

Alinta Energy pays more than \$1 million for putting hurdles in way of help

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Electricity and gas

Alinta Energy has paid penalties of \$1.125 million for allegedly putting conditions on providing help to distressed customers despite the requirements of Victoria's energy rules.

The Essential Services Commission issued the energy retailer with 75 penalty notices after it found Alinta caused distress to vulnerable customers by making them provide financial information before agreeing to set up payment plans.

The commission heard a number of customers reported experiencing difficult circumstances, with at least three expressing suicidal thoughts, others missed paying bills due to a death in the family and many were anxious about threats of disconnection.

Commission chairperson Kate Symons says the case uncovered evidence of serious harm.

"This included vulnerable customers like single parents on limited incomes, people who were unemployed or affected by family violence and some with serious health issues," she said.

Under Victoria's nation-leading rules, energy supply is considered an essential service and energy companies are [required to help customers who are having payment difficulties](#) without requiring them to disclose personal financial or other information.

The commission found between October 2019 and March 2020, Alinta told customers who had missed payments they had to contact a financial counsellor before being offered a payment plan.

“Alinta Energy placed unnecessary barriers before they would provide assistance, contrary to the requirements of the [Energy Retail Code](#),” said Ms Symons.

Ms Symons says it’s disappointing that despite participating in the development of Victoria’s payment difficulty framework to better protect consumers, it did not uphold its obligations.

“By imposing conditions on customers before allowing them to access assistance, Alinta exacerbated the harm already being experienced.

The commission’s decision noted that Alinta cooperated with the investigation, waived the debt of affected customers and updated their customer service training to prevent it happening again.

Editors’ note: The commission can issue energy industry penalty notices where it has reason to believe a business has committed an energy industry contravention. Payment of a penalty is not an admission of a contravention of their retail licences.

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