



# EVOLVING CHOICES



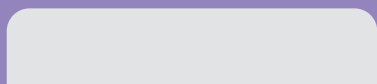
ENERGY & WATER  
OMBUDSMAN SA

ANNUAL REPORT 2020-21



# Contents

ABOUT THE ENERGY & WATER OMBUDSMAN SA	3
AT A GLANCE	6
MISSION STATEMENT	8
BOARD OF DIRECTORS	9
CHAIR'S REPORT	10
OMBUDSMAN'S REPORT	12
CASE MANAGEMENT	16
MEMBER PERFORMANCE	40
SYSTEMIC ISSUES	44
OUR ORGANISATION	46
BOARD OF DIRECTORS	52
MANAGEMENT TEAM	52
MEMBERS	54
CORPORATE GOVERNANCE STATEMENT	56
FINANCIAL STATEMENTS	61
RESOLUTIONS	





# About the Energy & Water Ombudsman SA

## Who we are

### The Scheme

Energy and water services are important to all stakeholders because they are essential community services: they are not considered optional. That is why independent ombudsman schemes exist across Australia to deal with issues that arise between service providers and customers.

The Energy and Water Ombudsman SA is the approved independent scheme in South Australia.

### Role

Our role is to facilitate the prompt resolution of complaints and disputes between the consumers of energy, water and sewerage services and the providers of those services (our Members) by providing a free, independent, accessible, fair and informal service to consumers. We are also recognised as an external dispute resolution scheme (EDR) to handle privacy-related complaints under the Privacy Act 1988.

### Principles

The principles that guide our activities are:

- dealing with complaints in a fair, just, informal and expeditious manner
- acting independently, while maintaining good working relationships with Members and other stakeholders
- being accessible to energy and water consumers in South Australia and ensuring there are no barriers to access, such as geographic location, language, physical or mental capability or financial status
- providing a free service to consumers
- making effective use of technology to assist in quality complaint handling, referral and reporting
- working together with Members, other complaint-handling bodies, government agencies and consumer and community organisations.

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**Energy and water services are important to all stakeholders because they are essential community services; they are not considered optional**

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## Origins

The Energy and Water Ombudsman SA originated from the privatisation of the South Australian electricity industry in 1999.

It became a licence condition for all entities providing electricity services that they participate in an independent dispute resolution scheme to ensure fair practice and effective dispute resolution between the electricity providers and their customers. The Scheme was subsequently expanded to include consumers of gas and water services. In 2012, we also became an external dispute resolution scheme (EDR) to handle privacy related complaints.

## The industry

Our Members are the licensed or authorised electricity and gas distribution, transmission and retail entities, and water and sewerage service providers. They now include exempt embedded networks, exempt network service providers and exempt energy sellers. A list of current Members can be found under Our Organisation.

## How we work

In any consumer setting things can go wrong. That is why it is important that consumers have access to the Energy and Water Ombudsman SA.

## What we do

We are an independent service that can investigate and resolve disputes between electricity, gas and water retailers and distributors and their customers. Customers can contact us about a range of issues including:

- connection, supply and sale of energy or water services by a Member
- disconnection or restriction of supply
- billing disputes
- administration of credit and payment services
- security deposits

- the impact on land or other property of actions by a Member
- the conduct of Members' employees, servants, officers, contractors or agents
- complaints about acts or practices of Members that may interfere with the privacy of an individual under the Privacy Act 1988
- any other matters referred by a Member by agreement with the Ombudsman and the persons affected.

Our full range of services and complaint resolution processes are explained in this report, together with the way we have provided the services in the past financial year.

## What we don't do

Our functions do not extend across all areas. We cannot deal with:

- the setting of prices and tariffs
- commercial activities outside the scope of a Member's authorisation or licence
- the content of government policies, legislation, licences and codes
- matters before a court, tribunal or arbitrator
- customer contributions to the cost of capital works
- disputes between Members.

## Our approach

We are an independent and fair service that can investigate and resolve disputes between energy and water retailers and distributors and their customers.

We are not an advocacy service for either party in a dispute, nor can we provide legal advice.

We are not a government department.

We put our emphasis on working with our Members and their customers to help them solve problems. We want to find solutions that not only deal with a single problem, but also minimise future complaints and help Members build more responsive and robust complaint-handling systems.

# At a glance:



7,142

CASES RECEIVED

18% ↓



7,204

CASES RESOLVED

19% ↓

7,533 cases when compared to other ombudsman schemes – see p.17 for details



< 30 DAYS

TIME TO RESOLVE

86%



CUSTOMER SATISFACTION

96%



CONTACT VIA ONLINE

4% ↑

79% = 5,565

ELECTRICITY CASES



14% = 1,007

GAS CASES



6% = 443

WATER CASES



117 SCHEME MEMBERS

NEW SCHEME MEMBERS

7% ↑

19.8 FULL TIME EQUIVALENTS

STAFF





# Mission Statement

Our mission 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.



# Board of Directors



Peter Bicknell  
Chair



Geoff Barton  
Industry Director



Sue Chase  
Consumer Director



Margaret Cross  
Consumer Director



Kay Matthias  
Consumer Director



Patrick Makinson  
Industry Director



Mark Henley  
Consumer Director



Anne Westley  
Industry Director



Anthony Sinclair  
Industry Director

# Chair's Report

On behalf of the Board I am pleased to provide this introduction to the 2020-21 Annual Report of the Energy and Water Ombudsman SA.



Throughout the 2020-21 financial year, the Board's energy and focus were dominated by the impact of the COVID-19 pandemic on our Members, their customers and the Scheme.

In the face of unprecedented challenges, regulators and suppliers took positive steps to protect vulnerable consumers and this, together with greater cooperation between regulators, Members and the Ombudsman, also resulted in fewer complaints to the Scheme.

One significant example of the action taken by regulators and suppliers was the cessation of electricity disconnections for non-payment of bills.

Consistent with the revised Strategic Plan 2019-20, the Board prioritised the continuity and responsiveness of the Ombudsman's services throughout the year.

We were able to maintain services at a consistently high level due to the magnificent cooperation of our staff, enhanced collaboration with Members, and our long-term budget provision, which enabled the funding of staff services despite loss of income through reduced complaints.

Throughout the year, staff demonstrated commendable loyalty and flexibility. Their ability and willingness to adapt to new technology and to working from home at short notice while still collaborating as a team earned the respect and appreciation of our CEO and the Board.

While responding to the issues of the moment, the Board was still able to focus on long-term stability and the need to maintain a strategic focus.

Whilst maintaining a "COVID normal" approach, the Board is focusing its attention to the future by "Maintaining a Strategic Focus" throughout the year. Increased time was allocated to discussing innovation and future challenges.

During the year, John Hill and Jessie Byrne left the Board having made outstanding contributions as Consumer Directors. We

welcomed Mark Henley and Susan Chase to their positions. I was delighted to be reappointed for a third and final three-year term as Independent Chair.

On behalf of the Board, I again acknowledge the strategic and collaborative work of the regulators, suppliers and our staff in responding to the emergency created by the pandemic, which had the potential to cause an economic and social disaster to so many households and small businesses.

The Board particularly appreciates the sustained work of our management team, especially our Ombudsman, Sandy Canale, who has provided support, inspiration, and leadership throughout a difficult period.

**Peter Bicknell AM**  
**Chair**

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**On behalf of the Board,  
I again acknowledge  
the strategic and  
collaborative work  
of the regulators,  
suppliers and our staff  
in responding to the  
emergency created by  
the pandemic**

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# Ombudsman's Report

Collaboration, connection and information sharing continue to be key themes in this year's Annual Report. They are increasingly important features of the energy and water sectors in the current environment.



I am delighted to report that the Scheme was able to maintain the overall quality and timeliness of its services to customers throughout 2020-21, despite the impact of COVID-19. Government support and additional measures provided by suppliers helped drive low and stable complaint volumes.

Suppliers continued to be proactive in early resolution of complaints. We have seen significantly reduced numbers of credit management complaints since March of 2020, indicating low occurrence of cases related to financial hardship and disconnections.

We are working with our partner schemes in the ombudsman network, as well as with energy and water suppliers, to understand the experiences of small customers during the pandemic.

This has included participating in the Energy Charter's Better Together project, which is delivering vital information about how support can be better targeted to the most vulnerable. Conducted by Deloitte, the research has found that 52% of people say COVID-19 had increased their stress levels, and that the proportion of people needing hardship support has persisted.

These trends align with the experience in our Scheme, and we will continue to work in connection with all parties to ensure support gets to where it is needed.

## Affordability and hardship

It is pleasing to see that there has been widespread recognition of the hardship and affordability issues some customers are facing. Several important changes were implemented during this year.

The Australian Energy Regulator (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.

The Australian Energy Market Commission (AEMC) has introduced a rule change to simplify energy bills. The goal is to help consumers

manage their energy more efficiently and shop around more easily. The AEMC has also introduced a rule change to reduce barriers for life support customers who switch retailers or move premises.

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.

## Issue updates

### Power surges

Power surges, while still relatively low in number, are a continuing issue because of their impact. 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 is often beyond the reasonable ability of SA Power Networks to prevent events that cause power surges. 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.

We continue to receive cases where a power surge has damaged equipment, but the customer is unable to receive compensation. Customers may wish to discuss surge protection and other options with a licensed electrical contractor and review their home and contents insurance policy. Not all insurance companies provide cover for these situations.

### Hardship and Disputed Liability

As noted in our Mid-Year Report, we are pleased that cases in relation to two key sub-issues – Hardship and Disputed Liability – fell significantly over the course of the year. Both were listed for further monitoring in last year's Annual Report. We continue to work with regulatory bodies and our Members to report cases of concern.

### Solar meters

Solar meter case levels remained relatively steady throughout the year, in contrast to the trend of decreases for the majority of other sub-issue cases when compared to last year. Complaints about solar meter upgrade delays were three times higher in June 2021 than in June 2017, when metering competition was introduced.

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**It is pleasing to see that there has been widespread recognition of the hardship and affordability issues some customers are facing**

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Throughout the year, the Scheme continued to contribute to discussions about consumer protections for these new energy products and services

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## Evolving choices

### Transforming energy market

The energy market has continued to undergo significant transformation as new and emerging technologies, such as virtual power plants, solar panels and battery storage, are adopted by households and businesses.

For example, the AEMC is currently considering new arrangements to overcome problems created by blocking power exports from solar and batteries when the grid is under strain. It says that within 10 years, half of all energy users will be using home energy options such as solar – and the “traffic jam problem” will become greater if the current situation remains unchanged.

Most energy consumers have access to an ombudsman scheme. However, as I noted in last year’s Annual Report, new technologies enable more consumers to move away from traditional energy supply arrangements and become customers of providers with new business models. This could mean that some consumers no longer have access to current energy-specific legislative protections and may become more reliant on Australian Consumer Law to resolve disputes.

Throughout the year, the Scheme continued to contribute to discussions about consumer protections for these new energy products and services.

### Expanded jurisdiction

The regulation of small-scale utility operators has been under review by the Essential Services Commission of South Australia. Its Final Inquiry Report, released on July 13, 2021, introduces a new regulatory framework for small-scale services which will mandate Energy and Water Ombudsman SA membership.

Over 70 small-scale network providers will need to become Members of the Scheme in the new financial year and we look forward to welcoming them. These providers serve approximately 107,000 customers. We do not anticipate a large increase in complaint volumes because of this change.

## Resilient organisation

Against the backdrop of COVID-19, we have taken numerous steps to ensure our organisation is operating with the highest possible efficiency.



Notably, we have continued with our project to achieve faster resolution of cases; several structural and process solutions were implemented recently and regular reports indicate that the project is delivering on its goals.

In response to the pandemic, all our workforce moved off-site in late March 2020. We continued to deal with unresolved complaints from residential customers and small businesses, while helping to protect our staff and others in the community who are more vulnerable to the effects of COVID-19.

Working off-site was initially a major change for our organisation but continuing the practice on a part-time basis has cemented our ability to do so while maintaining efficiency and productivity levels.

## Valued relationships

I thank our Members for the professionalism and quality customer service orientation they generally brought to interactions with the Scheme throughout the year.

Our stakeholder relationships continue to add value to the community as we find ourselves working across sectors including other industries.

I would also like to thank and acknowledge my fellow Ombudsmen, who form part of the Australia and New Zealand Energy and Water Ombudsman Network, for their ongoing advice, support and collaboration as we navigate through the changing energy and water landscape and ensure that consumers continue to have access to quality dispute resolution.

The media, and all those involved in making our service visible and accessible to the community, also must be acknowledged for their invaluable assistance.

I continue to be proud of the way our people are responding to the impact of the challenges our community faced over 2020-21. Their positivity and resilience are continually appreciated, both professionally and personally.

I would like to thank the Board, in particular the Chair, Peter Bicknell, for their support, advice and commitment throughout the year. Their strategic oversight and far-sighted leadership have provided a clear path for achieving excellence in our stakeholder services.

**Sandy Canale**  
**Energy & Water Ombudsman SA**

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**I would also like  
to thank and  
acknowledge my  
fellow Ombudsmen,  
who form part  
of the Australia  
and New Zealand  
Energy and Water  
Ombudsman Network,  
for their ongoing  
advice, support and  
collaboration**

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# Case management

## The difference between Enquiries and Complaints

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

An **ENQUIRY** is a request for information or assistance, where we do our best to provide the most appropriate response. On occasions, we refer an enquiry to another body, such as a regulator or a government department.

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 to the complaint using various means, such as conciliation or direct intervention through an Ombudsman's determination.

We use the following categories within our complaint-handling process:

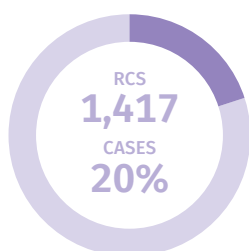
- Refer to Customer Service (RCS)
- Refer to Higher Level (RHL)
- Explanation of Resolution
- Consultation
- Conciliation
- Investigation
- Determination



## Enquiries

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 will explain details shown on a bill to customers. Staff may advise on how to raise an issue with the customer's supplier.

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



## Complaints

### Refer to Customer Service (RCS)

Under our Charter, an energy or water service supplier must have the opportunity to consider a complaint before we do. If they have not, the contact with us is recorded as a Refer to Customer Service (RCS) complaint and the customer is asked to contact the supplier's customer service section to try to resolve the issue. Before doing this, we provide the customer with an overview of their rights and responsibilities.

## Refer to Higher Level (RHL)

If a customer has been unable to resolve an issue with an energy or water service supplier, we accept the issue as a complaint.

If the customer has contacted the Member, we will refer the complaint to the Member's higher-level dispute resolution section under our Refer to Higher Level (RHL) procedure. This type of referral provides the Member with an opportunity to resolve the customer's complaint at a more senior level.

