



Above: Clare Petre, Energy & Water Ombudsman NSW with the [then] Minister for Utilities, The Hon Carl Scully at the 'office warming' for EWON's new premises in December 2005.

Message from the Ombudsman

In September 2005 the Minister for Utilities, Carl Scully, issued a media release expressing concern about the dramatic increase in the number of electricity disconnections in New South Wales. Figures for 2004-2005 show that 26,872 customers were disconnected, but this does not include many other people in these households, including children, who were also affected.

The minister established a working group to review the options provided by electricity retailers to families who have trouble paying their bills because of financial hardship. The group was asked to identify and report on additional measures that should be put in place to achieve effective hardship management by electricity suppliers in NSW. EWON was invited to be a member of the working group, along with representatives of community agencies, the industry, and government.

Help for customers with mental health issues

In 2004-2005 EWON dealt with an increase of 16% in the number of cases involving disconnection. In a number of these cases it appeared that mental illness was a contributing factor to the customer being disconnected.

For example:

- Robert has mental health issues which make it difficult for him to open mail, and he often incurs late payment fees because he does not open his electricity bills.
- Sue keeps her property tightly secured from all outsiders, so the supplier could not access her meter and Sue was receiving estimated bills.
- An advocate was not able to negotiate reconnection of John's electricity because John was not able to give adequate authority for someone to act on his behalf. When his advocate contacted EWON, John had been without electricity for more than 12 months.

Customers with mental health issues can be caught in a cycle of disconnection and debt, especially if they become ill, spend time in care, and find it difficult to make regular payments.

We encourage people with mental illness who are having problems paying their bills or keeping up with a payment plan, to talk with their energy supplier before they are disconnected.

We know it's not easy for people with mental health issues to pick up the phone and discuss their problems with a stranger in a call centre. Often they don't want to repeat their story, or they fear being judged or having to talk to someone who does not understand their situation.

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If you or someone you know is having problems paying energy or water bills because of an illness and you haven't been able to work out a solution with the supplier, please contact EWON.

Clare Petre
Energy & Water Ombudsman NSW

About EWON

The Energy & Water Ombudsman NSW (EWON) provides an independent way of resolving customer complaints about all electricity and gas suppliers in NSW and some water suppliers.

Our service is free, fair and independent.

Our aim is to keep essential services within reach of everyone.

Freecall ☎ 1800 246 545
www.ewon.com.au

EWON complaint statistics



Customer complaints

JULY-DECEMBER 2005

During this period EWON closed 3,736 complaints. Following is a breakdown of the complaints by NSW region.

REGION	NO. COMPLAINTS	TOP THREE ISSUES		
Central West	52	Billing 36%	Credit 31%	Customer service 12%
Far West	15	Credit 41%	Billing 17%	Customer service 14%
Hunter	577	Credit 49%	Billing 20%	Customer service 9%
Illawarra	199	Credit 40%	Billing 23%	Customer service 11%
Mid North Coast	97	Billing 31%	Credit 22%	Retail competition 13%
Murray	34	Billing 41%	Customer service 16%	Supply 15%
Murrumbidgee	41	Billing 32%	Credit 29%	Customer service 14%
North West	28	Billing 49%	Credit 35%	Customer service 5%
Northern	37	Billing 34%	Credit 34%	Customer service 11%
Richmond-Tweed	35	Billing 43%	Supply 15%	Customer service 13%
South Eastern	90	Credit 31%	Billing 25%	Retail competition 17%
Sydney Inner	912	Billing 38%	Credit 17%	Retail competition 16%
Sydney Outer	1,158	Credit 33%	Billing 31%	Customer service 15%
Sydney Surrounds	408	Credit 40%	Billing 27%	Customer service 12%
Other	53			

Overview of the period

Between July to December 2005, over 90% of complaints to EWON were from residential customers, and over 70% of all complaints related to electricity. This is consistent with previous years.

Explanation of terms

Enquiry (complaint enquiry): a request for information or assistance that can be settled quickly.

Refer to Higher Level (RHL): complaint enquiry referred to a senior officer in the energy or water company.

Investigation: complaint cannot be resolved between customer and company, EWON conducts investigation and negotiates an outcome.

Determination (or binding decision): outcome cannot be negotiated between the customer and company, Ombudsman resolves the matter through a determination which is binding on the company.

