

# Mid-Year Report July to December 2020



ENERGY & WATER  
OMBUDSMAN SA



# Contents Page

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- 3. Our Role
- 4. From the Ombudsman
- 6. Issues Spotlight – COVID-19, Payment Difficulties, Power Surges
- 9. Sub-Issue 1: High Bills
- 11. Sub-Issue 2: Meter Installation or Abolishment
- 13. Sub-Issue 3: Billing Process
- 15. Sub-Issue 4: General Enquiry - Information General
- 17. Sub-Issue 5: Billing - Payment
- 19. Member Performance



## Our Role

Our role is to facilitate the prompt resolution of complaints and disputes between consumers of electricity, gas and water services and Members of the Scheme by providing a free, independent, accessible, fair and informal service to consumers.



# From the Ombudsman

The following report provides performance data and notes some highlights for the first half of the 2020-21 financial year. As the energy and water markets continue to transform, many of the resultant opportunities and challenges are revealed by customers in their interactions with our Scheme.

Areas of focus over the reporting period included:

- the continued impact of COVID-19
- supporting customers experiencing payment difficulties
- power surges causing damage to appliances.

There is a special section in this report on these focus areas.

## Case trends

We monitor credit management closely and work with our Members to ensure the lowest possible number of disconnections. It is pleasing to see some changes in the way our Members manage complaints, with continued efforts to resolve issues before they are escalated to the Scheme.

Our office received only 288 credit management cases in the first half of 2020-21, down from 562 in the previous six months.

There was a significant decrease of cases in the second quarter (174 fewer than in the first), particularly in energy-related cases. Overall, fewer cases were received in the second quarter of 2020-21 than at the same time in the previous year (1799 cases compared with 2324).

## Monitoring

This table below shows performance in three key areas noted in our 2019-20 Annual Report. The decrease in Financial Hardship and Disputed Liability cases is significant.

| Trend  | 2019-20  | Q1 and Q2 2020-21  |
|--|--|--|
| Of 23 sub-issues, how many had fewer cases             | 18 had fewer cases compared with the previous year.  | 19 had fewer cases compared with the same time last year   |
| Movements in Financial Hardship and Disputed Liability | Financial Hardship increased by 15% and Disputed Liability more than doubled. These were notable in comparison to a decrease for the majority of other sub-issues  | Financial Hardship decreased by 70% and Disputed Liability decreased by 24% compared with the same time last year. |
| Movements in solar meter case levels                   | Solar meter case levels remained steady throughout the year, in contrast to the trend of decreases for the majority of other sub-issue cases. Complaints about solar meter upgrade delays were still higher in June 2020 compared to June 2017 when metering competition was introduced. | Solar meter cases continued to remain relatively steady throughout the year.                                       |

# From the Ombudsman

## A focused organisation

We receive consistent feedback that our customers and Members are satisfied with the work we do. It is critical that we maintain this high level of service and we are very pleased that continuous improvements to our operations have resulted in reduced case handling times.

Customer satisfaction for the reporting period was 96%, with 97% of cases resolved in fewer than 90 days. Live chat and SMS remain popular ways for customers to engage with the Scheme.

Sandy Canale

Energy and Water Ombudsman SA



# Issues Spotlight

## The continued impact of COVID-19

As Australia and the world continue to wrestle with the impact of COVID-19, the Australian Energy Regulator (AER) recently reported on rising debt levels and the impact the pandemic has had on the ability of households and small businesses to pay for essential services such as electricity and gas.

This aligns with our experience, as rising debt levels of some customers is an issue of significant concern for our Scheme.

Despite this, cases within our Scheme about issues relating to hardship and disconnections continue to be at relatively low levels. In December 2020, we received 55 credit management cases, compared with 93 in December 2019.

## Supporting customers experiencing payment difficulties

The AER introduced a Statement of Expectations at the onset of the pandemic to address the issues surrounding anticipated payment difficulties for an increased number of customers. This Statement has been revised four times. We expect that the issue of debt levels will feature in future considerations about next steps.

We continue to receive credit management cases and process them quickly. We also track credit management cases for both energy and water, including reporting on them to the AER and the Essential Services Commission of South Australia on a regular basis.

## Power surges causing damage to appliances

Power surges are a continuing issue. These sudden rises in power are transient and typically last for just a few milliseconds, but they can damage sensitive electrical equipment.