Exceptions include complaints about disconnections that are imminent or have already taken place, which are fast-tracked.

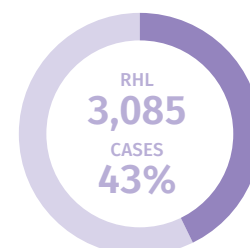
We tell customers that if they are not satisfied with the resolution or the time taken to resolve their complaints, they should contact us again.

We do not close RHL cases until advised by the Member that the complaint has been resolved. This way, we maintain a 'watching brief' over the resolution. If the customer tells us they are not satisfied with the outcome, or the case is not resolved within the specified timeframe, it may be upgraded to a Conciliation or an Investigation and is not recorded in our statistics as a new complaint.

## Comparison with other industry ombudsman schemes

Our Scheme currently allows 28 days for an outcome before case closure or upgrade to Conciliation or Investigation. Other industry ombudsman schemes close RHLs on the same day. In theory, the cases that are upgraded to Conciliation or Investigation because of being overdue without closure at RHL, would result in an additional case at other schemes but remain the same case at our Scheme. The table below considers closed cases with a comparative total, to enable comparison with other industry ombudsman schemes.

A change in our RHL closure process will commence from July 1, 2021. As a result, our overall case numbers will be more comparable with other schemes.



	2019-20	2020-21
Total cases resolved	8,849	7,204
Upgrades due to overdue RHL	570	329
*Comparative total cases resolved	9,419	7,533

ENERGY AND WATER OMBUDSMAN SA CLOSED CASES



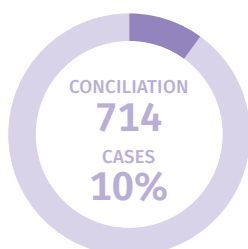
## Explanation of Resolution

A case is classified as Explanation of Resolution where the customer is not satisfied with the resolution provided by the Member, even though we consider it to be fair and reasonable. In this instance, we provide an explanation and any relevant information to the customer about why the resolution is considered to be fair and reasonable.



## Consultation

A Consultation occurs when a customer is without energy or water supply. This includes customer disconnections or restrictions to water supply for non-payment of accounts.



## Conciliation

Prior to investigating a case, we may facilitate a resolution between the customers and the energy or water service supplier for straightforward matters. The customer is provided with written details of the outcome of a conciliated case.

## Investigation

When a case has been accepted for Investigation, the Member is asked to provide information on the case. This may include details about the customer's billing history, previous contacts between the Member and the customer relevant to the complaint, the cause of any outage, or whether informed consent was given to a market contract. If the customer has supporting information, we ask that they also provide that.

Where appropriate, we may also get independent technical or legal advice or seek the opinion of a regulatory body such as the Australian Energy Regulator, the Essential Services Commission (of South Australia) or the Office of the Technical Regulator.

Investigations will normally also include reviews of whether the requirements and provisions of the relevant energy and water codes and regulations have been met.

Our aim is to establish an objective and independent view of the issues and to negotiate a fair and reasonable outcome.



## Ombudsman Determination

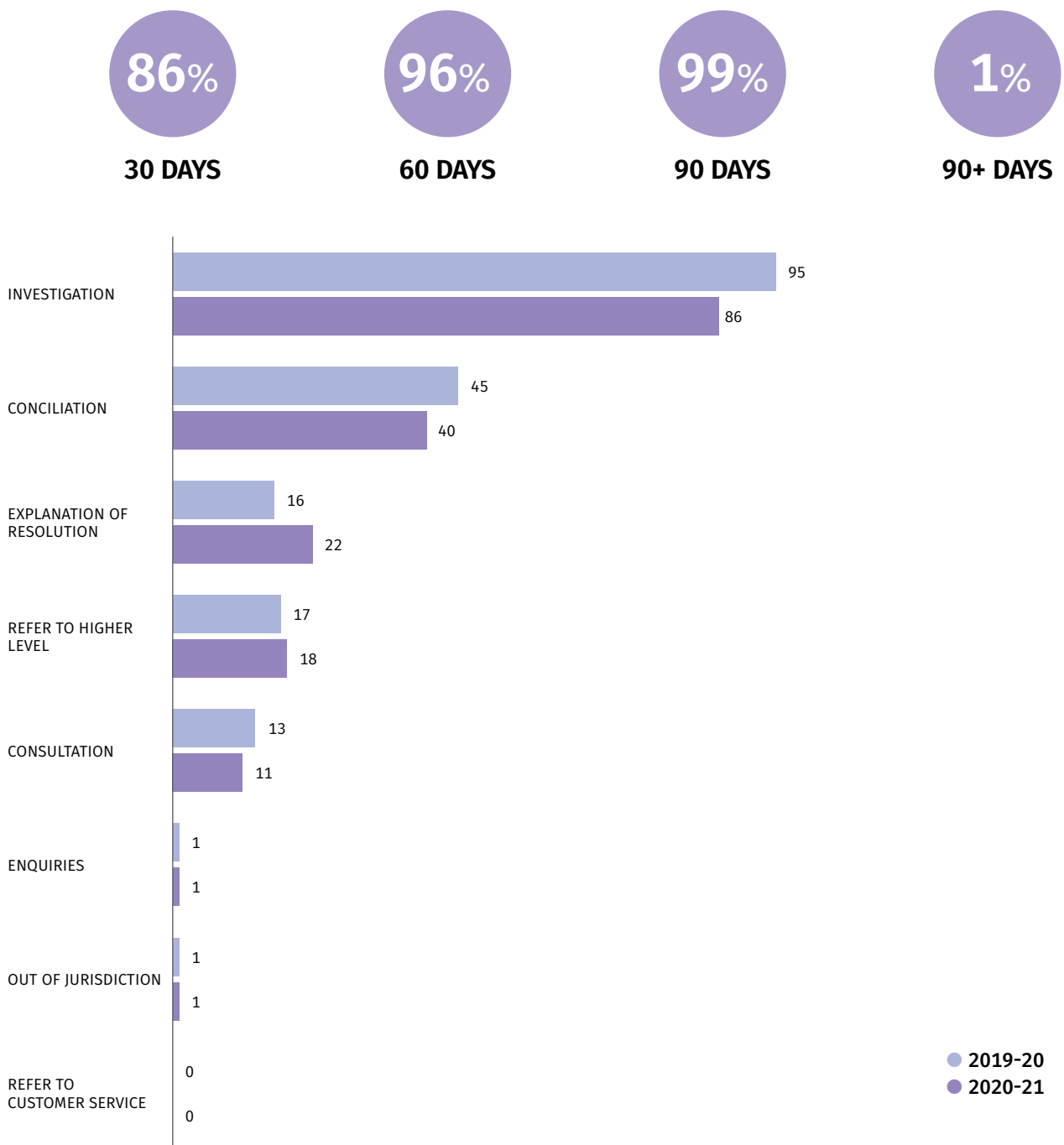
At the completion of an Investigation, and in the absence of a conciliated settlement of a complaint, the Ombudsman can make a Determination to resolve the complaint.



All matters closed by the Scheme were resolved at the lower levels during 2020-21, negating the need for any Determinations.

## Resolution of cases within timeframes

The figures below show our performance for this financial year in relation to the amount of time taken to resolve cases. There have been improvements in the 'Average Time (Days) to Resolve' across some categories.

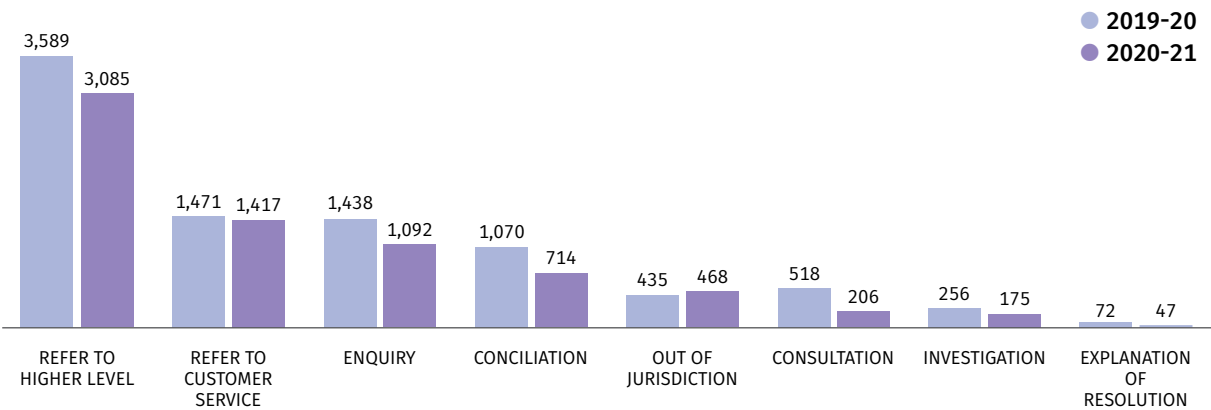


AVERAGE TIME (DAYS) TO RESOLVE

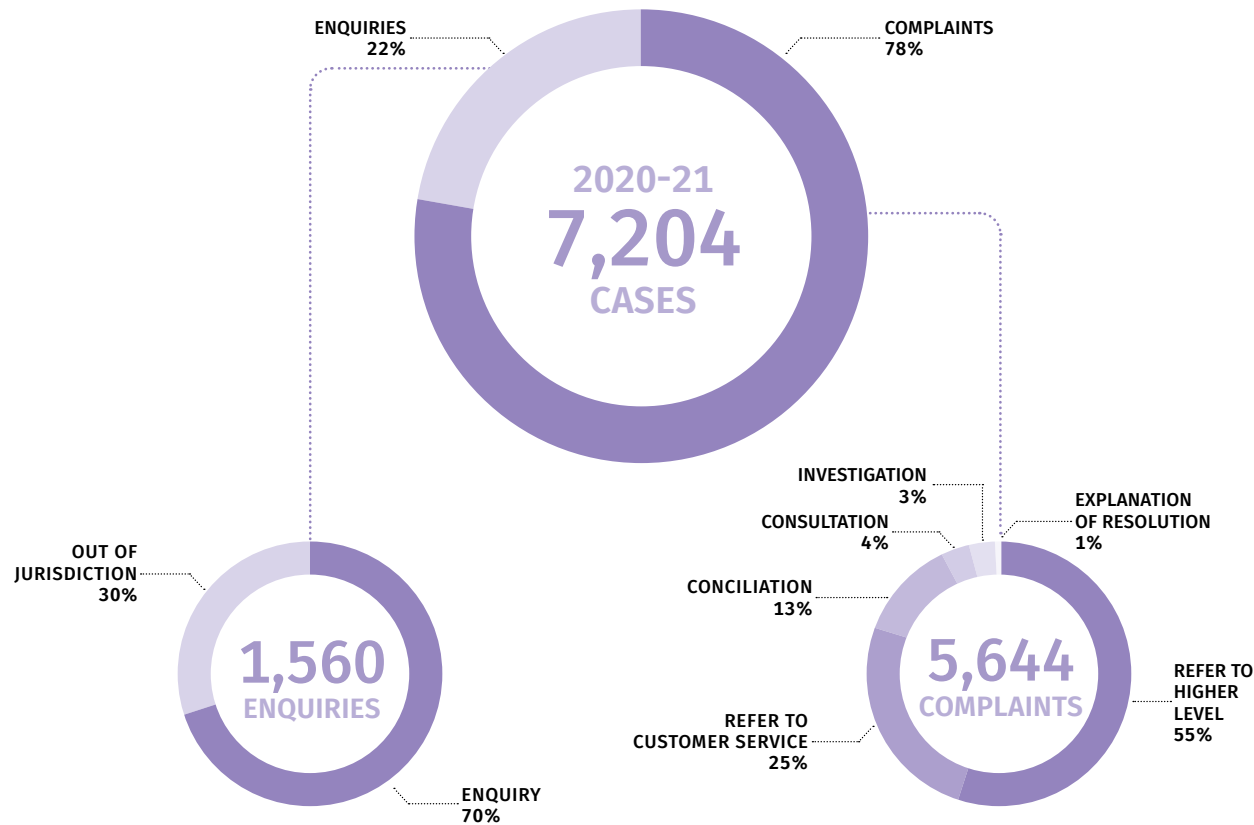


# Cases resolved

The following charts show cases resolved during 2020-21, compared with the previous year.



CASES RESOLVED, BY CASE TYPE



CASES RESOLVED, BY LEVEL

## Cases received: yearly and monthly trends

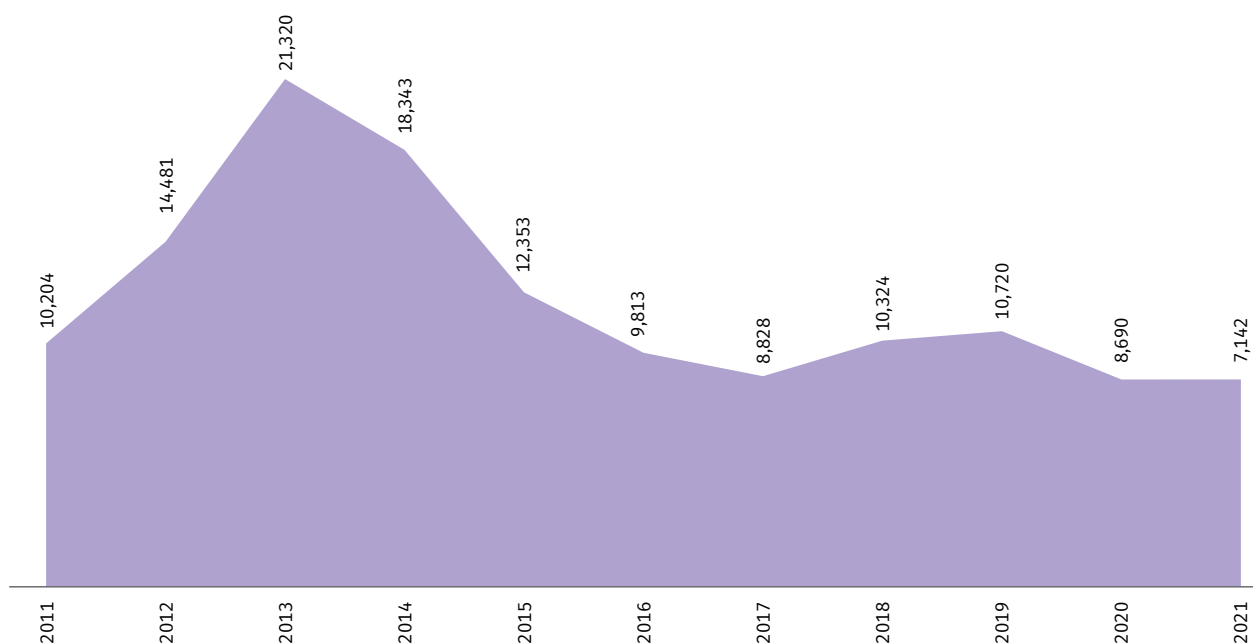
The volume of cases received by the Scheme increased progressively from its inception in 2000 to peak at 21,130 in 2012-13. A particularly large rise in 2012-13 was caused by complaints arising from billing system conversions. There was a steady decline to just 8,828 cases in 2016-17, followed by two years of increases largely caused by an influx of cases about metering competition.

