



Energy and Water Ombudsman Western Australia

Annual Report 2016-17

About this Report

This report describes the functions and operations of the Energy and Water Ombudsman (Western Australia) Limited, for the year ending 30 June 2017.

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Energy and Water Ombudsman Western Australia acknowledges Aboriginal and Torres Strait Islander people of Australia as the traditional custodians of this land. We recognise and respect the long history and ongoing cultural connection Aboriginal and Torres Strait Islander people have to Australia, recognise the strength, resilience and capacity of Aboriginal and Torres Strait Islander people and pay respect to Elders past, present and future.

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Chairperson's Overview

Chairperson's Overview

It is with pleasure that I present the thirteenth Annual Report of the Energy and Water Ombudsman (Western Australia) Limited (**the Company**).

The Board

The Board comprises seven directors: an independent chairperson, three customer representative directors, a gas industry representative director, an electricity industry representative director and a water services industry representative director.

The Board held five Board Meetings, two General Meetings and a Budget Committee Meeting during the year, as well as receiving complaint statistics and financial reports on a monthly basis.



The Company

During the year, we welcomed a new gas Member, a new electricity Member and two new water services Members. A small local government water services provider ceased to be a Member of the Company, as they were granted an exemption by the Minister for Water from section 5(1) of the *Water Services Act 2012*. As at 30 June 2017 there were 32 Members of the Company and a list of these Members is included in the Company Particulars section of the report.

Customer Complaints

The Board has a service agreement with the Western Australian Ombudsman who undertakes the role of the Energy and Water Ombudsman. The Board oversees the Energy and Water Ombudsman Scheme, but is not involved in the resolution of individual complaints. The Energy and Water Ombudsman provides a report to each meeting of the Board regarding the work of the Energy and Water Ombudsman.

Review of the Water Services Ombudsman Scheme

Under the legislation governing the Water Services Ombudsman Scheme (**the Scheme**), the Board was required to review the Scheme before the second anniversary of its commencement. Under the legislation, the review involves consultation with the persons or bodies with an interest in the Scheme and assesses the Scheme against its legislative objectives. The Board then provides a report on the review to the Economic Regulation Authority (**the ERA**) and a copy to the Members of the Scheme.

The review, undertaken by an independent consultant, Cameronralph Navigator, assessed the Scheme against the following evaluation criteria:

- The Scheme's legislative objectives; and
- The *Benchmarks for Industry-Based Customer Dispute Resolution Schemes (National Benchmarks)*, which establish key practices in the areas of

Chairperson's Overview

Accessibility, Independence, Fairness, Accountability and Efficiency and Effectiveness.

Feedback on the Scheme was obtained through surveys or interviews from a range of stakeholders including Members and people who had made a complaint to the Energy and Water Ombudsman.

The Scheme was found to be meeting the legislative objectives and National Benchmarks and to be operating well. Complaint outcome and timeframes are appropriate. The Scheme is working well with stakeholders, whilst maintaining its independence and impartiality.

The Board submitted a report on the review to the ERA, with a copy provided to Members of the Scheme and, during the year, considered and approved an Implementation Plan to address the recommendations arising from the review.

Appreciation

I would like to record my thanks to my fellow Directors for their commitment to the successful operation of the Board during 2016-17. I would also like to thank the Energy and Water Ombudsman and his staff for their efforts in resolving complaints so efficiently in this thirteenth year of operation.

The Energy and Water Ombudsman's Report, the Company Particulars, the Independent Audit Opinion and the audited Financial Statements for the Company for 2016-17 follow.

A handwritten signature in blue ink, appearing to read 'M. Henneveld', is displayed within a thin black rectangular border.

Menno Henneveld
CHAIRPERSON

Energy and Water Ombudsman's Report

I am very pleased to present the 2016-17 Annual Report of the Western Australian Energy and Water Ombudsman.

The Energy and Water Ombudsman investigates and resolves complaints about energy and water services in Western Australia. In 2016-17, we received 2,478 complaints comprised of 1,747 electricity complaints, 368 gas complaints and 363 water complaints. We provided highly timely resolution of these complaints, closing 86% of complaints within 10 business days. The timely resolution of complaints is facilitated by the cooperative approach of member companies, for which I record my appreciation.



To ensure that we continue to provide high quality and cost effective investigation and resolution of complaints, we have continued to liaise with key stakeholders including electricity, gas and water providers, the Economic Regulation Authority, other regulators and other Energy and Water Ombudsmen. We have also undertaken a range of activities to ensure our services are as accessible as possible for members of the public, including those living and working in regional Western Australia and Aboriginal Western Australians through our Regional Awareness and Accessibility Program. This year the Program conducted regional visits to Broome and Carnarvon.

I take this opportunity to express my sincere appreciation to the Board of the Energy and Water Ombudsman for their work in providing oversight to the Energy and Water Ombudsman Scheme.

I also take this opportunity to thank each staff member of the Energy and Water Ombudsman, and in particular, Deputy Energy and Water Ombudsman, Mary White, and Director, Energy and Water, Marcus Claridge, for their ongoing outstanding contribution to ensuring high quality, cost effective and timely access to justice for Western Australian electricity, gas and water consumers.

A handwritten signature in black ink, appearing to be 'C. Field', written in a cursive style.

Chris Field
ENERGY AND WATER OMBUDSMAN

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Highlights for 2016-17

Complaint Numbers

- In 2016-17, there were 2,478 complaints received representing a 30% increase from 2015-16.
- Complaints comprised:
 - 1,747 electricity complaints;
 - 368 gas complaints; and
 - 363 water complaints.

Timeliness

- 83% of electricity complaints, 96% of gas complaints, 89% of water complaints and 86% of all complaints were closed within 10 business days of receiving the complaint.

Issues Raised

- Concerns about billing and credit are the main issues raised in complaints with these issues identified in 73% of complaints received (48% for billing and 25% for credit). Of these:
 - High bills and alleged errors are the most common reasons for billing complaints; and
 - Payment of arrears and debt collection are the most common reasons for credit complaints.

Liaison and Access

- Effective relationships with key stakeholders and access to our services have been maintained this year through:
 - Continuous liaison and communication with Energy and Water Ombudsman Scheme member organisations, regulators and industry-based Ombudsmen; and
 - Ensuring ongoing access to the Energy and Water Ombudsman services for residential and small use customers, and community groups who may represent them, including through regional visits to Broome and Carnarvon.

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About Us

- Our Role
- Structure and Governance
- Our Services
- Strategies to Achieve Our Objectives
- Our Complaint Resolution Process

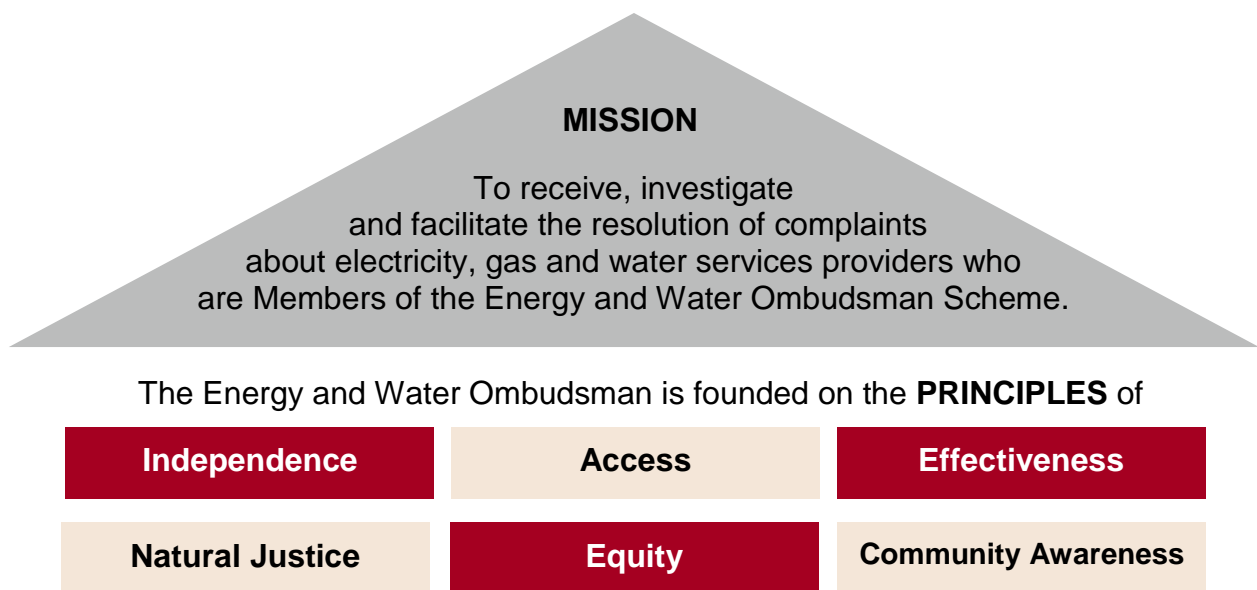
About Us

Our Role

The Energy and Water Ombudsman

The Energy and Water Ombudsman Western Australia is an independent, impartial body that investigates and resolves complaints about electricity, gas and water services providers.

Mission and Principles



The Role of the Energy and Water Ombudsman

The role of the Energy and Water Ombudsman is principally to do three things:

- Investigate and resolve complaints about a Member of the Energy and Water Ombudsman Scheme (**Member**);
- From complaints, to identify systemic and emerging issues, as well as monitor the outcomes of complaints and report these issues and outcomes to the Economic Regulation Authority (**ERA**) and in other relevant forums; and
- Undertake outreach, education, liaison and other activities to ensure awareness of, and access to, the Energy and Water Ombudsman, particularly for under-represented Western Australians (in terms of complaints to the Energy and Water Ombudsman compared to representation in the general population).

About Us

Structure and Governance

Background of the Energy and Water Ombudsman

The Gas Industry Ombudsman Scheme was established on 31 May 2004 and the Electricity Ombudsman Scheme was established on 22 September 2005. At that time the two schemes were combined under the title of Energy Ombudsman. When the Water Services Ombudsman Scheme commenced on 1 January 2014, the existing Energy Ombudsman expanded to become the Energy and Water Ombudsman.

The Board

The Board of Energy and Water Ombudsman (Western Australia) Limited (**the Board**) is the governing body of the Energy and Water Ombudsman. It comprises seven directors: an independent chair, three customer representative directors, a gas industry representative director, an electricity industry representative director and a water industry representative director. Details of the membership, responsibilities and operations of the Board are documented in the *Energy and Water Ombudsman (Western Australia) Limited Constitution November 2015 (Constitution)* and the *Charter of Energy and Water Ombudsman (Western Australia) Limited, November 2013 (Charter)*.

The Board in 2016-17

Chairperson: Menno Henneveld

Directors

- Customer Representative: Wayne Mann
- Customer Representative: Judith McGowan
- Customer Representative: Irina Cattalini
- Gas Industry Representative: Ray Myles
- Electricity Industry Representative: Colin Smith
- Water Industry Representative: Catherine Ferrari

Alternate Directors

- Gas Industry Representative: Simon Byrne
- Electricity Industry Representative: Margaret Pyrchla
- Water Industry Representative: Karen Willis

About Us

Members of the Energy and Water Ombudsman Scheme

The Members of the Energy and Water Ombudsman Scheme as at 30 June 2017 are listed below.

Gas Industry Members – 30 June 2017

- AGL Sales Pty Limited
- Alinta Sales Pty Ltd
- ATCO Gas Australia
- Electricity Generation and Retail Corporation (Synergy)
- Esperance Gas Distribution Company Pty Ltd
- Esperance Power Station Pty Ltd
- Wesfarmers Kleenheat Gas Pty Ltd

Electricity Industry Members – 30 June 2017

- AER Retail Pty Ltd
- Alinta Sales Pty Ltd
- Amanda Energy Pty Ltd
- A-Star Electricity Pty Ltd
- Change Energy Pty Ltd
- Electricity Generation and Retail Corporation (Synergy)
- Electricity Networks Corporation (Western Power)
- Perth Energy Pty Ltd
- Regional Power Corporation (Horizon Power)
- Rottnest Island Authority
- Wesfarmers Kleenheat Gas Pty Ltd

Water Industry Members – 30 June 2017

- Aquasol Pty Ltd
- Bunbury Water Corporation (Aqwest)
- Busselton Water Corporation
- City of Kalgoorlie-Boulder
- Gascoyne Water Cooperative
- Hamersley Iron Pty Ltd
- Lancelin South Pty Ltd
- Moama Lifestyle Villages Pty Ltd
- Ord Irrigation Cooperative
- Preston Valley Irrigation Cooperative
- Robe River Mining Co Pty Ltd
- Rottnest Island Authority
- Shire of Dumbleyung
- Shire of Gnowangerup
- Shire of Lake Grace
- South West Irrigation Management Cooperative Limited (Harvey Water)
- Water Corporation
- Water West North Dandalup Pty Ltd

The Energy and Water Ombudsman

The Western Australian Ombudsman, Chris Field, performs the functions of the Energy and Water Ombudsman under a service agreement with the Board. The Energy and Water Ombudsman is not affiliated with any electricity, gas or water providers or consumer organisations and therefore acts impartially in the investigation and resolution of complaints.

