



Scheme participant manual

January 2011

Table of contents

1. ABOUT EWOQ	2
Establishment of EWOQ.....	2
The Energy and Water Ombudsman Act.....	2
Functions and jurisdictions	2
Performance measures and targets	4
Operating performance measurement.....	4
Performance indicators.....	4
Performance evaluation.....	4
Organisational structure.....	5
Scheme participation	6
Advisory Council	7
ANZEWO and ANZOA.....	7
2. DISPUTE RESOLUTION PROCESS.....	9
Operations team	9
Dispute resolution contact details.....	9
Case terminology.....	9
3. COMPLAINT INVESTIGATION PROCESS	10
Level 1 complaint investigation.....	10
Level 2 complaint investigation.....	10
Level 3 complaint investigation.....	10
Final order.....	11
Case escalation process.....	11
4. COMPLAINTS RESOLUTION PROCESS	12
Taking complaints	12
Referral to Higher Level.....	12
Notice of investigation and request for information/documentation.....	12
Interim orders.....	13
Assigning complaints to the energy retailer or distributor.....	13
Customers who contact EWOQ more than once.....	13
Resolving disputes.....	14
Finalising cases	14
Investigation outcomes	15
Final orders	15
How we investigate different complaint types.....	16
Internal review of an EWOQ decision.....	23
Systemic issues	23
Case handling policies.....	23
5. QUEENSLAND REGULATIONS.....	24
6. SCHEME ADMINISTRATION ARRANGEMENTS	28
Scheme participation requirements	28
Scheme participation fees	28
Financial and administrative contact details within EWOQ	29
EWOQ publications	30
EWOQ contacts	30
Appendix 1	31
Level 1, level 2 and level 3 complaint investigation escalation guidelines	

1. About EWOQ

Establishment of EWOQ

Energy Ombudsman Queensland was established on 1 July 2007 to provide an independent dispute resolution service for Queensland's energy consumers, following the introduction of full retail competition in the energy sector.

In January 2011 as part of the second stage of the south east Queensland water sector reforms, the Energy Ombudsman dispute resolution scheme was expanded to incorporate water and wastewater dispute resolution services for small customers in south east Queensland.

Energy and Water Ombudsman Queensland (EWOQ) is committed to providing an effective, high-quality, fair and confidential service for domestic and small business energy customers across Queensland and small water customers in south east Queensland who are unable to resolve a dispute with their supplier.

We deliver a dispute resolution service for issues including, but not limited to payment difficulties, account disputes, disconnections, damages, market conduct, contract issues, vegetation management, supply quality and reliability, time delays in extensions to supply, connection of supply, Guaranteed Service Level rebates, water restrictions and equipment issues.

EWOQ offices are located in Brisbane, Cairns and Rockhampton, giving us the ability to work directly with Queensland consumers and suppliers in the investigation and resolution of complaints.

The Energy and Water Ombudsman Act

The *Energy and Water Ombudsman Act 2006* (the Act) was introduced to deliver additional protection measures for Queensland's energy and water consumers. The Act received assent in December 2010. The main purpose of the Act is to give small energy and water consumers a timely, effective, independent and just way of referring disputes about matters involving energy or water suppliers, and having the disputes investigated and resolved.

The introduction of the Act established:

- The EWOQ office to provide Queensland's small energy in Queensland and small water customers in south east Queensland with a way to have their disputes with electricity, gas or water suppliers investigated and resolved.
- EWOQ's dispute resolution processes, functions and powers, including the Energy and Water Ombudsman's powers to make binding orders against energy or water suppliers.
- The Advisory Council to EWOQ which provides advice to the Energy and Water Ombudsman on policy and procedural issues and to the Minister responsible for energy and water on issues relating to the funding of the Energy and Water Ombudsman office.
- The funding scheme, including fees to be paid by scheme participants to fund the operations of the Energy and Water Ombudsman office.

Functions and jurisdictions

EWOQ can only assist small energy customers across Queensland or small water customers in south east Queensland.

For energy disputes, small customers are those whose electricity consumption is less than 100 megawatt hours per annum (approx. \$20,000) and gas consumption less than one terajoule (approx. \$20,000). For water disputes small customers are either a residential customer or a non-residential customer who uses no more than 100 kiloLitres (kL) of drinking water and/or reticulated recycled water per annum.

We can assist with unresolved complaints about:

- billing
- credit
- customer service
- land
- marketing
- provision
- supply
- disconnection of energy supply
- restriction of water supply, or
- transfer.

Not all disputes between energy or water customers and suppliers fall within the jurisdiction of the EWOQ. Memoranda of Understanding have been put in place between EWOQ and:

- Queensland Competition Authority
- Queensland Water Commission
- Queensland Ombudsman
- Office of Fair Trading
- Department of Employment, Economic Development and Innovation (Mines and Energy)
- Australian Energy Regulator

EWOQ cannot assist customers with unresolved complaints about:

- the fixing of prices or tariffs
(Queensland Competition Authority or Queensland Ombudsman)
- a customer contribution to the cost of capital works
(Australian Energy Regulator)
- home suite products such as air conditioners, hot water systems and home electrician services offered by electricity retailers
(Office of Fair Trading/Department of Employment, Economic Development and Innovation)
- reticulated bulk hot water
(Department of Employment, Economic Development and Innovation)
- on-selling of electricity to tenants in caravan parks, retirement villages and other multi-tenanted dwellings
(Department of Employment, Economic Development and Innovation)
- bottled LPG (liquefied petroleum gas)
(Department of Employment, Economic Development and Innovation)
- the Community Ambulance Cover Levy
(Office of State Revenue)
- developer enquiries
(Department of Employment, Economic Development and Innovation)
- pensioner rebates
(Department of Communities)
- solar rebates
(Office of Clean Energy)

- electricity consumption over 100 megawatt hours per annum (Department of Employment, Economic Development and Innovation)
- gas consumption over one terajoule per annum (Department of Employment, Economic Development and Innovation)
- water consumption for a non-residential customer over 100 kiloLitres per annum (Queensland Ombudsman)
- Reticulated potable water supplied to a metered standpipe
- raw water supplies (i.e. water which is not intended for consumption as potable)
- trade waste services (distributor-retailer)
- storm-water harvesting
- stand-alone recycled water (i.e. recycled water other than dual reticulation).

Performance measures and targets

We aim to:

- complete 95 per cent of complaints received (within a financial year, and the rest to be completed as soon as possible).
- achieve an 80 per cent satisfaction rate amongst customers who contact us with an electricity, gas or water complaint requiring investigation, and
- have less than two per cent of complaints progress to the Energy and Water Ombudsman for a final order.

Operating performance measurement

- 80 per cent of cases closed < 28 days
- 90 per cent of cases closed < 60 days
- 95 per cent of cases closed < 90 days
- <5 per cent of cases closed over 90 days

Performance indicators

EWOQ systems measure and report on performance according to the following key performance indicators.

- Time taken to resolve each matter (Enquiry, Complaint Referral, Referral to Higher Level, Complaint Investigation, Determination)
- The number of disputes between customers and energy suppliers referred to EWOQ, specifically:
 - the number requiring investigation
 - the number requiring negotiation/conciliation
 - the number requiring determination.
- Percentage of complaints resolved in specific timeframes.

Performance evaluation

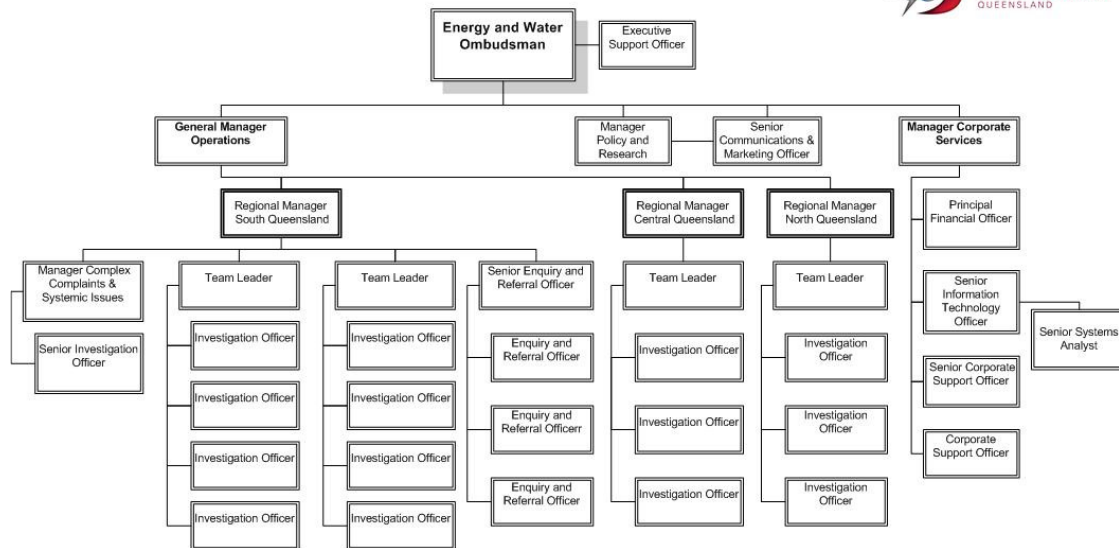
In conjunction with the Office of Economic and Statistical Research, EWOQ has developed a Customer Satisfaction Index (CSI) that measures the performance of EWOQ on a biennial basis. The CSI is an index formulated from the evaluations of actual customers. Customers are independently interviewed about their satisfaction with EWOQ's service provided during the resolution of complaints. Subsequently, this performance is measured as a customer satisfaction index score between 0 and 100.

