



Energy & Water
Ombudsman NSW

This is a determination of the Energy & Water Ombudsman NSW under Clause 6 of the Constitution of the Energy & Water Ombudsman NSW scheme.

The complaint

Mr M lodged a claim for compensation for damage to his computer following an event on the electricity network in the evening of Monday 8 January 2001.

Mr M said he heard a sudden jolt through his fridge motor and other appliances including his computer. Once the power returned his computer ceased to function and had the smell of burning components. When power was being restored he noticed another event that lasted for approximately one minute.

Mr M said he called his provider the next day and was informed that a high voltage arm had fallen into the power lines, and that he could have cause to make a claim.

Mr M subsequently lodged a claim with the provider for damage to his computer.

The provider's response

When the provider denied the claim, Mr M asked EWON to review this decision.

During our investigation, EWON was advised that the provider might reconsider their denial. However, in the end, the provider confirmed that they stood by their denial of the claim, and EWON's investigation continued to the stage of this determination.

The provider disagreed with the technical advice received by EWON that the events could have damaged the customer's equipment. They also queried why there were no other claims from customers in the area if possible transients or elevated voltage levels were factors.

Investigation by EWON

In the course of our investigation of this matter we considered in detail the following:

- Information provided by Mr M
- Information provided by the provider
- Three reports by an independent loss assessor
- Two reports by an independent electrical engineer.

Areas of agreement and dispute

As I understand it, it is not disputed that information from a polylogger installed by the provider at the customer's house confirmed that the customer was receiving consistently high voltages, with occasional excursions outside the Australian Standard.

However, the provider has stated that the high voltages were within the tolerances of its Connection Contract.

The provider also agreed that events occurred on their network at the time claimed by the customer.

However, the provider disagrees that these events would have caused the damage claimed by the customer.

Technical advice

EWON obtained independent expert advice from an experienced loss assessor and an experienced electrical engineer.

In one of the reports provided to EWON, the electrical engineer advised that the events at Mr M's installation were:

“An over voltage of up to three times normal, followed by a severe voltage dip and a return to normal voltage probably within one half second. Mr M could well have interpreted the dip as a loss of supply Transients at the time of initial contact between the 33kV and 11kV mains, at the time the lightning arrester became conducting and at the time of removal of supply of both 33kV and 11kV supply. If reclosing were enabled on the 11kV feeder, another two transients would have occurred, on reclosure and on re-open. Transients at 9.38pm upon energising and tripping off, when the attempt was made to provide an alternative supply from Mr M's feeder.

It is entirely feasible that these events, especially the first, could have caused Mr M's computer to fail.

The question raised by the provider as to the reason for which no other customer made a claim is well within our experience over the years. The reason is simply that Mr M's equipment was ready to fail. Factors such as variability of manufacture together with life history all play their part. In Mr M's case, excessive supply voltage together with a number of transient over voltages could well have led to cumulative insulation damage in the semi-conductor devices in his computer. The over-voltage caused by the intermix of 11kV and 33kV circuits together with the transients that were generated during the event could have been the last straw. We have no knowledge of whether other customers were affected but elected not to

lodge a claim, but it is quite possible. It is also possible that the appliances of other customers may have suffered their own incremental insulation damage.”

Conclusion

The provider has made it clear that they disagree with the technical advice to EWON by our independent advisers. This disagreement is with the conclusions of the advisers to EWON rather than with their qualifications or knowledge.

This results in a situation where there is an element of doubt. In such situations, I believe it is reasonable for the benefit of this doubt to go to the customer.

In reaching a decision I have taken into account:

- (1) the acknowledged network events
- (2) advice to EWON from experienced and independent technical advisers that these events could have caused the damage experienced by the customer.

I have also taken into account the long delay in resolving this matter for the customer because of the differences in opinion between EWON technical advisers and technical staff of the provider. This led to EWON needing to obtain further advice about technical aspects of this matter throughout our investigation.

Under the provision of Clause 6 of the Constitution of the Energy & Water Ombudsman NSW scheme I therefore determine that the provider should pay the sum of \$2,500 to Mr M in full settlement of his claim.

Under the EWON Constitution, this decision is binding on the provider. Mr M may elect within twenty-one days whether or not to accept this decision. If Mr M accepts the decision, he will fully release the provider from all claims, actions, etc in relation to this complaint. In the event that Mr M does not accept my decision, he may pursue his remedies in any other forum he may choose and the provider is then fully released from the decision.

Clare Petre
Energy & Water Ombudsman NSW
7 February 2003