



Financial Rights

LEGAL CENTRE

FACT SHEET



Fact sheets are information only and should not be relied upon as legal advice. This information only applies to NSW.

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CAN'T PAY MY ELECTRICITY DEBT

This fact sheet is for information only. It is recommended that you get legal advice about your situation.

CASE STUDY

Jan has been struggling to make ends meet since she got ill with a heart problem. Jan needed to go on Centrelink while she recovered as she just felt tired all the time. The bills were mounting up. Jan just received a letter from BIG ENERGY threatening to cut off the power if she does not pay! Jan is in a panic and does not know where to get the money needed.

ELECTRICITY IS AN ESSENTIAL SERVICE.

If you can't pay your electricity or gas bill don't run out and get a loan. This will only add to your difficulties when you need to pay it back with interest. Instead you should:

- Negotiate a repayment arrangement with the utility supplier; **AND**
- Obtain Energy Accounts Payment Assistance (EAPA) vouchers to assist with the payment of the debt (if you qualify). See below under the heading Can I get vouchers to help pay the electricity bill.

HOW DO I NEGOTIATE A REPAYMENT ARRANGEMENT?

Step 1: Do you think you owe the debt in full? If yes proceed to Step 2. If no, you need to:

1. Obtain advice by phoning the Credit & Debt Hotline on 1800 007 007;
2. Raise a dispute with the electricity retailer;
3. If the matter is still unresolved contact the Energy and Water Ombudsman NSW (EWON) (www.ewon.com.au or ph: 1800 246 545).

Step 2: Work out what you can afford to pay to the debt on a regular basis (say fortnightly). If you require assistance to see what you can afford to repay consider obtaining an appointment with your local financial counsellor. For a listing of financial counsellors in your local area see www.financialcounsellingaustralia.com.au or phone the Credit & Debt Hotline on 1800 007 007. Start paying an amount you can afford to reduce the debt. This helps to stop the arrears (amount you are behind) increasing and helps to avoid disconnection.

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Step 3: Contact the electricity/gas supplier and tell them why you are having difficulties paying the full debt owed. Tell them:

1. You are in financial hardship;
2. How much you can afford to pay;
3. Ask for a repayment arrangement on the basis you can afford to pay that amount each fortnight or month. Keep a note of the details of the phone conversation. If possible, use the sample letter attached to confirm the agreement and keep a copy of the letter. Continue to make the agreed repayments.

THE AIM IS TO GET AN AGREED REPAYMENT ARRANGEMENT IN PLACE!

Step 4: If the electricity/gas supplier will not agree to a repayment arrangement contact EWON on phone 1800 246 545 or www.ewon.com.au.

DO I HAVE ANY HARDSHIP RIGHTS WITH THE ELECTRICITY COMPANY?

Yes. Electricity and gas suppliers have an obligation to work with you when you are in financial hardship.

HELP, THEY ARE THREATENING TO DISCONNECT ME!

Always take a threat to disconnect you seriously. You should immediately:

1. Phone the electricity/gas supplier and say you are in financial hardship.
2. Specifically ask that it does not disconnect you. Ask for confirmation that it won't disconnect you now you have called and are negotiating a repayment arrangement.
3. Keep making payments.
4. Enquire about how to apply for an EAPA voucher to assist with payment of the electricity bill (see below). **You cannot be disconnected while you are applying for an EAPA voucher so if you intend to apply and believe you may qualify for assistance then tell the electricity company.**
5. If there is still a threat of disconnection contact EWON immediately by phone on 1800 246 545 or www.ewon.com.au.

CAN I GET VOUCHERS TO HELP PAY THE ELECTRICITY BILL (EAPA VOUCHERS)?

The Energy Accounts Payment Assistance (EAPA) Scheme helps financially disadvantaged people experiencing difficulty paying their electricity or gas bill because of a crisis or emergency situation

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EAPA vouchers are provided through a NSW Government scheme. Each voucher is worth \$30. The vouchers are provided to low income people who cannot afford to pay their electricity debt. EAPA vouchers are available through community welfare agencies. You can find out where to obtain EAPA vouchers by phoning your energy retailer or Department of Industry & Investment on 1300 136 888 or at www.industry.nsw.gov.au/energy/customers/help

The community welfare organisation will assess your situation and determines each case based on individual circumstances.

CENTREPAY

If you are on Centrelink as your main source of income then Centrepay may be a useful way to ensure that your electricity bills are paid. Centrepay is a free direct bill-paying service offered to customers receiving payments from Centrelink. Through Centrepay you can choose to pay bills by having a regular amount deducted from your Centrelink payment. You can nominate an amount to be deducted from your Centrelink payments to try to ensure your bill is mostly paid when it arrives.

NEED SOME MORE HELP?

See [Fact Sheet: Getting Help](#) for a list of additional resources.

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