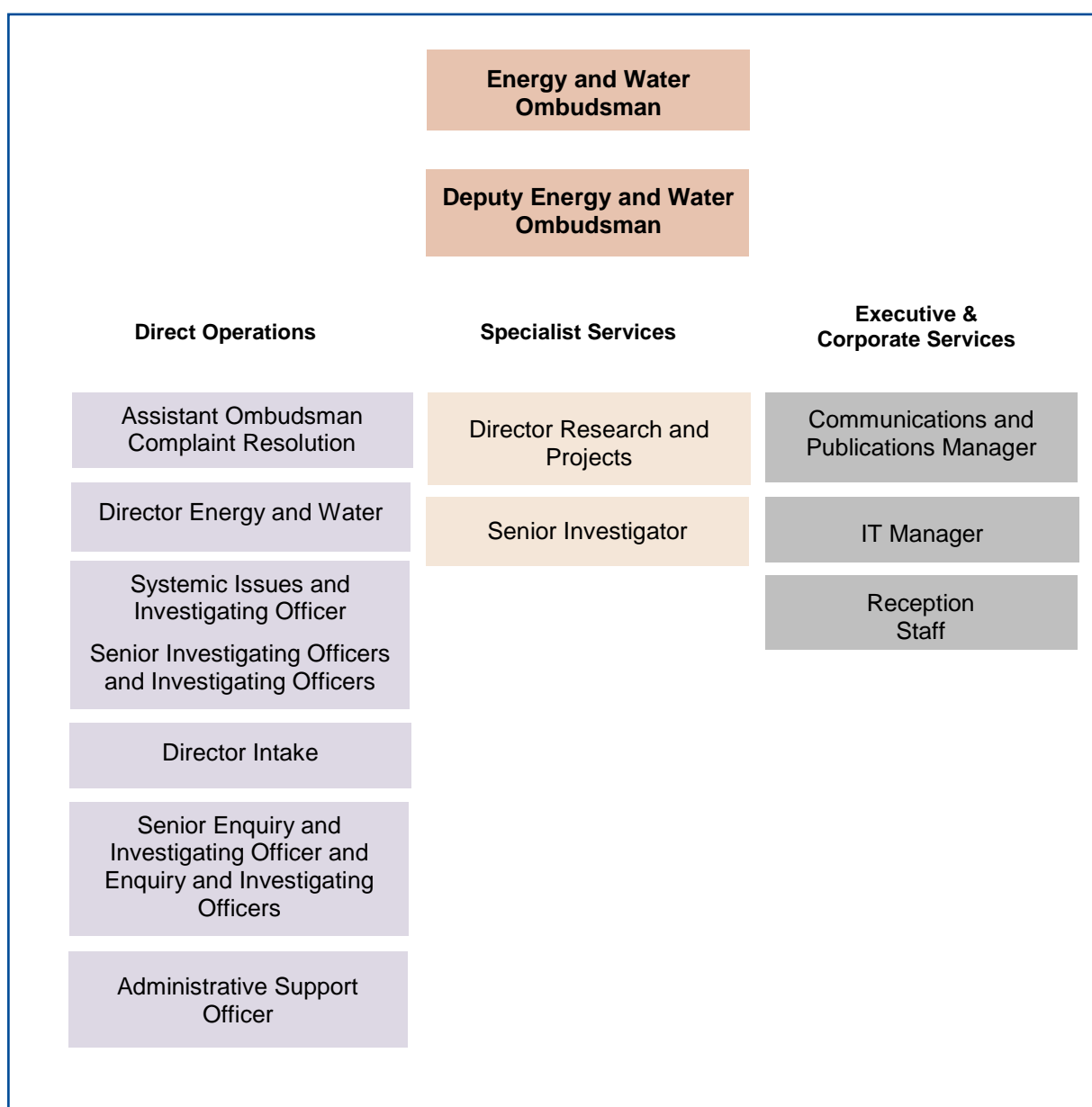
The Energy and Water Ombudsman utilises the governance structures of the Western Australian Ombudsman, including an Audit and Risk Management Committee.

About Us

Operational Structure

The office of the Energy and Water Ombudsman (**Office**) is located within the office of the Western Australian Ombudsman. This provides the opportunity to achieve significant benefits through scale and scope economies that would not be available to a small stand-alone Energy and Water Ombudsman Scheme. It also creates the opportunity for improved quality service delivery through the highly developed, specialised expertise existing in the office of the Western Australian Ombudsman.

At 30 June 2017, the Energy and Water Ombudsman was comprised of 9.0 full time equivalent employees reporting to the Western Australian Ombudsman in his role as Energy and Water Ombudsman. The structure of the Office is shown below.



About Us

Direct operational dispute resolution services are provided by a team of staff reporting through the Deputy Energy and Water Ombudsman to the Western Australian Ombudsman in his role as Energy and Water Ombudsman. Complex investigations, as well as the review of complaints, can be provided through senior investigating staff of the Western Australian Ombudsman's office. Other services, including communications and information technology, are provided through the Executive and Corporate Services Division of the Western Australian Ombudsman.

Our Services

The Energy and Water Ombudsman receives, investigates and resolves complaints and disputes from residential and small business customers about their electricity, gas or water services provider. The following table describes matters that the Energy and Water Ombudsman can and cannot investigate.

Matters the Energy and Water Ombudsman CAN Investigate	Matters the Energy and Water Ombudsman CANNOT Investigate
<ul style="list-style-type: none">• Provision or supply of services as required by a licence or agreement under legislation;• Billing, the administration of credit and payment services and the recovery of debts;• Disconnection and restriction of supply, and refundable advances;• Payments for breaches of prescribed electricity and water service standards;• Marketing of gas, electricity or water for sale;• A Member's exercise of its powers in relation to land, neighbouring land or property;• Complaints and disputes relating to a Member or an agent referred by a Member or an agent; and• Complaints by a person affected by the provision of a water service.	<ul style="list-style-type: none">• The setting of prices or tariffs or determining price structures;• Commercial activities outside the scope of the electricity, gas or water service licence;• The content of Government policies; and• Complaints under consideration by, or previously considered by, any court or tribunal or the Ombudsman considers should be dealt with by a court or tribunal.

The Energy and Water Ombudsman also liaises closely with providers in order to achieve effective dispute resolution, and with the community to provide effective access to our services.

Strategies to Achieve Our Objectives

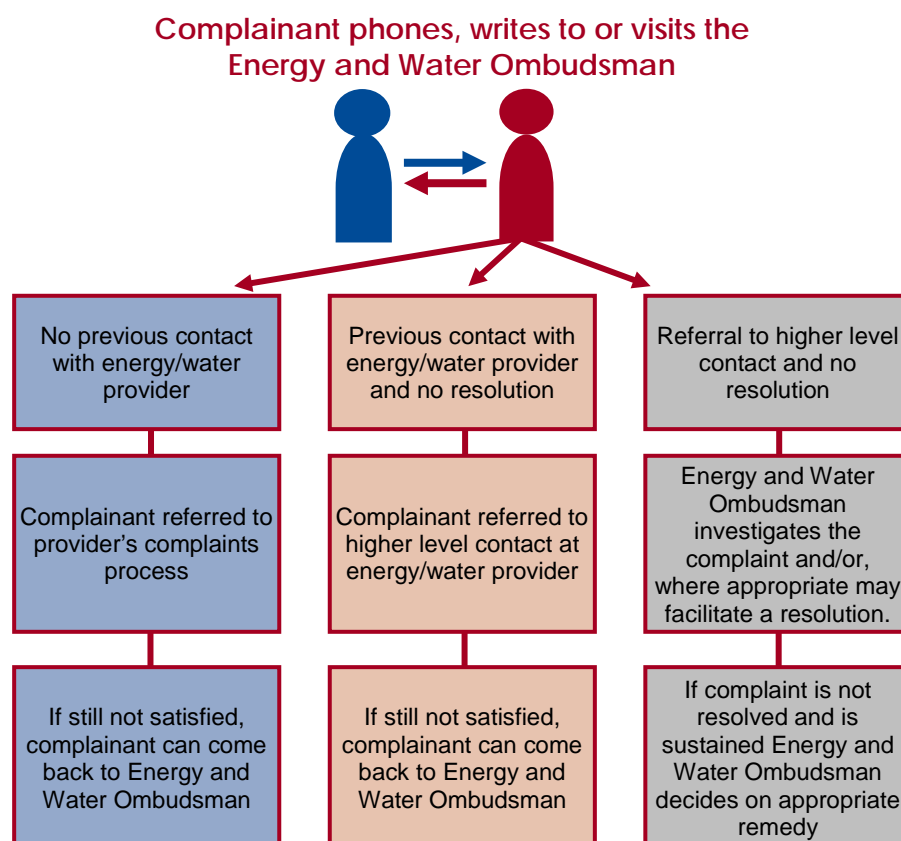
During 2016-17, we focused on achieving the following key priorities:

- Resolving complaints about electricity, gas and water services providers in the most timely, effective and cost efficient manner possible;
- Ensuring Members are fully informed about costs of investigations and, if Members choose to do so, work collaboratively with them to reduce the number of investigations;
- Ensuring appropriate consumer awareness of, and access to, the Energy and Water Ombudsman.

Our Complaint Resolution Process

Consistent with other industry ombudsman schemes, the Energy and Water Ombudsman has a focus on the resolution of complaints by the electricity, gas or water services provider and asks people making a complaint to try to resolve the matter with the provider first. The Energy and Water Ombudsman investigates complaints that remain unresolved after referral to a higher level contact with the electricity, gas or water provider.

When resolving complaints the Energy and Water Ombudsman pursues them in a fair, reasonable, just, informal and expeditious manner, having regard to the law and licences, industry codes, deemed contracts and good industry practice applicable to the relevant Member. A summary of the process for handling complaints is shown below.



About Us

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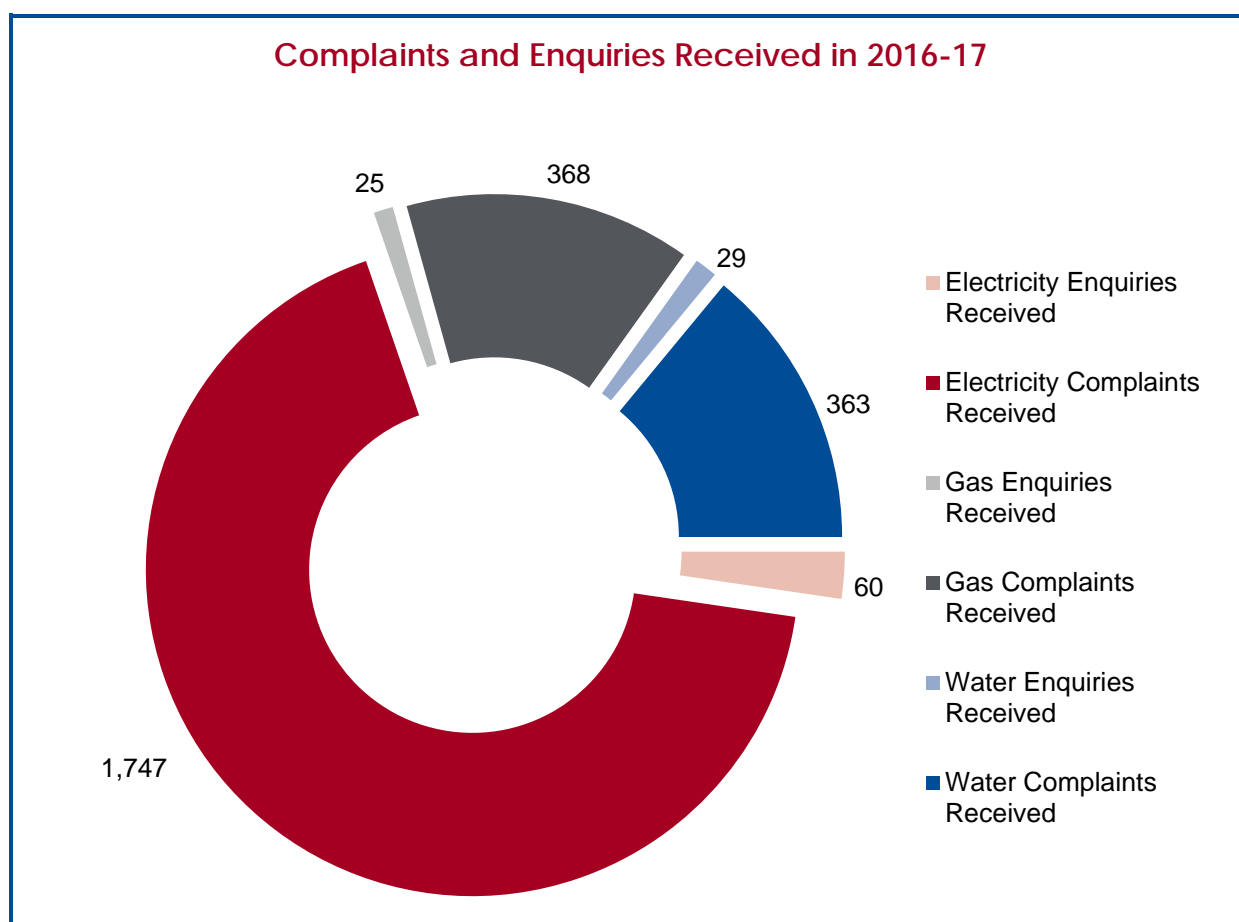
Our Work in 2016-17

- Complaints and Enquiries Received
- Complaints Finalised
- Issues Raised in Complaints
- Disconnections
- Investigated Complaints

Our Work in 2016-17

Complaints and Enquiries Received

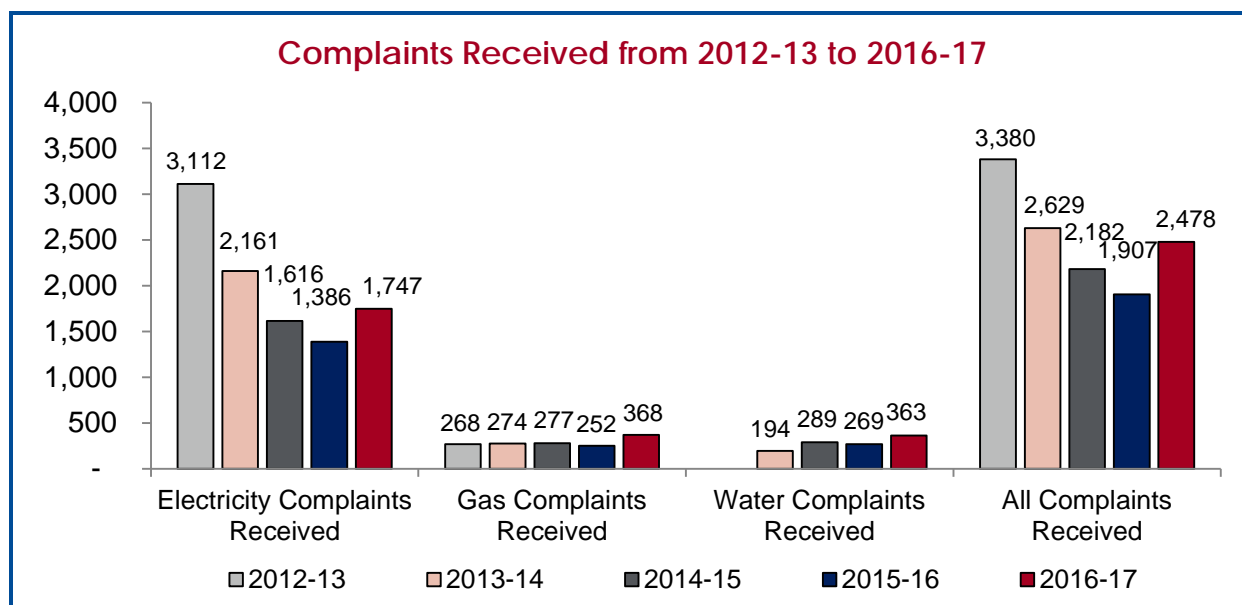
Over the 12 month period from 1 July 2016 to 30 June 2017, the Energy and Water Ombudsman received 2,478 complaints and closed 2,499 complaints. In addition 114 enquiries were received. The following chart shows the breakdown of complaints and enquiries received for gas, electricity and water in 2016-17.



