010-11 TO 2014-15



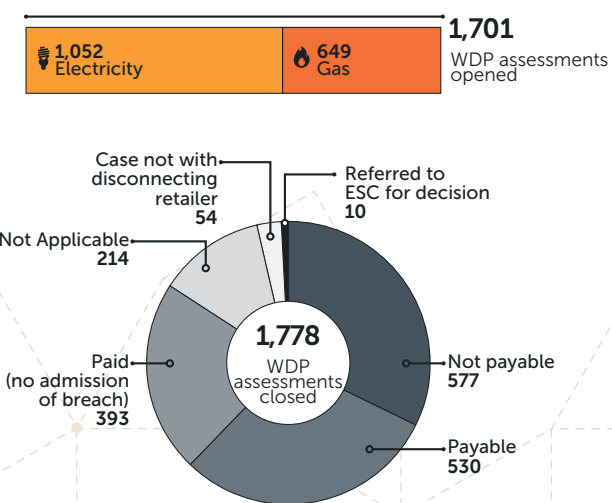
## CREDIT-RELATED ACTUAL AND IMMINENT ENERGY DISCONNECTION AND WATER RESTRICTION CASES FROM 2010-11 TO 2014-15



## More about financial hardship issues on our website

- EWOV's March 2015 research report, *A closer look at affordability: An Ombudsman's perspective on energy and water hardship in Victoria*
- EWOV's quarterly *Affordability Report*
- Feature article in the May 2015 edition of EWOV's *Res Online* – 'Financial hardship complaints: the EWOV approach'

## WRONGFUL DISCONNECTION PAYMENTS (WDP) ASSESSMENTS OPENED AND THE OUTCOMES





## CASE STUDY

### Financial hardship evident in customer's electricity and gas disconnections

*In progressing credit complaints to resolution, we balance resolution efficiency with the longer term fairness and sustainability of the complaint outcome. It's in the interests of both customers and companies that conciliated payment plans are realistic, maintainable and reflect the customer's capacity to pay for their usage.*

Ms G's gas supply was disconnected in January 2014, for non-payment of arrears of \$728.43. In July 2014, her electricity was disconnected too, for non-payment of arrears of \$1,599.23.

In late November 2014, Ms G's financial counsellor lodged a complaint with us on her behalf. At this point, Ms G had been without electricity for almost four months and without gas for almost 10 months. In line with EWOV's Reconnection/Derestriction Policy, we arranged for her electricity and gas to be reconnected. At the request of Ms G's energy retailer, and given the disconnection and hardship circumstances, we moved straight to Investigations of her complaints.

Ms G, who claimed to have been making payments towards her accounts, expressed confusion about receiving bills from other energy retailers.

Ms G's energy retailer told us her gas account had been set up in February 2013, when she switched from an affiliated energy retailer where she'd had an account since December 2012. It said the reason for the gas disconnection was two years of non-payment. It confirmed her account had been closed after the disconnection and that Ms G was default-listed for gas arrears of \$728.43 in June 2014. It also confirmed arrears of \$1,599.23 on Ms G's electricity account. The retailer said it had applied the relevant concessions to the account, but it wouldn't include Ms G in its hardship program until she'd sought help from a financial counsellor and agreed to an energy assessment.

Our review of available records showed that, in September 2013, the retailer contacted Ms G to offer fortnightly payment plan arrangements of \$50 for electricity and \$50 for gas, increasing to \$125 for electricity and \$110 for gas by November 2013.

While we were investigating Ms G's complaint, the financial counsellor told us Ms G had now set up a Centrepay arrangement of \$80 a fortnight (\$40 for each fuel), due to start in early December 2014. She also supplied post office receipts for Ms G's payments to her previous gas account with the affiliated retailer.

We discussed Ms G's hardship circumstances, current account balances, eligibility for a Utility Relief Grant and possible payment plans in detail with her, her financial counsellor and her energy retailer. During these discussions, the retailer said that although Ms G had been default-listed for the gas arrears of \$728.43, the debt hadn't been sold. It offered to waive it. It also offered hardship support for her electricity arrears of \$1,599.23. These offers were agreed by Ms G, in consultation with her financial counsellor.

Joint assessments of Ms G's gas and electricity usage showed that Centrepay payments of \$40 a fortnight for gas and \$45 a fortnight for electricity would cover her usage and reduce the arrears on her electricity account. On this basis, Ms G increased her new Centrepay arrangement from \$80 to \$85. Her retailer confirmed that all applicable concessions were being applied. It agreed to send her the application form for a Utility Relief Grant in relation to her electricity debt. It also credited her account with a customer service payment of \$75. The complaints were closed on this basis.

Our separate assessment of whether Ms G was eligible for a Wrongful Disconnection Payment (WDP), found that a WDP wasn't payable because her supply had been disconnected in accordance with *Energy Retail Code* requirements. 2014/50417 and 2014/50419; WDP/2014/1882 and WDP/2014/1884





## CASE STUDY

### A better response early on could have prevented billing problems and supply disconnection

*Addressing affordability is a challenge for everyone. Much rests on how the company responds when the customer first contacts it.*

Ms V's gas supply was disconnected in mid-August 2014. Her financial counsellor rang EWOV and we arranged the same-day reconnection. As well as being upset about the disconnection, Ms V said that, when she'd moved in in November 2013, she'd specifically chosen her gas retailer on the basis of its assistance for customers in financial difficulty. Before the disconnection, she received a warning notice requiring a payment of \$164. She asked for an extension of four days and paid on the agreed date, but only \$10. She said the retailer told her she would be contacted again before being disconnected, but she wasn't. Because of its disconnection and financial hardship issues, Ms V's complaint was escalated straight to an Investigation.

Responding to our Investigation of Ms V's complaint, her gas retailer told us she owed \$564.61, which it was prepared to reduce to \$464.61 with a \$100 customer service payment. It included her in its hardship program, on a payment plan of \$61 a fortnight (to be reviewed after three months) and gave her the application form for a Utility Relief Grant. It said most of her billing was based on meter readings, with a short period of estimation. Meter data and bill copies were provided to EWOV.

When we discussed the retailer's response with Ms V's financial counsellor, we were told Ms V also wanted to raise an associated high bill/faulty meter issue. When, in January 2014, she'd contacted the retailer about a gas smell, she was told to contact her real estate agent. She did this and a check by a handyman was arranged. No leak or fault was found and her bills continued to be high, despite Ms V following the energy saving information from the financial counsellor.

Responding to this additional concern, the retailer arranged an inspection by the local gas distributor and the meter was replaced in late August 2014. After this was done, Ms

V disputed her billing for the nine months from the time she moved in to the time the meter was replaced, seeking rebilling based on her current usage on the new meter. We asked the retailer for more information, including any contact notes showing that Ms V had made contact to discuss a leak/fault and any notes about the meter replacement. The retailer said the distributor hadn't explained why the meter was exchanged, so it wasn't clear whether or not the old meter was accurate. But it said it would re-bill Ms V for November 2013 to August 2014 on the basis of her September 2014 usage, applying the Winter Gas Concession to all of the re-billed months. Ms V could also remain on its hardship program, paying \$50 a fortnight. She was satisfied with the resolution and the complaint was closed.

However, in early October 2014, Ms V recontacted us, saying the agreed resolution hadn't been carried out. We re-opened the complaint. The retailer supplied us with copies of invoices and correspondence it had sent to Ms V. Reviewing these, we found that the re-billing had been based on average consumption from July 2014 to August 2014 (before the meter replacement), rather than on September 2014 consumption (post-meter replacement and in line with the agreed resolution). The retailer said it hadn't received official notification of the meter replacement from the distributor until early October 2014, so it couldn't re-bill on readings from the new meter.

The retailer recalculated Ms V's billing based on readings from the new meter. We used this information to work out what her bill would have been had she been re-billed in line with the earlier resolution. Our calculations showed that she was in fact better off with the current rebilling. We explained this to Ms V who was satisfied with our advice. The complaint was closed on this basis. 2014/37788

Although the energy retailer didn't acknowledge the disconnection to be wrongful, it offered an equivalent credit of \$35.59. WDP/2014/1399

# A closer look at billing

Billing cases fell 47%, as the large-scale billing system changes being implemented by energy and water companies were completed and the problems arising from them were largely addressed.

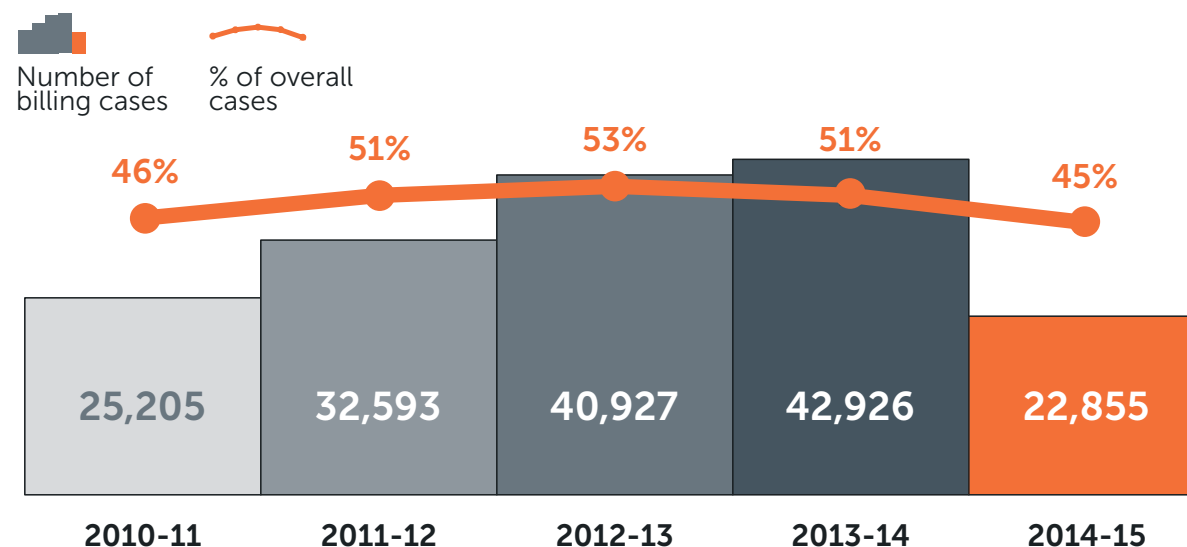
While billing was still the most common issue of complaint to EWOV in 2014-15, billing cases fell to 22,855, from 42,926 cases in 2013-14.

This was a major turnaround from 18 months ago, when we were dealing with thousands more complaints about high bills, backbills, billing errors and other issues, arising from problems the companies (especially large energy retailers) were having with the implementation of new billing systems. By 2014-15, this work was largely completed. The 47% fall in billing cases is a stark reflection of how changes in company systems can affect customers and in turn EWOV.

We registered 5,118 high bill cases, down 42% from 8,851 cases in 2013-14. While high bill remained the top billing issue, it fell to third place overall behind the credit issues of energy disconnection/water restriction and collection (debt collection and credit default listing).

Reflecting that billing systems issues had been addressed, cases about billing delays fell 77%, cases about billing errors fell 54% and cases about backbills fell 48%.

TRENDS IN BILLING CASES FROM 2010-11 TO 2014-15



## Billing cases at a five-year low

The graph above tracks annual trends in EWOV cases about billing issues over the past five years.

