



Energy & Water
Ombudsman NSW
Free, fair and independent

Natural disasters – the long-term customer experience

Energy Charter – Resilience Community of Practice session

20 February 2024

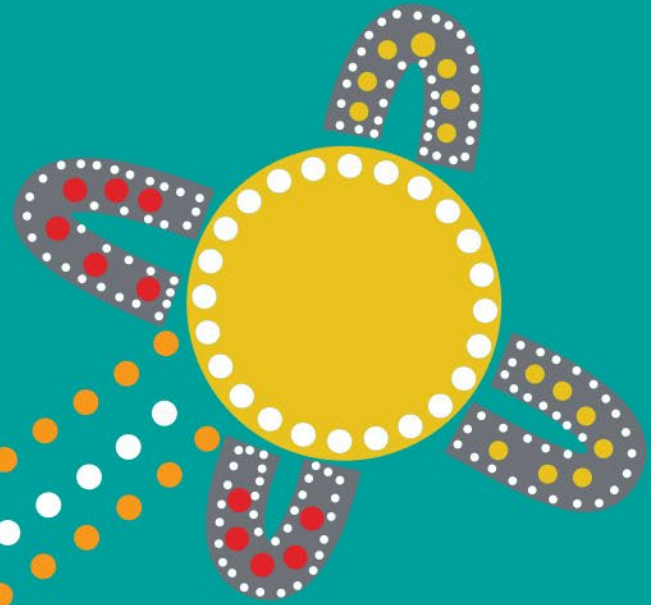

Helen Ford, Deputy Ombudsman and the **Policy & Systemic Issues** team

Energy & Water Ombudsman NSW



Acknowledgement of Country

I would like to start by acknowledging the traditional custodians of the lands and waters that EWON is located on, the Gadigal people of the Eora Nation. I pay my respect to their Elders both past and present and extend that respect to other Aboriginal people in attendance today.



> Overview

- EWON and our Spotlight On reports
- Today's focus - Spotlight On Calls to Action
- Natural disasters in NSW
- Energy issues after natural disasters
- Complaint insights
- Case studies
- Questions and discussion

**“What was unprecedented is
now our future.”**

**Royal Commission into National Natural
Disaster Arrangements Report**





Energy & Water Ombudsman NSW

Free, fair and independent

The Energy & Water Ombudsman NSW (EWON) is the **Ombudsman** scheme for electricity and gas customers in NSW, and some water customers.

We resolve complaints looking at the law, what is fair and reasonable, and what involves good industry practice.

We assist in the reduction and avoidance of complaints (such as advocating for improvements to industry practice, educating consumers and responding to systemic issues).



> EWON's Spotlight On reports

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Spotlight on Systemic issues report

Challenges in
the new world of
switching energy
providers

March 2023

There's been a positive shift in the energy market towards empowering customers to make choices that suit their circumstances. Encouraging engagement with the market enables customers to benefit from better deals when they want them. The 2019 rule change giving energy customers the option to switch providers within as little as two days could be seen as an example of this empowerment, but has this rule change delivered all it was meant to, or are there unexpected consequences?

EWON is not involved in the business-to-business processes of energy retailers, however we see the outcomes when things don't go to plan. In this Spotlight On we'll share the unique vantage point EWON has on unexpected consequences arising from these new rules. Our complaints data provides customer insights into the switching process, and our dispute resolution work

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Spotlight on Systemic issues report

Natural disasters
- the long-term
customer
experience

November 2023

"[W]hat was unprecedented is now our future." - [Royal Commission into National Natural Disaster Arrangements Report](#)

Every Local Government Area (LGA) in NSW has been included in a flood or bushfire [disaster declaration](#) at least once between July 2018 and October 2023.

The immediate response to these events is extensive, garnering a combined reaction from the

ON AIR





➤ Today's focus – calls to action

Our complaints tell us:

1. customers experience energy-related problems months or even years after losing homes and businesses
2. targeted industry support ends while customers are still struggling
3. customers experience trauma during natural disasters and relive that trauma when trying to manage energy disputes
4. provider understanding and empathy wanes when the event is no longer in the public's mind.

What can we do to change this?



➤ Call to action: One



Long-term support plans

Regulators, industry bodies and **energy providers** need to plan long-term to support customers impacted by extreme weather events.

This planning needs to be informed by an understanding that:

- impacts continue for years after the event
- people may experience multiple events
- the nature and level of impact changes over time.



➤ Call to action: Two



Identify and address factors contributing to customer stress, dissatisfaction, and lack of confidence in the energy sector culminating in complaint fatigue

Energy providers need to use insights from internal and external complaints to identify ways to foster better understanding of the impact of extreme weather events and avoid complaint fatigue in customers.

While providers often get it right, complaints are an invaluable source of insights about where things can improve.

Do you have examples of success stories? What initiatives worked?