Our Work in 2016-17

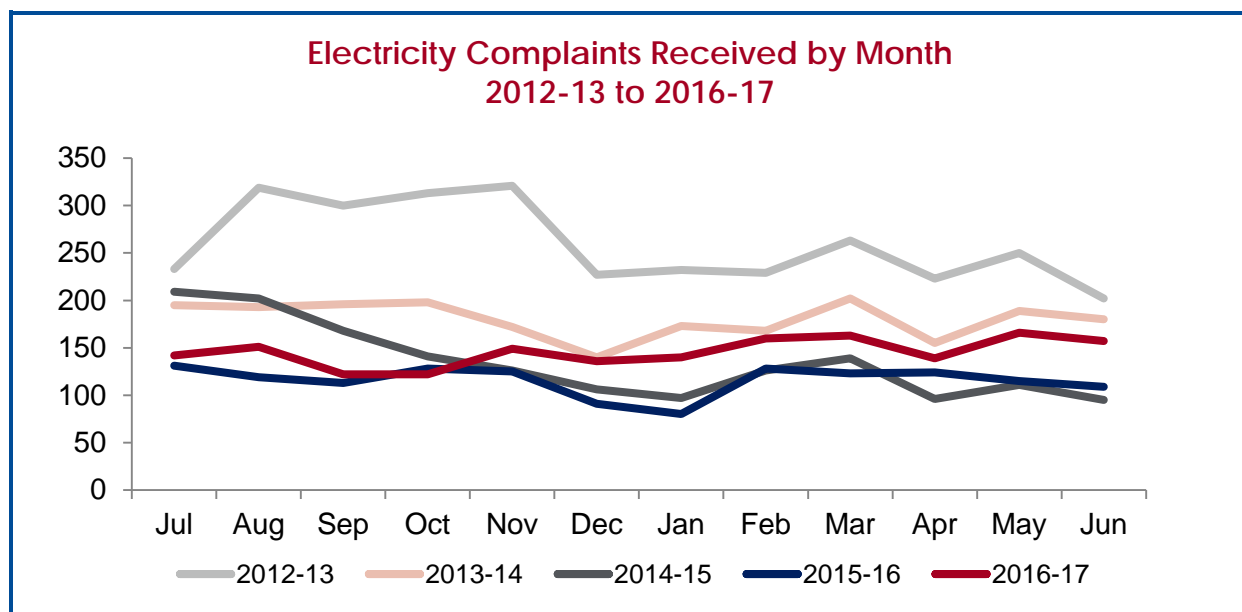
Trends in Complaint Numbers

The following chart show the trend in complaint numbers over the last five years for electricity, gas and water complaints.



NOTE: The water jurisdiction commenced on 1 January 2014. Accordingly, water complaints in 2013-14 represent a six month period, not a full year.

Further details of the trends in electricity complaints over the last five years are shown in the following chart. After a significant increase in electricity complaints in 2009-10 and 2010-11, there has been a significant decrease over the past five years, including a 31% decrease in 2013-14, a further 25% decrease in 2014-15 and a further 14% decrease in 2015-16. In 2016-17, there has been a 26% increase in electricity complaints, however, complaint numbers remain below the levels in 2012-13 and 2013-14.



Our Work in 2016-17

Complaints Finalised

Complaints are finalised through resolution by the electricity, gas or water provider where possible and, if the matter cannot be resolved at that level, the complaint is investigated. The complaint stages and action taken by the Energy and Water Ombudsman at each stage are shown below.

Stage 1 Complaints The person has not yet contacted the electricity, gas or water provider. The person is referred to the relevant provider.

Stage 2 Complaints The person has had at least one contact with their electricity, gas or water provider (such as contact to the call centre) but the complaint has not been resolved. The Energy and Water Ombudsman refers the complaint to a 'higher level' officer for resolution within 10 business days.

Investigated Complaints If a complaint remains unresolved after it has been referred to a 'higher level' officer at the relevant provider, the person can bring their complaint back to the Energy and Water Ombudsman for investigation. Where appropriate, the Energy and Water Ombudsman may attempt to facilitate a resolution.

In 2016-17, there were 2,499 complaints closed, comprising 1,766 electricity complaints, 363 gas complaints and 370 water complaints.

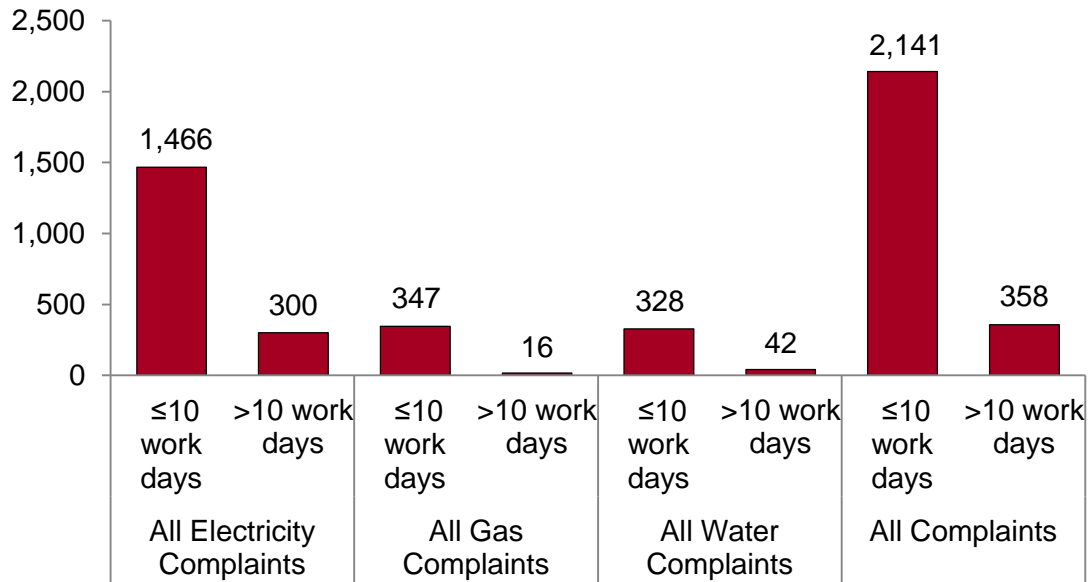
Timeliness of Complaint Handling

The Energy and Water Ombudsman has maintained its high levels of timeliness in 2016-17 with 83% of electricity complaints, 96% of gas complaints, 89% of water complaints and 86% of all complaints being finalised within 10 business days. More specifically, 97% of Stage 1 and Stage 2 complaints were finalised on the same working day they were received and over 99% by the end of the second work day. Of matters for investigation, over 66% were finalised within three months, with over half of these finalised within the first month, and over 93% were finalised within 6 months.

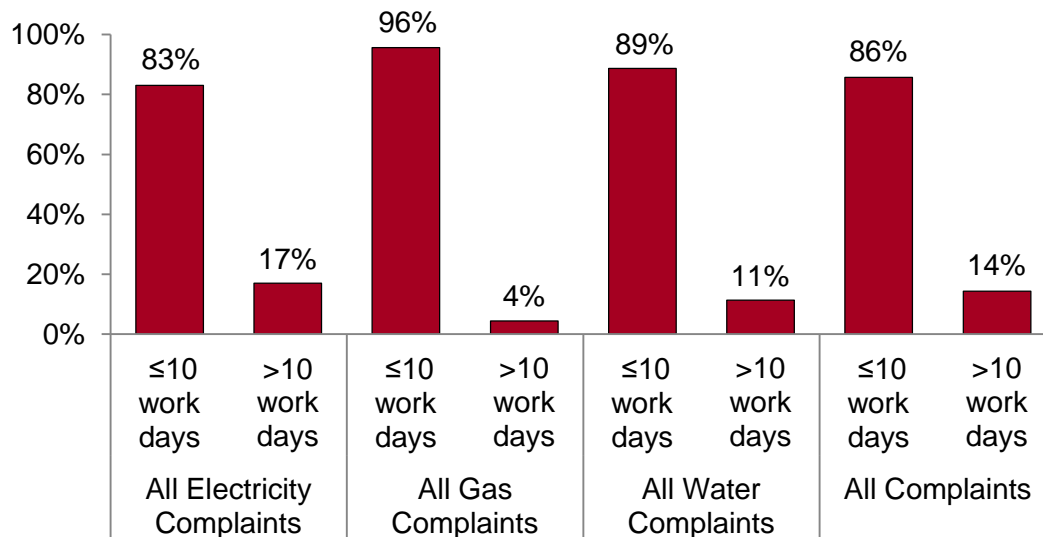
The following charts show the timeframes for resolving electricity, gas and water complaints in 2016-17.

Our Work in 2016-17

Time to Close Complaints in 2016-17



Percentage of Complaints Closed in 10 Work Days in 2016-17



Our Work in 2016-17

Issues Raised in Complaints

Issues raised in electricity, gas and water complaints fall into the following categories:

Billing	Complaints about bills including alleged errors and disputes over meter readings and fees and charges.
Credit	Complaints about payment arrangements, debt collection issues and payment difficulties.
Customer Service	Complaints about alleged poor customer service.
Supply	Complaints about the quality and reliability of supply of electricity, gas or water.
Provision	Complaints about connection issues.
Land	Complaints about the way a provider has exercised its powers in relation to land.
Service Standard Payments	Complaints about regulated payments for poor service.
Transfer	Complaints about transfers from one provider to another.
Marketing	Complaints about the marketing activities of providers.
Drainage, Irrigation or Sewerage	Complaints about the supply of drainage, irrigation or sewerage.
General	Complaints not covered by other categories, including complaints by a person affected by a water service.