The CSI relates to the following benchmarks for industry-based customer dispute resolution schemes (Commonwealth Department of Industry, Science and Tourism 1997).

- Benchmark 1: Accessibility
- Benchmark 2: Independence

- Benchmark 3: Fairness
- Benchmark 4: Accountability
- Benchmark 5: Efficiency
- Benchmark 6: Effectiveness

Organisational structure



EWOQ is headed by the Energy and Water Ombudsman who is ultimately responsible to Parliament through the Minister responsible for energy and water.

EWOQ has three regional offices located in Brisbane, Cairns and Rockhampton which are led by Regional Managers who report to the General Manager Operations. The regional offices are responsible for the day to day dispute resolution functions and management of local corporate activities.

EWOQ has a Corporate Services Branch with a Senior Information Technology Officer, Senior Systems Analyst, Principal Finance Officer, Senior Corporate Support Officer and Corporate Support Officer reporting to the Manager, Corporate Services who provides corporate services functions to the office.

EWOQ has a Policy and Research Branch with the Senior Communications and Marketing Officer reporting to the Manager, Policy and Research and has responsibility for leading and coordinating research, analysis and the development of strategic, operational and corporate policies, and marketing and communication.

EWOQ has the following internal governance committees:

- an Executive Management Group (EMG) made up of the Energy and Water Ombudsman, General Manager Operations and Manager Corporate Services
- a Senior Management Group (SMG) made up of the EMG members, the Manager Policy and Research and each of the three Regional Managers
- a Finance Committee made up of the EMG members and the Regional Manager – Central Queensland
- an Information Technology (IT) Committee made up of EMG members and the

- Regional Manager – North Queensland, and
- an Audit and Risk Management Committee made up of EMG members and the Regional Manager – South Queensland.

Dispute resolution services and operational planning are the responsibility of the General Manager Operations in consultation with other EMG members and EWOQ staff.

Financial control is the responsibility of the Manager, Corporate Services in consultation with other EMG and SMG Members. Various Managers are responsible for day to day financial management within their delegated authority.

Human resource management is the responsibility of the Manager, Corporate Services in consultation with other EMG and SMG Members. This includes responsibility for recruitment and selection, training and development, performance planning, monitoring and review, and career progression assistance. CAA provides transactional HR and consultation services. Each Regional Manager is responsible for day to day human resource management within their respective region.

Marketing and communication is the responsibility of the Manager, Policy and Research in consultation with EMG Members. The Senior Communications and Marketing Officer is responsible for managing the day to day functions and activities.

Records management and mail services are the responsibilities of the Manager, Corporate Services in consultation with other EMG and SMG Members. The Senior Corporate Support Officer is responsible for managing the day to day functions and activities relating to records management. CAA provides mail services. Each Regional Manager is responsible for day to day records management activities within their respective regions.

Information technology is the responsibility of the Manager, Corporate Services in consultation with other EMG and SMG Members. The Senior Information Technology (IT) Officer together with each Regional Manager is responsible for managing day to day functions and activities. CAA is the shared service provider to EWOQ for IT issues, administration and support.

Strategic and business planning are the responsibilities of the Manager, Policy and Research in consultation with EMG Members.

Corporate Administration Agency (CAA), is the shared service provider to EWOQ and provides finance and human resource transactional and consultancy services and back office support.

Scheme participation

To ensure that energy and water suppliers operating in Queensland abide by relevant legislation, regulations and codes, and act in a manner which recognises the rights of all customers, all licensed energy distributors and retailers and water distributor-retailers who supply Queensland's small energy and water customers must become EWOQ scheme participants. Section 64 of the Act defines in further detail the requirements for both energy and water entities to become EWOQ scheme participants.

Energy Distributors are required to become scheme participants as soon as they are granted a distribution license in Queensland. Energy Retailers are required to become scheme participants within 10 days of entering in a contract with a Queensland small customer (energy) as defined in section 6 of the Act. Distributor-retailer water entities, as defined under the *South-East Queensland Water (Distribution and Retail Restructuring) Act 2009* are

required to become scheme participants from 1 January 2011.

Scheme participants must include EWOQ's contact details on final disconnection notices or restriction notices. Below is an example of EWOQ contact details for final disconnection notices and restriction notices:

If you are experiencing difficulty paying this account please contact us on [retailer's phone number] as we may be able to offer a payment plan that suits your needs. If your issue is still unresolved after speaking to us, you can contact the Energy and Water Ombudsman Queensland on 1800 662 837; a free, fair and independent dispute resolution service who may be able to assist. If you have already paid this account, thank you and please disregard this advice.

Further information on the financial and administrative aspects of scheme participation can be found under the Financial and Administrative Guide of this manual.

Advisory Council

The Advisory Council to the Energy and Water Ombudsman Queensland was established by the Minister responsible for energy and water utilities under the provisions of the Act, to provide expert advice to the Energy and Water Ombudsman on the effective and efficient conduct and operation of the EWOQ scheme. This helps to ensure the scheme is administered in a manner which is fair and just to consumers and suppliers.

The Advisory Council:

- monitors the Energy and Water Ombudsman's independence
- advises the Energy and Water Ombudsman on policy, procedural and operational issues relating to the *Energy and Water Ombudsman Act 2006*,
- advises the Energy and Water Ombudsman on the preparation of budgets, guidelines and annual reports, and
- advises the Minister on the funding of the energy and water ombudsman's functions.

The Advisory Council consists of a chairperson and at least six other members appointed by the Minister responsible for energy and water utilities. The chairperson must be independent of the interest of scheme participants or consumer advocacy representatives. The other members must consist of:

- members drawn from scheme participants who represent the interests of scheme participants (industry members), and
- an equal number of members drawn from groups who represent the interests of consumers (consumer members).

The industry members must be appointed on the chairperson's recommendation, after consultation with scheme participants. The consumer members must be appointed on the chairperson's recommendation, after consultation with consumer groups and community welfare organisations. At least two of the industry members must represent the interests of retailers, at least one of the industry members must represent the interests of distributors, and at least one member represents interests of the water entities.

For a list of current Advisory Council members and to view the *Advisory Council Handbook*, visit www.ewoq.com.au.

ANZEWON and ANZOA

To be generally consistent with our counterpart ombudsman schemes in other states, EWOQ is a member of the Australia and New Zealand Energy and Water Ombudsman Network (ANZEWON) and the Australian and New Zealand Ombudsman Association (ANZOA).

Being a member of ANZEWON gives us the opportunity to work closely with other energy and water ombudsman offices at a national level. One role of ANZEWON is to ensure operational consistency amongst ombudsman offices due to the many national energy retailers (scheme participants) we have in common. Of course, not all operations can be exactly the same across states due to the different jurisdictional responsibilities, geographical nature and complaint types unique to each state.

ANZOA is a broad network of both industry and statutory ombudsman schemes which enables exchange of information and ideas about best practice models. Ombudsman staff from the various national and state-based ombudsman schemes work together across a range of similar issues including policy, public relations, learning and development, and community outreach strategies.

2. Dispute resolution process

Operations team

EWOQ has three regional offices located in Brisbane, Cairns and Rockhampton which are led by Regional Managers who report to the General Manager Operations. The regional offices are responsible for the day-to-day dispute resolution functions of EWOQ.

Dispute resolution contact details

EWOQ has established a generic dispute resolution email address, investigation@ewoq.com.au, for scheme participants to contact investigation staff. This enables all responses to be actioned in the event of staff absences or unavailability.

