

**W**elcome to the first newsletter of the Energy Industry Ombudsman NSW.

We have intended to put out a newsletter for some time, but fell victim to a greater workload than expected during our first months of operation and we are just starting to come up for breath.

I hope you find the information from EION an interesting insight into customer issues with electricity. I note the normal disclaimer of any ombudsman that we usually see only the complaints about organisations rather than the successes. Despite this, the complaints from customers are a valuable source of information about electricity services in New South Wales and should be treated accordingly. And in the way electricity companies deal with the customer issues, we are able to get a picture of some of their successes, good customer service practices, and good industry standards.

One thing that has become clear in our first year's operation is the value of a specialist dispute resolution mechanism in an area as important as electricity. The positive initiative of the electricity industry in NSW in establishing EION should be acknowledged. As with any independent ombudsman scheme, relations will sometimes be strained, but I believe that despite any bumps and tensions, management of NSW electricity companies are committed to improving customer service and raising levels of service, and see EION as making a significant contribution to this.



*Clare Petre*

Clare Petre, Energy Industry Ombudsman NSW

## EION OPERATION

A thumbnail sketch of EION might be helpful for anyone not familiar with our operation:

- The Energy Industry Ombudsman NSW scheme was established by the NSW electricity distributors, Advance Energy, Australian Inland Energy, EnergyAustralia, Great Southern Energy, Integral Energy, NorthPower, and the transmission authority, TransGrid.



The Ombudsman and Staff with Delta Electricity at Vales Point Power Station.

- EION was launched on 9 June 1998 by the then Minister for Energy, the Hon Bob Debus.
- We have a current staff of Ombudsman, Business Manager, 4 Investigations Officers, and some part time casual Investigations Officers.
- We have received over 3000 customer contacts to date.
- We have a Council (independent Chair, three representatives of industry interests, three representatives of the interests of consumers and small business), and a Board (nominees of the current members - the six NSW distributors and TransGrid).

- The Board recently approved our budget for 99/2000 which will allow us to employ additional investigations officers, a senior investigation officer and an administrative assistant.
- We aim to be as accessible as possible to electricity customers. We do not require complaints to be in writing, and most of our contact with customers is by phone, with freecall numbers for people outside Sydney.
- We have four levels of customer contacts - **enquiry** (information to the customer and/or referral), **consultation** (contact with the customer's electricity provider), **complaint** (where a matter cannot be resolved at consultation stage), **dispute** (where the Ombudsman makes a determination which is binding on the electricity company).
- We report to member companies on a quarterly basis with details of all customer contacts, issues and outcomes for cases finalised during the period. We report on resolution of individual complaints as well as systemic issues, and trends and patterns of complaints.



Watts new at the Power Station?



## EIONEWS TO GO ON LINE

We would like to move to a situation where we distribute EIONews on a regular basis via email. If you are interested in receiving the newsletter electronically, please email your details to us at [omb@eionsw.com.au](mailto:omb@eionsw.com.au) and we will put you on our distribution list for future newsletters.

## WEBSITE

EION's website address is [www.eionsw.com.au](http://www.eionsw.com.au). Our first annual report is available here as well as other information about EION.

## CUSTOMER CONTACTS

Predictions about numbers of customer contacts were very difficult at the start of operation and we are just beginning to get a sense of the extent of the need for independent dispute resolution for electricity customers. There are still unknown variables, particularly the level of awareness of EION among electricity customers and the general community. Despite this, we seem to have a reasonable reach into the community, eg city/rural, female/male, domestic/primary producers/business customers, different income levels.

To the end of March 1999 we received approximately 2,250 customer contacts, being approx 750 enquiries and 1,500 consultations.

Matters finalised between July 1998 and March 1999 show the steady growth in contacts as customers became aware of the ombudsman scheme.