Customers need to be aware that it often is beyond the reasonable ability of SA Power Networks to prevent events that cause power surges. They can be caused by equipment being used on a property or by natural events such as lightning strikes, as well as by events associated with the operation of the electricity distribution network.

SA Power Networks is expected to meet its legal obligations, which are set out in each customer's ongoing connection contract. Generally, it is only required to provide compensation to customers when it is at fault, such as when it has been negligent or has acted in bad faith. The amount of compensation can depend on the depreciated value, or age, of the damaged electrical equipment.

Customers may wish to discuss surge protection and other options with a licensed electrical contractor and review their home and contents insurance policy to ensure they are appropriately covered. We continue to receive cases where a power surge has damaged equipment, but the customer is not able to receive any compensation.

JUL TO DEC 2020

CASES OVERALL



↑ **2%**  
Compared to last six months

↓ **24%**  
Compared to same time last year

JUL TO DEC 2020  
CASES COMPARED TO PREVIOUS SIX MONTHS



↑ **2%**  
Electricity cases

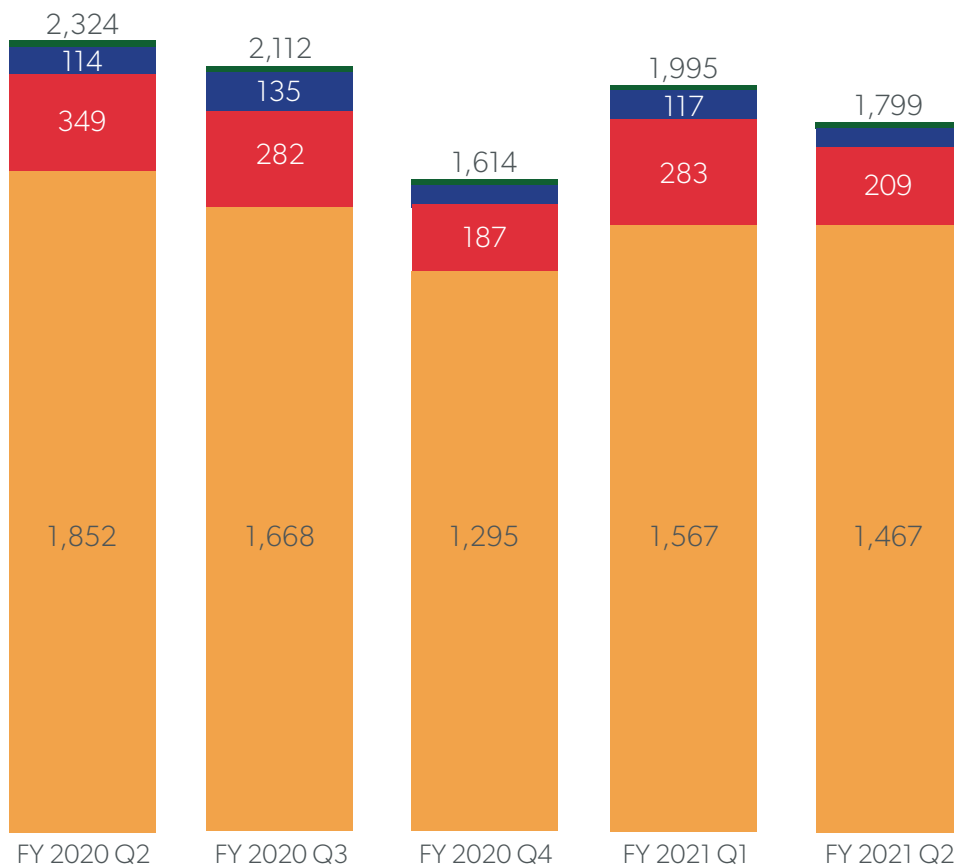


↑ **5%**  
Gas cases

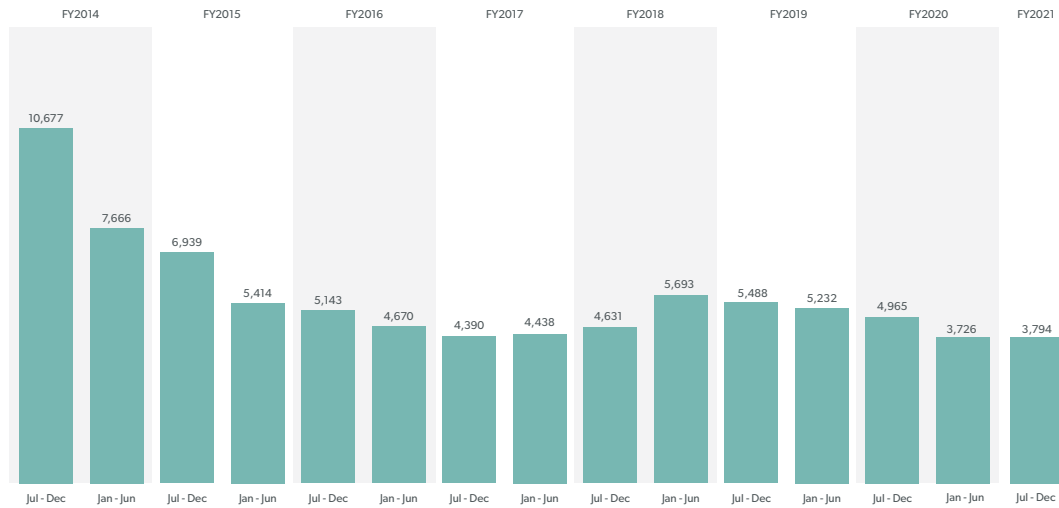


↓ **8%**  
Water cases

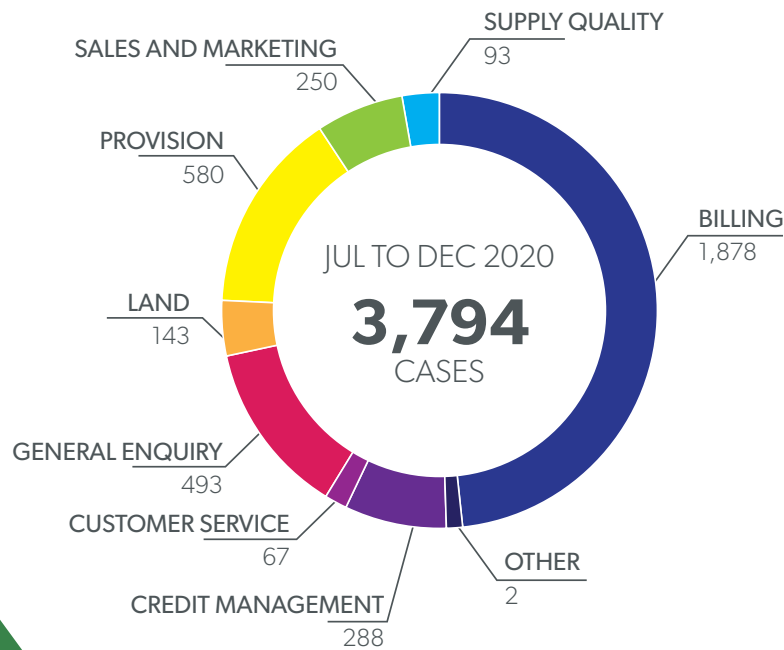
CASES RECEIVED OVER THE LAST FIVE QUARTERS



## NUMBER OF CASES RECEIVED BY YEAR SINCE FY 2014-15



## CASES RECEIVED BY TYPE



## CASES RECEIVED BY INDUSTRY SECTOR JUL TO DEC 2020



**80%**  
ELECTRICITY



**13%**  
GAS



**6%**  
WATER



# SUB-ISSUE 1: High Bills

**801**  
CASES

**HIGH BILLS**  
JULY – DECEMBER 2020



## Overall High Bills Cases

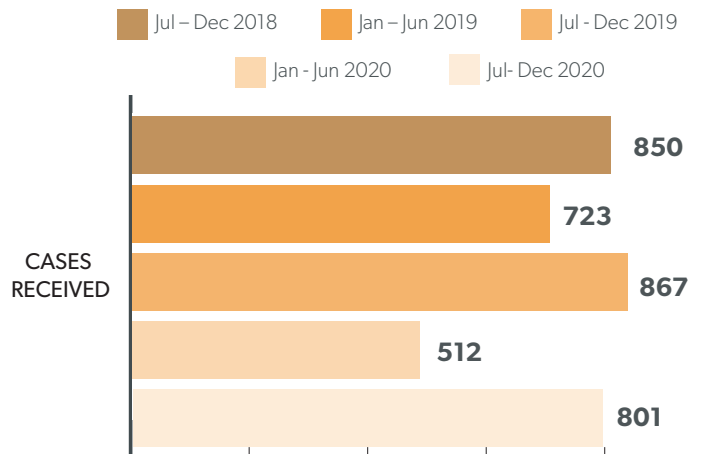
↑ **56%**

compared to last  
six months

↓ **8%**

compared to this time  
last year

## High Bills Cases by Six Months



## Case Study: High Bills

### Customer believed his bills were inaccurate

#### The issue

Mr X complained about a high bill of around \$1000 for the quarter. He said his energy supplier arranged a meter read and he was charged for this. He disputed the fee because he believed no one attended to read the meter. He stated there may be a fault with the meter.