In 2014-15, the number of billing cases received by EWOV (22,855) was at its lowest for five years, down 47% from a peak of 42,926 in 2013-14.

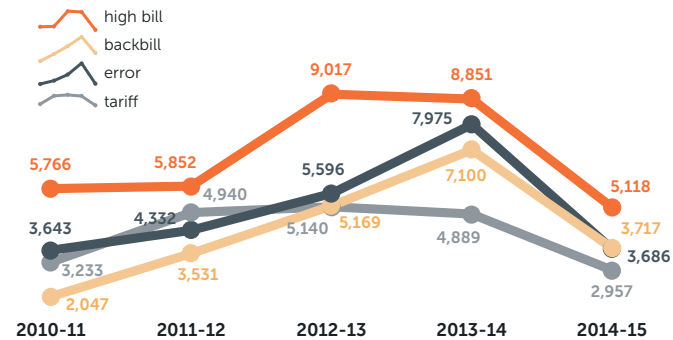
Reflecting this, having risen to 53% of our overall caseload in 2012-13, billing cases fell to 45% of our caseload in 2014-15, the lowest proportion in the past five years.



## CASE STUDY

### Underlying cause of customer's high bills was hidden by ongoing billing problems

#### TRENDS IN BILLING SUB-ISSUES FROM 2010-11 TO 2014-15



#### Billing issues across the customer segments

##### Residential customers

- 4,711 high
- 3,356 error
- 3,023 backbill

##### Business customers

- 660 backbill
- 377 high
- 308 error

##### Government/Not for profit

- 34 backbill
- 30 high
- 28 tariff

Substantial and ongoing billing problems prevented the customer from identifying and fixing the fault that was increasing his usage and his bills.

With around \$9,000 owing on his electricity account, Mr F was concerned about inter-related high bills, estimated bills and missing bills issues. Despite resolution offers by Mr F's retailer, the complaint couldn't be resolved and it progressed to an EWOV Investigation.

Important to the eventual resolution of the complaint was that, before Mr F contacted EWOV for help, there had been no comprehensive reconciliation of his electricity account. When we requested and received the account reconciliation from his retailer, it highlighted a number of historical issues including delays, cancellations and rebilling, as well as a meter changeover.

We arranged for EWOV's Technical Advisor to undertake an energy audit at Mr F's property and to check the metering set-up. This inspection highlighted a probable long-term fault with the hot water service, which Mr F wasn't able to address because it was hidden by periods of no bills, followed by a mixture of catch-up bills and amended bills. There also appeared to be several misreads of the controlled load meter over the years. During our Investigation, Mr F's retailer recalculated the applicable controlled load and revised an earlier resolution offer to \$1,917.62. Mr F rejected this offer as he had the earlier ones.

At this point, the retailer asked us to seek the views of other electricity retailers on good industry practice in this type of situation. We agreed this would be helpful and contacted three retailers, asking what they would offer in this type of situation, to resolve an apparent hot water system fault that the customer had been unable to detect and address due to billing delays. Their credit calculations ranged from \$844.97 to \$3,046.07.

We also requested meter data from Mr F's electricity distributor. Reviewing it, we found it to be different to the data provided by his retailer. The retailer agreed to re-bill in line with the distributor's data. After the re-billing, recalculations of Mr F's hot water load consumption and a customer service payment, his account was \$1,810.67 in credit. This amount was refunded to his nominated bank account and the complaint was closed. 2014/32734



## CASE STUDY

### Overcharged due to meter programming and recording errors

*Because the meter at the customer's property wasn't programmed correctly on installation, it wasn't recording accurately. As a result, he was being overcharged for his consumption and under-credited for his solar exports.*

Although supposedly based on an actual meter reading, Mr P's quarterly electricity bill of \$471.94 (for April to June 2014) included no start or end readings (the line item read 'not available'). Mr P believed only one data stream was being applied as a feed-in tariff, rather than two streams, peak and off-peak.

Despite his own contacts with the electricity retailer, Mr P couldn't get his concerns about the absence of meter readings and the accuracy of his billing addressed. Even after he contacted EWOV, the billing and consumption information he received from the retailer was confusing and incorrect.

Our Investigation of Mr P's concerns revealed that the peak, off-peak and solar billed data for the April to June 2014 quarter didn't match the corresponding Smart Meter data, although the total billed kilowatt hours (kWh) did match. When we asked the retailer to provide detailed information to support its billing calculations, it acknowledged the discrepancy between the billed data and the Smart Meter data. It confirmed that Mr P's peak and off-peak consumption was recording on register one only, with no consumption on register two. The retailer undertook to re-bill Mr P based on the Smart Meter data and waive his balance of \$234.01.

As part of our Investigation, we also examined photographs Mr P had taken of all registers on his meter. When we compared the information in the photographs to that on his bills, we could see that the total kWh billed since November 2012 exceeded that on the meter readings, suggesting that he'd been overcharged 1,998.591 kWh and under-credited 1,208.239 kWh. We made further enquiries of Mr P's retailer, which in turn sought more information from the local distributor. This revealed problems with the original programming of the meter, which required fixing by reprogramming (resetting the meter to zero) and multiple corrections to the meter data over time.

Reviewing its billing again, the retailer found it had overcharged Mr P for consumption, while under-crediting his solar exports. It calculated he was owed \$837. It apologised to Mr P, crediting his account with the \$837 and a \$500 customer service payment. This left his account \$1,102.99 in credit. Mr P was satisfied with the outcome and the complaint was closed. 2014/42249

# Systemic issues

**EWOV defines a systemic issue as an issue, problem or change in company policy or practice that affects, or has the potential to affect, a number of customers.**

Our systemic issues identification and reporting responsibilities are underpinned by EWOV's *Charter and Constitution*, our regulatory memoranda of understanding and reporting protocols, and the *Benchmarks for Industry-Based Customer Dispute Resolution (CDR Benchmarks)*.

We identify systemic issues through the cases we receive and the complaints we investigate. A systemic issue may also be identified by the company itself and notified to us. Some affected customers contact us and some don't. By being proactive about reporting potentially systemic issues, we can work with companies and regulators to bring about redress for everyone who has been affected (not just those who have complained), reduce the possible wider impact and minimise complaints.

Having been identified, a systemic issue is closed by EWOV in one of two ways — after a resolution is achieved by us with the company, or on the basis of the issue being referred to the Essential Services Commission.

## Energy issues identified as systemic and closed in 2014-15

### Related to billing systems

- Concession discounts on bills shown as debits instead of credits SI/2014/7 & SI/2014/44
- Wrong Feed-in Tariff applied to bills SI/2014/49
- Wrong timeframes on disconnection warning notices SI/2014/16
- Incorrect lower Pressure Conversion Factor (PCF) applied to gas bills SI/2014/19
- Billing on inaccurate meter index reads that didn't reconcile SI/2014/23
- Bills based on wrong meters after Smart Meter rollout SI/2014/33
- Bills with inaccurate index read and consumption data SI/2014/38
- Prompt payment discounts lost on billing system transfer after energy retailer acquisition SI/2014/48
- Ongoing billing delays because bills had to be produced manually SI/2014/51
- Bulk hot water metering and billing issues at two large apartment complexes SI/2014/58
- Delayed bills, with some sent to previous customers SI/2014/65
- Confusing presentation of credits on bills SI/2014/74
- Backbills after concession calculation errors SI/2014/76
- Absence of LPG price per litre on bills SI/2014/83
- Customers facing a price increase wrongly told they would receive a price decrease SI/2014/90
- Inaccurate account reconciliations SI/2014/91
- Customers moved from quarterly billing to monthly billing without notice SI/2014/93
- Billing system fault meant network demand charges weren't passed through SI/2015/3

- Direct debit transactions not completed properly SI/2015/6
- Double crediting of Australia Post payments SI/2015/18
- Wrong due dates on reminder and disconnection notices SI/2015/24
- Billing system issue meant payment extensions weren't processed SI/2015/25
- Bills with a due date that was before the issue date SI/2015/30
- 'To the occupier' disconnection notices from unknown retailer SI/2015/32

### Other

- Debt collection action on waived arrears SI/2014/34
- Disconnection dates on disconnection warnings earlier than permitted by code SI/2014/42 & SI/2014/43
- Debt collection agency pursues arrears that had been settled SI/2014/45
- Smart Meters in a specific location couldn't be read remotely SI/2014/50
- Unclear information on the extent of a prompt payment discount SI/2014/52
- Stickers on Smart Meters show the wrong faults phone number SI/2014/53
- No payment date on receipts for payments made through website SI/2014/69
- Transposition of meter data streams on manually-read meters SI/2014/86
- Delays in gas energisation SI/2014/88
- Insufficient payment timeframes on reminder and disconnection notices SI/2015/7
- Limits placed on customer acceptance to energy retailer's hardship program SI/2015/12
- Telemarketing by a new energy retailer SI/2015/15

### Limits placed on customer acceptance to an energy retailer's hardship program

In two complaints to EWOV, the customers said they couldn't gain access to their energy retailer's hardship program, because of what appeared to be very tight parameters around repeat hardship program assistance. The retailer said some staff appeared to have been taking a strict approach that wasn't in line with its hardship program policy. Staff had since been provided with refresher training to ensure customers are given the correct information. The regulator was notified. SI/2015/12

### Bills based on wrong meters after Smart Meter rollout

Ten complaints received by EWOV highlighted metering transposition problems that meant the bills of some customers were being based on the wrong meters. The energy distributor confirmed a metering transposition issue during the Smart Meter rollout — when the Smart Meters were installed, the wrong metering details were assigned to some properties. To resolve the issue, the metering had to be checked and corrected onsite, so updated information could be sent to the retailer. The distributor said this manual correction was a lengthy process, but should be completed by the end of the month following our contact. Some 3,854 customers were affected. The regulator was notified. SI/2014/33

### Prompt payment discounts lost on billing system transfer after energy retailer acquisition

In two complaints received by EWOV, the customers had lost their prompt payment discount when being transferred from one energy retailer to another after a retailer acquisition. When we contacted the energy retailer, it confirmed that some 50,270 customers were affected by the billing system issue. Some of these customers received notification of a balance brought forward, despite paying their bill in full. As soon as the issue was identified, manual credits were applied to the accounts of all affected customers and the correct prompt payment discount was applied for future billing. The regulator was notified. SI/2014/48

### Ongoing billing delays because energy bills had to be produced manually

Twelve complaints to EWOV highlighted ongoing billing delays for customers of one energy retailer. The retailer confirmed that, due to billing system issues, its billing team had to produce bills for some 6,000 customers manually. It said it was working towards a permanent solution. Until then, affected customers would be billed in line with the *Energy Retail Code* and offered extended time to pay. The regulator was notified. SI/2014/51

## Water issues identified as systemic and closed in 2014-15

### Related to billing systems

- Billing delays after system upgrade SI/2014/60
- Reminder notices issued for water bills that weren't sent SI/2014/73
- Billing errors due to billing system fault SI/2014/85

### Other

- Required information missing from final water notices SI/2014/71
- Complaints anticipated following decision on placement of a pump station SI/2014/96
- Required information missing from final notices SI/2015/9

