



Energy & Water
Ombudsman NSW

Energy essentials for community workers



This factsheet answers common questions raised by community workers about electricity and gas. See the NSW Government website for further guidance. energysaver.nsw.gov.au.

Representing your client

You need authority from your client to discuss their account with EWON.

In most cases your client can give permission by phone or by filling out an **Authority to Act form**. This is separate from the Authority to Act form you need to complete when dealing with energy providers. See our **'Helping or representing someone with their complaint'** factsheet at ewon.com.au/factsheets.

Customer affordability programs

As part of their hardship charter, retailers have established programs to help customers experiencing financial difficulty, with the aim of:

- protecting customers from disconnection
- offering tailored payment plans based on the customer's capacity to pay their energy usage and arrears
- providing energy saving information and audits.

Retailer obligations

The National Energy Retail Law (NSW) requires all energy retailers to have a customer hardship charter which assists customers experiencing financial difficulty to manage their bills. The charter must be free and made available to the public on the retailer's website or by request.

- Hardship charters include information about:
- processes to identify customers experiencing financial hardship
- flexible payment options
- an outline of the retailer's hardship assistance program.

The NSW Government requires retailers to have an Energy Offer Information Program for rebate recipients. Retailers need to use reasonable endeavours to inform and assist customers who receive energy rebates to identify the most appropriate market offer for them.

Negotiating an affordable payment plan

The extent of the affordability issues may be described as short, medium or long term. For customers with short or medium term financial difficulties, payment date extension, payment plan and/or emergency assistance may help them get back on track.

Customers with long term difficulties (eg low or fixed income, large arrears) are likely to need the help of a financial counsellor to determine an affordable payment plan. A financial counsellor's report is a very useful tool to use in negotiations with the retailer.

Before contacting a retailer:

- check to see if the customer's affordability issues are short, medium or long term
- decide if a financial counsellor's report is needed
- calculate the customer's average energy bills per quarter
- review arrears owing on current or previous accounts
- ask the customer, what they can reasonably afford to pay.

You may also find it helpful to read the retailer's hardship charter and find out the eligibility criteria for its affordability program.

The Australian Energy Regulator's Sustainable Payment Plan Framework has a guide outlining how to set a payment plan. aer.gov.au/retail-markets/retail-guidelines-reviews/aer-sustainable-paymentplans-framework.

Missed payments

After you negotiate a payment plan for your client, it is important to advise them that they need to contact the retailer if they can't make a payment or if they miss one. If they don't notify the retailer, their existing payment plan may be cancelled and they risk disconnection or debt collection action.

EAPA

Energy Accounts Payment Assistance (EAPA) help financially disadvantaged people experiencing difficulty paying their energy bill because of a crisis or emergency situation. For more information or to get a list of EAPA providers, phone Service NSW on **13 77 88** or visit energysaver.nsw.gov.au.

Rebates

The State and Federal Governments fund a number of energy rebate programs that your clients may be eligible for, including the Low Income Household Rebate, Gas Rebate, Family Energy Rebate, Life Support Rebate and more. See our [rebates factsheet](#) for more information.

Closing accounts

Your client should contact their retailer when they move out and give a forwarding address for the final bill. The retailer will arrange for a meter reading and issue a bill. If your client does not close their account when they move out, they will continue to be billed until the new occupant opens an account.



Disconnection

There are rules about when a customer's electricity or gas can and cannot be disconnected or, for water, restricted. If your client is facing disconnection or having trouble getting reconnected:

- contact the retailer to discuss a payment plan
- ask about affordability programs
- check that your client is receiving rebates they're eligible for
- help your client locate EAPA (the retailer cannot disconnect your client if they have an

appointment for EAPA assessment)

- refer your client to a financial counsellor to help work out an affordable payment plan.

If you are unable to negotiate an affordable payment plan for your client, contact EWON. We can check the retailer has followed the disconnection rules, request a hold on an impending disconnection while your client locates assistance (such as EAPA), or while an affordable payment plan is negotiated, and try to negotiate reconnection based on an agreed payment plan.

Privacy

Customers experience affordability issues for many reasons. It is not mandatory to advise a retailer of the reasons. However, the information can be helpful in negotiating an affordable payment plan (eg loss of employment). You should only provide sensitive information about the customer's circumstances to the retailer with the customer's consent.

Estimated bills and backbilling

Your client may receive an estimated bill if the meter reader is unable to get an actual read from their meter. Estimated bills are generally based on the amount of electricity or gas used in the past, which may be more or less than the amount actually used in the period that was estimated.

After the meter is next read, the bill will be adjusted for any usage above or below the estimate. If the estimated bill is below actual usage, your client will receive a catch-up bill, also known as a backbill. The retailer should offer extra time, equivalent to the backbill period, to pay a backbill.

For more information refer to our '[Estimated bills](#)' and '[Backbilling](#)' factsheets.

Switching retailers

If your client switches retailers any payment plan they have in place will be cancelled and any amount owing becomes payable immediately. Your client should be sure that switching will benefit them. Refer to our '[Changing retailers](#)' factsheet for more information.

Debt collection, credit listing and repair agents

A retailer may take debt collection action for a bill over \$100 once it is 60 days overdue. Unpaid debt can result in a default listing on the customer's credit report and lead to them being denied finance in the future. Credit fix/repair agents promise to assist customers to have credit listings removed often charge very high fees for their service. If your client wants to dispute a credit listing, they can avoid these fees by bringing the matter directly to EWON. For more information, refer to our '[Credit default listing and debt collection](#)' factsheet.

Tenants

Your client should contact their retailer when they move out and give a forwarding address for the final bill. The retailer will arrange for a meter reading and issue their bill. If your client does not close their account when they move out, they will continue to be billed until the new occupant opens an account.

Share houses

If your client's name is on the account they may be liable for any amount owing, not just what they believe is their share. A person can't be held responsible for an account in someone else's name. However, if the account holder moves out of a share house, another occupant needs to open an account in their own name as soon as possible.