

# Electricity customers' complaints experience

## *The results of an EWOQ survey*

The Energy and Water Ombudsman Queensland (EWOQ) is a free, fair and independent dispute resolution service for residential and small business energy (electricity and gas) customers across Queensland and water customers in south east Queensland.

EWOQ cannot deal with a complaint until the customer has made a genuine attempt to resolve the matter with their retailer. It follows that the customers we deal with have been unable to resolve their complaint with their retailer.

With a view to assisting electricity retailers to improve their customer complaints service, and also reducing the number of complaints to EWOQ, we surveyed 101 customers about their complaints experience. The survey was conducted in 2013.

### The survey

Customers with a billing or credit complaint from a cross section of retailers were surveyed. In each case one or more of the following outcomes were obtained after coming to EWOQ:

- **payment extension:** the retailer agrees to allow the customer more time in which to pay their bill
- **payment plan:** a payment plan allows the customer to regularly pay an agreed amount over time towards their bill
- **HEEAS:** people experiencing a short term financial crisis or unforeseen emergency and cannot pay their energy bill receive a State government non-refundable grant under the Home Energy Emergency Assistance Scheme (HEEAS). This outcome indicates that the customer may have been eligible for a HEEAS grant and arrangements were made for the retailer to provide the customer with an application form
- **hardship program:** in addition to helping customers pay off their debt through an affordable payment plan hardship programs typically include, amongst other things, an option of an appliance energy efficiency audit, facilitating access to financial counselling, and assessing the appropriateness of the customer's market contract.

To enhance the reliability of the survey, customers were questioned as soon as possible after their case was closed.

### Survey results

The customers surveyed fell into three distinct groups.

The first group, which accounted for 40 per cent of all respondents, was experiencing financial difficulties due to either long-term hardship or a recent incident, such as job loss or illness.

The second group (30 per cent of the survey respondents) questioned the accuracy of their bill.

The last group (also 30 per cent of the survey respondents) had not received a bill when it was due.

Overall, four out of five respondents reported that their customer experience was worse than they expected. Some reported feeling more confused after speaking to customer service representatives, while others said the experience left them feeling stressed and frustrated. Several even stated that the service they received was so bad they either moved companies or would have moved if they were not locked into a payment plan or hardship program.

The survey then reviewed seven customer service factors on a five-point scale (with one being very poor and five being very good):

- ability to listen
- eagerness to help
- time taken to help
- knowledge on the matter
- ability to answer questions
- ability to solve issues
- helpfulness.

Each of these factors was rated poor or very poor by 80 per cent or more of the survey respondents (see Figure 1).

'Ability to listen' was rated poor to very poor by 4 out of every 5 customers surveyed. Nineteen customers specifically complained about not being listened to, long waiting times, having to repeat who they were and what their issue was and being passed between various departments. Some of the respondents said they felt rushed, received conflicting advice, or only some of the information they required.

Some respondents said their customer service representatives were genuinely concerned and empathetic but the issue remained unresolved due to the front-line staff's lack of authority to resolve the issue, and inability to transfer the customer to their supervisor.

*“An overwhelming majority of customers surveyed rated the customer complaints service from retailers as poor to very poor.”*

Over 90 per cent rated their retailer’s ‘ability to solve your issues’ and ‘helpfulness’ as poor to very poor, while 83 per cent of respondents rated ‘eagerness to help you’ as poor or very poor.

Respondents reported that the representatives were rude and unhelpful, spoke down to them, hurried them along or hung up the phone. Others said they felt they were not getting anywhere during their discussions and that the customer service representative was stuck on a script.

Eighty-six per cent of survey respondents rated the ‘time taken to help you’ as poor or very poor. Further investigations found that some customers had called many times over weeks or months while others had spent hours on the phone.

More than half (55 per cent) had contacted their electricity company five or more times, and another 20 per cent had contacted their electricity company three to four times.

Call waiting times varied from five minutes to an hour, with the majority (nearly 60 per cent) on hold for 10-20 minutes, 16 per cent for around five minutes, and another 16 per cent between 30-60 minutes (see Figure 2). Several respondents stated that the retailer was quick to pick up the phone in the first instance but once the customer was forwarded to a different person or department they waited for frustratingly long periods of time. Other customers were passed around to various people or departments, and finding the right person to help them was an issue.

The survey also pointed to a lack of knowledge across customer service staff as a possible explanation for the extended call waiting times. Nearly 90 per cent of respondents rated ‘knowledge on the matter’ and ‘ability to answer your questions’ as poor to very poor.

Seventeen respondents also reported receiving poor and conflicting advice from customer service representatives.

Overall, only 9 per cent of customers rated ‘ability to solve issues’ as good to very good.

