

OCTOBER 2011

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Welcome to our new Ombudsman ... Forbes Smith



It's been a busy year for what was previously the Energy Ombudsman Queensland (EOQ). On 1 January 2011, we increased our jurisdiction to include water and wastewater disputes for small customers in south-east Queensland, becoming the Energy and Water Ombudsman Queensland (EWOQ).

On 30 June 2011, we farewelled our inaugural Energy and Water Ombudsman Barry Adams who during his time as the Energy and Water Ombudsman provided excellent service to the public in Queensland helping 45,490 Queenslanders resolve their energy and water disputes.

The beginning of the 2011-12 financial year, we welcomed new Energy and Water Ombudsman, Mr Forbes Smith, who has had a long and distinguished role in the Crime and Misconduct Commission and, prior to this appointment, was Queensland's Deputy Ombudsman. Mr Smith's appointment as the Energy and Water Ombudsman will continue to guarantee that Queenslanders get a fair deal from their energy and water providers by ensuring distributors and retailers continue to be transparent with their service to customers.

What attracted you to the role of Energy and Water Ombudsman?

Most of my career has been involved in independent accountability agencies so I was attracted to working in another Ombudsman's office. The word Ombudsman is synonymous with fairness, independence and accountability. I was also attracted to the idea of leading an organisation, especially one like EWOQ which has such a diverse range of stakeholders.

What do you enjoy most about working in the dispute resolution industry?

While we don't take sides, it is very rewarding to help level the playing field between big business/big government and a member of the public. It can be very frustrating for people trying to be heard and we help them do that. I find it most satisfying when we can achieve a positive outcome for someone or at least help them to understand a decision which is affecting them.

What is your vision for EWOQ?

It is a pretty simple vision: to be the best energy & water ombudsman office in the country. Easily said but harder to achieve, I know. To achieve this vision we need to be a high performing, energetic and influential office, respected for its independence, impartiality and fairness, and valued for its contribution to resolving disputes under the scheme.



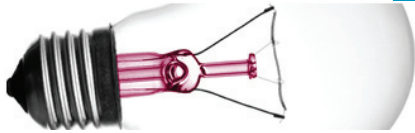
Snapshot

Closed cases - FYTD at 30 September 2011

Case	Description	Total
Billing	High/disputed bills, delays, errors, estimated accounts, fees & charges, rebates/concessions, tariff, meters, refunds etc.	1,462
Credit	Payment difficulties, disconnection, bad debt etc.	365
Customer service	Failure to inform/respond, incorrect advice, poor attitude/service, privacy issues etc.	459
Land	Impact of network assets, maintenance, vegetation management etc.	15
Marketing	Conduct of energy marketers, misleading information, pressure, non-account holder signed up etc.	118
Provision	Problems with new or existing energy connections etc.	220
Supply	Quality of energy supply, damage/loss, outage etc.	29
Transfer	Error in billing/transfer of account due to switching retailers, contract terms, delay in transfer, site ownership etc.	288
Other	Customer issues that do not fall into the above categories.	133
Referral	Customer is referred to other organisation.	385
General enquiry	General enquiries for information.	368
TOTAL		3,842

Total cases closed per month 2010-11

Month	Total cases
July 2011	1,193
August 2011	1,388
September 2011	1,261
TOTAL	3,842



In the spotlight

Complaints steady but Queenslanders still struggling to pay utility bills

High bills and billing errors, debt collection and disconnections due to non-payment were the top complaints from Queensland's energy and water consumers last financial year according to EWOQ's latest 2010-11 annual report.

In total, EWOQ closed over 12,700 cases in 2010-11, remaining steady with 2009-10 figures. Billing and credit issues again topped EWOQ's case load, making up nearly 60 per cent of all complaints investigated. Energy affordability was an issue for many people and, with energy and water prices forecast to rise from year to year, this problem is likely to continue.

The increase in complaints about inaccurate information, poor and unprofessional service, and the failure to respond to customers' queries was disappointing. It was also brought to our attention that a number of South East Queensland residents were transferred between energy retailers without consent or in error. EWOQ officers worked closely with the complainants and retailers involved to clarify transfer errors and restore customers to their correct retailer.

Many Queenslanders have been able to choose their energy retailer for over four years now and for the first time marketing-related complaints decreased slightly. However, energy and water suppliers are reminded that any breaches of legislation or failures to meet basic consumer protections are unacceptable.

