



Mid-Year Report July to December 2021



ENERGY & WATER
OMBUDSMAN SA

Contents

- 3. Our Role
- 4. From the Ombudsman
- 6. Issues Spotlight – COVID-19, Payment Difficulties, Tariff Changes
- 10. Sub-Issue 1: High Bills
- 12. Sub-Issue 2: Provision – Existing Connection
- 14. Sub-Issue 3: Billing – Estimation
- 16. Sub-Issue 4: Billing – Billing Process
- 18. Sub-Issue 5: Billing – Tariff
- 20. 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 2021-22 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
- Tariff variations with meter change.

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

Complaint trends

In this Mid-Year Report, we have changed from primarily reporting “cases” to reporting “complaints”. Please refer to page 6 for more detail.

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

Our office received 197 credit complaints in the first half of 2021-22, down from 268 in the previous six months.

There were 40 fewer complaints in the second quarter than in the first, particularly energy-related complaints. Overall, fewer complaints were received in the second quarter of 2021-22 than at the same time in the previous year (1,386 compared with 1,460).

Monitoring

This table shows performance in two key areas noted in our 2020-21 Annual Report. The decrease in Payment Difficulties and Disputed Liability complaints is significant.

Trend	Jul to Dec 2020	Jul to Dec 2021
Movements in Payment Difficulties and Disputed Liability	Payment Difficulties decreased by 69% and Disputed Liability decreased by 17% compared with the same time in 2019.	Payment Difficulties decreased by 36% and Disputed Liability decreased by 30% compared with the same time in 2020.
Movements in solar meter complaint levels	Solar meter complaint levels remained relatively steady throughout the period, in contrast to the trend of decreases for the majority of other sub-issue complaints when compared to 2019.	Solar meter complaints significantly declined (36%) during the reporting period.

From the Ombudsman

Out of Jurisdiction cases

This report focuses on complaints which excludes Out of Jurisdiction (OOJ) cases. In the reporting period, the top three OOJ types were Solar installers, Pricing Enquiries and customers that needed Legal Advice or with a Civil Dispute.

A focused organisation

We receive consistent feedback that 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 95%, with 99% of complaints resolved in fewer than 90 days. 95% of our calls were answered within 60 seconds.

Sandy Canale

Energy and Water Ombudsman SA



Issues Spotlight

The continued impact of COVID-19

The Australian Energy Regulator (AER) recently [reported](#) on rising debt levels and the impact the COVID-19 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; rising customer debt is an issue of significant concern for the Scheme.

Despite this, complaints about issues relating to hardship and disconnections continue to be at relatively low levels. From July to December 2021, we received 197 credit complaints, compared to 260 credit complaints from July to December 2020. These post-pandemic onset figures compare markedly with July to December 2019 during which we received 731 credit complaints.

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 was revised four times. The AER then developed a “standby Statement” for energy retailers should jurisdictions be subject to extended stay-at-home orders.

The Statement is applied at the AER’s discretion to National Energy Customer Framework (NECF) jurisdictions – the Australian Capital Territory, New South Wales, Queensland, South Australia or Tasmania.

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

Tariff variation with meter change

Under Rule 46 of the National Energy Retail Rules (NERR), it is a retailer’s obligation to give notice of any variation to a customer’s tariffs and charges that affect the customer, including where any change is a result of a tariff reassignment initiated by a distributor.

A central issue appears to be that the NERR requires advance notice to be given of a variation in retail tariffs and charges for a distributor-initiated network tariff reassignment, such as a reassignment to a time-of-use tariff following a meter change. Given that customers are entitled to this advance notice, some may wish to exercise their right to opt out of the meter change which will result in the tariff change. We are receiving complaints from customers who say they were not given advance notice of such a change, and believe they would have opted out had they known of the tariff reassignment.

The difference between Complaints and Enquiries

A **CASE** is a contact with us, registered and classified as either a “complaint” or an “enquiry”.

