



AUSTRALIA & NEW ZEALAND ENERGY AND WATER
OMBUDSMAN NETWORK

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4 April 2006

Mr Mike Philipson
Essential Services Commission of South Australia
GPO Box 2605
ADELAIDE, SA 5001

By email: Mike.Philipson@escosa.sa.gov.au

Dear Mr Philipson

The Australian members of ANZEWON, the Australia and New Zealand Energy and Water Ombudsman Network, are pleased to provide a submission in relation to the *National Energy Retail Performance Indicators* released by the Utility Regulators Forum and drafted by the Steering Committee on National Regulatory Reporting Requirements – Retail Working Group (SCONRRR).

As you are aware, the ANZEWON schemes investigate and resolve complaints between customers and electricity, gas and water providers. Therefore we have a strong interest in the proposed approach to defining and categorising energy complaints, as well as in the other energy retail performance indicators considered in the paper.

The Australian members of ANZEWON support the work that SCONRRR has carried out on energy retail performance indicators and, in particular, agree with the proposed approach to complaint definition and categorisation. We acknowledge the contribution that has been made to the achievement of a nationally consistent set of performance reporting requirements for the energy industry. ANZEWON members are pleased to see the adoption of measures consistent with their own approaches, for example in the definition of complaints and the use of a dual fuel category.

We wish to provide brief comments in response to all of the issues set out in the paper.

Issue 1

Comment is sought on:

- **The proposed changes to the telephone service indicators, particularly if there are any implementation problems with the proposal.**
- **The proposed removal of the ‘number of overload events’ indicator.**

We support both these proposals. Measuring operator responsiveness, rather than a response by an Interactive Voice Response (IVR) system, is clearly more reflective of customer experience.

We accept the rationale for the proposed removal of the number of overload events indicator.

Issue 2

Comment is sought on:

- **The proposed definition of a complaint**
- **The draft complaints guideline (Appendix 1)**
- **The revision of complaints indicators including the proposed categorisation.**

We support the proposed definition of a complaint and are pleased to see SCNRRR drawing on ISO 10002. The addition of the element of implicit or explicit expectation of a response is a better approach in principle and will be helpful in deciding whether a particular matter does constitute a complaint.

The draft complaints guideline is a useful guide. The case studies are practical and realistic. The addition of the alternative scenarios for some of them further adds to the practical guidance being provided. The principles for defining a contact as a complaint, or enquiry or other communication are helpful and comprehensive. It is pleasing to see the guidance on when to log a customer contact as a complaint since this can be a contentious area.

We regard the expansion of categories of complaints as helpful. The further guidance in the use of the categories provided by the case studies is also useful.

ANZEWON members generally have separate categories for billing and credit complaints. This categorisation was determined on the advice of retailer members of our schemes. While we understand the practical considerations behind the suggested categorisation, we suggest that the issue could be resolved fairly simply by the category being titled *Billing/credit complaints*.

One of the additional complaint categories is *Transfer complaints* which is listed as including ‘failure to transfer customer within a certain time period, disruption of supply due to transfer’. We note that in Case Study 12 Scenario 2 a customer complains about receiving a bill from their original retailer although they have transferred to a new retailer.

Although this complaint is about a bill, it is appropriately listed as a *Transfer complaint*. To clarify that billing issues related to contract transfers should be listed under *Transfer complaints* rather than *Billing complaints*, we suggest that the definition of *Transfer complaints* be expanded as follows:

Transfer complaints: includes failure to transfer customer within a certain time period, disruption of supply due to transfer, billing problems directly associated with the transfer eg delay in billing, double billing.

Issue 3

Comment is sought on:

- **The proposed changes in the definition of Direct Debit Payment Defaults and Instalment Plans**
- **The appropriateness of the proposed working definition for the instalment plan indicator, of at least three instalments.**

The proposed change in the definition of Direct Debit Payment Defaults is sensible and should avoid the problems with the current approach. It may be that some retailers are quicker to cancel plans than others, but over a longer period such difference in approach will not make a difference to the general trend.

The approach of confining the definition of an instalment plan to a situation in which at least three payments are anticipated is sound. We agree that the mere postponement of a due date should not be regarded as an instalment plan.

Issue 4

Comment is sought on the proposed changes to affordability indicators

Affordability is a key issue for the essential services of electricity and gas and it is pleasing to see that it is suggested to use a wider variety of indicators. Disconnection and reconnection in the same name has been a good start to looking at affordability issues, but the proposed closer categorisation will provide greater information on affordability issues. In particular, indicators relating to the disconnection and reconnection of concession card customers will provide an insight into the affordability of energy.

Issue 5

Comment is sought on the proposal inclusion of gas in the national retail template.

It is clearly desirable that gas be brought into the reporting framework. Although natural gas is used to differing degrees in the various states and territories, it has the same character as an essential service for many Australian households as electricity and we support the proposed inclusion.

Issue 6

Comment is sought on:

- **The proposed introduction of electricity, gas and dual fuel categories**
- **Whether telephone service or other indicators should be reported nationally on the basis of a generic energy category.**

We support the introduction of electricity, gas and dual fuel categories. The ANZEWON members operating in jurisdictions with Full Retail Competition have introduced dual fuel categories for the reasons the paper puts forward. However, we disagree that a gas and electricity disconnection within a six week period should only be recorded as a dual fuel disconnection. It is an extremely serious matter to lose both electricity and gas and it is not double counting to count each as a disconnection of the relevant fuel.

Disconnection of electricity and gas should not be recorded as a dual fuel disconnection, but always counted separately, and for each incidence of disconnection. If disconnections continue to be recorded against the relevant fuel, there is no need to make provision for the eventuality outlined on page 15 of the paper, namely the disconnections spanning two reporting periods.

We agree that telephone service indicators should be based on a generic energy category.

We trust these comments are of assistance. Please contact Stephen Gatford, Manager Public Affairs and Policy at EWOV, on (03) 9649 7599 if you have any questions or require further information.

Yours sincerely



(on behalf of) ANZEWON

Australia and New Zealand Energy and Water Ombudsman Network

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