Of the total 12,702 cases closed in 2010-11:

- 2,089 (16%) were complaint investigations
- 1,084 (9%) were general enquiries
- 3,302 (26%) were referred back to the energy or water supplier (because the entity had not been given the opportunity to resolve the complaint in the first instance)
- 4,819 (38%) were Referral to Higher Levels (RHLs), and
- 1,408 (11%) were referred to other organisations.

Of the 2,089 complaints investigated by EWOQ in 2010-11:

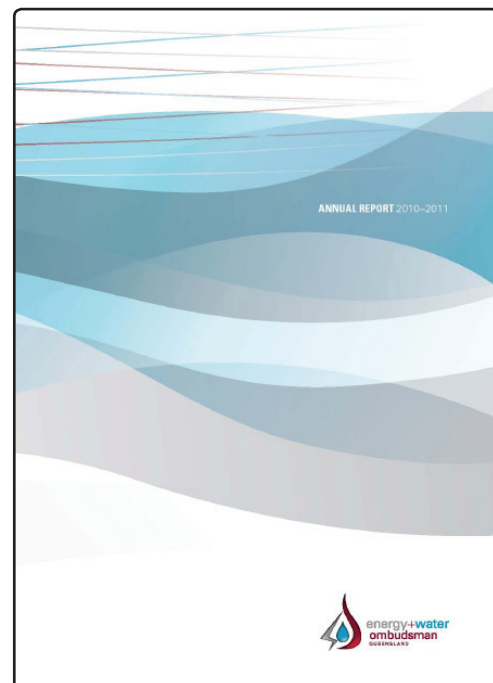
- 1,892 (90%) related to electricity complaints
- 164 (8%) related to gas complaints
- 33 (2%) related to water complaints.

EWOQ secured 3,973 outcomes for customers. An outcome can include debt or fee waiver, billing adjustment, credit default listing amended, goodwill gesture, payment plan or hardship program offered, reimbursement, or information is provided by a scheme participant or EWOQ. In excess of \$730,000 was delivered in monetary outcomes for customers.

Having assisted over 12,700 Queenslanders last financial year, EWOQ is firmly established as an essential and valuable service for energy and water customers who are unable to resolve a complaint with their supplier.

The 2010-11 Annual Report is available to download from:

<http://www.ewoq.com.au/AboutEWOQ/Corporatedocuments/AnnualReports.aspx>



EWOQ Annual Report 2010-11



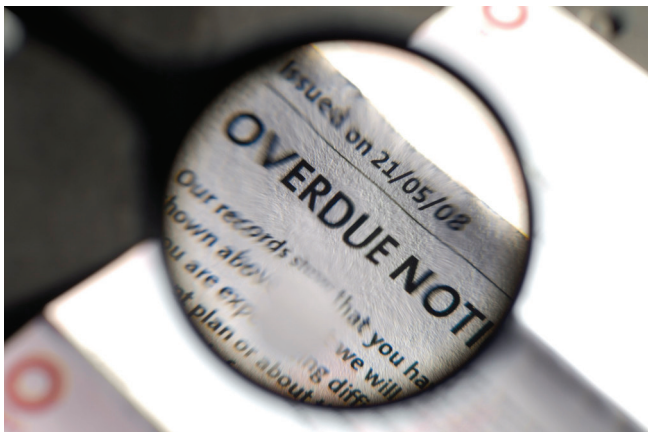
In the spotlight cont.

Concern over the number of Queenslanders facing disconnection

The number of families in Queensland who have been disconnected due to non-payment of their energy bills is concerning. The increasing number of disconnections recently reported in the Queensland Competition Authority's (QCA) quarterly report is disappointing.

It is difficult to understand why a substantial number of Queenslanders have been disconnected when, by law, all energy retailers must have hardship programs in place to assist those facing payment difficulties. No-one should be left in the dark. There is help available for those feeling the pinch.

Anyone who cannot afford to pay their bill should contact their energy retailer immediately to find out what assistance they can provide to avoid disconnection. A payment plan allows you to pay an agreed amount regularly towards your bill. Other assistance programs include Centrepay, financial hardship programs, the Home Energy Emergency Assistance scheme, and rebates for eligible pensioners. EWOQ can assist those who have contacted their retailer to discuss payment difficulties but cannot agree on the amount of your payment plan.