Looking at the Jan - March quarter in more detail across all members of the ombudsman scheme, during January to March 1999 EION:

<b>received</b>	799 new matters
<b>finalised</b>	1,117 matters:
	- 297 enquiries
	- 819 consultations
	- 1 complaint/dispute

## CUSTOMER MATTERS FINALISED - JULY 98 TO MARCH 99

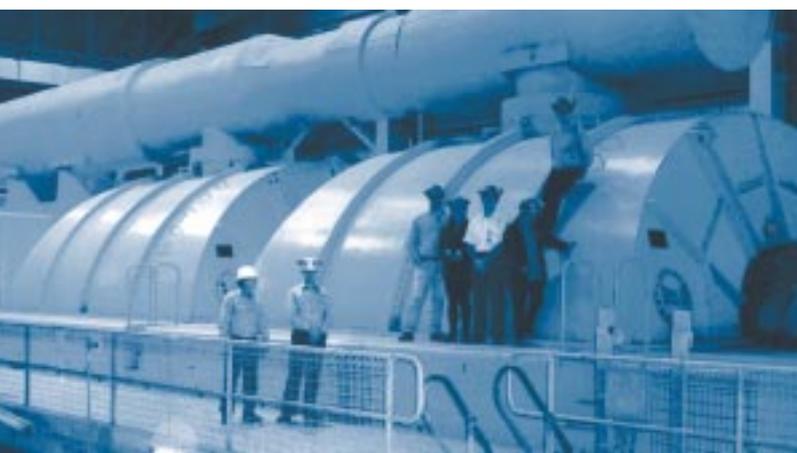
<b>1st quarter</b> July-Sept 1998	Enquiries	75
	Consultations	146
	<b>Total contacts finalised</b>	<b>221</b>
<b>2nd quarter</b> Oct-Dec 1998	Enquiries	251
	Consultations	511
	<b>Total contacts finalised</b>	<b>762</b>
<b>3rd quarter</b> Jan-Mch 1999	Enquiries	297
	Consultations	819
	<b>Total contacts finalised</b>	<b>1117 *</b>

\*This figure also includes 1 complaint/dispute.

A summary of all issues raised from the finalised matters is as follows: (one customer contact can raise more than one issue).

Billing	2855	89.5%
Customer service	159	10.5%
Supply	113	
Provision	53	
General enquiry	6	
Contestability	3	
<b>Total</b>	<b>3189</b>	<b>100%</b>

Generating Ideas at Vales Point?



Major issues raised in the Jan-March 99 quarter were:

Billing-high-disputed	324
Billing-arrears-disconnection	261
Billing-arrears-difficulty in payment	219
Billing-fees-field call	88
Customer service-failure to respond	85
Billing-payment-refused installments	74
Customer service-poor attitude	49
Billing-arrears-error	38
Billing-fees-late fees	37
Billing-security deposit-amount	30
Billing-error-debt transfer	29
Billing-error-disconnection	28
Supply-quality-HV damage	28
Supply-outage(unplanned)-frequency	22
Supply-outage(unplanned)-compensation	20
Billing-backbill-error	20

A total of 973 outcomes for the quarter Jan-March 1999 comprised the following:

Negotiated settlement	188	19%
Facilitated resolution by member	121	12%
Customer compensated	11	1%
Information given	302	31%
Further Investigation not warranted	48	5%
No further contact from customer	22	2%
Lost contact with customer	9	1%
Out of jurisdiction	10	1%
Referred to:	238	25%
accredited contractor		
Dept of Energy		
Dept Fair Trading		
Dept of Housing		
EAPA agency (19)		
Electricity Association		
Financial counsellor		
Indep Pricing and Regulatory Tribunal		
Legal Aid/Community Legal Centre		
Member (177)		
Other government department		
Other welfare agency		
Other	24	3%

## OUTCOMES

Each customer matter can have more than one outcome, eg a customer might be given information and referred to their electricity provider, or EION might negotiate a settlement (eg an installment arrangement for payment of an overdue account) as well as refer the customer to a community agency which administers the NSW government's assistance scheme for electricity accounts (EAPA).

### Contact information for the Energy Industry

#### Ombudsman NSW

**Email:** [omb@eionsw.com.au](mailto:omb@eionsw.com.au)  
**Phone:** 02 82185200 (Sydney)  
 1800 246 545 (outside Sydney)  
**Fax:** 02 82185233 (Sydney)  
 1800 812 291 (outside Sydney)  
**Mail:** PO Box K1343 Haymarket 1240  
**Website:** [www.eionsw.com.au](http://www.eionsw.com.au)