Case volumes again decreased significantly in 2019-20, most markedly during the period where financial and regulatory emergency support was provided in response to COVID-19. In all, 8,690 cases were received. This trend continued in 2020-21, with 7,142 cases received - the lowest since 2008.

We receive a number of “General Enquiries” annually which are included in the chart below. They relate to requests for general information, general advice or clarification of a customer’s rights while deciding whether to lodge a complaint, provision of feedback without wishing to lodge a complaint and suggestions or issues outside our jurisdiction.

Since the inception of the Scheme, the definitions of case types and the way they are recorded have evolved. The pre-2013 figures provided below are indicative, as cases were recorded differently compared to the more recent recordings.

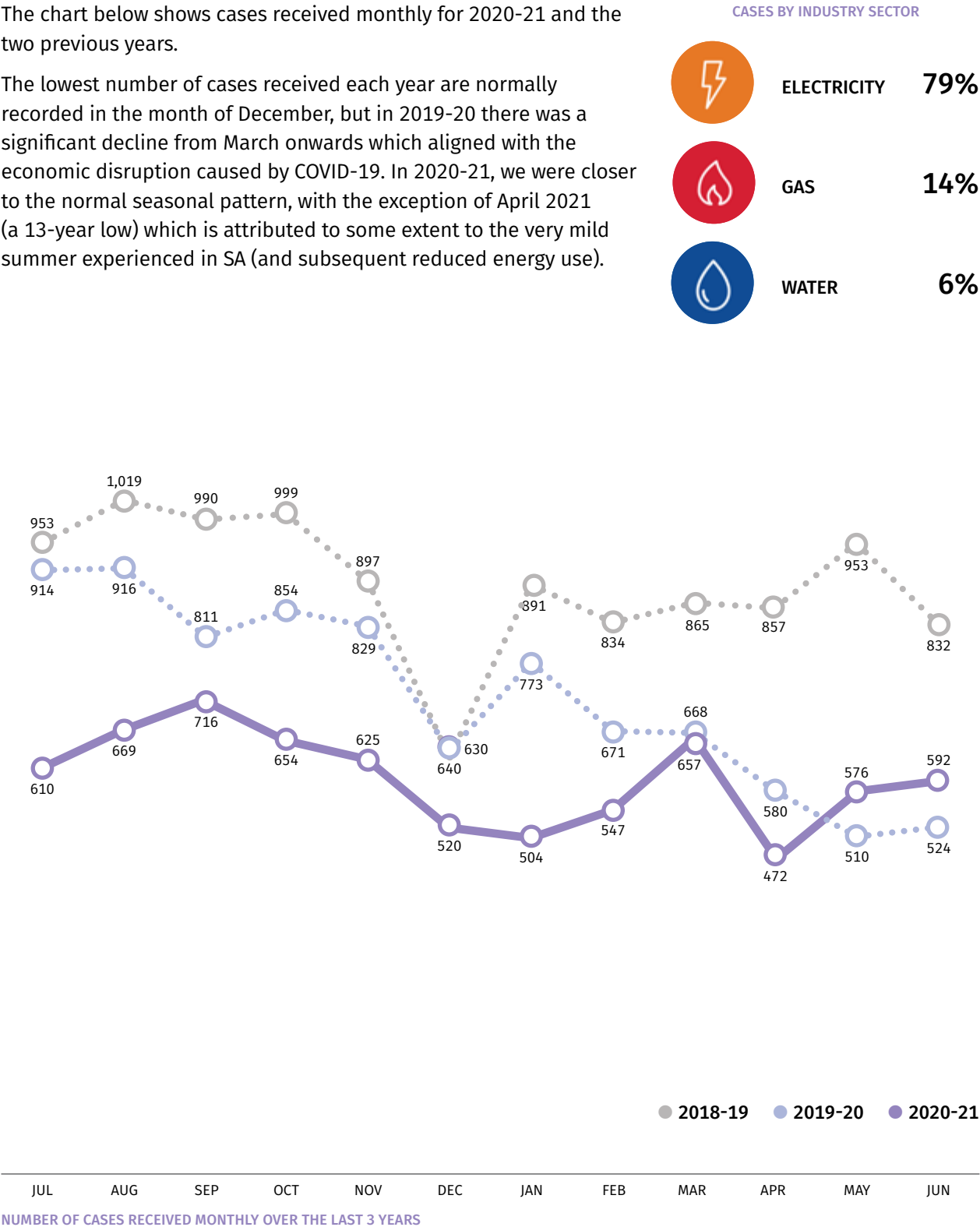
During 2018-19, we reviewed the way we categorise and group cases to enhance communication with customers. For example, we substituted “metering competition” for “metering contestability”. Similarly, “Solar PV Approval” is more widely understood by people installing solar systems than our previous category, “SEG Approval”. We are always open to feedback from customers who would like to see further changes in the language we use.



NUMBER OF COMPLAINTS RECEIVED BY YEAR OVER THE LAST 10 YEARS (FY)

The chart below shows cases received monthly for 2020-21 and the two previous years.

The lowest number of cases received each year are normally recorded in the month of December, but in 2019-20 there was a significant decline from March onwards which aligned with the economic disruption caused by COVID-19. In 2020-21, we were closer to the normal seasonal pattern, with the exception of April 2021 (a 13-year low) which is attributed to some extent to the very mild summer experienced in SA (and subsequent reduced energy use).



## Primary and Additional Issues

The Scheme assigns a 'Primary Issue' to each case received, though there may also be 'Additional Issues' attached. These represent other major issues which are also relevant to the case. The table below includes both Primary and Additional Issues. In 2020-21, Customer Service was the most frequent Additional Issue.

	2020-21		
	Primary Issues	Additional Issues	Total
Billing	3,390	448	3,838
Credit Management	578	121	699
Customer Service	105	511	616
General Enquiry	1,055	31	1,086
Land	247	19	266
Provision	1112	140	1,252
Sales and Marketing	477	96	573
Supply Quality	178	31	209
Grand Total	7,142	1,397	8,539

### PRIMARY AND ADDITIONAL ISSUES

# Resolutions

<b>SUBJECT:</b>	<b>Disputed Default Listing</b>
<b>ISSUES:</b>	<b>Credit Management – Credit Action Taken in Error – Default Listed in Error</b>
<b>UTILITY:</b>	<b>Gas</b>
<b>CUSTOMER TYPE:</b>	<b>Residential</b>
<b>CASE TYPE:</b>	<b>Investigation</b>

## THE ISSUE

Ms B complained about a credit default on her credit file for a gas account at a previous address for which she believed she was not responsible. She disputed responsibility for the debt and the default but paid because she said her supplier told her the default would be removed if the debt was paid.

She was dissatisfied when her supplier refused to remove the default after she had paid.

## OUR REVIEW

We found that Ms B had entered into a contract to supply gas at the previous address and was responsible for the gas charges.

We reviewed the process the supplier undertook before listing the default and found no error. We did find that the supplier had agreed to remove the default if the debt was paid in full.

## RESOLUTION

The supplier removed the default and offered to pay Ms B \$100 as a gesture of goodwill.



## Reasons for Contact

**3,900**  
Unhappy with outcome  
from Member

**1,208**  
Wanted to clarify  
rights/seek  
independent  
advice

**526**  
Didn't know  
who else to  
call

**153**

Wanted  
immediate  
action

**186**

No or delayed  
response from  
company

**382**

Wanted to report  
an issue to  
EWOSA

**416**

Lack of faith in  
supplier's ability  
to resolve

## Method of Contact

**32%**  
ONLINE



**67%**  
PHONE



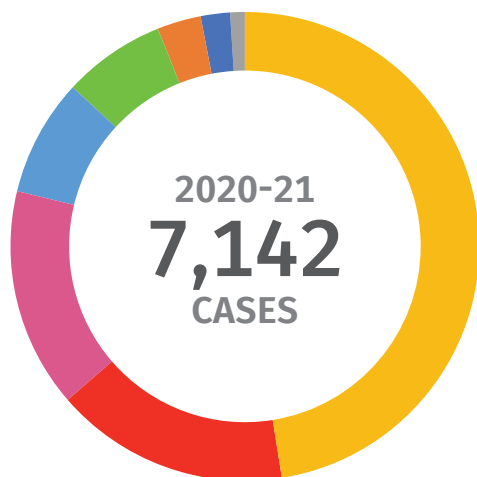
**<1%**  
IN PERSON



**<1%**  
MAIL

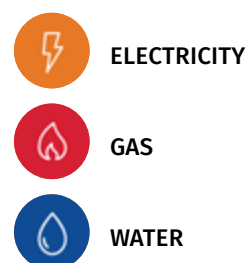
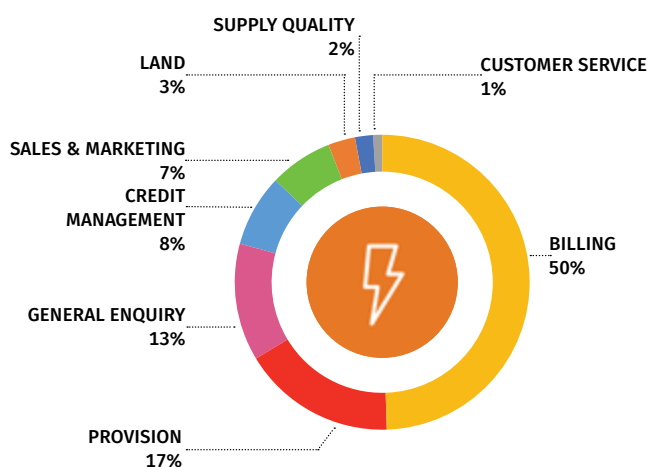




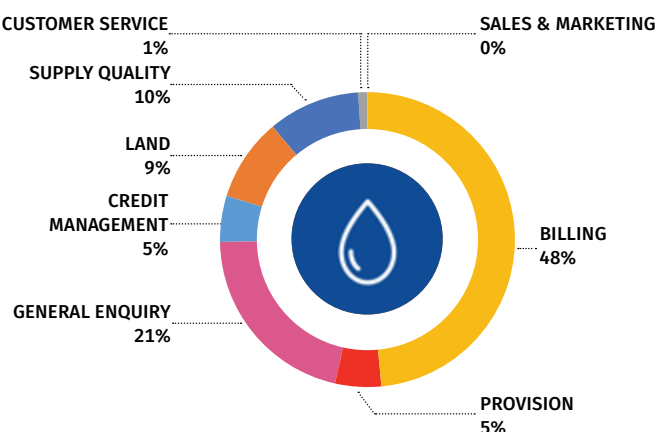
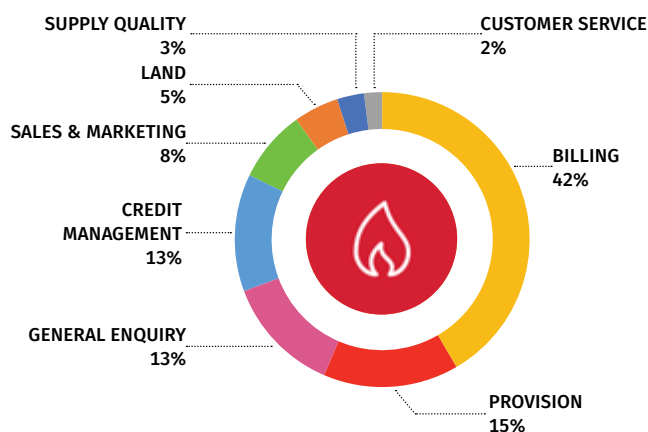


## Cases received by type

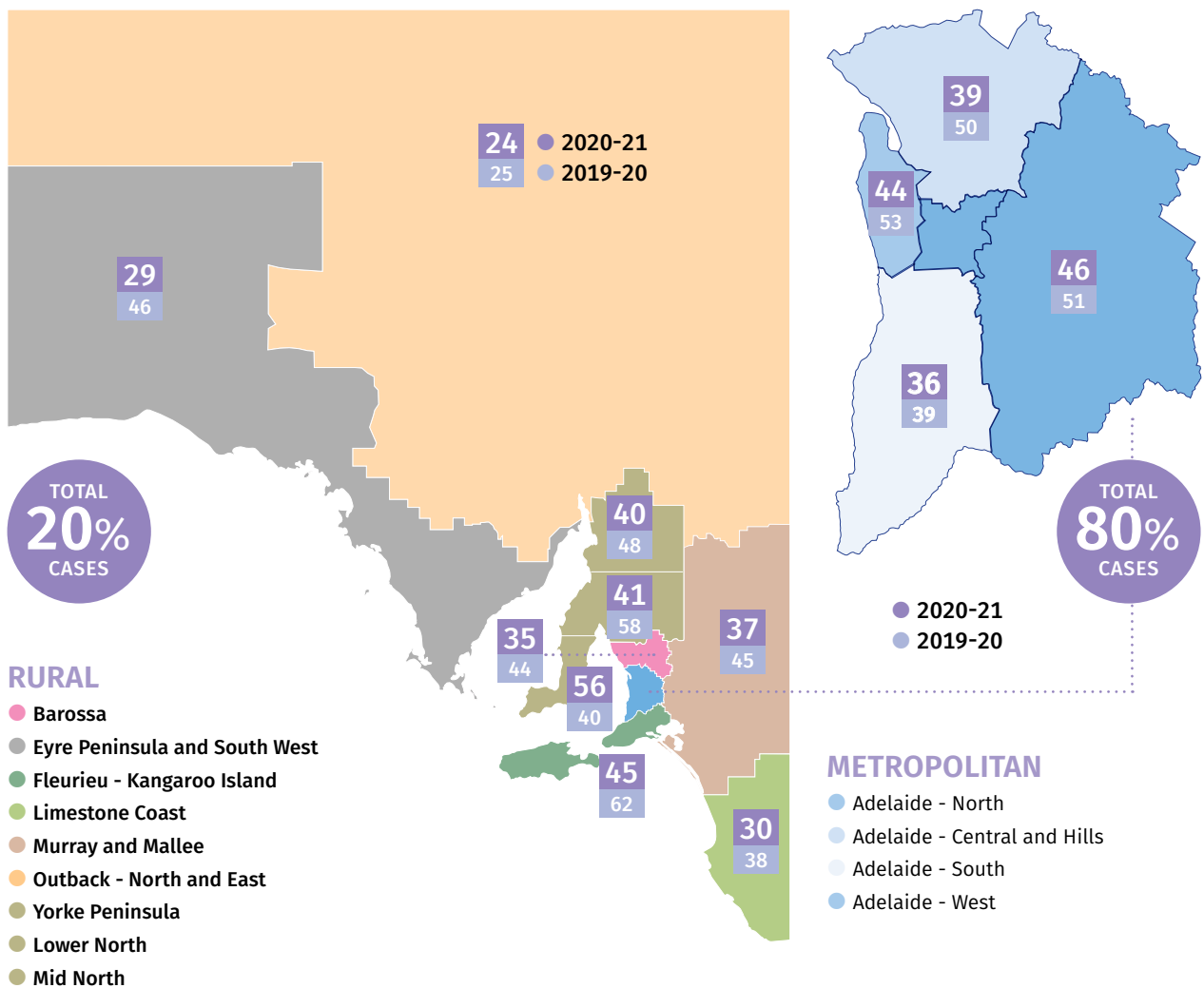
BILLING	3,390	47%
PROVISION	1,112	16%
GENERAL ENQUIRY	1,055	15%
CREDIT MANAGEMENT	578	8%
SALES AND MARKETING	477	7%
LAND	247	3%
SUPPLY QUALITY	178	2%
CUSTOMER SERVICE	105	1%