#### Our review

We found that the distributor completed a meter test in November 2020 and the meter was found to be working correctly. We reviewed Mr X's bill against the meter data provided by the distributor and were satisfied Mr X's retailer had billed him accurately.

#### Resolution

Mr X's supplier applied a \$50 credit as a gesture of goodwill, tested the meter at no cost and offered payment assistance.

## SUB-ISSUE 2: Meter Installation or Abolishment

**408**  
CASES

METER INSTALLATION OR ABOLISHMENT  
JULY – DECEMBER 2020



MI/A Cases

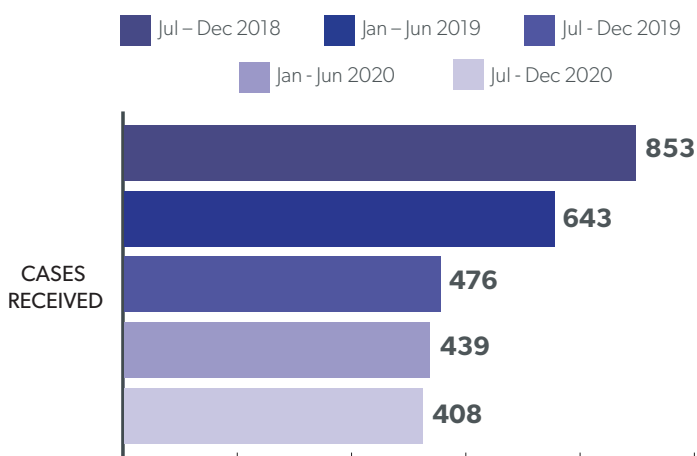
↓ **7%**

compared to last  
six months

↓ **14%**

compared to this time  
last year

Meter Installation or Abolishment  
Cases by Six Months



# Case Study: Meter Installation or Abolishment

## Customer's solar meter installation was delayed

### The issue

Mr A installed a solar system and asked his energy supplier to arrange the installation of a compatible solar meter in September 2020. The meter was installed in November. Mr A was dissatisfied with the delay and sought compensation for missed solar benefits.

### Our review

Mr A's supplier acknowledged that the electricity supply could have been isolated or turned off to complete the solar meter installation on the first attendance in October 2020.

### Resolution

Mr A's supplier credited his account \$170 for the estimated missed solar benefits and a further \$50 as a gesture of goodwill.



## SUB-ISSUE 3: Billing Process

**375**  
CASES

**BILLING PROCESS**  
JULY – DECEMBER 2020



Overall Billing  
Process Cases

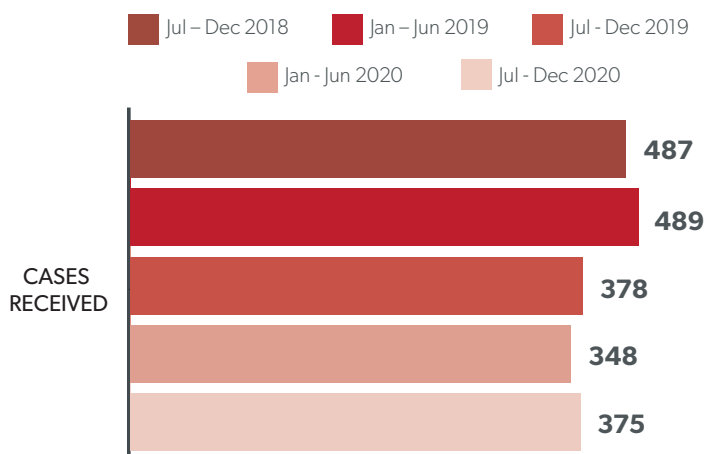
↑ **8%**

compared to last  
six months

↓ **1%**

compared to this time  
last year

Billing Process Cases by Six Months



## Case Study: Billing Process

### Customer claimed she was billed for next door

#### The issue

Ms Z contacted the Scheme about being incorrectly billed regarding the electricity supply for the property next door.