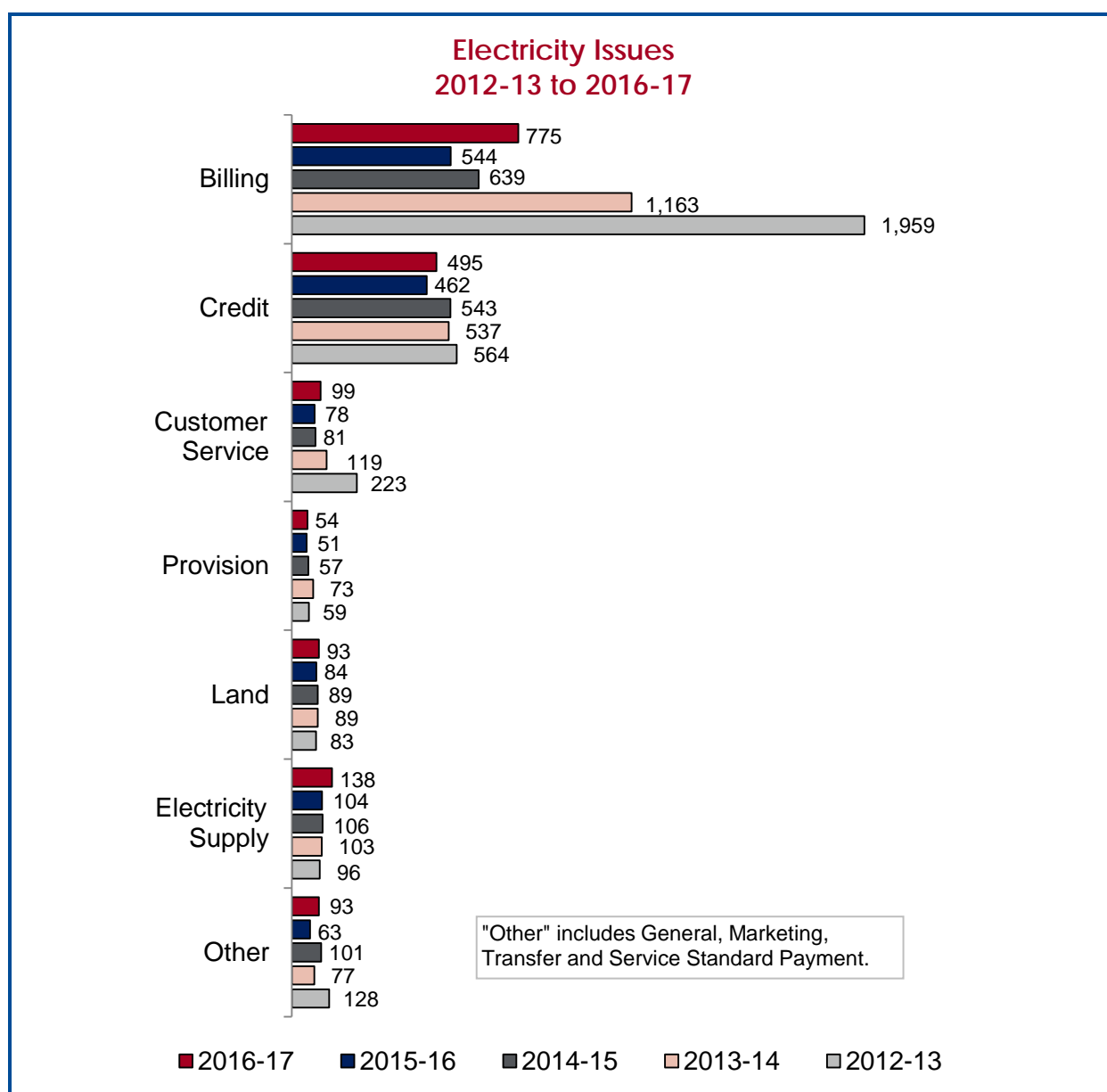
Our Work in 2016-17

Most Common Issues Raised

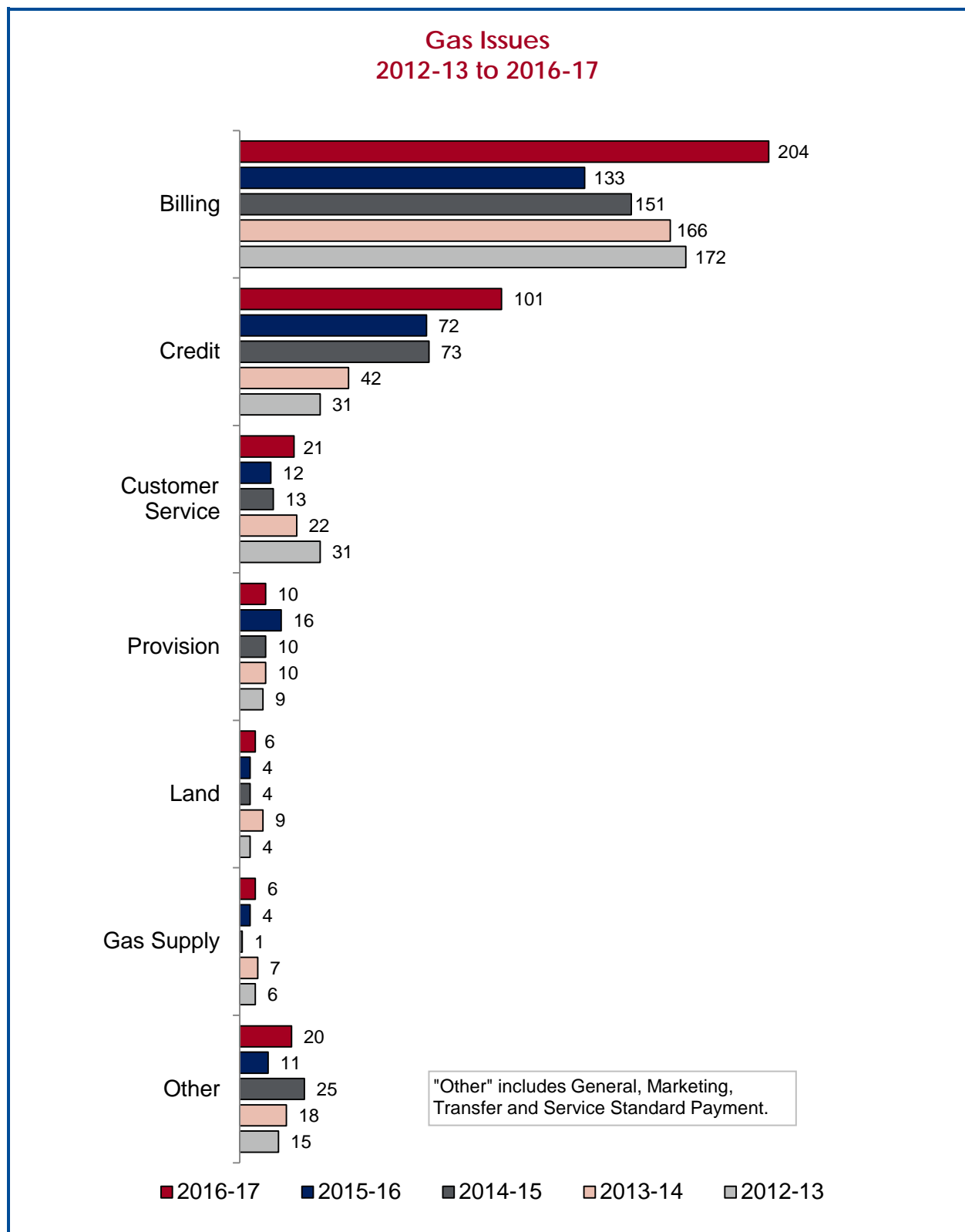
As for previous years, during 2016-17, billing remains the most common issue raised for electricity, gas and water complaints. Billing issues were raised in 48% of complaints received (44% of electricity complaints, 55% of gas complaints and 61% of water complaints). During the year there has been an increase in billing complaints of 42% for electricity, 53% for gas and 55% for water.

Credit is also a common issue for energy complaints, and credit issues were raised in 25% of complaints received (28% of electricity complaints, 27% of gas complaints and 6% of water complaints).

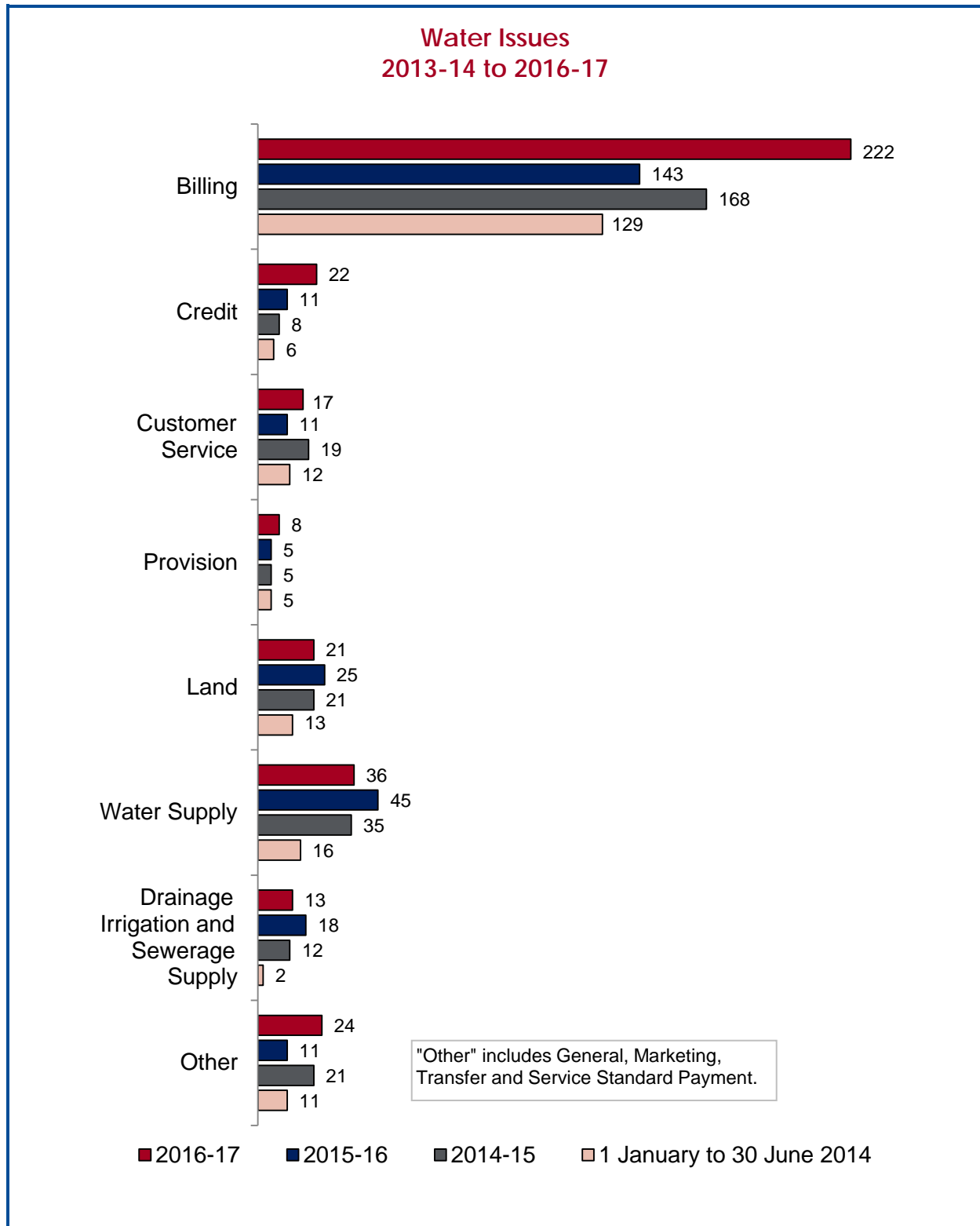
The following charts show the trends in issues raised in complaints over the last five years.



Our Work in 2016-17



Our Work in 2016-17



NOTE: The water jurisdiction commenced on 1 January 2014. Accordingly, water complaints in 2013-14 represent a six month period, not a full year.

Our Work in 2016-17

Reasons for Billing and Credit Complaints

Complaints about billing and credit issues may be made for a range of reasons. The main types of billing and credit issues are:

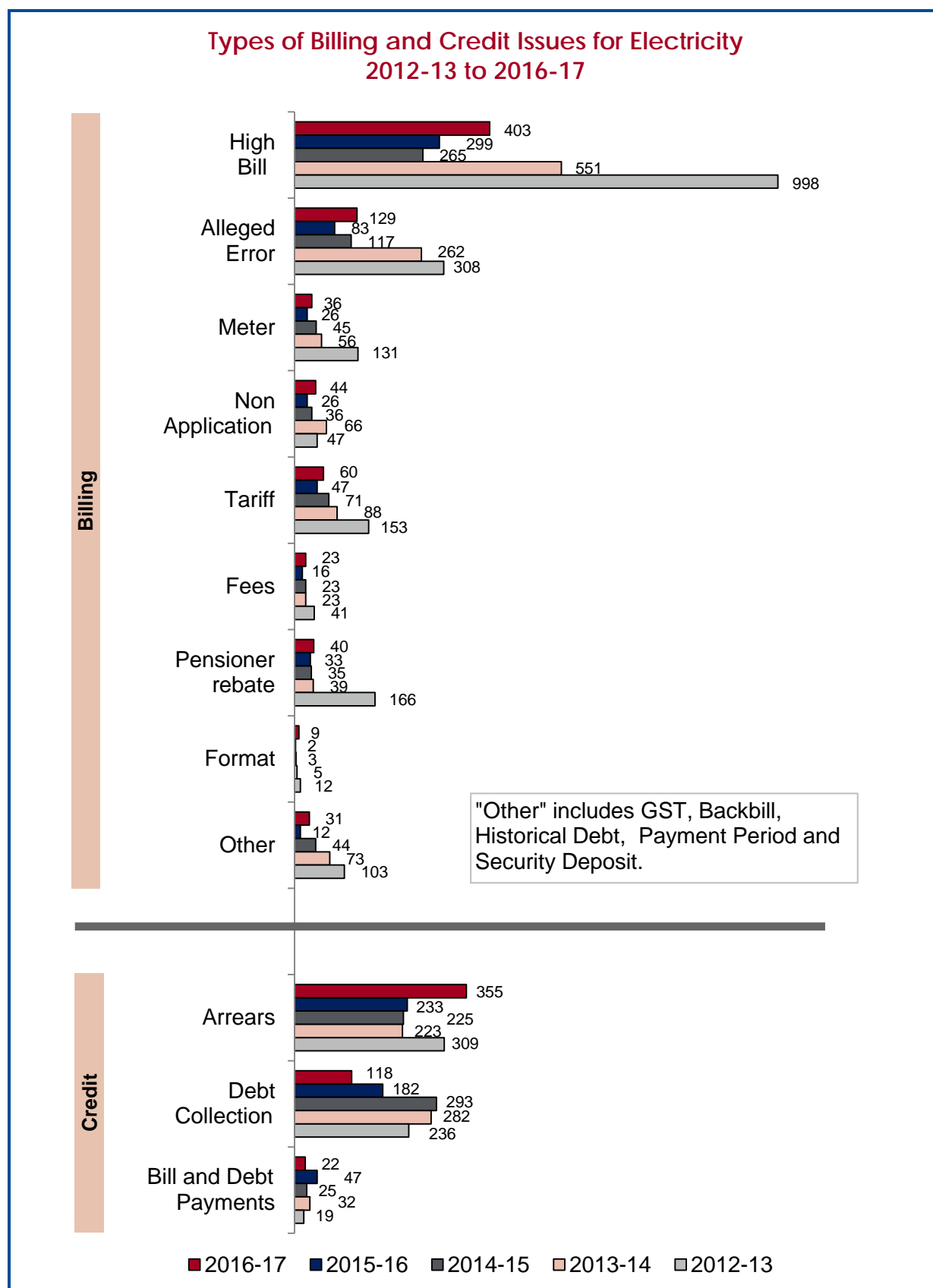
Types of Billing Issues	
High Bill	Bill higher than expected.
Alleged Error	Alleged billing errors.
Meter	Metering issues.
Non Application	Disconnections due to the customer not applying for an account.
Tariff	Incorrect rates or lack of information about tariffs.
Fees	Fees and charges.
Pensioner Rebate	Rebate has not been applied or has been incorrectly applied.
Format	Format or lack of adequate information on bill.
Other	Includes backbills, GST, historical debt, payment periods and security deposit.
Types of Credit Issues	
Payment of Arrears	Payment of arrears from previous bills, including extensions and payment plans.
Debt Collection	Credit rating or debt collection issues.
Bill and Debt Payments	Customer has received a high bill and has difficulty in payment, has difficulty paying debts or problems with payment arrangements.

In 2016-17, the main reasons for electricity billing complaints were high bills and alleged errors. For gas billing complaints, the main reasons were high bills, alleged errors, meters and fees. For water billing complaints, the main reasons were high bills, alleged errors and fees.

For electricity, gas and water complaints, the main reason for credit complaints were payment of arrears and, for electricity and gas complaints, debt collection.