A **COMPLAINT** is an expression of dissatisfaction with a Member (an energy or water service supplier) regarding a policy, practice or customer service performance. We endeavour to provide a response or resolution using various means, such as conciliation or direct intervention through an Ombudsman’s determination.

ENQUIRIES are requests for information or assistance. They can be general in nature or about specific topics, such as billing or credit. On occasions, we refer an enquiry to another body, such as a regulator or a government department. We consider these enquiries to be broader industry issues.



JUL TO DEC 2021

COMPLAINTS OVERALL



↑ **11%**

Compared to last six months

↓ **8%**

Compared to same time last year

JUL TO DEC 2021
COMPLAINTS COMPARED TO PREVIOUS SIX MONTHS



↑ **18%**

Electricity Complaints



↓ **13%**

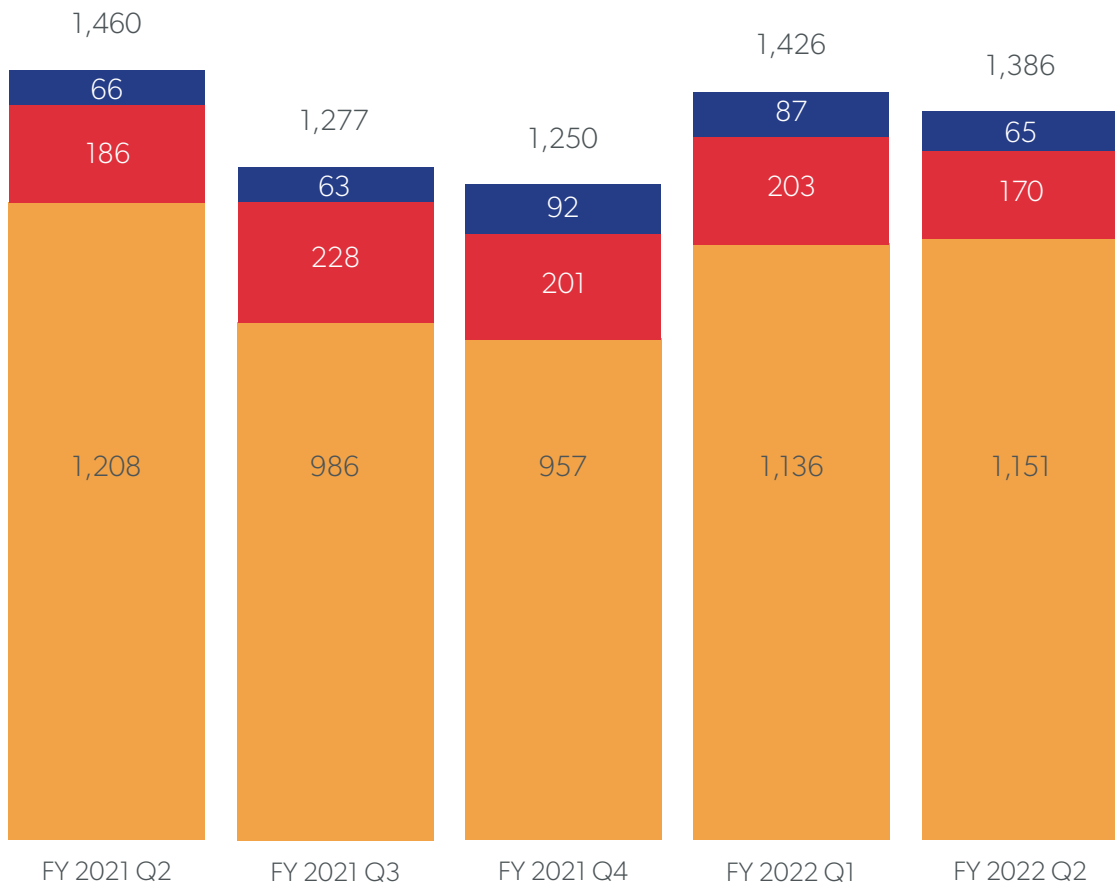
Gas Complaints



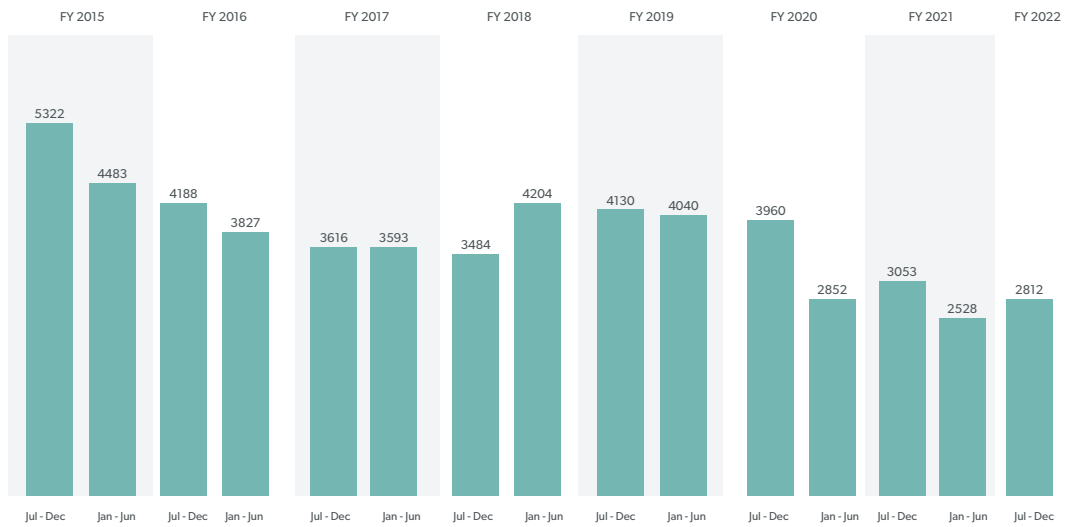
↓ **2%**

Water Complaints

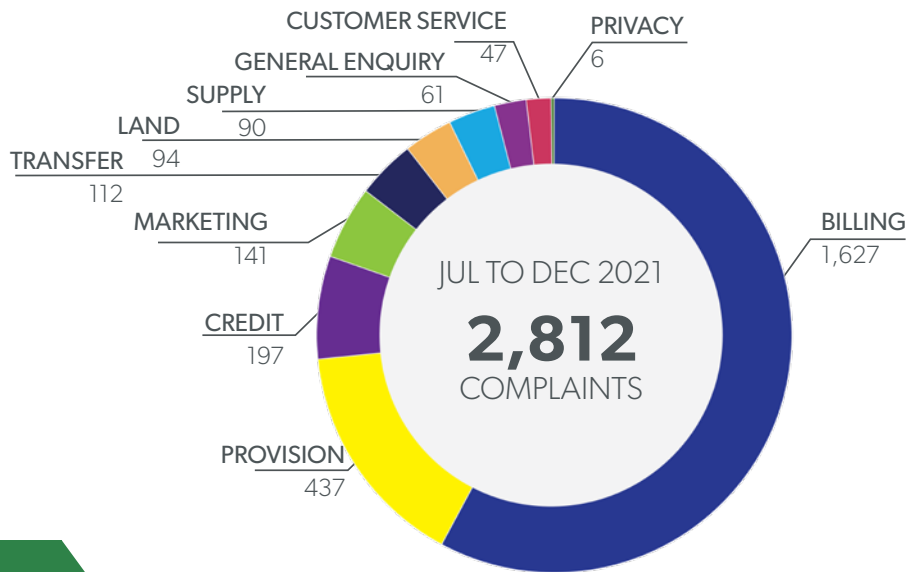
COMPLAINTS RECEIVED OVER THE LAST FIVE QUARTERS



NUMBER OF COMPLAINTS RECEIVED BY YEAR SINCE FY 2014-15



COMPLAINTS RECEIVED BY TYPE



COMPLAINTS RECEIVED BY INDUSTRY SECTOR JUL TO DEC 2021



81%
ELECTRICITY



13%
GAS



5%
WATER

SUB-ISSUE 1: High Bills

589
COMPLAINTS

HIGH BILLS
JULY – DECEMBER 2021



Overall High Bills Complaints

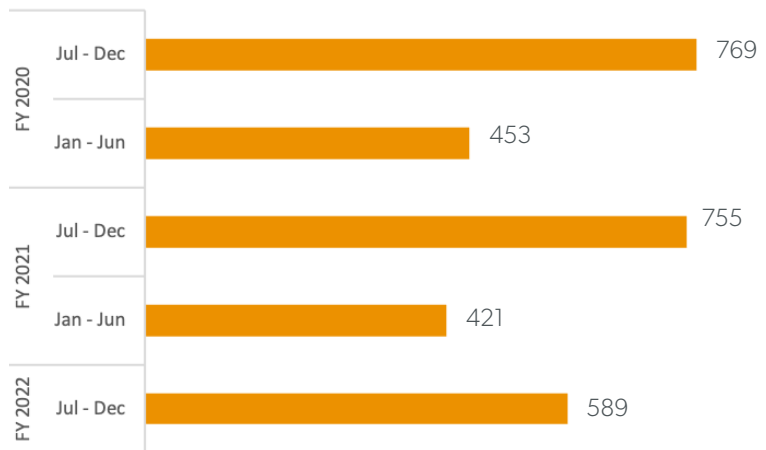
↑ **40%**

compared to last six months

↓ **22%**