Case terminology

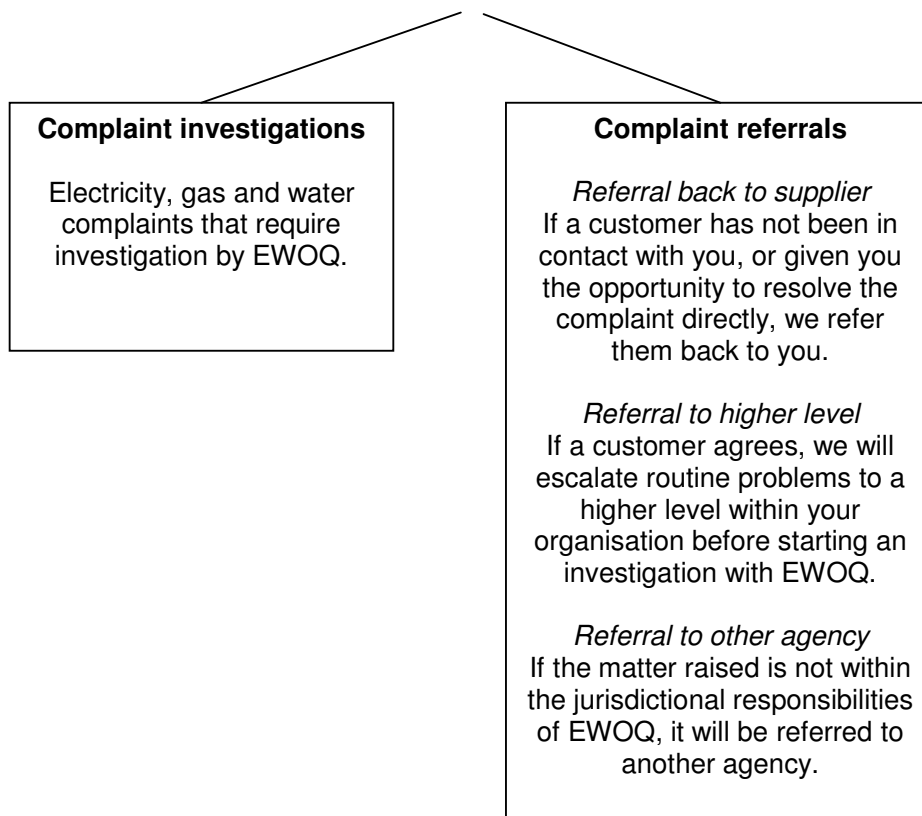
Cases

All contacts with EWOQ including enquiries and complaints.

Enquiries

A customer is seeking generic information not specific to an EWOQ scheme participant.

Complaints



3. Complaint investigation process

Level 1 complaint investigation

If EWOQ spends 240 minutes or less to resolve a complaint, it is classed as a level one complaint. Scheme participants will be advised when a case has exceeded 180 minutes and is less than 240 minutes.

Level 2 complaint investigation

If EWOQ has spent more than 240 minutes and no more than 480 minutes specifically on the complaint investigation, a complaint will escalate from a level one to a level two complaint. Scheme participants will be advised when a complaint has exceeded 420 minutes and is less than 480 minutes.

Level 3 complaint investigation

When EWOQ has spent more than 480 minutes on the complaint investigation the complaint will escalate from a level two to a level three complaint.

Further details of the costs associated with each type of case can be found in the Financial and Administrative Guide section of this manual, however the cost of the complaint increases as it progresses from one level to the next.

Complaints are upgraded from one level to the next as a result of one of the following:

- the time spent by EWOQ officers on the investigation as outlined above,
- due to scheme participants not responding to EWOQ notices within the timeframe stipulated,
- due to scheme participants not providing information requested through an EWOQ notice of investigation,
- due to scheme participants not complying with the requirements of the EWOQ scheme.

The decision to escalate a complaint due to non-compliance resides with the EWOQ Regional Manager. Complaints escalated based on time are not appealable. Further details about the escalation process can be found at Appendix 1.

Time spent on an investigation might include the number of minutes spent:

- conversing with the customer, scheme participants and third parties such as community agencies
- recording file notes of conversations, research and analysis
- reviewing relevant legislation, accounts, contracts, licenses, designs etc
- discussing the matter with a supervisor and/or manager (accounting also for their time)
- preparing correspondence or reports
- on site visits for conciliation meetings.

Time that would not normally be recorded against a complaint might include:

- travel to and from site visits, meetings or conciliations
- investigation team casework meetings at which the matter might be discussed
- research of a general nature that will apply beyond the individual matter
- the involvement of any investigation team members in a matter for training or professional development
- any involvement by EWOQ staff not a direct part of the investigation.

Any questions you may have about the time spent on a case should be directed to the

relevant Regional Manager and not the Investigation Officer concerned. In such circumstances the Regional Manager will review the case file and discuss with you. It is not time effective, practical or appropriate for EWOQ to supply a breakdown of minutes spent on individual cases to scheme participants.

Case escalation process

1. EWOQ Investigation Officer is unable to resolve complaint with energy or water provider representative.
2. Complaint is escalated to EWOQ Regional Manager for negotiation with energy or water provider team leader/manager.
3. If complaint is still unable to be resolved, the complaint is referred to EWOQ General Manager Operations for negotiation with energy or water provider senior management.

Final order

If the dispute cannot be resolved through negotiation or conciliation, the Energy and Water Ombudsman may decide to make, or refuse to make, a final order against the supplier to resolve the dispute.

4. Complaints resolution process

Taking complaints

When a customer contacts EWOQ we will determine if they have given their energy or water supplier a reasonable opportunity to resolve their complaint and if we can assist with their type of complaint. If so, they will be assigned an investigation officer who will commence an investigation into the issues raised with the energy or water entity.

Referral to Higher Level

After initial contact with the customer and if the customer agrees, EWOQ can refer the complaint to you and have an officer from your organisation contact the customer within two business days (48 hours) to discuss the customer's concerns and attempt to resolve the complaint with the customer directly.

If you are unable to speak to the customer, EWOQ will request that you write to the customer within five business days. Either way, the case will be managed by your customer advocacy area (which is the area that EWOQ directly liaises with) and therefore it will be managed at a higher level by a senior officer within your organisation.

If for some reason the customer is not contacted within five business days, or alternatively the customer is not satisfied with the information provided or the action taken by you, the customer may again contact EWOQ and a new complaint will be established and escalated to the formal investigation process.

If a new complaint is established the process will involve providing you with a Notice of Investigation (NOI) which outlines the details of the complaint and requests advice in relation to the matter. For most matters you will be given 10 business days to provide EWOQ with a response using this process.

When the referral to higher level process is used to resolve a complaint, most matters are resolved quicker and usually resolved at this level rather than escalated to the formal investigation process.

Notice of Investigation and request for information/documentation

Once an investigation officer is assigned, they will provide you with a Notice of Investigation (NOI) which informs you that an investigation has commenced the complaint details and background, and the due date for your response. The investigation notice may also outline, in accordance with s32 of the Act, that no action is to be undertaken against the customer, including disconnection, until the investigation ends.

To assist us to fully investigate each matter, we may request relevant information and documentation from customers and scheme participants. When EWOQ informs you that we are conducting an investigation of a customer's complaint, it is preferable that all relevant information is provided as soon as possible. This allows us to conduct an efficient and timely investigation. It is also important that we see copies of original documentation wherever possible.

Where appropriate, EWOQ will ask customers to provide documentation to support their complaint, for example details of their claim for damages resulting from a supply problem or copies of payment receipts. Under the Act, scheme participants are required to provide EWOQ with all documentation relevant to a customer's complaint within timeframes set out in the Notice of Investigation. This requirement does not extend to documentation containing confidential information of a third party who, despite the reasonable efforts of the scheme

participant, has refused to disclose the information to EWOQ. Where any dispute exists as to the provision of any documents, the final decision rests with the Ombudsman.

When providing information to EWOQ in relation to a customer's complaint, it assists our investigation if you can:

- undertake a review of all of your information relating to the complaint
- provide us with an outline of any action you have taken to date to resolve the matter
- specify any action you propose to take to resolve the matter
- provide us with copies of original documents/screen dumps, with a covering letter explaining the relevance of this information. It may also be useful for some matters if you provide spreadsheets to explain billing adjustments etc.
- refer us, if appropriate, to other members of your organisation who may be able to assist us in our investigation, and
- provide reference to legislation and policy where these explain your organisation's position on a matter.

EWOQ will sometimes ask for supporting information to help us explain the circumstances of a matter to a customer. It is our experience that customers will often more readily accept an unfavourable outcome if the circumstances and decisions are fully explained by an independent party. Wherever possible, EWOQ will explain to you the relevance and need for any supporting information.