➤ Call to action: Three



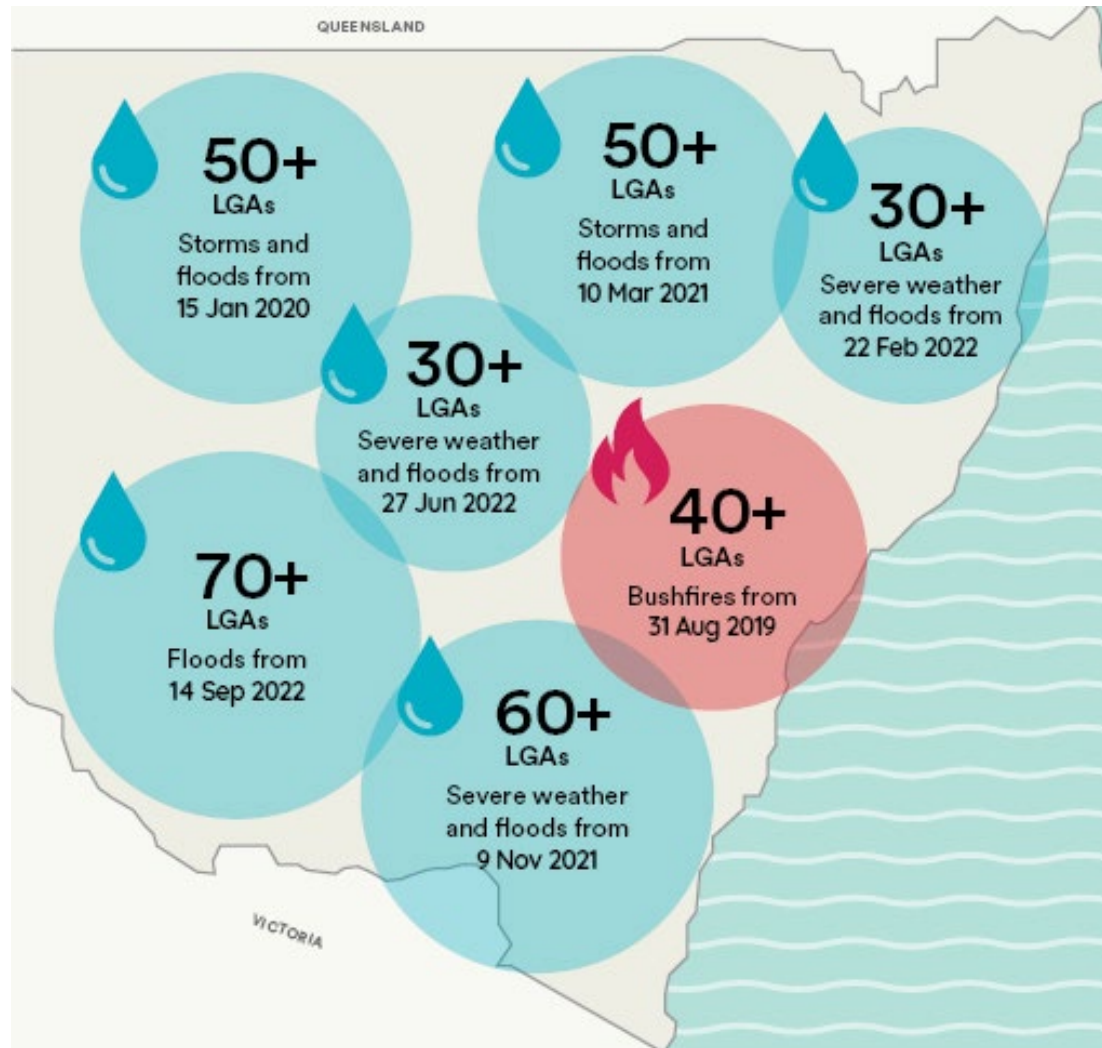
Engage with us

EWON will continue this conversation within the energy sector, and beyond, to share the insights from our complaints and gain insights from others.

➤ Natural disasters in NSW

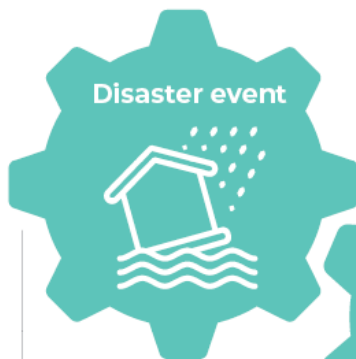
Every LGA in NSW has been included in a disaster declaration between July 2018 and October 2023.

Many impacted repeatedly.