compared to this time last year

High Bills Complaints by Six Months



Case Study: High Bills

Customer believed his bills were inaccurate

The Issue

Mr B disputed the 163 kilolitres of water use billed by his supplier from September 2020 to December 2020.

He disputed that a zero actual meter read was obtained in September 2020 and claimed some of the 163 kilolitres was used before September 2020 and before he occupied the property in May 2020.

Our Review

The water meter was installed in March 2019. We found that the supplier did not obtain actual quarterly meter reads from June 2019 to September 2020 but did obtain an actual meter read (of 163 kilolitres) on 23 December 2020.

We found that the supplier issued the disputed bill from September 2020 to December 2020 based on the use recorded from March 2019 to the actual December 2020 read, which was against the relevant rules.

Resolution

The supplier applied a \$60 credit to Mr B's account for the estimated water use before May 2020, which it was not permitted to recover, and a \$50 credit for the water use billed at a higher tiered rate from September 2020 to December 2020.

The supplier apologised to Mr B and applied a further \$100 credit to his account as a gesture of goodwill for the inconvenience caused.

SUB-ISSUE 2: Provision – Existing Connection



PROVISION – EXISTING CONNECTION
JULY – DECEMBER 2021



Overall P-EC Complaints

↑ **1%**
compared to last
six months

↓ **16%**
compared to this time
last year

Provision – Existing Connection Complaints by Six Months



Case Study: Provision – Existing Connection

Customer's solar meter installation was delayed

The Issue

Mr G advised that a solar system was installed at his property in December 2019 and that the installer requested a meter upgrade to a solar meter.

Mr G claims there was subsequently little or no impact on his quarterly electricity bills, which he continued to pay. In July 2021, it was discovered that the meter had not been upgraded.

Mr G's supplier arranged the installation of a solar meter in August 2021 and his bills began to show credits for the exported solar generation fed into the grid.

Mr G sought compensation from his supplier for not completing the meter upgrade.

Our Review

We found that the supplier took reasonable actions to arrange the installation of a solar meter and was not at fault.

We reviewed the interactions between the supplier, Mr G and his solar installer. We found that the supplier was not provided with all the information from the solar installer to complete the solar meter upgrade when it was originally requested.

We also found that the supplier contacted the solar installer at the time to obtain the missing information, but no response was received.

Resolution

The supplier applied a \$500 credit to the account as a gesture of goodwill with no admission of fault, which Mr G was satisfied with.