Interim orders

During the course of an investigation, the Energy and Water Ombudsman may order you (in the form of an interim order) to do, not do or stop doing a particular action concerning the dispute until the investigation ends. For example, if the dispute involves non-payment of a bill, the order could be that, until the investigation ends, you must not disconnect the customer's power or restrict their water supply.

Assigning complaints to the energy retailer or distributor

Some complaints highlight difficulties in aspects of the energy retailer/distributor relationship. For example, a billing dispute where the retailer cannot obtain access to billing data or arrange a meter test or check read to resolve the complaint, or a customer complains about tree trimming and is referred to the energy retailer by the energy distributor.

EWOQ will determine who is in the best position to resolve the complaint – the retailer, distributor, or both. We may choose to open two cases for the one complaint if we deem that both the retailer and distributor are both involved/responsible.

For example, if an energy customer made a complaint about their energy bill, EWOQ staff would contact the energy retailer responsible for issuing the bill. If the retailer was able to demonstrate that they had taken reasonable steps to try to resolve the complaint but were unsuccessful because of a lack of cooperation or information from the energy distributor, EWOQ may decide to also contact the distributor and open a separate case for them. All details of the contact between EWOQ and the retailer would be recorded on their case, and all contact between EWOQ and the distributor would be recorded on their case.

Customers who contact EWOQ more than once

Some customers who contact EWOQ do so more than once. We generally deal with these matters in the following ways.

- Different issue: If the customer has a different issue we open a new case. For example the customer contacts EWOQ about a billing issue and separately about a claim for compensation.

- Similar issue, but different circumstances: In this situation, we will open a new case. For example impending disconnection/restriction, but a reasonably long time between each disconnection/restriction and under different circumstances.

Resolving disputes

Most complaints lodged with us are resolved through negotiation or conciliation. Some investigations require:

- **Site visits** – Some matters require a site visit by an EWOQ Investigation Officer and/or independent consultant. In most circumstances you will be informed about such visits and, if the customer wishes, invited to attend. Site visits are often an efficient and economical means of progressing an investigation. Where any negotiations are likely to take place on site, EWOQ will normally provide an agenda for discussion on a preliminary report in advance to all relevant parties. EWOQ will also facilitate any discussions. In most circumstances, two Investigation Officers will attend a site visit due to workplace health and safety and other factors. Where significant travel is involved, you may be asked to pay for travel costs. EWOQ may also request you cover any costs associated with an independent consultant.
- **Conciliation** – In some cases, we have been asked by customers and scheme participants to conciliate a matter in dispute. Typically, this involves an on-site meeting (or a meeting at EWOQ or another neutral venue). Conciliations are only conducted with the consent of the customer and scheme participant. Conciliation is a way to resolve a dispute in a timely and creative manner.
- **Expert advice** – If we are not able to negotiate a resolution between you and a complainant, and we believe there are grounds to pursue the matter further, we may seek independent expert advice to assist with our investigation. We will not engage an independent consultant until approval has been given by the General Manager Operations. If requested, EWOQ will advise you of the basis for our decision to seek expert advice. If the consultant is required specifically and only for your customer's matter, EWOQ will generally invoice the cost of the consultant to your organisation. If the consultant is required to address a systemic or general issue across customers of more than one scheme participant, EWOQ will meet the cost.

Finalising cases

If the investigation can be resolved through negotiation or conciliation, a Notice of Case Closure will inform you of the date the investigation closed and any outcomes/actions that resulted.

EWOQ considers a matter finalised when:

- an outcome has been negotiated between the customer and the scheme participant, for example payment arrangement to avoid disconnection/restriction, settlement of a claim, customer service payment, letter of apology or clarification from the company to the customer
- there is no further contact from the customer, despite at least two attempts to contact the customer to close the matter
- the customer is referred to a more appropriate body to deal with the matter, and
- we conclude that, on the basis of the information available, there are not sufficient grounds to take the matter further.

Where we cannot find sufficient grounds to continue an investigation, we will contact the customer to explain:

- the response from you

- the steps in our investigation
- the information reviewed
- advice from an independent consultant (if applicable), and
- our analysis of the information obtained and our conclusion.

Investigation outcomes

There is a range of actions/outcomes that can result from EWOQ's investigation into a complaint. Types of actions can include, but are not limited to, the following:

- apology made to customer from entity
- damages claim paid
- gesture of goodwill payment
- account reduction
- check reading
- ex-gratia payment made
- new account issued
- account correction
- account rebate
- payment extension
- fees waived
- refund provided
- quality of supply investigated
- vegetation trimming
- rectification works by entity
- meter test
- electricity, gas or water rebate backdated
- tree replanting
- vegetation management information
- vegetation works
- market contract cancelled
- CentrePay Direct Debit
- Disconnection/restriction process halted
- payment plan
- financial hardship program
- customer connected
- improved extension timeframe
- offer of supply extension
- reconnection of supply
- staff retrained/disciplined
- Guaranteed Service Level negotiated, or
- entity found to have acted appropriately and no further action necessary.

It is important to note that there can be more than one action negotiated per case, for example a meter test and an account reduction may result from the investigation into a complaint about a disputed account balance.

Final orders

If the dispute cannot be resolved through negotiation or conciliation, the Energy and Water Ombudsman may decide to make, or refuse to make, a final order against the relevant entity to resolve the dispute.

It is at the discretion of the Energy and Water Ombudsman as to whether a hearing will be held prior to making a decision. The Energy and Water Ombudsman will not, under the

provisions of the Act, make a decision on a complaint, if the Energy and Water Ombudsman deems the dispute to be not justified, frivolous or vexatious in nature.

If the Energy and Water Ombudsman decides to make an order in favour of the customer, the relevant entity can be ordered to:

- pay compensation to the customer (of up to \$20,000, or if the parties to the dispute agree, an amount no more than \$50,000)
- provide a non-monetary solution to remedy the dispute
- amend a stated charge
- end a negotiated contract with a customer, and/or
- carry out corrective work.

Prior to the Energy and Water Ombudsman making a final decision, a draft decision will be circulated to all affected parties for consideration and comment. The decision of the Energy and Water Ombudsman, and the reasons for the decision, will be in writing. The customer can choose within 21 days of receiving the decision to notify the Energy and Water Ombudsman in writing if they accept or do not accept the final order. If the customer does not notify the Energy and Water Ombudsman within 21 days, the decision becomes final and the customer and the relevant entity are bound by it. If the order is accepted, the entity can seek a review under the *Judicial Review Act 1991*.

If the customer elects not to accept the order, the order will not take effect. The Energy and Water Ombudsman must give the entity a written notice about whether or not the order has been accepted. The customer may file the accepted final order in a Magistrates Court. Alternatively, the Energy and Water Ombudsman may file the order on behalf of the customer. Once filed, the order is taken to be a judgment of that court for the stated action in favour of the customer, against the entity.

If the energy or water entity does not comply with a direction given for an order, a maximum penalty of 100 penalty points (under the *Penalties and Sentences Act 1992 (Qld)*) may be applied. In addition, non compliance may be referred to the appropriate regulator.

How we investigate different complaint types

We receive many different kinds of enquiries and complaints. This section outlines in brief how we might address common issues. Please note that all disputes handled by EWOQ are treated on an individual basis and the methods followed and outcomes can vary case to case.

Payment difficulties (customer unable to pay their electricity, gas or water account). The customer must initially contact their energy or water retailer to negotiate a payment plan, preferably prior to the due date of the account. If the customer is unable to arrange a suitable payment plan, they may contact EWOQ for assistance.

The EWOQ investigation officer will then find out from the customer, details of the amount owing, how they propose to pay the outstanding amount, and what payment arrangement they tried to set up with you. Payment plans need to reflect the individual circumstances of the customer and their financial capacity to pay.

At times, negotiating a payment arrangement can be very difficult given the different and sometimes competing needs of entities and customers. Our intention when negotiating an arrangement with you and the customer is to prevent a disconnection or restriction from occurring. We also try to help you and your customer to move towards an agreement, we are helping to provide a mutually beneficial outcome.

We consider a range of factors including:

- your requirements for reconnection/continuation of supply
- the customer's billing and payment history and any previous payment arrangements
- the customer's offer of payment or resolution
- mitigating or special circumstances affecting the customer, for example a recent redundancy, or unusually high bill
- any assistance the customer is seeking, for example access to schemes such as the Home Energy Emergency Assistance (HEEA) scheme or financial counseling
- any payments the customer has been making
- payment options that will assist the customer in keeping to a payment arrangement, for example Centrepay, direct debit, temporary payment plan, and
- impact the next bill will have on the payment arrangement.

