

Ombudsman's Note



Clare Petre

As we approach our five-year anniversary, it is worth reflecting on the connections we have made with consumers, utility providers and stakeholders, particularly community agencies.

Over the last five years customer contacts with EWON have nearly doubled, from 2730 in 1998/99 to almost 5000 in the 2002 financial year. This growth looks to be accelerating — in the six months to April 2003 customer contacts increased by almost 30% — the fastest period of growth since our first year of operation.

Historically, consumers have become aware of EWON mainly from information given to them by their utility providers. While these remain the primary sources of referral, more consumers are hearing about EWON through other means.

In the last six months there was a thirty percent increase in the number of people referred through community agencies and media stories, and a significant number of contacts from consumers who 'just know' about EWON. This is encouraging, as it indicates that our ongoing efforts to raise awareness and understanding of EWON's service are reaching key community and stakeholder groups.

As we approach the five-year mark, we acknowledge the positive working relationships we have developed with our utility provider members, and their efforts to deal with customer issues and complaints in a creative and positive way.

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Your guide to pensioner rebates

Some electricity and gas customers who receive a Government pension may be eligible for a Government energy rebate of \$112 per year. The rebate, administered by the Ministry of Energy and Utilities, is provided as a reduction

EWON has received calls from people who are eligible for the rebate but are not receiving it. In most cases, the customer is either unaware of the rebate or of the need to apply for it. Customers who move house or change their

How to apply

Eligible pensioners will need to contact their electricity provider and quote their concession card number. This can usually be done via the telephone. The electricity provider will confirm eligibility with Centrelink or the Department of Veterans' Affairs.

For privacy reasons, the provider will need to speak to the customer directly before the rebate can be processed.

'Customers who move house or change their provider may find that their rebate has not been transferred over'

on electricity bills. Electricity and other forms of energy are covered by the rebate, however pensioners must be connected to electricity to receive the rebate.

supplier may find that their rebate has not been transferred over. Eligible customers in these circumstances may be able to apply to have their rebate backdated.

The energy rebate is calculated daily and appears on electricity bills each billing period as a separate item. Electricity account holders who receive a Government pension can receive the energy rebate regardless of the income of other people living in the house. There is only one rebate paid per household, even if there are two eligible pensioners in the household.

Pensioners who are customers of energy on-sellers, such as people who live in residential parks and get their electricity through the park owner, are also eligible for the rebate.



Water Rebates

The Government does not fund rebates for water consumers, but some water providers offer rebates. Ask your provider if they give a rebate or pensioner concession and get details on the eligibility criteria.

A tenant paying water usage charges may be eligible for a rebate if the property is separately metered. Check with your water provider for more information.

One customer contacted EWON when she realised that her pensioner energy rebate had stopped when she changed providers. Her new provider told her that the rebate could not be backdated. Following an EWON investigation her new provider agreed to backdate the rebate to the date the account was opened.

Customers who have not received their rebate should in the first instance apply for the rebate through their electricity provider, giving the date that they became eligible and when they stopped being paid the rebate (if applicable).

Life Support Rebates

Who is eligible?

Customers who require certain medical equipment in their home to sustain life, such as a kidney dialysis machine, a respirator / ventilator or a machine for sleep apnea, can receive a life support rebate from their electricity provider.

When applying, a confirmatory certificate from a doctor must be provided. The rebate is a flat rate and the amount depends upon the type of life support machine.

The life support equipment currently covered under the rebate includes:

- CPAP, Bi-PAP & V-PAP devices
- Kangaroo pumps
- Photo therapy Equipment
- Home dialysis machines
- Respirators
- Oxygen concentrators

For more information contact your provider.

Residential Park Forum

EWON recently hosted a forum which brought together for the first time key residential park owners, advocates, providers and regulators to discuss the major electricity issues affecting park residents.

As an independent body, EWON is uniquely placed to bring these major parties together to listen to each other's viewpoints. Many of the participants indicated that they have never had the opportunity to do this before, and they appreciated the chance to share opinions in an open and independent forum.

At the forum, the following electricity issues affecting residential park residents were raised:

- lack of access to the Energy Accounts Payment Assistance Scheme (EAPA)
- access to pensioner rebates and concessions
- the quality of electricity supply in residential parks

- service access fees charged by operators

Forum participants discussed the application of 'green' or 'pure' energy tariffs to residents. Although some residential parks had signed up for green energy, it was generally agreed that this higher tariff could not be passed on to park residents.

The Ministry of Energy and Utilities (MEU) has subsequently confirmed that green tariffs are not applicable to customers of exempt retailers.

From the range of matters EWON has received, people living in residential parks can face many difficulties in accessing the same services and protections that other electricity consumers enjoy. Our aim is to work with providers, residents, government, and the industry to improve standards for all electricity consumers.

Tenancy Project



Problems with your electricity, gas or water provider?

What is EWON?
The Energy & Water Ombudsman NSW (EWON) provides an independent way of resolving complaints for customers of electricity and gas providers in New South Wales and some water providers. The Ombudsman is independent and able to make decisions without any interference, based on what is fair and reasonable in the circumstances of each case. EWON's service is free.

What is EWON? (Arabic)
The Energy & Water Ombudsman NSW (EWON) helps resolve electricity, gas and water complaints in NSW. EWON's service is free. You can contact EWON on 1800 246 545 or use the Interceptor Service (131 455).

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How do I contact EWON?
FREECALL 1800 246 545
PREPAID 1800 812 291
Website www.ewon.com.au
Email info@ewon.com.au

Over the past few months EWON has been working with the Department of Housing, the Tenants' Union and other tenant organisations in NSW. Through this consultation we identified that tenants experiencing problems with their electricity, gas or water provider wanted more information about EWON's services.

In consultation with tenant organisations, EWON has created a fact sheet designed to address a range of tenant-specific utility issues.

If you would like a copy of this fact sheet please call Kerry Thrupp at EWON on 1800 246 545.

Out & About



Kogarah Chinese Information Expo



CASS Bilingual Environment Bag Launch



Gay & Lesbian Mardi Gras Fair Day



Mr Stanley Ng and his son

Arrangements For New Occupants

Recent regulatory changes have addressed a question that many tenants have asked EWON – who is responsible for the electricity bill when the account holder moves out with other residents still in the property?

In the past, if the account holder moved out of a property with arrears owing, it was not clear whether the provider could recover the debt from the remaining occupants. In some cases providers pursued the remaining occupants for the outstanding debt and refused to establish a new account until this debt was paid.

Ms C contacted EWON when the person who established an electricity account moved out with \$624 owing. When Ms C, who stayed on in the property, contacted the provider to open a new account in her name she was told that she must pay the outstanding amount before an account could be established. The customer was also asked to produce a lease and was told that the supply would be disconnected if the \$624 was not paid.

This ambiguity has largely been resolved under Clause 68 of the Electricity Supply (General) Regulation 2001 which provides for an 'electricity supply arrangement' where a provider is supplying electricity and the nominated account holder no longer occupies the premises.

This new arrangement primarily protects small retail customers, such as tenants or people living in share housing, where the previous account holder has left and the remaining occupant does not have a formal supply contract with the electricity provider.

The arrangement is considered to be in effect from the date the premises supplied with electricity is no longer occupied by the previous account holder.

There is a question as to how providers should obtain information about when the previous account holder moved out. Each provider should have in place suitable business practices to ensure they obtain appropriate information when a new account is established.

Under an 'electricity supply arrangement' the occupant is only liable for electricity bills relating to consumption from the date the previous account holder moved out. The occupant is now covered by a range of consumer protection measures including access to independent dispute resolution.



EWON's new chairman

Emeritus Professor Stuart Rees has been appointed chairman of the EWON Council. Professor Rees replaces Lionel Bowen, former Deputy Prime Minister, who recently completed his term.

Professor Rees is currently Director of the Centre for Peace & Conflict Studies and Director of the Sydney Peace Foundation.



Clare Petre and the NSW Minister for Energy, Frank Sartor at AGL's Staying Connected launch

Staying Connected

Mrs P lives in public housing with her three children. Her gas was disconnected three months ago for non-payment of \$1000 in gas usage and late fees. As Mrs P is connected to gas hot water, her family has been unable to have a hot shower for three months.

On contacting EWON for assistance, EWON gave Mrs P with details of the local community agencies that provided Energy Accounts Payment Assistance (EAPA) to help clear her arrears. When EWON explained Mrs P's circumstances to her provider, they agreed to help her under their Staying Connected program.

Mrs P's gas was reconnected the next day and a Staying Connected specialist contacted her to discuss a payment plan that would clear her arrears. All outstanding fees on her account were waived to make repayment easier.

Marketing Complaints Rise

Since January 2002, householders and businesses in New South Wales have been able to shop around for an electricity or gas contract. A number of energy companies are currently marketing these contracts to households door-to-door.