## Cases received by industry



## Where cases came from per 10,000 customers



CASES RECEIVED PER 10,000 CUSTOMERS BY RURAL AND METROPOLITAN AREAS



SOURCE OF CONTACT (BUSINESS OR RESIDENTIAL)

	REGIONS	2019-20	% OF TOTAL	2020-21	% OF TOTAL
METRO	Adelaide - Central and Hills	1,518	19%	1,367	21%
	Adelaide - North	2,080	26%	1,626	25%
	Adelaide - South	1,356	17%	1,243	19%
	Adelaide - West	1,241	16%	1,017	16%
RURAL	Barossa	170	2%	134	2%
	Eyre Peninsula and South West	256	3%	159	2%
	Fleurieu - Kangaroo Island	301	4%	219	3%
	Limestone Coast	257	3%	195	3%
	Lower North	148	2%	103	2%
	Mid North	132	2%	111	2%
	Murray and Mallee	278	4%	226	3%
	Outback - North and East	47	1%	46	1%
	Yorke Peninsula	77	1%	104	2%
	GRAND TOTAL	7,861	100%	6,550	100%

#### CASE LOCATION BY RURAL AND METROPOLITAN AREAS

Note for table: Cases which did not have a recorded address or were interstate are not represented in this table, hence the totals indicated above are less than the total number of cases received.

		METROPOLITAN				RURAL
	YEAR OF RECEIVED DATE	ADELAIDE - NORTH	ADELAIDE - CENTRAL AND HILLS	ADELAIDE - WEST	ADELAIDE - SOUTH	RURAL SOUTH AUSTRALIA
Billing	2019-20	45.0%	45.3%	42.9%	45.4%	46.9%
	2020-21	49.8%	49.0%	53.2%	50.6%	50.0%
Provision	2019-20	15.4%	17.6%	13.9%	13.2%	19.1%
	2020-21	15.7%	19.9%	15.6%	15.2%	15.0%
Credit Management	2019-20	21.6%	12.8%	19.6%	16.7%	13.0%
	2020-21	11.4%	6.5%	8.3%	9.3%	6.8%
Sales and Marketing	2019-20	5.5%	8.8%	7.3%	6.7%	7.4%
	2020-21	10.3%	9.4%	8.6%	9.3%	11.9%
General Enquiry	2019-20	7.9%	8.0%	6.2%	9.5%	6.6%
	2020-21	6.6%	7.3%	7.7%	6.4%	6.9%
Supply Quality	2019-20	2.0%	3.8%	4.8%	3.8%	1.9%
	2020-21	2.8%	3.2%	3.1%	5.3%	3.9%
Land	2019-20	1.6%	2.6%	3.4%	2.9%	4.0%
	2020-21	1.9%	2.9%	1.5%	2.1%	4.5%
Customer Service	2019-20	1.0%	1.1%	2.1%	1.8%	1.0%
	2020-21	1.4%	1.7%	2.1%	1.8%	0.9%

#### CASES BY ISSUE AND CASE LOCATION FOR RURAL AND METROPOLITAN AREAS

## Major issues

The Scheme received 7,142 cases during 2020-21. We categorise issues in the following way:



### Case type

### Description

#### Billing

Cases about tariff costs, conditions, timing, charges applied and other billing matters

#### Provision

Provision of service: connection, disconnection, street lighting, meter reading and other meter complaints

#### Credit Management

Financial hardship, disconnection (imminent and actual), liability and problems with credit references

#### Sales and Marketing

Market and retailer conduct, contract issues and transfers of the customer's account

#### Supply Quality

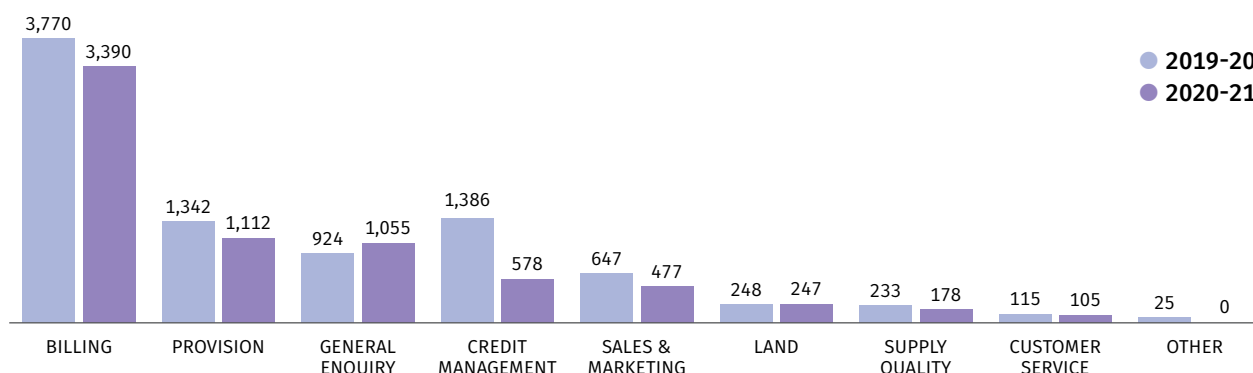
Electricity or gas outages, variations in voltage or flow, and water quality

While a case can have more than one issue recorded against it, this major issues section provides information on cases by Primary Issue.

The three top case issues for 2020-21 were Billing, Provision and General Enquiry.

The chart below shows the number of cases by issue, comparing 2019-20 and 2020-21.

The issues can be further subdivided into sub-issues. The following sections provide information on these sub-issues. This year, we can observe a trend of decreases in sub-issue cases. Of 23 sub-issues in 2020-21, 18 had fewer cases compared with the previous year.



CASES RECEIVED BY ISSUE TYPE

## Billing

In common with other ombudsman schemes, Billing continues to be associated with the highest number of cases. Billing case numbers decreased by 10% in 2020-21, compared to the previous year.

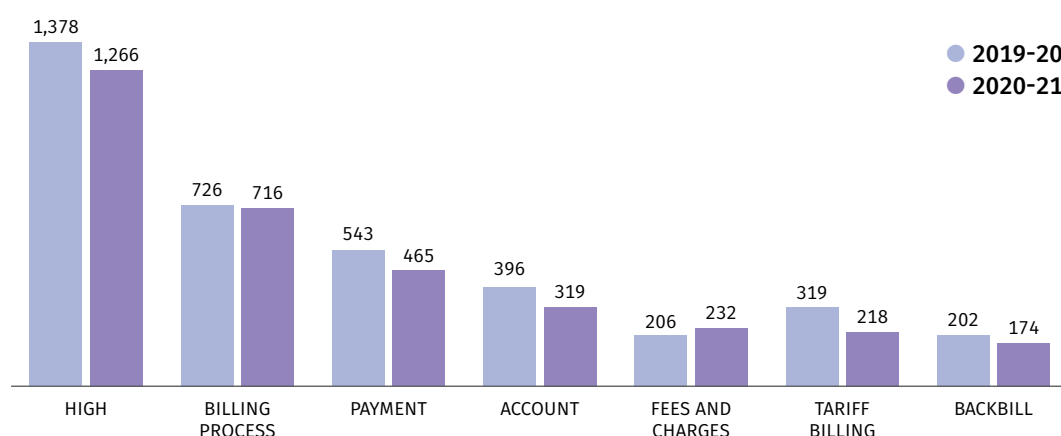
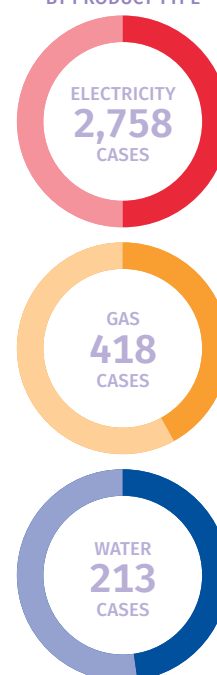
All Billing sub-issues fell this year when compared to the previous year, except for Fees and Charges which rose (13%).

The decreases by sub-issues were:

- Tariff Billing (32%)
- Account Error (19%)
- Backbill (14%)
- Payment (14%)
- High Bill (8%)
- Billing Process (1%)

The decrease in the Tariff Billing sub-issue is notable as it follows an 18% increase in 2019-20. Tariff Billing is also the sub-issue with the biggest decline among the Billing sub-issues. Many of the other sub-issues only declined slightly when compared to last year.

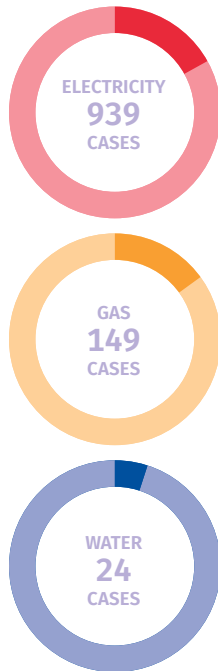
BILLING ISSUES  
BY PRODUCT TYPE



BILLING CASES BY TYPE

## Service Provision

SERVICE PROVISION ISSUES  
BY PRODUCT TYPE



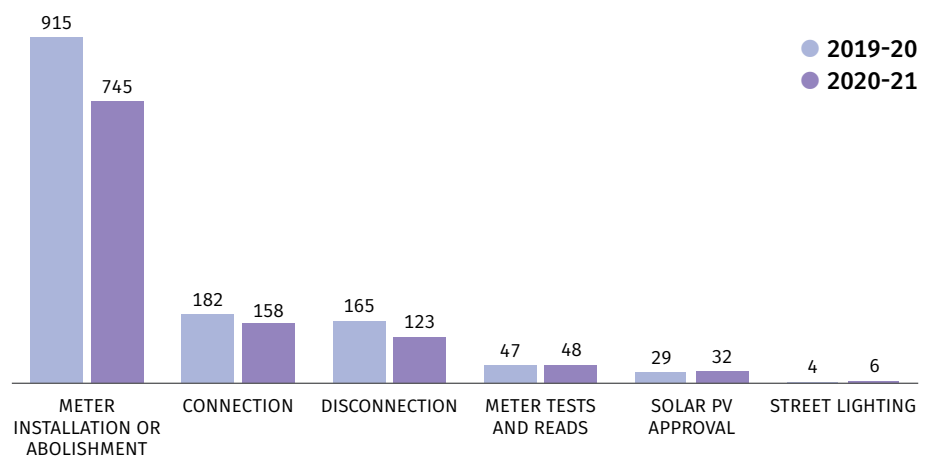
Service Provision case numbers decreased by 17% in 2020-21, compared to the previous year. Service Provision was the second most significant issue for the Scheme this year.

While case numbers decreased for Electricity Service Provision and Gas Service Provision, Water Service Provision cases increased by 9%.

There were significant decreases in the following sub-issues in 2020-21, compared to the previous year:

- Disconnection (25%)
- Meter Installation or Abolishment (19%)

The other decrease was Connection (13%). Meter Tests and Reads (2%), Solar PV Approval (10%) and Street Lighting (50%) experienced a small increase in the number of cases when compared to last year.



SERVICE PROVISION CASES BY TYPE

## Credit Management and Financial Hardship

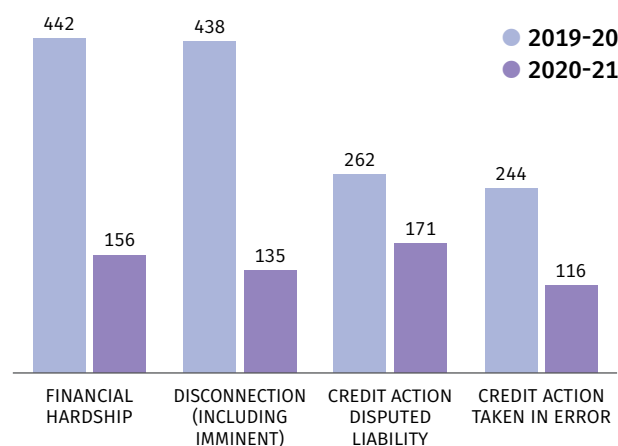
Credit Management case numbers significantly decreased by 58% in 2020-21, compared to the previous year. This is in line with the Australian Energy Regulator Statement of Expectations for energy retailers, which provides for enhanced consumer protections to support customers during the pandemic. It is the largest decrease among the major issues. Credit management has moved below General Enquiry in terms of overall volume of cases received. General Enquiry was the third most significant issue this year.

All credit management sub-issues saw significant decreases from the previous year:

- Disconnection (69%)
- Financial Hardship (65%)
- Credit Action Taken in Error (52%)
- Disputed Liability (35%)

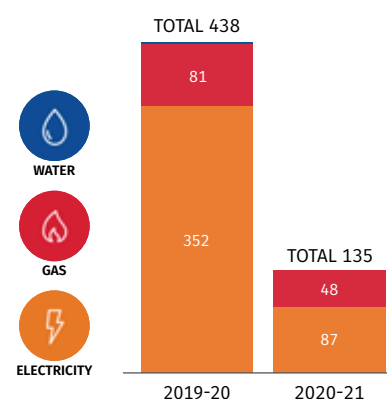
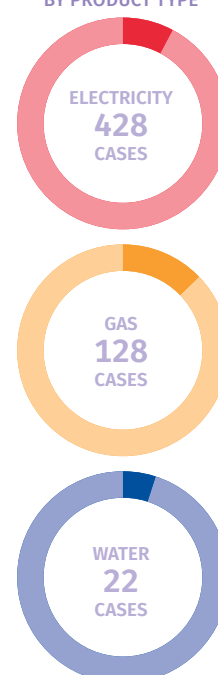
Disputed Liability was the most frequent sub-issue, in contrast to the previous year where the most frequent sub-issues were Disconnection and Financial Hardship. As noted in the Ombudsman's Report, the decreases in Disputed Liability and Financial Hardship are important given they significantly increased in 2019-20.