Ms Z said she contacted her supplier numerous times between February and August 2020, but the issue remained unresolved.

#### Our review

We found that Ms Z's energy supplier billed her for the neighbouring electricity supply. A site inspection was arranged that confirmed the meters had been assigned to the incorrect address. This was then corrected.

#### Resolution

Ms Z's bills for the incorrect supply were reversed and she was billed from July 2020 for the correct supply. The energy supplier credited her account \$200 as a gesture of goodwill.

## SUB-ISSUE 4: Information General



INFORMATION GENERAL  
JULY – DECEMBER 2020



Overall Information  
General Cases

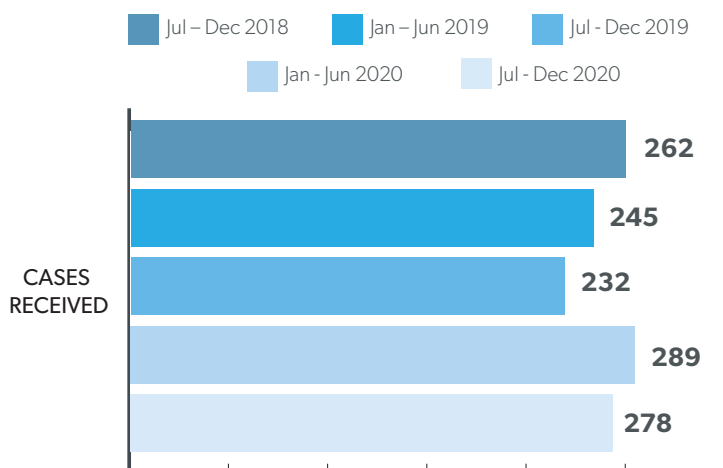
↓ **4%**

compared to last  
six months

↑ **20%**

compared to this time  
last year

Information General Cases by Six Months



# Information General

## Customers contact the Scheme for information about various issues

Customers contact us about a range of issues each day. Calls can be general in nature or about specific topics such as billing or credit management.

The provision of timely and accurate information is an important component of our role. Typically, one of our staff will:

- provide information on industry codes and regulations that may apply to a customer's issue or
- explain details shown on a bill to customers or
- advise on how to raise an issue with the customer's supplier.

If the issue is outside the jurisdiction of the Scheme, we endeavor to refer the customer to the appropriate organisation.



## SUB-ISSUE 5: Billing - Payment

**238**  
CASES

BILLING - PAYMENT  
JULY – DECEMBER 2019

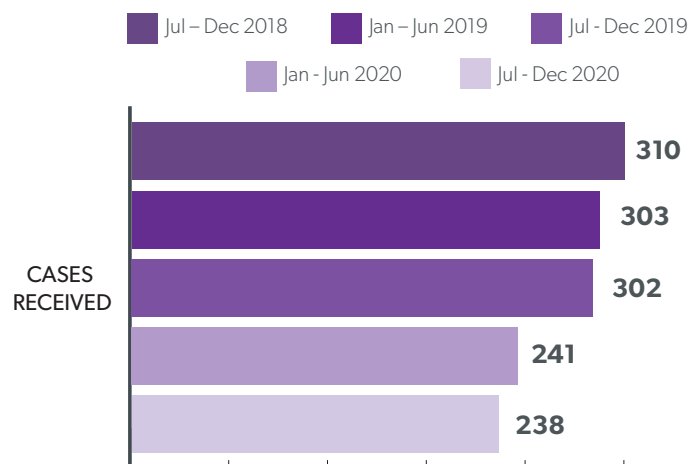


Overall  
Billing - Payment General

↓ **1%**  
compared to last  
six months

↓ **21%**  
compared to this time  
last year

Billing - Payment Cases by Six Months



## Billing - Payment

### Customer could not obtain refund

#### The issue:

Miss H complained that her energy supplier had refused to repay a \$764.23 credit balance on her final account, with the supplier claiming that she had an unpaid debt at another property that exceeded this amount. She stated that this debt was the responsibility of another customer.

#### Our review:

We found that the debt did indeed apply to another customer's account. We reviewed Miss H's account, confirmed the balance was in credit \$764.23 and found that she was entitled to receive a refund.