Gold Coast residents reminded of responsibility to pay water bills

Following the Gold Coast City Council's decision to discontinue its participation in Allconnex, Gold Coast residents are reminded that Allconnex is still the current water retailer/distributor for customers in the Gold Coast, Logan and Redlands areas and residents have a responsibility to pay their water bills.

If residents have a bill which is in dispute, customers are encouraged to pay the amount not in dispute and contact their water retailer to try to resolve the problem. Paying something towards the bill will hold you in good stead during any negotiations.

EWOQ can assist all residential water customers and small businesses whose consumption is less than 100 kilolitres per year, with issues such as bills, credit, customer service, restricted supply, customer connections, and sewerage blockages and spills. However we cannot investigate complaints about price, water quality or complaints which originated prior to 1 January 2011.

Although EWOQ cannot investigate complaints about water prices or setting fees, we can investigate if charges have been applied incorrectly. As with energy, water customers must give their water retailer/distributor an opportunity to resolve their complaint first. If an agreement cannot be reached, Energy and Water Ombudsman Queensland may be able to help.



In the spotlight cont.

New faces to provide consumer confidence in door-knocking

Following authorisation by the Australian Competition and Consumer Commission (ACCC) of a voluntary self-regulatory Code of Practice for door to door sales in energy retailing, Energy Assured Limited (EAL) has now appointed an independent Code Panel and a CEO.

The Code Panel is charged with reviewing the strategic operations of the Code of Practice, hearing complaints and appeals related to decisions made against sales agents and establishing and reviewing sanctions imposed on members. The Code Panel comprises highly experienced energy industry professionals, and will act independently.

The Code Panel members are:

Barry Adams – former Energy and Water Ombudsman Queensland

Gavin Dufty – Manager Policy and Research St Vincent de Paul Society

Nick Hakof – former Energy Ombudsman South Australia

Terry Miller – former Group General Manager Country Energy

Vera Visevic – Partner, Mills Oakley and Member Fundraising Institute of Aust Ethics Committee.

EAL has also announced the appointment of Anne Whitehouse as Chief Executive Officer, who joins the EAL with fifteen years' experience in the energy industry.



Success stories

Locked meter meant high bills for small business owner

Over a number of years, a business owner received estimated electricity accounts which were growing each year. In the building where he leased an area for his business, all the meters were kept under lock and key. He contacted his electricity retailer and offered a key so the meter could be read but without success. The owner also tried to change retailers but his current retailer denied the transfer as there was an outstanding debt on his account. Unsatisfied with these responses, he contacted EWOQ to resolve the issue.

Outcome:

After EWOQ contacted his retailer, the retailer agreed to do a special meter reading at no cost to the customer. The retailer also noted that the electricity distributor (the company which reads the meter) does not accept personal keys and required an approved industry lock, which provides access to all locked meters. In addition, the retailer offered an extension to pay the outstanding amount. Once this was paid, they agreed to complete the transfer. The small business owner was happy with this outcome.





Success stories cont.

Poor customer service almost leads to disconnection

A customer moved into new premises and not long after decided to look for a new electricity retailer as they were unhappy with high bills and poor customer service from their current retailer. As a dog was kept on the premises an actual meter reading could not be obtained and the transfer could not be made. The customer contacted the retailer to request a special reading, for which he was willing to pay. The meter reading was scheduled for a few days later. When no-one came to read the meter at the scheduled appointment time, the customer contacted the retailer again. At first the customer was told that the service order had not gone through. However, the customer was later told by another person that the service order was delayed by a public holiday. Another appointment was arranged for later in the month, when the customer would ensure that the dog on the premises would be secured. The customer contacted EWOQ on the day of the scheduled appointment concerned about whether the reading would take place.

Outcome:

EWOQ made enquiries with the distributor (who read the meter) which revealed a disconnection, not a special reading, was scheduled for that date. EWOQ immediately stopped the disconnection to the customer's premises. The retailer had followed the correct procedures in relation to the customer's complaints. Nevertheless, they offered the customer an apology, a goodwill gesture payment, completed the transfer and organised a payment plan to pay off the outstanding charges.



Flooded pipes affect small business owner

Whenever it rained a business owner would lose his gas supply as a result of water getting into the pipes. His attempts to have the problem resolved with the gas distributor were unsuccessful. The customer contacted EWOQ and the complaint was referred to a higher level with the gas distributor. After two months the problem remained unresolved and the customer began to lose business. He contacted EWOQ once more.