SUB-ISSUE 3: Billing - Estimation

227
COMPLAINTS

BILLING - ESTIMATION
JULY – DECEMBER 2021



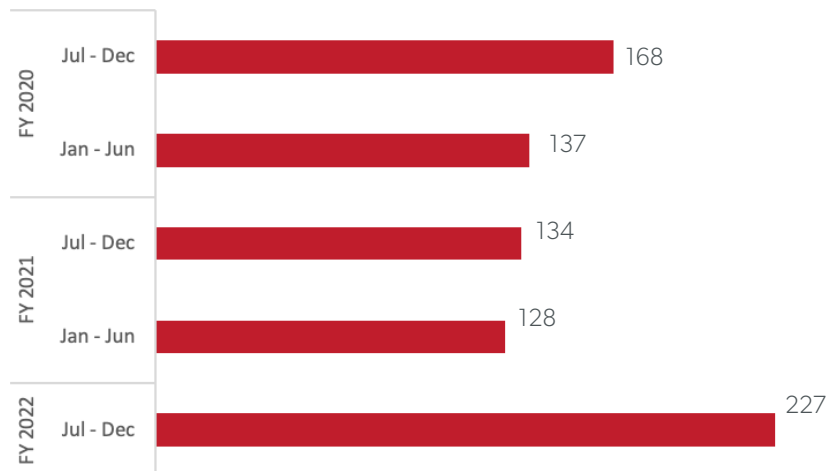
Overall Billing - Estimation Complaints

↑ **77%**
compared to last
six months

↑ **69%**
compared to this time
last year

Billing - Estimation Complaints by Six Months

Estimation was re-categorised as a distinct sub-issue in July 2021



Case Study: Billing - Estimation

Customer disputed a catch-up bill

The Issue

Mr J established a gas account with his supplier in 2016 and claims he was unaware that from that time his bills were based on estimated meter reads.

He closed his gas account in January 2021 and subsequently received a catch-up bill from his supplier for \$5,500 based on a final actual meter read. He disputed this bill with the supplier and sought a reduction of the charges.

Our Review

We found that Mr J's supplier correctly recovered the undercharged gas usage.

Mr J's supplier complied with the relevant regulatory requirements and had used its best endeavours to obtain an actual meter read.

Resolution

In the interest of resolving the dispute, Mr J's supplier offered to reduce the debt by \$1,000 if payment for the remaining balance was made in 30 days.

Alternatively, if payment in full could not be made in 30 days, the supplier offered to apply a \$250 credit to Mr J's account and establish an affordable payment arrangement for the reduced balance.

SUB-ISSUE 4: Billing – Billing Process

212
COMPLAINTS

BILLING PROCESS
JULY – DECEMBER 2021



Overall Billing Process Complaints

↑ **16%**
compared to last
six months

↓ **2%**
compared to this time
last year

Billing Process Complaints by Six Months



Case Study: Billing Process

Customer received no solar credits

The Issue

Mr A complained that he was not receiving solar credits on his bills after installing solar panels.

Our Review

Our review found a solar meter was installed in March 2020, but solar export was not showing on Mr A's bills. A meter investigation was undertaken, and the distributor found the solar meter had been wired to Mr A's neighbour's property, who did not have a solar system.

The distributor updated its systems to show the solar meter was registered at Mr A's property. However, an electrician who later attended the property on another matter noted the meter label did not reflect Mr A's unit number so changed the wiring configuration of the solar meter, which had the effect of crossing the meters again.

Resolution

The supplier corrected the crossed metering. It applied a \$900 credit to Mr A's account for the overcharging caused by the cross-metering and a \$210 credit for missed solar benefits between March and September 2021.

The supplier also applied a \$700 goodwill credit to Mr A's account in recognition of the inconvenience and length of time the matter took to resolve.

