

Commission extends safety net to struggling power customers

Victoria's independent economic regulator has reminded energy companies of their obligations to support struggling customers with disconnections rising sharply in recent weeks after being stopped for most of 2020.

The Essential Services Commission has extended temporary rules introduced in October 2020 that require energy companies to provide additional help beyond the existing safety net framework.

Commission chair Kate Symons says customers who can pay should do so, but with average debt continuing to rise, energy companies must play their part to support customers.

"While energy companies supported customers throughout much of 2020, disconnections have risen sharply with more than 1500 in recent weeks," she said.

Residential customers	December	January	February	March (to 19 March)*
Electricity	396	119	273	1,487
Gas	172	13	44	72
Total	568	132	317	1,559

*March numbers are preliminary only and may change.

Ms Symons says energy retailers must work with customers to manage their debt and avoid disconnection consistent with the payment difficulty framework.

"Our [payment difficulty framework](#) sets out minimum standards of assistance which residential customers facing payment difficulties are entitled.

"The safety net is designed to ensure disconnection of a residential customer for not paying a bill is a measure of last resort," she said.

The commission has [written to retailers](#) confirming the reinforced safety net will be in place until the end of the financial year. The extension of the advice mirrors similar provisions in other states which are enforced by the [Australian Energy Regulator](#).

See over for more detail on the advice to retailers and the payment difficulty safety net.

For further information call: David Jarwood, Senior Media Adviser, 0492 805 003

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Commission advice to energy companies

From 1 April 2021 to 30 June 2021:

- Retailers and distributors should not take steps to disconnect any residential or small business customer who may be in financial stress and who is in contact with you in relation to their debt or is accessing any retailer support (including under the payment difficulty framework)
- A distributor or retailer who becomes aware that a residential customer is isolating or quarantining because of the coronavirus, must not take steps to disconnect the customer. The commission considers such an approach would not be consistent with the health and safety provisions of the Electricity Distribution Code. Gas and electricity customers should be treated similarly.

The Victorian payment difficulty framework

Under Victoria's energy retail code customers are protected from disconnections or being forced to deal with external debt collectors if they owe less than \$300 or are on a payment plan.

Retailers are required to help customers who are worried about paying their bills by offering affordable payment plans and may put debt on hold and provide advice about concessions and government grants that may be available.

If you are at all concerned about your debt or bills, please contact your retailer as soon as possible.

If you have a complaint you are not able to resolve with your energy company, you can call the [Energy and Water Ombudsman Victoria \(EWOV\)](#) on 1800 500 509.

Go to www.esc.vic.gov.au - [having trouble paying your energy bills](#) for more information.

Other useful resources

- For help with managing your bills:
 - See if you're eligible for the Victorian Government's \$250 energy saving bonus (for pensioner concession cardholders and some health care card holders) - go to Victorian Energy Compare website – compare.energy.vic.gov.au or call 1800 000 832.
 - Free 35-minute webinars – visit the [Energy Info Hub](#).
 - For advice on energy bills, go to [Brotherhood of St Laurence](#) or call 1800 830 029 (free call). Translated information also available.
 - Find a financial counsellor near you at www.moneysmart.gov.au
 - Go to the [National Debt Helpline](#) or call 1800 007 007.

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