### Required information missing from final water notices

Five complaints to EWOV highlighted that a water corporation's final notice to customers didn't contain some information — on possible additional charges, EWOV contact details, and the availability of hardship assistance — required under clause 6.2 of the *Urban Water Businesses Customer Service Code*. The water corporation said the information may have been removed in its updating process, due to space limitations. It acted quickly to produce a new final notice effective immediately, which included the missing information. The regulator was notified. SI/2015/9

# By industry

## Scheme participants

(a consolidated list)

**All energy and water companies operating in Victoria are required by licence and/or legislation to join an Ombudsman scheme approved by the Essential Services Commission. That scheme is EWOV. At 30 June 2015, 82 electricity, gas and water companies were members of EWOV Limited. Some of these companies trade under the same name.**

### NOTES:

1. Two electricity retail members of EWOV Limited trade as AGL Sales — AGL Sales Pty Ltd and AGL Sales (Queensland Electricity) Pty Limited.
2. Commander Power & Gas is a trading name of M2 Energy Pty Ltd.
3. Dodo Power & Gas is a trading name of M2 Energy Pty Ltd.
4. Two electricity retail members of EWOV Limited trade as EnergyAustralia — EnergyAustralia and EnergyAustralia (Ausgrid).
5. Two electricity retail members of EWOV Limited trade as Origin Energy — Origin Energy Electricity Ltd and Sun Retail Pty Ltd.
6. Sumo Power is the trading name of SparQ Pty Ltd.
7. Two gas retail members of EWOV Limited trade as AGL Sales — AGL Sales Pty Ltd and AGL Sales (Queensland) Pty Ltd.
8. Two gas retail members of EWOV Limited trade as EnergyAustralia — EnergyAustralia and EnergyAustralia (Ausgrid).
9. Two gas retail members of EWOV Limited trade as Origin Energy — Origin Energy (Vic) Pty Ltd and Origin Energy Retail Ltd.
10. Two gas distribution members of EWOV Limited trade as Australian Gas Networks — Australian Gas Networks Limited and Australian Gas Networks (Vic) Limited.
11. Two LPG members of EWOV Limited trade as Origin Energy LPG — Origin Energy LPG Limited and Origin Energy Retail Ltd.
12. Central Gippsland Regional Water Corporation is commonly known as Gippsland Water.

### 34 electricity retailers

- AusNet Services
- AGL Sales<sup>1</sup>
- Alinta Energy
- Blue NRG
- Click Energy
- Commander Power & Gas<sup>2</sup>
- CovaU
- Diamond Energy
- Dodo Power & Gas<sup>3</sup>
- EnergyAustralia<sup>4</sup>
- EnergyAustralia (Yallourn)
- ERM Power Retail
- Go Energy
- Lumo Energy Australia
- Macquarie Bank
- Momentum Energy
- Neighbourhood Energy
- Next Business Energy
- Online Power & Gas
- Onsite Energy Solutions
- Origin Energy<sup>5</sup>
- Pacific Hydro Retail
- People Energy
- Powerdirect
- Powershop Australia
- QEnergy
- Red Energy
- Simply Energy
- Sumo Power<sup>6</sup>
- Stanwell Corporation
- WINenergy

### 5 electricity distributors

- AusNet Services
- CitiPower Pty
- Jemena Electricity Networks (Vic)
- Powercor Australia
- United Energy Distribution

### 2 electricity transmission companies

- AusNet Services
- Basslink

### 14 natural gas retailers

- AGL Sales<sup>7</sup>
- Alinta Energy
- Click Energy
- CovaU
- Dodo Power & Gas
- EnergyAustralia<sup>8</sup>
- Lumo Energy Australia
- Momentum Energy
- Origin Energy<sup>9</sup>
- Red Energy
- Simply Energy

### 4 natural gas distributors

- AusNet Services
- Australian Gas Networks<sup>10</sup>
- Multinet Gas Vic

### 4 liquefied petroleum gas (LPG) retailers

- Elgas
- Origin Energy LPG<sup>11</sup>
- Supagas

### 3 metropolitan water retailers

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

### 1 metropolitan water wholesaler

- Melbourne Water Corporation

### 11 regional urban water corporations

- Barwon Region Water Corporation
- Central Gippsland Region Water Corporation<sup>12</sup>
- Central Highlands Region Water Corporation
- Coliban Region Water Corporation
- East Gippsland Region Water Corporation
- Goulburn Valley Region Water Corporation
- North East Region Water Corporation
- South Gippsland Region Water Corporation
- Wannon Region Water Corporation
- Western Region Water Corporation
- Westernport Region Water Corporation

### 2 rural water corporations

- Goulburn-Murray Rural Water Corporation
- Gippsland Southern Rural Water Corporation

### 2 rural urban water corporations

- Grampians Wimmera Mallee Water Corporation
- Lower Murray Urban and Rural Water Corporation



# 34,524

Cases

↓ 43%

from 2013-14

# 33,179

Complaints

↓ 43%

from 2013-14

# 1,345

Enquiries

↓ 25%

from 2013-14

# 5,211

Investigations

↓ 28%

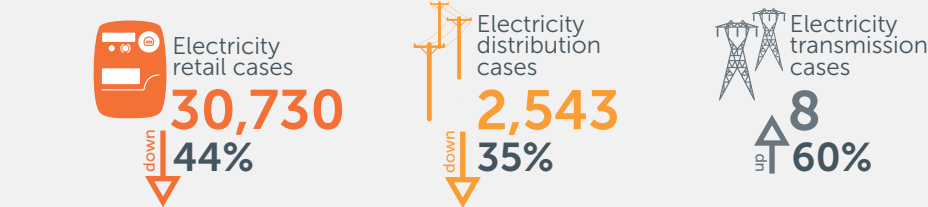
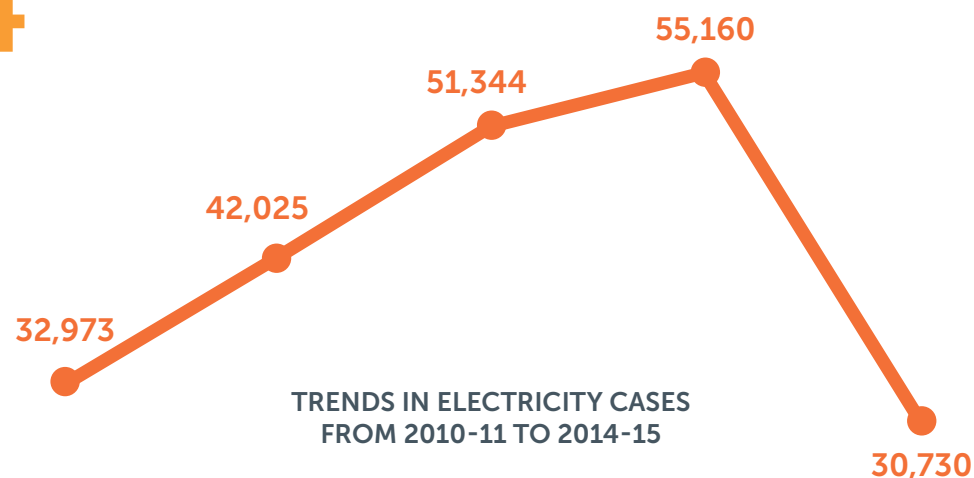
from 2013-14

# 5,278

Investigations finalised

↓ 36%

from 2013-14



## Electricity

The electricity industry in Victoria is privately owned, independently regulated and operates within the National Energy Market. At 30 June 2015, 34 retailers, five distributors and two transmission companies were EWOV scheme participants. There are just over 2.66 million electricity customers in Victoria. These customers can choose their retailer. They can't choose their distributor, because each of the five electricity distributors owns the 'poles and wires' network in a specific part of the state.

Residential



30,640

Business



3,663

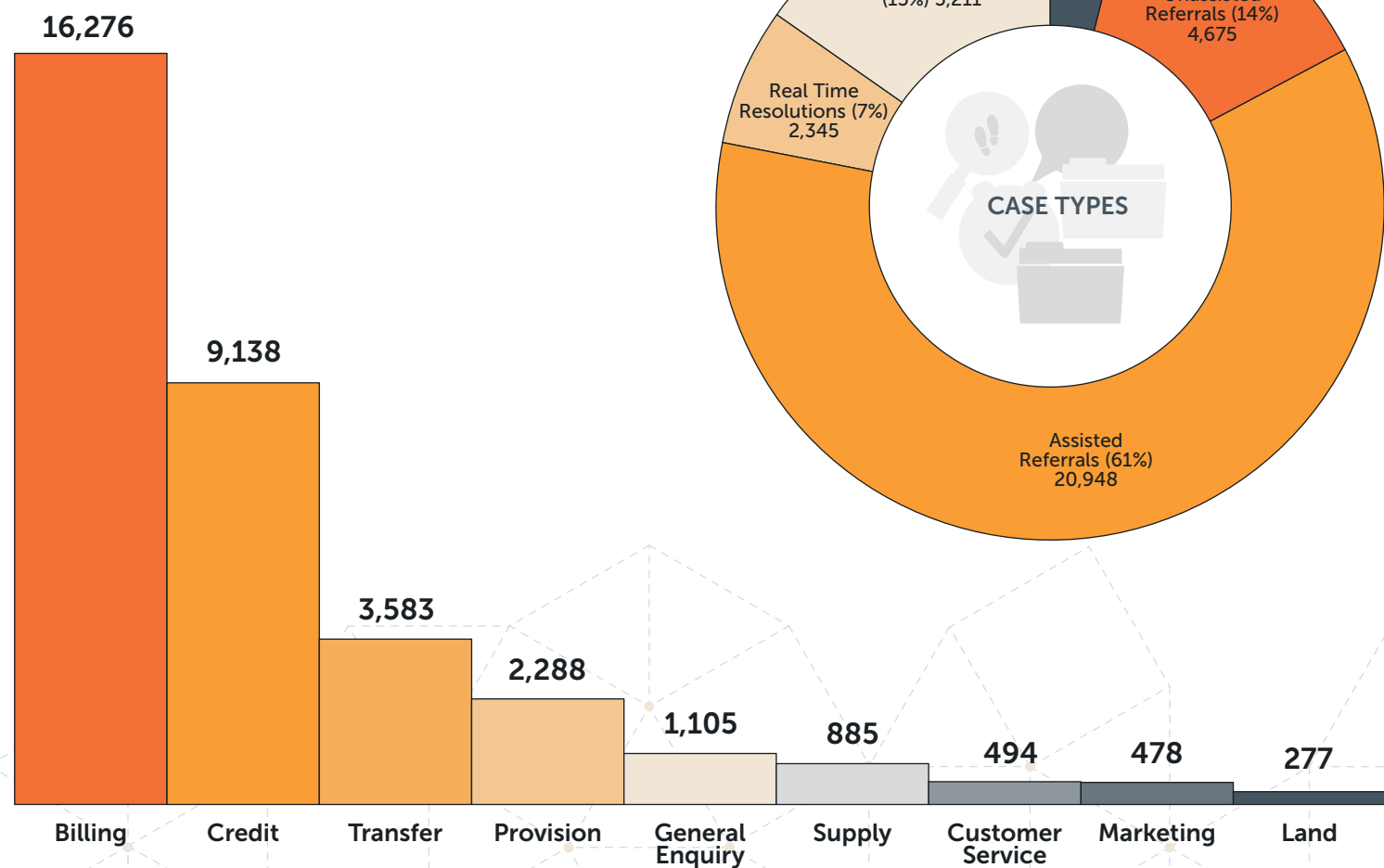
Government/  
Not for profit



221

ISSUE	NUMBER
Total	34,524
<b>Billing (47%)</b>	<b>16,276</b>
High Bill	3,118
Backbill	2,886
Tariff	2,875
Error	2,458
Estimation	1,188
Delay	819
Fees and Charges	645
Meter	593
Refund	562
Concession/Rebate	440
Other	395
Format	297
<b>Credit (26%)</b>	<b>9,138</b>
Disconnection	3,795
Collection	3,747
Payment Difficulties	1,596
<b>Transfer (10%)</b>	<b>3,583</b>
Contract Terms	1,146
Delay	531
In Error	509
Site Ownership	424
Without Consent	358
Billing	255
Cooling-off Rights	218
Objection	142
<b>Provision (7%)</b>	<b>2,288</b>
Existing Connection	1,749
New Connection	365
Disconnection	174
<b>General Enquiry (3%)</b>	<b>1,105</b>
Energy/Water	1,101
Non Energy/Water	4
<b>Supply (3%)</b>	<b>885</b>
Off Supply - Planned	363
Off Supply - Unplanned	338
Variation	175
Quality	9
Sustainability Initiatives	0
<b>Customer Service (1%)</b>	<b>494</b>
Failure to Respond	117
Failure to Consult/Inform	101
Privacy	97
Incorrect Advice/Information	89
Poor Service	73
Poor/Unprofessional Attitude	17
<b>Marketing (1%)</b>	<b>478</b>
Misleading	240
Pressure Sales	83
Information	72
Other	71
Non Account Holder	12
<b>Land (&lt;1%)</b>	<b>277</b>
Network Assets	133
Other	84
Vegetation Management	41
Street Lighting	11
Easement	8