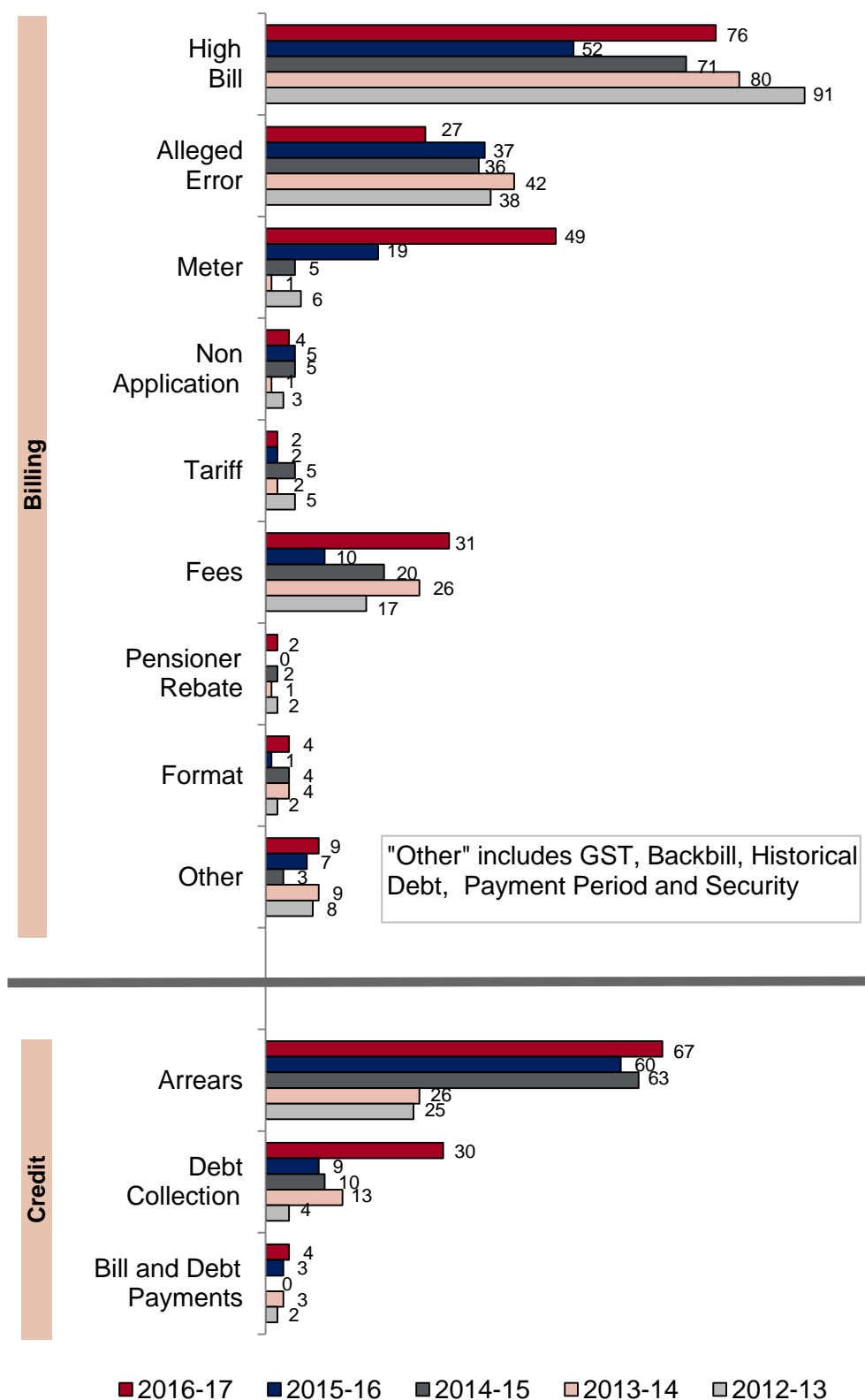
Our Work in 2016-17

The trends over the last five years in the different types of billing and credit issues are shown in the following charts.



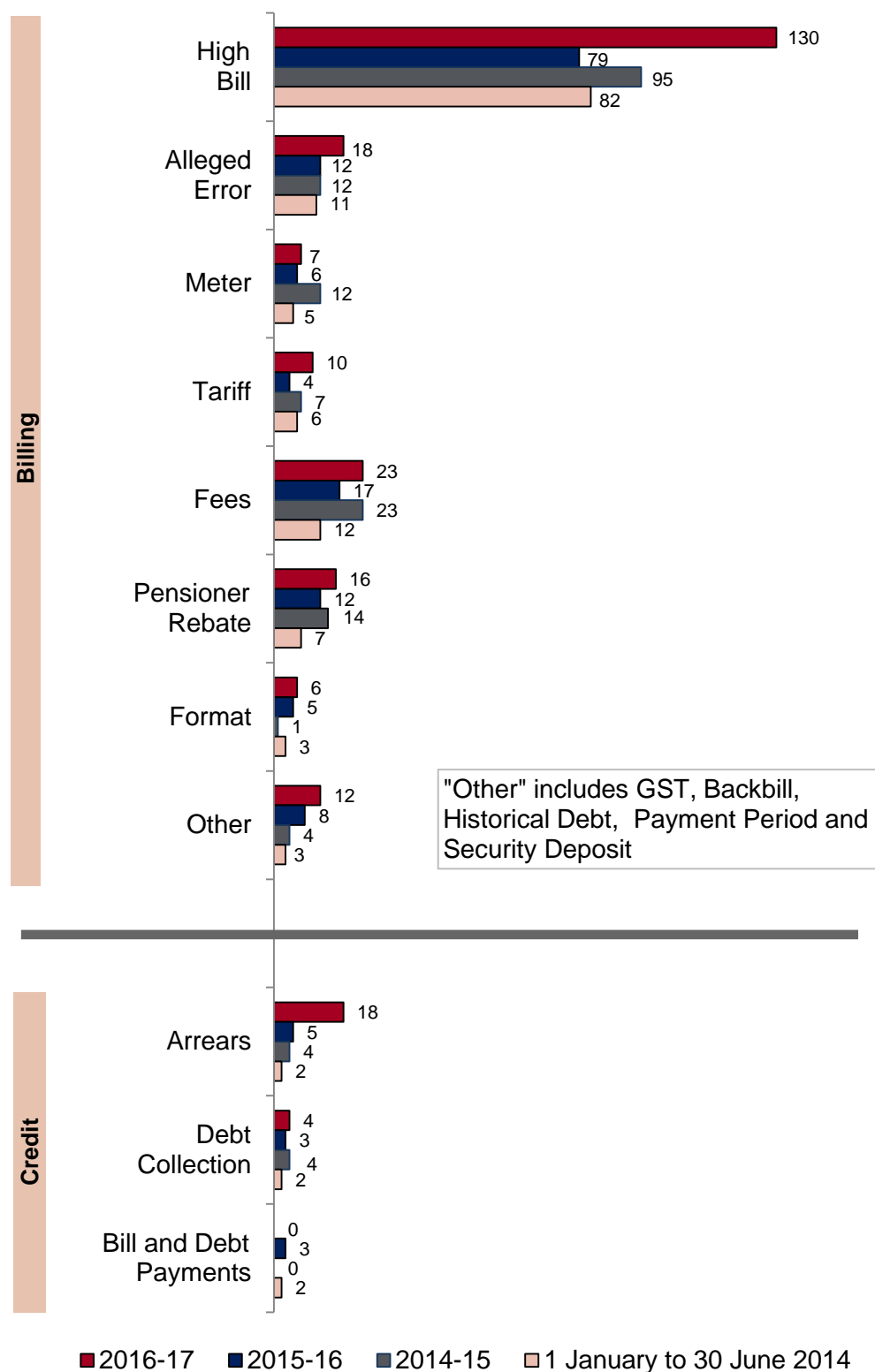
Our Work in 2016-17

Types of Billing and Credit Issues for Gas 2012-13 to 2016-17



Our Work in 2016-17

Types of Billing and Credit Issues for Water
2013-14 to 2016-17



NOTE: The water jurisdiction commenced on 1 January 2014. Accordingly, water complaints in 2013-14 represent a six month period, not a full year.

Disconnections

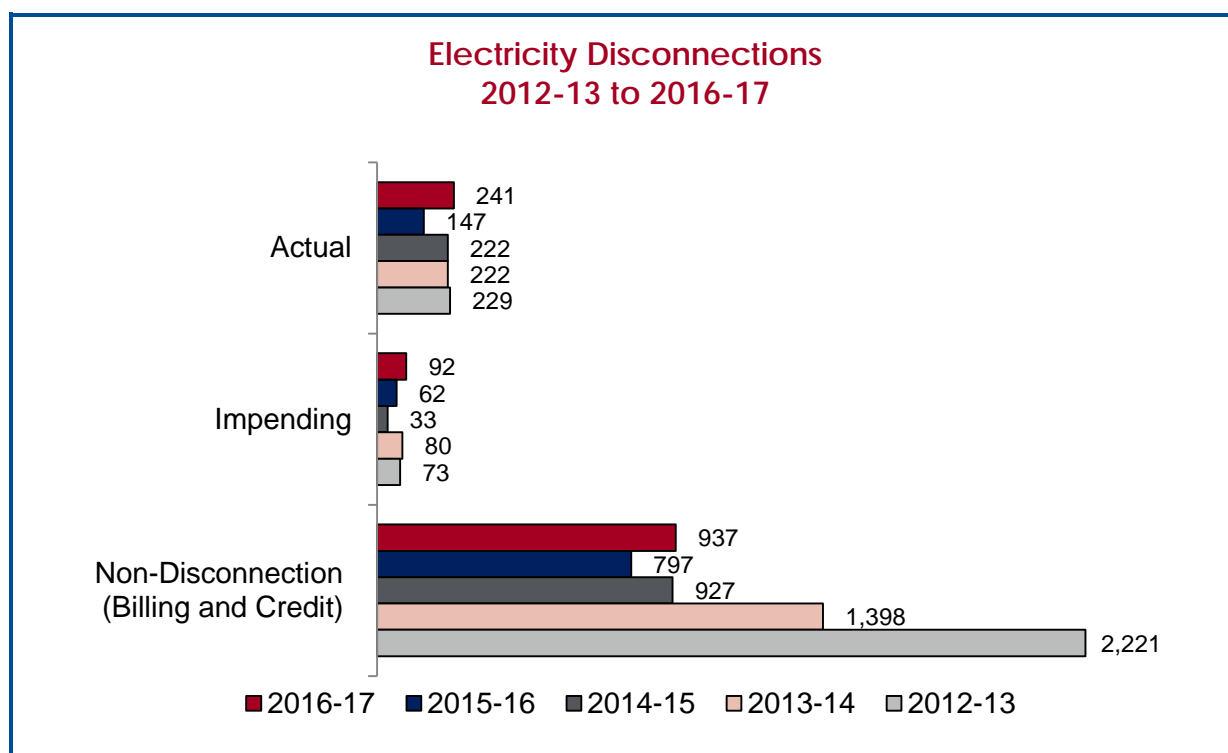
Gas and electricity retailers sometimes disconnect supply when a customer has failed to pay their bill or has not applied for an account when they take up a new residence. Before disconnecting, a reminder notice and then a disconnection warning should be sent. Complaints about reminder notices and disconnection warnings are recorded by the Energy and Water Ombudsman as impending disconnections. Complaints about a disconnection that has already occurred are recorded as actual disconnections. Water providers typically restrict a service rather than disconnect.

During 2016-17, there were:

- 1,270 electricity complaints involving billing and credit issues and, of these, 241 involved actual disconnection and 92 involved an impending disconnection;
- 305 gas complaints involving billing and credit issues and, of these, 63 involved actual disconnection and 5 involved an impending disconnection; and
- 244 water complaints involving billing and credit issues and, of these none related to actual water restriction or disconnection and 5 involved an impending water restriction.

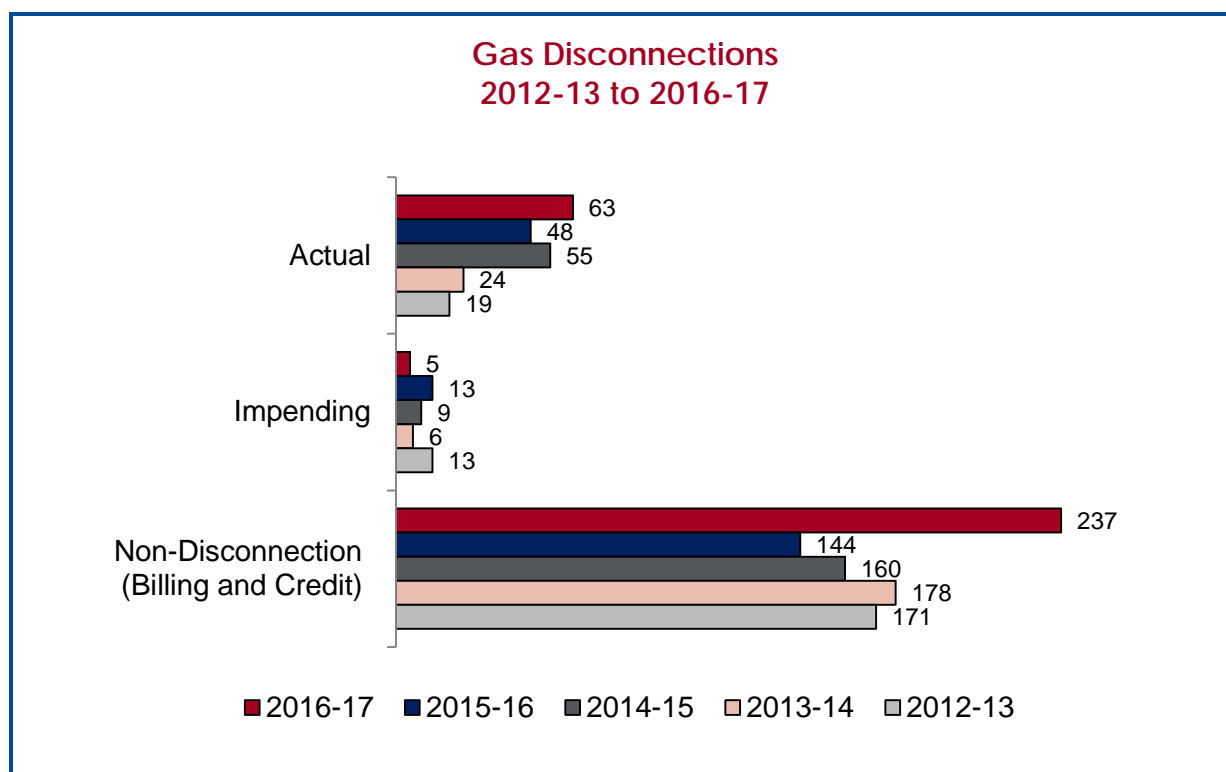
The following charts show trends for electricity and gas complaints relating to billing and credit issues involving, and not involving, disconnections.

For electricity, there was a decrease in complaints about actual disconnections in 2012-13, from 338 in 2011-12. Disconnections remained steady in 2013-14 and 2014-15, followed by a 34% decrease in 2015-16. In 2016-17 there was an increase in complaints about actual disconnections, with levels now similar to 2014-15.



Our Work in 2016-17

For gas, complaints about actual disconnections have been higher in the last three years compared to previous years.