Sometimes customers provide very sensitive information to EWOQ about their circumstances, for example illness, domestic violence or imprisonment. In most cases it is not appropriate for us to pass on this information to you. However, we will indicate that there are special circumstances in particular cases and negotiate with you on this basis.

Investigation officers are encouraged to refer matters to a more senior staff member whenever they are unable to come to a satisfactory arrangement between you and the complainant. We also encourage you to speak with a supervisor or senior staff member within EWOQ if you have any concerns about a matter.

An important part of EWOQ's role is to try and help customers break the 'disconnection cycle'. We look for ways in which we can help the customer address any ongoing problems that make them vulnerable to disconnection or water restriction, such as referring them to your customer assistance and hardship programs, a financial counselor, or providing information about ways they can save energy or water. We would appreciate you working with us in this area.

To assist with the payment of future accounts, you may be able to suggest advanced payment plans such as direct debits or Centrepay arrangements which are weekly or fortnightly deductions from the customer's bank account or pension account to assist the customer to pay their account.

Sometimes a customer will contact EWOQ again if a payment arrangement has broken down and they are facing disconnection/restriction. EWOQ aims to avoid customer disconnection/restriction wherever possible. EWOQ officers will try to negotiate arrangements between customers and entities as far as possible and reasonable. If these arrangements break down due to the circumstances beyond the control of customers, we will generally try to negotiate a further payment arrangement. If arrangements break down because a customer has not taken any of the agreed actions, EWOQ will generally explain to the customer that it cannot take the matter further. In such cases, EWOQ will advise customers to seek the help of a community worker or financial counselor, and invite them to contact us or their provider when they have a realistic payment proposal.

Disconnection/restriction of supply

EWOQ officers treat disconnections/restriction of supply as a matter of urgency. Our initial contact with you will be by telephone, with a follow-up email. A customer may contact EWOQ for assistance if they have had their supply disconnected or water restricted. Customers who have contacted EWOQ after being disconnected/restricted usually do not have the financial capabilities to pay the full amount together with the reconnection fee. Because most retailers will charge a reconnection fee and usually increase the customer's security deposit, EWOQ will usually be required to negotiate a payment plan to have supply

reconnected/unrestricted.

Under the provisions of s3.6 of the Electricity Industry Code (the Code), a distribution entity may disconnect or refuse to connect or reconnect a small customer. Further, s4.18 of the Code states that a retail entity may arrange for disconnection of supply to a small customer's premises.

Section 34 of the Electricity Regulation 2006 (the Regulation) states the distribution entity may refuse to connect or reconnect or may disconnect any premises of a customer to the entity's supply network if the customer:

- contravenes the Act or this regulation in relation to the supply of electricity to any premises of the customer
- fails to make reasonable advance payment for charges for providing customer connection services to any premises of the customer, and
- fails to pay an amount the customer owes the distribution entity under, or otherwise breaches, any customer connection contract between the customer and the distribution entity.

Can an electricity retailer transfer a bad debt from a company contract to the owner's residential contract and disconnect for this debt?

In the absence of a contractual agreement, it is not lawful for a retail entity to transfer a debt owing from a contract with a corporate entity to the owner's residential contract, then disconnect the residential supply for the transferred debt. This is because s71 of the Regulation relieves the retail entity of the obligation to continue to provide electricity services only in respect of the premises that the contract relates to. Also, a company is a separate legal entity to the individuals involved in the company. Accordingly, the retail entity has no right to transfer debt owing by one legal entity to another without their consent.

Can an electricity retailer transfer bad debt from a customer's previous contract to their current contract and disconnect for this debt?

Sections 48 and 49 of the Electricity Act 1994 provide that a non-contestable customer is taken to have entered into a contract with the entity on the terms of the entity's standard customer sales contract, if the retail entity provides the customer retail services for the premises pursuant to the application. Section 71 of the Regulation outlines where there is a customer sale contract between the customer and the retail entity, the circumstances when a retail entity is not obliged to provide retail services. Section 71 of the Regulation only relieves the retail entity of the obligation to provide services to the customer for the specific premises of the customer sale contract. The retail entity is only relieved of the 'obligation to continue to provide customer retail services to the premises'. Therefore if the customer fails to pay an amount to the retail entity then the retail entity is no longer under an obligation to continue to provide services for those premises only.

In the absence of a contractual agreement, it is not lawful for a retail entity to transfer a debt owing on a customer's previous contract to their current contract and then disconnect the current supply for the debt transferred.

However, s71 of the Regulation provides that an electricity entity is not obliged to provide supply to a customer's new premises if the customer owes an amount from previous premises. That is, if the customer applies to have supply connected to a new property, but has an outstanding debt from a previous property, the electricity entity is not obliged to provide supply to the new property until the previous debt has been rectified.

For small water and wastewater customers under s13.2 of the Customer Water and

Wastewater Code South East Queensland (the Water Code) the distributor-retailer may restrict supply to a small customer's premises if the customer:

- (a) fails to pay an account or a security deposit (for a period greater than 1 month); and
- (b) the customer has been provided with at least two reminder notices and has not sought assistance in paying the account, or that customer has failed more than once in a 12 month period to comply with the agreed installment plan.

However, a premises may not be restricted if the premises is registered as a special needs premises or a Local Fire Ban or State of Fire Emergency has been declared in the area in which the premises is located.

EWOQ officers must only speak with the account holder or authorised person on the account – this must be clarified with the caller (the account holder may provide verbal permission for someone else to speak on their behalf, such as a parent or welfare agency).

EWOQ will telephone the following details through to you and follow up with an email:

- name of customer
- current address
- account number (and address if it is different from the customer's address)
- amount outstanding
- history of the customer's payment of account
- reason for extension to be approved, and
- suggested payment plan.

EWOQ requires you to provide the following details in response:

- details of account including statement of customer's account for the previous 12 months
- date of reminder notice
- date of disconnection/restriction notice, and
- evidence that the entity had contacted the customer and offered a payment arrangement in cases raised by EWOQ.

Information must be obtained from the customer as to a proposed payment plan:

- how much can the customer pay, and
- when the customer can make the payment.

EWOQ will usually suggest advanced payment methods such as Direct Debits – weekly or fortnightly deductions from the customer's bank account.

EWOQ negotiates on the complainant's behalf with you for payment of outstanding accounts. It should be remembered that EWOQ can instruct the entity to stop the disconnection/restriction until the investigation is completed.

If a customer has been disconnected/restricted and EWOQ is able to get supply reconnected/restored, the customer may be required to pay the reconnection fees and also may be required to pay an increased security deposit.

You may require a small customer to provide a security deposit, including an increased security deposit. The customer must pay the security deposit within five business days after you made the request.

However you must not request a security deposit from a residential or small business customer if they have a satisfactory account payment history.

High accounts

A large number of complaints referred to EWOQ relate to customers disputing an account. In our experience, investigating a disputed account can be a complex process given the different variables involved and the number of factors that can affect a customer's account.

EWOQ works with customers and scheme participants to review the accuracy of the customer's bill. Generally, we will request that you put a hold on any disconnection/restriction action in relation to the account while we investigate the customer's complaint. We will suggest to the customer that they pay any amount that is not in dispute. If you have any concerns about putting a hold on the account, you should advise the EWOQ Investigation Officer immediately.

After we have received and reviewed information provided by you and the customer, we may ask you to conduct additional checks such as a meter check read. The EWOQ officer involved may organise a site visit to discuss the customer's energy usage problems.

The following are examples of possible investigation outcomes.

- We advise the customer that we have been unable to identify any cause of the disputed account, or any problem with the provider's bill, and that it therefore appears they are liable for the account. We will offer to assist the customer to enter into a payment arrangement if necessary.
- If an error is identified, we will discuss with you ways to resolve the error, for example an adjustment to the account with an explanation of the error.
- If no errors are identified, but the customer has been significantly disadvantaged by the circumstances surrounding the account, we may ask you to consider a customer service payment or any other response as appropriate in the circumstances of the case.
- If the investigation reveals that the bill has appeared high for reasons other than increased consumption, such as a transferred debt, an estimated account or a billing problem, we may ask you to provide a written explanation to the customer.

If EWOQ concludes that a bill appears to be correct, we will try to assist the customer by providing information on how to better manage their consumption. We will usually provide them with information on saving energy or water.

At times we may find that the cause of a high bill relates to matters that are not within our jurisdiction, for example an issue for a tenant to take up with their landlord. In these cases, we will refer the customer to the appropriate organisation, e.g. the Residential Tenancy Authority for tenancy matters.

We encourage you to take an active role in this process, for example providing expert information on ways that the customer can reduce their usage.