The Scheme continues to work closely with regulators to identify and address any systemic issues associated with credit management complaints.



CREDIT MANAGEMENT CASES BY TYPE

CREDIT MANAGEMENT ISSUES BY PRODUCT TYPE



DISCONNECTION CASES BY INDUSTRY SECTOR

Disconnection cases represented 23% of all Credit Management cases

# Credit Management and Financial Hardship

## Rural and Metropolitan Areas

The number of Financial Hardship cases decreased by 65% in 2020-21, compared to the previous year.

The table below provides a detailed breakdown by region.

REGION	2019-20			2020-21			CHANGE IN NUMBER OF CASES	
	NUMBER OF CASES	% OF TOTAL HARDSHIP CASES	CASES PER 10,000 PEOPLE	NUMBER OF CASES	% OF TOTAL HARDSHIP CASES	CASES PER 10,000 PEOPLE		
ADELAIDE - NORTH	158	36%	3.8	52	33%	1.2	-106	-67%
ADELAIDE - WEST	80	18%	3.4	22	14%	0.9	-58	-73%
ADELAIDE - SOUTH	65	15%	1.9	34	22%	1.0	-31	-48%
ADELAIDE - CENTRAL AND HILLS	51	12%	1.7	14	9%	0.5	-37	-73%
RURAL SOUTH AUSTRALIA	58	13%	1.6	30	19%	0.8	-28	-48%
UNKNOWN ADDRESS	30	7%		4	3%		-26	-87%
TOTAL	442	100%		156	100%		-286	-65%

FINANCIAL HARDSHIP DATA BY RURAL AND METROPOLITAN AREAS



# Resolutions

<b>SUBJECT:</b>	<b>Damage to Property Claim</b>
<b>ISSUES:</b>	<b>Land – Damaged Land – Reimbursement Claim</b>
<b>UTILITY:</b>	<b>Water</b>
<b>CUSTOMER TYPE:</b>	<b>Residential</b>
<b>CASE TYPE:</b>	<b>Conciliation</b>

## THE ISSUE

Mr K's regional property is supplied with water via an "indirect" connection, being private pipework between his house and the meter located several kilometres away.

Mr K said that during construction works in 2018 the supplier's contractor cut the private pipework, which he believes caused delayed low water flow because of debris entering the pipework and possibly contributed to two water leaks. His supplier had acknowledged the initial damage and asked him to engage a plumber at its cost to inspect and quote for repairs to his pipework, promising to reimburse him if it had caused the claimed damage.

Mr K wanted his supplier to engage the plumber to inspect and quote for the repairs to his pipework and was concerned about the risk to him of engaging a plumber to inspect pipework on land that he did not own.

## OUR REVIEW

The supplier obtained an inspection report and quote from a private plumber and offered to pay 50% of the quote for all new pipework. Mr K did not accept the offer but proposed that the supplier contribute to the purchase and installation of a second rainwater tank on his property.

Mr K obtained a quote for the supply and installation of a second rainwater tank and we asked his supplier to consider Mr K's suggested resolution.

## RESOLUTION

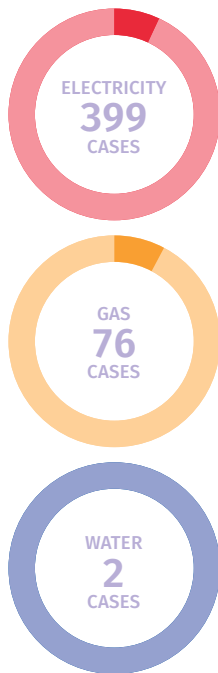
The supplier offered to pay Mr K \$6,000 towards the supply and installation of the second rainwater tank as a gesture of goodwill with no admission of liability.

Mr K accepted the offer and agreed to release the supplier from any future claim of damage to his private pipework from the 2018 event and from future assistance with supply concerns beyond the meter.



# Sales and Marketing

SALES AND MARKETING ISSUES  
BY PRODUCT TYPE

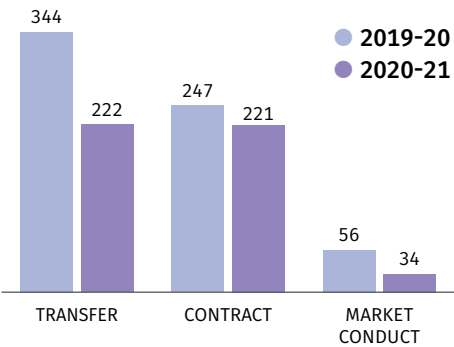


Sales and Marketing case numbers decreased by 26%, compared to the previous year.

The Market Conduct and Transfer sub-issues significantly decreased by 39% and 35% respectively.

The Contract sub-issue also decreased (11%).

These decreases continue the trend of decreases for these sub-issues which were observed in the previous year.



SALES AND MARKETING CASES BY TYPE

# Resolutions

<b>SUBJECT:</b>	<b>Contract Fairness</b>
<b>ISSUES:</b>	<b>Billing – Fees and Charges</b>
<b>UTILITY:</b>	<b>Electricity</b>
<b>CUSTOMER TYPE:</b>	<b>Business</b>
<b>CASE TYPE:</b>	<b>Investigation</b>

## THE ISSUE

Mr F contacted us in mid-2020 to dispute the fairness of the break fee he was charged after he sold his business.

He told us he had accepted an electricity contract with a new supplier in August 2018, to start in January 2020. However, he sold his business in March 2019 and closed his electricity account with his then supplier. He subsequently received a bill from the new supplier in February 2020 for a break fee of \$11,887.22.

Mr F was concerned that the break fee billed may have been incorrect.

## OUR REVIEW

The supplier provided a copy of the contract, which set out the terms for a break fee to be charged, which Mr F had accepted. The supplier reviewed its break fee and confirmed that the break fee had been incorrectly calculated under the contract terms.

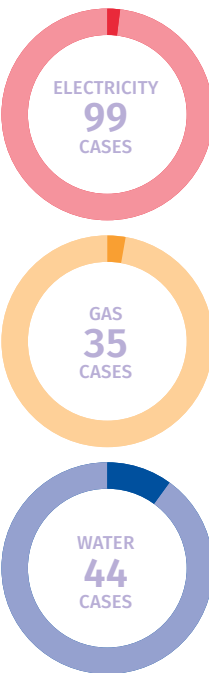
## RESOLUTION

The supplier recalculated the break fee in accordance with the contract terms and applied a further credit as a gesture of goodwill, which reduced the amount to \$7,100.13. The supplier also offered additional time to pay the revised balance.



# Supply Quality

SUPPLY QUALITY ISSUES  
BY INDUSTRY

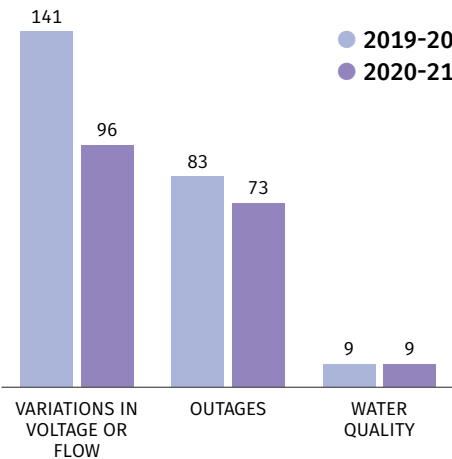


Supply Quality case numbers decreased by 24% in 2020-21, compared to the previous year. While Electricity Supply Quality and Water Supply Quality issues decreased, Gas Supply Quality issues increased by 17%.

The Variations in Voltage or Flow sub-issue significantly decreased by 32%.

The Outages sub-issue decreased by 12%. There was a 49% decrease in the previous year.

The Water Quality sub-issue remained stable.



SUPPLY QUALITY CASES BY TYPE



# Resolutions

<b>SUBJECT:</b>	<b>Delayed Transfer</b>
<b>ISSUES:</b>	<b>Sales and Marketing – Transfer – Delay in Transfer</b>
<b>UTILITY:</b>	<b>Gas</b>
<b>CUSTOMER TYPE:</b>	<b>Residential</b>
<b>CASE TYPE:</b>	<b>Conciliation</b>

## THE ISSUE

Mr E said he moved into his property in September 2019 and opened a gas and electricity account with his preferred supplier, but the gas supply had still not been transferred by September 2020.

He said he had not been notified that the gas transfer had failed and was concerned that he would be charged at higher rates by his existing supplier from September 2019 to the completion of the transfer.

## OUR REVIEW

We obtained information from Mr E's preferred supplier, the existing supplier and the distributor. We also put him in contact with his existing supplier's higher-level dispute resolution section and he decided to remain with that supplier on terms he was satisfied with.

The supplier accepted it had not notified him of the 2019 failed transfer and offered \$150 as a gesture of goodwill.

## RESOLUTION

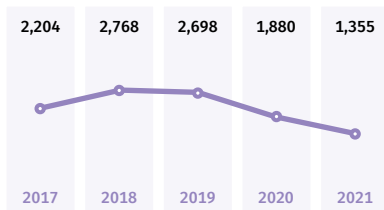
Mr E requested a higher goodwill credit to resolve his complaint and the supplier revised its offer to \$250, which he accepted.



