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Dear Mike,

National Energy Retail Performance Indicators Discussion Paper

In response to the Steering Committee on National Regulatory Reporting Requirements-Retail Working Group's (the "Committee") call for comments on the National Energy Retail Performance Indicators Discussion Paper (the "Discussion Paper") the EA-IPR Retail Partnership ("EA-IPR") submits for your consideration the comments set out below. EA-IPR has focussed on the issues which it considers require comment and does not, therefore, address all the issues in the Discussion Paper.

Issue 1

Comment is sought on:

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

EA-IPR supports the proposal to change the "telephone responsiveness" indicator to an "operator responsiveness" indicator to take into account the use of integrated voice response ("IVR") systems. In particular, EA-IPR is in favour of defining recorded time as the time from when the caller selects the operator option using an IVR system to when an operator picks up the call to deal with the inquiry.

While EA-IPR agrees that the total number of telephone calls should include the number of abandoned calls, it considers that clarification is required in relation to abandoned calls. EA-IPR is of the view that in calculating the number of abandoned calls, calls that are abandoned *before* selection of an operator should not be counted. EA-IPR suggests that the total number of telephone calls be calculated as follows:

$$T = A + B$$

Where:

T = Total number of telephone calls

A = calls answered by an operator

B= calls abandoned by customers who select operator service

Note: calls that are answered by an automated inquiry service (i.e. calls that do not require operator attention) should *not* be included in the total number of telephone calls.

Issue 2

Comment is sought on:

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

EA-IPR does not support the proposed definition of a complaint that includes a requirement for a response or resolution to be explicitly or implicitly expected. EA-IPR asserts that there are intrinsic difficulties with the proposed definition because the application of the definition is problematic, it requires subjective judgement and implementing the change in definition will require a disproportionate amount of training and guidance in order to achieve any degree of consistency.

Our concerns are illustrated by case study 12 on page 31 of the Discussion Paper. The proposed definition of a complaint consists of three components:

1. An expression of dissatisfaction made to an organisation;
2. The dissatisfaction must relate to the organisation's products, services or complaints-handling process; and
3. The customer must explicitly or implicitly expect a response.

In Scenario 1 of case study 12, the customer is dissatisfied with receiving a bill from the retailer (for a service that was previously provided). The customer asks for a response explicitly. Using the proposed definition, this *is* a complaint (i.e. we disagree with the analysis in that it would not be a complaint), as the proposed definition does not exclude complaints that are satisfactorily resolved immediately. Similarly, Scenario 2 of case study 12 can also be a complaint *if the operator perceives* that a response is required - whether a response is required or not would be a subjective judgement of the operator taking the call.

EA-IPR submits that the assessment of whether a response or resolution is to be explicitly or implicitly expected cannot be determined objectively, causing issues of interpretation and implementation. EA-IPR submits that the proposed definition of a complaint is unlikely to improve consistency between retailers.

Further, EA-IPR notes that if it is decided that the definition of complaint is to include the requirement that the customer must explicitly or implicitly expect a response, extensive training and guidance (which is likely to extend beyond the draft national reporting complaints guideline) will be required to achieve any degree of consistency in the application of this definition. The Discussion Paper states that the expectation of a response has been added to eliminate vexatious complaints. EA-IPR is of the opinion that changing the definition will not eliminate vexatious complaints and that the resources that

would be required to implement the proposed change are disproportionate to the scale of the perceived problem.

EA-IPR welcomes the proposal to disaggregate residential and non-residential customer complaints and supports efforts to make the categories of complaints reflect market developments. However, EA-IPR does not support the proposal to record both complaint contacts and the number of complaints.

EA-IPR does not believe that recording both complaint contacts and the number of complaints adds significantly to the stated objectives of increasing clarity and consistency in reporting. The conceptual and operational problems with determining and recording complaints are set out above. EA-IPR notes that the additional requirements of (1) recording complaint contacts, (2) determining the number of complaints arising from a complaint contact; and (3) further categorising each complaint into one of the four categories proposed will detract significantly from the resources available to address a customer's concerns.

EA-IPR further notes that the revision of complaint indicators will require significant development and changes to current systems. If it is decided to implement these changes, EA-IPR asks that adequate time be allowed for these operational issues to be resolved.

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.**

EA-IPR welcomes the introduction of electricity, gas and dual fuel categories, and supports the introduction of a generic energy category for telephone inquiries.

In introducing electricity, gas and dual fuel categories, EA-IPR would like to see that issues of definition and implementation are appropriately addressed, particularly in relation to the dual fuel category. As the Discussion Paper recognises, there is some jurisdictional variance in the definition of "dual fuel", and particularly its application to one or two contracts for the sale of electricity and gas. Issues also arise where the person making the contact is not the actual customer of the retailer. If, as the Discussion Paper suggests, a contractual link is required to exist between the two fuel types, how would a call be recorded where that call relates to two fuel types and a contractual relationship does not even exist between the caller and the retailer, as in the situation of a general marketing *enquiry*, as distinct from a complaint? A related problem arises where the caller may be a customer of a retailer for one fuel type, but calls in relation to two fuel types. A retailer's electricity customer may, for example, call to enquire about taking up a gas offer, or a combined electricity and gas offer. This type of call would not be captured in the Discussion Paper definition.

In relation to implementation of these three categories using IVR systems, EA-IPR suggests that funnelling customers to choose one of the three categories rather than leaving the nature of the inquiry or complaint to be determined at the operator/ customer interface will produce more consistent data. EA-IPR notes that this may require customers who have inquiries regarding more than one category to be transferred. For example, a customer may call with an inquiry about dual fuel. While speaking to an operator, that customer may decide that he only wants to inquire about electricity. To ensure consistent

data, that customer would have to be transferred to an electricity inquiry operator, as this would enable the IVR system to record an electricity inquiry.

EA-IPR would be pleased to elaborate on any aspect of this submission. If any further information is required, please contact Nick Koutroumanis on (03) 8807 1135.

Yours sincerely,

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Head of Compliance