Figure 1: Customer service ratings

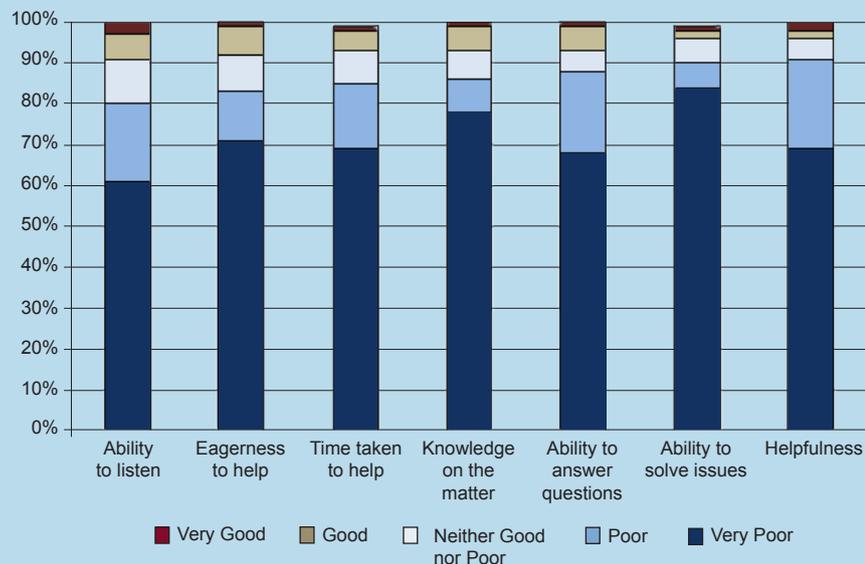
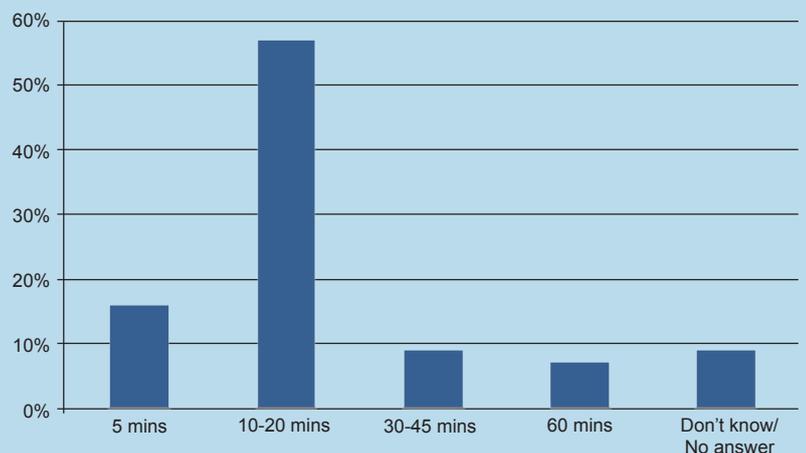


Figure 2: Call waiting times



*“There is a clear imperative for retailers to significantly improve all facets of their customer complaints service.”*

### Summary

In summary, an overwhelming majority of customers surveyed rated the customer complaints service from retailers as poor to very poor. Before further considering this feedback one observations needs to be made.

Some 40 per cent of those surveyed were experiencing financial difficulty. Finding a solution for customers who are under financial and emotional stress can be very challenging for retailers. Often, the financial problem extends beyond just the electricity bill.

These customers frequently have higher emotional needs than others. It follows that they have higher expectations of the complaints process and are more critical of the service being offered.

While our research must be seen in this context, it should be noted that the responses from customers in financial difficulty were consistent with those from customers who had the capacity to pay but who had issues with their bill or the service provided.

The survey responses demonstrate that there is a clear imperative for retailers to significantly improve all facets of their customer complaints service. This includes a pressing need to improve the way in which retailers interact with their customers. Customers commonly reported that retailers lacked empathy for their situation and staff were disrespectful, rude, condescending and uninterested. Clearly, this is unacceptable.

### Recommendations

We recommend that retailers focus on:

- greater delegation of authority to customer service staff to make decisions
- more streamlined internal complaints processes— including access to hardship programs and concessions such as HEEAS.
- providing additional staff training, especially when dealing with customers in financial difficulty
- reducing call waiting times
- limiting the transfer of customers between areas, and
- delivering on promises in a timely way.



## About EWOQ

EWOQ can help with complaints about:

**Billing** - If you have a high or disputed bill, haven't received a bill, your bill has errors, your usage has been estimated, the fees and charges applied, rebates or concessions you may be entitled to, the tariff or rate you've been charged, meter readings, or refunds you may be entitled to.

**Credit** - If you have difficulty paying your bill, have been debt-listed, or had energy disconnected or water restricted for not paying your bill.

**Customer service** - If your supplier has failed to inform or respond to you, provided incorrect advice, had poor attitude or service, or you have concerns about privacy issues.

**Land** - The impact network assets may have on properties, maintenance of assets, or managing vegetation on properties.

**Marketing** - The conduct by energy marketers, if they give misleading information, pressure or coerce you into signing a contract, or sign-up a non-account holder to a contract.

**Provision** - If you have problems with new or existing connections.

**Supply** - If there are problems with the quality of energy supplied, planned or unplanned energy or water interruptions, sewerage overflow, or if you suffer damages or loss due to supply issues.

**Transfer** - Any errors in billing of transferring accounts due to switching energy retailers, contract terms, delays in transfers, or site ownership.

EWOQ is unable to help with complaints about:

- the price of energy or water
- electricity consumption over 100 megawatt hours per year
- gas consumption over one terajoule per year
- water consumption over 100 kilolitres per year for small businesses
- on-selling energy and water to tenants in caravan parks, retirement villages and other multi-tenanted dwellings
- bottled LPG
- reticulated bulk hot water
- the Community Ambulance Cover levy
- solar rebates
- developer enquiries
- customer contribution to the cost of capital works
- home suite products
- tradewaste.

If you have a problem we can't help with, we will refer you to someone who can.

## Tips for resolving complaints:

- 1 If you have any problems with your energy or water company, contact them first and explain your situation. Give a brief and factual description of the details of your complaint in the order they happened. Also explain what outcome you are hoping to achieve. Keep records of letters, names, times and dates.
- 2 If the call centre staff can't help you, ask to speak to a supervisor. A supervisor may have the authority to resolve your problem.
- 3 If the problem is still not fixed, contact EWOQ to make a complaint.



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QUEENSLAND

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