> Immediate and short term energy issues



Disaster event

Immediate issues

- Critical safety hazards
- Outages
- Damaged or destroyed network assets, private installations and meters



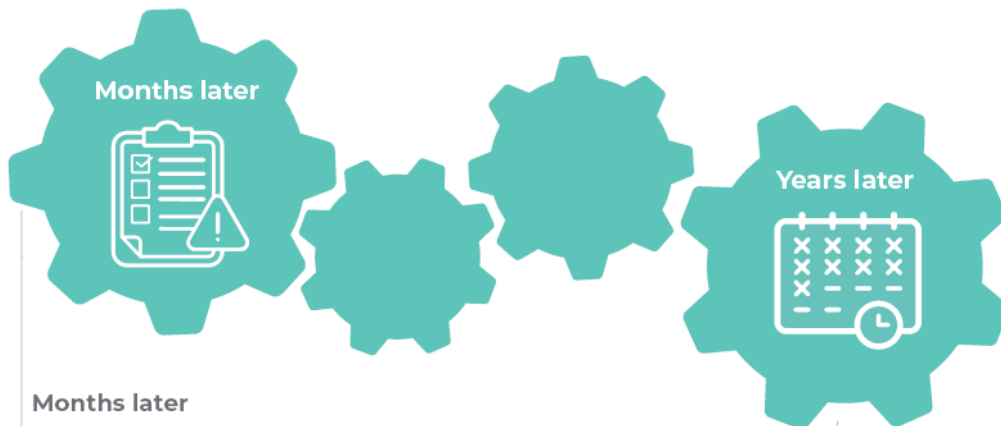
Weeks later

Weeks later

- Ongoing safety hazards
- Continued outages
- Repair and replacement delays for network assets and private installations
- Delayed meter replacement
- Need for empathy or understanding from provider due to grief and stress
- No capacity to address bills, whether it is because of mental load or no access to technology



➤ Medium and long term energy issues



Months later

- Network asset maintenance
- Defect notices
- Delayed meter replacement and disputed usage for new meters
- Service charges for periods of no supply
- Estimated, delayed or missing bills
- Affordability difficulties and disconnection for non-payment
- Complaint fatigue and a need for empathy from provider
- Provider no longer recognising impact of extreme weather event

Years later and beyond

- Network asset maintenance
- Defect notices
- Delayed meter replacement and disputed usage for new meters
- Continued disputes over past estimated usage and service charges for periods of no supply
- Risk of default listing, debt collection, affordability difficulties and disconnection for non-payment
- Complaint fatigue and a need for empathy from provider
- Provider no longer supporting impacted customers

➤ EWON's role

- Provide clear information and referrals immediately after a disaster
- Handle complaints from people who are experiencing longer-term consequences
- Visit impacted areas to provide support





➤ EWON complaint insights – industry expectations

As time passes after a natural disaster:

- the natural disaster is no longer at the forefront of the public's mind
- targeted energy provider support reduces
- industry expectations become less clear
- providers have less guidance about what is expected of them
- recent natural disasters take precedence over older natural disasters.



➤ EWON complaint insights – the customer experience

Our complaints data shows us that customers experience long-term issues including:

- supply charges and estimated bills for destroyed or uninhabitable properties
- replacement delays for destroyed or faulty meters
- affordability difficulties
- collections activity for unpaid bills
- issues with repairing, replacing and maintaining network assets or private installations
- lack of provider empathy and understanding.

A firefighter in a brown uniform and yellow helmet stands in a forest at night. The ground is dark and smoky, with small fires burning in the distance. The trees are silhouetted against a hazy, orange light. A large, semi-transparent orange banner is overlaid across the middle of the image, containing the text "Case Studies" in white.

Case Studies



Case Study one

Bushfire – October 2019

The customer's property was destroyed by bushfire

- The customer experienced **extreme trauma** during the event
- Loss of records and property
- Existing billing dispute involving a faulty meter
- Collections activity

After the fire:

- Provider repeatedly contacted the customer to organise a new meter
- Customer explained there was no need for a new meter as house was destroyed and she was not rebuilding
- Customer closed account but experienced continued collections activity for \$130

Outcome:

- Waived disputed charges



Case Study two

Floods – February 2022

Customer still dealing with issues 12 months after the flood

- Customer had to be rescued by helicopter
- Her home inaccessible for months
- Still receiving bills and payment reminders
- Had to describe traumatic event to provider at least five times

During the investigation:

- Customer moved to a caravan in her front yard
- Meter faults identified and replaced

Outcome:

- Provider waived charges totalling \$1,200
- We provided information about EAPA for future bills

➤ Questions for EWON?

Discussion points:

1. Planning for long-term customer support
2. Managing customer stress, trauma and complaint fatigue
3. Engagement within the energy industry and across other industries





> Finding out more and get in touch

- Read our **Spotlight On** reports:
ewon.com.au/page/publications-and-submissions/reports/spotlight-on
- Read our quarterly **EWON Insights** reports:
ewon.com.au/page/publications-and-submissions/reports/EWON-Insights
- Get in touch with Rory Campbell and Emma Wortley from EWON's **Policy & Systemic Issues** team: policy@ewon.com.au