During the investigation, EWOQ will speak with the customer about issues such as:

- history of accounts (relevant period in previous year)
- installation of new appliances, particularly heating and cooling appliances such as heaters and/or air-conditioning or a new swimming pool
- anything different in the house that may cause an increase, or
- any levies placed on the account (ambulance levy, pensioner rebates etc).

We require you to provide the details of the account including a statement of the customer's account for the previous 12 months, payment history, payment plan, security deposit held and a billing summary.

If a customer believes that they have been overcharged or the meter has been read

incorrectly, EWOQ will seek clarification from the customer as to why they believe that to be the case. It is usual for accounts to reflect the seasonal conditions depending on their circumstances and on the appliances used for heating and cooling etc. When comparing accounts, it is useful to compare consumption for similar billing periods in previous years.

Increased energy consumption usually indicates that a customer has been using additional electrical appliances – particularly in the winter months (heaters) and summer months (air-conditioners). A customer may be using extra water on gardens or topping up swimming pools during the summer months.

In accordance with s9.3.6 of the Electricity Code, the energy entities can also test the meters at a cost to the customer. However EWOQ can request a meter test at no cost to the customer if we believe it is justified in the circumstances.

In accordance with s8.5 of the Water and Wastewater Code, the water entity can test the meter at a cost to the customer. However, EWOQ can also request that a water entity undertake a field test of the meter at no cost to the customer.

It is unusual that a faulty electricity or water meter will cause increased consumption as faulty meters have a tendency to slow down rather than speed up.

The customer is responsible for their consumption. Also, customers are responsible for faulty wiring and the meter box or water leaks on the customer's side of supply (past the point of attachment).

EWOQ is aware that scheme participants have energy or water advisors who can provide advice to customers on their consumption and ways to minimise consumption which ultimately is reflected in lower accounts.

Energy contract issues

Customers may contact EWOQ if the customer has been contacted by a marketer representing an energy retailer and the customer has raised concerns over the contract that the marketer has sold the customer. These concerns could be, for example, that the customer is not satisfied with the terms and conditions of the contract or the customer has not properly understood the conditions of the contract and is now seeking to terminate the contract.

Customers will be approached by marketers attempting to sign up customers to negotiated market contracts.

In accordance with s4.2.4 of the Code, a retail entity must ensure that in each negotiated retail contract it enters into with a customer, the customer has the right to rescind that contract with the 10 business day cooling-off period. This cooling-off period commences on, and includes, the date of receipt by the customer of the Written Disclosure Statement provided in respect to the negotiated contract. The cooling-off period will commence the next business day and expires 10 business days later. For example, if a contract is signed on Wednesday 19 September, the first day of the cooling-off period is Thursday 20 September and the last day of the cooling-off period is Wednesday 3 October. The contract takes effect on Thursday 4 October.

Written Disclosure Statement

Under s7.6 of the Code, a Written Disclosure Statement (WDS) is a written document that must be provided by the retailer when the customer intends to or enters a negotiated retail contract. It will explain key terms in the contract, prices, service levels, bill frequency, duration of the contract, payment methods, fees and any termination charges that may

apply. The WDS is to be provided to the customer at the time the contract is entered into, or if the contract is entered into over the telephone, within two business days of the contract being entered into.

Standard retail contract

Energy customers who receive the government set tariff price will be on a standard retail contract. Those customers who do not wish to enter the contestable market with their retailer will automatically be on a standard retail contract.

Questions EWOQ may ask you in relation to a marketing investigation can include:

- Details of the transfer process followed by you in transferring the customer. Please provide all relevant transfer information, including Australian Energy Market Operator (AEMO) – Market Settlement and Transfer Solution MSATS screens.
- Details regarding how you have complied with the relevant Retail Market Conduct Code when transferring the customer.
- Copies of all relevant tape recordings of communications between you or your agents (including marketer name) and the customer.
- Copies of all relevant contracts/documentation on which you relied on in transferring the customer.
- Information regarding any other relevant communications with customers,
- Details and results of any investigations that you have undertaken in response to the issues raised.
- Any suggestions you may have to facilitate the resolution of this matter.

Compensation claims

Some of the complaints referred to EWOQ relate to customer claims for compensation that have been denied by scheme participants. In most cases, the claims relate to damaged appliances/equipment or loss of product where the customer is seeking compensation from their supplier. In some cases the claims relate to business loss.

When reviewing a compensation claim that has been denied, EWOQ will generally send you a copy of the customer's request for review to allow you to consider any new information the customer has provided, and advise us if you wish to settle the claim at this point. If you do not settle the claim at this stage, EWOQ will request information from you and the customer to try to establish whether a loss was suffered, the cause of the loss and whether it is reasonable for compensation to be considered.

To assist us with our investigation, and to allow for greater consistency, we will request a range of information from you, including:

- details of network events
- reports of natural events, e.g. storms, floods
- information about known problems in the customer's area, and
- your basis for denying the claim, including a technical summary if appropriate.

In reviewing claims for compensation we generally consider whether:

- there was an event/incident that could have affected the customer's supply
- the damage described by the customer is consistent with the event/incident
- adequate steps were taken by you to avoid the event
- the customer took adequate steps to protect themselves
- an independent expert opinion is required to clarify any of these matters, and
- there are any other relevant circumstances, e.g. customer service issues.

Internal review of an EWOQ decision

An internal review can be conducted when a customer disputes the outcome of EWOQ's investigation in relation to a complaint. Usually the complainant will need to specify the reason they are disputing EWOQ's conclusion and/or provide additional information as a basis for EWOQ investigating/reviewing the complaint further.

It is not possible for a final order made by the Energy and Water Ombudsman to be reviewed internally. A complainant who does not accept a final order can pursue external avenues of redress, such as litigation or a claim to Queensland Civil and Administrative Tribunal (if amount is under \$25,500).

Systemic issues

A systemic issue is an issue that may affect a group of customers rather than just an individual customer. The issue may arise from an entity's policy or processes – or their application.

EWOQ works on the basis that it is better to identify and solve the cause of the problem, rather than repeatedly address the complaints that result from it. EWOQ reports systemic issues where we feel that they have contributed to one or more complaints or when they have impeded the investigation or handling of a particular complaint.

How are systemic issues identified and addressed

EWOQ identifies systemic issues and determines strategies for investigating and addressing the issues. EWOQ considers whether the systemic issue is scheme participant specific, industry specific or applicable across utilities. It might be something that raises beyond the particular utility industry, for example a broad consumer affairs issue or a housing issue. Investigating allows us to provide feedback to scheme participants, government and/or regulators in the aim to resolve the issue and avoid repetition.

Case handling policies

Privacy

Under the *Privacy Act 1988* (Commonwealth), EWOQ is only allowed to assist the actual energy account holder, unless permission, either written or verbal, has been given to act on someone else's behalf.

Complaints about dealing with our staff

In the first instance, you should contact the relevant EWOQ Regional Manager of the staff member, or EWOQ's General Manager Operations, to outline your concerns. EWOQ treats any complaints from both scheme participants and customers seriously. If you remain dissatisfied, you can refer or escalate the matter to the Energy and Water Ombudsman.

5. Queensland legislation

This section provides a quick guide to the basic obligations of retailers and distributors to small customers in the Queensland energy market and small water customers in south east Queensland. It is not a comprehensive statement of the law. The laws referred to are complex and various qualifications may apply for the provisions in different circumstances.

Scheme participants are encouraged to obtain independent legal advice if they are unsure how the laws apply to their situation.

The following legislation and regulatory instruments are referenced throughout this section:

Customer Water and Wastewater Code – South East Queensland
Energy and Water Ombudsman Act 2006
Electricity Act 1994
Electricity Regulation 2006
 Electricity Industry Code (includes retail marketing conduct rules)
Gas Supply Act 2003
Gas Supply Regulation 2003
 Gas Industry Code (includes gas market retail rules)
South East Queensland (Distribution and Retail Restructuring) Act 2009

Disconnection/reconnection/restriction

Requirement – Electricity	Relevant clause
No disconnection on a Friday, weekend or public holiday or a day preceding a public holiday, or after 3pm on any other day.	3.6.3 of the Electricity Industry Code
No disconnection if life support equipment that relies on electricity to function, is in use at the customer's premises.	4.20.1 of the Electricity Industry Code
EWOQ contact details must be included on all Final Disconnection notices.	4.18.4 of the Electricity Industry Code

Requirement – Gas	Relevant clause
Clause 3.3 and 4.5.1 sets out the grounds for disconnection of a customer.	3.3 and 4.5.1 of the Gas Industry Code

Requirement – Water	Relevant clause
Clause 13.2.1, 13.2.2 and 13.2.3 sets out the grounds for supply restriction of a customer.	13.2.1, 13.2.2 and 13.2.3 of the Customer Water and Wastewater Code

Meter reading

Requirement – Electricity	Relevant clause
Use best endeavours to obtain an actual meter reading at least once every 12 months.	4.10.1 and 9.4.3 (L) of the Electricity Industry Code
Use an estimated amount if an actual meter reading is not obtained from the premises.	