Notes on how we categorise complaints

Billing: high and disputed bills, fees and charges, responsibility for accounts

Credit: disconnection, arrears, difficulty in payment, payment arrangement declined, debt collection

Customer service: poor attitude, failure to respond, incorrect advice

Retail competition: conduct by marketers, errors in transferring accounts

Provision: problems with new or existing connections

Supply: quality, damage/loss, outages

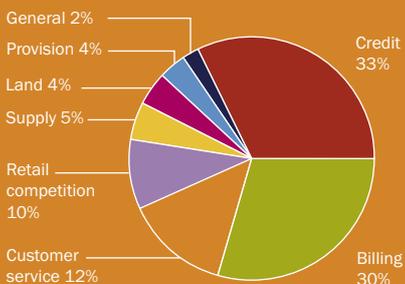
Land: impact of network assets, maintenance, environment

General: non-energy/water related, contractors

	NO. COMPLAINTS	ENQUIRY	RHL	INVESTIGATIONS	DETERMINATIONS
Electricity	2,699	866	453	1,371	9
Gas	477	140	109	228	--
Water	403	230	97	76	--
Dual fuel	135	29	31	75	--
Other	22	22	--	--	--

Customer issues

JULY - DECEMBER 2005



Disconnection and credit issues

JULY - DECEMBER 2005

1,310 people reported difficulty in paying their bills.

Of these, 387 had been disconnected and a further 518 were facing disconnection.

364 had also been denied an extension or instalment plan by their company.

New water charges for DOH tenants



What has changed?

The NSW Parliament has amended the *Residential Tenancies Act 1987* to enable the Department of Housing (DOH) to charge tenants for water usage. The changes will be introduced in two stages.

Who does it apply to?

From 5 December 2005 (Stage One), all new and existing tenants will pay a water usage charge, whether or not their property is separately metered.

All residential properties or tenancies managed by DOH (including Aboriginal Housing Office tenancies) are required to pay for water usage.

The department will pay for water usage in separately metered common areas. For common areas that are not separately metered the cost of common water usage will be taken into account by reducing the state-wide percentage rate that is applied to tenants' net rent.

Where the tenant is away on an approved absence from the dwelling and no other persons are living in the dwelling, there is no water usage so no water usage charge applies.

Department of Housing
Contact Centre
☎ 13 1571 (24 hours, 7 days)

How will it be charged?

The water usage charge is an additional charge that is separate from the rent charge.

Each tenant has a water account, which is separate from their rent and other accounts. Each week the department will place the fee for water usage onto the water account. This account has its own Payment Reference Number and replaces the former Excess Water Account.

A full written account of tenants' water usage charges will appear on the rent statement which the department sends to tenants each quarter. The February 2006 rent statement will be the first to show details of a tenant's new water account.

How much will it cost?

The charge is calculated by applying a state-wide percentage (4.1%) to each tenant's net rent. All tenants will be charged a minimum of \$1 per week and a maximum of \$7 per week.

This state-wide percentage and weekly cap will be reviewed annually to reflect changes in the total water usage of unmetered properties and changes to the cost of water set by NSW water authorities.

In mid-2006 (Stage Two), DOH will adjust the water account of tenants with a separate water meter, to reflect their actual usage.

How do tenants pay for it?

Public housing residents who receive income from Centrelink can pay their water usage charge through the Rent Deduction Scheme (RDS) by authorising deductions from their Centrelink payment. Most residents do that now for their rent. Any household member can pay the water usage charge.

The water usage charge can also be paid with a tenant card at Australia Post or by direct debit from a savings account with a bank or other financial organisation.

Financial hardship

At Stage Two, DOH will consider discounts on water usage for tenants of separately metered properties whose households can establish they have high water usage because of their health and/or disabilities.

Where a tenant has difficulty paying their water charge, they should contact their local DOH office.

Under a further amendment to the *Residential Tenancies Act 1987* EWON is to review any guidelines in force as soon as possible after two years from the policy commencement date.

This information is adapted from the Department of Housing website. For more information visit 'Policies and forms' at <http://www.housing.nsw.gov.au>

EWON's MOU with IPART

BY CHRIS DODDS, POLICY OFFICER, EWON

On 20 July 2005, EWON and the Independent Pricing and Regulatory Tribunal of NSW (IPART) renewed our Memorandum of Understanding (MOU).