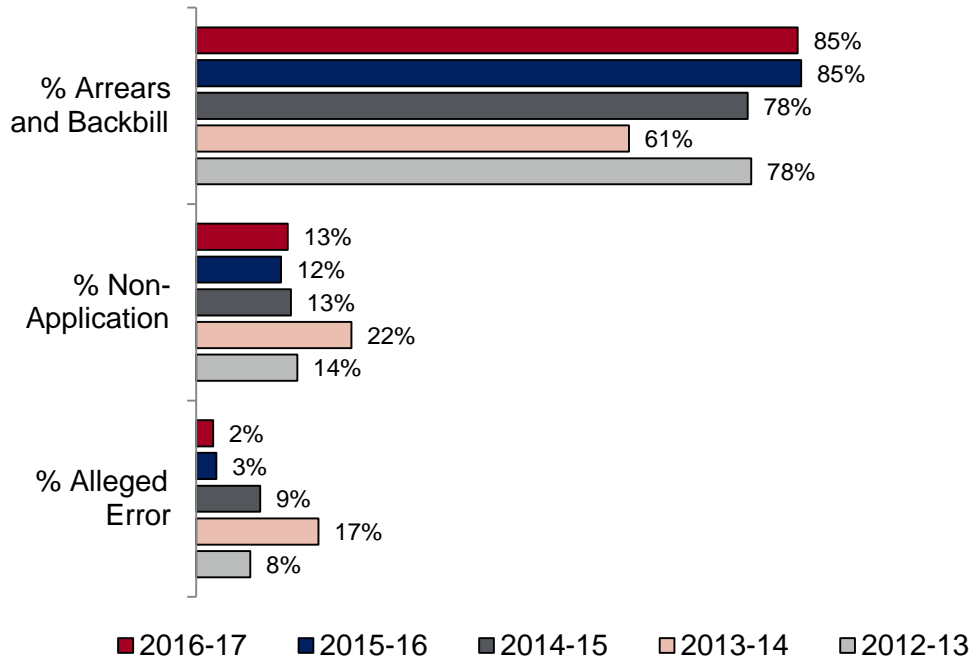
Actual or impending disconnections can occur for the following reasons:

Reasons for Disconnection	
Arrears and Backbills	Customer has not paid their bill or a backbill for a previous period.
Non Application	The customer has moved into or acquired a property and not applied to their retailer for an account to be established.
Alleged Error	Customer claims that they have been, or are about to be, disconnected due to an alleged error by the retailer.

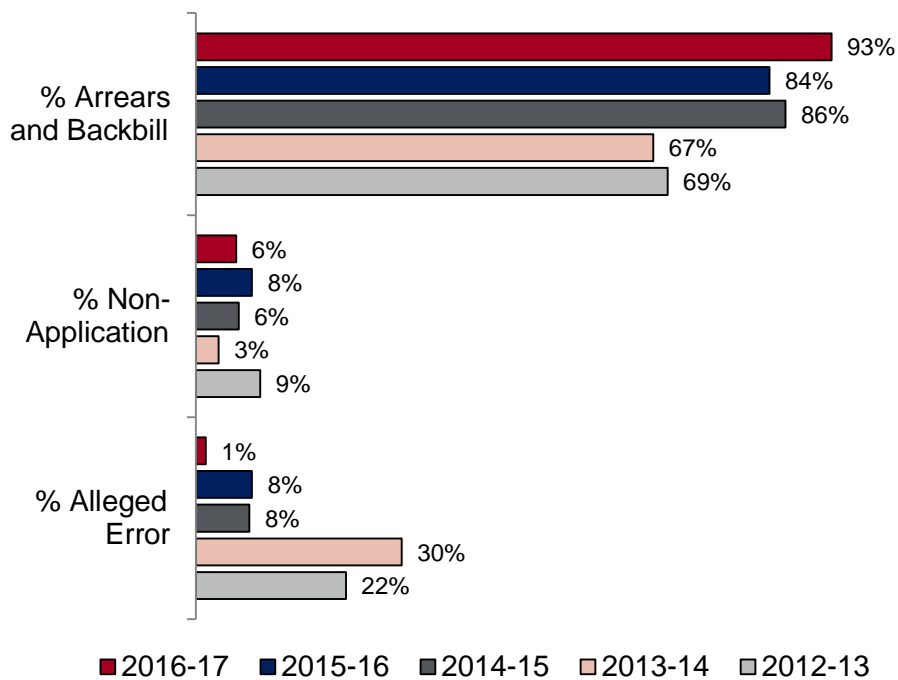
For both electricity and gas, most complaints received about disconnections relate to arrears in bill payments. The following charts show the trends in the reasons for all disconnections (actual and impending) over the last five years.

Our Work in 2016-17

Electricity Disconnections 2012-13 to 2016-17



Gas Disconnections 2012-13 to 2016-17



Our Work in 2016-17

The following case study illustrates the issues raised in complaints about disconnections. Resolution of this case involved two providers, the distributor and the retailer.

Case Study

Energy and Water Ombudsman assists in keeping customer connected

An elderly customer was living in an area in regional Western Australia where customers were required to read their own meter. The customer had agreed to provide regular meter readings as part of a repayment agreement for an outstanding debt but had not made the required readings, due to an illness which meant they could not access the meter. When an accurate meter reading was carried out by the Distributor, it showed a significant increase in consumption. This meant that, while the customer was making regular payments, these were not sufficient to meet ongoing electricity consumption and, as a result, the customer's debt had increased. The customer complained when they were disconnected for failing to provide regular meter readings as required by the repayment agreement.

The investigation by the Energy and Water Ombudsman confirmed that the meter box was some distance from the residence, located high on a pole, and it was unsafe for the customer to read the meter due to their illness. The investigation also revealed that the customer had not informed the Retailer of their difficulty in reading the meter.

The Energy and Water Ombudsman liaised with both the Distributor and Retailer to facilitate a resolution and, as a result, a reconnection was arranged by the Retailer with bi-monthly meter readings to be undertaken by the Distributor. The resolution ensured the customer's safety and the Retailer was able to further assist the customer by establishing a suitable payment plan based on timely meter readings.

Investigated Complaints

The Energy and Water Ombudsman refers complaints to the electricity, gas or water services provider to resolve the matter in the first instance and most complaints are resolved directly between the customer and the provider. If the customer does not consider the matter is resolved they can bring their complaint back to the Energy and Water Ombudsman for investigation.

Facilitated Resolution Prior to Investigation

Prior to investigation, where appropriate, the Energy and Water Ombudsman may attempt to facilitate a resolution between the customer and the provider before commencing an investigation.

Our Work in 2016-17

The facilitated resolution process involves the Office contacting the provider to allow it a further two business days to try to resolve the complaint and working with both the customer and the provider to facilitate a resolution. The Office monitors the process to ensure the matter is resolved. If the provider does not wish to attempt a further resolution or there is not a resolution in a reasonable timeframe, the complaint is investigated.

In 2016-17, there were 350 complaints finalised after being referred back by the customer for investigation, of which 119 (34%) were finalised through a facilitated resolution prior to investigation, 100 for electricity, nine for gas and 10 for water.

Case Study

Energy and Water Ombudsman facilitates a correct payment

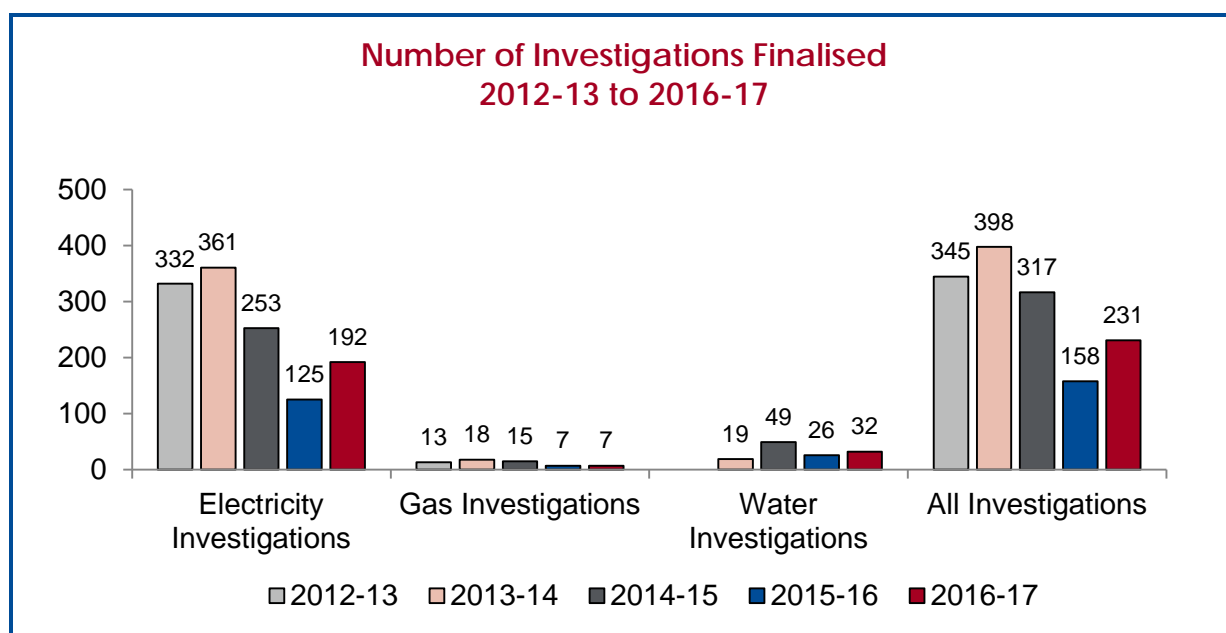
A family member complained about delays in receiving a correct refund cheque for their parent's deceased estate, after a cheque was sent to them by the provider which they said was incorrectly made out to the parent, rather than the estate. Following a facilitated resolution by the Energy and Water Ombudsman, a new cheque was issued which resolved the complaint.

Investigations Finalised

In addition to the 119 complaints finalised through a facilitated resolution prior to investigation, there were 231 complaints finalised in 2016-17 following an investigation by the Energy and Water Ombudsman, including 192 electricity complaints, seven gas complaints and 32 water complaints.

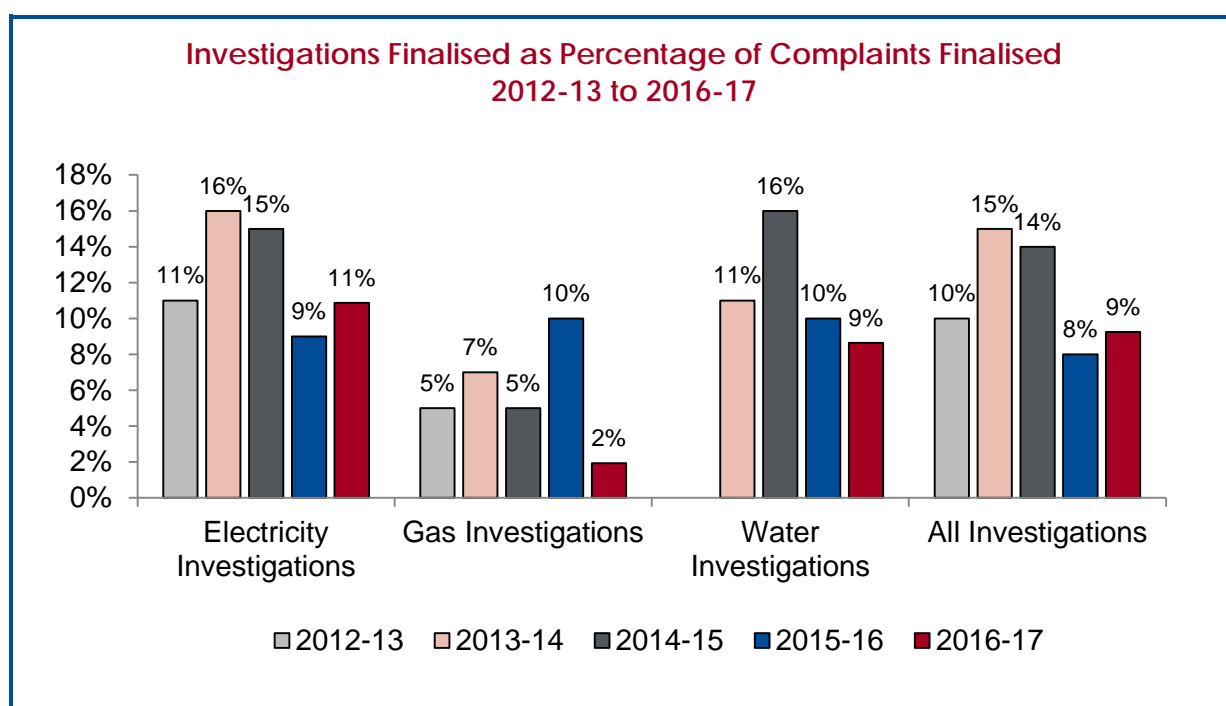
As shown in the following chart, consistent with an increase in electricity complaints received, the number of investigated electricity complaints in 2016-17 has increased compared to 2015-16. The numbers of investigated gas and water complaints have remained similar to 2015-16.

Our Work in 2016-17



NOTE: The water jurisdiction commenced on 1 January 2014. Accordingly, water investigations finalised in 2013-14 represent a six month period, not a full year.

Compared to 2015-16, in 2016-17, there has been an increase in the proportion of electricity complaints and a decrease in the proportion of gas and water complaints finalised after an investigation, as shown in the following chart.



Outcomes of Complaints Referred Back for Investigation

Complaints that are referred back by a customer to the Energy and Water Ombudsman for investigation may be finalised for the following reasons:

- The Energy and Water Ombudsman facilitates a resolution prior to the commencement of an investigation;
- The Energy and Water Ombudsman facilitates a resolution during the investigation;
- Investigation of the matter shows that it is out of jurisdiction;
- The investigation shows the complaint is not sustained;
- The investigation shows the matter is sustained and the Energy and Water Ombudsman makes a binding determination, including an appropriate remedy; or
- Further investigation is not warranted for a range of reasons.

The most common outcomes for the 350 complaints finalised in 2016-17 after being referred back for investigation were as follows:

- In 119 (34%) of the 350 complaints, a resolution between the customer and the provider was facilitated prior to commencing an investigation;
- In 39 (11%) of the 350 complaints, a resolution between the customer and the provider was facilitated during the investigation; and
- In 180 (51%) of the 350 complaints, the investigation showed the complaint was not sustained.