#### Resolution:

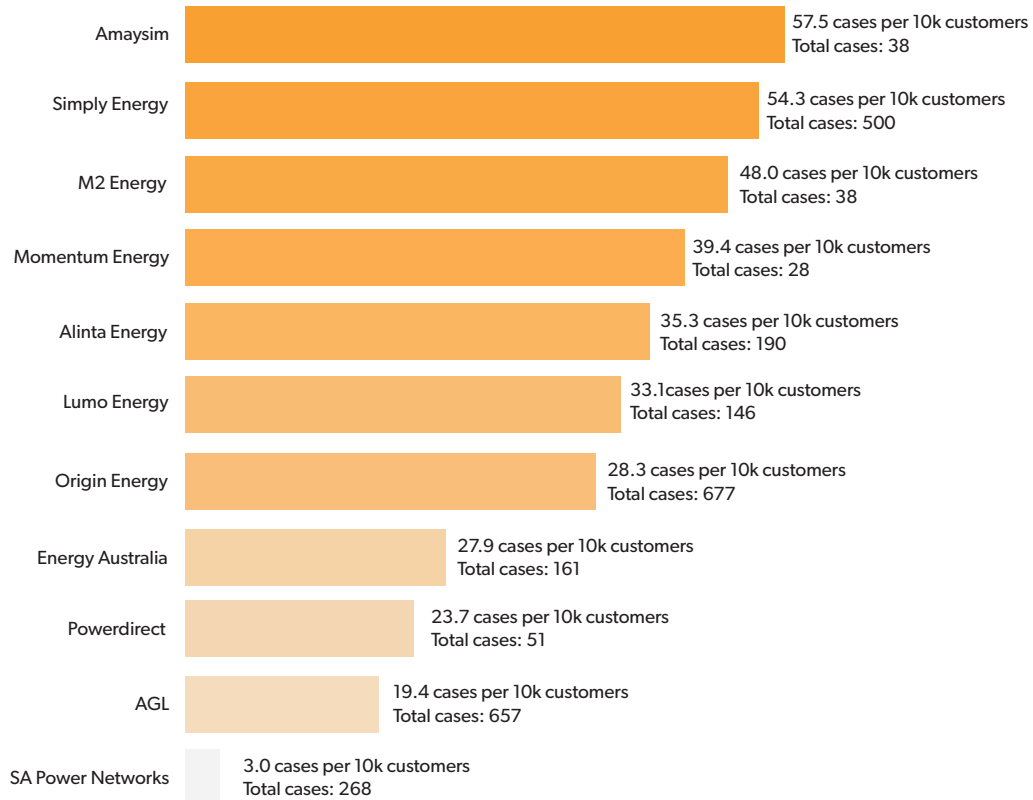
Miss H's supplier refunded the \$764.23 credit balance as she requested.



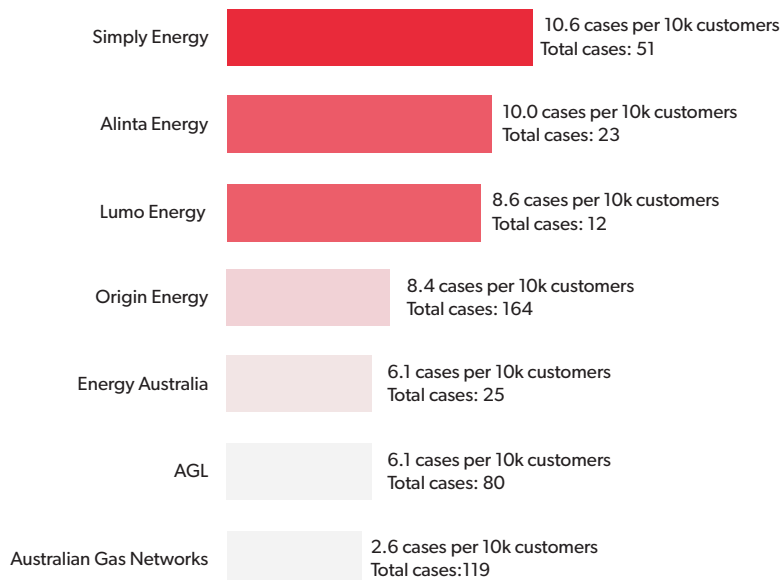
# CASES RECEIVED BY LARGER MEMBERS PER 10,000 CUSTOMERS

Received 1/7/20 - 31/12/20

## Electricity: Cases Received, per 10,000 Customers



## Gas: Cases Received, per 10,000 Customers



## Water: Cases Received, per 10,000 Customers

