

Guideline: temporary assistance for small business customers during the coronavirus pandemic

1. Purpose

- 1.1. An objective of the commission pursuant to section 10 of the Electricity Industry Act 2000 and section 18 of the Gas Industry Act 2001 is to promote protections for customers, including in relation to assisting customers who are facing payment difficulties.
- 1.2. The purpose of this guideline is to provide assistance to Victorian small business customers experiencing financial stress attributable to the coronavirus pandemic. During this unprecedented time, engagement between retailers and small business customers is required to ensure reasonable assistance to meet energy costs is being provided. This guideline requires this engagement but does not mandate the specific form of assistance that must be offered; flexibility is preserved so that the particular circumstances of a customer can be taken into account.
- 1.3. For the purpose of this guideline a retailer means a person who holds a retail licence under the Electricity Industry Act or the Gas Industry Act. This is a guideline that a retailer must comply with as a condition of its licence.
- 1.4. The guideline takes effect from 1 October 2020 and will cease to have effect on 31 March 2021 (unless the operation of the guideline is extended pursuant to paragraph 6.1 of this guideline).

2. A relevant business customer

- 2.1. This guideline sets out the support a retailer must provide to a relevant business customer.
- 2.2. For the purpose of this guideline:
 - (a) a business customer has the same meaning as in clause 3 of the Energy Retail Code;
 - (b) a relevant business customer is a business customer who is experiencing financial stress attributable to the coronavirus pandemic.

- 2.3. A relevant business customer is not a customer that has entered a market retail contract in respect of more than one premises; and
- (a) the customer is or would be a small customer (within the meaning of that term as set out in section 3 of the Energy Retail Code) in relation to at least one of those premises; and
 - (b) the aggregate of the actual or estimated annual consumption level of the relevant premises is higher than:
 - (i) in the case of electricity – the upper consumption threshold provided for in an Order made under section 35(5) of the Electricity Industry Act;
 - (ii) in the case of gas – the upper consumption threshold provided for in an Order made under section 42(5) of the Gas Industry Act.

3. Information about assistance available

- 3.1. A retailer who is contacted by a business customer regarding, or in connection with, potential or actual difficulty paying for its energy costs must provide that business customer with information about assistance that may be available under this guideline and how it can be accessed.
- 3.2. A retailer must use its best endeavours to contact a business customer who has not paid a bill by its pay-by-date within a reasonable time prior to any de-energisation of the premises occurring and provide the business customer with information about the assistance that may be available under this guideline and how it can be accessed.

4. Assistance for relevant business customers

- 4.1. A retailer must provide, to a relevant business customer, assistance that is reasonable having regard to the particular circumstances of the relevant business customer.
- 4.2. Assistance provided pursuant to clause 4.1 may include:
- (a) making payments of an equal amount over a specified period;
 - (b) options for making payments at different intervals;
 - (c) extending by a specified period the pay-by date for a bill for at least one billing cycle in any 12 month period;
 - (d) payment plans that would result in any arrears of the relevant business customer being fully paid within a period determined by the retailer and clearly set out to the relevant business customer;
 - (e) practical assistance to help a relevant business customer lower their energy costs including, but not limited to, the tariff that is most likely to minimise the relevant business customer's energy costs, based on the retailer's knowledge of the relevant business customer's pattern of energy use and payment history;
 - (f) any other assistance consistent with the purpose of this guideline.

- 4.3. If the retailer provides a relevant business customer with a payment plan, the retailer must provide the relevant business customer with information on the terms of the payment plan; such as the frequency of payments, date by which payments must be made, and the period over which the payments are to be made.
- 4.4. If the retailer provides a relevant business customer with a payment plan pursuant to clause 4.1 of this guideline, that shall be treated as a payment plan for the purpose of clause 111(1)(a)(ii) of the Energy Retail Code.
- 4.5. A retailer can cease providing assistance to a relevant business customer under this guideline if:
- (a) after the retailer has provided assistance, the business customer has refused or failed to take reasonable action towards paying for their on-going energy use and repaying their arrears; or
 - (b) the period of any payment plan provided to a business customer has ended.
- 4.6. If a retailer has provided a relevant business customer with a payment plan, the retailer must continue to provide the payment plan beyond the end date of this guideline (31 March 2021, or any extension of that end date) if the payment plan period ends after the end date of this guideline.

5. Debt

- 5.1. A retailer must not commence or continue with proceedings for the recovery of arrears from a relevant business customer who is receiving assistance under this guideline.
- 5.2. A retailer must not sell or otherwise dispose of the debt of a relevant business customer who is in arrears:
- (a) at any time while the business customer is receiving assistance under this guideline; or
 - (b) within 10 business days after the business customer has been disconnected from their energy supply under Part 6 of the Energy Retail Code
- 5.3. Nothing in this guideline prevents a retailer from waiving any fee, charge or amount of arrears for a relevant business customer.

6. Extension of operation of guideline

- 6.1. Prior to 31 March 2021, if it considers that it is appropriate for the assistance in this guideline to continue, the Commission may extend the operation of this guideline to a date not later than 30 September 2021.
- 6.2. If it makes a decision pursuant to paragraph 6.1, the Commission must publish a prominent statement on its website to that effect.