The agreed aims of EWON and IPART in signing the MOU are to:

- foster mutual understanding and cooperation
- ensure the ability of each body to fulfill its respective functions
- minimise duplication of effort by consulting on forward work programs, specific issues of concern and any other appropriate tasks
- promote consistent treatment on issues of common interest
- ensure that information is shared, subject to any statutory limits, including the need to respect personal or commercial confidentiality.

In real terms this will mean regular meetings between staff in the two organisations as well as the exchange of information particularly around regulatory issues. This will benefit both consumers and providers through ensuring a more consistent approach by both organisations. Our Memorandum reflects the strengthened relationship between IPART and EWON over recent years, and provides a path for the further development of this relationship.

Clare Petre and James Cox, CEO, IPART sign the Memorandum of Understanding



Anti-Poverty Week forum in Broken Hill

BY EMMA KEENE, COMMUNITY DEVELOPMENT OFFICER, EWON

In 2005, EWON participated in Anti-Poverty Week for the first time.

Anti-Poverty Week is an annual national week of action that aims to strengthen public awareness of the causes and consequences of poverty and hardship and encourage ways to address these problems around the world.

In partnership with Lifeline Counselling Service, EWON organised a Utilities Assistance Forum in Broken Hill on 20 October 2005. It was a free community forum to raise awareness of the services available to people having problems paying their electricity, gas, water and telephone bills.

Speakers discussed the Energy Accounts Payment Assistance program (EAPA vouchers), Country Energy's Country Support Program, EWON, Telstra's 'Access for Everyone' package, the Telecommunications Industry Ombudsman scheme, Lifeline's financial counselling service and Centrelink services.

While visiting the Far West, EWON took the opportunity to meet with Indigenous community agencies in Dareton, Menindee, Wilcannia and Broken Hill as well as Country Energy's local team.

For more information contact Emma Keene, Community Development Officer, (02) 8218 5225, emmak@ewon.com.au

Clare Petre with Guy Chick, Regional General Manager, Country Energy at Broken Hill



Prue McLennan, EWON Investigations Officer went on the road with meter readers from AGL and Country Energy to find out more about their work and what leads to customers receiving 'catch-up bills'. There are also some tips on how to look after appliances following a blackout.

Learn to read your meter (and avoid 'catch-up bills')

Under the terms of standard contracts, customers are required to provide safe access to their meters during daylight hours. However, many premises have security arrangements that make access difficult for meter readers. Problems such as locked gates and untethered dogs are common, even wasps and spiders nesting in the meter boxes can prevent meter readers gaining access.

The *Electricity Supply (General) Regulation 2001* authorises the electricity supplier to estimate the customer's account where the meter reader has been unable to gain access. There is, however, a requirement that the meter is read at least once every six months.

A supplier can under-estimate consumption, resulting in a customer receiving a high bill after an actual meter read. This is referred to as a 'catch-up bill'.

To avoid the possibility of a high catch-up bill, customers can do a 'self-read'. Your supplier can provide you with self-read cards or you can phone through your reading to the supplier.

For customers with a digital meter, readings are shown as a row of numbers like the kilometre indicator in a car.

For customers with a dial meter, here are some tips on reading your meter:

- always read the dials from left to right
- ignore the dial marked 1/10 (it's only for testing)
- each dial revolves in a different direction to the one next to it
- when the dial is between two numbers, choose the lower number
- if the dial appears to be directly on a number (6 for example), look at the dial to the right. If that dial has passed 0, 6 is the correct reading, if it hasn't, 5 is the correct reading
- note that some older meters only have four dials.

'Help, my TV's gone bung!'

EWON is regularly asked to review cases involving appliance damage following a blackout (or outage). The most common causes of blackouts are environmental, for example power lines can be damaged by wind storms, lightning strikes or wildlife such as possums or birds. Sometimes minor voltage variations may occur when power is first restored, and this can affect some electronic appliances.

A typical complaint from customers is that their television or other appliance worked well before a blackout, but after power was restored the appliance no longer worked. Customers might claim on their insurance, or contact their supplier if they want to make a claim for such damage. However this is a difficult area with no clear guidelines, and electricity distributors do not generally pay claims in circumstances which are considered to be beyond their reasonable control.