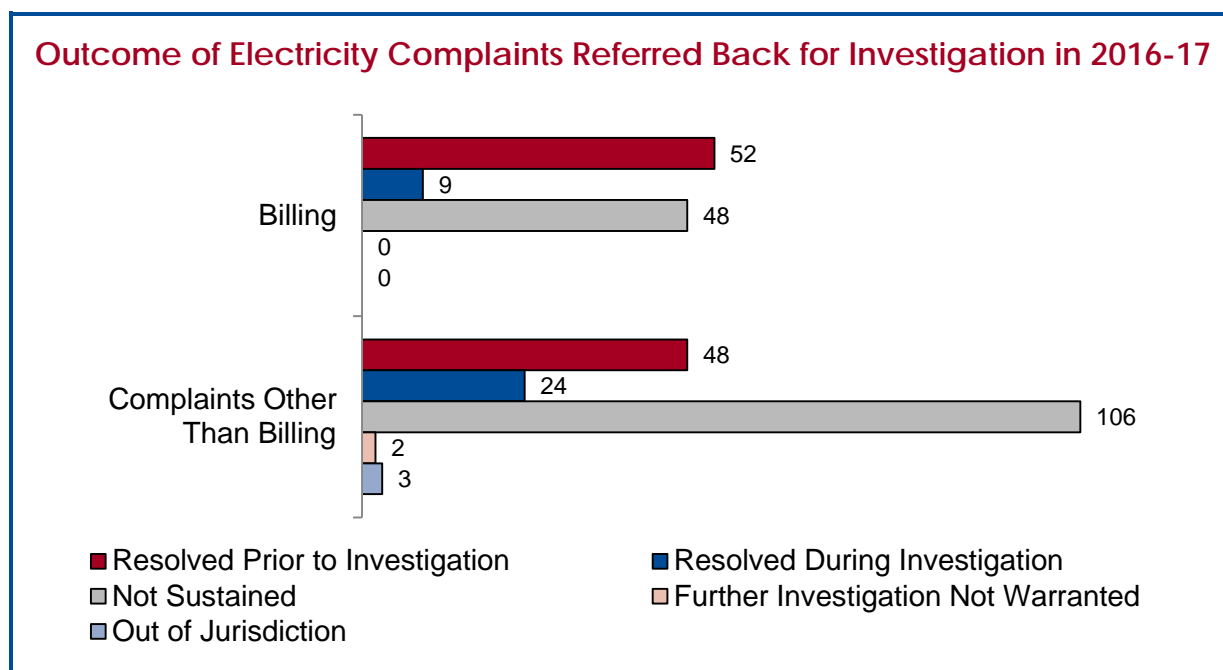
Smaller proportions of complaints are finalised because they are found, during the investigation, to be out of jurisdiction (seven in 2016-17) or further investigation is not warranted (five in 2016-17).

There were no binding determinations by the Energy and Water Ombudsman in the 2016-17 reporting period.

Our Work in 2016-17

Outcomes of Electricity Complaints Referred Back for Investigation

The following chart shows the outcomes, in 2016-17, of the 292 electricity complaints referred back for investigation, broken down by billing (the most common issue raised in complaints) and other issues.



Outcomes of Gas Complaints Referred Back for Investigation

In 2016-17, the outcomes of the 16 gas complaints referred back for investigation were that nine were resolved prior to investigation, five were not sustained, and in two, further investigation was not warranted.

Outcomes of Water Complaints Referred Back for Investigation

In 2016-17, the outcomes of the 42 water complaints referred back for investigation were that 10 were resolved prior to investigation, six were resolved during the investigation, 21 were not sustained, four were out of jurisdiction and in one, further investigation was not warranted.

Resolutions for Complaints

Electricity, gas and water providers may offer a range of actions to resolve a complaint including reducing bills, correcting or removing credit listings, providing the complainant with more time to pay, or providing compensation, an explanation or an apology. Bills may be reduced for a variety of reasons including correction of errors (for example, payment of rebate entitlements). Compensation may be paid where a customer has suffered a loss or damage due to the actions of their electricity, gas or water provider.

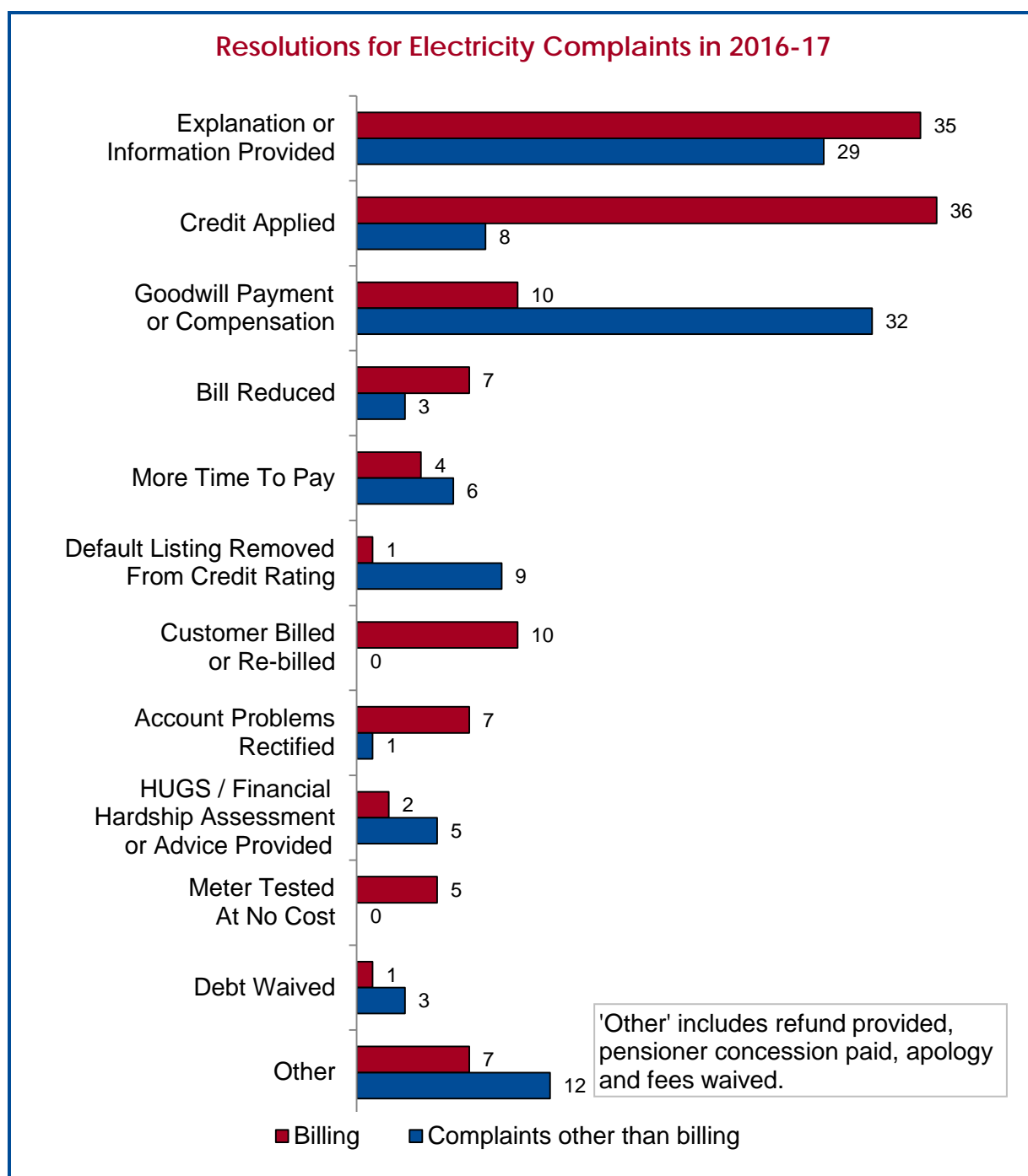
Resolutions for Electricity Complaints

In 2016-17, there were 233 actions offered by electricity providers to resolve the 133 electricity complaints that were resolved during the year after being referred back

Our Work in 2016-17

by the customer to the Energy and Water Ombudsman for investigation. The number of actions undertaken is higher than the number of complaints resolved as there is often more than one action taken by the provider to resolve the complaint. For example, the retailer may reduce the bill and offer an apology.

The following chart provides the breakdown of the actions offered in 2016-17 to resolve complaints, for billing complaints and complaints about other issues.



Our Work in 2016-17

Resolutions for Gas Complaints

There were 18 actions offered by gas providers for the nine gas complaints that were resolved in 2016-17 after they were referred back for investigation, including:

- Explanation or information provided;
- Bill reduced, refund provided or goodwill payment or compensation; and
- HUGS or financial hardship assessment provided, or more time to pay.

Resolutions for Water Complaints

There were 25 actions offered by water providers for the 16 water complaints that were resolved in 2016-17, after they were referred back for investigation, including:

- Explanation or information provided;
- Bill reduced, credit applied or goodwill payment or compensation;
- Customer billed or re-billed or account problems rectified; and
- Default listing removed from credit rating or debt waived.

The following case studies illustrate the resolutions offered by providers.

Case Study

Energy and Water Ombudsman involvement leads to removal of credit listing

A customer complained that, after they had informed their Retailer that they were moving and that the account was to be transferred to housemates, the Retailer continued to send bills in the customer's name to the old address. These bills were unpaid which resulted in the Retailer listing a default on the customer's credit rating. When the customer became aware of the credit listing, they paid the debt in full but the listing remained and affected their ability to obtain credit.

The investigation by the Energy and Water Ombudsman revealed that the Retailer was aware that the customer had moved, but continued to send bills for consumption to the customer at the old address. As a result, the Retailer reimbursed the customer for consumption that occurred after the customer informed the Retailer that they were moving and removed the credit listing.


Case Study

Investigation of damage to appliance

A customer complained that following a routine meter exchange by the Distributor, an electrical appliance was found to be damaged but the Distributor would not compensate them for the damage.

As part of the Energy and Water Ombudsman's investigation, independent technical advice was sought from EnergySafety, who is responsible for the technical and safety regulation of the electrical industry in Western Australia. EnergySafety confirmed that the correct procedure, substantiated by documented tests undertaken by the Distributor, had been followed during the meter exchange, which included switching off the supply during the meter changeover, and that this would prevent any possible harmful high or low voltages being applied to appliances.

The Energy and Water Ombudsman informed the customer that the decision by the Distributor to decline their claim for damage to the appliance was reasonable.



Stakeholder Liaison and Access to Services

- Stakeholder Liaison
- Access to Services

Stakeholder Liaison and Access to Services

Effective engagement with key stakeholder groups is essential to the achievement of effective complaint resolution, increased awareness of the services provided by the Office and identification and addressing of systemic issues. The Office does this through:

- Continuous liaison and communication with key stakeholders including Member organisations (electricity, gas or water providers), regulators and industry-based Ombudsmen; and
- Ensuring ongoing access to its services for residential and small use customers, and community groups who represent them.

In 2016-17, the Energy and Water Ombudsman Board approved a revised *Communications Strategy 2017-21*. This strategy identifies activities designed to enhance the promotion of, and access to, the Energy and Water Ombudsman by key stakeholders. Further details about these activities are detailed in this section.

Stakeholder Liaison

The Office regularly liaises with a number of key stakeholders. This continuous communication and feedback process allows the Office to better understand relevant industry issues and to encourage best practice and leadership in dispute resolution.

Member Organisations

In order to achieve effective dispute resolution, the Office liaises closely with Member organisations. The Office was involved in regular meetings with Members as outlined below:

- In August and November 2016, and May 2017, the Energy and Water Ombudsman met with the Chief Executive Officer of Western Power. Energy and Water Ombudsman staff also met with Western Power regarding ongoing liaison and the resolution of complaints;
- In October 2016 and April 2017, the Deputy Energy and Water Ombudsman met with the General Manager Customer and Community, Water Corporation. Energy and Water Ombudsman staff also met with the Water Corporation throughout the year regarding ongoing liaison and the resolution of complaints;
- In November 2016 and March 2017, the Energy and Water Ombudsman met with the Chief Executive Officer of Synergy. Energy and Water Ombudsman staff also met with Synergy throughout the year regarding ongoing liaison and the resolution of complaints;
- Energy and Water Ombudsman staff met with Horizon Power regarding ongoing liaison and the resolution of complaints;

Stakeholder Liaison and Access to Services

- In January 2017, the Director of Energy and Water met with Perth Energy regarding ongoing liaison and the resolution of complaints; and
- In February 2017, the Deputy Energy and Water Ombudsman and Director Energy and Water consulted with senior representatives from Synergy, Water Corporation, Western Power, Alinta, Kleenheat Gas and Horizon Power, on the proposed Energy and Water Ombudsman Budget for 2017-18.

The Economic Regulation Authority

During 2016-17, the Office continued its regular interaction with the industry regulator, the Economic Regulation Authority (**ERA**). The Office was involved with meetings and liaison with the ERA as outlined below:

- In September and December 2016 and March 2017, the Director Energy and Water attended meetings with the ERA's Consumer Consultative Committee (**ERACCC**). The ERACCC meets quarterly to provide comment to the ERA on issues affecting consumers that fall within the ERA's jurisdiction;
- In August and November 2016 and February and May 2017, the Director Energy and Water attended liaison meetings with senior staff of the ERA;
- In October 2016, the Director Energy and Water attended the Water Regulatory Managers Forum, organised by the ERA, and made a presentation on the Energy and Water Ombudsman Western Australia;
- In June 2017, the Senior Investigating Officer Energy and Water attended the ERACCC's 2017 Biennial Seminar: *Alternative Dispute Resolution* and provided closing remarks; and
- In June 2017, the Chairperson of the Energy and Water Ombudsman Board and the Deputy Energy and Water Ombudsman met the Chair and Acting Chief Executive Officer of the ERA.

Industry Ombudsmen

Liaison and collaboration with other industry-based Ombudsmen provides an opportunity for the Office to benchmark its performance and stakeholder communication activities against other similar agencies, and to identify areas for improvement through the experience of others. A summary of the liaison with these industry bodies is outlined below:

- The Energy and Water Ombudsman attended the Australia and New Zealand Energy and Water Ombudsman Network (**ANZEWON**) meetings via teleconference in November 2016 and May 2017. ANZEWON provides a forum for utility industry Ombudsmen in Australia and New Zealand to enhance effectiveness, efficiency and appropriate consistency of complaint handling across the jurisdictions. Members are able to share appropriate information and jointly consider emerging consumer issues;

Stakeholder Liaison and Access to Services

- The Energy and Water Ombudsman attended the Australian and New Zealand Ombudsman Association (**ANZOA**) Annual General Meeting and joint Members meeting via teleconference in November 2016. ANZOA is a peak group for Parliamentary and industry-based Ombudsmen in Australia and New Zealand. It acts as a network for consultation and discussion for Ombudsmen on matters of interest, concern or common experience. Staff participated in regular special interest group meetings with ANZOA Members via teleconference, including: Customer Hardship, Systemic Issues, Policy and Research and Public Relations and Communications.