Marketers demonstrate to EWON staff

The Ministry of Energy & Utilities has reported that by the end of March 2003, more than 300 000 consumers in New South Wales had entered into negotiated contracts for the supply of energy to their homes or small business. As increasing numbers of customers have moved into the competitive system, complaints to EWON have risen.

Customer complaints have included issues about misleading information, incorrect transfers, delay in transfer, termination fees, and the conduct of marketers.

In February, a Sydney suburban paper raised the issue of marketing activity in the local community. The local response to this article was quite strong, and two weeks later

a feature story appeared in the Sydney Morning Herald.

In the Herald article the Ombudsman, Clare Petre, advised consumers to take their time when choosing their electricity or gas provider, and to have the contract checked by an

independent advisor if necessary. This followed complaints from customers that contracts were difficult to understand and compare.

Although all negotiated contracts have a ten-day cooling off period, some consumers have reported that they did not understand that

termination fees were charged if the contract was broken, or even that the contract they had signed was with a provider different from their current one.

There are other protection mechanisms to ensure consumers are not subject to pressure through marketing of electricity or gas contracts. If you have any questions about the marketing practices of a door-to-door salesperson, you should contact the provider to report the matter. If you are not satisfied with their response, you can contact EWON for further assistance.

For more information on the things to look out for when signing an energy contract see the investigator's tip on the last page of this newsletter.

Fraudulent Behaviour

Ms T owns a florist shop. When she was approached by a door-to-door salesperson to sign a negotiated contract Ms T declined their offer.

A few months later Ms T received an electricity account from the same provider that had approached her. When Ms T contacted the provider, she was told that the company had received a signed contract from her, and if she wanted to cancel it she would have to pay a cancellation fee. Ms T asked for a copy of the signed contract.

Upon receiving a copy of the contract, Ms T realised that her signature had been forged. She asked the provider to cancel the contract immediately, and without charge.

Unable to achieve a satisfactory response from the company Ms T contacted EWON for assistance. At the time, EWON had two similar complaints involving possible fraudulent behaviour by a marketer. During our investigation, the provider confirmed that all three complaints had involved the same marketer. They believed he was signing contracts without the customer's knowledge and they had referred the agent to the police.

The company cancelled all three contracts without charge and organised transfer back to their original providers. The company also wrote to the customers concerned to apologise and to offer an ex-gratia payment of \$100.

Investigator's Tip

Signing an Energy Contract



Helen Trent

Since full retail competition was introduced in 2002 EWON has received many enquiries from customers who have signed an energy contract. An energy contract is legally binding, just like any other contract. I recommend that all customers take their time to thoroughly read the contract before signing it, and to ask someone to check it on their behalf if appropriate.

It is important for you to know that the contract has a ten-day cooling off period from the date of signing. During this time you can cancel the contract without being charged a termination fee. If you cancel within this period it is advisable to keep a record of your cancellation, for instance the transmission log of your fax sent to cancel the contract.

If you have a complaint that you have not been able to resolve with your provider, EWON may be able to assist you to resolve problems where you:

- have been transferred to another supplier without signing a contract with that company
- are experiencing delays in receiving bills after signing a contract
- have been charged a termination fee when the contract is cancelled during the ten-day cooling off period
- feel you have not been fully informed of the terms and conditions of the contract prior to signing it.



The NSW Government pensioner energy rebate has been extended to all war widows/ers and Extreme Disablement Adjustment (EDA) war veterans as of 1 April 2003.



EWON has responded to the draft Market Operations Rule (MOR) on the planned introduction of prepayment meters in NSW. A copy of our response is available on our website: www.ewon.com.au



The new Minister for Energy and Utilities, Frank Sartor, launched AGL's Staying Connected program on 15 May 2003. Staying Connected is designed to assist those customers facing financial difficulties to stay connected to their gas and electricity supply.



Sydney Water is ending the rebate for the installation of new rainwater tanks on 31 July 2003. For further information visit the Sydney Water website: www.sydneywater.com.au



Administration of the Energy Accounts Payment Assistance (EAPA) Scheme will transfer to the Ministry of Energy & Utilities from 1 July 2003.



Emma Keene has been appointed the new Community Development Officer at EWON. Community organisations wanting to discuss relevant projects can contact her directly on 02 8218 5225.



The Ministry of Energy & Utilities says green energy tariffs do not apply to customers of exempt retailers (including residential parks and boarding houses)

Contact us...

Freecall
1800 246 545

Freefax
1800 812 291

Mail
PO Box K1343
Haymarket 1240

Web
www.ewon.com.au