SUB-ISSUE 5: Billing – Tariff

151
COMPLAINTS

BILLING – TARIFF
JULY – DECEMBER 2021

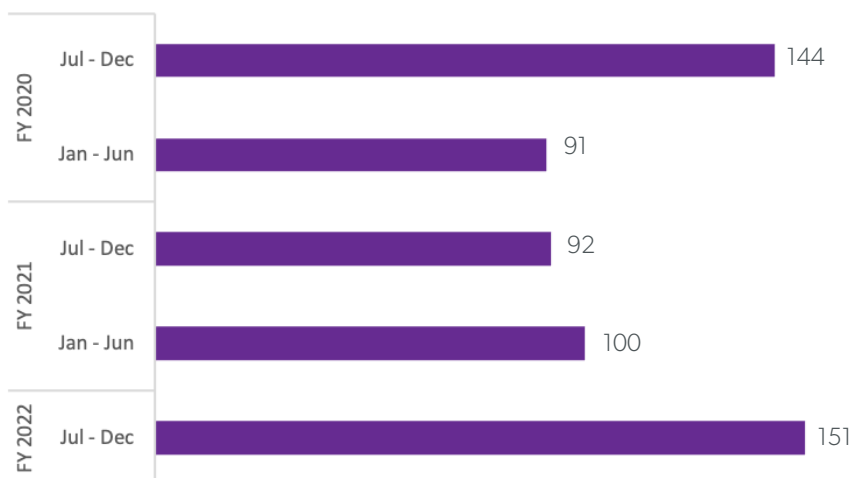


Overall
Billing – Tariff Complaints

↑ **51%**
compared to last
six months

↑ **64%**
compared to this time
last year

Billing – Tariff Complaints by Six Months



Case Study: Billing - Tariff

Customer concerned about contracted rates

The Issue:

Mr P complained that his supplier would not honour contracted and agreed rates.

He claimed that the supplier had contacted him after he accepted an offer to transfer to another energy supplier, and had quoted better rates than had previously been offered. However, after he accepted the new offer the supplier would not honour the agreed rates.

Our Review:

We found that the tariff assigned to Mr P's property changed from a single rate to time-of-use in June 2021 and the supplier incorrectly offered a single rate contract to Mr P in October 2021.

A review of the billing and energy plans showed that the time-of-use tariff was more competitive to Mr P given his recent pattern of use.

Resolution:

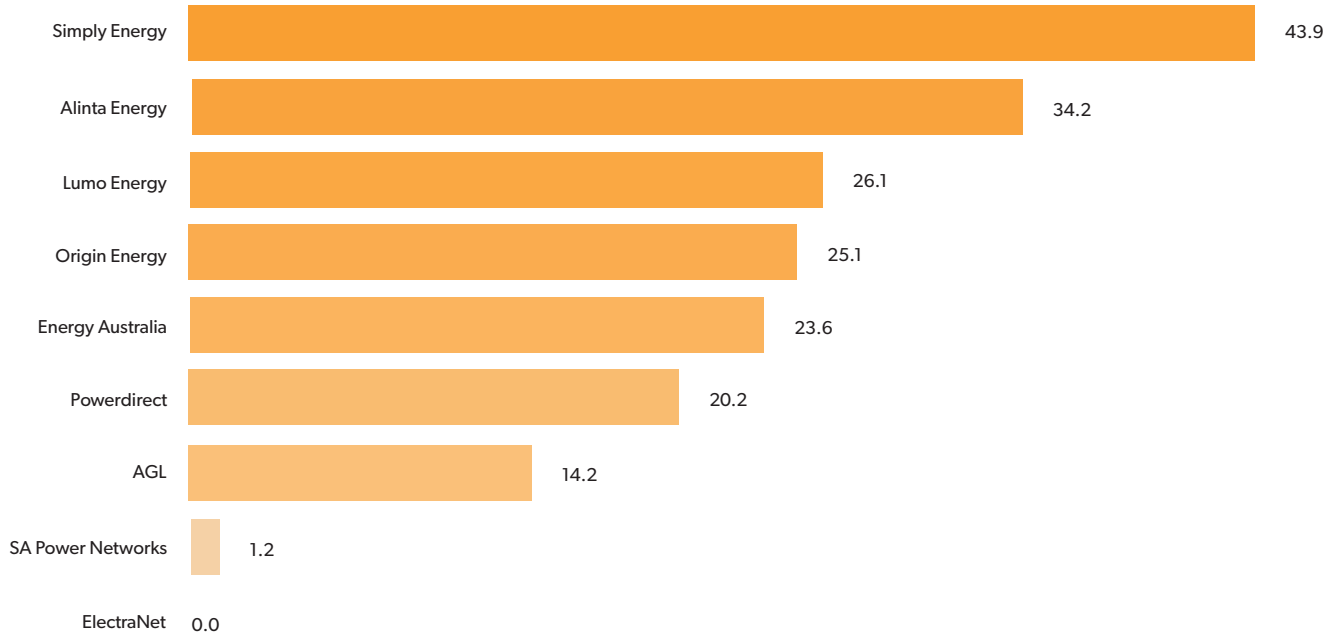
The supplier applied an \$80 credit to Mr P's account in recognition of the inconvenience caused. He agreed to remain on the time-of-use tariff and was satisfied with the resolution.