## THE ISSUES RAISED BY ELECTRICITY CUSTOMERS



## ELECTRICITY CASES EWOV RECEIVED IN 2014-15

ELECTRICITY CASES EWOV RECEIVED IN 2014-15		OVERALL CASES		ENQUIRIES	COMPLAINTS				TOTAL COMPLAINTS
		2014-15	2013-14		Unassisted Referrals	Assisted Referrals	Real Time Resolutions	Investigations	
RETAIL MARKET SHARE ~									
AGL Sales	20.3%	6,826	7,112	41	742	4,107	634	1,302	6,785
Alinta Energy	1.8%	644	806	9	80	443	29	83	635
Aurora Energy	0%	-	6	-	-	-	-	-	0
Australian Power & Gas	3.7%	131	3,428	0	11	68	28	24	131
Blue NRG	0.1%	21	14	0	3	17	0	1	21
Click Energy	1%	549	1,228	2	63	358	45	81	547
Commander Power	-	5	-	0	0	5	0	0	5
CovaU	-	1	-	0	1	0	0	0	1
Diamond Energy	0.1%	9	24	0	2	6	1	0	9
Dodo Power & Gas	-	557	556	8	71	410	34	34	549
EnergyAustralia (Ausgrid)	-	-	1,658	-	-	-	-	-	0
EnergyAustralia	21%	7,830	20,047	59	997	5,035	534	1,205	7,771
EnergyAustralia (Yallourn)	0.1%	0	-	0	0	0	0	0	0
ERM Power Retail	0.1%	4	3	1	1	2	0	0	3
GoEnergy	-	0	3	0	0	0	0	0	0
Lumo Energy	7.6%	2,006	2,516	13	281	1,330	150	232	1,993
Macquarie Bank Limited	-	0	-	0	0	0	0		0
Momentum Energy	3.1%	1,076	1,000	16	187	651	77	145	1,060
Neighbourhood Energy	1.2%	194	698	2	17	144	12	19	192
Next Business Energy	-	1	-	1	0	0	0	0	0
Online Power & Gas	-	35	-	0	12	21	2	0	35
Onsite Energy Solutions	-	0	-	0	0	0	0	0	0
Origin Energy	22.2%	5,587	8,782	72	732	3,458	242	1,083	5,515
Origin Energy (Country Energy)	-	-	125	-	-	-	-	-	0
Pacific Hydro Retail	0%	1	0	0	1	0	0	0	1
People Energy	0.2%	128	223	1	9	91	5	22	127
Powerdirect	2.3%	1,188	1,422	7	146	709	136	190	1,181
Powershop Australia	0.2%	88	13	2	29	54	2	1	86
QEnergy	0.1%	90	39	2	11	61	6	10	88
Red Energy	7.6%	1,084	1,540	14	185	719	58	108	1,070
Simply Energy	6%	2,675	3,917	36	379	1,777	182	301	2,639
Stanwell Corporation	-	0	-	0	0	0	0	0	0
Sumo Power	-	0	-	0	0	0	0	0	0
WINenergy	-	0	-	0	0	0	0	0	0
Total retail		30,730	55,160	286	3,960	19,466	2,177	4,841	30,444
DISTRIBUTION MARKET SHARE ^									
AusNet Services	25%	810	1,339	18	144	517	55	76	792
CitiPower	12%	149	208	3	44	68	10	24	146
Jemena Electricity Networks (Vic)	12%	249	514	4	45	137	24	39	245
Powercor Australia	28%	363	452	10	110	147	11	85	353
United Energy Distribution	24%	972	1,425	12	148	599	68	145	960
Total distribution		2,543	3,938	47	491	1,468	168	369	2,496
TRANSMISSION									
AusNet Services		8	5	0	1	7	0	0	8
Basslink		0	0	0	0	0	0	0	0
Total transmission		8	5	0	1	7	0	0	8
NON COMPANY SPECIFIC									
Non company specific		1,243	1,414	1,012	223	7	0	1	231
ELECTRICITY TOTALS		34,524	60,517	1,345	4,675	20,948	2,345	5,211	33,179

### NOTES:

Aurora Energy is no longer an EWOV scheme participant.

Australian Power & Gas is no longer an EWOV scheme participant.

Commander Power & Gas is a trading name of M2 Energy Pty Ltd.

CovaU joined EWOV as an electricity retail participant on 9 April 2015.

Dodo Power & Gas is a trading name of M2 Energy Pty Ltd.

EnergyAustralia (Ausgrid) is no longer an EWOV scheme participant.

EnergyAustralia (Yallourn) joined EWOV as an electricity retail participant on 17 October 2014.

Macquarie Bank Limited joined EWOV as an electricity retail participant on 22 August 2014.

Next Business Energy joined EWOV as an electricity retail participant on 13 February 2015.

Online Power & Gas joined EWOV as an electricity retail participant on 13 February 2015.

Onsite Energy Solutions joined EWOV as an electricity retail participant on 22 August 2014.

Origin Energy (Country Energy) is no longer an EWOV scheme participant.

Stanwell Corporation joined EWOV as an electricity retail participant on 13 February 2015.

Sumo Power joined EWOV as an electricity retail participant on 13 February 2015.

WINenergy joined EWOV as an electricity retail participant on 17 October 2014.

~ Electricity retailers' market shares are based on the *Essential Services Commission's Energy Retailers Comparative Performance Report – Pricing 2013 – 2014* (October 2014). The customer shares for some newer retailers are not yet available.

^ Electricity distributors' market shares are based on the *Australian Energy Regulator's Electricity Distributors 2011–13 Performance Report* (June 2015).

## COMPLAINT RECEIPT TRENDS FOR ELECTRICITY COMPANIES FROM 2010-11 TO 2014-15

### Electricity retail

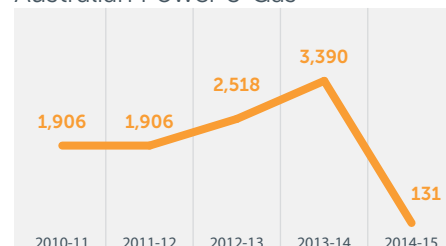
AGL Sales



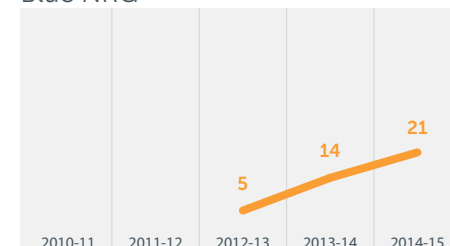
Alinta Energy



Australian Power & Gas



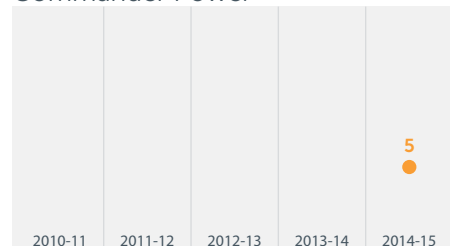
Blue NRG



Click Energy



Commander Power



CovaU



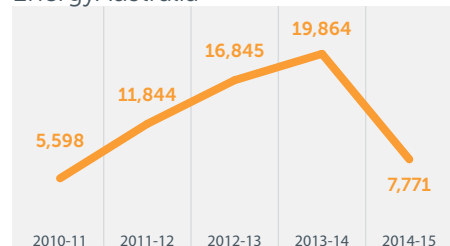
Diamond Energy



Dodo Power & Gas



EnergyAustralia



EnergyAustralia (Yallourn)



ERM Power Retail



GoEnergy



Lumo Energy



Macquarie Bank Limited

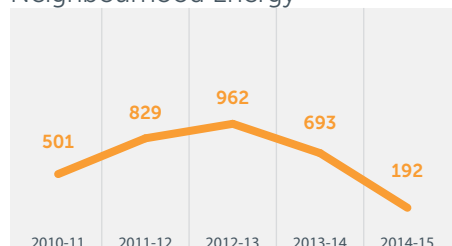


Momentum Energy



NOTE: Complaint numbers represent the actual number of complaints EWOV received for each company and do not take into account the size of each company's customer base.