Requirement – Water	Relevant clause
Use best endeavours to read the meter at each small customer's premises at least once every 12 months.	8.2 of the Customer Water and Wastewater Code

Marketing

Requirement – Electricity	Relevant clause
Code of Conduct.	Chapter 7 of the Electricity Industry Code
Hours/days of contact	7.4.1 and 7.4.2 of Electricity Industry Code
Necessary identification	7.5.1 of the Electricity Industry Code
Terms and conditions	7.6 of the Electricity Industry Code
Disclosure statements	
Cooling-off period	4.2.4 of the Electricity Industry Code
Misleading and deceptive conduct	7.3 of the Electricity Industry Code
Pressure, harassment and coercion	
Do not call register and do not contact again requests	7.5.3 and 7.5.8 of the Electricity Industry Code

Requirement – Gas	Relevant clause
Time of contact	5.4 of the Gas Industry Code
Written Disclosure Statement	5.6 of the Gas Industry Code
Cooling-off period	4.3 of the Gas Industry Code

Internal complaint handling procedure

Requirement – Electricity	Relevant clause
The entity must handle a complaint made by a small customer in accordance with the <i>Australian Standard</i> .	4.6.3 of the Electricity Industry Code
When the entity responds to a small customer's complaint the entity must inform the small customer that they have a right to raise a complaint to a higher level within the entity. If the small customer is still not satisfied the entity must inform the small customer that they may refer their complaint to EWOQ.	

Requirement – Gas	Relevant clause
A retailer must develop procedures to deal with complaints from small customers which must include how complaints will be notified, the handling of complaints, the method of response and where the complaint is not satisfactorily resolved refer to EWOQ.	5.7 of the Gas Industry Code

Requirement – Water	Relevant clause
A distributor-retailer must have and comply with practices and procedures consistent with the Code and with the Australian Standard.	7.1 and 7.2 of the Customer Water and Wastewater Code

Financial hardship provisions and payment plans

Requirement – Electricity	Relevant clause
If a customer informs the retail entity that the customer is experiencing payment difficulties or if the retail entity's credit management process indicates that a customer is experiencing payment difficulties the retail entity must offer the customer an installment plan which complies with clause 4.14 of the Code.	4.13.10 of the Electricity Industry Code

Requirement – Water	Relevant clause
A distributor-retailer must have a policy which applies to small customer who have the intention but not the capacity to pay can be identified by the following: <ol style="list-style-type: none"> a. the small customer themselves; b. the distributor-retailer; c. an independent accredited financial counselor; or d. a not-for profit organisation providing assistance to people experiencing financial difficulty. 	10.3 of the Customer Water and Wastewater Code

Rebates – pensions, concessions and seniors

Requirement – Electricity	Relevant clause
The retail entity must, when requested by a customer, pass on to the customer, as soon as is reasonably practicable, any information about the availability of concessions, rebates or grants.	4.13.9 of the Electricity Industry Code

Requirement – Gas	Relevant clause
The retail entity must, when requested by a customer, pass on to the customer, as soon as is reasonably practicable, any information about the availability of concessions, rebates or grants.	Not specific clause.

Requirement – Water	Relevant clause
The retail entity must, when requested by a customer, pass on to the customer, as soon as is reasonably practicable, any information about the availability of concessions, rebates or grants.	Not specific clause.

Billing

Requirement – Electricity	Relevant clause
A retail entity must use its best endeavours to issue a bill to a small customer at least quarterly.	4.9.1 of the Electricity Industry Code
A retail entity must issue a bill to the premises of the small customer unless the small customer nominates another address.	4.9.2 of the Electricity Industry Code
A retail entity must provide a small customer on a negotiated contract with reasonable information on network charges, retail charges and any other charges relating to the sale and supply of electricity.	4.9.3 of the Electricity Industry Code
If a small customer has entered into a dual fuel contract or two negotiated contracts for the sale of electricity under which a single bill is issued are to apply a payment received as agreed between the retail entity and small customer.	4.9.4 of the Electricity Industry Code
If a retail entity also provides goods or services to a small customer the charges for the goods or services are included as separate items in the combined bill, with a description of the other goods and services.	4.9.5 of the Electricity Industry Code
There are minimum requirements in the Code that the retail entity must include on each customers bill.	4.9.6 of the Electricity Industry Code

A retail entity must display on each small customer's bill the average daily usage for the same period during the previous year for that premises if that data is available.	4.9.7 of the Electricity Code
A retail entity must keep a small customer's billing data for a minimum of two years.	4.9.8 of the Electricity Industry Code
A retail entity must issue a bill in a format which permits the small customer to easily verify that the bill conforms to its retail contract.	4.9.9 of the Electricity Industry Code

Requirement – Gas	Relevant clause
A retail entity must use its best endeavours to issue a bill to a small customer at least quarterly.	4.4.1 of the Gas Industry Code
There are minimum requirements in the Code that the retail entity must include on each customers bill.	4.4.2 of the Gas Industry Code

Requirement – Water	Relevant clause
A distributor-retailer must use its best endeavours to issue a bill to each small customer at least quarterly.	8.1 of the Customer Water and Wastewater Code
There are minimum requirements in the Code that the distributor-retailer must include on each customers bill.	8.8 of the Customer Water and Wastewater Code

Guaranteed Service Levels

Requirement – Electricity	Relevant clause
Distribution entities may be liable for the payment of GSL's for matters concerning wrongful disconnection, connections, customer reconnections, hot water supply, missed appointments, planned interruptions and reliability of supply.	2.5 of the Electricity Industry Code

Requirement – Gas	Relevant clause
No GSLs for gas.	No GSLs for gas

Requirement – Water	Relevant clause
No GSLs for water.	No GSLs for water

6. Scheme administration arrangements

Scheme participation requirements

As outlined in the beginning of the manual, all licensed energy distributors and retailers who supply Queensland's small energy consumers and water distributor-retailers who supply south east Queensland small water customers must become participants of the EWOQ scheme. This ensures entities abide by relevant legislation, regulations and codes, and act in a manner which recognises the rights of all customers.

The *Energy and Water Ombudsman Regulation 2007* defines the requirement of a distributor and/or retailer to initiate scheme participation as "... a distributor/retailer must, within 10 business days after entering into the contract or starting to provide the services, give the energy and water ombudsman notice of that fact...".

If an energy entity does not provide EWOQ with this advice within 10 business days, a maximum penalty of 20 penalty units (under the *Penalties and Sentences Act 1992* (Qld)) may be applied.

Scheme participation takes effect from the date retail or distributor/retail services are provided to the company's first small customer. Submission of notification forms is also an important step in establishing contacts with the relevant staff in both the entity and EWOQ to facilitate the efficient handling of complaints and enquiries.

The water distributor-retailers in south east Queensland joined the EWOQ scheme on 1 January 2011.

Scheme participation notification forms are available on our website - www.ewoq.com.au.

The corporate@ewoq.com.au email address can be used by scheme participants to notify EWOQ of any changes to contact or billing details.

Scheme participation fees

EWOQ is fully funded by scheme participants through participation fees and user pays fees.

In accordance with the Act, EWOQ is required to prepare a budget before 31 March each year for the next financial year. This budget is prepared in consultation with the Advisory Council to the Energy and Water Ombudsman. Budgets are not effected until after the Minister responsible for energy and water utilities has approved them.

In accordance with Part 8 of the Act all scheme participants must pay an annual participation fee for each type of connection and retail service they provide. EWOQ will issue an invoice for these fees to existing scheme participants at the start of each financial year. If energy entities become scheme participants during a financial year these fees will be pro-rated and an invoice issued within 14 days of receipt of notification of scheme participation form.

The user-pays fees are calculated in advance, and use a forecast of both the scheme participant's likely use of the scheme and the forecast costs to operate the scheme for the coming quarter. A reconciliation is currently done twice a year to reflect actual year-to-date costs and each scheme participants' actual year-to-date use of the scheme. These adjustments, increases and decreases, are not subject to interest on either EWOQ or the scheme participant.

User pays fees are categorised by six levels of scheme participant contact:

- refer back to supplier
- referral to higher level
- investigation level 1
- investigation level 2
- investigation level 3
- final order.