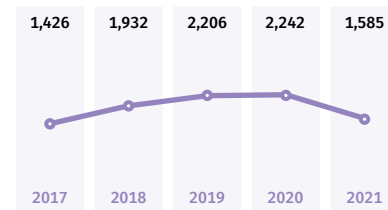
# Member Performance

## Cases received by Member - 5 years (FY)

### AGL



### ORIGIN ENERGY



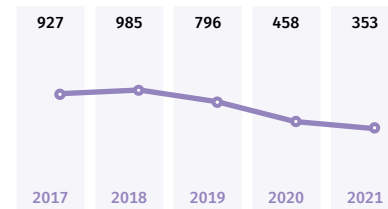
### SIMPLY ENERGY



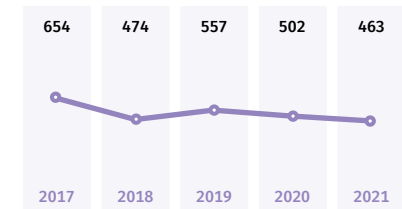
### ALINTA ENERGY



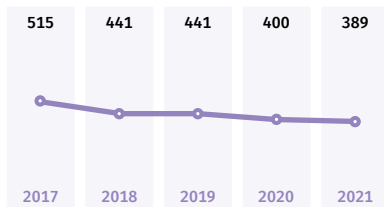
### ENERGYAUSTRALIA



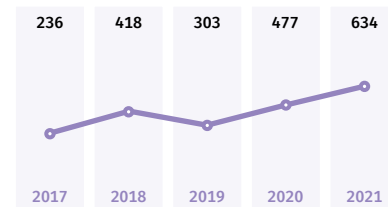
### SA POWER NETWORKS



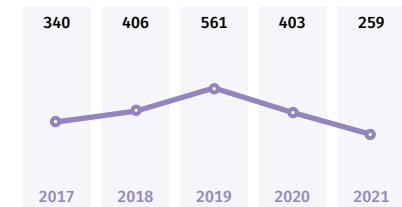
### SA WATER



### OTHERS



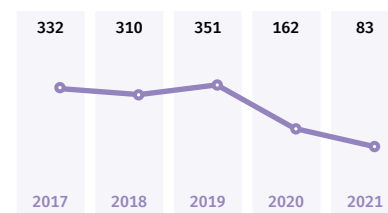
### LUMO ENERGY



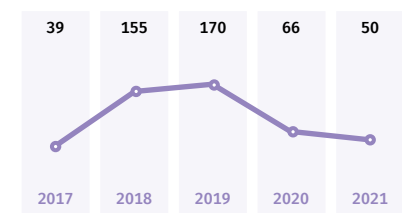
### AUSTRALIAN GAS NETWORKS



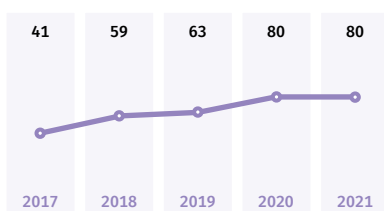
### POWERDIRECT



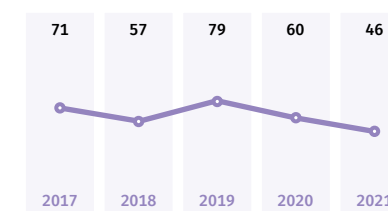
### AMAYSIM



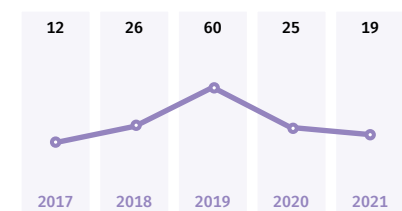
### M2 ENERGY



### MOMENTUM ENERGY

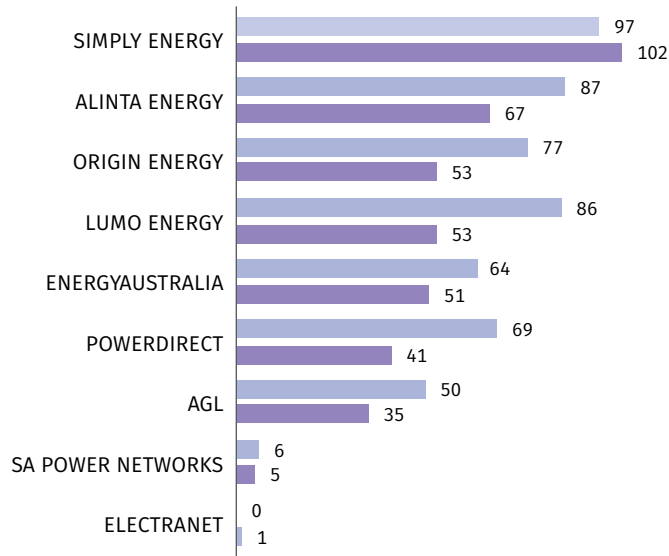


### RED ENERGY

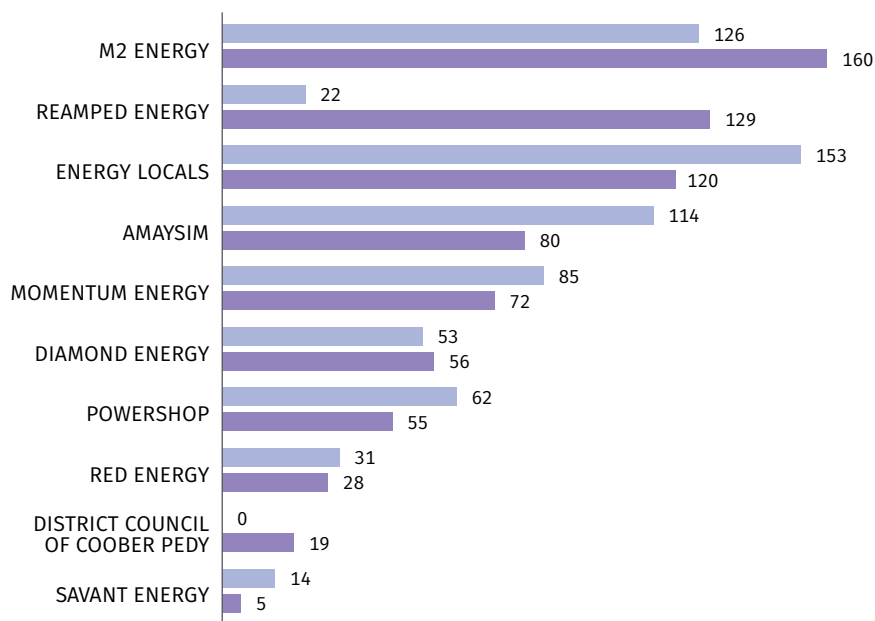


## Cases received by Members and per 10,000 customers

### LARGER ELECTRICITY MEMBERS > 10K CUSTOMERS



### SMALLER ELECTRICITY MEMBERS 1K TO 10K CUSTOMERS

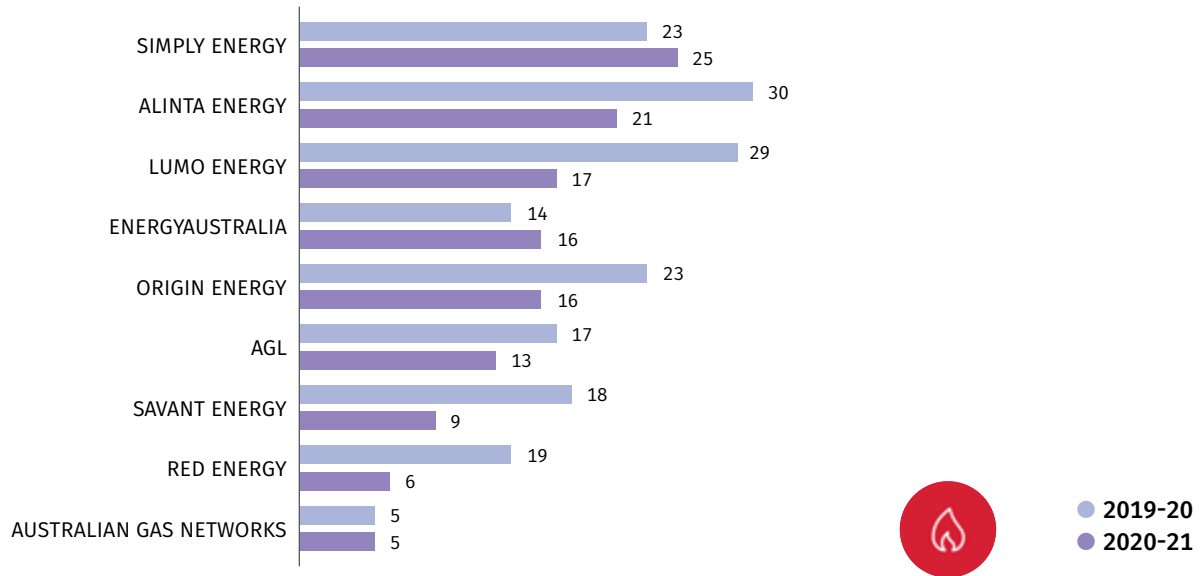


● 2019-20  
● 2020-21

ELECTRICITY: CASES RECEIVED, PER 10,000 CUSTOMERS

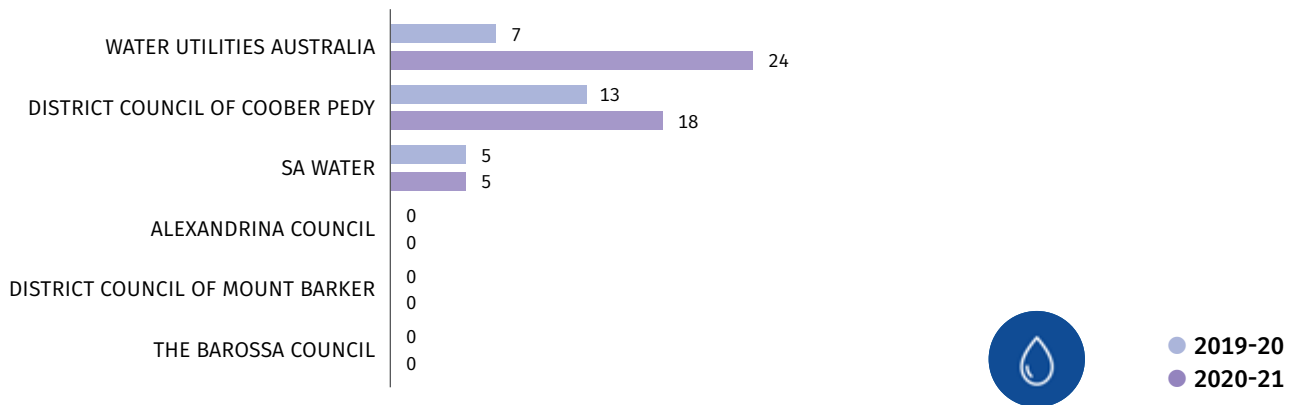
## Cases received by Members and per 10,000 customers

### GAS MEMBERS WITH > 1K CUSTOMERS



GAS: CASES RECEIVED, PER 10,000 CUSTOMERS

### WATER MEMBERS WITH > 1K CUSTOMERS



WATER: CASES RECEIVED, PER 10,000 CUSTOMERS



# Resolutions

<b>SUBJECT:</b>	<b>Intentional Water Loss</b>
<b>ISSUES:</b>	<b>Credit Action – Disputed Liability</b>
<b>UTILITY:</b>	<b>Water</b>
<b>CUSTOMER TYPE:</b>	<b>Residential</b>
<b>CASE TYPE:</b>	<b>Conciliation</b>

## THE ISSUE

Mr D complained that his tenants had wilfully wasted water and his supplier had not taken steps to prevent this.

## OUR REVIEW

We found that Mr D's supplier correctly sent letters notifying of the high water use to Mr D's service address because no alternative contact details had been provided.

We also found that the supplier was not required to restrict the water supply.

## RESOLUTION

The supplier applied the maximum credit for wasted water as a gesture of goodwill to reduce the overall balance on the account.



# Systemic issues

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Once we have identified potential systemic issues, we may, where appropriate, investigate the issues

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## How we define a systemic issue

A systemic issue is one that has the potential to affect a number of customers. It may arise from an energy or water supplier's policies or practices, or their application, and may be caused by a range of matters in isolation or together. These include, but are not limited to, a system change, a policy or procedure change, lack of regulatory compliance or the conduct of an energy or water supplier's employee, agent or contractor.

## Our role

We have a responsibility to identify and record systemic issues and potential compliance issues and, as appropriate, notify the relevant provider and regulatory body or responsible authority.

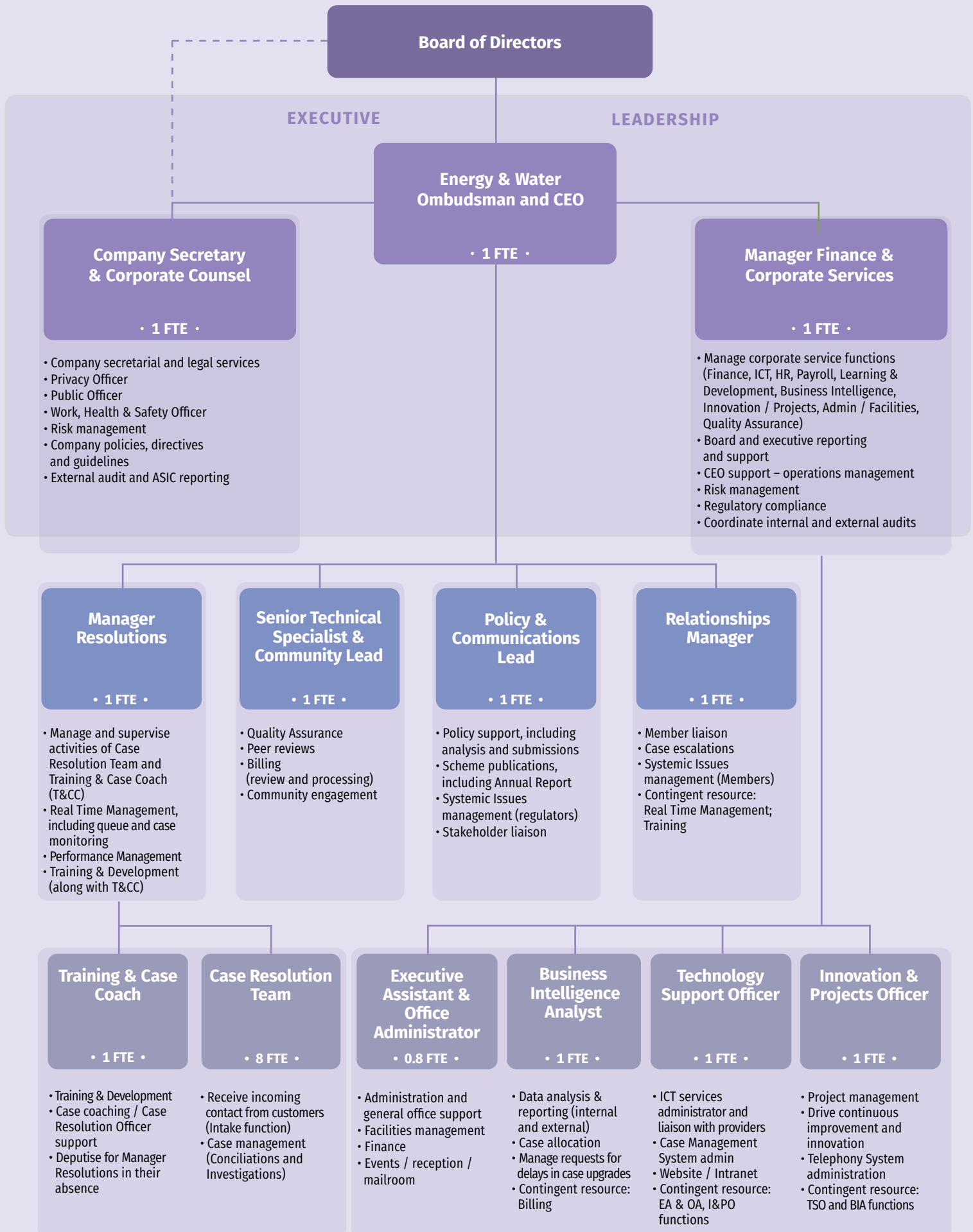
Once we have identified potential systemic issues, we may, where appropriate, investigate the issues. Where the Ombudsman finds that an issue is systemic, it is referred to the relevant Member's senior management for remedial action. The Ombudsman will continue to monitor the issue until a resolution is achieved that he considers a reasonable outcome for the customers affected.

The Ombudsman may also refer to a Member's senior management any opportunities identified to improve the Member's policies or practices in the interests of reducing complaints. The Ombudsman may report systemic or other important issues to the relevant government minister or to regulatory bodies.

Should a provider be found to have breached legislation, regulations or their licence or authorisation conditions, it is up to the regulatory body or responsible authority to take relevant action. The Ombudsman does not have any punitive powers.

We identified and resolved the following 17 systemic issues during the year, which was four more than in the previous year:

- Customers continued to receive a feed in tariff after becoming ineligible
- Disconnections outside the AER Statement of Expectations
- Life support customer at risk of disconnection
- Supplier was calculating concession incorrectly
- Failed refund attempt
- Damage to customer equipment
- Double billing of peak use
- Scheme contact details not on disconnection warning
- Delayed meter installation (three issues)
- Backdated concession debt longer than nine months
- Credit management cases outside the AER Statement of Expectations
- Customer quoted incorrect rates and unable to move back to previous tariff
- Low water pressure
- Incorrect handling of concession eligibility data files
- Customers billed on incorrect estimated read



# Our Organisation

## Key Developments in 2020-21

### Strategic Plan 2021-24

The Board developed a new Strategic Plan this year which outlines our focus areas, objectives and key strategies over the next three years:

1. Best Practice Dispute Resolution
2. Consumer Engagement
3. Member Relationships
4. Stakeholder Relationships
5. Environmental Adaptability
6. Our People and Organisational Capability
7. Recovery from the Impact of COVID-19.

### Dispute resolution process

During the year, we engaged an external consultant to review our Conciliation and Investigation processes. We implemented recommendations from the review including:

- cross-skilling Case Resolution Officers (CROs) based on a simplified resource model
- introducing a new role, process, and criteria for upgrading cases
- enhancing the case escalation process
- updating our suite of reports and controls to improve the real-time management of cases
- introducing other workflow improvements from July 1, 2021.

We sustained our engagement with regulators about our processes for identifying and reporting actual or potential systemic issues, to ensure prompt identification and resolution of systemic issues.

We regularly reported to the AER on credit management issues to support compliance with the AER Statement of Expectations for COVID-19 response.

### People and culture

We pay special attention to the wellbeing of our people. Our work can be highly stressful at times, so it is important that we provide appropriate conditions, support and systems to enable our staff to excel at their tasks.

We provide the following benefits to our staff:

- protecting against bullying through an Anti-Bullying Policy
- ensuring anti-discrimination and equal opportunity through a formalised policy
- providing drug and alcohol use guidance through a Drug and Alcohol Use Directive
- enabling flexible working arrangements as outlined in a Directive and Guidelines
- providing grievance processes as specified in a Grievance Policy
- encouraging no smoking through a No Smoking Directive
- providing Group Salary Continuance cover for all staff
- ensuring personal and physical security as outlined in a Personal and Physical Security Directive
- outlining risk management processes in a Risk Management Policy
- offering working from home arrangements
- ensuring work health and safety processes as outlined in a Work Health and Safety Policy
- offering salary sacrifice options.

We completed several initiatives during the year to continuously develop our staff and enhance the benefits available to them, including:

- providing up/cross skilling to all case management staff to enhance overall competency and expertise

- providing flexibility and support during the COVID-19 pandemic to enable all employees to work from home
- up-skilling all our CROs to Conciliation (Level 2) and Investigation (Level 3) levels to ensure they are capable of handling all types of cases regardless of complexity, in line with the other CROs in the office
- conducting cyber security training for all staff members.

Our Training and Case Coach provides on-the-job training and ongoing support to our CROs and deputises for our Manager Resolutions in their absence. This arrangement ensures our staff receive the floor support they require in resolving cases.

## Stakeholders

Our stakeholders are important to us and enable us to deliver high quality services. Stakeholder engagement this year has included:

- maintaining strong Member relationships, evidenced through the results of the Member Survey
- improving our reporting to Members about performance and trends
- continuing Member workshops, to provide industry updates, engage Members on recent initiatives and gain feedback for the Scheme
- enhancing collaboration with regulators and the Office of the Technical Regulator
- producing a Mid-Year Report to supplement the Annual Report
- publishing our online newsletter, which is posted quarterly on our website and provides stakeholders with information on emerging consumer trends, topical issues and policy matters

- being a lead member of the Thriving Communities Partnership SA Chapter, a cross-sector collaboration with the goal that everybody has fair access to the modern essential services they need to thrive in contemporary Australia, including utilities, financial services, telecommunications and transport. The Thriving Communities Partnership aims to build more resilient communities and stronger organisations
- being a member of the Customer Outcomes Group for the Energy Charter Better Together Project, to research the impacts of COVID-19 on our customers and communities in four quarterly rounds over 2020-21
- participating in the Australian Gas Networks co-design process to develop a Vulnerable Customers Assistance Program (VCAP)
- participating in the SA Power Networks Flexible Exports Reference Group, Tariff Working Group and Community Support Project Group
- providing research support to the “We want it to work’: understanding household experiences with new energy technologies in Australia” research project, conducted by the Australian National University for the Victorian Department of Environment, Land, Water and Planning and the Energy and Water Ombudsman Victoria.

COVID 19 severely affected our ability to deliver our community outreach program during the year, but virtual contact was maintained with our key community stakeholders, enabling us to continue to understand emerging issues and respond as appropriate.

The Ombudsman continued to respond to requests for media interviews during the year.

## New Members

This year, we prepared to onboard small-scale networks. The Essential Services Commission (of South Australia) has issued its Final Inquiry Report on its regulatory approach to small-scale networks covering water and sewerage networks with 50,000 connections or less, off-grid electricity networks, and reticulated natural gas and liquid petroleum gas (LPG) networks. Over 70 small-scale network providers will need to become Members of the Scheme from July 1, 2021. They serve approximately 107,000 customers combined. We do not anticipate a large increase in complaint volumes as a result of accepting the new Members.

## Strategic Marketing Plan

We engaged an external consultant to assist us in developing a Strategic Marketing Plan. Through a review of our existing marketing arrangements, this work aimed to develop strategies to promote and further improve awareness of the Scheme in the community. The Strategic Marketing Plan recognises the Scheme's already-high level of community awareness as well as several areas of opportunity in addition to existing mechanisms, including digital advertising and Ombudsman opinion pieces on topical matters over print and digital media. The Strategic Marketing Plan also suggests a review of our approach to social media and update of our collateral for consistency with our current brand design. Our Business Plan for 2021-22 has been updated to implement the review recommendations.

## Technology

Technology plays a crucial part in ensuring our services are delivered efficiently, effectively and with minimal disruption. There were a number of significant initiatives during the year, including:

- digitising our scheme member application process
- migrating our data analytics and reporting software, Tableau, into the cloud. The new solution enables a faster, more secure, stable and resilient data analytics platform which negates the need to be connected to the Scheme's network to operate. Tableau Online also supports the Member Portal. Members who currently access the Portal have been transitioned to the new platform
- migrating our systems to Genesys, a cloud-based contact centre solution
- refreshing the personal computers for all our staff, providing enhanced flexibility for the business
- service consolidation of our SMS and Live Chat service into a single platform, providing a seamless way for our Case Resolution Officers to engage with our customers
- completing the transition to our new IT managed services provider effective from January 4, 2021, with higher agreed provider service level standards, which enables our staff to raise IT tickets directly with our IT managed service providers' support desk
- shifting a significant portion of our electronic and previously-hardcopy documents into a cloud-based storage platform. Further work is underway to move the remaining documents and streamline the system's user interface
- other ICT initiatives included continued business continuity/redundancy tests.



Projects in the next 12 months include:

- introducing a new Case Management System
- creating a cloud-based data warehouse
- introducing a knowledge base for staff members
- creating a digital learning platform/repository
- progressing speech analytics and sentiment analysis
- refreshing our issues, objectives and case categorisation for enhanced reporting and issue identification and visibility.

## Work Health and Safety

We are strongly committed to the health and safety of our staff and strive to maintain a workplace free from injuries. We encourage personal wellbeing and promote the protection of the environment.

Work health and safety is a standing agenda item at each regular team meeting. Additionally, ergonomic assessments and voluntary health checks are conducted annually, and we encourage staff participation in various health and wellbeing activities, such as free flu vaccinations.

Workplace safety inspections are conducted quarterly. The first aid kit, which includes a defibrillator, is restocked quarterly or as necessary and all electrical equipment is tested and tagged annually.

An Employee Assistance Program provides staff and their immediate family members with support and free counselling for work and personal matters.

There were no injuries reported during the year.

Work Health and Safety was also a key aspect of how we managed the impact of COVID-19, which we consider in the next section.

## Managing the impact of COVID-19

The COVID-19 pandemic has presented challenges to our Scheme, with potential internal and external impacts. To ensure high quality continuity of service while supporting our staff and those most vulnerable in the community, our response included:

- starting a planned, staged return to the office for our staff from July 2020. The return occurred over three weeks and provided an opportunity to further test the flexibility of our systems. Our staff are currently working three days in the office and two days at home, which they report as beneficial. Our contact centre and other aspects of our business operate as normal on the off-site days, even though the remote working arrangements are in place
- implementing safety protocols based on SA Health guidelines and other measures to ensure social separation is observed in the office
- utilising online tools to productively collaborate with internal staff members and external stakeholders. These tools include Microsoft Teams and Zoom Meetings
- continuing to hold our daily morning scrum across all staff via Zoom to check in on how everyone is doing and also discuss key matters and issues for the day. The daily contact has been well received by staff and we will continue with it for the foreseeable future on our working from home days
- reminding our staff to use our free and confidential Employee Assistance Program should they feel the need to do so, particularly during times of isolation. Our managers also regularly contact their staff individually to check on their wellbeing.

## Quality Assurance

Quality is paramount in everything we do. Our Quality Assurance program continues to be developed and adapted to the changing complaint landscape. The program ensures that all customers and Members receive a high level of service and consistency in case management. Our Quality Assurance program includes the following elements to ensure cases are handled according to standards:

- On-the-job supervision and coaching
- Peer review
- Ombudsman review
- Independent Quality Assurance review

An independent Quality Assurance review is completed by our Senior Technical Specialist, the outcome of which is fed back into individual Learning and Development plans and Key Performance Indicators (KPIs) for staff members.

## Internal Audit

Our internal auditors executed the audit under the oversight of the Board and the Finance, Audit & Risk Committee. This year's audit focused on an IT security review and privacy review and did not find any significant deficiencies.

## Gender diversity

We have a strong commitment to gender diversity, as demonstrated by high female participation at all levels of the organisation.

As at June 30, 2021, the division of male and female members on the Board of Directors, the management team and staff is detailed below:

Board	Male	56%
	Female	44%
Management	Male	75%
	Female	25%
Staff	Male	50%
	Female	50%
Overall	Male	55%
	Female	45%

## Board of Directors

The Board of Directors comprises four Industry Directors elected by Scheme Members, four Consumer Directors nominated by the Essential Services Commission (of South Australia) and an Independent Chair.

### Chair

Peter Bicknell AM, BA, M Soc Admin, JP – appointed March 22, 2015

### Directors

The Directors of the Company as at June 30, 2021 were:

- Peter Bicknell, AM, Independent Chair
- Geoff Barton, Gas Industry Director (Australian Gas Networks)
- Sue Chase, AM, Consumer Director
- Margaret Cross, Consumer Director
- Mark Henley, Consumer Director
- Patrick Makinson, Electricity Industry Director (SA Power Networks)
- Kay Matthias, Consumer Director
- Anthony Sinclair, Electricity Industry Director (AGL)
- Anne Westley, Water Industry Director (SA Water)

### Secretary

Pia Bentick, Company Secretary & Corporate Counsel

## Management Team



#### MANAGEMENT TEAM:

DAVID EGGERS  
MANAGER RESOLUTIONS,  
PIA BENTICK  
COMPANY SECRETARY &  
CORPORATE COUNSEL,  
RE OUANO  
MANAGER FINANCE &  
CORPORATE SERVICES,  
SANDY CANALE  
OMBUDSMAN & CEO

# Resolutions

<b>SUBJECT:</b>	<b>Delayed Service Removal</b>
<b>ISSUES:</b>	<b>Provision – Meter Abolishment</b>
<b>UTILITY:</b>	<b>Electricity</b>
<b>CUSTOMER TYPE:</b>	<b>Residential</b>
<b>CASE TYPE:</b>	<b>Investigation</b>

## THE ISSUE

Mr S contacted us in mid-2020 and complained that his supplier had delayed the removal of three electricity connections on his rural property, requested in late 2018. The supplier had continued to issue estimated bills for electricity he had not used instead of removing the connections.

## OUR REVIEW

We found that the supplier received a request in September 2018 to abolish two electricity connections and a further request in December 2019 to abolish a third connection.

## RESOLUTION

The distributor completed the abolishment in October 2020. The supplier cancelled the estimated bills and closed the three accounts from November 1, 2018, the date electricity use was last recorded.



## Members



### Electricity Members

- 1st Energy Pty Ltd
- Across Australia Parks & Resorts Pty Ltd
- AGL Sales (Queensland Electricity) Pty Ltd
- AGL Sales Pty Ltd
- AGL South Australia Pty Ltd
- AKM Syndicate Pty Ltd t/a Cobdogla Station Caravan Park
- Alinta Energy Retail Sales Pty Ltd
- amaysim Energy Pty Ltd
- Ardrossan Progress Association Inc.
- Ashbrook Apartments RV Pty Ltd
- Australian Tourist Park Management Pty Ltd
- B A Calvert & G G Calvert t/a Kingston-on-Murray Caravan Park
- Befficient by GSI Pty Ltd t/a Benergy Pty Ltd
- Blue NRG Pty Ltd
- Boandik Lodge Inc.
- Burton Lifestyle Villages Pty Ltd
- Caravan Park Op Co Pty Ltd t/a Windsor Gardens Caravan Park
- CleanPeak Energy Retail Pty Ltd
- CleanTech Energy Pty Ltd
- Coastal Parks Port Willunga Pty Ltd t/a Big4 Port Willunga Tourist Park
- Community Corporation 26052 Inc
- Community Corporation 41346 Inc
- Community Corporation 40515 Inc
- Community Corporation 41210 Inc
- Coober Pedy Council
- CovaU Pty Ltd
- Cowell Electric Supply Pty Ltd
- CPE Mascot Pty Ltd
- CPE Tonsley Pty Ltd
- Diamond Energy Pty Ltd
- Discover Energy Pty Ltd
- Discovery Holiday Parks Pty Ltd
- Edithburgh Progress Association Inc.
- Edwards Hotels Pty Ltd
- ElectraNet Pty Ltd
- Electricity in a Box
- Elysian Energy Pty Ltd
- Energy Locals Pty Ltd
- EnergyAustralia Pty Ltd
- Erwin Vogt Foundation Incorporated
- Enerven Energy Infrastructure Pty Ltd
- Gawler South Tourist Park Pty Ltd
- GCP (SA) Pty Ltd t/a Gawler Caravan Park
- Glenbrook Apartments Pty Ltd
- GloBird Energy Pty Ltd
- Hanwha Energy Retail Australia Pty Ltd t/a Nectr
- Highway 1 Caravan & Tourist Park
- International Power (Retail) Pty Ltd t/a Simply Energy
- James Brown Memorial Trust
- K Browney & R.W Browney t/a Kadina Caravan Park
- Leabrook Place Pty Ltd
- Lumo Energy (SA) Pty Ltd
- M2 Energy Pty Ltd t/a Dodo Power & Gas
- McLaren Vale Pty Ltd t/a McLaren Vale Lakeside Caravan Park
- Mojo Power Pty Ltd
- Momentum Energy Pty Ltd
- Murraylink Transmission Partnership
- Next Business Energy Pty Ltd
- Nuriootpa Centennial Park Authority t/a BIG4 Barossa Tourist Park
- Online Power and Gas Pty Ltd t/a Future X Power
- Origin Energy Electricity Ltd
- OVO Energy Pty Ltd
- Pandora Lifestyle Villages
- People Energy Pty Ltd
- Pine Country Caravan Park
- Port Clinton Progress Association Inc.
- Power Club Limited
- Powerdirect Pty Ltd
- PowerHub Pty Ltd
- Powershop Australia Pty Ltd
- Progressive Green Pty Ltd t/a Flow Power
- QEnergy Limited
- ReAmped Energy
- Red Energy Pty Ltd
- Riverglens Services Pty Ltd
- Sanctuary Energy Pty Ltd
- Savant Energy Power Networks Pty Ltd
- Shell Energy Retail Pty Ltd
- Sheryl Pietsch t/a Stockport Caravan & Tourist Park
- Social Energy Australia Pty Ltd
- SA Power Networks
- Strata Plan No 12753 Inc
- Sustainable Savings Pty Ltd
- Tango Energy Pty Ltd
- The Trustee for Lenneth & Zeuner Trust t/a Minlaton Caravan Park
- The Trustee for The Sturt River Park Trust t/a Sturt River Park
- Uniting SA Ltd
- Voysey Holdings Pty Ltd t/a Highview Holiday Village
- WINconnect Pty Ltd
- Woodcroft Park Pty Ltd



## Gas Members

- AGL South Australia Pty Ltd
- Alinta Energy Retail Sales Pty Ltd
- Australian Gas Networks Limited
- CleanTech Energy Pty Ltd
- CovaU Pty Ltd
- CPE Tonsley Pty Ltd
- Discover Energy Pty Ltd
- EnergyAustralia Pty Ltd
- GloBird Energy Pty Ltd
- International Power (Retail) Pty Ltd t/a Simply Energy
- Lumo Energy SA Pty Ltd
- Origin Energy Retail Limited
- OVO Energy Pty Ltd
- Red Energy Pty Ltd
- Savant Energy Power Networks Pty Ltd
- WINconnect Pty Ltd



## Water Members

- Alano Utilities Pty Ltd t/a Alano Water
- Alexandrina Council
- City of Charles Sturt
- Coober Pedy Council
- CPE Tonsley Pty Ltd
- District Council of Mount Barker
- FB Pipeline Pty Ltd
- Robusto Investments Pty Ltd t/a Compass Springs
- SA Water Corporation
- The Barossa Council
- Water Utilities Pty Ltd



# Corporate Governance Statement

This Corporate Governance Statement has been approved by the Board on 26 May 2021. It is reviewed annually and reflects the 4th edition of the ASX Corporate Council's Principles and Recommendations.