To minimise damage during a blackout:

- Keep your fridge or freezer door closed – frozen food can maintain its temperature for several hours if the door is closed.
- Switch off and unplug your most sensitive electronic appliances (computer, television, video, DVD).

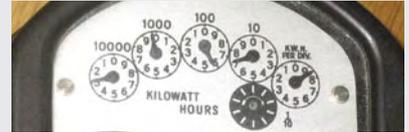
To protect appliances in general:

- Purchase electronic equipment designed to operate effectively for the full voltage range of 216–253 volts provided for in the Australian Standard AS 60038.
- Consider installing protective equipment such as a surge protector, and an Uninterruptible Power Supply (UPS) unit which will keep equipment running for a short time to allow appropriate shutdown if mains power is lost. You can also have an electrician install a larger-scale surge arrester on your switchboard.
- Regularly back up your computer data and store the disks in a safe place.

For more information talk to your supplier. You can also visit www.energysmart.com.au or www.choice.com.au for information on choosing appliances.

If a claim for damage has been denied by the electricity supplier, the customer can ask EWON to independently review the decision.

There are three basic types of meters:



1. Dial type – electricity (pictured above)

2. Cyclometer type – electricity, gas and water (pictured below). These have four black rollers with white numbering and four white rollers with red numbering. For water, the first four black rollers register usage in cubic meters, while the last four white rollers register litres only.



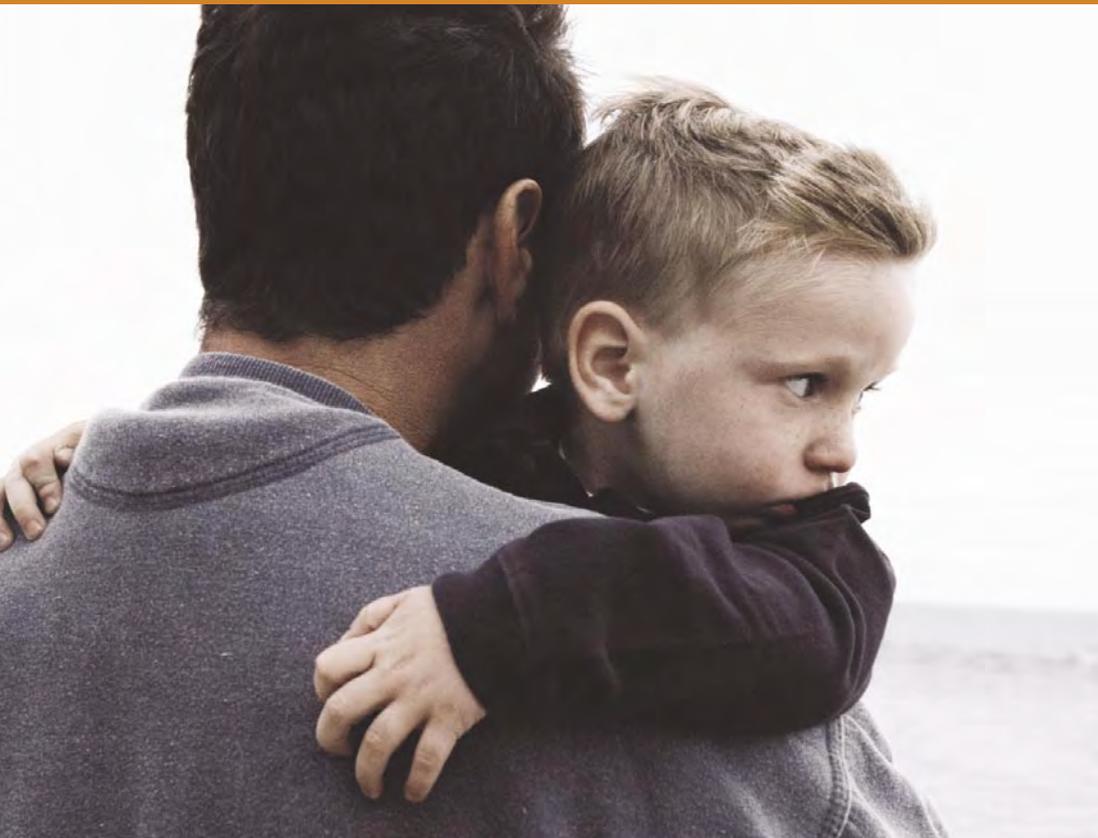
3. Electronic (digital) types which allow for time of use (TOU) recording and digital download of information.

Can't work out how to read your meter?

Give your energy or water supplier a call.

Outreach to prisoners and corrective services

6



Did you know?*

- There are more than 9,000 people in NSW prisons
- Most will be released within 12 months
- Around 10,000 people are on probation and 18,000 people are on community supervision orders
- The majority of prisoners are parents
- Around 95% of prisoners are male
- Two thirds of prisoners have literacy problems
- 18% of adult prisoners and 44% of young people in custody identify as Aboriginal or Torres Strait Islander
- Many families of prisoners report that they feel they are 'doing time' too

*Information collected at the Families of Prisoners Forum, Bankstown (NSW), May 2005

Over the years EWON has been contacted by a number of people recently released from prison or calling on behalf of a family member or friend in prison.

BY EMMA KEENE, COMMUNITY DEVELOPMENT OFFICER, EWON

These customers report a range of problems with their utility accounts, which result from them being or having been in prison.

A person going into prison often leaves their family struggling to pay the bills, including energy accounts. In some cases the electricity account is still in the prisoner's name, and the person living in their property leaves without paying the electricity bill. When the prisoner is released, they discover they have unpaid utility bills and are facing disconnection or having difficulty opening an account.

EWON decided to try to reduce these problems by undertaking an outreach project to raise awareness of our services and the energy assistance programs of electricity retailers.

We analysed our prison related cases from July 2003 to June 2005:

- 92.5% of matters were about electricity
- most complaints were about difficulty in payment and impending or completed disconnection of supply
- the main areas for callers were Newcastle (13%), Gosford (11%), Blacktown (8%) and Campbelltown (7.5%)

- most customers were on a government pension or benefit (76.5%) and 33% reported living in public housing
- 9% of customers volunteered that they were from a non-English speaking background
- 60% of the customers identified as Aboriginal or Torres Strait Islander.

EWON's Community Development and Indigenous officers have visited correctional centres to advise prison staff and prisoners about EWON and utility issues. We have presented to staff at Emu Plains womens' prison, St Heliers Correctional Centre, the Justice Health Unit and the Aboriginal Support and Planning Unit at Long Bay Correctional Complex.

We have presented to staff at Mt Druitt, Blacktown and Newcastle Probation and Parole offices and participated in a meeting of The Shed, an Indigenous support group for men recently released and living in Western Sydney.

We learned that most prisons run a pre-release program, which includes information expos for prisoners and distribution of relevant printed material.

We have attended pre-release expos at Lithgow and John Morony Correctional Centres. For these sessions we developed and distributed a fact sheet about some of the issues faced by prisoners and their families:

- accessing payment assistance and utility assistance programs
- sorting out utility debts
- opening/closing accounts to make sure they only pay for what they use
- payment options such as Centrepay
- organising a security deposit and pensioner rebate.

EWON is working with the Department of Corrective Services to ensure important utility information is included in their *Throughcare* program and resources such as the *Planning Your Release* handbook for prisoners.

In 2006, EWON will continue to visit prisons and work with probation/parole officers and the Department of Corrective Services.

For more information contact Emma Keene, Community Development Officer, EWON on (02) 8218 5225.

Cecilia's story

Cecilia is from a non-English speaking background. She was visited at home by a door-to-door marketer who was promoting the benefits of signing a 'dual fuel' contract for both electricity and gas. She signed the contract, but she did not really understand what the salesperson was saying.

Mandy, her niece, called EWON because she was upset that the marketer had asked Cecilia to sign a contract when she did not speak English well. Moreover, when Mandy contacted the retailer they told her that if the contract was cancelled they would charge a termination fee because the cooling-off period had passed.

Through the Translating and Interpreting Service (TIS), EWON was able to talk to Cecilia and confirm what happened. Based on the information provided by Cecilia through TIS, EWON was able to negotiate with the retailer for her to be released from the contract without penalty.

John's story

John had recently been released from prison and he had \$233 outstanding on his electricity account. He rang EWON because his electricity provider had given him a final extension but as he was finding it hard to pay his account, he was likely to be disconnected.