Access to Services

Community Awareness and Accessibility

The Office continued to utilise various communication methods to ensure access to its services for the community, including:

- In July 2016, the Energy and Water Ombudsman attended a Committee for Economic Development of Australia event - *What's on WA's energy agenda?*;
- In October 2016, Energy and Water Ombudsman staff provided a stall, with information on the Energy and Water Ombudsman, at the Financial Counsellors' Association of Western Australia's 2016 conference: *Neither Love Nor Money – breaking the silence*;
- In November 2016, Energy and Water Ombudsman staff attended *Homeless Connect* and provided information on the Energy and Water Ombudsman;
- In 2016-17 the Office continued the Regional Awareness and Accessibility Program (**the Program**), with visits to Broome in the Kimberley in July 2016 and Carnarvon in the Gascoyne in June 2017. The Program is an important way for the Energy and Water Ombudsman to raise awareness of, and access to, its services for regional and Aboriginal Western Australians. Energy and Water Ombudsman information sheets are distributed and Energy and Water Ombudsman staff deal with enquiries and complaints about the electricity, gas and water services providers during complaint clinics which form part of regional visits.

Speeches and Presentations

Throughout the year, Energy and Water Ombudsman staff delivered presentations on the role of the Energy and Water Ombudsman and how the Energy and Water Ombudsman may be able to assist members of the local community.

Stakeholder Liaison and Access to Services

'Ask the Ombudsman' on 6PR Perth Tonight

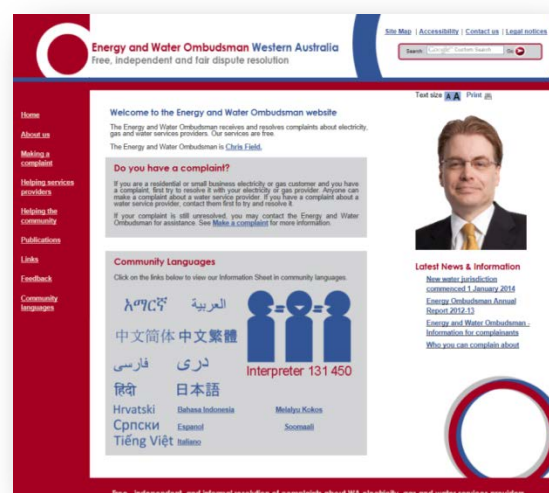
The Office continues to provide access to its services through the Energy and Water Ombudsman's regular appearances on Radio 6PR's *Perth Tonight* program. Listeners who have complaints about electricity, gas or water providers or want to make other enquiries about the Energy and Water Ombudsman jurisdiction can call in and speak with the Energy and Water Ombudsman live on the air. The segment also allows the Office to communicate key messages about the Energy and Water Ombudsman jurisdictions and the outcomes that can be achieved for members of the public. The Energy and Water Ombudsman appeared on the 'Ask the Ombudsman' segment in August 2016 and May 2017.

Energy and Water Ombudsman Website

The [Energy and Water Ombudsman website](http://www.ombudsman.wa.gov.au/energyandwater) provides a wide range of information and resources for members of the public on the complaint handling process provided by the Office.

The website content and functionality are continually reviewed and improved to ensure there is maximum accessibility to all members of the diverse Western Australian community. The site provides information in a wide range of [community languages](#).

Links to Energy and Water Ombudsman publications and useful links to external websites are used throughout. The site also features an online form for complainants to use to lodge a complaint. The site can be accessed at www.ombudsman.wa.gov.au/energyandwater.



Stakeholder Liaison and Access to Services

Publications

The Energy and Water Ombudsman provides publications to assist complainants to understand the role of the Energy and Water Ombudsman and the Energy and Water Ombudsman's complaint process.

The Energy and Water Ombudsman's complaint forms and information sheets are translated into 15 community languages to ensure accessibility for people from culturally and linguistically diverse backgrounds. The translated forms and information feature on the website and are available in hard copy on request.



Company Particulars and Financial Statements

- Company Particulars as at 30 June 2017
- Independent Audit Opinion
- Statement of Profit or Loss and Other Comprehensive Income
- Statement of Financial Position
- Statement of Changes in Equity
- Statement of Cash Flows

Company Particulars and Financial Statements

Company Particulars and Financial Statements

Company Particulars as at 30 June 2017

Energy and Water Ombudsman (Western Australia) Limited ACN 109 054 426																			
Registered address	c/- Kennerlys 37 Ord Street West Perth WA 6005																		
Postal address	c/- Kennerlys PO Box 1125 West Perth WA 6872																		
Board	<p>Chairperson: Menno Henneveld</p> <p>Directors</p> <table> <tr> <td>Customer Representative:</td><td>Wayne Mann</td></tr> <tr> <td>Customer Representative:</td><td>Judith McGowan</td></tr> <tr> <td>Customer Representative:</td><td>Irina Cattalini</td></tr> <tr> <td>Gas Industry Representative:</td><td>Ray Myles</td></tr> <tr> <td>Electricity Industry Representative:</td><td>Colin Smith</td></tr> <tr> <td>Water Industry Representative:</td><td>Catherine Ferrari</td></tr> </table> <p>Alternative Directors</p> <table> <tr> <td>Gas Industry Representative:</td><td>Simon Byrne</td></tr> <tr> <td>Electricity Industry Representative:</td><td>Margaret Pyrchla</td></tr> <tr> <td>Water Industry Representative:</td><td>Karen Willis</td></tr> </table>	Customer Representative:	Wayne Mann	Customer Representative:	Judith McGowan	Customer Representative:	Irina Cattalini	Gas Industry Representative:	Ray Myles	Electricity Industry Representative:	Colin Smith	Water Industry Representative:	Catherine Ferrari	Gas Industry Representative:	Simon Byrne	Electricity Industry Representative:	Margaret Pyrchla	Water Industry Representative:	Karen Willis
Customer Representative:	Wayne Mann																		
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Water Industry Representative:	Catherine Ferrari																		
Gas Industry Representative:	Simon Byrne																		
Electricity Industry Representative:	Margaret Pyrchla																		
Water Industry Representative:	Karen Willis																		
Company Secretary	Leendert Johan Ouwendyk																		
Accountants	Kennerlys PO Box 1125 West Perth WA 6872																		
Auditor	Shakespeare Partners, Chartered Accountants PO Box 1257 West Perth WA 6872																		

Company Particulars and Financial Statements

Energy and Water Ombudsman (Western Australia) Limited ACN 109 054 426

Members

Gas Industry

AGL Sales Pty Limited
 Alinta Sales Pty Ltd
 ATCO Gas Australia
 Electricity Generation and Retail Corporation (Synergy)
 Esperance Gas Distribution Company Pty Ltd
 Esperance Power Station Pty Ltd
 Wesfarmers Kleenheat Gas Pty Ltd

Electricity Industry

AER Retail Pty Ltd
 Alinta Sales Pty Ltd
 Amanda Energy Pty Ltd
 A-Star Electricity Pty Ltd
 Change Energy Pty Ltd
 Electricity Generation and Retail Corporation (Synergy)
 Electricity Networks Corporation (Western Power)
 Regional Power Corporation (Horizon Power)
 Perth Energy Pty Ltd
 Rottnest Island Authority
 Wesfarmers Kleenheat Gas Pty Ltd

Water Industry

Aquasol Pty Ltd
 Bunbury Water Corporation (Aqwest)
 Busselton Water Corporation
 City of Kalgoorlie-Boulder
 Gascoyne Water Cooperative
 Hamersley Iron Pty Ltd
 Lancelin South Pty Ltd
 Moama Lifestyle Villages Pty Ltd
 Ord Irrigation Cooperative
 Preston Valley Irrigation Cooperative
 Robe River Mining Co Pty Ltd
 Rottnest Island Authority
 Shire of Dumbleyung
 Shire of Gnowangerup
 Shire of Lake Grace
 South West Irrigation Management Cooperative Ltd (Harvey Water)
 Water Corporation
 Water West North Dandalup Pty Ltd

Independent Audit Opinion



**AUDITOR'S INDEPENDENCE DECLARATION
UNDER SECTION 307C OF THE CORPORATIONS ACT 2001
TO DIRECTORS OF
*ENERGY AND WATER OMBUDSMAN (WA) LTD***

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2017 there have been no contraventions of:

- a. the auditor independence requirements as set out in the Corporations Act 2001 in relation to the audit; and
- b. any applicable code of professional conduct in relation to the audit.

A handwritten signature in dark ink, appearing to read 'Stephen Thompson', is written over a horizontal line.

**Stephen Richard Thompson, Director
SHAKESPEARE PARTNERS (AUDIT) PTY LTD
CHARTERED ACCOUNTANTS**
Auditor Number: 475031

14 August 2017

DIRECTORS: Leigh-Anne Meyerowitz CA | Stephen Thompson CA

Shakespeare Partners (Audit) Pty Ltd | ABN 67604460568
47 Outram Street, West Perth, Western Australia 6005 | PO Box 1257, West Perth, Western Australia 6872
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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ENERGY AND WATER OMBUDSMAN (WA) LTD

Report on Audit of the Financial Report

We have audited the accompanying financial report, being a special purpose financial report, of Energy and Water Ombudsman (WA) Ltd, which comprises the statement of financial position as at 30 June 2017, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and the directors' declaration.

In our opinion the financial report of Energy and Water Ombudsman (WA) Ltd is in accordance with *Corporations Act 2001*, including:

- a. giving a true and fair view of the Company's financial position as at 30 June 2017 and of its performance for the year ended; and
- b. complying with Australian Accounting Standards to the extent described in Note 1 and *Corporations Regulations 2001*.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Company in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

Without qualification to the opinion above, the entity has recorded trade receivables relating to dispute costs recoverable from the members of Energy and Water Ombudsman Western Australia totalling \$137,347. As set out in Note 1(k)(ii) the recoveries of these receivables are based upon the success of identifying the members concerned.

This item represents a significant asset recorded by the entity, and at the date of this report, the outcome of this event remains uncertain. Therefore, there remains an inherent uncertainty with regard to the recoverability of these trade receivables.

DIRECTORS: Leigh-Anne Meyerowitz CA | Stephen Thompson CA

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Company Particulars and Financial Statements



Basis of Accounting

We draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared for the purpose of fulfilling the directors' financial reporting responsibilities under the *Corporations Act 2001*. As a result, the financial report may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

Other Information

The directors are responsible for the other information. The other information comprises the information included in the annual report for the year ended 30 June 2017, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Report

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view and have determined that the basis of preparation described in Note 1 to the financial report is appropriate to meet the requirements of the *Corporations Act 2001* and is appropriate to meet the needs of the members. The directors' responsibility also includes such internal control as the directors determine is necessary to enable the preparation of a financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

DIRECTORS: Leigh-Anne Meyerowitz CA | Stephen Thompson CA

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Company Particulars and Financial Statements



A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: <http://www.auasb.gov.au/Home.aspx>. This description forms part of our auditor's report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

A handwritten signature in black ink, appearing to read 'Stephen Thompson', is positioned above the printed name.

Stephen Thompson, Director
SHAKESPEARE PARTNERS (AUDIT) PTY LTD
CHARTERED ACCOUNTANTS
Auditor Number: 475031

14 August 2017

DIRECTORS: Leigh-Anne Meyerowitz CA | Stephen Thompson CA

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Company Particulars and Financial Statements

Statement of Profit or Loss and Other Comprehensive Income

Energy and Water Ombudsman (WA) Ltd
For the year ended 30 June 2017

	2017 \$	2016 \$
Income		
Complaint/Dispute Revenue	2,164,869	2,239,525
Interest Income	3,325	7,383
Total Income	2,168,193	2,246,908
Total Income	2,168,193	2,246,908
Expenses		
Accounting Expense	29,164	28,440
Bank Fees	2	10
Directors Fees	64,630	74,183
Dispute Costs	1,878,717	1,953,775
Filing Fee	47	46
General Expenses	-	75
Insurance	4,934	7,318
Legal Expenses	4,260	-
Professional Fees	18,020	16,320
Statutory Review Fees	-	34,332
Superannuation	18,629	7,047
Contingency Expense	4,410	-
Total Expenses	2,022,812	2,121,545
Profit/(Loss) before Taxation	145,381	125,363
Income Tax Expense		
Income Tax Expense	-	47,909
Total Income Tax Expense	-	47,909
Net Profit After Tax	145,381	77,455
Other Comprehensive Income		
Total Other Comprehensive Income	-	-
Total Comprehensive Income for the year	145,381	77,455

Company Particulars and Financial Statements

Statement of Financial Position

Energy and Water Ombudsman (WA) Ltd
As at 30 June 2017

	30 JUN 2017 \$	30 JUN 2016 \$
Assets		
Current Assets		
Cash at Bank	260,001	564,676
Trade Debtors	120,848	74,190
Prepayments	1,045	1,800
Term Deposit Account	303,325	-
Income Tax Payable	22,968	-
GST Payable	8,422	-
Total Current Assets	716,608	640,666
Total Assets	716,608	640,666
Liabilities		
Current Liabilities		
Trade Creditors	2,673	2,607
Scheme review cost accrual	-	34,332
Current Tax Liabilities		
GST Payable	-	6,058
Income Tax Payable	-	18,290
PAYG Withholdings Payable	3,289	7,358
PAYG Instalment Payable	-	6,756
Total Current Tax Liabilities	3,289	38,462
Total Current Liabilities	5,962	75,401
Total Liabilities	5,962	75,401
Net Assets	710,646	565,265
Equity		
Retained Earnings	710,646	565,265
Total Equity	710,646	565,265

Company Particulars and Financial Statements

Statement of Changes in Equity

Energy and Water Ombudsman (WA) Ltd
For the year ended 30 June 2017

	Retained surplus Accumulated deficits \$	Total \$
Balance at 1 July 2015	487,810	487,810
Profit for the Period	77,455	77,455
Balance at 30 June 2016	565,265	565,265
Balance at 1 July 2016	565,265	565,265
Profit for the Period	145,381	145,381
Total comprehensive income for the year	145,381	145,381
Balance at 30 June 2017	710,646	710,646

Company Particulars and Financial Statements

Statement of Cash Flows

Energy and Water Ombudsman (WA) Ltd
For the year ended 30 June 2017

	2017 \$	2016 \$
Cash flows from operating activities		
Receipts from Members	2,320,963	2,414,564
Interest received	3,325	7,383
Payments to suppliers and employees	(2,277,624)	(2,315,811)
Income tax paid	(48,014)	(11,871)
Net cash provided by/(used in) operating activities	(1,350)	94,265
Cash flows from investing activities		
Net cash provided by/(used in) investing activities	-	-
Cash flows from financing activities		
Net cash provided by/(used in) financing activities	-	-
Net increase/(decrease) in cash and cash equivalents	(1,350)	94,265
Cash and cash equivalents at 1 July	564,676	470,411
Cash and cash equivalents at 30 June	563,326	564,676

Company Particulars and Financial Statements

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Energy and Water Ombudsman Western Australia
Free, independent and fair dispute resolution