EWOQ prepares budget guidelines each year that outline the specific methodology for calculating the various user-pays fees relevant to that financial year. Following endorsement from the Advisory Council and approval of the EWOQ Executive Management Group, these guidelines are loaded to the EWOQ website. As a courtesy these guidelines are also provided to each scheme participant with their first advance invoice for the financial year.

In accordance with s66 (4) and 68 (4) of the Act, invoices for scheme participation and user-pays fees must be paid within 14 days of receipt. EWOQ distributes invoices by email to assist with the tight payment timeframes. Electronic Funds Transfer (EFT) is the preferred method of receiving payments and relevant EFT details are included on all invoices.

EWOQ encourages prompt payment of invoices and will impose interest penalties for late payment of invoices as per s71 of the Act.

Section 70 of the Act provides the Energy and Water Ombudsman with the ability to impose a supplementary fee to scheme participants if, due to unforeseen expenditure or a revised budget, the Ombudsman considers that receipts from user-pay and participation fees are not sufficient to fund all of the ombudsman's functions. Supplementary fees can only be imposed through the approval of a new regulation to the Act.

Financial and administrative contact details within EWOQ

The corporate@ewoq.com.au email address can be used by scheme participants for any enquiries relating to either the financial or administrative arrangements of the EWOQ scheme.

7. Useful information

EWOQ publications

To keep up to date with EWOQ's latest news, complaint statistics and newsletters EWOQ recommends you subscribe to our mailing lists. You can do this online from the 'publications and media' section of our website at www.ewoq.com.au.

EWOQ contacts

Phone: 1800 662 837

Investigation team: investigation@ewoq.com.au

Finance/administrative: corporate@ewoq.com.au

Marketing/media: marketing@ewoq.com.au

General public:

Freecall 1800 662 837 (calls from mobile phones may attract charges)

Fax (07) 3227 7068

Email complaints@ewoq.com.au

Online www.ewoq.com.au

PO Box 3640 South Queensland Qld 4101

Brisbane – Level 9, 179 North Quay (8.30am-5pm)

Cairns – Level 1, Cairns Corporate Tower, 15 Lake Street (8.30am-5pm)

Rockhampton – Level 2, 212 Quay Street (8.30am-5pm)

APPROVED



John Jones

A/Energy and Water Ombudsman

20 / 5 / 2011

Appendix 1

Level 1, level 2 and level 3 complaint investigation escalation guidelines

For a complaint investigation to be escalated from a level 1 to a level 2 and from a level 2 to a level 3 the following guidelines apply.

1. Time spent in investigating the complaint

If EWOQ has spent more than 240 minutes and no more than 480 minutes specifically on the complaint investigation, a complaint will escalate from a level 1 complaint to a level 2 complaint. Scheme participants will be advised when a complaint has exceeded 180 minutes and is less than 240 minutes.

If EWOQ has spent more than 480 minutes on the complaint investigation it will escalate from a level 2 complaint to a level 3 complaint. Scheme participants will be advised when a case has exceeded 420 minutes and is less than 480 minutes. This reflects the complexity of the complaint and amount of time spent by EWOQ in dealing with the matter. Cases escalated based on time are not appealable.

The following four escalation guidelines are within the control of the scheme participant and are a deterrent for when the scheme participant does not comply with the requirements of the EWOQ scheme. The decision to escalate a complaint investigation from a level 1 to a level 2 and from a level 2 to a level 3 will reside with an EWOQ Regional Manager.

It is important to note that a complaint can be escalated between levels for more than one breach. The level a complaint is escalated to will also depend on the level of the complaint at the time of the breach occurring. For example, if EWOQ sends a Notice of Investigation (NOI) to a scheme participant and they then take action against the customer following receipt of the NOI (section 32 breach), the case is escalated to a level 2 complaint. If the scheme participant also fails to provide the information to EWOQ by the due date in the NOI the case is escalated to a level 3 complaint. Alternatively, if a case is a level 2 complaint based on time spent (greater than 240 minutes and less than 480 minutes) and a section 32 breach occurs, the case is escalated to a level 3 complaint.

2. Breach of section 32 of the *Energy and Water Ombudsman Act*

This means the scheme participant has taken action against a customer e.g. disconnection/restriction following receipt of the NOI (interim order) from EWOQ not to take action against the customer.

The EWOQ Regional Manager will review the breach and decide if it merits escalation or if there are grounds not to escalate. If the escalation is approved by the Regional Manager the scheme participant will be advised of the escalation.

The scheme participant (Customer Advocacy Manager or equivalent position) may appeal the escalation within five business days to the EWOQ General Manager Operations. If an appeal is received, the General Manager Operations will review the objection within three business days and may uphold or dismiss the appeal. If the appeal is dismissed, the case will stay at the level it has been escalated too. If the appeal is upheld, the case will be returned to the case level prior to the escalation.

For example, if a dispute relates to a high account in a particular billing period, the scheme participant is not to take action against the customer for the account in that

period whilst EWOQ is investigating the matter. However, if the customer is due to have their next bill issued through the normal billing cycle then the scheme participant should issue the bill as that billing period is currently not in dispute.

3. Failure to comply with agreement facilitated by EWOQ to resolve the matter

Once an agreement is facilitated by EWOQ between the parties, the complaint investigation is closed. If the scheme participant fails to comply with that agreement the customer may come back to EWOQ. For example, if the scheme participant has agreed to provide the customer with a cheque by a certain date and the scheme participant fails to do so, the customer may come back to EWOQ.

EWOQ will issue the scheme participant with a NOI outlining the case is a returned case and the action that was previously agreed to in the Notice of Closure (NOC) of the previous case. Once the response from the scheme participant is received, the matter will be referred to the Regional Manager who will decide if the case merits escalation due to failure to comply with the agreement.

If the case is escalated, the scheme participant (Customer Advocacy Manager or equivalent position) may appeal the escalation within five business days to the General Manager Operations. If an appeal is received, the General Manager Operations will review the objection within three business days and may uphold or dismiss the appeal. If the case is dismissed, the case will stay at the level it was escalated to. If the appeal is upheld, the case will be returned to the case level prior to the escalation.

4. Failure to provide information requested by EWOQ and by the due date

Generally, the timeframe will be 10 business days for NOI's and five business days for requests for supplementary information. However, there will be exceptions – for example, disconnections/restrictions which will require the matter to be dealt with on the same business day or if EWOQ has requested information by a stipulated date.

If the scheme participant has not responded within the timeframes stipulated in the NOI or the request for supplementary information, the EWOQ Regional Manager will review the case and approve whether the case is escalated.

If the case is escalated, the scheme participant (Customer Advocacy Manager or equivalent position) may appeal the escalation within five business days to the General Manager Operations. If an appeal is received, the General Manager Operations will review the objection within three business days and may uphold or dismiss the appeal. If the case is dismissed, the case will stay at the level it was escalated to. If the appeal is upheld, the case will be returned to the case level prior to the escalation if time spent is less than 240 minutes for level 1 cases and less than 480 minutes for level 2 cases.

If a response is still not received within five business days after the due date the information was to be provided, the EWOQ Regional Manager will review the case and approve whether the case is escalated.

If the case is escalated to a level 3 case, the scheme participant (Customer Advocacy Manager or equivalent position) may appeal the escalation within five business days to the General Manager Operations. If an appeal is received, the General Manager Operations will review the objection within three business days and may uphold or dismiss the appeal. If the case is dismissed, the case will stay at the level 3 case category. If the appeal is upheld, the case will be returned to a level 2 case if time spent is less than 480 minutes.

5. Failure to adequately address the information requested by EWOQ

If EWOQ requests information from a scheme participant when investigating a case and the response fails to adequately address the information requested, the Regional Manager will review the case and approve whether the case is escalated.

If the case is escalated, the scheme participant (Customer Advocacy Manager or equivalent position) may appeal the escalation within five business days to the General Manager Operations. If an appeal is received, the General Manager Operations will review the objection within three business days and may uphold or dismiss the appeal. If the case is dismissed, the case will stay at the level it was escalated to. If the appeal is upheld, the case will be returned to the case level prior to the escalation if time spent is less than 240 minutes for level 1 cases and less than 480 minutes for level 2 cases.

If an adequate response is still not received within five business days after the due date the information was to be provided, the Regional Manager will review the case and approve whether the case is escalated.

If the case is escalated to a level 3 case, the scheme participant (Customer Advocacy Manager or equivalent position) may appeal the escalation within five business days to the General Manager Operations. If an appeal is received, the General Manager Operations will review the objection within three business days and may uphold or dismiss the appeal. If the case is dismissed, the case will stay at the level 3 case category. If the appeal is upheld, the case will be returned to a level 2 case if time spent is less than 480 minutes.