EWON referred John to a local community agency for financial assistance. The agency was able to provide John with \$60 worth of EAPA vouchers which he put towards his arrears. John established a Centrepay arrangement of \$20 per fortnight and agreed to seek further financial assistance.

In light of John's efforts, EWON was also able to negotiate a long term payment arrangement with his electricity provider. John was satisfied that this payment arrangement would ensure he could manage his electricity account.

Tim's story

Tim was receiving a series of estimated bills. He contacted EWON because he was concerned that his electricity retailer was not billing him correctly.

Tim said he had always paid his electricity account on time and his quarterly bills had been consistently around \$300. However, his most recent bill was \$500.

EWON reviewed the information provided by Tim and the electricity retailer and found that the bills appeared to be correct. We advised Tim that the meter reader had reported ongoing problems in accessing Tim's meter, and that this had resulted in Tim receiving a number of estimated bills, then a 'catch up' bill.

Tim agreed to do 'self reads' of his meter and provide the retailer with the readings if he receives any further estimated bills.

Tips for resolving complaints



1

If you have any problems with your energy or water company, contact them first and explain your situation. Keep records of letters, names, times and dates.

2

If the call centre staff can't help you, ask to speak to a supervisor.

3

If the problem is not fixed, contact EWON by phone, fax, email, letter or visit www.ewon.com.au to make an online complaint.



What is Green Power?

Australians generate almost one-fifth of Australia's greenhouse gases through everyday activities such as transport and household energy use.

In fact, the average household in Australia emits over 8 tonnes of greenhouse gas polluting carbon dioxide each year solely through their energy use. That's because most electricity comes from burning coal and other fossil fuels.

This creates greenhouse gas pollution that contributes to global warming and climate change. Green Power is a national accreditation program that sets stringent environmental and reporting standards for renewable energy products offered by electricity suppliers to households and businesses across Australia.

Energy suppliers who are accredited to sell Green Power buy electricity generated from renewable energy generators on your behalf which is fed into the National Electricity Grid.

If you choose a government accredited Green Power product, your energy supplier agrees that the equivalent amount of energy you nominate is produced from renewable sources, avoiding the use of coal-derived power.

For more information visit www.greenpower.com.au

Energy and Water Savings Funds

The government has established two new funds to provide incentives for investment in energy and water savings.

The NSW Water Savings Fund will provide \$30 million per year over four years to deliver water savings and encourage recycling in Sydney Water's area of operations (Sydney, Blue Mountains and Illawarra). The measures are expected to save between 30 and 80 billion litres of water per year.

The NSW Energy Savings Fund will provide \$40 million per year over five years to support energy savings by large commercial users, government and the residential sector. By 2010/11, the Fund is expected to cut greenhouse gas emissions by 800,000 tonnes of carbon dioxide per year.

Applications for the first round of offers closed in October 2005. The Funds are administered by the Department of Energy, Utilities and Sustainability (DEUS), which has announced the first round of Water Saving Fund offers total more than \$9.2 million towards 27 projects.

A second funding round is expected to be announced in early 2006.

For more information visit <http://www.deus.nsw.gov.au/energyandwaterfunds/index.htm>

Water Efficiency Labelling and Standards Scheme

The Water Efficiency Labelling and Standards (WELS) Scheme commenced on 1 July 2005 under Commonwealth and New South Wales Government legislation. The scheme requires certain water-use appliances to display labels at the point-of-sale which provide information on their performance and water efficiency. The WELS scheme aims to reduce consumption through the use of water efficient appliances by households, businesses and government. It encourages manufacturers to produce, and purchasers to buy, more efficient appliances.

The scheme may also establish a minimum standard for water-use appliances so that appliances not meeting the minimum standard cannot be sold.

Appliances that are subject to WELS are:

- clothes washing machines
- dishwashers
- flow controllers
- toilet equipment
- showers
- tap equipment for a kitchen sink, bathroom basin or laundry tub
- urinal equipment

For the NSW *Water Efficiency Labelling and Standards Act 2005*, visit www.legislation.nsw.gov.au

Vanessa Concepcion, EWON Investigations Officer talks to students from Dubbo Public School about our services



EWONews is a bi-annual publication of the Energy & Water Ombudsman NSW (EWON)

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Note: names have been changed in case studies for confidentiality reasons.

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