The Energy and Water Ombudsman (SA) Limited is a public company limited by guarantee and incorporated under the *Corporations Act 2001 (Cth)*. The Board of Directors are committed to achieving and demonstrating the highest standards of corporate governance. The Company's corporate governance framework was developed in accordance with the Corporate Governance Principles and Recommendations released by the ASX Corporate Governance Council, as far as they apply to the Company. The Board continuously reviews the framework and practices to ensure they meet the interests of the Members.

The Board's main responsibilities are the formal administration of the Company, policy matters, oversight of the Scheme's operation and maintaining the independence of the Ombudsman. The Ombudsman is responsible for the day to day operation of the Scheme and the resolution of individual complaints. These roles are complementary and, generally, the Ombudsman attends Board meetings as an observer and an advisor as appropriate.

The Company's main corporate governance practices are set out below.

## 1. The Board of Directors

The Company is governed by a Board whose principal source and rules of governance include:

- the Constitution and Charter
- the Board Charter
- Charters of the Board Committees, and
- Board Policy statements.

### Board Composition

As required by the Company's Constitution, the Board consists of nine directors being:

- two directors elected by Electricity Members, one director elected by Gas Members and one director elected by Water Members ("Industry Directors")
- four persons nominated by the Essential Services Commission (of South Australia) ("the Commission") to represent customers of electricity, gas and water services or public interest groups relevant to such services ("Consumer Directors"), and
- an independent Chair.

The current directors of the Company are:

- Peter Bicknell, Independent Chair
- Geoff Barton, Gas Industry Director (Australian Gas Networks)
- Sue Chase, Consumer Director
- Margaret Cross, Consumer Director
- Mark Henley, Consumer Director
- Patrick Makinson, Electricity Industry Director (SA Power Networks)
- Kay Matthias, Consumer Director
- Anthony Sinclair, Electricity Industry Director (AGL)
- Anne Westley, Water Industry Director (SA Water)



## Board Skills

As far as the structure of the Scheme allows, the appropriate mix and balance of skills available is considered and appropriate checks are undertaken before appointing a person a director.

New directors will be inducted to the Scheme and appropriate professional development opportunities are provided to develop and maintain the skills and knowledge needed to perform their role as directors effectively.

## Gender Diversity

The Company is committed to gender diversity which is demonstrated by high female participation at all levels of the organisation.

Currently 44% of the Board of Directors are female, 33% of the leadership team are female, and the rest of the staff are eight male and eight female members. The overall percentage is 46% female and 54% male.

## Independent Chair

The Directors appoint, with the Commission's approval, a person to be the independent Chair of the Board for a three-year term. The Chair is eligible for reappointment for a subsequent term or terms of three years.

The Chair of any meeting has an ordinary vote but does not have a casting vote on any matter.

Peter Bicknell AM, BA, M Soc Admin, JP, was appointed the independent Chair on 22 March 2015 and he was reappointed for another term of three years from 22 March 2018 and from 22 March 2021.

## Written Agreements

The Company has written agreements with each director setting out the terms of their appointment. These include Deeds of Access and Indemnity, which contain the arrangements which the Company and the Director have made concerning indemnities, insurance, Company records and confidentiality and letters of appointment setting out details of directors' fees and the committees on which they may serve.

## Term of Office

The Company's Constitution specifies that the industry directors may not hold office for more than three years without submitting himself or herself for re-election.

The consumer directors can hold office for a term of up to three years and they are eligible to be nominated and re-appointed for a further term or terms. However, neither the consumer directors nor the independent Chair can serve more than nine consecutive years as a director.

## Board Processes

The Board currently holds six formal meetings per year, with additional meetings called or resolutions in writing passed if necessary, to address any important or urgent business.

## Conflict of Interest

Directors must continuously advise the Board of any personal interest that could potentially conflict with those of the Company. No director is perceived to have any personal conflicts of interest because they are employed by a Member of the Company.

The potential for conflict of interest is inherent in the structure of the Company and it is accepted that there may be circumstances where a director needs to abstain from voting on matters they may feel conflicted with.

A director is not counted in the quorum of a Board meeting considering any contract or proposed contract in which he or she has an interest and is not entitled to vote on the matter. The details are recorded in the minutes of the meeting.

## Chair and Ombudsman

The Chair is responsible for leading the Board, ensuring directors are properly briefed in all matters relevant to their role and responsibilities, facilitating discussions and managing the Board's relationship with the Company's management team.

The Ombudsman is responsible for the day to day operation of the Scheme, implementing company strategies and policies and the resolution of individual complaints.

Sandy Canale was first appointed the Ombudsman in December 2007 and re-appointed in 2012 and in 2017 for further terms of five years.

## Company Secretary

The Board appoints a Company Secretary for such term and upon such terms and conditions as the Board thinks fit. The appointment of the Company Secretary is formally resolved by the Board in accordance with section 204D of the Corporations Act.

The Company Secretary is accountable to, and reports directly to the Board, through the Chair. The Company Secretary provides independent and objective governance advice to the directors, who have direct access to and may seek information from the Company Secretary, to assist them in carrying out their duties as directors.

The Board appointed Pia Bentick, FCIS, FGIA, Barrister (*np*), CertEDC as the Company Secretary in March 2000. She is also the Corporate Counsel and a member of the senior management team.

## Independent Professional Advice

Directors may obtain independent professional advice at the Company's expense, on matters relevant to the Company's affairs to assist them in carrying out their duties as directors, subject to providing prior notice to the Chair. Copy of any advice received by a director may be made available to other members of the Board.

## Corporate Reporting

The Ombudsman, the Manager Finance and Corporate Services and the Company Secretary make a financial reporting certification to the Board for each financial year to confirm the integrity of the Company's financial statements, risk management and internal compliance.

## Board Performance Assessment

The Board reviews its own and its Committees' performance regularly. An external Board Performance Assessment will be conducted every five years, consistent with the Scheme Review, unless the Chair/Board otherwise determines. The last external Board Review was completed in 2016.

## 2. Board Committees

The Company's Constitution provides for the Board to appoint, from time to time, a Designated Committee, comprising an equal number of industry directors (being directors nominated by the Members) and consumer directors/the independent Chair (being directors appointed from groups representing customers of electricity, gas and water services or representing public interest issues relevant to electricity, gas and water services or directors appointed otherwise than by Members). The Designated Committee will be responsible for formulating business plans and annual funding figures and making recommendations to the Board and may be charged with other responsibilities delegated by the Board.

In addition to the Designated Committee, the Board can establish other committees as appropriate. Members of Committees can be directors and officers of the Company and any other persons the Board may select. The Board may delegate any of its powers and/or functions (except powers conferred and duties imposed on the directors by law which are incapable of delegation) to a committee or an officer of the Company.

The Board has established committees as set out below and has approved a formal Charter for each Committee detailing their roles and responsibilities. Other committees may be established from time to time for specific purposes.

### Finance, Audit & Risk Committee

The Finance, Audit & Risk Committee is responsible for oversight of, and advice and recommendations to the Board of Directors on:

1. Financial Management - business plans, annual funding figure, budgets and target cash levels
2. Risk management – operational risks
3. Internal audit function.

The current Members of the Finance, Audit & Risk Committee are:

- Patrick Makinson, Chair
- Margaret Cross
- Sue Chase
- Anne Westley

Peter Bicknell, the Independent Chair of the Board, attends as an observer.

### Remuneration Committee

The Remuneration Committee reviews the Directors' fees and the Ombudsman's remuneration annually.

The current members of the Remuneration Committee are:

- Geoff Barton, Chair
- Kay Matthias
- Anthony Sinclair
- Mark Henley

Peter Bicknell, the Independent Chair of the Board, attends as an observer.

### 3. Conduct and Ethics

#### Code of Conduct

The Board has adopted a code of conduct that details the conduct and behaviour it expects from its workers in the performance of their duties. All workers are expected to perform their duties with professionalism, efficiency, fairness, impartiality, honesty and sensitivity.

### 4. Risk Management

#### Risk Management Plan

The Company has a Risk Management Plan to assist in achieving its risk management objectives – to ensure protection against financial loss, to ensure legal and regulatory obligations are satisfied and that business opportunities and risks are identified and properly managed and appropriately monitored by the Board. However, the Board recognises that no cost-effective internal control framework will preclude all errors and irregularities.

The Senior Management Team assists the Board and the Finance, Audit & Risk Committee in ensuring compliance with internal controls and risk management plans by regularly reviewing the effectiveness of the compliance and control systems and by regularly reporting to the Board and the Committee.

### 5. Communication with Members and the holding of General Meetings

The Board encourages full participation of members at general meetings to ensure high level of accountability and identification with the Company's strategy and goals. Important issues are presented to the members as single resolutions. Proxy forms are issued to all eligible members with the notice of general meetings.

Members are required to vote on the Annual Funding figure for the Company, the aggregate remuneration of directors and changes to the Company's Constitution. A copy of the Constitution is available to any member who requests it from the Company Secretary and on the Company's website [www.ewosa.com.au](http://www.ewosa.com.au).

Other means of communication with members include:

- the Annual Report, which is available to all members and on the Company's website
- the Financial Report which is posted to all members
- stakeholder meetings with the Ombudsman and regular meetings with the operational staff at the operational levels.

Feedback from members is also regularly sought through various surveys and informal feedback opportunities.

# Financial Statements

## STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2021

	2021 \$	2020 \$
Revenue from ordinary activities	2,955,354	3,366,919
Expenses from ordinary activities:		
Accounting and audit fee	61,354	47,964
Depreciation	289,301	265,725
Employee benefit	2,298,196	2,396,361
Total other expenses	854,104	860,825
Income tax expense	-	-
Surplus/(deficit) for the year	(547,601)	(203,956)
Total comprehensive income for the year	(547,601)	(203,956)

# Financial Statements

## STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2021

	2021 \$	2020 \$
<b>CURRENT ASSETS</b>		
Cash and cash equivalents	1,242,661	1,328,930
Trade and other receivables	98,890	188,521
Other current assets	119,222	124,208
Other financial assets	1,896,313	2,086,054
<b>TOTAL CURRENT ASSETS</b>	<b>3,357,086</b>	<b>3,717,713</b>
<b>NON CURRENT ASSETS</b>		
Property, plant and equipment	1,062,891	1,270,497
<b>TOTAL NON CURRENT ASSETS</b>	<b>1,062,891</b>	<b>1,270,497</b>
<b>TOTAL ASSETS</b>	<b>4,419,977</b>	<b>4,988,210</b>
<b>CURRENT LIABILITIES</b>		
Trade and other payables	98,535	87,178
Financial liability payable	112,279	66,511
Employee benefits	286,038	268,190
Other current liabilities	30,032	30,834
Office fitout incentive	-	500
<b>TOTAL CURRENT LIABILITIES</b>	<b>526,884</b>	<b>453,213</b>
<b>NON CURRENT LIABILITIES</b>		
Financial liability payable	650,137	762,416
Employee benefits	35,192	17,216
<b>TOTAL NON CURRENT LIABILITIES</b>	<b>685,329</b>	<b>779,632</b>
<b>TOTAL LIABILITIES</b>	<b>1,212,213</b>	<b>1,232,845</b>
<b>NET ASSETS</b>	<b>3,207,764</b>	<b>3,755,365</b>
<b>EQUITY</b>		
Accumulated surplus	3,207,764	3,755,365
<b>TOTAL EQUITY</b>	<b>3,207,764</b>	<b>3,755,365</b>

# Financial Statements

## STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2021

	2021 \$	2020 \$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Receipts from members (inclusive of goods and services tax)	3,215,836	3,976,256
Payments to suppliers and employees (inclusive of goods and services tax)	(3,324,728)	(3,601,872)
Net cash inflow/(outflow) from operating activities	(108,892)	196,384
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Proceeds from sale of property, plant and equipment	3,010	250
Purchase of property, plant and equipment	(98,652)	(204,942)
Proceeds from other financial assets	2,548,632	3,020,559
Payments for other financial assets	(2,368,892)	(2,979,302)
Interest received	32,686	64,107
Net cash inflow/(outflow) from investing activities	116,784	(99,329)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Financing lease principal payments	(66,511)	(116,069)
Financing lease interest payments	(27,650)	(28,352)
Net cash outflow from financing activities	(94,161)	(144,421)
Net decrease in cash and cash equivalents	(86,269)	(47,366)
Cash and cash equivalents at the beginning of year	1,328,930	1,376,296
<b>CASH AND CASH EQUIVALENTS AT END OF YEAR</b>	<b>1,242,661</b>	<b>1,328,930</b>

# Resolutions

<b>SUBJECT:</b>	<b>Crossed Meters</b>
<b>ISSUES:</b>	<b>Billing – Billing Process – Crossed Metering</b>
<b>UTILITY:</b>	<b>Electricity</b>
<b>CUSTOMER TYPE:</b>	<b>Residential</b>
<b>CASE TYPE:</b>	<b>Investigation</b>

## THE ISSUE

Mr C complained about a high bill after his electricity meter was replaced in July 2020.

## OUR REVIEW

Mr C's supplier arranged a meter inspection, which confirmed that the new meter was incorrectly set up when it was installed.

We found Mr C had been billed the usage recorded on a meter at another property and that the occupant at that property had been billed the usage recorded on Mr C's meter.

The supplier resolved the cross-metering in January 2021 and issued amended bills based on the usage recorded on Mr C's meter. We reviewed the amended bills and also found an overcharge.

## RESOLUTION

The supplier applied a \$300 credit to correct the overcharge and a further \$200 credit as a gesture of goodwill.









# EVOLVING CHOICES



ENERGY & WATER  
OMBUDSMAN SA

## ANNUAL REPORT 2020-21

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