Outcome:

We found that with the exceptionally heavy rain that fell in late 2010 and early 2011, the works which were necessary to resolve the problem were delayed. As a temporary measure, EWOQ was able to ensure that the pipes were syphoned twice a day and gas bottles supplied and refilled whenever it rained. Subsequently, the distributor agreed to lay an extra gas service into the customer's property which would secure his gas supply.



Community

Throughout the 2010-11 financial year EWOQ attended events, delivered presentations and met with consumer and welfare stakeholders across Queensland to promote our services. These stakeholder events included:

- Australian Pensioners' and Superannuants' League, State Conference, Brisbane
- University of Queensland, O Week, Brisbane
- Queensland Council of Social Service, Water Hardship Forum, Brisbane and Ipswich
- Fraser Coast Regional Council, Seniors Week Expo, Hervey Bay
- Anglicare, Annual Central Region Conference, Rockhampton
- Cairns Regional Council, Seniors Week Expo, Cairns
- James Cook University, O Week, Cairns.

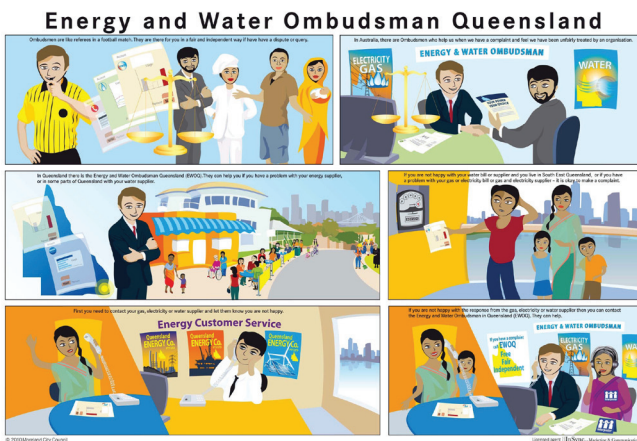


Community cont.

CALD outreach

We recently produced a brochure using illustrated storyboards to inform Culturally and Linguistically Diverse (CALD) communities about our services. The storyboards are based on the oral storytelling tradition which is common in many cultures. The engaging characters 'tell' a visual story, rather than word-for-word translations. They help newly arrived migrants and those with low literacy to understand their rights and responsibilities. Focus testing on the EWOQ storyboard demonstrated people with very low levels of English (ie they relied entirely on the images for comprehension) understood the role of the Ombudsman and that it was okay to make a complaint.

EWOQ distributed the brochure across Queensland to migrant and community organisations and 'English as a Second Language' schools.



The EWOQ CALD brochure is available to download from:

<http://www.ewoq.com.au/Publicationsmedia/Brochuresfactsheets.aspx>

You can order copies of our publications online or by emailing marketing@ewoq.com.au

Media activity

In 2010–11 EWOQ:

- distributed 14 proactive media releases statewide
- conducted 35 interviews across press, television and radio
- received 160 media mentions (38 per cent as a direct result of proactive media releases).

Ombudsman's visit to Queensland Urban Utilities

At the invitation of EWOQ Advisory Council member Helen Harding, Energy and Water Ombudsman Forbes Smith spent half a day learning a little about Queensland Urban Utilities' (QUU) business and seeing some of their facilities first-hand in July.

"While a trip to a sewage treatment plant was not in my bucket list of things to do, I found the inspection of the Sandgate facility really interesting," Forbes said.

"It is one of their newer facilities and was largely odour free."

Forbes then visited QUU's offices at Eagle Farm where calls for service are received and jobs are allocated to field units.

A day with Allconnex

Energy and Water Ombudsman Forbes Smith and other EWOQ staff members enjoyed a day out with staff from Allconnex in August, inspecting a number of their facilities.

The day began with a tour of the Pimpama Recycled Water Treatment Plant. All new connections in the area are required to connect to recycled water as well as potable water.

From there, our staff inspected a water pump station outside a residence. Nothing short of an eyesore, the pump was being moved and reduced in size at Allconnex's expense following understandable complaints from the home owner.

Then it was onto the Elanora Wastewater Treatment Plant. This is a much older facility that has had significant upgrades to deal with odour, which has been the subject of complaints from nearby residents.

"I enjoyed the tour very much," Forbes said.

"It is important that we know about the challenges being faced by scheme participants. Spending the day with Allconnex staff and having a look at their operations was certainly worthwhile."

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