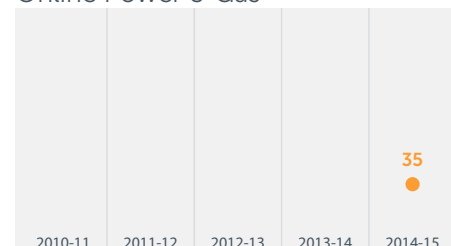
Neighbourhood Energy



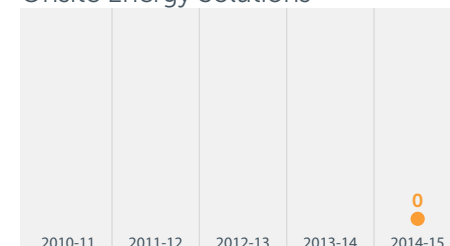
Next Business Energy



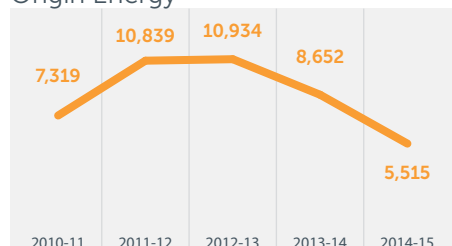
Online Power & Gas



Onsite Energy Solutions



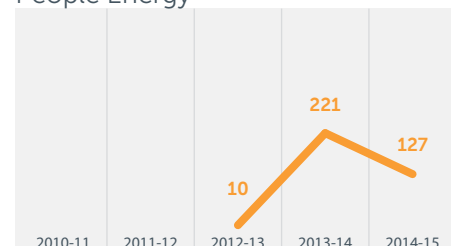
Origin Energy



Pacific Hydro Retail



People Energy



Powerdirect



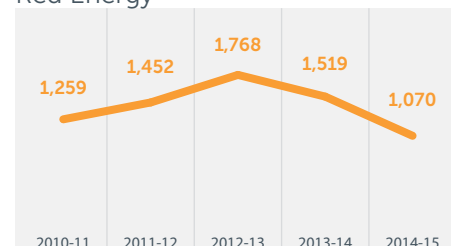
Powershop Australia



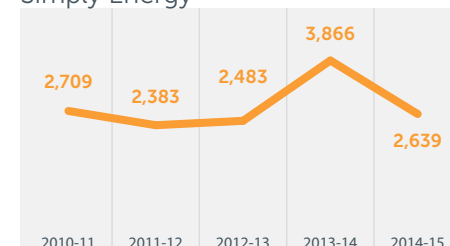
QEnergy



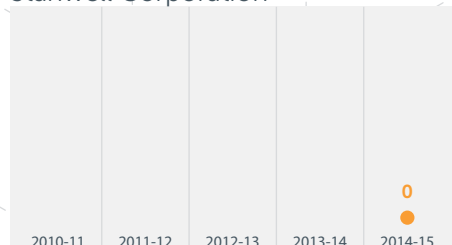
Red Energy



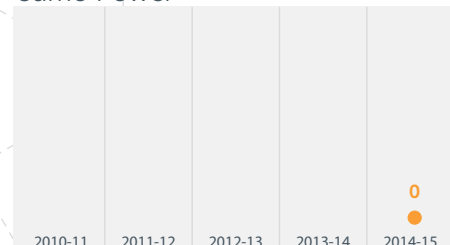
Simply Energy



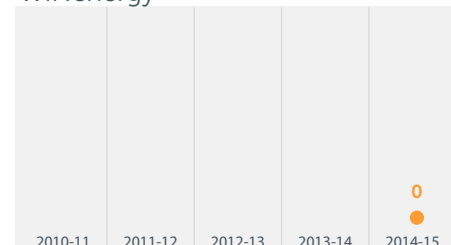
Stanwell Corporation



Sumo Power

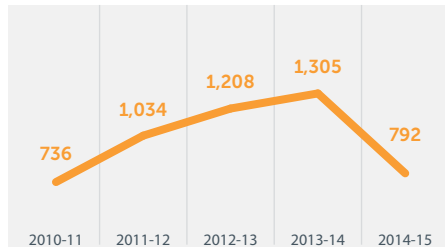


WINenergy

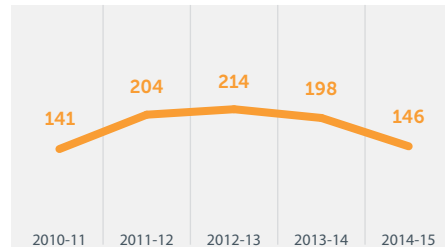


## Electricity distribution

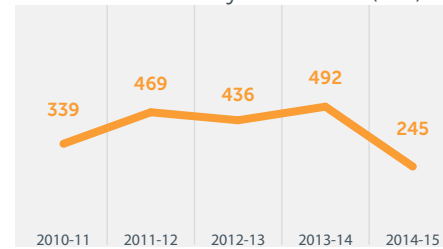
### AusNet Services



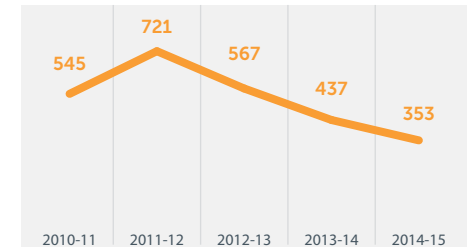
### CitiPower



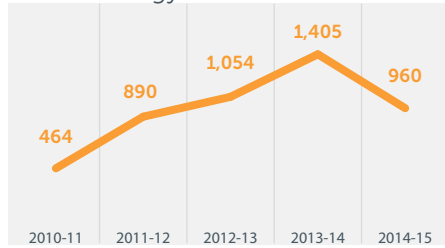
### Jemena Electricity Networks (Vic)



### Powercor Australia

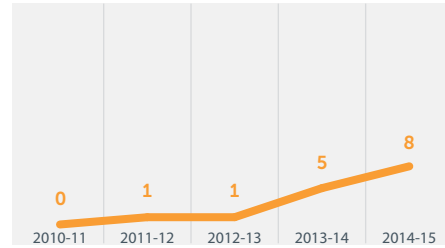


### United Energy Distribution

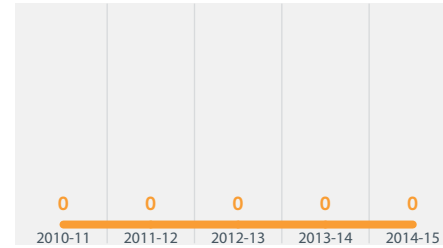


## Electricity transmission

### AusNet Services



### Basslink



**NOTE:** The online versions of the graphs for electricity distribution companies AusNet Services and United Energy Distribution were updated on 16 October 2015. This occurred following the discovery of a data error after the release of the print edition of EWOV's 2015 Annual Report.

**NOTE:** Complaint numbers represent the actual number of complaints EWOV received for each company and do not take into account the size of each company's customer base.

# 13,066

Cases

↓ 37%

from 2013-14

# 12,857

Complaints

↓ 37%

from 2013-14

# 209

Enquiries

↓ 34%

from 2013-14

# 1,901

Investigations

↓ 21%

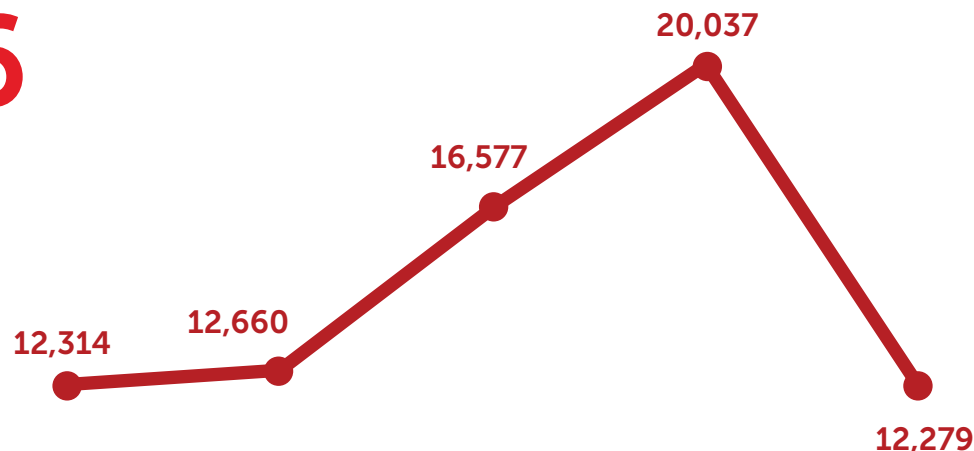
from 2013-14

# 1,850

Investigations finalised

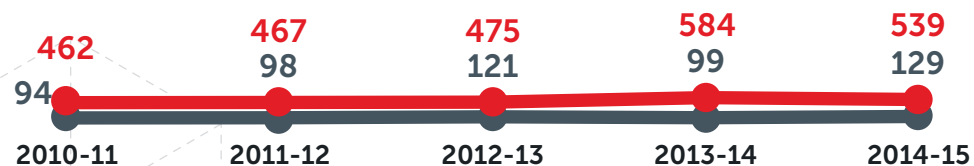
↓ 29%

from 2013-14



TRENDS IN GAS CASES  
FROM 2010-11 TO 2014-15

- Natural gas retail
- Natural gas distribution
- LPG



Natural gas  
retail cases

12,279

↓ 39%



Natural gas  
distribution  
cases

539

↓ 8%



LPG  
cases

129

↑ 30%

Residential



12,478

Business



533

Government/  
Not for profit



55

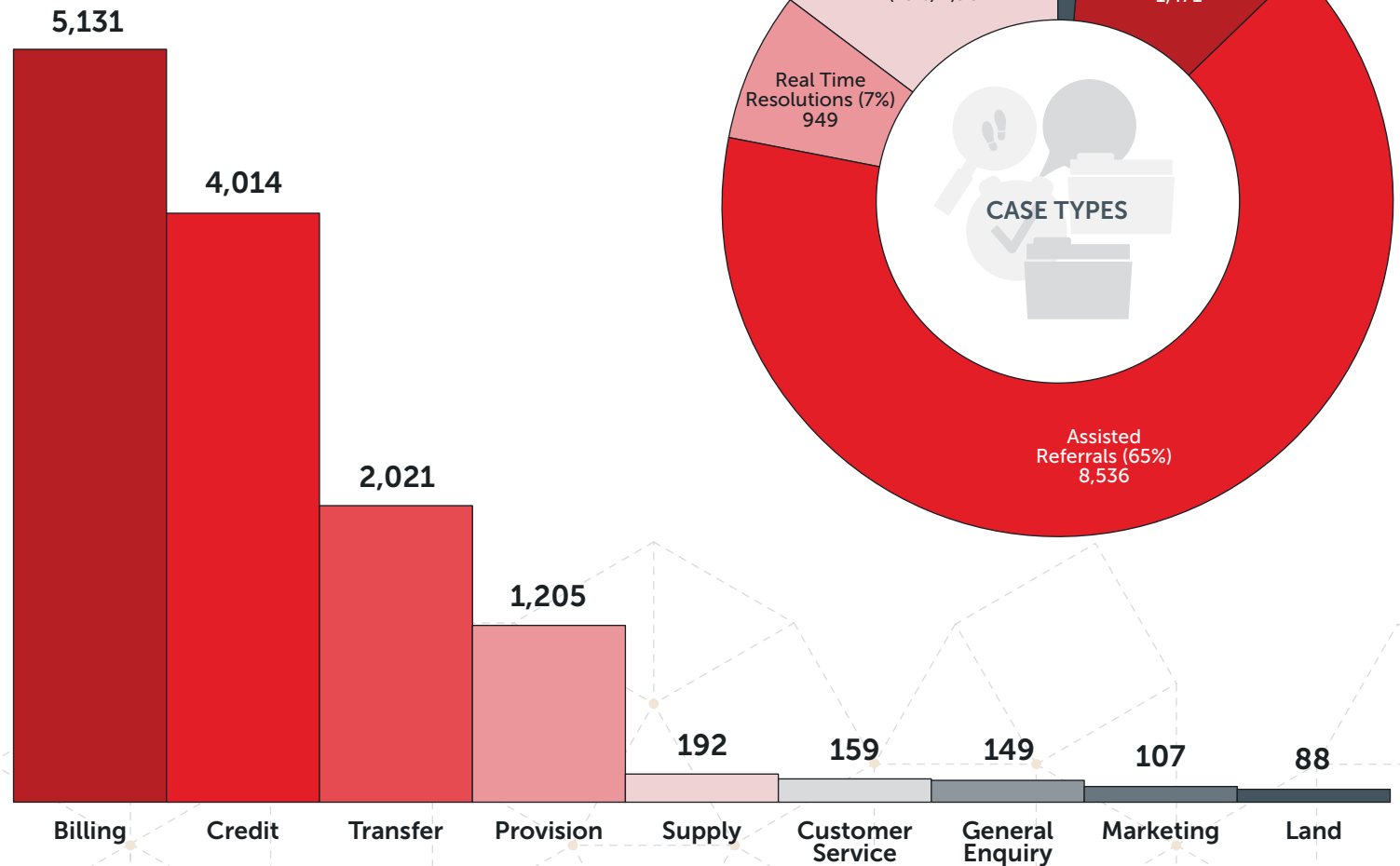
## Gas

The natural gas industry in Victoria is privately owned, independently regulated and operates within the National Energy Market. At 30 June 2015, 14 natural gas retailers, four natural gas distributors and four liquefied petroleum gas (LPG) retailers were EWOV scheme participants. These businesses provide for the gas needs of over 1.87 million gas customers in Victoria. Natural gas customers can choose their retailer. They can't choose their distributor, because each of the four natural gas distributors owns a network of pipes in a specific part of the state. Customers using LPG at home, or in their business, can choose to purchase it from LPG retailers or resellers operating in their area. EWOV's jurisdiction extends to the LPG retailers only.



ISSUE	NUMBER
Total	13,066
<b>Billing (39%)</b>	<b>5,131</b>
High Bill	1,354
Error	1,054
Backbill	724
Estimation	540
Fees and Charges	271
Refund	243
Meter	235
Concession/Rebate	197
Delay	187
Other	158
Format	92
Tariff	72
Price of LPG	4
<b>Credit (31%)</b>	<b>4,014</b>
Disconnection	1,788
Collection	1,397
Payment Difficulties	810
Deliveries Stopped	19
<b>Transfer (15%)</b>	<b>2,021</b>
Site Ownership	408
Delay	390
Contract Terms	369
In Error	286
Billing	227
Without Consent	180
Objection	86
Cooling-off Rights	75
<b>Provision (9%)</b>	<b>1,205</b>
Existing Connection	624
New Connection	491
Disconnection	82
Deliveries Stopped	8
<b>Supply (1%)</b>	<b>192</b>
Off Supply - Unplanned	99
Quality	55
Variation	24
Off Supply - Planned	14
Sustainability Initiatives	0
<b>Customer Service (1%)</b>	<b>159</b>
Failure to Respond	40
Poor Service	34
Privacy	29
Incorrect Advice/Information	24
Failure to Consult/Inform	21
Poor/Unprofessional Attitude	11
<b>General Enquiry (1%)</b>	<b>149</b>
Energy/Water	149
Non Energy/Water	0
<b>Marketing (&lt;1%)</b>	<b>107</b>
Misleading	55
Pressure Sales	22
Other	16
Information	11
Non Account Holder	3
<b>Land (&lt;1%)</b>	<b>88</b>
Other	44
Network Assets	39
Easement	5
Cylinder (LPG)	0
Vegetation Management	0

## THE ISSUES RAISED BY GAS CUSTOMERS



## GAS CASES EWOV RECEIVED IN 2014-15

GAS CASES EWOV RECEIVED IN 2014-15		OVERALL CASES		ENQUIRIES	COMPLAINTS				TOTAL COMPLAINTS
		2014-15	2013-14		Unassisted Referrals	Assisted Referrals	Real Time Resolutions	Investigations	
NATURAL GAS RETAIL MARKET SHARE ~									
AGL Sales	26.4%	3,357	3,065	16	314	2,109	348	570	3,341
Alinta Energy	1.6%	262	299	0	34	186	17	25	262
Australian Power & Gas	4.7%	59	1,859	0	4	30	12	13	59
Click Energy	-	12	-	0	4	8	0	0	12
Dodo Power & Gas	-	236	155	3	25	186	10	12	233
EnergyAustralia (Ausgrid)	-	-	616	-	-	-	-	-	0
EnergyAustralia	24.3%	3,073	7,816	20	337	2,106	220	390	3,053
Lumo Energy	7.9%	953	951	3	116	650	79	105	950
Momentum Energy	-	9	0	1	3	5	0	0	8
Origin Energy	21.5%	2,815	3,335	30	312	1,831	122	520	2,785
Red Energy	6.4%	380	453	5	55	254	22	44	375
Simply Energy	6.1%	1,123	1,488	10	133	763	79	138	1,113
Total natural gas retail		12,279	20,037	88	1,337	8,128	909	1,817	12,191
NATURAL GAS DISTRIBUTION MARKET SHARE ^									
AusNet Services	33%	141	153	10	16	90	7	18	131
Australian Gas Networks	31%	153	191	6	29	100	8	10	147
Multinet Gas	36%	245	240	11	34	149	18	33	234
Total natural gas distribution		539	584	27	79	339	33	61	512
LPG (RETAILER SPECIFIC)									
Elgas		53	40	3	9	31	3	7	50
Kleenheat		29	27	1	9	13	2	4	28
Origin Energy LPG		46	30	0	8	24	2	12	46
Supagas		1	2	0	0	1	0	0	1
Total LPG (retailer specific)		129	99	4	26	69	7	23	125
NON COMPANY SPECIFIC									
Natural gas		112	156	83	29	0	0	0	29
LPG		7	5	7	0	0	0	0	0
GAS TOTALS		13,066	20,881	209	1,471	8,536	949	1,901	12,857

### NOTES:

Australian Power & Gas is no longer an EWOV scheme participant.

Click Energy joined EWOV as a gas retail participant on 13 February 2015.

Dodo Power & Gas is a trading name of M2 Energy Pty Ltd.

EnergyAustralia (Ausgrid) is no longer an EWOV scheme participant.

Kleenheat is no longer an EWOV scheme participant.

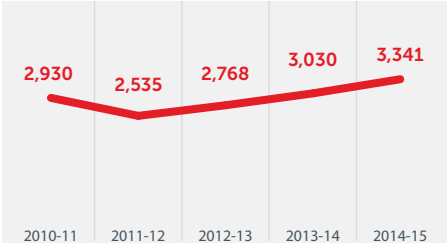
~ Natural gas retailers' market shares are based on the *Essential Services Commission's Energy Retailers Comparative Performance Report – Pricing 2013 – 2014* (October 2014). The customer shares for some newer retailers are not yet available.

^ Natural gas distributors' market shares are based on the *Australian Energy Regulator's Victorian Gas Distribution Businesses - Comparative Performance Report 2012* (February 2014).

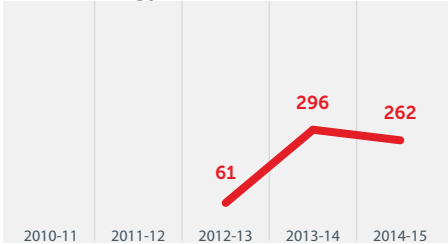
COMPLAINT RECEIPT TRENDS FOR GAS COMPANIES FROM 2010-11 TO 2014-15

Natural gas retail

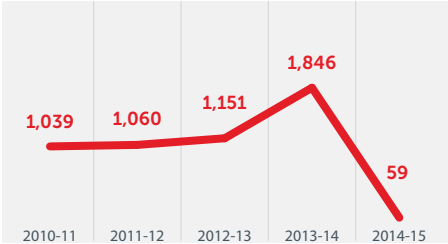
AGL Sales



Alinta Energy



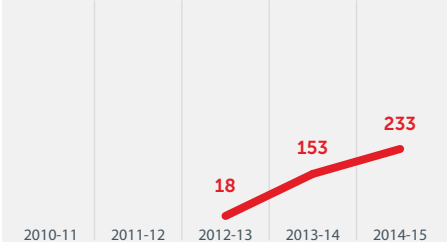
Australian Power & Gas



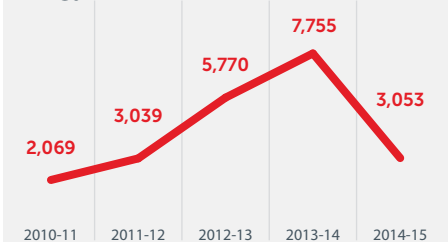
Click Energy



Dodo Power & Gas



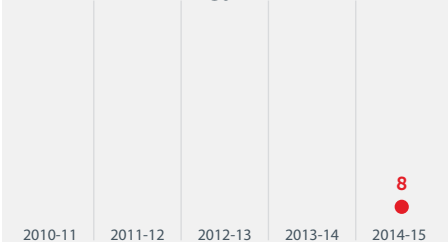
EnergyAustralia



Lumo Energy



Momentum Energy



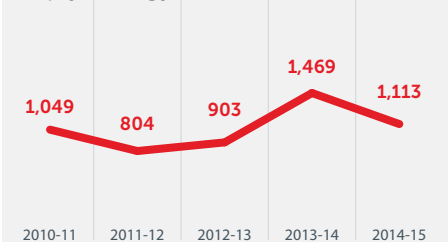
Origin Energy



Red Energy



Simply Energy



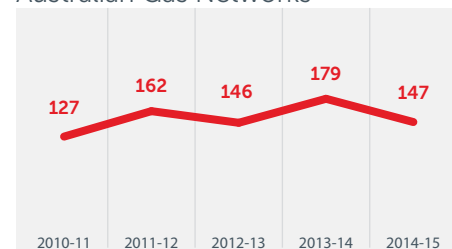
NOTE: Complaint numbers represent the actual number of complaints EWOV received for each company and do not take into account the size of each company's customer base.

## Natural gas distribution

### AusNet Services



### Australian Gas Networks

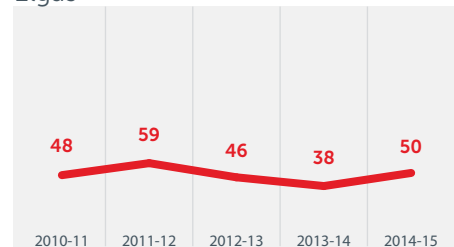


### Multinet Gas

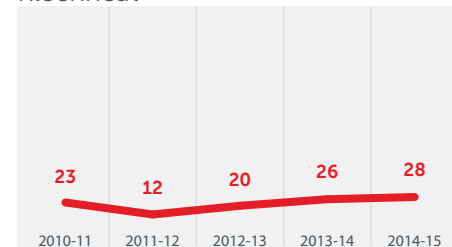


## LPG

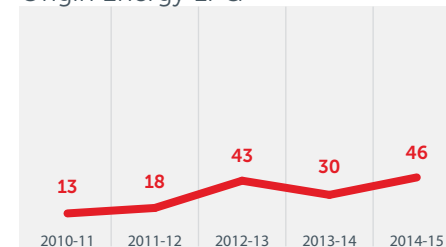
### Elgas



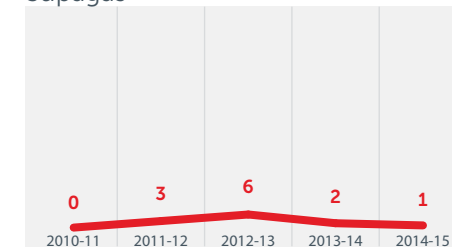
### Kleenheat



### Origin Energy LPG



### Supagas



# 2,383

Cases

↓ 14%

from 2013-14

# 2,263

Complaints

↓ 15%

from 2013-14

# 120

Enquiries

↑ 1%

from 2013-14

# 226

Investigations

↑ 29%

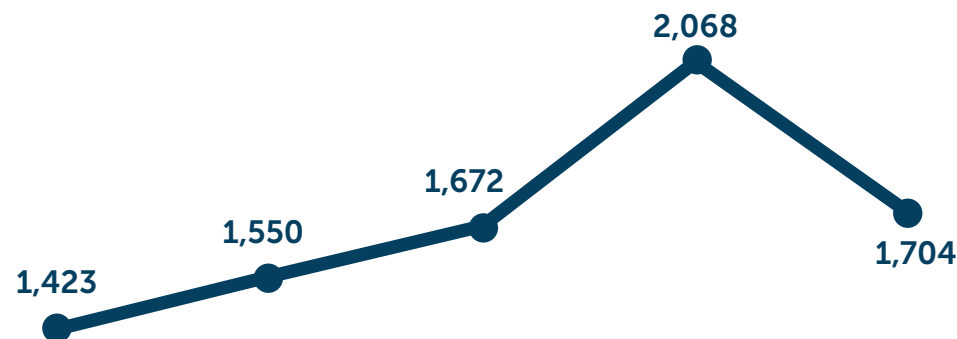
from 2013-14

# 218

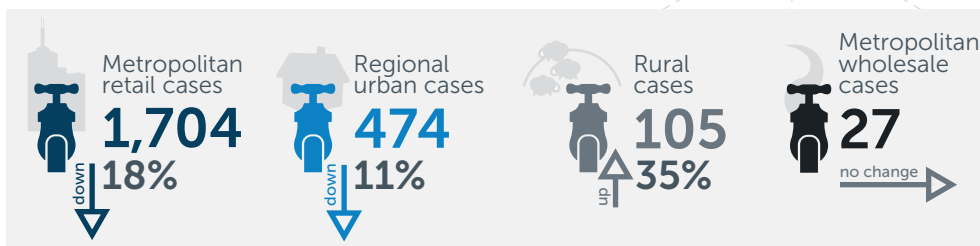
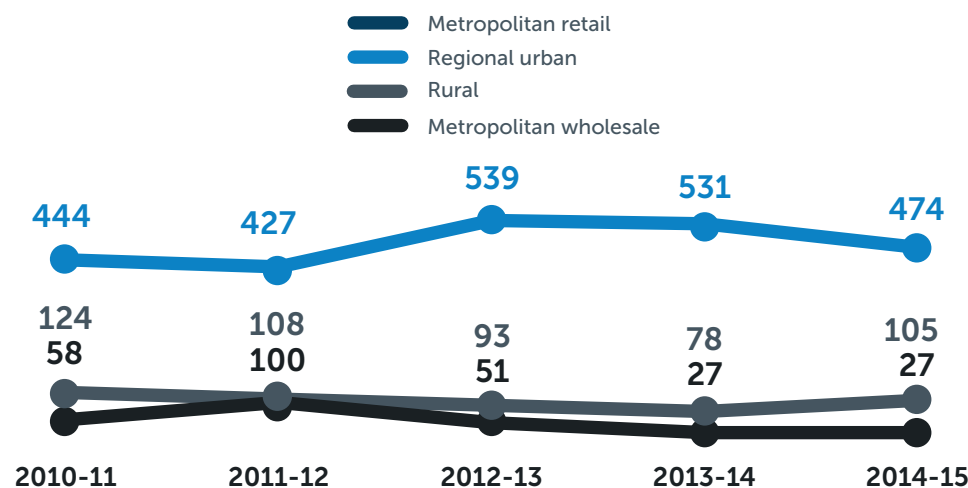
Investigations finalised

↑ 28%

from 2013-14



TRENDS IN WATER CASES  
FROM 2010-11 TO 2014-15

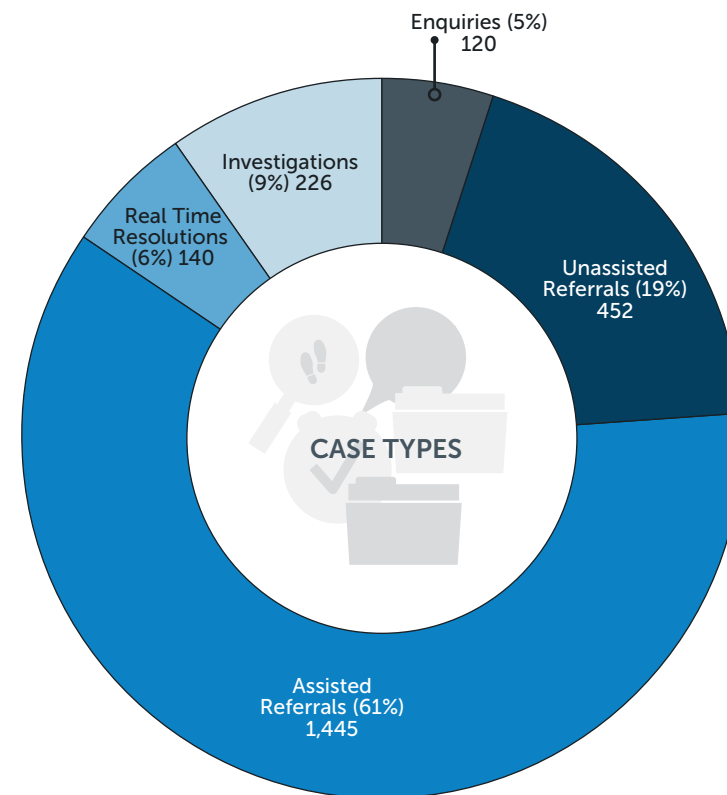
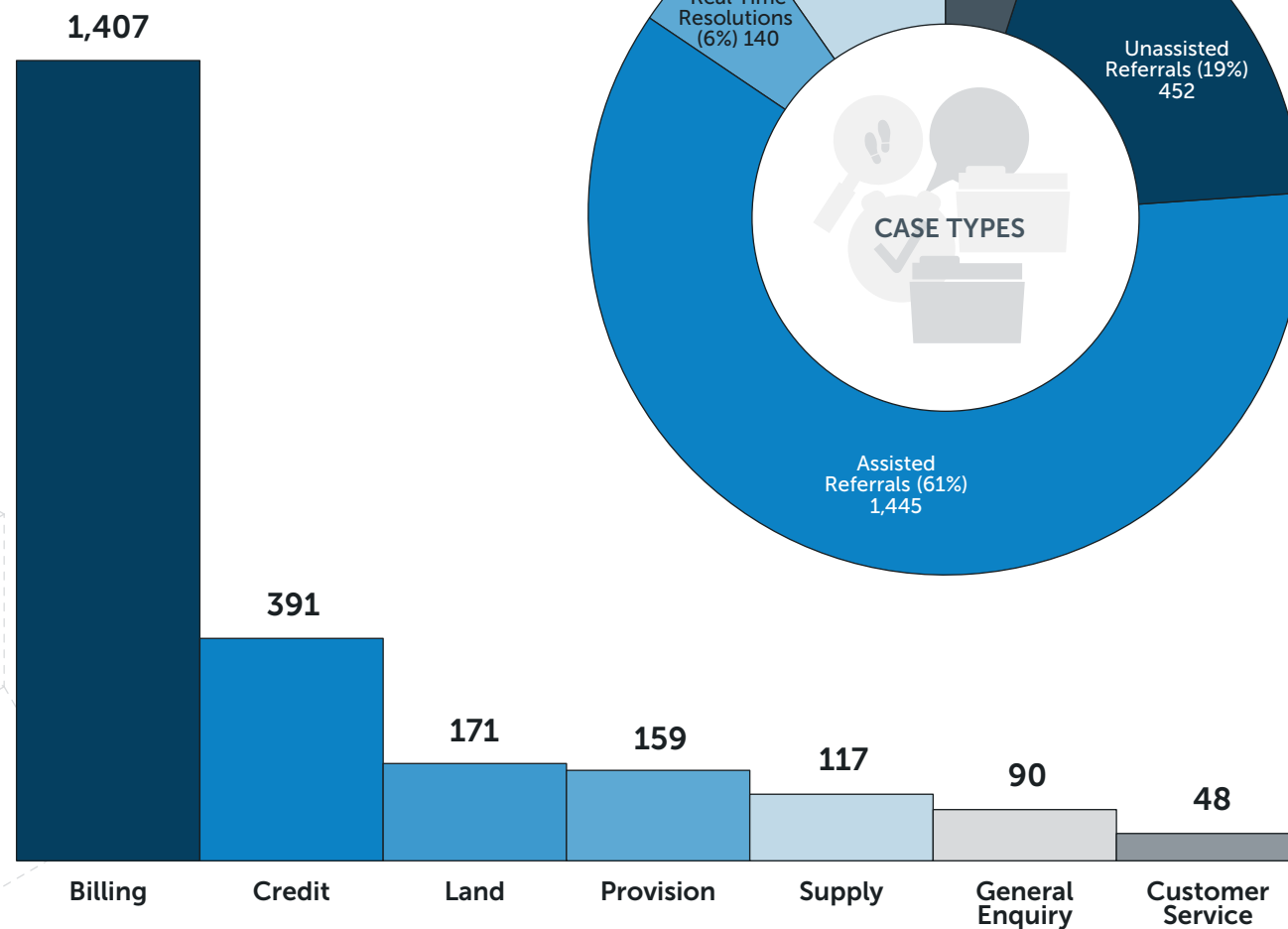


## Water

Victoria's water sector is made up of 19 water corporations constituted under the *Water Act 1989*. All of these water corporations — three metropolitan retailers, one metropolitan wholesaler, 11 regional urban water corporations, two rural water corporations and two rural urban water corporations — are EWOV scheme participants. Collectively they service over 2.57 million residential and business customers. All are State-Owned water corporations, providing a range of water services to customers within their service areas — water supply, sewage and trade waste disposal and treatment, water delivery for irrigation and domestic and stock purposes, drainage and salinity mitigation services. Some of them also manage bulk water storages and designated recreational areas throughout Victoria.

ISSUE	NUMBER
Total	2,383
<b>Billing (59%)</b>	<b>1,407</b>
High Bill	640
Fees and Charges	258
Error	159
Backbill	101
Other	54
Refund	46
Concession/Rebate	39
Format	37
Estimation	33
Meter	24
Delay	8
Tariff	8
<b>Credit (16%)</b>	<b>391</b>
Restriction	164
Collection	142
Payment Difficulties	85
<b>Land (7%)</b>	<b>171</b>
Other	87
Network Assets	63
Easement	17
Vegetation Management	4
<b>Provision (7%)</b>	<b>159</b>
Existing Connection	102
New Connection	56
Restriction	1
<b>Supply (5%)</b>	<b>117</b>
Sewer/Stormwater Overflow/Blockage	40
Quality	33
Water Licensing	20
Off Supply - Unplanned	12
Off Supply - Planned	9
Variation	2
Sustainability Initiatives	1
Water Restrictions	0
<b>General Enquiry (4%)</b>	<b>90</b>
Energy/Water	90
Non Energy/Water	0
<b>Customer Service issues (2%)</b>	<b>48</b>
Privacy	14
Failure to Respond	11
Failure to Consult/Inform	8
Poor Service	8
Incorrect Advice/Information	6
Poor/Unprofessional Attitude	1

## THE ISSUES RAISED BY WATER CUSTOMERS



## WATER CASES EWOV RECEIVED IN 2014-15

WATER CASES EWOV RECEIVED IN 2014-15		OVERALL CASES		ENQUIRIES	COMPLAINTS				TOTAL COMPLAINTS
		2014-15	2013-14		Unassisted Referrals	Assisted Referrals	Real Time Resolutions	Investigations	
METROPOLITAN RETAIL									

### NOTES:

~ Water corporations' sector shares are based on customer numbers in the ESC's *Performance Report 2013-14 - Metropolitan and regional water businesses* (December 2014).

^ Rural water corporations' sector shares are based on the *National Water Commission's National Performance Report 2012-13: rural water service providers* (April 2014).



## COMPLAINT RECEIPT TRENDS FOR WATER COMPANIES FROM 2010-11 TO 2014-15

### Metropolitan retail

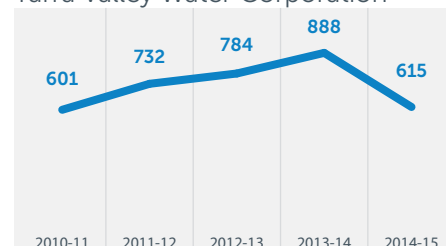
#### City West Water Corporation



#### South East Water Corporation

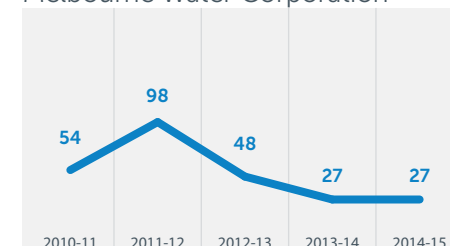


#### Yarra Valley Water Corporation



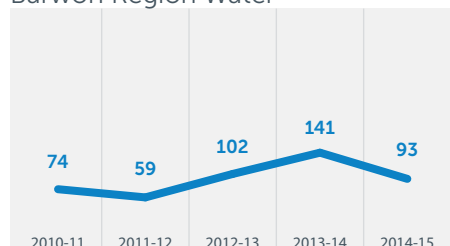
### Metropolitan wholesale

#### Melbourne Water Corporation

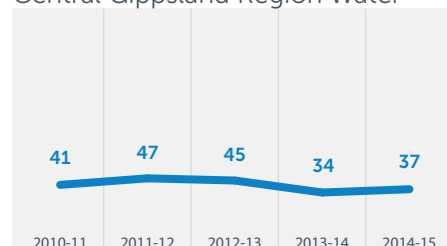


### Regional urban

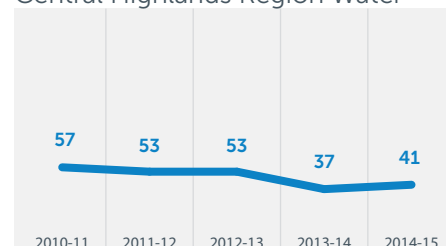
#### Barwon Region Water



#### Central Gippsland Region Water



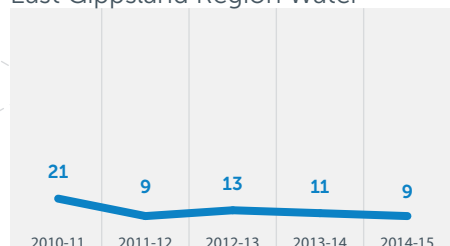
#### Central Highlands Region Water



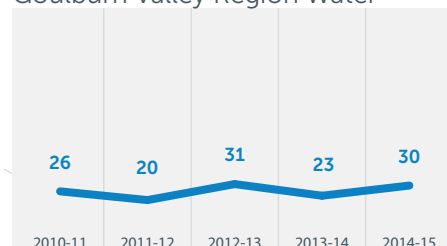
#### Coliban Region Water



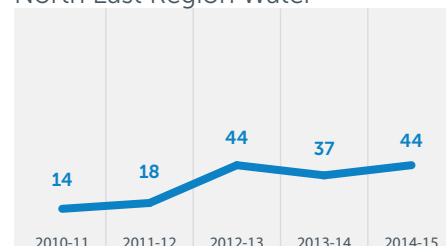
#### East Gippsland Region Water



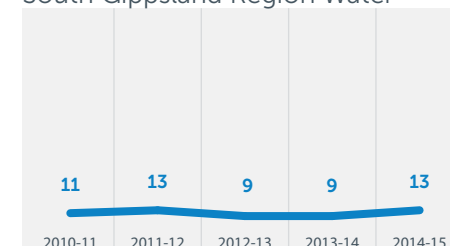
#### Goulburn Valley Region Water



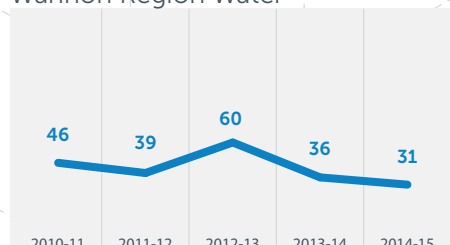
#### North East Region Water



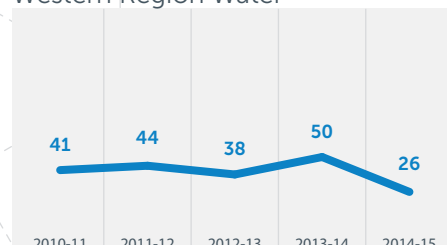
#### South Gippsland Region Water



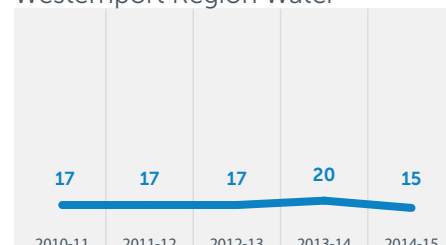
#### Wannon Region Water



#### Western Region Water



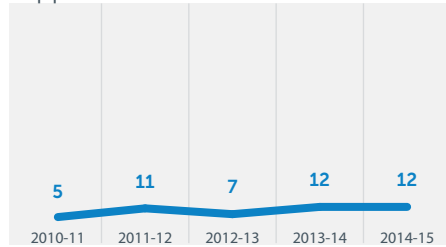
#### Westernport Region Water



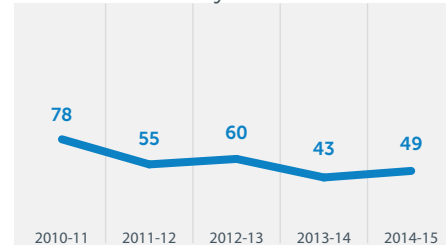
NOTE: Complaint numbers represent the actual number of complaints EWOV received for each company and do not take into account the size of each company's customer base.

## Rural

Gippsland Southern Rural Water

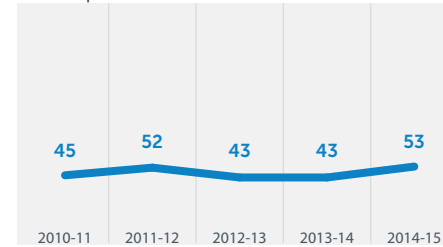


Goulburn-Murray Rural Water

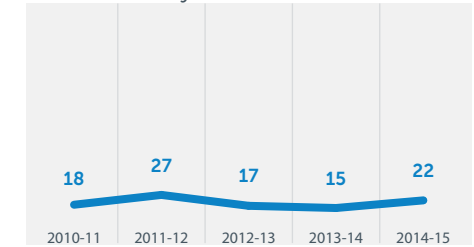


## Rural urban

Grampians Wimmera Mallee Water



Lower Murray Urban and Rural Water



**NOTE:** Complaint numbers represent the actual number of complaints EWOV received for each company and do not take into account the size of each company's customer base.

# Financial statements

## Income statement

For the year ended 30 June 2015

	2015 \$	2014 \$
<b>Revenue</b>	<b>14,213,059</b>	15,660,235
Employee benefits expense	(10,553,496)	(11,370,140)
Depreciation and amortisation expense	(338,072)	(370,936)
Loss on disposal of plant and equipment	-	(4,457)
Rental expense	(1,348,753)	(1,254,418)
Administration expenses	(757,565)	(1,230,035)
Consultancy expenses	(298,205)	(411,381)
Research and Communication expenses	(171,901)	(194,548)
Training and development	(147,377)	(245,089)
Office lease make good obligations	(33,600)	(33,600)
Surplus before income tax expense	<b>564,090</b>	545,631
Income tax expense	-	-
<b>Total Comprehensive Income for the year</b>	<b>564,090</b>	<b>545,631</b>

# Balance sheet

As at 30 June 2015

	2015 \$	2014 \$
<b>Current Assets</b>		
Cash and cash equivalents	9,054,566	9,297,979
Trade and other receivables	73,645	4,624
Other	44,059	56,761
<b>Total Current Assets</b>	<b>9,172,270</b>	<b>9,359,364</b>
<b>Non-Current Assets</b>		
Plant and equipment	471,640	776,477
<b>Total Non-Current Assets</b>	<b>471,640</b>	<b>776,477</b>
<b>Total Assets</b>	<b>9,643,910</b>	<b>10,135,841</b>
<b>Current Liabilities</b>		
Trade and other payables	647,285	1,914,175
Provisions	1,107,587	851,632
<b>Total Current Liabilities</b>	<b>1,754,872</b>	<b>2,765,807</b>
<b>Non-Current Liabilities</b>		
Provisions	477,701	522,787
<b>Total Non-Current Liabilities</b>	<b>477,701</b>	<b>522,787</b>
<b>Total Liabilities</b>	<b>2,232,573</b>	<b>3,288,594</b>
<b>Net Assets</b>	<b>7,411,337</b>	<b>6,847,247</b>
<b>Members' Equity</b>		
Retained earnings	7,411,337	6,847,247
<b>Total Members' Equity</b>	<b>7,411,337</b>	<b>6,847,247</b>

# Cashflow statement

For the year ended 30 June 2015

	2015 \$	2014 \$
<b>Cash Flows from Operating Activities</b>		
Levy receipts from Members (inclusive of goods and services tax)	14,150,285	16,096,419
Payments to suppliers and employees (inclusive of goods and services tax)	(14,727,348)	(15,586,430)
Interest received and other income	366,885	354,097
<b>Net cash (used in) /generated by operating activities</b>	<b>(210,178)</b>	<b>864,086</b>
<b>Cash Flows from Investing Activities</b>		
Payments for plant and equipment	(33,235)	(155,427)
Proceeds from sale of assets	-	300
<b>Net cash used in investing activities</b>	<b>(33,235)</b>	<b>(155,127)</b>
<b>Net (decrease)/increase in cash and cash equivalents</b>	<b>(243,413)</b>	<b>708,959</b>
Cash and cash equivalents at the beginning of the Financial Year	9,297,979	8,589,020
<b>Cash and cash equivalents at the end of the Financial Year</b>	<b>9,054,566</b>	<b>9,297,979</b>



# How to contact EWOV

We can help if you have a problem with an electricity, gas or water company which you can't resolve directly with that company. Our services are free and available to everyone.



## Phone us

**1800 500 509** (free call)

Calls from mobile phones may attract charges. We can ring you back.

If calling from a restricted phone service, ring **12550** (Telstra reverse charges) and ask for **(03) 8672 4460**. We will accept the reverse charges and the call cost.

Interpreter service: **131 450**  
National Relay Service: **133 677**

ABN: 57 070 516 175



## Write to us

GPO Box 469  
Melbourne 3001



## Email us

[ewovinfo@ewov.com.au](mailto:ewovinfo@ewov.com.au)

## Use the form on our website

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



## Fax us

**1800 500 549**  
(free fax)



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