COMPLAINTS RECEIVED BY LARGER MEMBERS PER 10,000 CUSTOMERS

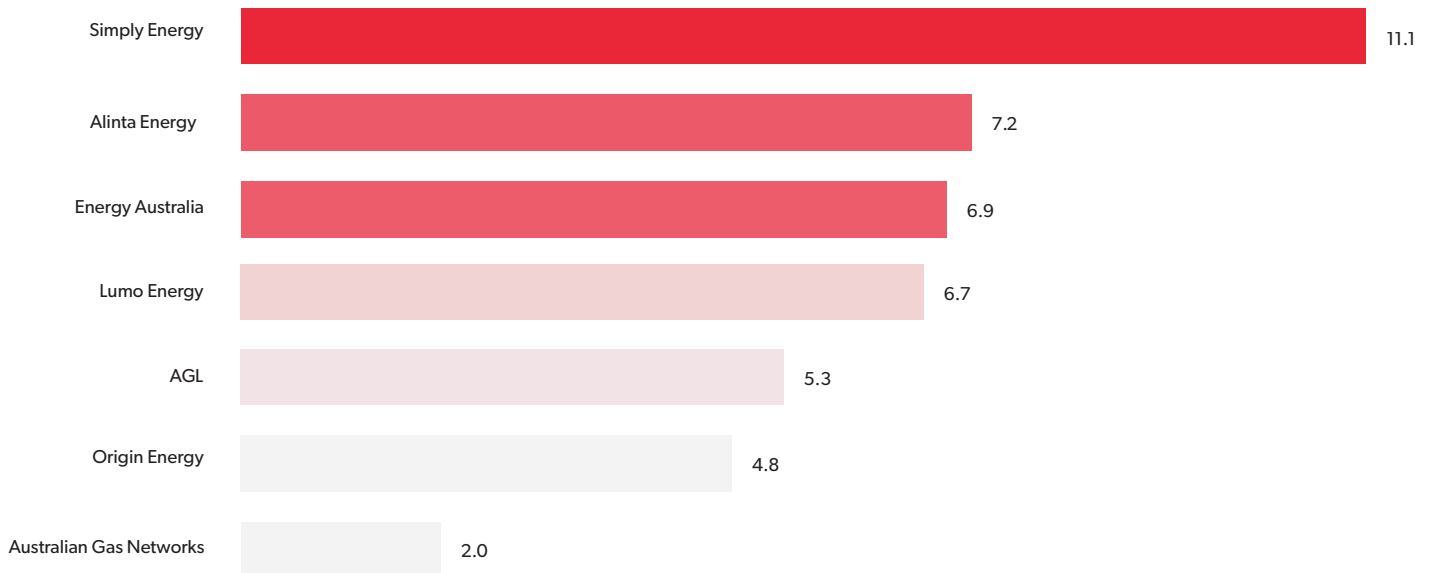
Received 1/7/21 - 31/12/21

(Members with over 10,000 customers for each product)

Electricity:



Gas:



Water:

