



3 August 2018

Dr Peter J Boxall AO
Chair
Independent Pricing and Regulatory Tribunal
PO Box K35
Haymarket Post Shop NSW 1240

Dear Peter,

Review of electricity retailers' meter installation practices in NSW

Thank you for the opportunity to comment on IPART's *Review of electricity retailers' meter practices in NSW*.

The Energy & Water Ombudsman NSW (EWON) investigates and resolves complaints from customers of electricity and gas providers in NSW, and some water providers. Our comments are informed by our investigations into these complaints, and also from our community outreach and stakeholder engagement activities. Our comments align with issues customers raise with EWON, supported by explanatory case studies in Attachment 1.

EWON actively participated in the discussions associated with the Australian Energy Market Commission's (AEMC) Power of Choice project. EWON also participated in the discussions and provided submissions to the rule changes enabling competition in metering. While welcoming competition and innovation, we emphasised that new metering arrangements should benefit consumers, or at least ensure that consumer detriment does not emanate from new metering arrangements as compared to the prior arrangements.

In preparation for retailers assuming responsibility for metering on 1 December 2017, EWON established a number of new complaint categorisation issues to enable effective tracking and analysis of complaints associated with the installation of digital meters. The information provided in this submission is drawn from this data.

The overall picture is one of increasing complaint numbers, primarily driven by customers experiencing delays in meter installation and the consequences of those delays.

Overview

A steady increase in complaints from customers concerning the installation of digital meters by retailers is evident as detailed in Table 1, which shows in detail the trend over the last six months.

Table 1 Digital Meter Complaints Jan – June 2018

	January	February	March	April	May	June
Complaints received	79	120	187	191	229	213

Table 2 provides a breakdown of complaints relating to delays in installation, with new connection delays shown separately. Customers complaining about meter installation delays increased until May, both in number and as a percentage of total digital meter complaints, before a slight decrease in June; although it is too early to conclude that complaint numbers are falling. The number of customers complaining about new connection delays has also increased.

Table 2 Digital Meter (DM) Delay Complaints Jan – June 2018

	All DM Complaints	Installation Delay Complaints		New Connection Delay Complaints	
	<i># of complaints</i>	<i># of complaints</i>	<i>% of total complaints</i>	<i># of complaints</i>	<i>% of total complaints</i>
January	79	29	36.7%	11	15.1%
February	120	58	48.3%	16	17.5%
March	187	116	62.0%	18	9.6%
April	191	123	64.4%	32	16.8%
May	229	130	56.8%	47	20.5%
June	213	115	54.0%	55	25.8%

EWON has undertaken further analysis of complaints from customers complaining about installation delays. Table 3 provides some insight into the nature of the type of requests which are encountering delays. From March 2018, over 50% of complaints about meter installation delays had followed customer installation of solar panels, with customers unable to benefit and offset the cost of the installation through solar generation, because of the lack of installation of a suitable meter.

Some customers who had requested a net meter prior to the closure of the solar bonus scheme on 31 December 2016 to replace their gross meter are still waiting for installation. While declining in number, these customers have been very significantly financially disadvantaged.

There were a range of other meter replacement requests which had not been fulfilled, relating to issues including supply upgrades for reverse cycle air conditioning, new meters for off peak supply, and replacement of faulty meters. In a small number of complaints, customers did not provide information about why they had requested a new meter.

Table 3 Digital Meter Installation Delay Complaints Jan – June 2018

	<i>Total Complaints</i>	Solar installation delays		Net meter delay (pre 1 Dec 2017 request)		Other delays	
		<i># of complaints</i>	<i>% of complaints</i>	<i># of complaints</i>	<i>% of complaints</i>	<i># of complaints</i>	<i>% of complaints</i>
January	29	11	37.9%	13	44.8%	5	17.3%
February	58	16	27.6%	12	20.7%	30	51.7%
March	116	59	50.8%	20	17.3%	37	31.9%
April	123	73	59.3%	8	6.5%	42	34.2%
May	130	87	65.9%	11	8.3%	34	25.8%
June	115	74	64.4%	9	7.8%	32	27.8%

As demonstrated in our case studies, many customers experience severe detriment when they are unable to have meters installed in a timely manner. In the most extreme cases, customers are left without power, or unable to move into a home, for weeks. When those customers complain to EWON, we are often able to arrange with the retailer for immediate meter installation and connection. Unfortunately, many customers in this situation do not know they can come to EWON and are left without power.

New connection delays

The most common complaint about delays for a new connection is the failure/inability of the retailer to provide a firm date for installation. The next most common is the failure to install on the date which was stated. Some of these delays appear to be because meter providers are unable to meet the demand. Others are due to breakdown in the information flow between customers, retailers and meter providers. Very often breakdown in the process of a meter installation between the metering provider and the retailer occurs. Neither party seems to have the necessary resources to deal with the workload in a timely fashion.

Our first eight case studies articulate the delays faced by customers.

Solar installation delays

Customers and contractors are installing solar generation and then experiencing delays in connecting solar because of metering delays. Broken appointments, no set date and even rumours of no meters being available are a common theme in complaints to EWON. Customers are being told by retailers that the metering provider is at fault; alternatively customers are being told by metering providers that retailers are at fault.

From our complaints perspective, no-one is accepting responsibility.

Sometimes a meter installation is delayed because of a technical problem at the point of installation. This could include the lack of a service fuse, a shared isolation switch, asbestos being present in the meter box, a crowded meter box or even lack of access to the meter box. These, however, are the minority of complaints and even when the customer rectifies the problem, further delays often occur.

While not understating the significance of these issues, the majority of complaints relate to provision of acceptable installation timeframes; the inability of retailers to provide an installation date; and/or failed appointments when a date has been provided.

Case studies 9 through to 12 articulate these issues.

Requirements for meter installation timeframes

Currently the only required timeframe for the installation of a meter is the requirement for a metering coordinator to arrange for the repair or replacement of a faulty meter within ten business days of being notified of the malfunction. The lack of any timeframe for the installation of a meter for a new connection, or where a customer needs a meter upgrade, is a key source of complaints, and requires EWON's intervention to resolve the delay. Retailers rely on the fact that they do not have to meet any regulated timeframe and therefore initially are of the view that we cannot hold them to account.

The lack of a set timeframe for the installation of a meter where a customer is attempting to establish a new connection is highly problematic. A suitable timeframe would provide certainty for builders and customers, and enable proper planning for what is a complex project. Prior to 1 December 2017, the meter installation was undertaken by the Accredited Service Provider (ASP) employed by the customer to establish supply. Now the ASP undertakes the necessary work for a connection and has to wait for a metering provider to install the meter before supply can begin. This is a clear example that the new arrangements have resulted in the consumer detriment which EWON, and other organisations, raised during the consultation process about these new arrangements.

Equally when a customer has installed solar, new reverse cycle air-conditioning or off-peak hot water, extensive delays in meter upgrades cause significant inconvenience and financial detriment. It is not just the reduced consumption which would provide some financial relief for these consumers, it is the fact that they have invested, and sometime financed their new installation, and during the delay period have no reduction in energy bills to offset that investment.

Delays in meter installation in these circumstances are serious and the failure to set appropriate timeframes has the potential to undermine confidence in the retailer led roll out of digital meters.

EWON strongly supported the current proposal before the Australian Energy Market Commission to introduce fixed timeframes into the rules to address this.

In the meantime, through our dispute resolution processes, we seek to have retailers redress the financial impact as part of the agreed resolution outcome for each complaint.

Timeframes for replacing a faulty meter

Aside from the devastating impact of being without power, a faulty meter may cause customers detriment in other ways. For example, not registering solar production creates a financial detriment for customers. Similarly, failing to register consumption means the customer will receive estimated bills, and in many cases, a much higher bill after the new meter is installed which is based on accurate consumption which the consumer had no indicators to reduce.

The current rules require a metering coordinator to repair or replace a faulty meter within 10 days of being notified of the fault, although as seen in our case studies this is often not occurring.

The replacement of a faulty meter is an essential part of delivering metering services. Prior to the transfer of responsibility on 1 December 2017, faulty meters or connections were usually quickly fixed by the distributor. Retailers sought and now have that responsibility and customers should not have to put up with reduced service as a result. Again, this is an example of consumer detriment identified during the consultation process and which retailers have failed to address.

Case studies 13 through to 17 illustrate customer experience with replacement of faulty meters.

Case study 13 articulates the very significant impact of this issue on a customer during and following the 2017 Christmas period.

Life support customers

While it is an essential protection that life support customers get adequate notice of any planned interruption, this status should not be a barrier to gaining a new meter. There appears to be a lack of clarity in the meter installation process, resulting in life support customers experiencing unnecessary delays in meter installation.

Case studies 18 through to 22 illustrate the metering installation issues faced by life support customers.

Conclusion

As evidenced in EWON complaints, and other industry indicators, the current retailer-led deployment of digital meters across New South Wales, and other states, is resulting in considerable consumer detriment. This needs to be quickly addressed by retailer ownership of their new responsibilities. There has to be a change in retailer / meter installer current practice. Current actual practice, even when an installation date is confirmed, results in many missed appointments and on-going delays.

If you would like to discuss this matter further, please contact Rory Campbell, Manager Policy & Research, on (02) 8218 5266.

Yours sincerely



Janine Young
Ombudsman
Energy & Water Ombudsman NSW

Attachment 1 – Case Studies

When complaints are referred back to retailers for direct resolution by the retailer's Internal Dispute Resolution Team (higher level resolution), all customers are advised that they can return to EWON for independent assistance if the referral fails to resolve the complaint. We survey all referral customers on a quarterly basis to ensure that they receive follow up and resolution of the complaint via the referral process. Where we receive feedback, or a trend of customers returning to EWON for independent investigation, we address this with the relevant retailers.

New connection delays case studies

Case study 1: Obligation to connect?

A customer said she had tried to establish an electricity account with her local area retailer for a **new connection**. She was advised that it cannot put in digital meters as it has a huge backlog. She was advised by the retailer that this is now an industry wide issue and that all providers are having the same issues. She did not understand and did not know what to do about her lack of electricity for the new dwelling. She wanted the provider to review the availability of meters, and discuss possible remedies to the situation. The matter was referred to the retailer for immediate higher level resolution.

Case study 2: Lengthy delay costs customer

A customer worked for a building company who built a new complex with 17 apartments. They were experiencing issues and delays in arranging for installation of electricity meters for all apartments. This had been ongoing for several months. The retailer first advised that the meters would be installed on 29 March 2018 - this did not take place. It then advised it would occur on 11 April 2018, again it did not occur. The delay with meter installation was delaying the settlement of the apartments that had been sold, placing financial burden on the builder. EWON provided advice to the customer, including explaining that EWON required authorisation from the building company to investigate the complaint if it could not be resolved by the retailer.

Case study 3: Building works stalled

The customer advised that their building company was sent an email on 28 March 2018 advising they would have a new meter installed within 10 working days on one of their sites. Another email advising that it would now occur on 21 May 2018 was then received. This would stall the build and set the builder back 4 weeks due to no electricity at the site. The retailer advised it could not do anything about the delay. The customer wanted the retailer to review and discuss the delay of the meter installation. This matter was referred to the retailer for immediate higher level resolution.

Case study 4: No date for installation

A customer was building a house and submitted the paperwork to establish an electricity connection to the distributor in February 2018. The distributor advised the retailer on 13 March that a meter could be installed. On 3 April the retailer then referred her matter to its metering provider. It advised that it could take 4 - 6 weeks for the meter to be installed, however that it could be longer, and it was unable to advise of an actual date. The customer was unable to move into the premises without electricity and was seeking an installation date. This matter was referred to the retailer for immediate higher level resolution.

Case study 5: Failed process leads to delay

A customer was building a new home and contacted his retailer at the end of January 2018 to arrange a meter to be installed. He was advised by the retailer of an initial 10 day timeframe for this to be completed. He waited 3 weeks and, following no installation or update, contacted the retailer again and was advised that it was in process of getting this arranged. He waited another 2 weeks and

called again in early March. He was then advised that the original request submitted to the metering provider had been rejected and that the retailer had initially failed to follow up on this or lodge a new request. He was told a new request had been submitted, but the retailer could not confirm a timeframe. In the meantime the customer was experiencing difficulties with the remaining build and was required to source power from his neighbour. This matter was referred to the retailer for immediate higher level resolution.

The customer returned to EWON as the retailer would not provide an installation date and referred him to the metering provider. The metering provider would not speak to the customer and referred him back to the retailer.

EWON investigated and the retailer agreed to expedite the request with the metering provider. The meter was installed on 29 March 2018.

Case study 6: A clear lack of communication

A customer advised he was building his own house. In late January 2018, he contacted his retailer and requested a temporary electricity connection. He was not advised of a timeframe for meter installation and he contacted the retailer regularly seeking an update and each time the retailer advised him the matter had been escalated and that he would receive an email advising of installation date. In April 2018 he still had no connection and requested a permanent new connection. He was advised it would take 12 business days to confirm an installation date. That timeframe passed with no installation date. He contacted the retailer again, who advised him an installation date of 22 May 2018.

He then contacted EWON as he wanted the meter installation to occur sooner if possible. This matter was referred to the retailer for immediate higher level resolution.

Case study 7: Living without power

A customer had bought a new build property and when the customer moved into the supply address in early March 2018, it was identified that there was not a meter at the property, so she applied to her retailer for a new meter. The retailer advised the customer that it was going to take 6-8 weeks to have a digital meter installed and for the electricity to be connected. The customer was elderly and had no other alternate accommodation.

The customer contacted EWON in early May. To get a resolution this matter was escalated internally to EWON's General Manager Investigations to take up at a senior level with the retailer's management. A new meter was installed one week after the customer approached EWON. **This was 10 weeks after the customer's application for a meter, during which time this customer had lived without power.**

Case study 8: Problem getting tradesmen to work in remote area.

A customer requested her retailer install an electricity meter for her new house which was in a remote area. She was ready to move into the premises, but she was unable to as there was no supply onsite. She was advised that, as there was no mobile connectivity at her property, there would be a two month delay in acquiring the right meter. The retailer then advised her that it had an appropriate meter, but it did not have a technician to install it as nobody wanted to work in that area.

Early in EWON's investigation the retailer was unable to give a timeframe for the meter installation. Eventually, a date 30 day timeframe was given. EWON asked for more information about the delay. The installation was then arranged to occur in one week, which was successful. The customer was able to move into her new house and the retailer provided a \$200 customer service credit in acknowledgement of the inconvenience caused.

Solar delay case studies

Case study 9: Lack of communication and poor process

A customer installed solar panels in December 2017 and arranged for a new meter installation in mid-January 2018. This did not occur and after three months of phone calls and e-mails there was still no meter. The customer came to EWON and was referred to the retailer for immediate higher level resolution.

The customer returned to EWON unhappy with the retailer's inability to provide a meter installation date. EWON investigated the reasons for the delay and established that there had been a failed application in January which had not been disclosed to the customer, despite numerous enquiries by the customer during that time. This was compounded by the failure of new paperwork in April which, again was not identified or corrected until further contact by EWON in early May. A new installation date was confirmed with the retailer and, in recognition of the delays and the loss of solar generation, the retailer waived the meter installation fee of \$250 and provided a \$500 credit to the customer's account.

Case study 10: Lost applications and poor process

The customer emailed his retailer on 27 March 2018 requesting a digital meter to be installed. He was advised by email it would take 30 business days. He then tried to call over the following weeks to confirm, but he was not able to speak to anybody, often being on hold for an hour or more. On 1 May 2018, he forwarded a copy of the original email he had sent with an enquiry as to how much longer the retailer thought it might take to have the meter installed. After no response from the retailer he again called on 9 May 2018. The retailer advised it could not find the original email and that it would now be another 30 days for the installation to take place. This matter was referred to the retailer for immediate higher level resolution.

Case study 11: Regional issues with installation delays

A customer had a solar system installed and needed a digital meter. She was advised by her retailer that it would install the digital meter in a month but this time passed with no action. She was then advised that the retailer could not provide a timeframe for the meter installation.

She approached EWON seeking the retailer to review and discuss the delay in the installation of the meter. This matter was referred to the retailer at a higher level for resolution however the customer returned to EWON as she was not satisfied with the retailer's response. The customer said that the retailer blamed the metering provider who blamed the delay on the fact the customer was located outside of the area where they were installing meters.

EWON began an investigation and the retailer expedited the meter installation, which then occurred four days later. The retailer also applied a \$200 to the customer's account as a goodwill gesture.

Case study 12: Failed appointments for installation

A customer installed a solar system in February and his retailer advised it would install a new meter by April 2018. He contacted the retailer in April to ask the status and he was advised the meter would be installed on 23 May. He received a phone call on that date to advise the technician was not able to attend and he would be called back in 10 minutes to discuss the matter further. He did not receive the call, so he contacted his retailer on 24 May and again on 25 May, and was advised the technician may come that day or he may come next week or he may come next month, which he did not think reasonable. This matter was referred to the retailer for immediate higher level resolution.

Faulty meter replacement case studies

Case study 13: Unacceptable delay

A customer's meter was destroyed in a fire in late December 2017. The necessary electrical repairs were completed and the customer was waiting for a new meter, which her contractor had told her needed to be arranged through her retailer. The retailer told the customer that it would take another month to have a new meter installed. She argued with the retailer and it reduced the wait time by a week. The customer came to EWON in January 2018 after living in the house without power for twenty days, including over Christmas, as she had nowhere else to go. A neighbour had let her run an extension cord to his connection for essentials but had withdrawn it as this was tripping his supply. She was especially frustrated because another neighbour, who was with a different retailer, had his meter (which was also affected by the fire) replaced quickly. EWON contacted the retailer and pointed out the urgency of the situation. The retailer agreed to contact the metering provider and a meter was installed the next day.

Case study 14: Failure to raise job order

An advocate advised that a storm had caused a powerline at the supply address to come down on 20 December 2017. He got a contractor out to the supply address who noted that the meter box appeared to have asbestos which needed remediation – which was done – and that his meter needed replacing by the retailer. On 8 January 2018 he then made an application to his retailer for a new meter and was told that the meter installation would occur on 12 January, which did not happen. He made contact with the retailer who advised that the job order had not been raised. Upon receiving this case EWON investigated the matter urgently as the customer had been without power for too long. There was not an initial positive response from the retailer so the matter was escalated to EWON's General Manager Investigations. The retailer then arranged for a meter to be installed two days later on the 19 January.

Case study 15: No communication

The customer was about to move into a supply address when there was a fire in the shop below which caused damage to the premises, including the electricity meter, and prevented her moving in. She contacted her retailer on 16 March 2018 to advise of the fire, set up an account and request it arrange to replace the damaged meter. Her electrician, who had been trying to assist her, had been provided with timeframes which passed and kept being given conflicting information. In one instance the electrician waited five hours for someone to come to replace the meter, but instead the retailer sent someone out to perform a special meter read. The customer was staying in temporary accommodation which was becoming expensive for her. The electrician tried to contact the metering provider directly to seek an update but was advised it could not confirm when it will process the request. This matter was referred to the retailer for immediate higher level resolution.

Case study 16: Delays and confusion over meter stop transfer

A customer attempted to switch to a new retailer in November 2017. She was advised by her new retailer that the distributor was unable to take a read of the meter and she could not be transferred to it until this occurred. She called the distributor and it said there was an error with the meter and a read couldn't be taken. In February 2018 she called the distributor again and was informed the meter needed to be replaced by her current retailer. The distributor said it had informed that retailer of this in December 2017. The customer contacted the current retailer who advised that a request had been opened and that there would be a response within 20 days. After this time passed with no meter replacement, she contacted the current retailer again who assured her that the metering provider would be in touch within the week. When contacted again, her current retailer provided confusing information, and suggested that, as she had tried to transfer, the new retailer should install the new meter. She was extremely frustrated and concerned that the meter

replacement was delayed as she was trying to switch away. This matter was referred to the retailer for immediate higher level resolution.

Case study 17: Lengthy delay for meter repair

The customer advised that she had upgraded to a net meter in December 2017, however in January 2018 she noticed that it was not functioning. The meter showed no readings and no lights and appeared completely non-functional. She contacted her retailer a number of times to advise of the fault and to ask for repair or replacement. She was advised someone would attend the site in 20 working days to inspect the meter but this did not occur. She called again to follow up but was unable to speak to anyone regarding the matter. She was then advised that if the meter required repair or replacement she would be charged, which she considered unreasonable as she has not taken any action that could damage the meter. This matter was referred to the retailer for immediate higher level resolution.

Life support customer delay case studies

Case study 18: Unnecessary delay causes hardship

A customer advised that he had an off peak hot water system and that the timer on the system was faulty. He contacted his retailer who advised that it would need to install a digital meter which would take 21 days. He then received a call from the retailer informing him that because he had life support equipment, the meter installation would be delayed for another month. The customer told the retailer that this was unacceptable as he was living without hot water. This matter was referred to the retailer for immediate higher level resolution.

Case study 19: Delays and a failure to inform

A customer had solar panels installed and requested a new meter from his retailer. The retailer set two dates, however no one attended the premises on either. She contacted the retailer and asked why no one had attended to upgrade the meter. The retailer advised her that this was because her premises was registered as having life support equipment. She told the retailer that the equipment was a CPAP machine that was only used during the night and that the meter could be installed at any time during the day. The retailer advised the customer that it could not further assist her in getting a meter installed. This matter was referred to the retailer for immediate higher level resolution.

Case study 20: Lengthy delay in gaining a working meter

A customer had solar connected to her property. She then had issues with the retailer about connecting her meter. A new meter had been installed but had not been turned on as the retailer advised it could not do so due to the presence of life support equipment. She told her retailer that the equipment was a CPAP machine and that turning off power to connect the meter was not an issue during the day. She was then advised that the retailer would re-submit orders regarding her meter. Nothing happened and, after five months, she contacted EWON. She wanted the retailer to rectify the matter so she can get receive a feed-in tariff. This matter was referred to the retailer for immediate higher level resolution.

Case study 21: Ongoing delays

A customer had solar installed and was then advised that she would have to have her meter exchanged. She said that her retailer would not exchange the meter as she had a sleep apnoea machine. She said that she had advised the retailer multiple times that it was all right to turn off the electricity during the day as she only required the sleep apnoea machine at night. The retailer then scheduled a meter exchange but a week prior to the exchange cancelled the appointment. The retailer then told her that it would call her back again within two weeks but she had not heard back. This matter was referred to the retailer for immediate higher level resolution.

The customer advised he had solar installed at the property on 2 February 2018. He applied for a new electricity meter to be installed and was advised during this call that the installation date would be 8 March 2018. This installation did not occur. He contacted the retailer who informed him that there has been miscommunication with the metering provider and was given a new installation date of 28 March but once again the meter was not installed. He then contacted the retailer on a number of occasions for a new installation date and was eventually advised to call 2-3 weeks later for the status of the request. He did not consider this to be reasonable and wanted a meter installed as soon as possible or clear information about what was happening with this installation. This matter was referred to the retailer for immediate higher level resolution.

The customer returned to EWON as the complaint was not resolved. He advised that following the referral, the retailer contacted him and advised that due to a lack of process, between it and its metering provider, in relation to how to switch over when there was life support equipment in place (in this case a CPAP machine which was only used at night), it was difficult to provide a timeframe.

He then organised for the life support information to be removed from the register and received confirmation that it had been. An appointment for the installation was made for 30 May. He called again to confirm the date.

On the date of the installation the metering provider called saying that it could not install the meter as there was still a life-support listing and that he needed to be at home to sign a declaration. He advised the metering provider that there was no life support equipment but it recontacted him saying that it had verified that there was life support registered and it would not install the meter. The customer called the retailer again and it said that it could not do anything but raise the issue to the metering provider again. It would not give a timeframe when the job would be done. He was frustrated with this and wanted EWON to address the delay.

EWON investigated the matter and a meter installation was immediately arranged for 30 June. The retailer provided a \$500 payment in recognition of the poor customer service and the customer arranged for a re-registration for the life support equipment after the meter installation.