

## Electricity and Gas Debts

**Use this factsheet if:**

- You are having problems paying your electricity or gas bill
- Your electricity or gas company is demanding that you pay more than you can afford

Before you take your next step, you should read the information on this sheet. You do have rights under the *Energy Retail Code* or other consumer protections.

**What Should I Do?****1. Ask for information**

- Tell the company that you are having payment difficulties.
- The company must provide you with information about concessions, Utility Relief Grants, energy efficiency and the availability of financial counsellors in your area.

**2. Ask for a payment plan that you can afford**

- You have the right to be offered a plan by which you can pay what you owe in instalments (unless you have already been on two or more instalment plans in the last year and you did not stick to them).
- You also have the right to a plan that takes into account your capacity to pay (what you can afford to pay each week or fortnight), not just what the company wants you to pay. If they won't offer you a plan that you can afford, ask to see their calculations about what they think you can afford so that you can check that the calculations are correct.

**3. Ask about the company's financial hardship policy**

- You may be entitled to assistance under the company's financial hardship policy.
- All companies are required to have a financial hardship policy that is available on their website.
- Financial hardship policies must include flexible options for payment of bills, provisions for auditing of customer's usage, flexible options for the purchase of replacement energy appliances, and processes for early response to payment difficulties.
- If you are complying with a financial hardship policy, you cannot be disconnected from supply.

**4. Get some advice and/or financial assistance**

- You may be entitled to a concession on your bills if you hold a Pensioner or Health Care Card. Ask the company how to apply for a concession.
- You may want to apply for a once-off Utility Relief Grant (URG) to help you pay your current bill. Ask the company how to apply for an URG. The company must not disconnect you if you have applied for an URG and are waiting for a decision.
- See a financial counsellor if you need help (see Contacts on this Fact Sheet).

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### 5. Contact the Energy and Water Ombudsman Victoria (EWOV) if you cannot resolve your problem with the company

- EWOV can help you resolve a problem with the company, including if you are finding it hard to pay a bill or the company will not offer you a payment plan that you can afford. EWOV will help you free of charge. The company must not disconnect you if you have made a complaint to EWOV and your complaint has not yet been resolved.
- You must try to resolve your problem with the company before EWOV can help. Try calling the company more than once. You can call EWOV again if the company still won't help.

## Electricity and Gas- Your Rights

### 1. Your Credit History

- A company cannot refuse to connect you because of your credit history.
- However, a company *can* ask you to pay a refundable advance in some circumstances. This is an amount that the company asks you to pay *before* you get a bill, as security in case you do not pay.
- The company can only ask you to pay up to 37.5% of the amount you were billed for electricity or gas over the last year, or 25% if you are on a dual fuel contract. (If the company does not know how much you were billed, it can ask you to pay up to the relevant proportion of the average amount the company billed domestic customers over the last year).
- If the company asks you to pay a refundable advance you should ask why. If you cannot afford to pay this amount, you should get help straight away (see Contacts). The company may not be entitled to ask you to pay this amount, or there may be other ways to deal with the company, including accepting an instalment payment plan instead.

### 2. Being Disconnected

- You can be disconnected for not paying a bill or for not paying a refundable advance.
- However, the company can only disconnect you if it has taken several steps first. For example, the company must send you a disconnection notice warning you that you will be disconnected. It should also offer you an instalment payment plan.
- The company must not disconnect you if:
  - o it is a Friday, Saturday, Sunday, Public Holiday, the day before a Public Holiday or after 2pm on any other day;
  - o the amount you owe is less than a certain amount;
  - o you are only on your first instalment plan;
  - o you have made a complaint to EWOV and it has not yet been resolved;
  - o you have applied for an URG and your application has not yet been decided;
  - o you are renting and the amount owed to the company is owed by your landlord, not you;
  - o for electricity, your address is registered with the company as a life support machine supply address (you need electricity to run a life support machine); or

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- for gas, your address is registered with the company as a medical exemption supply address (you need gas for medical reasons, for example to power a heart machine).

If you are going to be disconnected, or if you have been disconnected, you should get help straight away (see Contacts).

From 1 January 2005, you may be eligible for a wrongful disconnection payment if you have been disconnected contrary to the provisions of the *Energy Retail Code*.

If you believe you have been wrongfully disconnected, you should first approach your retailer. If this is unsuccessful, you can make a complaint to EWOV. Where EWOV is unable to resolve your claim with agreement of both you and the retailer, it will refer it to the ESC who will make a decision.

### 3. Being reconnected

- If you are disconnected because you do not pay a bill, the company must reconnect you if, within 10 days, you pay the bill or you agree on how the bill will be paid.
- If you are disconnected because you do not pay a refundable advance, the company must reconnect you if, within 10 days, you pay the refundable advance.

### 4. Caravan park residents or rooming house/ boarding house residents

- You may not have all the rights described in this Fact Sheet if you are a resident of a caravan park and you are billed for your electricity or gas directly by your property owner or manager, not by the electricity or gas company. However, you must not be charged more than the utility company charged for your use of electricity or gas.
- If you are a rooming house resident, the rooming house owner cannot charge you for electricity or gas consumed in your room if you lived in a shared room, or if the room is not separately metered. If your room is separately metered, the rooming house owner can charge you for electricity and gas used in your room, however you must not be charged more than the utility company charged for your use of electricity or gas.
- If you are not sure of your rights, you should speak to the Tenant's Union of Victoria (see Contacts on this Fact Sheet)

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### Contacts

Financial Counsellors and Consumer Support Workers	Energy and Water Ombudsman Victoria (EWOV)	Consumer Action Law Centre	Tenant's Union of Victoria	Department of Human Services	Social welfare and emergency relief groups
For help in dealing with the company or understanding your options, for example with regard to payment plans.	To make a complaint about a company, including if you are having problems paying a bill or are disputing a bill.	To get some legal advice if you think the company is acting contrary to your rights.	For caravan park and rooming house residents to obtain information on your rights under the <i>Residential Tenancies Act</i>	For information on concessions and Utility Relief Grants (URG)	For some extra help, if you are finding your bills very hard to manage.
Call the Financial & Consumer Rights Council on (03) 9663 2000 or 1800 134 139 (toll free) or visit their website at <a href="http://www.fcrc.org.au">www.fcrc.org.au</a> if you do not know where to find your local financial counsellor.	Call 1800 500 509 (freecall) or write to GPO Box 469D Melbourne VIC 3001. You can also make a complaint over the Internet at <a href="http://www.ewov.com.au">www.ewov.com.au</a> .	Call (03) 9629 6300 or 1300 881 020 (local call cost). See also <a href="http://www.consumeraction.org.au">www.consumeraction.org.au</a> .	Call (03) 9416 2577 or visit their website at <a href="http://www.tuv.org.au">www.tuv.org.au</a>	Call the Concessions Unit on (02) 9616 7600 or 1800 658 521 (toll free).	Call the Victorian Council of Social Service (VCOSS) on (03) 9654 5050 or 1800 133 340 (toll free) if you do not know where to find local help.